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ASX Announcement 30 October 2020

QUARTERLY ACTIVITIES REPORT
September 2020

Bass Metals Limited (ASX: **BSM**) (**Bass** or the **Company**) is pleased to provide this quarterly activities report as it continues its progress at its 100% owned Graphmada Large Flake Graphite Mine located in Madagascar.

HIGHLIGHTS

- Bass continued exploration at Graphmada with a focus on establishing a continuous unit of mineralisation between the Mahela and Loharano deposits. Bass sees the potential establishment of a larger resource dominated by large flake mineralization combined with an outstanding commercial sales record as a significant value driver.
- Bass further advanced discussions with developers of advanced material products and looks forward to updating the market soon as to the outcome of these discussions.
- During the quarter, Bass reported completion of 56 holes of a planned 543 drill hole program (~10% of the program), the results of which were reported in accordance with the JORC Code (2012) on 16 July 2020[1], announcing the Mangabe discovery.
- The Company continues to drill and expects further results to be received from its Graphmada laboratory within the coming weeks.
- Bass has utilized results so far, along with other historical information, to update its geological model for Graphmada, which now interprets the deposits of Mahela, Mangabe and Loharano as an extensive large flake graphite mineralization system, with a wide and shallow morphology.
- The Company aims to provide an updated 2020 Mineral Resource Statement, to be reported in accordance with the JORC Code (2012), interpreting the mineralization as a single deposit that takes into account this morphology.
- Bass is pursuing its feasibility studies utilizing this new geological model.

1 ASX Announcement "Exploration Update - Large Flake Graphite Discovery" released 16 July 2020.

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EXPLORATION

Strategy

Bass achieved several key objectives over the course of Stage 1 production at Graphmada, leaving the Company well placed over the longer term. Bass was able to produce graphite concentrates to specification, that were sold into all key markets without penalty or rejection.

Bass continues to field strong levels of interest and demand for its concentrates at present and is in the unique position of having sold all Stage 1 production.

The Company has a Mineral Resource in place that produces premium large flake concentrates, having produced and sold super jumbo flakes up to 96% Fixed Carbon (FC), receiving in excess of US$1800 per tonne for these concentrates.

Bass sees itself, with an established and demonstrated sales track record, as being ideally placed to supply the growing market for advanced graphite and graphene applications.

Accordingly, Bass is looking to expand its Mineral Resource and in parallel the Company continues discussions for potential joint ventures with advanced material developers.

Results

During the quarter, Bass reported completion of 56 holes of a planned 543 drill hole program (~10% of the program), the results of which were reported in accordance with the JORC Code (2012) on 16 July 2020[2], announcing the Mangabe discovery.

The results of this initial program discovered a large flake graphite zone over approximately 1.1km in strike length at an approximate width of 180m. The discovery remains open at depth as well as along strike of the Mineralized Trend.

The discovery is a near-mine mineralization zone located a short 2km haul to well-established large flake graphite mining and processing infrastructure (Graphmada).

2 ASX Announcement "Exploration Update - Large Flake Graphite Discovery" released 16 July 2020.

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Key intercepts include:

MGBA004 - 5.2m @ 4.6 % FC
MGBA006 - 5.6m @ 4.0 % FC
MGBA009 - 9.5m @ 4.6 % FC
MGBA010 - 7.3m @ 5.2 % FC
MGBA011 - 7.5m @ 4.2 % FC
MGBA026 - 7.5m @ 4.3 % FC
MGBA027 - 9.2m @ 4.2 % FC
MGBA030 - 9.0m @ 4.6 % FC
MGBA031 - 2.0m @ 5.5 % FC
MGBA038 - 5.0m @ 4.0 % FC
MGBA039 - 4.5m @ 4.1 % FC
MGBA041 - 4.7m @ 4.4 % FC

Subsequently, Bass has utilized these results, along with other historical results, to update its geological model for Graphmada, with the new geological model interpreting that the deposits of Mahela, Mangabe and Loharano are in fact part of an extensive large flake graphite mineralization system. The system is extensive, both laterally and in width, with a shallow, regolith-hosted morphology.

Next Steps

Bass continues to drill and expects further results to be received from its Graphmada laboratory within the coming weeks.

The Company is also planning to provide an updated Mineral Resource Statement for Graphmada, reported in accordance with the JORC Code (2012), treating the mineralization as a single deposit that takes into account this wide and shallow morphology.

In addition, Bass is pursuing its feasibility studies utilizing this new geological model and has commenced a review of its mining technique in light of the morphology of the system.

Madagascar

Bass has established a strong presence in Madagascar both at a local and federal level having been operating in Madagascar for over 4 years. The Company is seeking to leverage off this position and is currently assessing several opportunities for low cost additions to its portfolio of assets, as Madagascar is a highly underexplored yet highly prospective jurisdiction. Bass is currently assessing opportunities in both Gold and Critical Minerals.

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CORPORATE

Cost Reductions

With the onset of Covid19 and its resultant restrictions to international business, the Company continues to review its business, seeking to maximizes the Company's progress at minimal cost.

Governance

During the quarter the Company held an Extraordinary General Meeting (EGM), with voting on eleven resolutions put to the meeting being approved by the required majority. Please refer to ASX Announcement dated 18 September 2020[3].

Capital Raising

Following the EGM, a further $1.28m has been received from investors as subscriptions to the Conditional Placement of the Equity Raising (see ASX announcements dated 2 and 30 June 2020).

Swinburne Partnership

The combination of the unique qualities of a weathered Mineral Resources and clean large flake concentrates leaves Bass well placed to participate in the development of advanced graphite and graphene applications.

Swinburne and Bass continue to seek opportunities for collaborative research activities, including relevant funding opportunities. The Company expects to commence an extensive program of downstream product development in the coming months, focused on advanced materials and the manufacture of new age products.

Urbix Alliance

Bass and Urbix continued discussions during the quarter for broadening the scope of collaboration to encompass the supply of additional critical minerals.

Bass' premium concentrates are currently undergoing testing as part of Urbix's innovative production methods for the environmentally conscious purification of various graphite products. This Purification Technology is the only technology to receive US Department of Energy Funding for development of Nuclear Grade

3 ASX Announcement "Results of Meeting" released 18 July 2020.

Feedstock for Next Gen IV Reactors. The process utilizes 1/20th of the energy as the standard high temperature purification methods and does not use HF Acid.

Tasmanian Assets

The Company continues its care and maintenance activities for its Que River tenements (CML 68M/1984, ML 10W/1980).

ASX listing rule 5.3 disclosures

For the quarter ended 30 September 2020, the Company had net cash outflows of $153k in exploration and evaluation activities, $430k in development activities, $130k in production activities (against receipts for sale of graphite concentrates of $183k), noting that many of the development and production costs in particular were incurred in prior quarters. The projected cash outflows over the near term is expected to be significantly lower than the September quarter. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was $61k for accrued directors fees, with a further amount of $26k accrued for the quarter.

For more information, please contact:

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This announcement has been approved by the Company's Disclosure Committee for release.

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Tenement & Permit Holding

The Company's interests in mining and exploration tenements and permits are as follows:

COUNTRY	REGION	TENEMENT / PERMITS	INTEREST
AUSTRALIA	Tasmania	CML 68M/1984 Que River Mine Lease	100%
MADAGASCAR	Antsinanana	PE 25600 Loharano (East)	100%
MADAGASCAR	Antsinanana	PE 26670 Mahefedok	100%
MADAGASCAR	Antsinanana	PE 24730 Andapa	100%
MADAGASCAR	Antsirabe	PRE 4383	100%
MADAGASCAR	Antsirabe	PE 11545	100%
MADAGASCAR	Antsirabe	PE 39808	Mineral Rights

Notes - Intec Limited holds a 2.5% NSR Royalty over all Product from Bass' interests in CML68M/1984.

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This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology.

Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material.

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Competent Person Statement

The information in this document that relates to Exploration Results, Exploration Targets and 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 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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