

17 April 2008

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

Dear Sir

Hellyer Mine Project– 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 HLD961 intersected **6.9 metres at 13.4% zinc, 8.9% lead, 37 g/t silver and 0.37 g/t gold** from 281.5 metres downhole.
- The above intercept occurs within a broad zone of **23.5 metres at 5.8% zinc, 3.5% lead, 17 g/t silver and 0.35 g/t gold** from 264.9 metres downhole.
- This mineralisation actually occurs within foot-wall style alteration associated with the interpreted feeder zone, occurring beneath the high-grade massive base metal sulphide zone intersected above in drill hole HLD960.
- 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. The Company is evaluating options to fast track the resource drill-out and the mining, environmental and metallurgical studies currently underway.

Introduction

The Fossey Zone is a large, un-mined body of barite alteration and massive base metal sulphide mineralisation to the south of the Hellyer deposit and the Company's Hellyer Mineral Resource (**refer Figure 1**). BSM owns 100% of both mineralised bodies which together comprise the Hellyer Mine Project.

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

Current Drill Results

HLD961, collared on drill line 10,200mN (*refer Figure 1*) was drilled to test beneath the high grade intercepts in HLD960 reported to ASX 10 March 2008:

- **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.**

The drill hole passed beneath the interpreted wedge of barite alteration into foot-wall style alteration which included a surprisingly high tenor intercept of 6.9 metres within a broader lower grade mineralised envelope as summarised in Table 1 below. This is a new mineralised style at the prospect because to date the high grade mineralisation has occurred within the barite alteration wedge. This intercept, occurring beneath the barite wedge opens the potential for further mineralised extensions into the footwall-feeder zone.

Table 1: HLD961 assay results

From (m)	To (m)	Drilled Interval (m)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)
(at a 5% (Pb+Zn) cutoff)							
273.40	279.00	5.60	4.0	1.8	-	11	0.36
281.50	288.40	6.90	13.4	8.9	-	37	0.37
Within a broad zone at 1%(Pb+Zn) cutoff							
264.90	288.40	23.50	5.8	3.5	-	17	0.35


As reported previously HLD962, testing 30 metres above HLD960 intersected 70 metres of barite alteration, including a 9 metre zone of high grade base metal mineralisation within a broader 24 metre wide envelope of low to moderate grade mineralisation, on the western side of the barite body. The main mineralised zone is up-dip from, and a clear correlate of the HLD960 intercept. Assay results are pending.

Conclusion

The annotation boxes in Figure 2, summarising the drill results to date, illustrate the potential of the Fossey Zone to contribute a significant increment to the current Hellyer Mine Project Mineral Resource inventory. Drilling is currently on the 10,100mN section and a second drill rig will commence at Fossey in early May. The objective is to generate a preliminary Mineral Resource estimate as soon as practical.

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

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.

Figure 1: Schematic Drill Section – 10,200mN

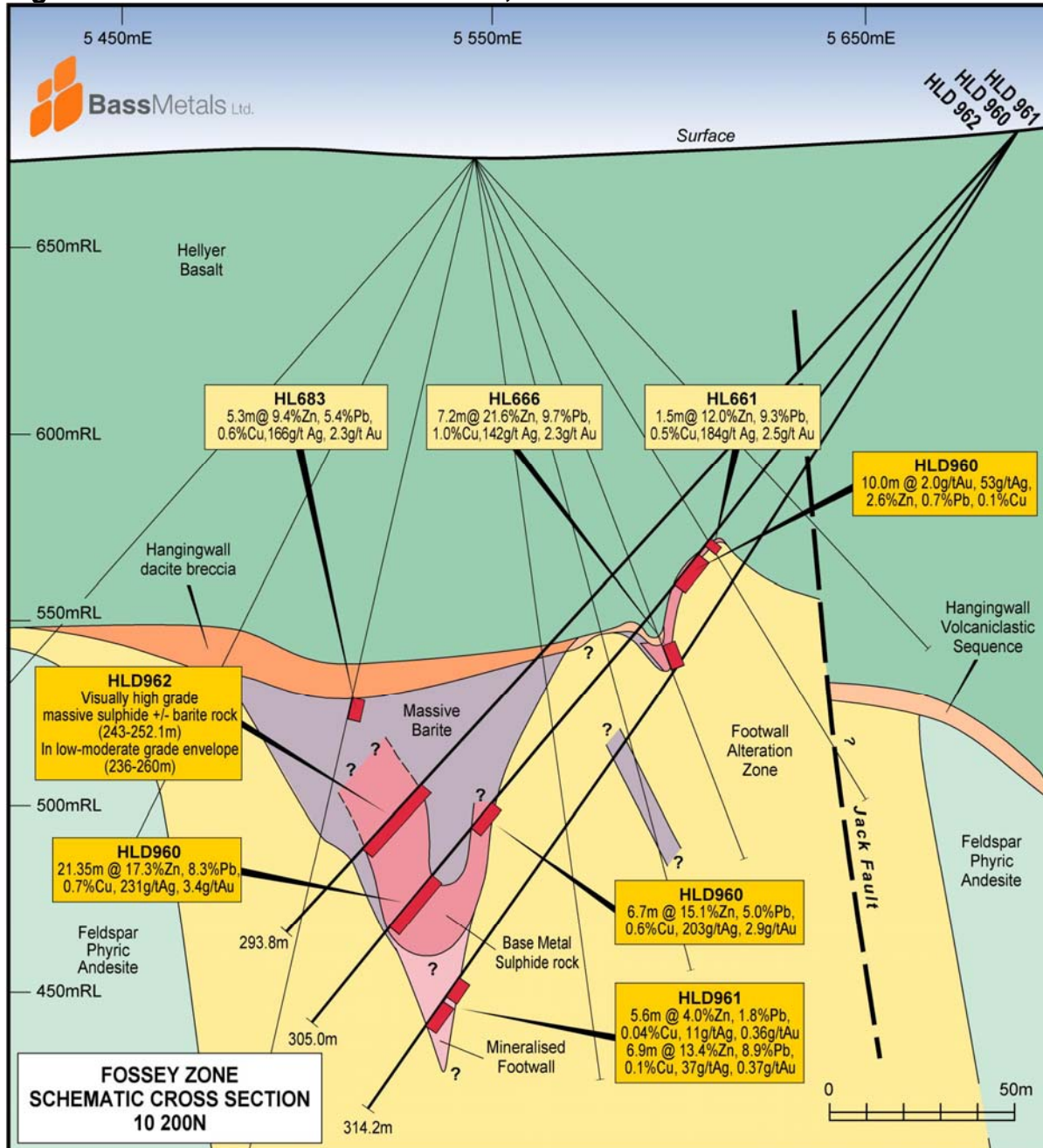


Figure 2: Summary Location Plan for Southern Barite Lens.

