
ASX Announcement 5 May 2021

GRAPHITE EXPLORATION UPDATE

Bass Metals Limited (ASX:BSM) (the **Company** or **Bass**) is pleased to provide an update regarding further exploration success at the Company's wholly owned Graphmada Mining Complex, located in eastern Madagascar.

HIGHLIGHTS

- Bass has completed its first phase of exploration drilling at Ambatofafana, consisting of 76 shallow auger holes drilled to an average depth of 11.5m from surface.
- The program delivered some of the highest and thickest intersections of large-flake graphite recorded at Graphmada to date, with results of up to 11.5m @ 7.2% Fixed Carbon (FC) including 3.5m @ 11.4% FC.
- The low cost auger drilling results extends the current mineralization footprint beyond the previously interpreted 4.5 km zone between Mahela and Loharano.
- This large flake graphite mineralization at Ambatofafana is within existing mining permit approvals and a short distance to established mining and processing infrastructure (the Graphmada Mining Complex).

KEY INTERCEPTS

- | | | |
|---|-------------------|-------------------|
| • 11.5m @ 7.2% FC (incl. 3.5m @ 11.4% FC) | | |
| • 11.5m @ 7.7% FC (incl. 3.5m @ 10.7% FC) | | |
| • 11.5m @ 4.6% FC (incl. 4.5m @ 8.0% FC) | | |
| • 11.5m @ 5.0% FC (incl. 7.5m @ 7.3% FC) | | |
| • 11.3m @ 6.0% FC | • 9.5m @ 5.7% FC | • 7.5m @ 5.0% FC |
| • 11.6m @ 5.3% FC | • 9.5m @ 4.8% FC | • 4.0m @ 5.3% FC |
| • 12.0m @ 5.1% FC | • 5.0m @ 6.0% FC | • 5.2m @ 5.0% FC |
| • 11.5m @ 5.1% FC | • 3.2m @ 10.5% FC | • 8.0m @ 4.9% FC |
| • 12.0m @ 4.5% FC | • 1.8m @ 6.4% FC | • 4.5m @ 4.8% FC |
| • 11.1m @ 4.5% FC | • 5.0m @ 5.8% FC | • 7.0m @ 4.5 % FC |

CURRENT MINERAL RESOURCES & EXPLORATION TARGET

On 3 June 2019 the Company announced a brownfields **Exploration Target estimate of 86-146 Million tonnes between 4-6% Total Graphitic Carbon (TGC)**, in accordance with the JORC Code (2012)¹.

This Exploration Target is in addition to an already substantial regolith hosted large flake graphite **Mineral Resource² of 20.2 Mt @ at 4% TGC**, estimated in accordance with the JORC Code (2012).

Mineral Resources for Graphmada Mining Complex

Total	Tonnes (Mt)	TGC (%)	Contained Graphite (kt)
Measured	2.9	4.2	121
Indicated	3.3	4.3	143
Inferred	14.0	3.9	550
Total	20.2	4.0	815

Important Notes:

An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralization for which there has been insufficient exploration to estimate a Mineral Resource. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate an additional Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

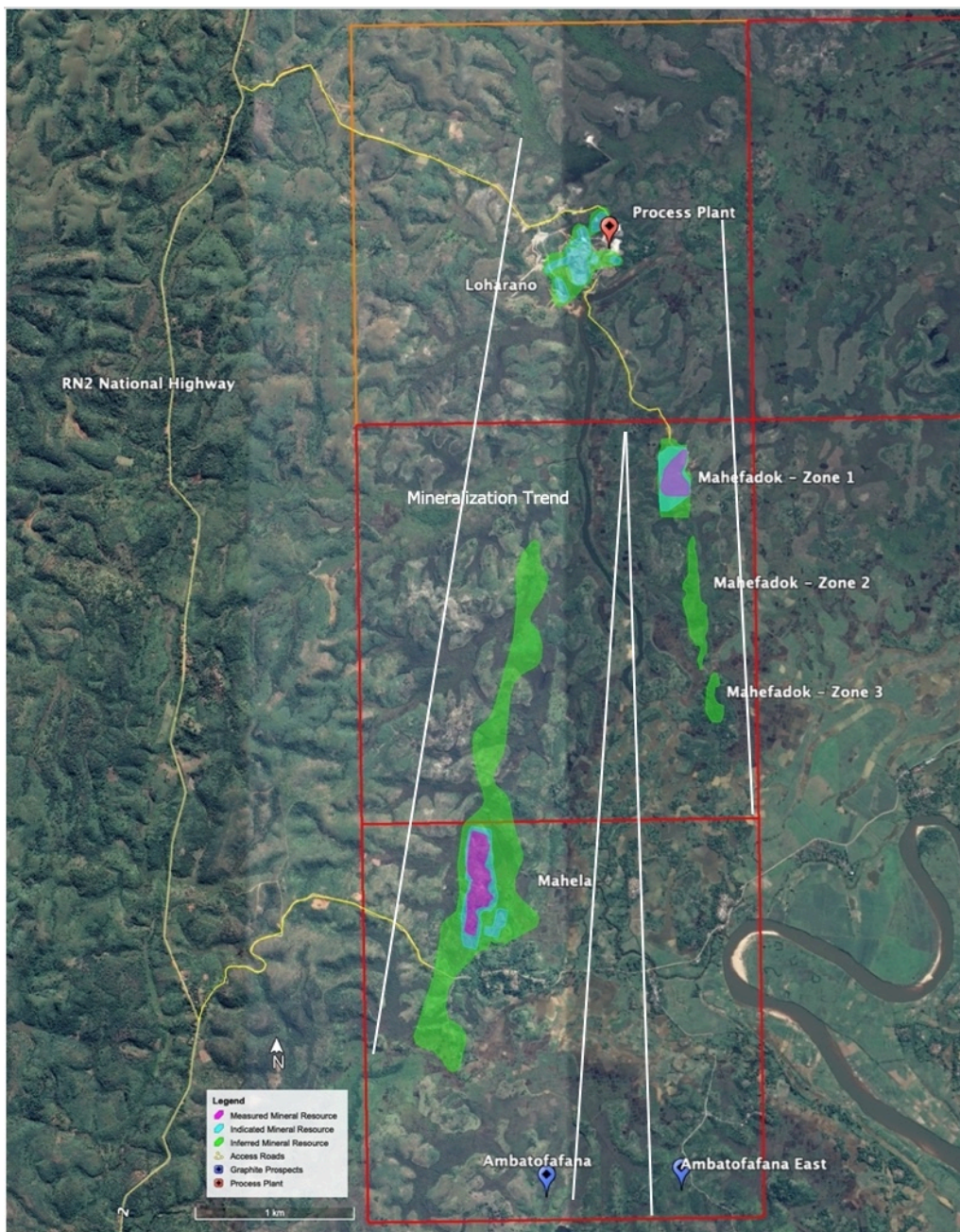
¹ ASX Announcement "Significant Exploration Program to commence at Graphmada" released 3 June 2019.

² ASX Announcement "Increase in Graphite Mineral Resource" released 16 March 2021.

AMBATOFAFANA

Ambatofafana is at the southernmost end of the Company's permits at Graphmada. The prospect is divided into two known mineralization zones, Ambatofafana West and Ambatofafana East.

The results of this first phase of exploration drilling is the first modern exploration of the Ambatofafana prospect. The Company has yet to test the possible mineralization between Ambatofafana West and Mahela, or the mineralization between Ambatofafana and Mahefedok.



Ambatofafana and the current Mineral Resource (JORC 2012) at Graphmada.

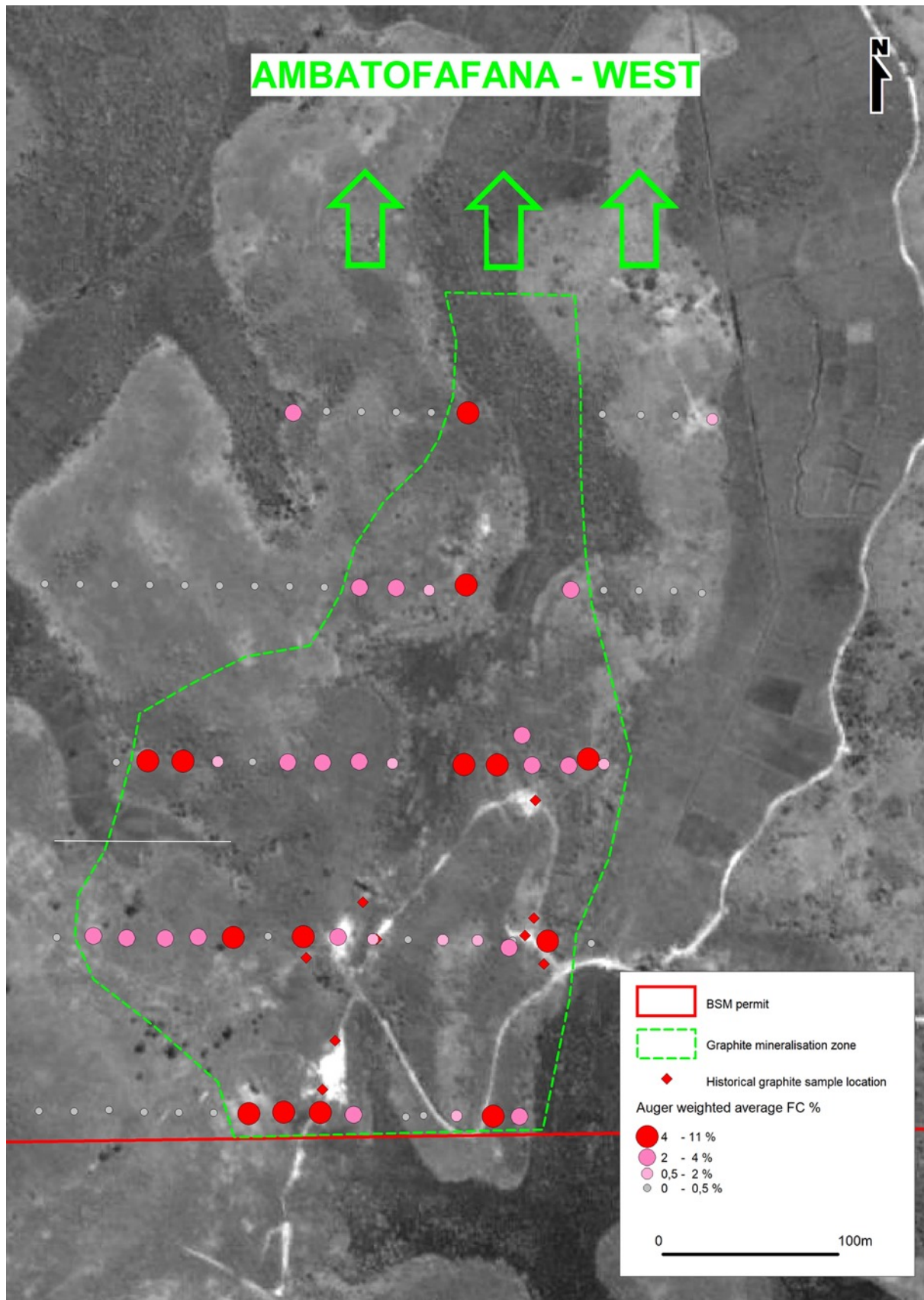
Results

The results of the Company's drilling at Ambatofafana, consisting of 76 shallow auger holes for 873 metres drilled, to an average depth of 11.5m from surface, continue to demonstrate the regolith hosted graphite mineralization footprint at Graphmada is extensive, both laterally and in width.

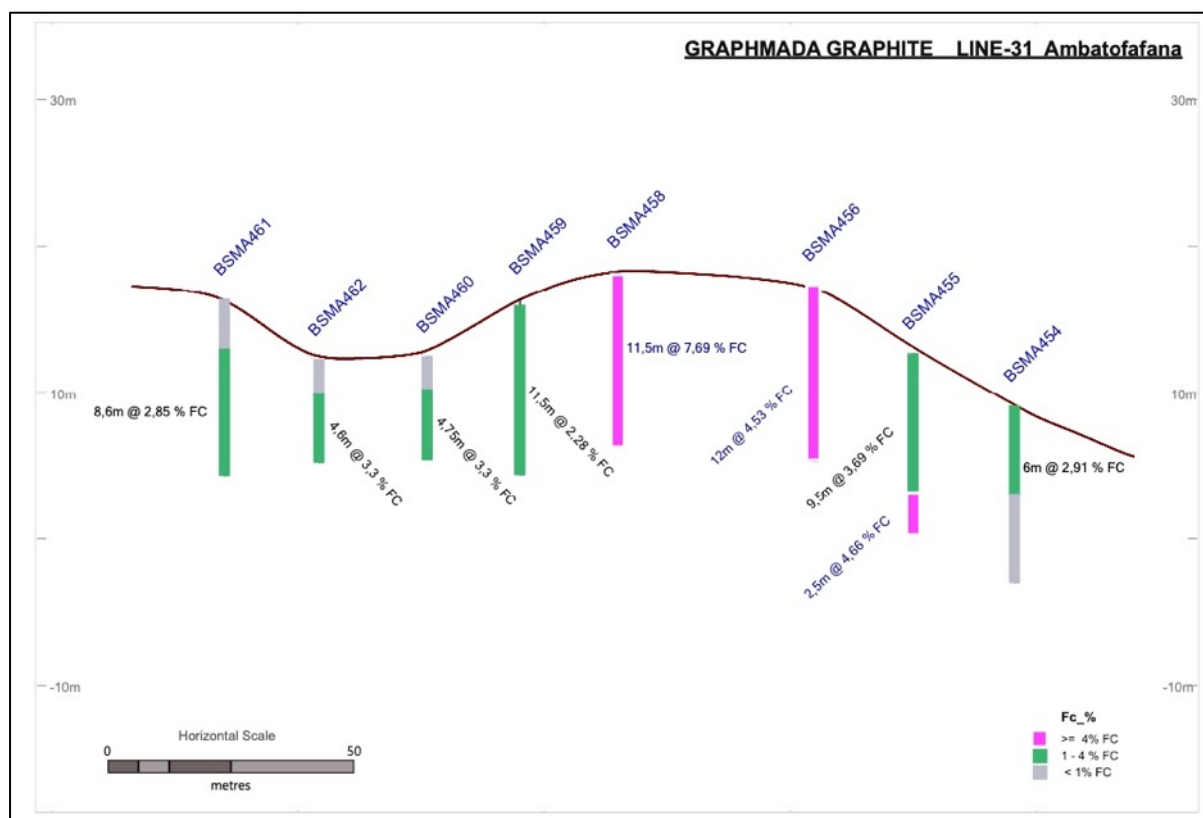
Key intercepts from the first phase of drilling at Ambatofafana include:

Collar ID	X	Y	Azi.	Inclin.	Depth	Weighted Average FC (%)
BSMA434	288,265	7,900,830	0	-90	12.00	11.5m @ 7.2% FC (incl. 3.5m @ 11.4% FC)
BSMA458	288,115	7,900,930	0	-90	12.00	11.5m @ 7.7% FC (incl. 3.5m @ 10.7% FC)
BSMA431	288,317	7,901,034	0	-90	12.00	11.5m @ 4.6% FC (incl. 4.5m @ 8.0% FC)
BSMA496	288,246	7,901,230	0	-90	12.00	11.5m @ 5.0% FC (incl. 7.5m @ 7.3% FC)
BSMA440	288,145	7,900,831	0	-90	12.00	7.5m @ 5.0% FC (incl. 2.0m @ 7.2% FC)
BSMA441	288,125	7,900,830	0	-90	12.00	11.6m @ 5.3% FC (incl. 6.0m @ 6.8% FC)
BSMA456	288,155	7,900,931	0	-90	12.00	12.0m @ 4.5% FC (incl. 1.50m @ 8.3% FC)
BSMA468	288,246	7,901,030	0	-90	10.00	9.5m @ 4.8% FC (incl. 5.0m @ 6.6% FC)
BSMA475	288,085	7,901,030	0	-90	11.50	11.1m @ 4.5% FC (incl. 6.5m @ 5.6% FC)
BSMA483	288,246	7,901,132	0	-90	12.00	11.5m @ 5.1% FC (incl. 4.9m @ 6.5% FC)
BSMA449	288,295	7,900,930	0	-90	12.00	3.2m @ 10.5% FC
BSMA467	288,265	7,901,030	0	-90	11.50	11.3m @ 6.0% FC
BSMA439	288,166	7,900,831	0	-90	12.00	12.0m @ 5.1% FC
BSMA476	288,065	7,901,030	0	-90	10.00	9.5m @ 5.7% FC
BSMA486	288,185	7,901,130	0	-90	12.00	5.2m @ 5.0% FC
BSMA465	288,285	7,901,030	0	-90	12.00	5.0m @ 6.0% FC
BSMA435	288,244	7,900,830	0	-90	12.00	1.8m @ 6.4% FC
BSMA432	288,279	7,901,047	0	-90	12.00	5.0m @ 5.8% FC
BSMA472	288,145	7,901,030	0	-90	12.00	4.0m @ 5.3% FC
BSMA450A	288,273	7,900,926	0	-90	12.00	8.0m @ 4.9% FC
BSMA455	288,175	7,900,931	0	-90	12.00	4.5m @ 4.8% FC
BSMA433	288,280	7,900,830	0	-90	12.00	7.0m @ 4.5 % FC
BSMA505	288,146	7,901,229	0	-90	12.00	9.0m @ 4.4% FC

Please refer to tables provided as appendices for further information.



Ambatofafana West collar locations with intercept grades.

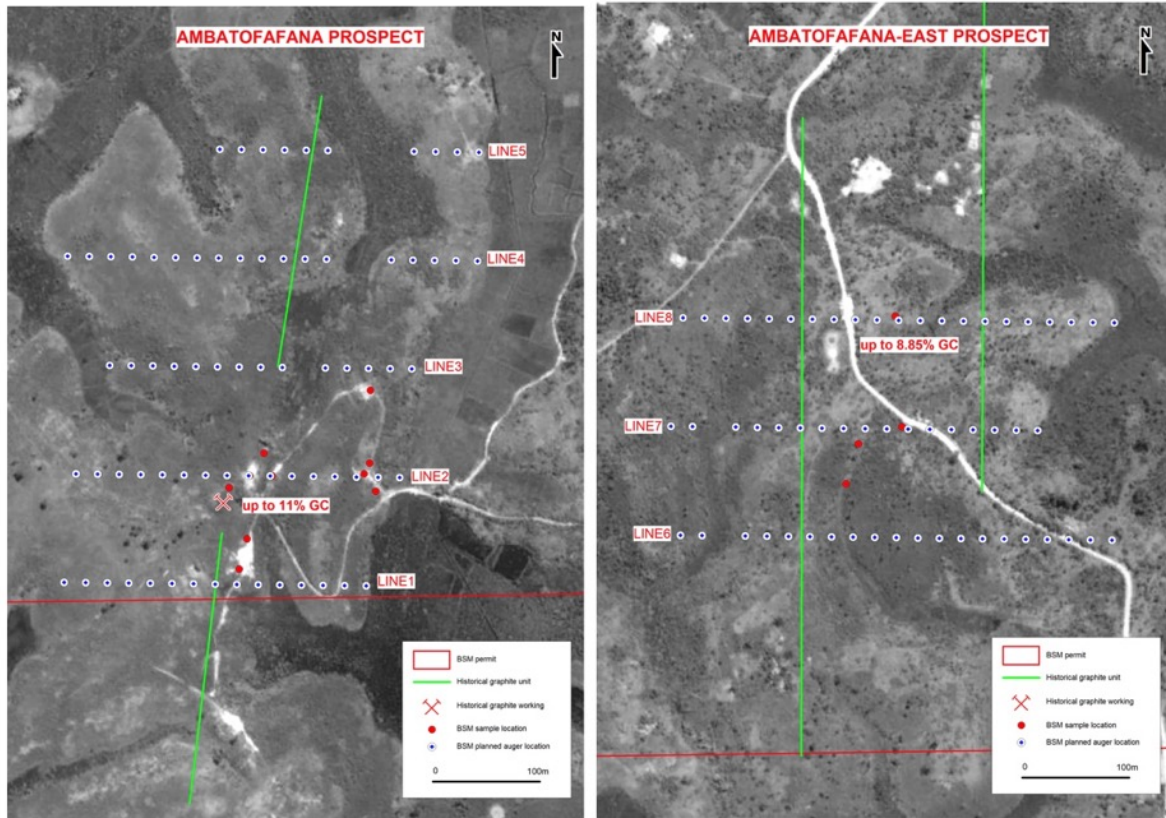


Ambatofafana West drill section.

NEXT STEPS

With the completion of the first phase of drilling at Ambatofafana West, Bass has moved exploration activities to Ambatofafana East. However, given the exceptional results achieved at Ambatofafana West, the Company has initiated the planning of second phase of drilling with the aim of testing the mineralization footprint to the north of Ambatofafana West, which remains open to the north and at depth.

To date Bass has not yet extensively tested the known hard-rock mineralization at Graphmada, but is undertaking detailed planning of an extensive diamond drilling campaign across the mineralized footprint of Graphmada with the aim of further increasing the regolith hosted large flake mineralization and establish the potential of the hard rock mineralization for supplying battery markets, which require fine flake graphite concentrates of proven quality, such as those already produced at Graphmada.



Ambatofafana planned collar locations.

TIM MCMANUS CEO

"Bass considers the expansion of the Mineral Resource at Graphmada as a key requirement to large scale mining and processing feasibility studies. An increased production profile at Graphmada will deliver significant long term value to shareholders.

Having already updated the Mineral Resources for Graphmada this year, the team is aiming to achieve a second update of Graphmada's Mineral Resources before year end."

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

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Forward Looking Statements

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.

JORC CODE, 2012 EDITION – TABLE 1

Discussion and results within this appendix relate to exploration activities at the Graphmada Mining Complex.

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	Auger samples were collected and included composite samples of the graphite bearing host rocks. Visual estimation of graphite percentages and flake sizes have been used to define mineralization before the return of assays. The samples were solar-dried, manually crushed, split twice through a 50/50 riffle splitter to obtain a representative sub-sample, weighing between 100-150g that was sent to the Bass Metals in-house laboratory for Fixed Carbon analysis.
Drilling techniques	Drilling was vertical (-90 °) with the aim to achieve an average depth of 10-12m.
Drill sample recovery	Not applicable
Logging	Samples were all geologically logged and photographed, and geological recording of relevant data was captured on Bass Metals logging templates. All data was codified to a set company code system as per sampling and logging procedures which are in place. All logging included lithological features, estimates of graphite percentages, and flake sizes which is quantitative and is recorded on the logging sheets. Photographs have been taken as a qualitative check on logging when the need arises.
Sub-sampling techniques and sample preparation	Samples were solar-dried, crushed, and split twice using a 50:50 riffle splitter. The crushing and splitting equipment were cleaned according to best practice procedures before every run. Each sample was manually crushed to nominal -2mm and approximately 100-150g sub-samples were collected and sent to the Bass Metals in-house laboratory in Madagascar. The in-house laboratory then pulverized such that 80% of the sample is -75 micron or less in size. consultant will analyze all blanks, standards, and duplicates to maintain QAQC standards.
Quality of assay data and laboratory tests	<p>Samples are currently being analyzed at the Bass Metals in-house laboratory for a preliminary evaluation of the carbon grade. The Muffle Furnace method was used to determine Loss on Ignition (LoI), Volatile Matter (VM), and Fixed Carbon (FC).</p> <p>LoI Test: a crucible is placed on an electronic balance, primarily zeroed and the weight recorded. 1 gram +- 0.01 of the sample are added, the weight of the crucible + sample are recorded. The crucible is placed in the Muffle Furnace at 950°C +-25°C for 8 hours continuously. After the crucible is removed and cooled, the ash + crucible is then weighed and recorded. The LoI % is calculated as follows:</p> $LOI \% = \left(1 - \frac{\text{Weight of ash}}{\text{Weight of original sample}} \right) \times 100$ <p>VM Test: a crucible is placed on an electronic balance, primarily zeroed and the weight recorded. 2 grams +- 0.01 of the sample are added, the weight of the crucible + sample is recorded. The crucible is placed in the Muffle Furnace at 950°C +- 25°C for 7 minutes. After the crucible is removed and cooled, the ash + crucible is then weighed and recorded. VM % is calculated as follows:</p> $VM \% = \left(1 - \frac{\text{Weight of ash}}{\text{Weight of original sample}} \right) \times 100$ <p>FC % of the sample is calculated as follows: FC % = (LOI % - VM %)</p> <p>Certified graphite standards (GC-09 and GC-10) and silica blanks (AMIS0439) were inserted with the samples. An external, independent consultant has certified the results.</p>
Verification of sampling and assaying	All work was completed by Bass Metals personnel. Significant mineralization intersections were verified by an external consultant and by internal peer review. No twinned holes were drilled as this was reconnaissance drilling. All data was collected initially on paper log sheets by Bass Metals personnel. This data was hand entered into spreadsheets and validated by an external consultant. All paper log sheets were scanned, and electronic spreadsheets stored together with the photographs of the geological features logged. The master collar and assay database with all photographs are backed-up via cloud storage.

	No adjustments were made to the data.
Location of data points	DGPS's were used to locate collar locations, and final location coordinates were completed with estimated positional errors between 15 and 30 centimetres. The WGS84 UTM Zone 39S projection system was used.
Data spacing and distribution	The purpose of the auger locations was to confirm the presence of graphitic units within the project area. The data collected is insufficient to determine a Mineral Resource and is considered preliminary exploration results only. Sample compositing has not been applied.
Orientation of data in relation to geological structure	Not applicable.
Sample security	Samples were stored in a secure storage area at the Bass Metals sample storage facility. Samples bags were sealed as soon as sampling was completed and stored securely until dispatch to the Company's laboratory facility at Graphmada.
Audits or reviews	The sampling techniques and data are reviewed by an external consultant and internally peer reviewed. It is considered by the Company that industry best practice methods have been implemented by the Company at all stages of exploration.

Section 2 Reporting of Exploration Results

The criteria listed in the preceding section also apply to this section.

Criteria	Commentary
Mineral tenement and land tenure status	Exploitation permit no PE 26670 is located in the Toamasina Province of Madagascar and held by the Malagasy company, Graphmada SARL which is a wholly owned subsidiary of the ASX listed company, Bass Metals Ltd. Permit no PE 26670 was granted on 21/01/2008 and is valid for 40 years. The permit is in good standing, and all statutory approvals are in place to conduct exploration and exploitation activities throughout this permit area, including mining.
Exploration done by other parties	Not applicable as the mineralization is a virgin discovery by Bass Metals and has had no previous work completed by other Parties.
Geology	Crystalline "hard rock" flake graphite deposits occur in graphitic gneisses within Neoproterozoic metasedimentary type rocks and include accessory minerals of biotite (\pm sillimanite/kyanite, \pm garnet). Due to the tropical climate and because graphite is comparatively inert, weathering of the "hard rock" graphitic gneiss units further concentrates the graphite to form residual regolith-hosted accumulations within the weathered profile. Regolith refers to weathered material that occurs above unweathered bedrock. Two primary subdivisions are the pedolith (PED) and the saprolith (SAP). Secondary subdivisions of the pedolith, from the surface downwards, include soil (SL), ferruginous zone (FZ), and the mottled zone (MZ). Secondary subdivisions of the saprolith, include saprolite (SP) and saprock (SR).
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of visually logged data is supplied in the above announcement.
Data aggregation methods	Samples are currently being assayed for in-situ Fixed Carbon (FC) grades by the in-house Graphmada laboratory. No Metal Equivalents have been stated.
Relationship between mineralization widths and intercept lengths	The mineralization is hosted within a weathered regolith profile and the main mineralized lenses/horizons are suspected to dip towards the west at between 30° and 45°. The samples, taken vertically, are reported as true width and tables have been annotated in the above announcement.
Diagrams	This information has been accurately represented in the announcement and contains all relevant information required for the reader to understand the nature of the graphitic mineralization.
Balanced reporting	The summary table of all the auger sample results is contained within the announcement.
Other substantive exploration data	Not applicable.
Further work	A systematic exploration program will be planned, including further auger and pitting with sampling, to be followed by a potential drilling and sampling program for grade estimation, flake size distribution, and metallurgical testing.

END