

7 March 2008

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

Dear Sir

ZINIFEX JOINT VENTURE AREA SELECTIONS AT HELLYER

Bass Metals Ltd (ASX:BSM) is pleased to advise that Zinifex Australia Limited has selected a further 3 areas, bringing the total to 4, to fill its agreed number of Special Project Joint Venture (SPJV) areas under the Hellyer Exploration Alliance (HEA) agreement.

The areas are shown schematically in Figure 1. They all cover prospective portions of the Hellyer-Que River stratigraphy and include the promising early stage Switchback prospect where strong alteration and anomalous base metal sulphides were intersected during the HEA phase of exploration drilling.

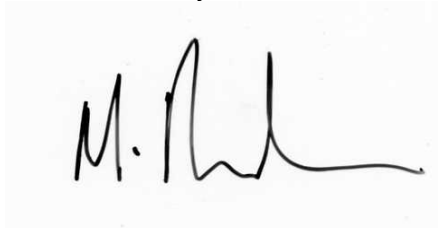
Under the terms of the HEA executed in August 2005, and subsequently amended, Zinifex has the right to select up to 4 SPJV areas each with an area of up to 2 km². It can acquire a 51% interest by spending at least \$4.5 million in aggregate within 3 years of having made its first election. During this period Zinifex will act as joint venture manager and undertake all exploration activities. BSM may continue its own exploration and development activities outside of the SPJV areas.

Zinifex may withdraw prior to satisfying the earning-in criteria subject to proper notification and completion of budget commitments. Upon any such withdrawal it will retain no equity in the SPJV or underlying tenements.

Zinifex may earn a further 19% interest in any of the SPJV areas (taking its total interest to 70%) by continuing to sole-fund work to the delivery of a bankable feasibility study. BSM's 30% interest shall be free-carried during this period.

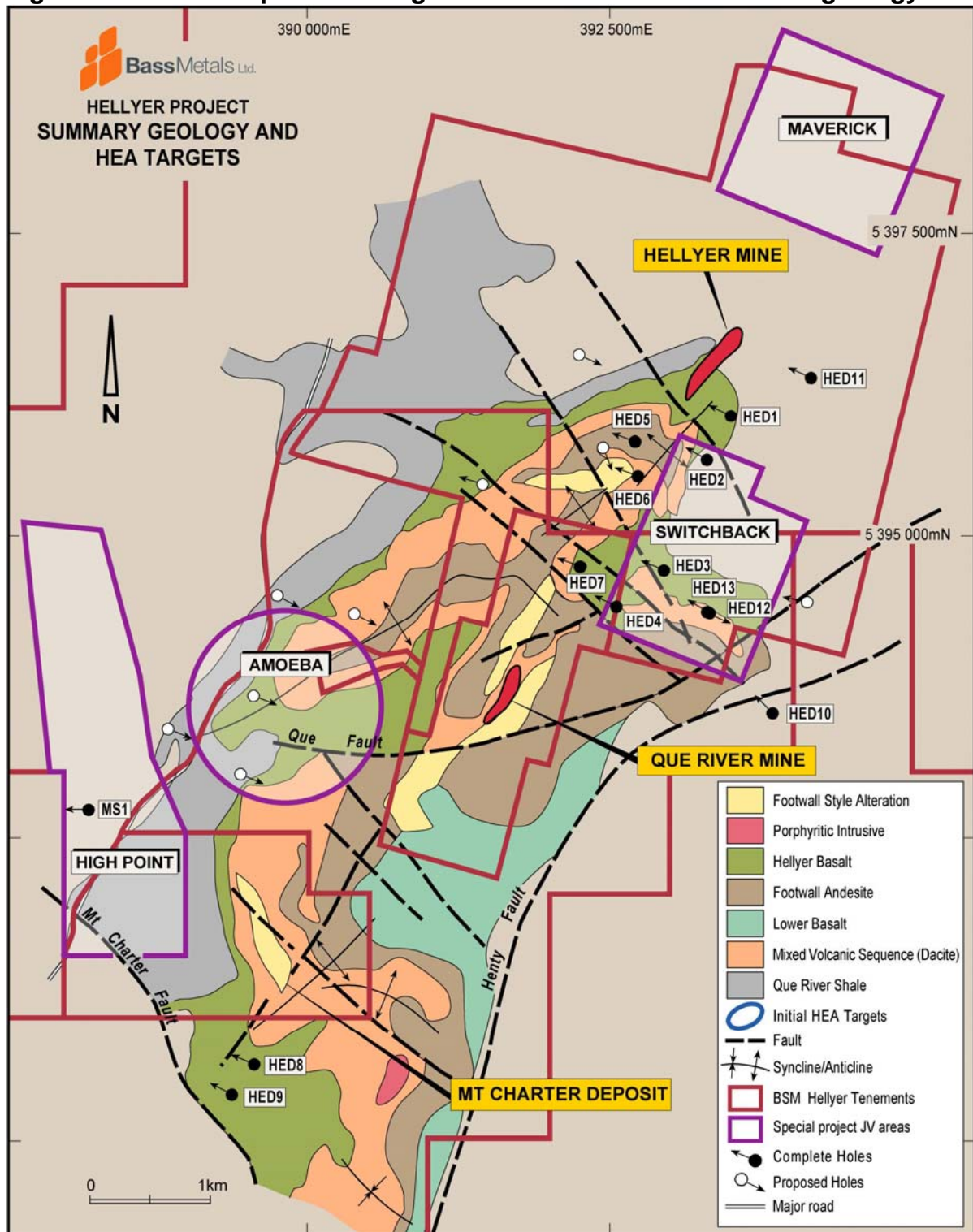
BSM is pleased to advance its exploration collaboration with Zinifex and to sharing this early stage exploration risk allowing it to focus on continuing the development of its advanced Que River and Hellyer Mine Project Mineral Resources.

Yours Sincerely



Mike Rosenstreich
Managing Director

Figure 1: Schematic plan showing location of the SPJV areas and geology.



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.