

5 January 2016

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

Dear Sir/Madam

**Notice under Section 708A**

Bass Metals Ltd (“the Company”) hereby notifies the Australian Securities Exchange in accordance with Section 708A(5)(e) of the Corporations Act 2001 (“the Act”) that:

1. The Company, on the 5 January 2016, issued 54,000,000 fully paid ordinary shares (“the Securities”) and 33,330,000 Unlisted Options
2. The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under Section 708 or 708A of the Act. By giving this notice, sale of the Securities will fall within the exemption in Section 708A(5) of the Act
3. The Securities were issued without disclosure to investors under Part 6D.2 of the Act, in reliance on Section 708A(5)

The Company, as at the date of this notice, has complied with:

- a) The provisions of Chapter 2M of the Act as they apply to the Company; and
- b) Section 674 of the Act

As a result of the recent settlement with Liongold, the Company has received a letter from lawyers acting for LCM Litigation Fund Pty Ltd demanding payment of a portion of the settlement proceeds, and which is said to arise under an agreement between LCM and the Company dated 24 September 2013. The Company is defending the demand and will immediately advise the market of any further developments.

As at the date of this notice, there is no excluded information for the purposes of Section 708A(7) or 708A(8) of the Act.

Yours faithfully



David Round  
Company Secretary