

More discoveries on the way

By Mark Fraser

BASS METALS LTD has taken another step towards becoming a dedicated mineral discovery company with the completion of the processing trial and a start to full blown mining at its Que River open cut project in western Tasmania imminent.

Over the next 18 months, the West Perth-based junior resources house is looking to mill 118,000 tonnes of ore grading 0.7% copper, 3.9% lead, 8.3% zinc, 96 grams/t silver and 2.1 g/t gold during what will be stage one of a potential three to five year operation.

The first phase of work – which will cost around \$1 million to establish and has been funded by a recent \$4.7 million oversubscribed renounceable rights issue – is set to target ore in the PQ South lens mineralisation (down to a depth of 60 metres) and its S-lens (40m) using strip ratios of 44:1 and 7.6:1 respectively.

Stage two and three of the undertaking involves tackling the S-lens North and Nico resources as well as the P-North and QR32 target areas, while the final step will see Bass access the deeper S-Lens resources and other prospects in the area.

As it stands, Que River, which was mined by the now gone Aberfoyle from 1978-1991, has a total mineral resource of 547,700t at 1.3% copper, 2.7% lead, 5.5% zinc, 78 g/t silver and 0.9 g/t gold.

The trial mining exercise conducted by the junior company between February and April saw the processing of around 1,400t of ore grading 15.5% zinc, 8.9% lead, 109 g/t silver and 3 g/t gold at Intec Ltd's Hellyer mill.

Bass managing director Mike Rosenstreich said the metallurgical response of the ore in the plant had been very positive in terms of expected metal recoveries and contributions to the grade of the final lead/zinc concentrate.

He also pointed out that the mine and its environs had plenty of upside, with drilling revealing numerous other remnant resources and targets.

For Bass, however, the re-establishment of Que River is just the first step in a broader corporate plan.

"While it's fair to say that currently driving the value and interest in our company is this initial mining development, our goal is to make discoveries," Rosenstreich explained.

"Aside from our Que River and Hellyer holdings, we have the largest tenement package of any active explorer currently operating in Tasmania.

"Our business ultimately is to discover and develop elephants, so we don't see Que River as a company maker, but rather as a means of saving shareholders' funds as we move on to the next phase of our evolution."

Bass has effectively divided its business activities into three main areas – base metals, gold and nickel/platinum group metals.

Next cab off the rank in the most mature

intercepts like 5m at 0.4% copper, 6% lead, 9% zinc, 13 oz/t silver and 5.4 g/t gold as well as 6m at 1.1% copper, 1% lead, 24% zinc, 5 oz/t silver and 2.6 g/t gold.

"Ore extraction at Hellyer is a medium term proposition for us, which means we could start mining activities there over the next 12-18 months," Rosenstreich explained.

"We weren't in a position previously where we could get into the Hellyer database, whereas Que River was more accessible.

"It may be flattery, but our share price appears to have been tracking the zinc price over the past few months, so it was important we expanded our base metals, and especially our zinc, resources. Hellyer offers us the perfect opportunity to do this.

"One important thing to remember about Hellyer is that it was completely drilled out before being mined, so the mine plan was never changed.

"In effect this means, as with Que River, this is really the first time a hungry geologist has gone over the project with fresh eyes since the original owners. This fact in itself should provide plenty of new opportunities."

As for its other exploration endeavours, Bass has formed a 50:50 joint venture with Zinifex Ltd to look for deposits around Hellyer's brownfields.

The resources house also has a number of exciting greenfields targets covering an array of base and precious metals on its wholly owned package of tenements.

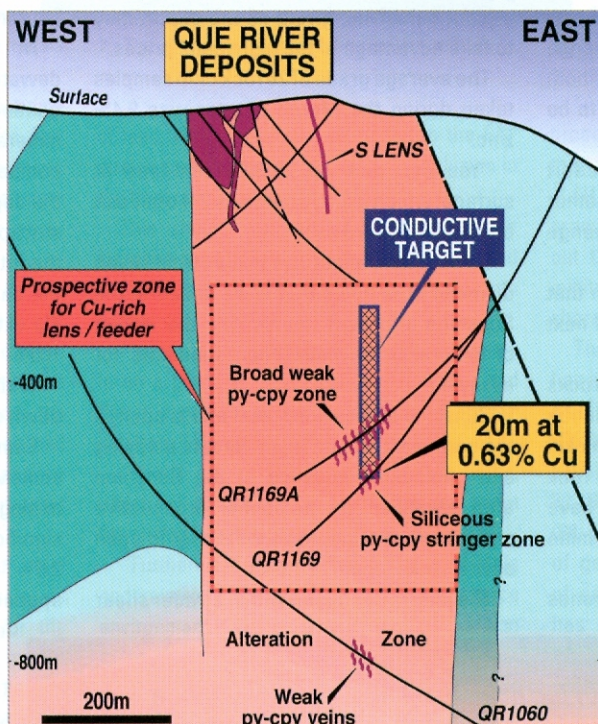
"We have drill rigs focused exclusively on finding large scale deposits," Rosenstreich added.

"We still haven't come across those elusive 20m at 20% zinc or 20 g/t gold targets, but geologically we have been encouraged about what we are getting, so we really just need to continue to go through the process of drilling."

Bass has budgeted \$4 to 5 million on field activities for the coming 12 months – a figure it hopes to at least maintain once production is in full swing at Que River and, later, Hellyer.



▲ Mike Rosenstreich



of these divisions (base metals) will involve tackling newly identified targets around and beneath the now-closed Hellyer polymetallic mine, which started its life (also with Aberfoyle) with a pre-mining resource of 17 Mt at 14% zinc, 7% lead, 0.4% copper, 5 ounces/t of silver and 2.5 g/t gold.

Rosenstreich said Bass currently had three main targets lined up – the southern and central feeder zones as well as the southern barite lens – plus another six remnant areas that contained mineral resource potential of 600,000-700,000t at 8% zinc, 5% lead, 3 oz/t silver and 2 g/t gold.

Of the larger three, the southern barite lens will be approached first. Previous drilling through its mineralisation, which sits 100-250m below surface, has returned