

**SOCK CREEK PROJECT
TASMANIA
EL20/2010**

**ANNUAL PROGRESS REPORT
17th December 2011 – 16th December 2012**

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Disclaimer

The conclusions and recommendations expressed in this report / table represent the opinions of the Authors based upon the data available and provided to them. The opinions and recommendations provided from this information are in response to a request from the client and no liability is accepted for commercial decisions or actions resulting from them.

Note: All figures and grids are according to the GDA94, Zone 55 datum otherwise stated

EXECUTIVE SUMMARY

Bass Metals Ltd (BSM) commenced management of the Sock Creek exploration licence (EL20/2010) on 16th December 2010. This tenement is a joint venture with Geoinformatics Exploration Australia where Bass Metals is the Holder / Manager. For this second year of tenure, ended 16th December 2012, exploration has stalled due to Bass Metals adverse financial circumstances, which began in January 2012. As a result of this situation EL20/2010 has been exempt from expenditure commitment from February 1st 2012 to the end of the current reporting period.

Expenditure –	Reporting period	\$5,916
	Total to date	\$23,052

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1 INTRODUCTION

This report is a summary of the exploration activities conducted on the Sock Creek Exploration Licence EL20/2010, for the period 17th December 2011 to 16th December 2012.

1.1 Tenure

EL 20/2010 was granted for five years to Bass Metals Ltd (BSM) on 16th December 2010.

1.2 Location and Access

The tenement arises from the relinquishment of EL33/2006 by MMG and is located 8km south-west of the Hellyer Mine and 3km east of the Murchison Highway. Access into the area is via Forestry tracks beginning on the High Point of the Murchison Highway.

The licence area lies on the Charter (#3839) and Block (#3838) 1:25,000 topographic map, the Burnie (#SK55-3) 1:250,000 and the Sophia (#8014) 1:100,000 sheets.

1.3 Geology Overview

EL 20/2010 covers three main stratigraphic associations. Basal sediments of the Black Harry Beds and Animal Creek Greywacke, which are overlain by the Sock Creek Volcanics (SCV). The SCV are predominantly a felsic intrusive quartz-feldspar porphyry sequence with more distal volcanoclastics, shales and dacitic to basaltic lavas with minor volcanoclastics. The basalts are a thin amygdaloidal unit. The SCV are correlated with the Que Hellyer volcanics. Overlying the SCV is a complex of shales, intrusive quartz-feldspar porphyries and dacitic to basaltic lavas with minor volcanoclastics correlated with the Southwell SubGroup.

The sequence is interpreted as west facing with shallow to moderate dips to the NW.

The Palaeozoic rocks are unconformably overlain by Tertiary basalt, in the north of the tenement, and / or Quaternary glacials, to the west and south. Major structures on the EL include the N-S trending Mt Charter Fault, in the Northeast corner of the tenement. The regional magnetic and gravity data highlight the presence of several major, apparently deep-seated, unmapped or poorly mapped structures trending broadly E-W.

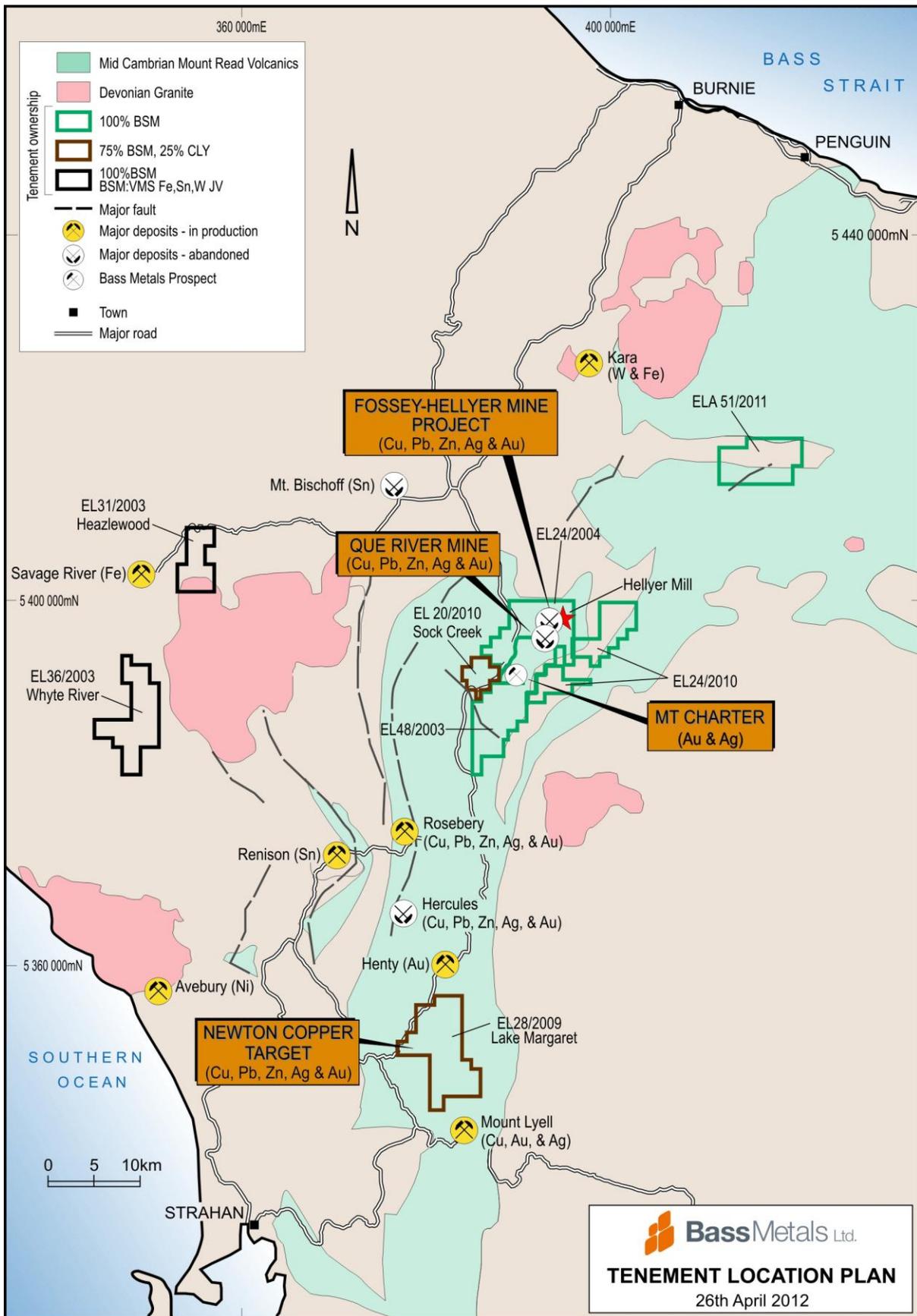


Figure 1. EL 20/2010 Location Map

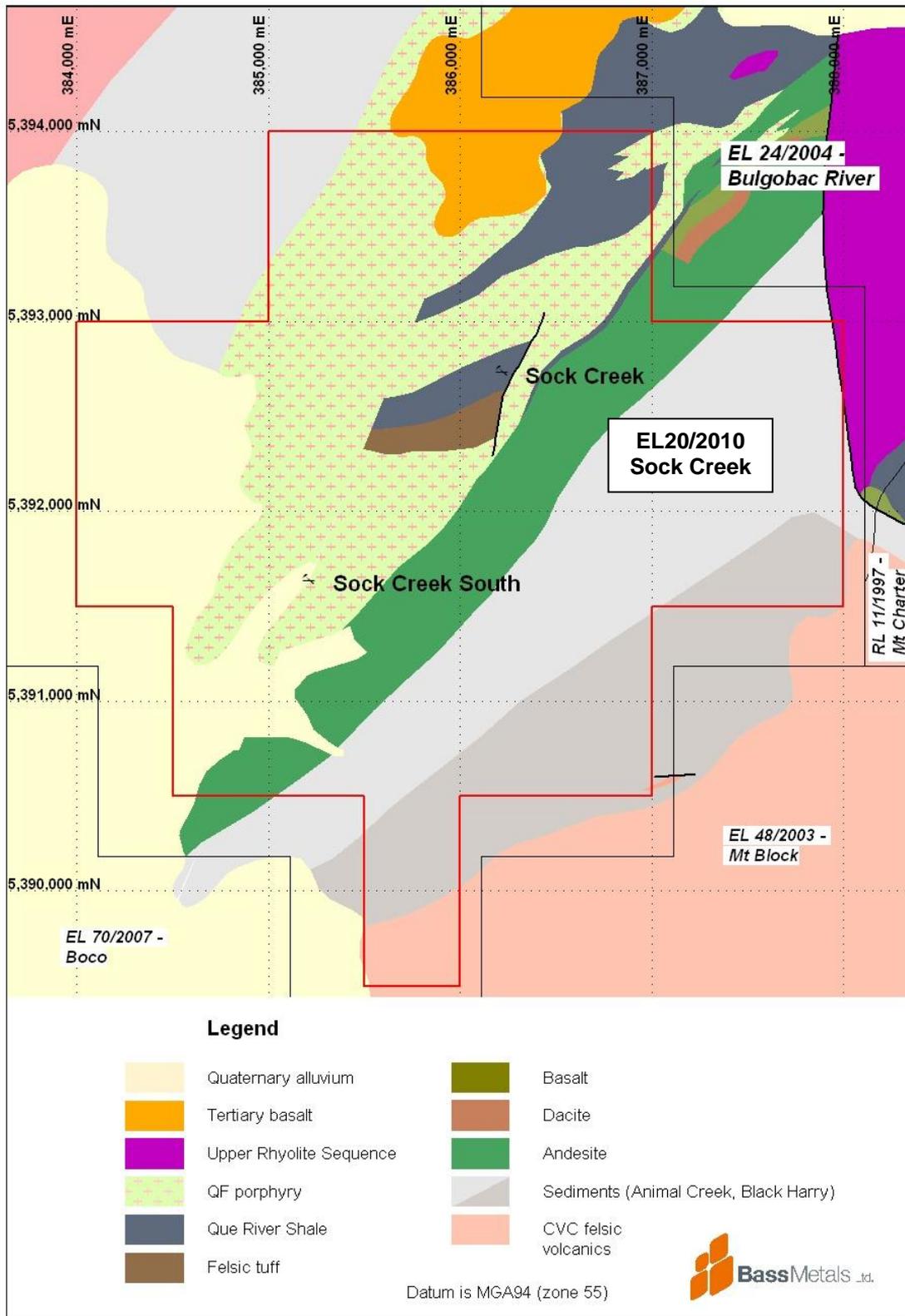


Figure 2. Regional Geology Map (AGD94, Zone 55)

2.0 EXPLORATION HISTORY

Exploration history and work completed in the first year of tenure was described in the 2011 Annual Report (Denwer, 2011).

3.0 WORK COMPLETED

A Short Wave Infrared (SWIR) and trace element lithogeochemical study of historic drill holes commenced in 2011. It was planned to complete this survey during the current year. However, Bass Metals adverse financial situation (which has existed since January 2012) has prevented this. EL20/2010 has been exempt from expenditure commitment since Feb. 1st 2012 and will remain so up until Jan. 31st 2013.

4.0 PROPOSED EXPLORATION FOR 2013

When exploration resumes it is proposed to complete the alteration and host rock study that was commenced in 2011. This will involve analysing the remaining 760m of historic drill core using SWIR and collecting trace element lithogeochemical samples from drill core and significant outcrop. This is estimated to be around 200 samples.

In addition selected holes would be re-logged and significant parts of the licence area remapped.

A review of all historic geophysical and geochemical surveys, begun in 2011, would also be completed.

5.0 ENVIRONMENT

The company has environmental policies in place that minimise the impact that exploration activities have on the environment. The policies include guidelines on how to reduce the risk of spreading plant diseases and weeds as a result of day-to-day exploration tasks.

6.0 EXPENDITURE

Table 1: Expenditure 17th December 2011 to 16th December 2012

December 2010 - December 2011		
Geoscientific Costs	Geology	\$5,916
	Geochemistry	
	Geophysics	
	Remote Sensing	
Drilling & Gridding Costs	Gridding	
	Drilling	
	Land Access Costs	
	Rehabilitation Costs	
	Feasibility Study Costs	
	Other Costs	
	Admin Costs	
	Total - eligible	\$5,916

Total expenditure up to the 16th December 2012 for the Sock Creek EL 20/2010 is \$23,052

7.0 REFERENCES

Denwer K., 2011. Sock Creek Project, Tasmania, EL20/2010. Annual Progress Report, 17th December 2010 to 16th December 2011. Unpublished report to Mineral Resources Tasmania.