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Bass Metals Ltd commences maiden drilling program at the Company's highly prospective lithium-in-spodumene project: Millie's Reward.

HIGHLIGHTS

- Recent channel sampling at the Millie's West prospect, within the Millie's Reward project area, returns a weighted average intersection of 3.72% Lithium Oxide (Li_2O) over 31m, with a maximum 1m result yielding 6.61% Li_2O.
- Phase 2 of the exploration strategy at Millie's West, has now commenced with a scout drilling program of up to 600m.
- Drilling designed to deliver data to support a more comprehensive drill program aimed at delivering a maiden resource for the project.

Bass Metals Limited (ASX: **BSM**) (the "**Company**") is pleased to announce the commencement of a maiden drilling program at the Millie's Reward.

The drilling will follow up recent results from the Millie's Reward prospect which included a channel sampling intersection of 31 metres of continuous mineralization at a grade of 3.72% Li_2O, orientation soil sampling, and additional rock chip sampling also yielding high grade results.

The channel sampling commenced from just below surface and followed shallow dipping pegmatite mineralization to depth, with sampling ending in mineralization, indicating the Millie's West pegmatite continues and is open in all directions.

With the commencement of drilling, the Company enters Phase 2 of its previously announced exploration strategy at Millie's West. The initial drilling program of up to 600m is designed as a scout drilling program in order to better define the potential at Millies West prior to undertaking a more extensive drilling program, with the aim of establishing a maiden resource.

All samples from the program will be independently tested and verified by an accredited laboratory in Australia, post completion of the drilling program and subsequent exporting of samples.

The broader Phase 1 program of systematic exploration by various sampling techniques, detailed mapping of historical workings and geological observations across other prospects within the project area will continue in parallel with the Phase 2 works at Millie's West.

RECENT RESULTS[1] FROM MILLIE'S WEST:

- Channel sampling of previous workings along the schist / pegmatite contact and diagonally in depth into the pegmatite, yielded a weighted average of 3.72% Li_2O over 31 metres including a maximum value of 6.61% Li_2O, which exceed current chemical grade concentrate specifications.
- Additional Rock-chip sampling from artisanal pits and shafts at Millie's West yielded values up to 7.15% Li_2O; and

[1] ASX Announcement "BSM's outstanding lithium intersection of 31m at 3.72%" released 11/09/2018

- Orientation soil samples at Millie's West, over 330m, yielded lithium values up to 787ppm.

Figure 1: Drilling at Millie's West.

MR TIM MCMANUS CEO:

"The team is excited to commence this scout drilling program at Millie's West. While this is the first of many prospects that we will explore and seek to develop at Millie's Reward, Millie's West stands out as one of the more prospective and extensive pegmatites hosting lithium-in-spodumene mineralization in the region.

As a virgin discovery we have deliberately planned a small number of metres for the initial drill program so we can better understand the geology of the area before committing capital for a larger drilling program.

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ABOUT BASS METALS

Bass Metals Ltd. is a producer of industrial mineral concentrates post the successful Stage 1 commercial ramp up of production at its 100% owned and debt free Graphmada Large Flake Graphite Mine.

The Graphmada Mine is located in eastern Madagascar, a democratic island country in the Indian Ocean, off the coast of Southeast Africa, which is governed under a French legal system with a low Corporate Tax rate of 20% and a low 2% Mining Royalty.

The country has produced benchmark quality graphite for over 100 years due to the high proportion of high purity, large flake, premium quality graphite in soft, easily mineable, saprolitic ore. Therefore, deposits, like those at Graphmada, have low operating costs and extremely low capital costs when compared to other African or Western deposits. The well-developed export infrastructure is also a significant aspect that makes working in Madagascar attractive.

The Graphmada Mine has 40-year mining permits and 20-year landholder agreements in place, with four premium quality, large flake, graphite deposits. 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 under an off-take agreement, and on order to customers in India, China and the United States.

Producing premium large flake concentrates at a time of rising prices, Bass as one of only two ASX listed producers, and one of only four publicly listed graphite producers globally, is working to expand production from 6,000 tonnes per annum (tpa) to beyond 20,000 tpa (Stage 2) and in addition, pursue a strategy to develop downstream Expandable Graphite production and technologies (Stage 3) for which our graphite concentrates are highly suitable.

With an established and growing production platform, complemented by the Company's prudent capital management, strong cash position, zero debt and sustainable cash flow, Bass is on a robust operational and financial platform to pursue and realise the considerable potential of exploring Madagascar and developing the Company's assets, such as the 100% owned highly prospective Millie's Reward lithium project which is being fast tracked via an extensive drilling program.

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Competent Person Statement

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.