



Metals Finance Limited

SPECIALISTS IN METAL RECOVERY

For Market Release 13th August 2013

Company Announcements Office

Australian Securities Exchange

REQUISITION OF MEETING - BASS METALS LIMITED (ASX:BSM)

Metals Finance Limited (ASX:MFC) holds 9.61% of the shares in Bass Metals Limited (Bass).

Under the governance of the Bass management team and board of directors:

- The Bass share price has fallen from 49 cents (17th Feb 2011) to 1.2 cents (9th Aug 2013);
- Bass has raised in excess of A\$54 million in equity. Most of this, as well as significant debt funding, was spent on Bass's Tasmanian Hellyer project. In MFC's opinion, the project has been an operational and financial failure;
- As at the end of the June 2013 quarter, Bass had cash on hand of \$2.4 million. As at the end of the March 2013 quarter, Bass had cash on hand of \$3.96 million;
- The Bass Board is now focusing on "*strategic Turkish mining opportunities*" (see Bass ASX announcement 30th July 2013).

Following consultation with a number of other Bass shareholders, MFC requisitioned a shareholder meeting pursuant to sections 249D of the *Corporations Act 2001* (Cth) (*Corporations Act*).

MFC is seeking the removal of the chair of the board of Bass Mr. Craig McGowan, the Managing Director Mr. Michael Rosenstreich and Mr. Barry Sullivan, a non executive director and the appointment to the board of Mr. Rick Anthon (a non- executive director of MFC) and Mr. Gavin Solomon (the Managing Director of Helmsec Global Capital Limited). A general meeting is currently being convened by Bass and is likely to be held within 6 weeks.

MFC has, without success, attempted to engage with the current board of Bass with a view to restructuring the board. MFC believes that a restructuring of the Bass board is now essential in order both to preserve the value of its investment in Bass and provide the opportunity to increase that value going forward.

MFC will provide further updates as this matter progresses.

Mark Sykes
Chief Executive Officer

Ian Morgan
Company Secretary