



11 September 2006

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

Dear Sir

Re: SHALLOW HIGH GRADE DRILL RESULTS – QUE RIVER

Bass Metals Ltd is pleased to provide the following update on its drilling programme at Que River.

Key Points

- **Infill drilling on shallow portions of the S-Lens Mineral Resource returned further positive results including:**
 - ✓ **8.5 metres at 4.1% copper, 85g/t silver & 0.6g/t gold from 55.4 metres downhole;**
 - ✓ **14 metres at 4% zinc, 1.2% lead & 18 g/t silver from 23.5 metres downhole including 2.4 metres 11% zinc, 2.2 % lead & 30 g/t silver;**
 - ✓ **10.5 metres at 12% zinc, 4% lead and 46 g/t silver from 66.4 metres down hole; and,**
 - ✓ **2.6 metres at 7.1 g/t gold and 39 g/t silver from 3 metres downhole.**
- **A detailed stage 1 - mine plan to extract shallow high grade zinc (+ lead, silver & gold) mineralisation from S-lens North and PQ Lens is being finalised. The Stage 2 mine plan will include the copper rich S-Lens South, Nico Lens and new targets.**

Que River Drill Results

Bass Metals Ltd in collaboration with Mancala Mining has undertaken an extensive programme of shallow diamond core drilling and trenching to test potential ore positions at S-Lens, PQ Lens and Nico which may be included in the Que River Mine Plan.

Drilling re-commenced at S Lens at the beginning of July and to date a total of 28 drill holes for 1,334 metres have been completed. Drilling initially focused on S Lens and then moved to testing interpreted remnants of PQ and P North lenses.

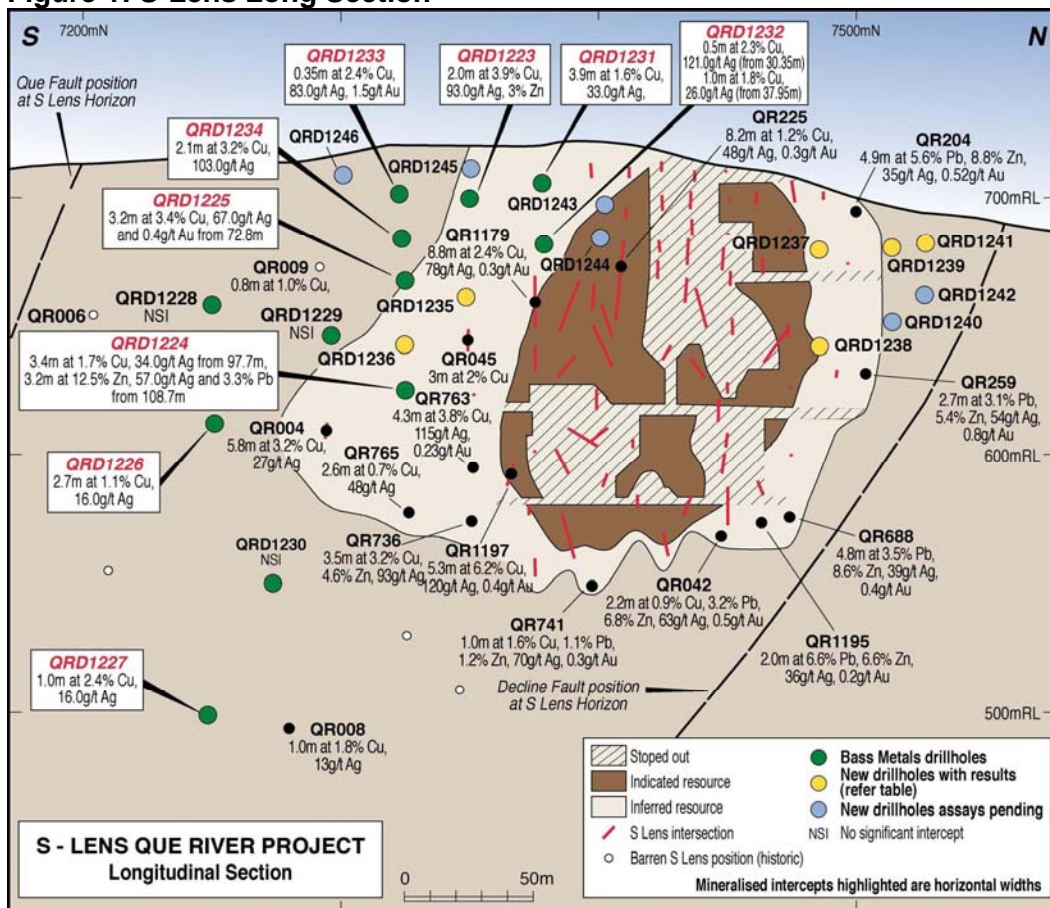
Detailed drill results presented in Table 1 and Figure 1 are positive and support the technical assumptions in the Scoping Study for a profitable shallow high grade open pit mining operation. Results for drill holes in S-Lens North, QRD1237 and QRD1238 intersected 11 and 13 metre true widths of mineralised S-Lens confirming wide shallow potentially economic S-Lens intercepts as well as narrower high grade zones. A shallow gold rich intercept of 7.1 g/t gold in QRD1241 is unexpected and may represent the surface expression of a new mineralised pod and will be followed up.

At S-Lens South results for drill holes QRD1235 and QRD1236 confirm strong copper and silver mineralisation over significant true widths of approximately 4 metres.

Results for the remainder of the drill holes are pending as detailed in Attachment 1.

Table 1 Que River Drilling Results – S-lens.

From (m)	To (m)	Drilled Interval (m)	True Width (m)	Cu (%)	Zn (%)	Ag (g/t)	Au (g/t)	Pb (%)
S-Lens South (Copper Zone)								
QRD1235								
55.4	63.85	8.45	4.3	4.1	0.5	85	0.6	0.1
QRD1236								
85.8	92.0	6.20	3.7	1.2	0.12	23	0.3	<0.1
S-Lens North (Zinc-Lead Zone)								
QRD1237 (Zn+Pb>5% COG)								
23.55	24.90	1.35	1.0	0.2	6.2	46	0.3	3.7
26.80	29.95	3.15	2.5	0.2	4.2	14	0.2	1.0
35.15	37.5	2.35	1.9	0.6	11.1	30	0.3	2.2
Within a broader S-Lens zone of								
23.55	37.50	13.95	11	0.2	4.1	18	0.3	1.2
QRD1238 (Zn+Pb>5% COG)								
40.30	40.70	0.40	0.20	-	5.0	11	0.2	1.2
62.20	63.20	1.00	0.50	3.2	4.5	59	1.1	1.3
66.40	76.90	10.50	5.60	0.8	12.3	46	0.4	3.9
83.50	87.00	3.50	1.90	0.4	6.90	24	0.4	3.2
Within the S-Lens zone -								
62.20	87.00	24.80	13.10	0.60	7.0	28	0.3	2.4
QRD1239 (Zn+Pb>5% COG)								
19.80	20.95	1.15	1.0	0.2	4.3	36	0.5	1.4
30.5	32.5	2.0	1.70	0.1	5.0	29	0.3	3.2
QRD1241 (Zn+Pb>5% COG)								
22.95	23.15	0.2	0.17	0.1	6.9	30	0.5	3.8
25.65	28.90	3.25	2.80	0.1	5.3	21	0.4	3.1
Including a gold rich intercept -								
3.00	5.60	2.60		-	-	39	7.1	0.4

Figure 1: S-Lens Long Section


Commentary

These recent drill results are regarded as positive and supportive of the shallow open pit mining potential. The Que River Mine Alliance (QRMA) between Bass Metals Ltd (80%) and Mancala Mining (20%) is making excellent progress to complete the detailed mine plan for the Stage 1 mine development. The Stage 1 mine proposal incorporates shallow open pit mining of S-Lens North and an approximately 65 metre deep pit at PQ south. The Stage 2 mine proposal will source ore from the copper rich S-Lens South area, as well as from Nico Lens and other shallow target areas. The staged mine plan assists with building up the technical experience involved in establishing the mine operation as well as enabling the QRMA to achieve the best financial outcomes for the different (copper rich, zinc rich(high gold) zinc rich (low gold)) mineralisation styles identified.

The incorporation of the high grade PQ south mineralisation into the detailed mine plan (see ASX Release 27 July 2006) has caused some delays in progressing the ore sale/toll treatment discussions with Zinifex Limited and Intec Ltd, owners and operators of the Rosebery and Hellyer processing plants respectively. These discussions are on going and the Directors look forward to providing a further update as the QRMA mine plan and off-take arrangements are finalised in the near future.

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 a member of The Australasian Institute of Mining and Metallurgy. Mr Rosenstreich 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.

Attachment 1: Que River Drilling Details

HOLE	Lens	Drill Hole Co-ordinates & Trace					Status
		Grid North	Grid East	Azimuth	Dip	EOH(m)	
QRD1235	S-South	7349	5257	90	-59	98.8	completed/results received
QRD1236	S-South	7322	5241	90	-53	110.0	completed/results received
QRD1237	S-North	7485	5277	90	-39	50.6	metallurgical sample
QRD1238	S-North	7485	5276	90	-58	97.5	metallurgical sample
QRD1239	S-North	7512	5284	90	-30	45.0	completed/results received
QRD1240	S-North	7513	5283	90	-56	74.5	completed/results pending
QRD1241	S-North	7525	5288	90	-30	44.6	completed/results received
QRD1242	S-North	7525	5286	90	-57	66.0	completed/results pending
QRD1243	S-South	7402	5274	90	-44	56.6	metallurgical sample
QRD1244	S-South	7402	5274	90	-57	71.8	metallurgical sample
QRD1245	S-South	7350	5299	270	-30	29.7	completed/results pending
QRD1246	S-South	7300	5274	90	-45	50.7	completed/results pending
QRD1247	PQ 7500 pod	7513	5184	270	-34	22.9	completed/results pending
QRD1248	PQ 7500 pod	7513	5184	270	-56	29.8	completed/results pending
QRD1249	PQ 7500 pod	7488	5183	270	-40	20.7	completed/results pending
QRD1250	PQ 7500 pod	7525	5182	270	-35	38.5	completed/results pending
QRD1251	S-North	7506	5180	90	-30	44.7	completed/results pending
QRD1252	PNth	7650	5167	90	-41	22	completed/results pending
QRD1253	PNth	7650	5167	90	-70	29.9	completed/results pending
QRD1254	PNth	7650	5203	270	-39	18.4	completed/results pending
QRD1255	PNth	7663	5205	270	-44	18.7	completed/results pending
QRD1256	PNth	7638	5202	270	-50	17.7	completed/results pending
QRD1257	PQ Sth	7363	5150	270	-38	35.8	completed/results pending
QRD1258	PQ Sth	7313	5125	90	-37	26.5	completed/results pending
QRD1259	PQ Sth	7325	5130	90	-36	20.6	completed/results pending
QRD1260	Nico	7738	5160	270	-30	65	completed/results pending
QRD1261	Nico	7725	5156	270	-45	62	completed/results pending
QRD1262	Nico	7750	5154	270	-51	64.8	completed/results pending
QRD1263	Nico	7775	5173	270	-30		In progress