

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Bass Metals Ltd

ABN

31 109 933 995

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---------------------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,248,675 fully paid ordinary shares. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes - fully paid ordinary shares.</p>								
<p>5 Issue price or consideration</p>	<p>\$0.25 per fully paid ordinary share.</p>								
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued pursuant to exercise notices received for 2,246,800 listed options exercisable at \$0.25 on or before 31 July 2007 and 1,875 unlisted options exercisable at \$0.25 on or before 31 July 2007 .</p>								
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>24 July 2007 – 494,155 ordinary shares 30 July 2007 – 1,419,373 ordinary shares 31 July 2007 – 335,147 ordinary shares</p>								
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1299 989 1344">Number</th> <th data-bbox="989 1299 1283 1344">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1344 989 1433">75,641,599</td> <td data-bbox="989 1344 1283 1433">Ordinary shares. (Code: BSM)</td> </tr> <tr> <td data-bbox="686 1433 989 1612">1,800,414</td> <td data-bbox="989 1433 1283 1612">Options exercisable at 25 cents each and expiring 31 July 2007. (Code: BSMO)</td> </tr> <tr> <td data-bbox="686 1612 989 1823">4,178,189</td> <td data-bbox="989 1612 1283 1823">Options exercisable at 40 cents each and expiring 30 April 2010. (Code: BSMOA)</td> </tr> </tbody> </table>	Number	+Class	75,641,599	Ordinary shares. (Code: BSM)	1,800,414	Options exercisable at 25 cents each and expiring 31 July 2007. (Code: BSMO)	4,178,189	Options exercisable at 40 cents each and expiring 30 April 2010. (Code: BSMOA)
Number	+Class								
75,641,599	Ordinary shares. (Code: BSM)								
1,800,414	Options exercisable at 25 cents each and expiring 31 July 2007. (Code: BSMO)								
4,178,189	Options exercisable at 40 cents each and expiring 30 April 2010. (Code: BSMOA)								

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	12,046,804	Ordinary shares.
	11,875	Options exercisable at 25 cents and expiring 31 July 2007.
	1,365,000	Options exercisable at 25 cents and expiring 31 December 2007.
	350,000	Options exercisable at 30 cents and expiring 31 December 2007.
	350,000	Options exercisable at 35 cents and expiring 31 December 2007.
	1,600,000	Options exercisable at 27.5 cents and expiring 22 December 2011.
	500,000	Options exercisable at 37.5 cents and expiring 31 December 2011.
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	NA	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	NA
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	

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|----|---|--|
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if | |

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	applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1 Note – Only 2,246,800 ordinary shares to be quoted. The remaining 1,875 ordinary shares issued are subject to ASX escrow and should be unquoted.
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional

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- +securities setting out the number of holders in the categories
- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

NA

39 Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

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