

BASS DELIVERS 100% OWNED, DEBT FREE, FULLY RECOMMISSIONED LARGE FLAKE GRAPHITE MINE

HIGHLIGHTS

- Post an extensive refurbishment and significant capital expenditure Bass has delivered on its Stage 1 objective; a 100% owned operational graphite mine, free of debt, with an offtake agreement in place.
- Wet commissioning of the Process Plant was successfully completed yesterday.
- Graphmada now moves into commercial ramp up phase to supply international customers with high value, premium large flake concentrates, with the aim of delivering positive cash flow.
- Strong market conditions, with limited large flake graphite supply and market growth is leading to strong demand for Graphmada's premium graphite concentrates.
- Planning for the Stage 2 expansion of Graphmada to 20,000 tonnes per annum will now commence immediately together with ongoing assessment of options for the production of Expandable Graphite (Stage 3).
- An extensive drilling programme at the Millie's Reward lithium project is targeted for the second half of CY2018.

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Bass Metals Limited (ASX: "BSM") (the "Company") is pleased to announce that it has now completed the recommissioning of the newly refurbished Process Plant at the Graphmada Large Flake Graphite Mine, located in eastern Madagascar.

This follows the successful wet commissioning of the Process Plant yesterday completing the final phase of Stage 1. Further testing will now take place to assist in synchronising and optimising the graphite recovery process, prior to the recommencement of graphite production in the coming days.

The completion of Stage 1 delivers the Company's valued shareholders a 100% owned mine free of debt, with an offtake agreement in place, producing premium large flake graphite concentrates at a time of rising prices.

Bass is now established as one of only two ASX listed producers, and one of only four publicly listed graphite producers globally.

Graphmada is now moving rapidly into the commercial ramp up phase to supply international customers with high value, premium large flake concentrates, with the aim of delivering positive cash flow.



The fully recommissioned Graphmada Large Flake Graphite Mine (Stage 1).

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Strong market conditions, with limited large flake graphite supply and market growth is leading to strong demand for Graphmada's premium graphite concentrates. The Company has received significant interest in its planned concentrate sales and is developing many strong relationships, most notably Possehl Erzkontor GmbH & Co. KG based in Europe, who will purchase 3,000 tpa of graphite concentrates for a period of three years from this calendar year.

With Stage 1 complete, the Company will continue with its long-stated strategy of expanding production to 20,000 tpa (Stage 2), while aggressively drilling, in the second half of 2018, the highly prospective Millie's Reward lithium project, which has encountered surface samples of up to 7.0% Li₂O.

Bass Metals CEO, Mr Tim McManus:

"The Company is pleased to deliver the first stage of its long-stated strategy of refurbishing and expanding production at Graphmada, with the aim of establishing positive cash flow for the Company.

I'd like to thank the team for their considerable efforts in achieving the Company's vision. We are excited to be in a strong position to provide considerable value to our highly valued shareholders, our greatest supporters.

We now look to Stage 2, the expansion to 20,000 tonnes per annum and Stage 3, the production of Expandable Graphite, for which our graphite concentrates are highly suitable."

Bass Metals Chairman, Mr Rick Anthon:

"The successful recommissioning of Graphmada is a significant milestone for the Company, with the team at Graphmada having done an exceptional job, led by Tim and Wilhelm. The commissioning at Graphmada secures Bass a robust financial footing to progress to Stage's 2 and 3 at Graphmada. In parallel Bass will also continue to appraise its exceptional exploration portfolio with an immediate focus on the Millie's Reward Lithium project.

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Like Tim, I'd like to thank all stakeholders for their contributions and support to date. With a particular thanks to our Malagasy staff, local community and government agencies. The Malagasy are a resourceful, hardworking and industrious people, whom we greatly enjoy our partnership with and we look forward to this continuing."



General Manager Wilhelm Reitz recommissioning Graphmada Graphite Mine.

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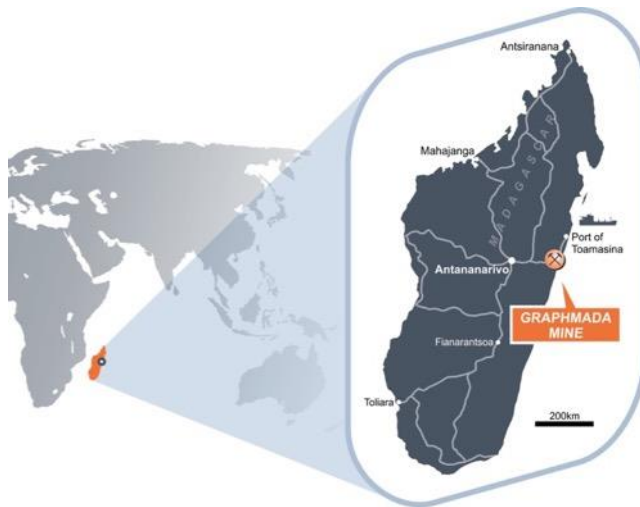
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ABOUT THE GRAPHMADA LARGE FLAKE GRAPHITE MINE

Bass Metals Ltd. is one of a few publicly listed large flake graphite producers in the world, operating the 100% owned, debt free Graphmada large flake graphite mine, located in eastern Madagascar. Madagascar has been a recognized producer and exporter of premium graphite for over 100 years and sets the world standard for product quality and flake size. The Graphmada mine has 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. With all associated mining infrastructure and logistics in place, the mine produces and sells a range of graphite concentrates into multiple market segments, to customers in Europe and the United States. The Company is aiming to expand production at Graphmada from 6,000 tonnes per annum to 20,000 tonnes per annum by 2020 (Stage 2) and subsequently install an Expandable Graphite Plant (Stage 3) to provide further value to its loyal shareholders.

ABOUT THE MILLIE'S REWARD PROJECT

Millie's Reward is a highly prospective conventional spodumene hosted Li₂O deposit located in Madagascar. A majority of the visible pegmatitic dykes and sills within the permits are over 10 metres in thickness, with swells in areas of up to 40 metres in thickness, while being up to several hundred metres in length.

Adjacent to the project area is the Holcim Mine, which has a sealed road for product transport and grid power installed. In addition to the potential access of this infrastructure, Millie's Reward has extensive water supplies, accommodation and an available local workforce.



High purity Spodumene crystals discovered at Millie's Reward

The Project area has been subjected to no modern geological assessment, as all the activity performed in the past occurred at an artisanal mining scale, operated by the local miners working for gemstones.

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The information in this document that relates to Exploration Results 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 mineralization 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 document in the form and context in which it appears.

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