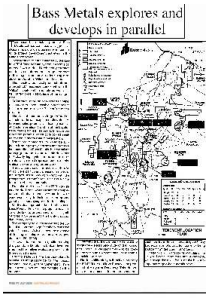
READCORPORATE

Mediaportal Report

Press

Bass Metals explores and develops in parallel
Paydirt, 01/07/08, General News, Page 70
By: None

Clip Ref: **00038543252**
458 words



Paydirt
July, 2008
Page: 70
General News
Region: National
Circulation: 4429
Type: Magazines Trade
Size: 426.84 sq.cms
Monthly

Bass Metals explores and develops in parallel

Tasmanian base metals producer Bass Metals Ltd has continued an aggressive regional exploration programme in parallel to its project development activities in the State's north-west.

Interpretation of data collected by the aerial VTEM (time domain system) geophysical survey flown during March has generated conductive electromagnetic targets on each of the project areas covered including Heazlewood, Waratah, Wilmot and Loyetea.

The Heazlewood nickel prospect returned a broad EM response coincident with the Wilson nickel-in-soil anomaly as well as a new target generated outside of the soil grid area.

At Waratah, near the Mt Bischoff tin mine, the survey outlined possible extensions to the north-east of the Mt Bischoff tin mineralisation.

The Wilmot base metals target offered up a cluster of three unexplained, discrete late-time anomalies potentially indicating massive sulphide mineralisation, while at the Loyetea base metals targets, several EM responses represent potential conductive bodies related to granite skarn-style mineralisation.

These preliminary results would be subject to further geophysical data and processing, according to Bass Metals, but overall the survey generated "clean, reliable data" and had clearly highlighted areas on the tenements, which could represent bodies of mineralisation warranting further work.

The company said the results at Heazlewood were particularly pleasing, as one of the targets there was coincident with the prospective ultramafic rock unit and a high-tenor nickel-in-soil anomaly.

Preliminary results of the VTEM work indicated the Heazlewood ultramafic complex comprised latent conductivity and follow-up work was likely to include further ground geophysical surveying prior to drill testing.

On the development side of the business, Bass Metals' Hellyer mine project was a major undertaking, underpinned with a significant resource base and the highly prospective Fossey Zone.

The company believed Hellyer had the potential to contribute significantly to its market value if it successfully achieved the objective of defining a mining operation with ore production of 250,000 tpa.

To evaluate and then expedite meeting this goal, Bass Metals has broken down and simplified the Hellyer evaluation process into three distinct stages.

Prior to stage one, the company plans to release an initial resource for the Fossey prospect, due by end of September. There are currently two drill rigs working on this prospect.

Following that, the company will move into stage one – a feasibility study on the Fossey and Upper Hellyer resources – to be completed within an 18-month time line to enable a decision to mine.

The feasibility study will include an early 60-100,000t ore trial from Fossey to be processed at Hellyer or Rosebery. This trial will deliver early access to the ore zone and cash flow from Hellyer – providing continuity and expansion of production currently being sourced from the Que River project.

Stage two will consists of evaluating the Hellyer Deeps resources and extensions, while stage three will focus on the bulk tonnage barite-gold-base metals zone.