



6 April 2006

The Manager Companies
Company Announcements
Australian Stock Exchange
20 Bridge St
Sydney NSW 2000

Dear Sir

Re: NEW ZINC-LEAD-SILVER MINERAL RESOURCE AT QUE RIVER

Bass Metals Ltd's is pleased to update ASX on its recent resource estimate for the *Nico Lens* which comprises part of the Que River project - the subject of a mining evaluation study.

Highlights:

- **Initial Mineral Resource estimate of 102,000 tonnes grading 8.5% Zinc, 4.9% lead, 110 g/t (~3oz/t) silver, 0.9g/t gold and 0.35% copper at Nico Lens.**
- **Nico is an unmined shallow massive sulphide lens situated ~300 metres to the northwest of the S-Lens Mineral Resource (370,000 t @ 1.7% Cu, 4.2% Zn).**
- **At current metal prices the in situ value of the contained metal content at Nico is >A\$500/tonne, making the deposit an attractive exploration target and warranting its inclusion into the Que River Mining Study.**

Nico Lens Mineral Resource Estimate.

The Nico Lens Mineral Resource estimate is reported in accordance with the 2004 JORC Code and is presented in Table 1 below.

Table 1: Nico Lens Resource Estimate

Lens-unit	Resource Category	tonnes	Density (g/cm ³)	Horizontal Width (m)	Mean Grades				
					Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Cu (%)
Nico	Indicated	33,000	3.67	2.8	9.0	5.4	130	1.0	0.3
Nico	Inferred	57,000	3.66	1.9	8.7	5.2	115	1.1	0.4
Nico	Ind. + Inf.	90,000	3.66	2.2	8.8	5.3	120	1.0	0.4
Nico-1	Inferred	12,000	3.47	3.5	6.6	1.8	40	0.0	0.2
Total	Inf.+Ind.	102,000	3.64	2.3	8.5	4.9	110	0.9	0.4

The estimate was undertaken by independent consultants McArthur Ore Deposit Assessments Pty Ltd (MODA) as part of the Que River mining study. The estimate was supervised by Gary McArthur PhD FAusIMM MICA MSEG, who has over 35 years mine geology and resource estimation experience including 10 years at the Hellyer Mine, a similar style deposit 3km north of Que River. As such Dr McArthur is recognised as a Competent Person as defined by the JORC Code (AusIMM, 2004) for estimation of base metal mineral resources such as the Nico Lens. Dr McArthur has given his written consent for the inclusion of the estimate in this ASX release.

An anisotropic 2D inverse method was used to interpolate grades between the 16 historic diamond core intercepts spaced on approximately 25 metre centres. A 5% combined lead plus zinc grade was used as the minimum assay cut-off.

The distribution of the drill holes with intercept values is presented as a long section in Figure 1.

Commentary

The Nico resource model is now being utilised to target future drilling, which will focus on extending the resource:

- closer to surface north of 7750N
- at depth around 7760N approximately 140 metres below surface
- to the north of the current resource outline.

This is an exciting development for the Company – adding potentially high value resources into the scope of the Que River mining study. The S-Lens Mineral Resource comprises 370,000 tonnes at 1.7% copper, 64g/t silver, 4.2% zinc, 1.4% lead and 0.4g/t gold of which 44% is classified as Indicated and 56% Inferred. Whilst an update of the S-Lens resource (reported previously) will commence shortly the Nico estimate has increased the total Que River Mineral Resource tonnage by nearly 30%.

The total contained metal value of the insitu Nico Resource is over A\$500/tonne at current metal prices and exchange rates. Whilst a detailed study on the feasibility of mining this deposit is still to be completed the elevated grades make Nico Lens and the entire Que River area a very attractive exploration target.

The Directors consider that the S-Lens Mineral Resource and potential extensions, as well as mineralisation identified at the unmined Nico zinc-lead-silver lens, have the potential to generate meaningful early cash flow for the Company. This initial Nico Resource estimate supports that view. The Que River Mining study is examining the viability of a small scale-high margin operation utilising both open pit and underground mining methods with several toll treatment options being assessed for the ore. The Study continues to progress well with the company expected to lodge its Notice of Intent with the Tasmanian government departments next week. The other core components of the Study are due for completion by July 2006 and it is hoped that, subject to satisfactory results, mining operations may commence before the end of the calendar year.

Yours sincerely



Mike Rosenstreich
Managing Director

The information within this report that relates to exploration results is based on information compiled by Dr Gary McArthur of McArthur Ore Deposit Assessments a Fellow of The Australasian Institute of Mining and Metallurgy. Dr McArthur has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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.

FORWARD LOOKING STATEMENT: This release contains certain forward-looking statements. These forward-looking statements are subject to a variety of risks and uncertainties beyond the Company's ability to control or predict which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

Figure 1: Long Section Projection of Nico Lens showing distribution of dill holes.
