

30 July 2015

The Manager Companies  
Company Announcements  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

## June 2015 Quarterly Report Of Activities

Please find following the June 2015 Quarterly Report of Activities and Cashflow for Bass Metals Limited (ASX:BSM) (“Bass” or the “Company”).

### 1. Overview

Bass’ activities during the period under review, have focussed on:

- Divesting the company’s Tasmanian Assets
- Rationalisation of exploration tenement holdings in Tasmania
- Continued review and modelling of remaining Hellyer and Que River resources
- Ongoing Care and Maintenance and closure activities at the Que River mine site
- Board and Executive Changes
- Review and discussions pertaining to potential project acquisitions

### 2. Que River and Hellyer Resources – Sale of Projects

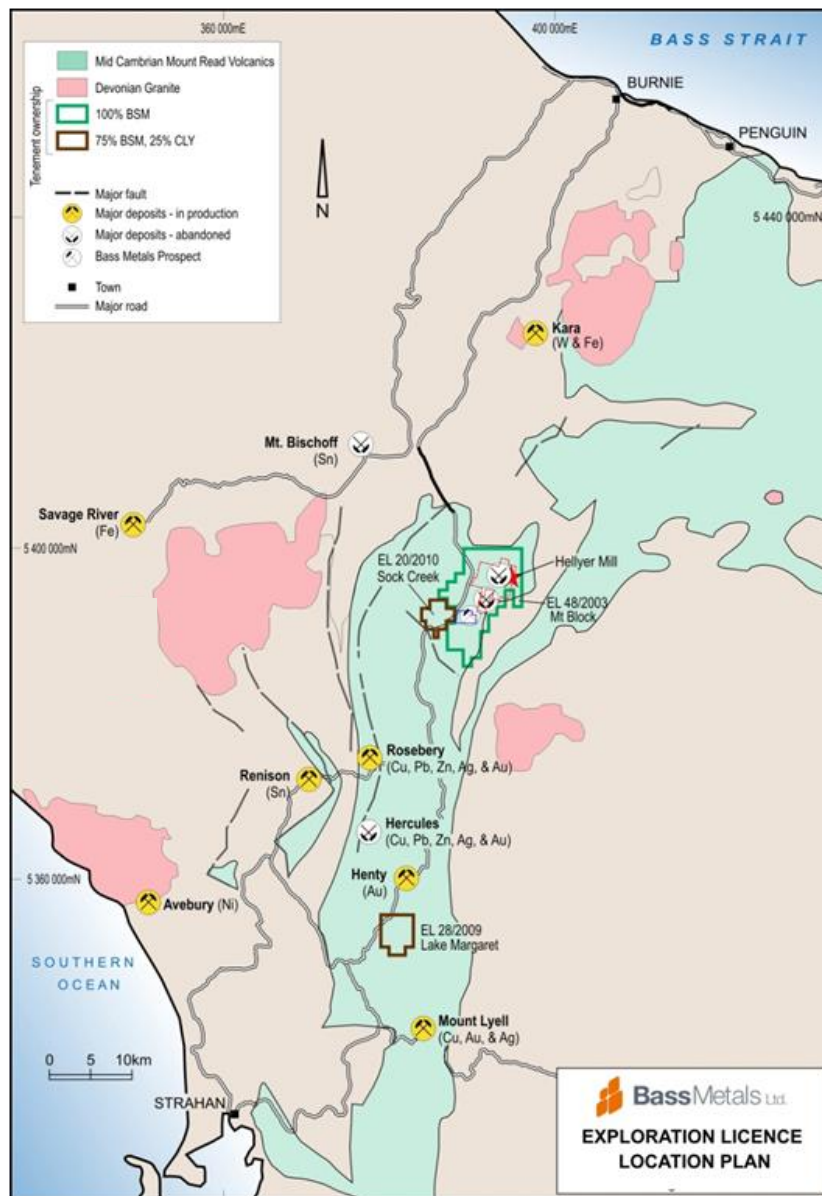
On 28 April 2015, the Company announced that it had entered a 60 day Exclusivity Period with Moreton Resources Limited (“Moreton”)(ASX:MRV) with the aim of divesting its Tasmanian Asset Portfolio to Moreton. The assets in question included the Fossey and Que River Mines, which contain base metals inventories of Zinc and Lead, with a variety of additional precious metals and surrounding exploration tenements.

Following a due diligence period, the board of Moreton informed the company that they did not intend to complete the acquisition of Bass’ Tasmanian Assets. Notice to this effect was then made to the ASX on 19 May 2015.

The company shall continue its evaluation of its Tasmanian projects in order to derive value for these assets.

### 3. Exploration, Tasmania

Bass has continued to rationalise its exploration tenement portfolio in Tasmania and review the data collected over many years. The Company has relinquished some areas which are considered to be of low potential. The plan below outlines the exploration areas now retained by the Company.



**Bass Exploration Tenements March 2015**

The Company’s technical focus within the reported period has continued to be the assessment of potential for viable development of remaining resources in the Que River and Hellyer areas, details of which have been previously reported by the Company. As part of the assessment, a scoping study on the potential for open cut and underground mining of the resource has been completed. The base exercise contemplates contract mining of the defined resources and sale of the ore to a third party processor. Detailed modelling has continued of previously defined exploration targets in the Mt Charter to Hellyer corridor, focussing on the location of potential drill holes, in preparation for future drill testing.

#### **4. Environmental activities, Tasmania**

The Company continued to comply with its Care and Maintenance plan for the Que River site during the quarter. Environmental management at the Que River site focussed on the rehabilitation of the surface areas of the site, with significant progress being achieved in clean up, covering and re-seeding of

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previously disturbed areas. Daily field testing and environmental laboratory testing continued throughout the period as per the site's Care and Maintenance Plan.

## 5. **LionGold Litigation**

The litigation between the Company and LionGold Corporation has been placed on the commercial list in the Supreme Court of Western Australia and a compulsory mediation between the parties was ordered by the Supreme Court some time ago.

The Company continues to be frustrated by the lack of action from LionGold in relation to arranging an appropriate date for this mediation, and is examining legal options to expedite the ordered mediation. The board will continue to pursue satisfactory settlement of its litigation with LionGold.

## 6. **Board and Corporate Appointments and Changes**

On 12 June 2015, the board announced the appointment of experienced executives, Jeffery Marvin and David Round. On this date, the company also announced the retirement of Mr Tony Treasure from the board and that Mr Arno Voss had resigned from the company and relocated to South Africa.

Mr Marvin has over twenty years working with corporate management and investors to bring international minerals companies to the public markets. Jeffrey specialises in early stage mineral company investment, corporate management and business restructuring. In addition to his involvement with StratMin, Mr Marvin is currently involved in minerals projects in Sub-Saharan Africa and Western Europe where he focuses on coal, manganese, copper, chrome and precious metals.

Mr David Round, the Company's new CFO and Company Secretary is an experienced accountant with many years' experience as an advisor to the resource sector. Mr Round previously worked on the listing of International Coal Ltd, with Chairman Rick Anthon, and served as Company Secretary and Finance Director for several years. He was instrumental in the company securing a number of successful joint ventures, including the company's JV with Queensland Coal Investments Ltd (a subsidiary of Hancock Prospecting Ltd.).

The Company wishes to thank Mr Treasure for his large contribution to the Company since 2008 and wishes him well for the future. The company would also like to express its thanks to Arno de Vos and wishes him all the best in South Africa.

The Company is currently evaluating a number of acquisition opportunities and looks forward to providing the market with an update once a deal is finalised.

Yours faithfully

**Rick Anthon**  
**Non-Executive Chairman**

*For further information contact –  
Rick Anthon*

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## Competent Persons Statement

*The information in this report that relates to Mineral Resource estimates is based on information reviewed by Mr Tony Treasure who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Treasure has sufficient experience which is relevant to the style of mineralisation and type of deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)". Mr Treasure consents to the inclusion in the report of the matters based on this information in the form and context in which it appears."*

**The Company's interests in mining tenement as at 30 June 2015 were as follows:**

Tenement	Interest
EL48/2003 Mt Block <sup>4</sup>	100%
EL28/2009 Lake Margaret <sup>1</sup>	75%
EL20/1010 Sock Creek <sup>1</sup>	75%
CML 103M/1987 Hellyer Mine Lease <sup>2&amp;4</sup>	100%
CML 68M/1984 Que River Mine Lease <sup>4</sup>	100%
ML 10W/1980 Access Easement to QRML	100%
RL11/1997 Mt Charter Retention <sup>3&amp;4</sup>	100%

Notes:

1. Subject to joint venture with Clancy Exploration Limited.
2. CML 103M/1987 is owned by HMO a 100% subsidiary of Ivy Resources Ltd. Bass has 100% interest in all of the existing base metal resources and base metal exploration rights through a Sublease Agreement.
3. RL11/1997 is owned by Bass, but HMO has a 100% interest in the existing gold resource and gold exploration rights through a Sublease Agreement. Bass retains all base metal exploration rights.
4. Intec Limited holds a 2.5% NSR Royalty over all Product from Bass' interests in RL11/1997, EL48/2003, CML68M/1984 and CML103M/1987.

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