

2 May 2008

The Manager Companies
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Fossey Zone – high grade drill intercept

Bass Metals Ltd (ASX:BSM) is pleased to provide the following update on its recent drilling at the Fossey Zone, part of the Hellyer Mine Project.

Highlights

- Diamond drill hole HLD962 intersected **9.1 metres at 13.2% zinc, 8.5% lead, 373 g/t silver and 4.1 g/t gold** from 243.1 metres downhole.
- The above intercept occurs within the Main Zone mineralisation comprising **30.2 metres at 5.7% zinc, 3.4% lead, 153 g/t silver and 2.54 g/t gold** from 235.5 metres downhole.
- Fossey Zone has excellent potential to make a significant contribution to the Company's current Mineral Resource inventory* of 1.5 million tonnes at 6.3% zinc, 3.5% lead, 0.7% copper, 85 g/t silver and 1.1g/t gold.
- Bass Metals' prime exploration focus is to grow and develop this mineral resource base. It is a significant potential mine development given it occurs on a "brown-fields site" and in close proximity to two operational processing plants.

Introduction

The Fossey Zone is a large, un-mined body of massive barite and associated massive base metal sulphide mineralisation to the south of the Hellyer deposit and the Company's Hellyer Mineral Resource. Bass Metals owns 100% of both mineralised bodies which together comprise the Hellyer Mine Project.

Current Drill Results

HLD962, collared on drill line 10,200mN (*refer Figure 1*) was drilled to test the up-dip extent of the high grade zone intersected in HLD960 and reported to ASX 10 March 2008 as follows:

- **6.7 metres at 15.1% zinc, 5.0% lead, 0.6% copper, 203 g/t silver and 2.87 g/t gold**; and,
- **21.35 metres at 17.3% zinc, 8.3% lead, 0.7% copper, 231 g/t silver and 3.36 g/t gold.**

**Mineral Resources as reported to ASX 26 October 2007.*

The drill hole intercepted the mineralised target, referred to as the Main Zone, at the expected up-dip position inferred from the intercept in HLD960. The Main Zone occurs within a broad interval of massive barite with and consistent gold-silver values to give an intercept of **55.35 metres at 2.16 g/t gold, 105 g/t silver, 3.4% zinc and 1.8% lead**. An assay summary for the main defined intervals is presented in Table 1 below.

Interestingly, a narrow but very high grade lens position was intersected in the overlying Hellyer Basalt. It comprises **0.4 metres of massive sulphide at 31.0% zinc, 15.0% lead, 0.7% copper, 686 g/t silver and 4.62 g/t gold**. This is likely related to several other high grade intercepts in this stratigraphic position.

Table 1: HLD962 assay results

From (m)	To (m)	Drilled Interval (m)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)
(at a 5% (Pb+Zn) cutoff)							
243.10	252.20	9.10	13.2	8.5	0.5	373	4.10
Within a broad zone at 1%(Pb+Zn) cutoff							
235.5	265.7	30.20	5.7	3.4	0.2	153	2.54

Based on assays received to date (up to drill hole HLD962) and geological observations in drill holes HLD963 to HLD965 it is clear that the target barite body has now been defined over a strike extent of over 100 metres on 3 drill sections (10,200mN, 10,150mN & 10,100m) as illustrated schematically in Figure 2. The barite zone has significant intervals of disseminated gold and base metal mineralisation and it hosts high grade massive base metal sulphide mineralisation on all three drill sections.

Whilst the intercept of massive zinc, lead and copper sulphides in HLD963 on drill section 10,200mN (**refer Figure 3**) is less than a 1 metre thick, the intercept in HLD965, drilled beneath, has several mineralised intervals including a 2.2 metre interval of massive “high-grade” mineralisation, suggesting that the Main Zone may be plunging to the south and is thickening with depth on this section. Assays for HLD963 and HLD965 are pending; HLD964 was abandoned prior to reaching the target area due to technical problems.

Drilling has now moved north to drill section 10,250mN to test for northward extensions to the mineralisation.

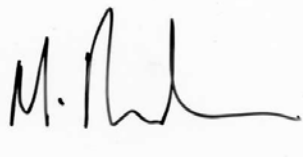
Conclusion

Results received from BSM’s drilling to date indicate that the target barite body and high grade base metal, gold and silver mineralisation has now been defined over a strike extent of at least 100 metres on 3, 50 metre spaced drill sections.

Drilling of the Fossey Zone will be accelerated with a second drill rig commencing next week and will continue until sufficient information has been collected to enable an initial Mineral Resource estimate to be completed. The Fossey mineralisation lies very close to, and “up-plunge” from, the recently estimated Hellyer Mineral Resource and the Company considers that there is excellent potential for this zone to be included in its Hellyer Mine project mining study. The Company regards the HMP, and the Fossey zone in particular as a potential mine development opportunity given it is well located with respect to the existing Hellyer mine infrastructure comprising roads and power and within easy haulage distance of two operating processing plants; Hellyer and Rosebery.

I look forward to providing further updates on the Hellyer Mine Project, the Que River mine operations and the Company's regional exploration activities.

Yours Sincerely



Mike Rosenstreich
Managing Director

Figure 1: Schematic Drill Section – 10,200mN

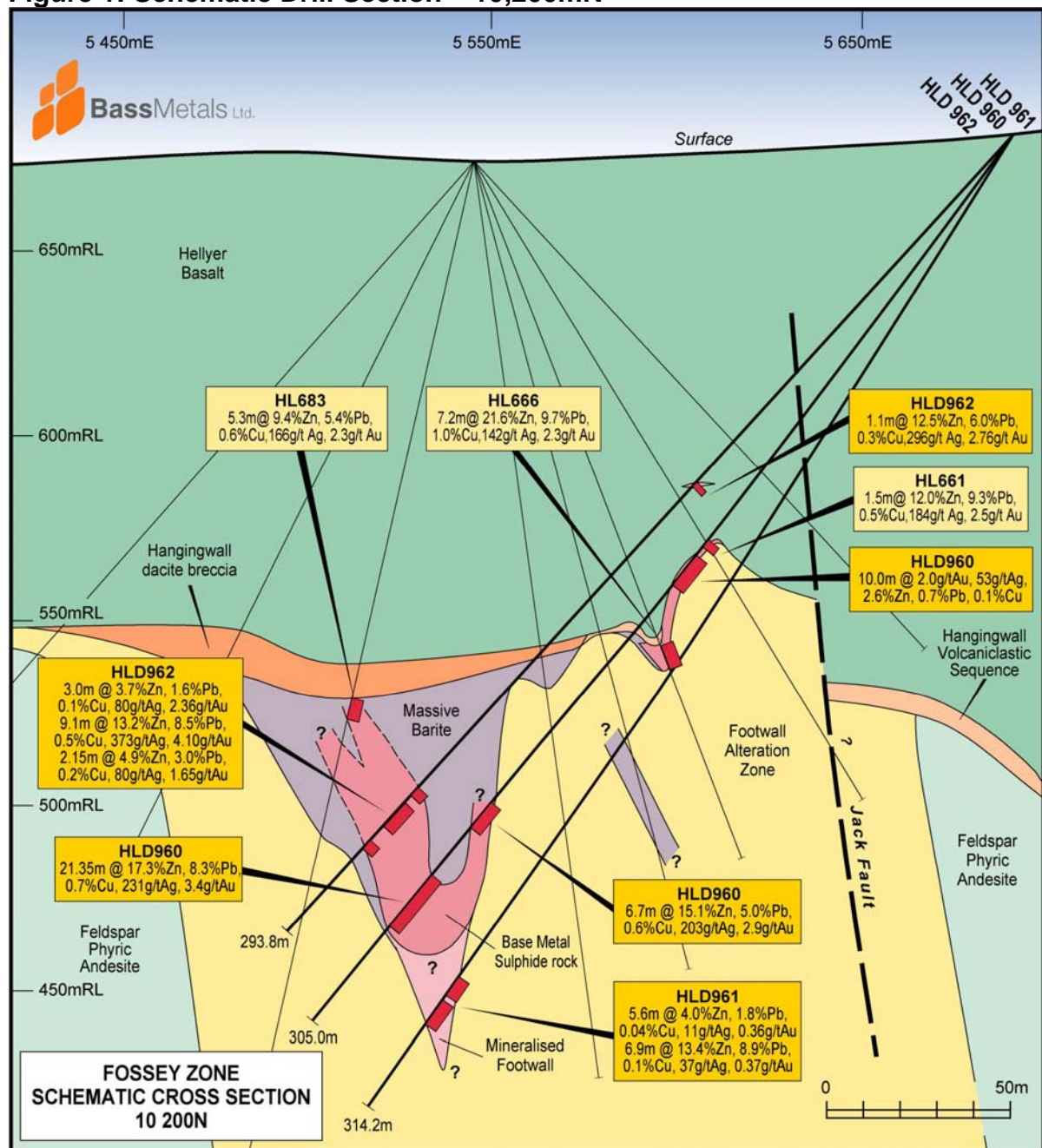


Figure 2: Summary Location Plan for Fossey Zone (assays at >5% Pb+Zn Cut-off)

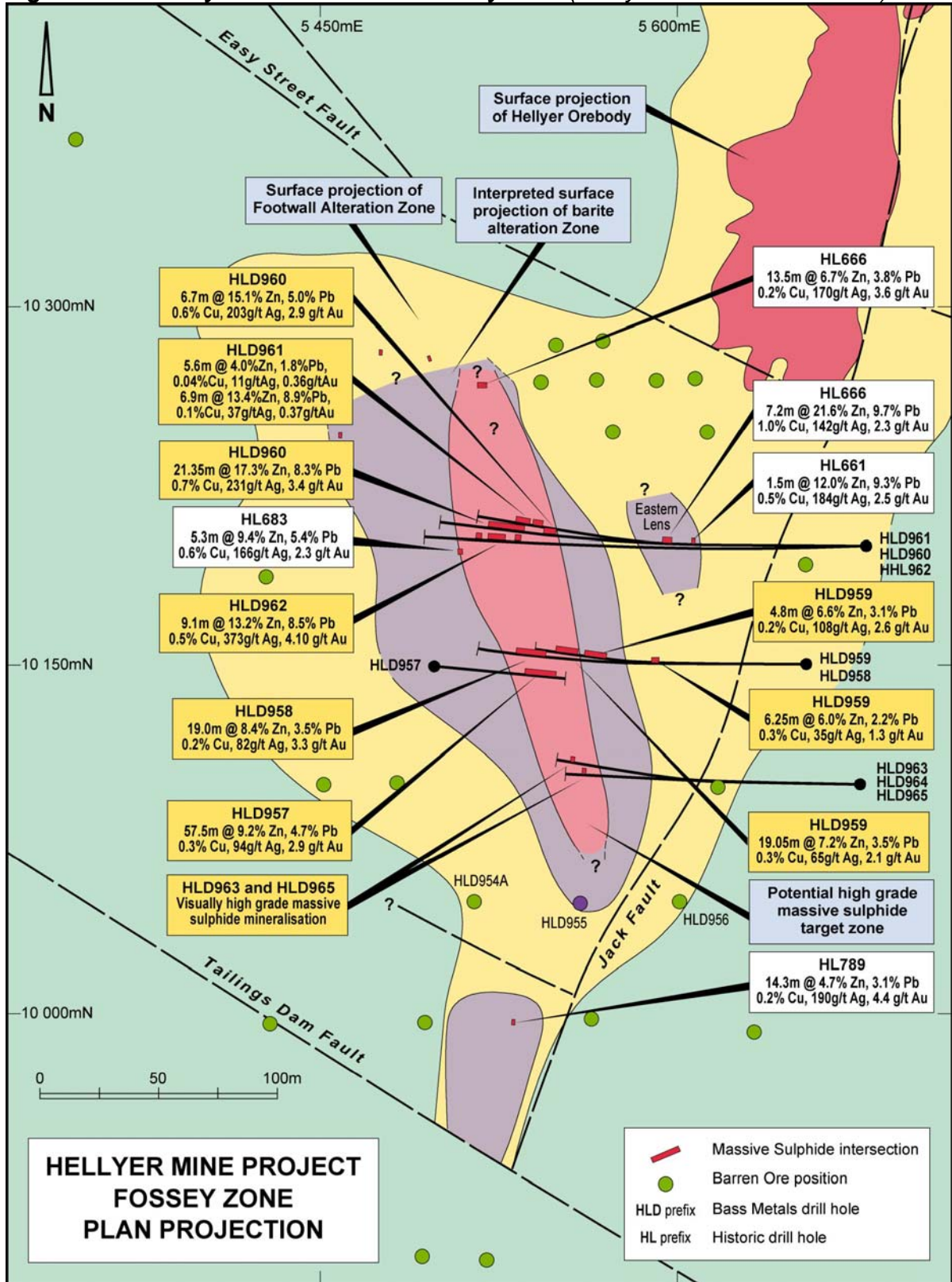
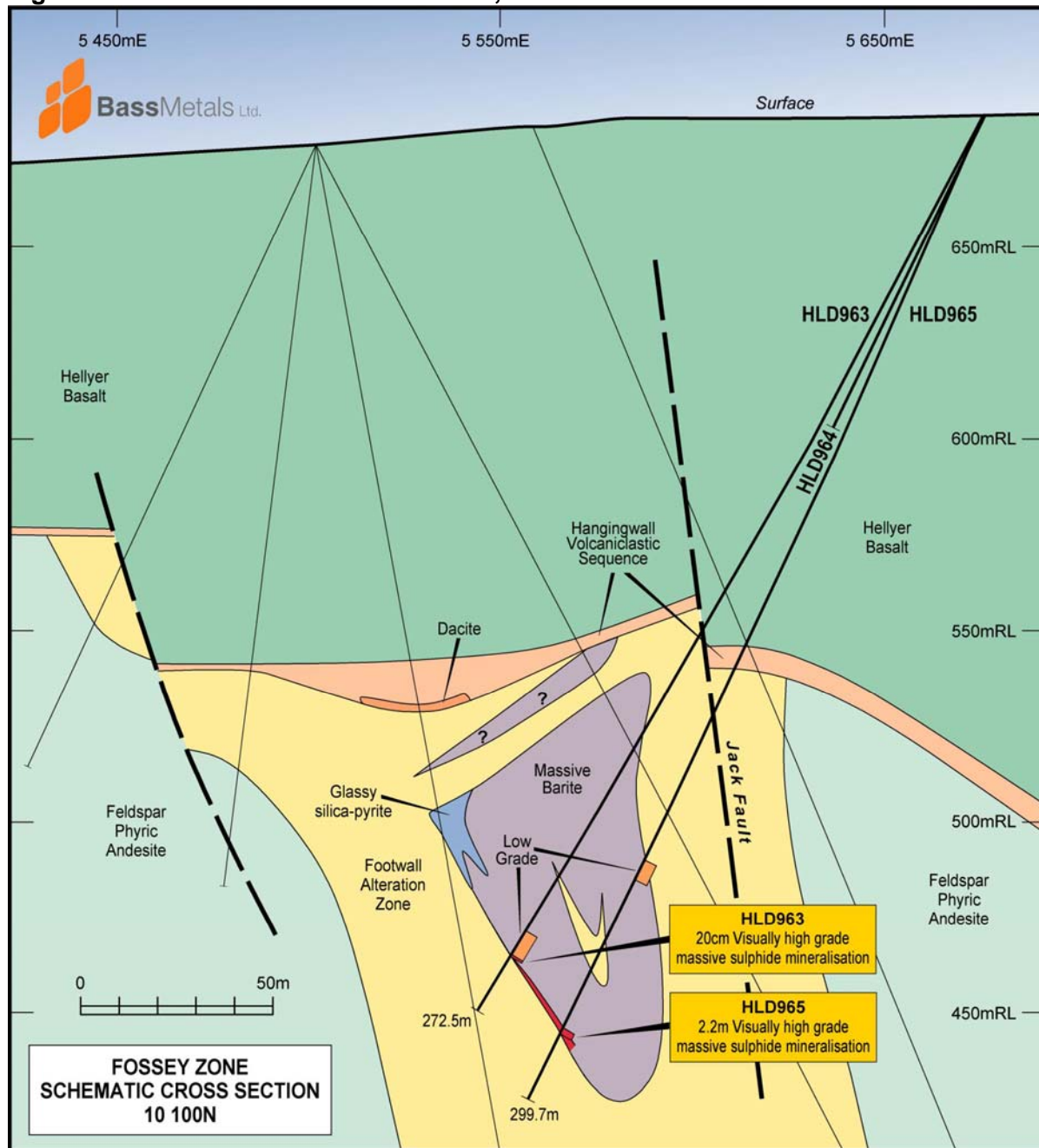


Figure 3: Schematic Drill Section – 10,100mN


The information within this report that relates to exploration results is based on information compiled by Mr Mike Rosenstreich who is a full time employee of the Company and is a Member of The Australasian Institute of Mining and Metallurgy. He has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration and to the activities currently being undertaken to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion of this information in the form and context in which it appears in this report.