GRAPHMADA GRAPHITE MINE BEGINS RECOMMISSIONING

HIGHLIGHTS

- Stage 1 optimisation program enters recommissioning phase, with the recommencement of Drying and Packaging operations.
- The now fully installed Modular Drying System (MDS) applies modern drying methods to preserve flake size and minimise product loss.
- Graphmada Process Plant scheduled for recommissioning in January 2018, once the Drying and Packaging System is in stable production.

First production from the recommissioning process.

Bass Metals Limited (ASX: "BSM") (the "Company") is pleased to announce that the recommissioning of the Graphmada Graphite Mine, located in Madagascar, has commenced.

The Mine is nearing completion of Stage 1, with a direct line of sight to profitable production. As previously announced the Company aimed for first production in late

2017 from the recommencement of Drying and Packaging operations. This critical step has now been realised.

Once the Drying and Packaging System is fully operational the Process Plant will then be recommissioned in January with the aim to ramp up production over consecutive months to reach 500 tonnes per month of high-value graphite concentrates (Stage 1: 6000 tpa run-rate).

BASS METALS CEO, MR TIM MCMANUS:

"The team is very pleased in reaching the first phase of recommissioning and will now concentrate on stabilising the Drying and Packaging System with the view to recommissioning the Process Plant. We'll then bring together these systems as the one production system that maximises the mineral resource potential at Graphmada."

For more information, please contact:

Tim McManus	Peter Wright
Chief Executive Officer	Executive Director
Phone: (07) 3203 5894	Phone: (07) 3203 5894
Email: admin@bassmetals.com.au	Email: admin@bassmetals.com.au

Please visit us at: www.bassmetals.com.au

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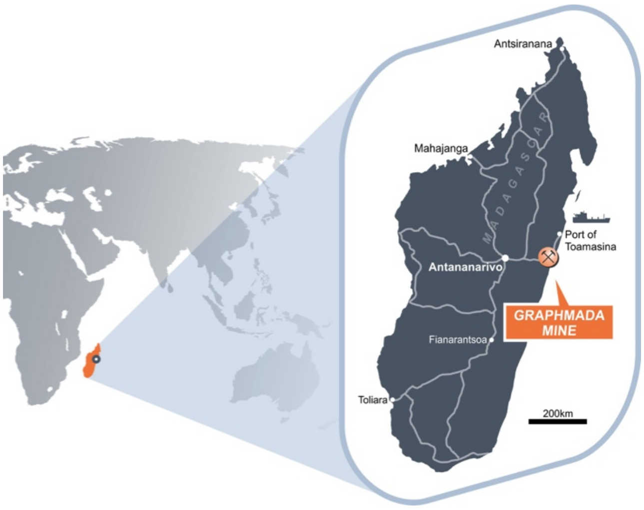
ABOUT THE GRAPHMADA LARGE FLAKE GRAPHITE MINE



Bass Metals Ltd. is one of a few publicly listed large flake graphite producers in the world. The Company 100% owns and operates the Graphmada large flake graphite mine, Bass' flagship project, 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 currently produces and sells a range of graphite concentrates into multiple market segments, to customers in Europe and the United States.

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 visable 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 Talc 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 very little 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.