

BASS METALS UPGRADES QUE RIVER POTENTIAL

- **Significant near-surface, southerly extension of S-Lens resource confirmed with best intersection of 3.2m @ 3.2% copper, 103g/t silver and 0.5g/t gold.**
- **Significant new resource target identified, QR32 lens extending from near-surface to approximately 150m vertically – supported by intercepts including 15m @ 5.5% zinc, 3.5% lead and 85g/t silver.**
- **Que River mining study progressing well, with preliminary open pit optimisation work underway.**

Gold and base metals explorer Bass Metals Ltd (ASX: **BSM**) has confirmed a significant near-surface, southerly extension of the **S-Lens resource** at its 100%-owned **Que River base metal project** in north-west Tasmania after drilling intersected copper-rich zones up to relatively shallow depths.

In addition, the Tasmanian-focused resource company said today it had identified new resource potential at the **QR32 lens** at Que River as part of its ongoing re-evaluation of the entire Que River mineralised system, which was mined historically in the late 1980s.

Bass Metals is progressing a mining study (being conducted by Snowden Mining Industry Consultants) on Que River, which has significant metal endowment of some **3.3 million tonnes at 13.3% zinc, 195g/t silver, 3.3g/t gold and 7.4% lead**. The Company is targeting early production from the project, which forms part of its portfolio of gold and base metal projects in north-west Tasmania.

Bass Metals reported today that assay results from the final three drill holes completed at the S-Lens in April 2006 returned a best intersection of **3.2 metres grading 3.2% copper, 103g/t silver and 0.5 g/t gold** from 32.5 metres downhole, with all three holes intersecting mineralisation.

Managing Director, Mike Rosenstreich, said the results were significant as they highlighted the extension of copper-rich zones up to relatively shallow depths outside of the current S-Lens mineral resource envelope, with the results to be included in any future resource re-estimation for the S-Lens.

“In addition, we are pleased to report that the current review of the broader Que River mineralised system has delivered a significant new resource target, the QR32 lens, a zone which was partially mined from underground in the late 1980s,” he added.

The mining study currently underway at Que River is focusing on potential open pit mining of the S-Lens and Nico Lens to extract remaining resources, however Bass Metals is also systematically reviewing the entire 900-metre strike length of the Que River mineralised system looking for remnant ore positions and new drilling targets.

The target geometry defined by sparse historic diamond drilling comprises a 150 metres vertical extent from surface, approximately 75 to 100 metres along strike with varying width ranging from 14 metres true width to less than 1 metre on the margins. The resource target is supported by historic true width intersections including **14 metres at 5.5% Zn, 3.5% Pb, 85 g/t Ag, 1.0 g/t Au ~120 m below surface and 8.8 metres at 3.8% Zn, 2.5% Pb, 69 g/t Ag, 0.9 g/t Au ~100 m below surface**.

Mr Rosenstreich said the Que River mining study was progressing well with preliminary open pit optimisation work underway which the Company hopes to report on in the coming weeks.

“The Company has activity gathering momentum on several fronts, with our ‘long-term’ drilling rig currently on site at Mt Charter and approximately half-way through an 11-hole diamond drilling program,” he added.

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Profile – Bass Metals Ltd

Bass Metals Ltd (ASX: BSM) is an Australian resources company focused on the exploration, evaluation and rapid development of a quality portfolio of mineral assets in north-west Tasmania, including gold-silver and base metal projects with near-term production potential.

Underpinned by alliances with zinc producer Zinifex Limited, TSX-V listed Geoinformatics Exploration Inc and Intec Ltd, owner of the Hellyer treatment facility in Tasmania, Bass Metals has intensive work programs underway on its two most advanced projects, the Mt Charter Gold Project and Que River base metals project.

At Mt Charter, Bass Metals's maiden drilling program in late 2005 returned broad intersections including 80m @ 1.6g/t gold and 61g/t silver and 52.5m @ 2.0g/t gold and 39g/t silver. Intensive follow-up drilling is underway during 2006, with the Company targeting the potential for a large-scale, moderate grade gold deposit .

At Que River, where Bass Metals has delineated an initial resource at the S-Lens in addition to historic high-grade zinc-lead-silver-gold resources previously mined by Aberfoyle in the 1980s, evaluation of mining and treatment options is underway with a view to commencing production as rapidly as possible. The key advantages of this project are its close proximity to processing facilities, road and rail access and extensive underground mining infrastructure.

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