



**Bass Metals** Ltd.

*Operating, optimising and expanding the Graphmada large flake graphite mine in Madagascar*

Investor Presentation  
March 2017



# Investment Thesis



## ONLY ASX LISTED GRAPHITE PRODUCER

One of only five publically listed graphite producers in the world and the only Australian ASX listed graphite producer.

## ASSET PURCHASED AT MATERIAL DISCOUNT

Graphmada graphite mine purchased for ~A\$5 million, having previously sold for ~A\$50 million, with an additional ~A\$16 million invested by previous owners.

## 40 YEAR LONG LIFE LOW MINING COST OPERATIONS

40 year mining permits in place, containing four premium quality, large flake, graphite deposits hosted in weathered graphitic gneiss, a soft, easily minable rock that incurs low mining costs.

## REVENUE GENERATING ASSET IN GROWTH MARKET

With all associated mining infrastructure and logistics in place, the mine currently produces and sells a range of graphite concentrates into multiple high growth market segments, to customers in India, the United States and Europe.

## PRODUCTION VOLUME GROWTH THROUGH OPTIMISATION

Optimisation program underway, targeting lower operating costs, production volume growth and premium concentrate grades.

## EXPANSION PLANS BEING IMPLEMENTED

Drilling to materially grow existing resource inventories, with plans for a second processing plant to significantly expand production.

# Capital Market Snapshot



For personal use only

## CAPITAL STRUCTURE (ASX: BSM)

(as at 8 March 2017)

Shares outstanding 1,368 million

Options Outstanding 471 million<sup>1</sup>

Cash & Receivables A\$3.2 million<sup>2</sup>

Share Price (ASX) A\$0.012

Market Capitalisation A\$16 million

No Debt

## SHARE PRICE CHART



## SHAREHOLDERS

Executives and Directors<sup>3</sup> 8%

Top 20 46%

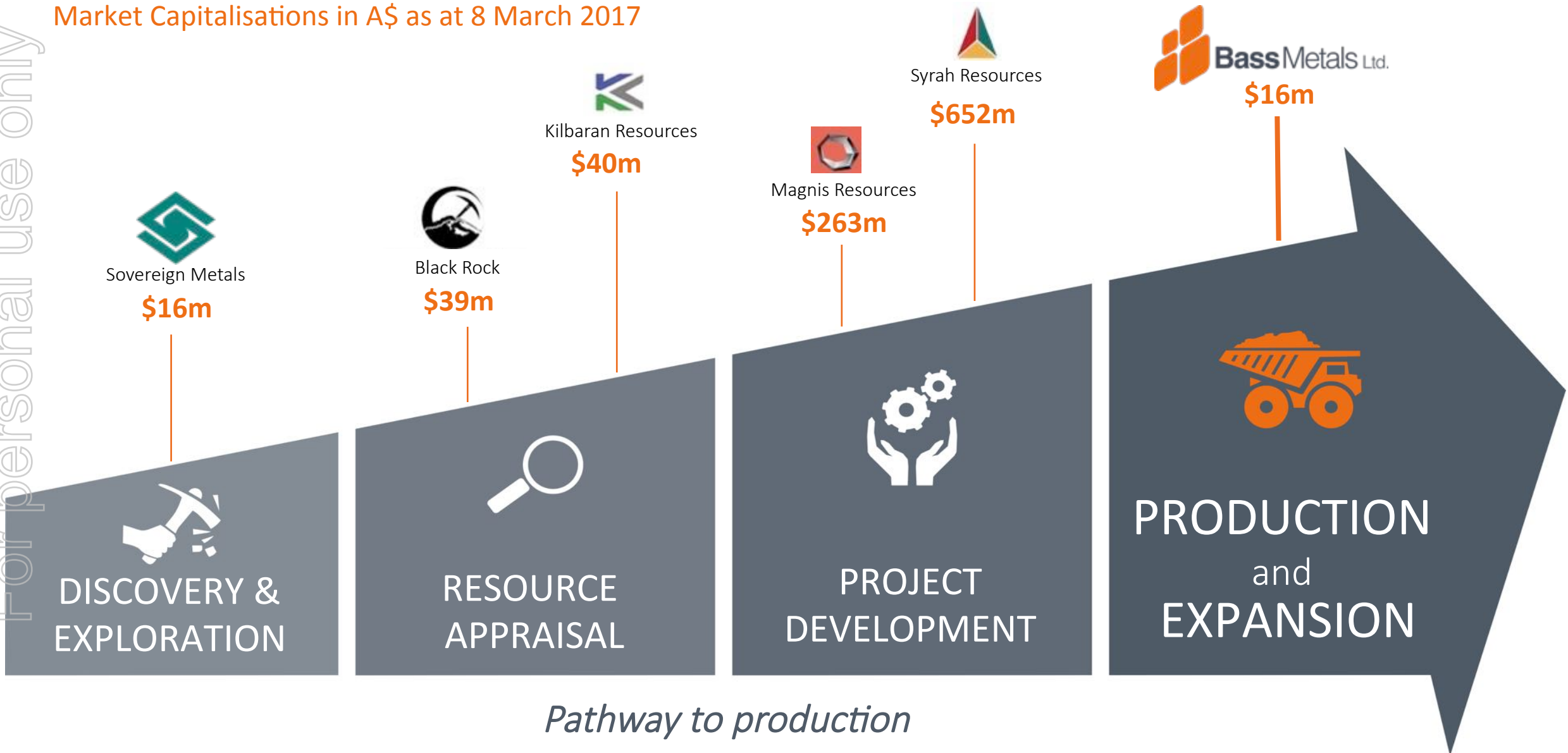
<sup>1</sup> Excludes 126,394,220 unlisted options – see Appendix 3B released to the ASX on the 1st of September 2016 for further detail.

<sup>2</sup> Cash and Receivables includes A\$1.05m receivables outstanding from Lion Gold.

# Our Potential

Market Capitalisations in A\$ as at 8 March 2017

For personal use only



*Pathway to production*

# Board & Management



## Rick Anthon – Non-Executive Chairman

30 years experience in both corporate and commercial law, is a director of a number of resource companies, and is currently Manager of Corporate and Legal at Orocobre Ltd, Australia's premier Lithium producer.

## Jeffrey Marvin – Non-Executive Director

20 years working with corporate management and investors to bring international mineral projects to public markets.

## Peter Wright – Non-Executive Director

Mr. Wright has 20 years advising on capital markets, investor relations, acquisitions and divestments, particularly in industrial minerals and metals markets. Mr. Wright is also currently Executive Director of Bizzell Capital Partners, a Brisbane based corporate advisory and funds management firm.

## Tim McManus – Chief Executive Officer

25 years' as a mining professional with significant experience at senior management level across all facets of project assessment, development and operations. Previous roles include CEO of ASX listed Elementos Ltd, Chief Geologist for Xstrata, and Partner – Barclays Natural Resource Investments: Metallurgical Coal Management Team.

## David Round – Chief Financial Officer & Company Secretary

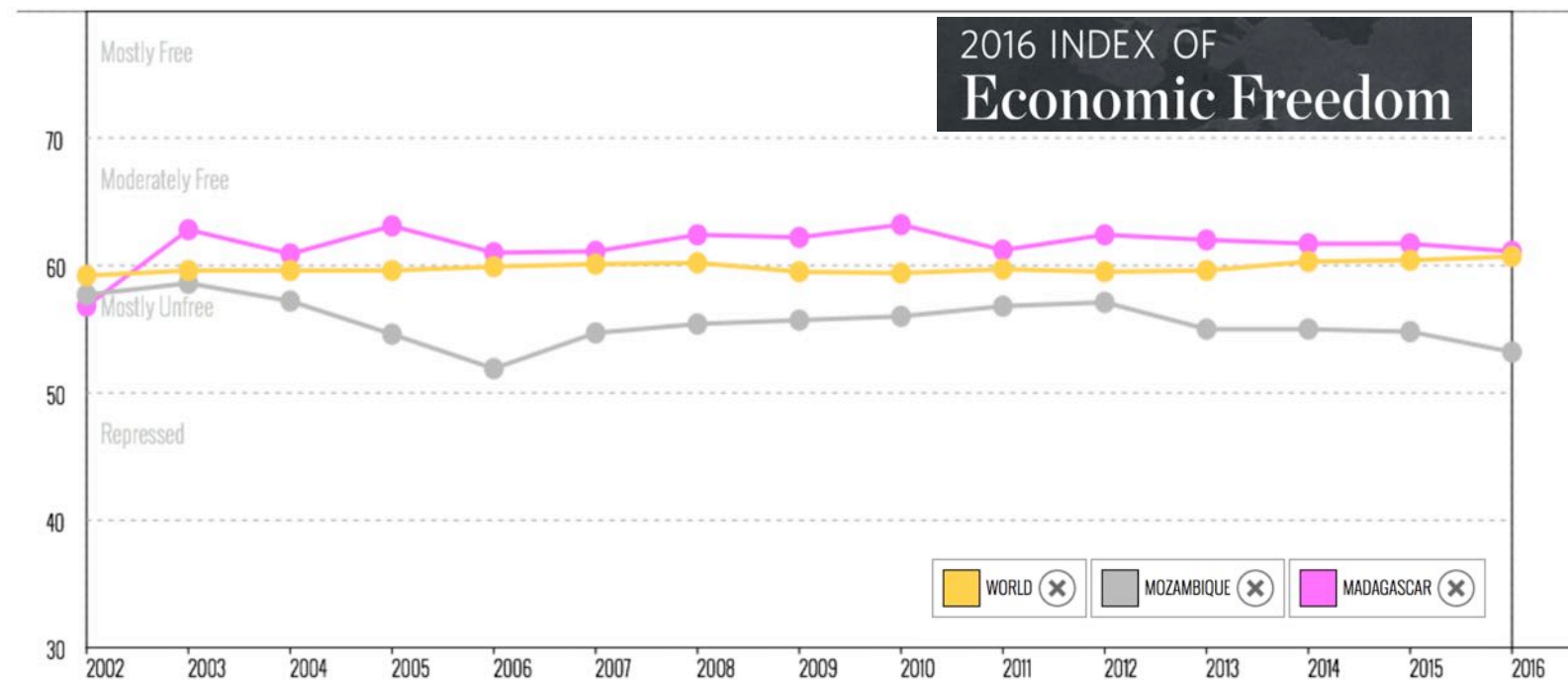
An accountant with extensive resource sector experience as CFO and Company Secretary to a number of resource development and mining companies.



# Madagascar

Madagascar has produced benchmark quality graphite for over 100 years due to a high proportion of high purity, large flake, premium quality crystalline graphite, low operating costs and well developed export infrastructure.

Madagascar is an island country in the Indian Ocean, off the coast of Southeast Africa, and has been a democracy since 1960. It is governed under a French legal system with Hery Rajaonarimampianina as President. It has a population of approximately 24 million and an estimated 2016 GDP of \$9.2 billion USD. The Corporate Tax rate is a low 20% with a low 2% Mining Royalty. Its capital city is Antananarivo and its main export port is the port of Toamasina situated on the east coast.



Index of Economic Freedom, an annual guide published by The Wall Street Journal and The Heritage Foundation.

# Graphmada Overview

Graphmada is an operating mine with four large flake premium quality graphite deposits within its permits:

- Loharano – recent mining
- Mahefedok - trial mining
- Mahela - to be developed
- Ambatofafana - to be developed

With shallow, low cost mining, and an established 6000tpa nameplate capacity processing plant.

With modern facilities and infrastructure, including an on-site doctor and pharmacy, laboratory, housing and offices, water and communications.

LOHARANO DEPOSIT*	TONNAGE	GRADE (CUTOFF 2%)	CONTAINED GRAPHITE
Indicated	0.4 Mt	5.1 %	22 Kt
Inferred	5.3 Mt	4.0 %	213 Kt
<b>Total Resources<sup>1</sup></b>	<b>5.7 Mt</b>	<b>4.1 %</b>	<b>235 Kt</b>

Table subject to rounding errors

\*Loharano Deposit JORC Resources represent only the top 6 meters of mineralisation at Loharano.

## LOCATION



<sup>1</sup> These estimates were prepared and first disclosed by Stratmin under the JORC Code 2004. The estimates have not been updated to JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Reference is made to the Company's announcement of 2 September 2015 which provides further detail regarding this information.



# Production Tour

For personal use only

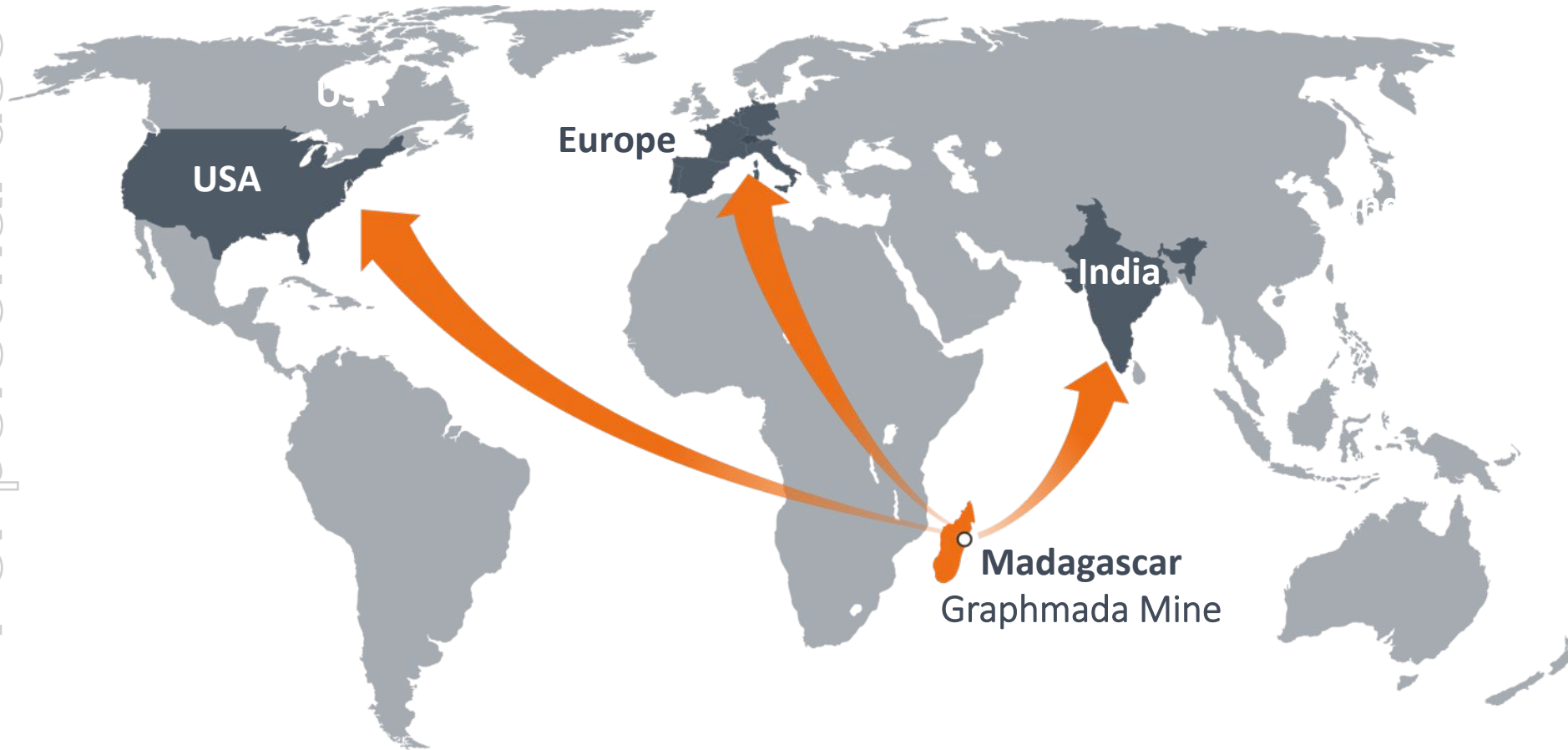




# Sales & Logistics

Existing sales are provided in 1 tonne bags or 50 kg bags and placed into 20 tonne containers for shipment from the export port of Tamatave, located 110 km by sealed road from the Graphmada Mine.

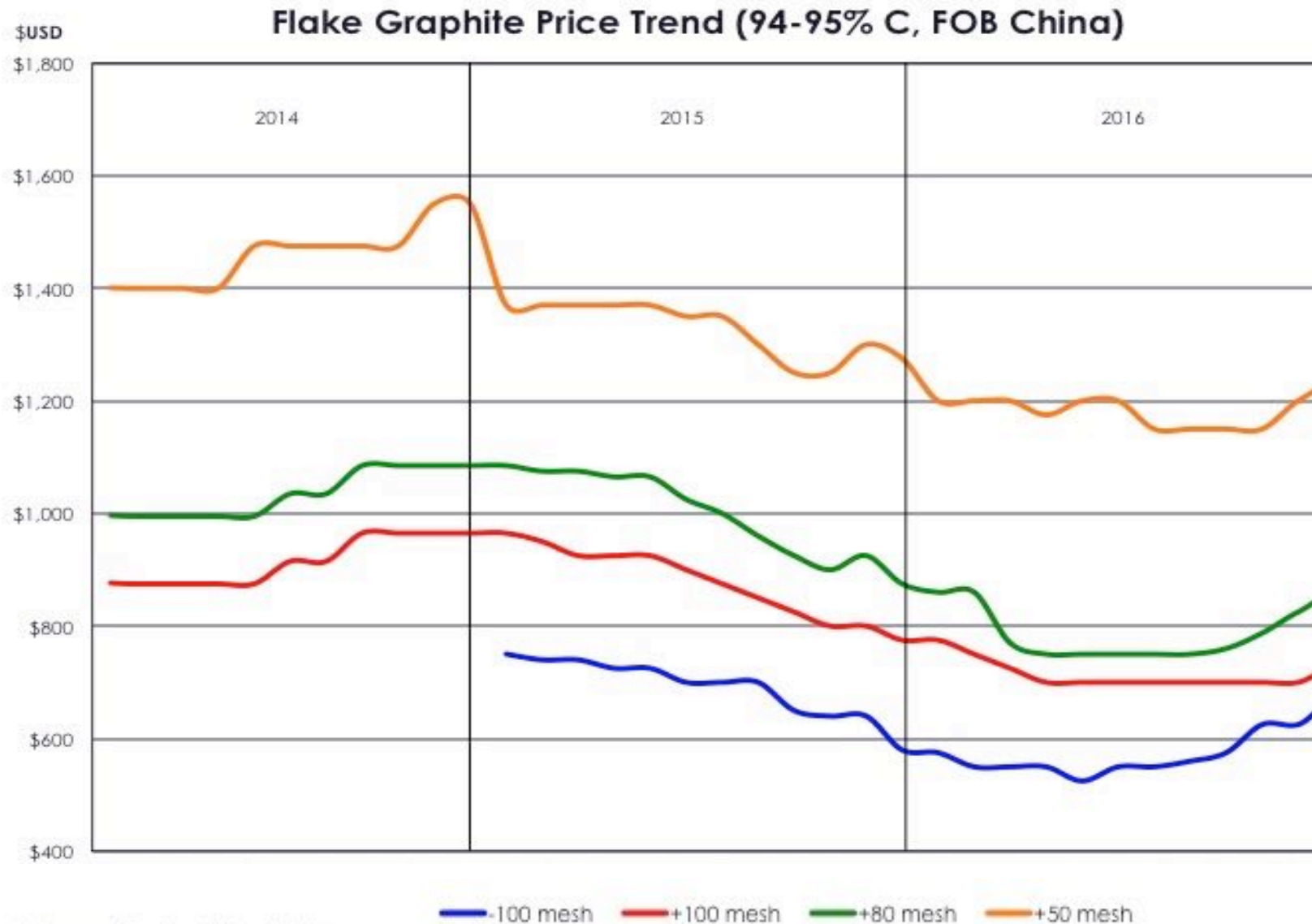
For personal use only



Graphmada Product

# Recent Pricing

For personal use only

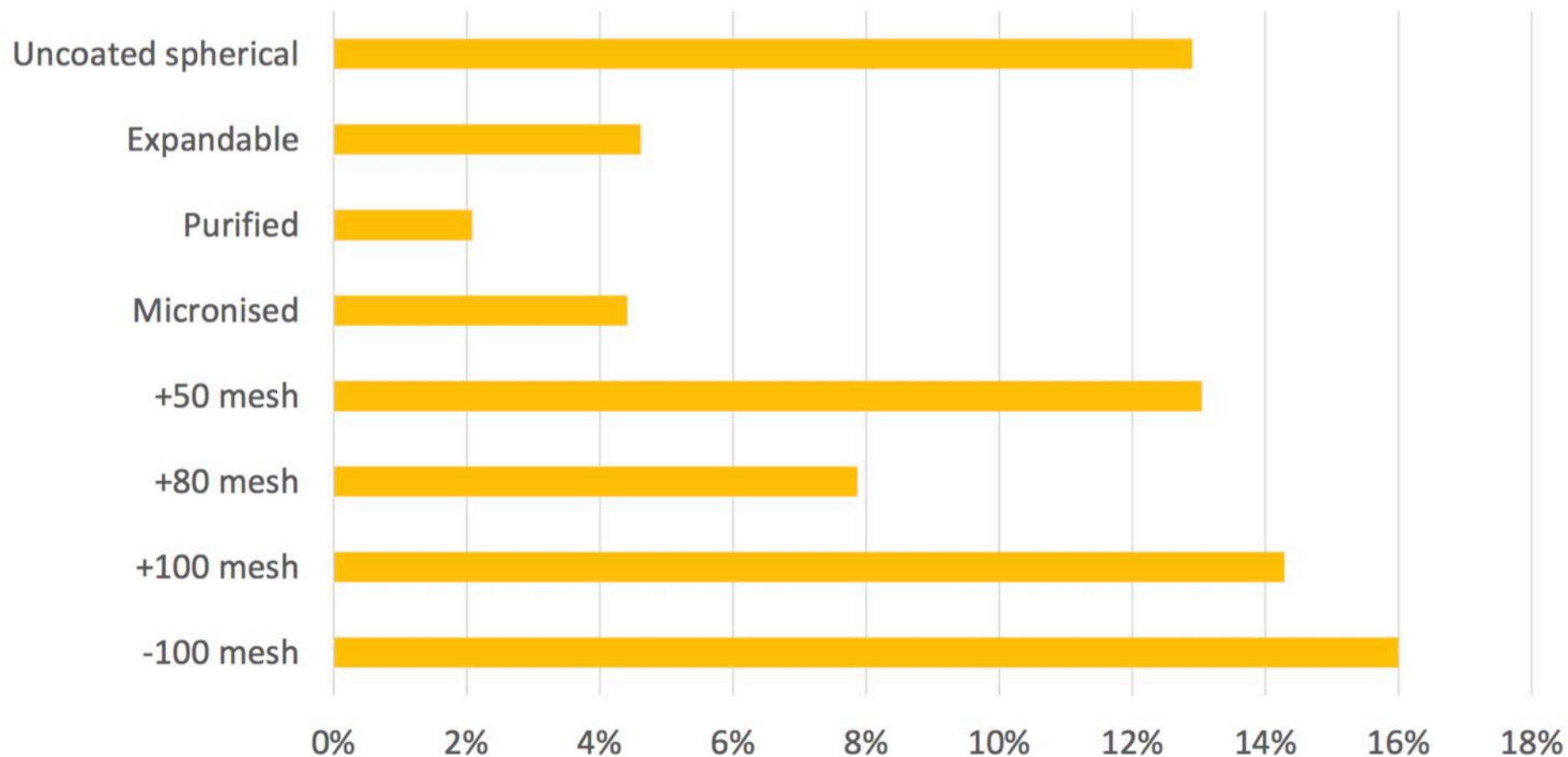


Data source: Benchmark Mineral Intelligence

# Near Term Price Growth

For personal use only

Price changes: Nov '16 - Nov '17





# Asset Strategy



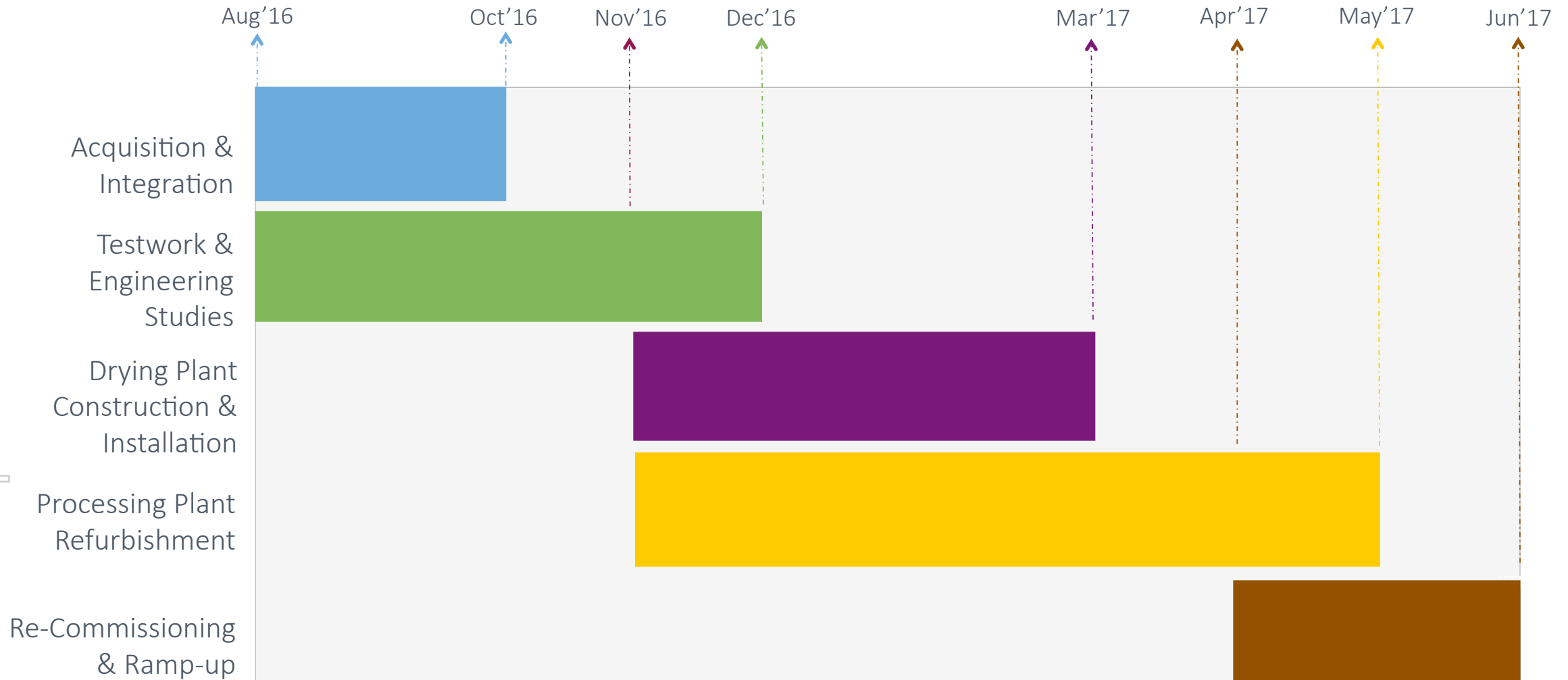
For personal use only



# Optimisation Program: Price Catalysts



## GRAPHMADA MINE OPTIMISATION TIMELINE



For personal use only

# Optimised Sales

Increasing sales revenues through production volume growth of higher value concentrates; achieved through increasing throughput of higher margin ore and optimising processing for higher grade and larger flake final concentrates.

For personal use only

## CURRENT CONCENTRATE SALES

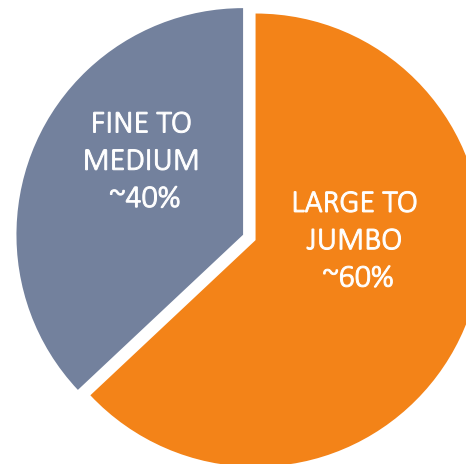
+50 (>300 micron)	85%-94% (LOI)
+80 (>180 micron)	85%-94% (LOI)
-80 (<180 micron)	85%-94% (LOI)
Mixed	85%-94% (LOI)
To Order	



## FUTURE CONCENTRATE SALES

+35 (>500 micron)	94%-98% (LOI)
+50 (>300 micron)	94%-98% (LOI)
+80 (>180 micron)	94%-98% (LOI)
-80 (<180 micron)	94%-98% (LOI)
To Order	

Graphmada Product Sales Classification

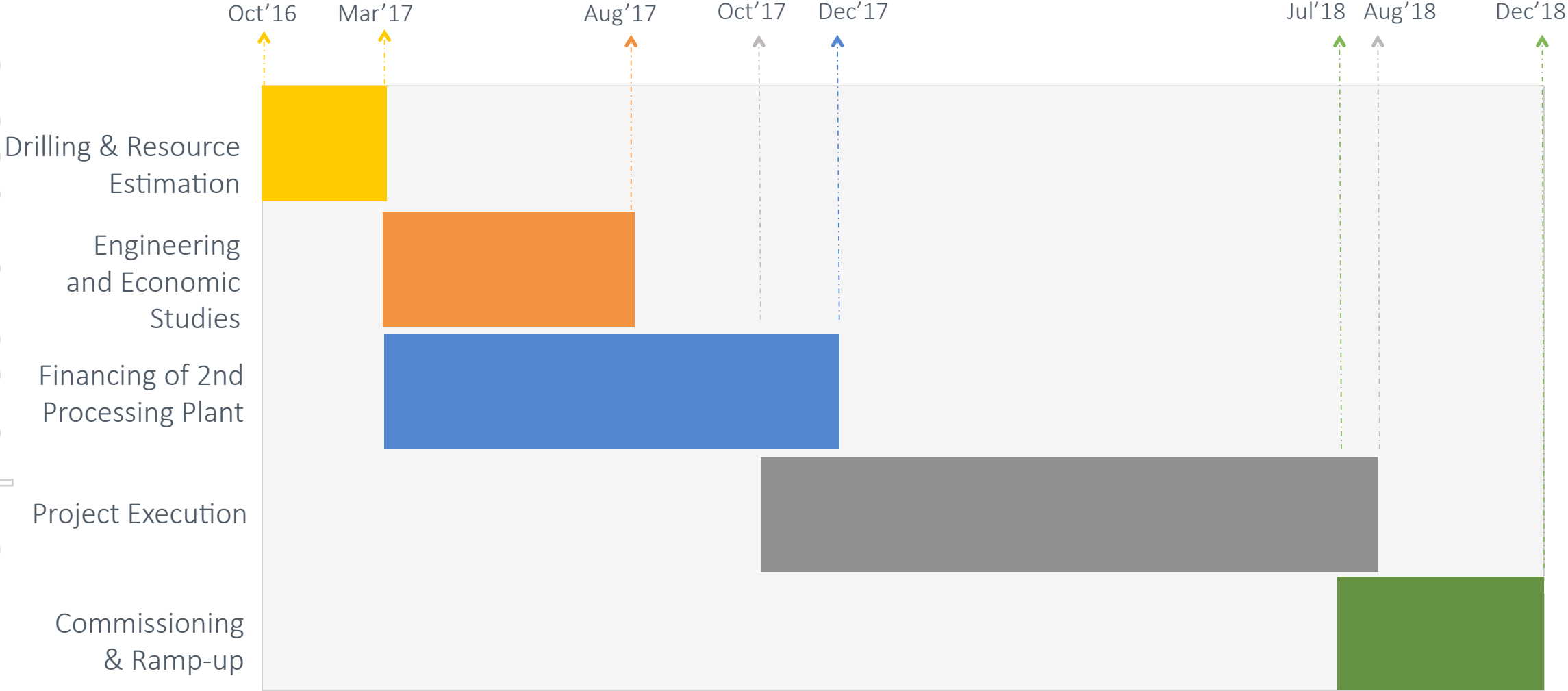




# Expansion Program: Price Catalysts

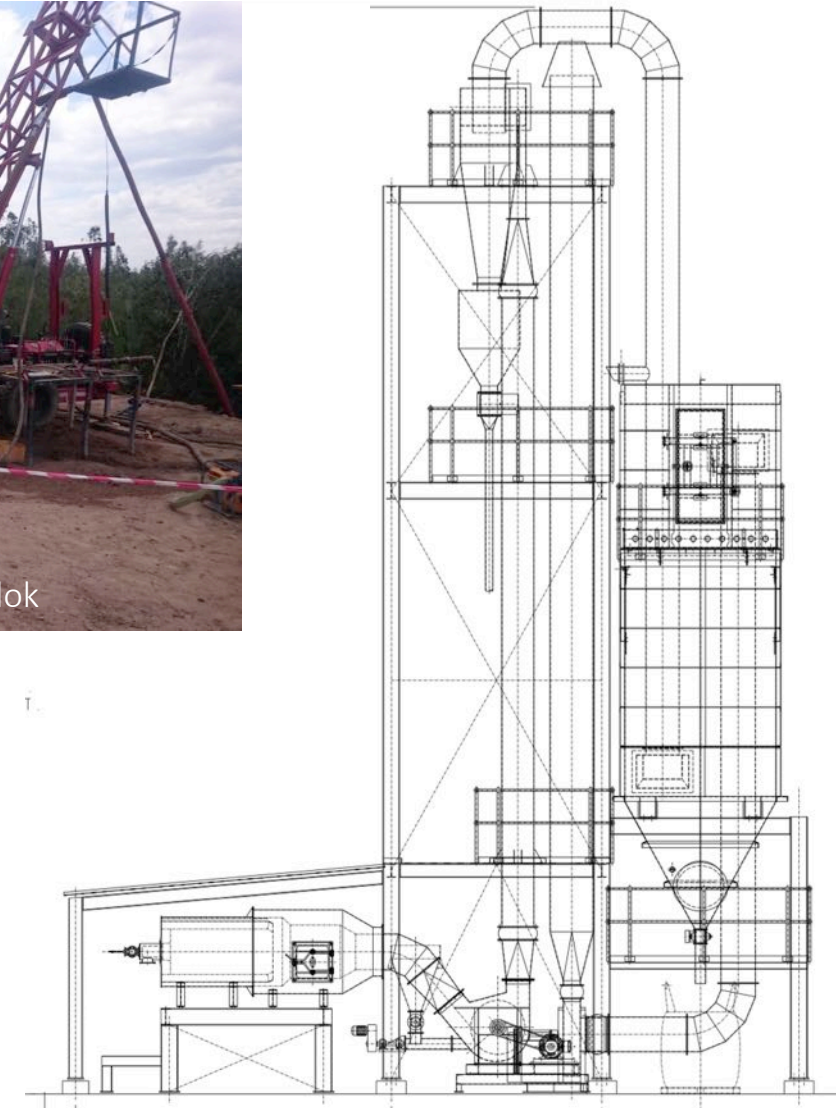


## GRAPHMADA MINE EXPANSION TIMELINE



For personal use only

# Capital Initiatives



Drying & Packaging Plant currently under construction

For personal use only



# Community Engagement



GRAPHMADA CARE

Bass Metals runs a Corporate Social Responsibility (CSR) program called Graphmada Care.

The program is based on the commitment by the Company to develop its business through strong local partnerships built on five pillars:

EDUCATION

---

HEALTH

---

PRODUCTION

---

TRANSPARENCY

---

EMPOWERMENT

---



For personal use only



# Summary

For personal use only

ONLY ASX LISTED GRAPHITE PRODUCER

---

ASSET PURCHASED AT MATERIAL DISCOUNT

---

40 YEAR LONG LIFE LOW COST OPERATIONS

---

REVENUE GENERATING ASSET IN GROWTH MARKET

---

PRODUCTION VOLUME GROWTH THROUGH  
OPTIMISATION

---

EXPANSION PLANS BEING IMPLEMENTED

---



# Disclaimer & Cautionary Statements



## Disclaimer

This document has been prepared by Bass Metals Limited (the "Company"). It should not be considered as an invitation or offer to subscribe for or purchase any securities in the Company or as an inducement to make an invitation or offer with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this document. This document is provided on the basis that neither the Company nor its officers, shareholders, related bodies corporate, partners, affiliates, employees, representatives and advisers make any representation or warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the document and nothing contained in the document is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law.

The document may contain forward-looking information and prospective financial material, which is predictive in nature and may be affected by inaccurate assumptions or by known or unknown risks and uncertainties, and may differ materially from results ultimately achieved. All references to future production, production targets and resource targets and infrastructure access are subject to the completion of all necessary feasibility studies, permitting, construction, financing arrangements and infrastructure-related agreements. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Exploration Results, as well as the Competent Persons' statements. All persons should consider seeking appropriate professional advice in reviewing the document and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the document nor any information contained in the document or subsequently communicated to any person in connection with the document is, or should be taken as, constituting the giving of investment advice to any person.

## Forward Looking Statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement. The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward looking statements will be or are likely to be fulfilled. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements). The information in this document does not take into account the objectives, financial situation or particular needs of any person. Nothing contained in this document constitutes investment, legal, tax or other advice.

## Competent Person Statement

The information in this report that relates to Mineral Resources is based on information compiled by Tim McManus, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy and a full-time employee of the Company.

Tim McManus has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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.

Tim McManus consents to the inclusion of the information in this report in the form and context in which it appears.

## Subsequent Public Reporting

The information for the JORC Mineral Resource Summary is extracted from the ASX Announcement "Strategic investment in producing graphite asset" released 2 September 2015, which is available to view on [www.asx.com.au](http://www.asx.com.au). Bass Metals Ltd. confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.



INTERNATIONAL ISO 565 (tbl2)-1983		AMERICAN ASTM E 11-87		TYLER STANDARD SCREEN 1910		BRITISH BS 410: 1986		FRENCH AFNOR NF-X-501-1970		GERMAN DIN 4188: 1977	
Nominal Openings Millimetres/Microns	Alt. U.S. Standard INCH/SIEVE	Equivalent INCH/MESH	Aperture mm/µm	Equivalent BS/MESH	Opening mm/µm	Equivalent TAMIS No.	Aperture mm	Approx. DIN No.			
26.50	1.06	1.05	26.50		25.00		25.00				
25.00	1	-	-		22.40		22.40				
22.40	7/8	0.883	22.40		20.00		20.00				
19.00	3/4	0.742	19.00		18.00		18.00				
16.00	5/8	0.624	16.00		16.00		16.00				
13.20	0.530	0.525	13.20		14.00		14.00				
12.50	1/2	-	-		12.50		12.50				
11.20	7/16	0.441	11.20		11.20		11.20				
9.50	3/8	0.371	9.50		10.00		10.00				
-	-	-	-		9.00		9.00				
8.00	5/16	2½ mesh	8.00		8.00		8.00				
6.70	0.265	3	6.70		7.10		7.10				
6.30	1/4	-	-		6.30		6.30				
5.60	3½ sieve	3½	5.60	3	5.60		5.60				
4.75	4	4	4.75	3½	5.00	38	5.00				
-	-	-	-	-	4.50	-	4.50				
4.00	5	5	4.00	4	4.00	37	4.00	2E			
3.35	6	6	3.35	5	3.55	-	3.55	-			
-	-	-	-	-	3.15	36	3.15	-			
2.80	7	7	2.80	6	2.80	-	2.80	-			
2.36	8	8	2.36	7	2.50	35	2.50	-			
-	-	-	-	-	2.24	-	2.24	-			
2.00	10	9	2.00	8	2.00	34	2.00	3E			
1.70	12	10	1.70	10	1.80	-	1.80	-			
-	-	-	-	-	1.60	33	1.60	-			
-	-	-	-	-	-	-	1.50	4			
1.4	14	12	1.40	12	1.40	-	1.40	-			
1.18	16	14	1.18	14	1.24	32	1.25	-			
-	-	-	-	-	-	-	1.20	5			
-	-	-	-	-	1.12	-	1.12	-			
1	18	16	1.00	16	1.00	31	1.00	6			
850	20	20	850	18	900	-	0.900	-			
-	-	-	-	-	800	30	0.800	-			
-	-	-	-	-	-	-	0.750	8			
710	25	24	710	22	710	-	0.710	-			
-	-	-	-	-	630	29	0.630	-			
600	30	28	600	25	-	-	0.600	10			
-	-	-	-	-	560	-	0.560	-			
500	35	32	500	30	500	28	0.500	12			
-	-	-	-	-	450	-	0.450	-			
425	40	35	425	36	-	-	0.430	14			
-	-	-	-	-	400	27	0.400	16			
355	45	42	355	44	355	-	0.355	-			
-	-	-	-	-	-	-	0.340	18E			
-	-	-	-	-	315	26	0.315	-			
300	50	48	300	52	-	-	0.300	20			
-	-	-	-	-	280	-	0.280	-			
250	60	60	250	60	250	25	0.250	24			
212	70	65	212	72	224	-	0.224	-			
-	-	-	-	-	200	24	0.200	30			
180	80	80	180	85	180	-	0.180	-			
-	-	-	-	-	-	-	0.170	35E			
-	-	-	-	-	160	23	0.160	-			
150	100	100	150	100	-	-	0.150	40			
-	-	-	-	-	140	-	0.140	-			
125	120	115	125	120	125	22	0.125	-			
-	-	-	-	-	-	-	0.120	50			
106	140	150	106	150	112	-	0.112	-			
-	-	-	-	-	100	21	0.100	60			
90	170	170	90	170	90	-	0.090	70			
-	-	-	-	-	80	20	0.080	-			
75	200	200	75	200	-	-	0.075	80			
-	-	-	-	-	71	-	0.071	-			
-	-	-	-	-	-	-	0.067	90E			
63	230	250	63	240	63	19	0.063	-			
-	-	-	-	-	-	-	0.060	100			
53	270	270	53	300	56	-	0.056	110			
-	-	-	-	-	50	18	0.050	120			
45	325	325	45	350	45	-	0.045	-			
38	400	400	38	400	40	17	0.040	-			
-	-	-	-	-	36	-	0.036	130			
32	450	-	32	440	32	-	0.032	-			
25	500	-	-	-	25	-	0.025	200			
20	635	-	-	-	20	-	0.020	-			

1,000 micrometres (Microns) - 1.00mm

Denotes Bass Metals product range

Indicative and may change. Use at your own risk. No representations made, no warranty given & no liability accepted