**BASS METALS LTD**

ABN 31 109 933 995

8 June 2006

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

Dear Sir

Re: MT CHARTER DRILLING RESULTS

Bass Metals Ltd is pleased to provide the following update on exploration activities at its 100%-owned Mt Charter gold-silver project in western Tasmania.

Highlights

- Diamond drill hole MCD26 intersected 20 metres grading 2.9g/t gold (equiv.) from 12 metres down hole and 59 metres grading 1.9 g/t gold (equiv.) from 37 metres.
- Diamond drill hole MCD27 intersected 28 metres grading 2.0g/t gold (equiv) from 7 metres down hole and 9 metres grading 1.9 g/t gold (equiv.) from 40 metres.
- Both zones also contain significant zinc mineralisation: in MCD26, 16 metres from 36 metres also grades 2.2% zinc and in MCD27, 19 metres from 16 metres down hole grades 2.6% zinc.
- Continuity of zinc mineralisation intersected in Bass Metals' drill hole MCD22 which graded 4.8% zinc has been confirmed on this drill section 50 metres to the south.
- The potential zinc credit is significant considering that at current metal prices, 1% of contained zinc is equivalent to 1.7 g/t of gold in gross value.

Mt Charter Project

The Mt Charter gold project is an extensive outcropping gold-silver mineralised system. Assay results have been received for the first 3 diamond drill holes of a 12 hole programme currently underway. Highlights of results for MCD25 to MCD27 include:

From	To	Down hole Interval	Gold	Silver	Gold (Equiv)*	Zinc	Lead
(m)	(m)	(m)	(g/t)	(g/t)	(g/t)	(%)	(%)
<u>MCD26</u>							
12	32	20	2.0	47	2.9	0.8	0.5
37	96	59	1.3	31	1.9	0.9	0.3
Note - from 36 to 52m grades 2.2% zinc.							
<u>MCD27</u>							
7	35	28	1.2	41	2.0	2.0	1.0
40	49	9	1.3	32	1.9	0.6	nsr

Note – from 16 to 35m grades 2.6% zinc

* Gold equivalent based on current gold and silver prices.

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Drill holes MCD26 and MCD27 on drill section 4690mN (refer Figure 1) demonstrate the continuity of wide moderate grade shallow mineralisation intersected by Bass Metals' drill holes MCD20 to 22 last year. A summary of these drilling results is presented in Table 1 below.

Figure 2 is a cross section illustrating the interpreted width and vertical extent of the mineralised system. This cross section occurs 50 metres to the south of drill hole MCD22 which also intersected significant zinc mineralisation (refer Table 1). The assay results of both MCD26 and MCD27 support the potential for zinc to contribute an important component to the value of this mineralisation. At current zinc and gold prices, every 1.0% of contained zinc is equivalent to 1.7 g/t gold in gross value. Whilst industry wide smelter returns and metal recoveries vary markedly between gold and zinc, the grades intersected so far at Mt Charter ranging from approximately 1% to 5.0% zinc over generous widths have potential to add significantly to the value of the material.

Table 1: Summary of assay results for Mt Charter Drilling Programme (1.0 g/t gold cut-off)

From (m)	To (m)	Down hole Interval (m)	Gold (g/t)	Silver (g/t)	*Gold Equiv. (g/t)	Zinc (%)	Lead (%)	Insitu Bulk Density (g/cm ³)
MCD20								
1.7	54.2	52.5	2.0	39	2.6	nsr*	nsr	2.8
<i>including</i>								
6.2	9.2	3.0	5.3	200	8.6	Nsr**	nsr	
MCD21								
0	80.0	80.0	1.6	61	2.6	nsr*	nsr	3.2
<i>Which includes</i>								
9.6	22.5	12.9	2.7	96	4.3	nsr*	nsr	
48.5	54.5	6.0	2.7	37	3.3	nsr*	nsr	
MCD22								
56.0	71.4	15.4	2.1	38	2.8	4.8	1.9	3.6
83.9	91.9	8.0	2.1	27	2.6	2.9	1.0	3.7
<i>Within a broader zone defined at a 0.5 g/t Au cut-off</i>								
49.2	98.6	49.4	1.4	22		2.6	1.0	
MCD23								
84.0	85.0	1.0	4.6	16	4.9	nsr	nsr	3.0
<i>Within a broader zone defined at a 0.5 g/t Au cut-off</i>								
84.0	88.6	4.6	1.6	8	1.8	nsr	nsr	2.8
MCD24 – No significant intercepts								
MCD25 – No significant intercepts								
MCD26								
12.0	32.0	20.0	2.0	47	2.9	0.8	0.5	3.0
37.0	96.0	59.0	1.3	31	1.9	0.9	0.3	3.0
MCD27								
7.0	35	28.0	1.2	41	2.0	2.0	1.0	3.2
40.0	49.0	9.0	1.3	32	1.9	0.6	nsr	3.1

* Gold equivalency is based on only gold and silver using current prices. ** nsr indicates no significant result

The drilling programme at Mt Charter is in progress with approximately 4 holes to drill to the end of this programme. Table 2 provides a status update of the current drill programme.

Commentary

Bass Metals has generated further positive drill results in terms of defining shallow, wide zones of gold-silver-zinc mineralisation at Mt Charter. The objective of this programme is to scope out the resource potential in this part of the Mt Charter alteration system and to generate sufficient data to enable a JORC compliant Mineral Resource estimate to be completed at the conclusion of this programme.



The Directors are excited about the added zinc potential recognising that it may add a significant metal credit to the value of the Mt Charter mineralisation. As with any polymetallic deposit metallurgical characterisation is important at an early stage. The Company has submitted samples for metallurgical test work examining gold and base metal recoveries to a laboratory in Perth.

On other fronts the Company is making good progress on its Que River mining study and is particularly pleased that new potential resource targets such as the QR32 zone are emerging at an early stage of the process to systematically review and remodel the entire Que River lens system.

Bass Metals has had one drill rig operating almost full time on its leases at Hellyer since listing in October 2005 and drilling continuing at Mt Charter in a variety of conditions (refer figures 3 & 4). It plans for a second rig to commence there within 2 weeks to resume drilling at Que River. On completion of the Mt Charter drilling, systematic drill testing of the Hellyer alliance targets generated in collaboration with Geoinformatics Exploration Inc. (TSX.V:GXL) and Zinifex Limited (ASX:ZFX) is planned to start. The Directors look forward to reporting back on a very active drilling programme.

Yours sincerely

Mike Rosenstreich
Managing Director

Table 2: Mt Charter diamond drilling status summary

Hole No.	Local Grid		Total depth	Hole angle	Hole status
	northing	easting			
MCD20	4,631	4,254	100.6	-60.0	completed/assays reported
MCD21	4,629	4,318	120.2	-60.0	completed/assays reported
MCD22	4,738	4,309	120.2	-60.0	completed/assays reported
MCD23	4,735	4,201	100.7	-60.0	completed/assays reported
MCD24	4,630	4,177	100.2	-60.0	completed/assays reported
MCD25	4,590	4,261	134.8	-59.4	completed/assays reported
MCD26	4,690	4,342	119.8	-58.6	completed/assays reported
MCD27	4,690	4,342	106.6	-35.0	completed/assays reported
MCD28	4,790	4,282	188.8	-51.9	completed/assays pending
MCD29	4,790	4,355	131.8	-42.8	completed/assays pending
MCD30	4,840	4,352	89.8	-44.7	completed/assays pending
MCD31	4,740	4,353	110.3	-43.6	completed/assays pending
MCD32	4,729	4,274	186.9	-57.9	completed/assays pending
MCD33	4,687	4,261		-62.5	in progress/planned depth 135m



Figure 1: Drill hole location plan for Mt Charter

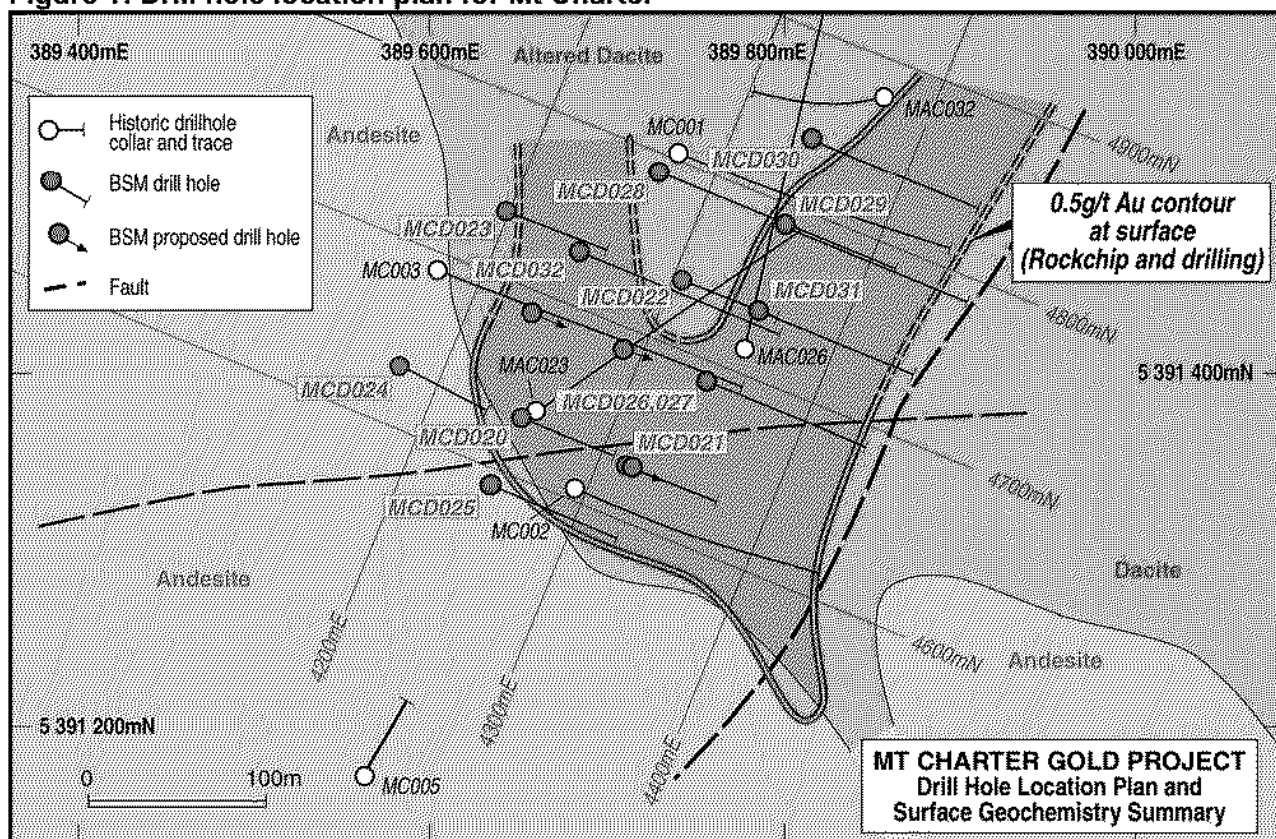


Figure 2: Drill section for Local Grid 4,690m North.

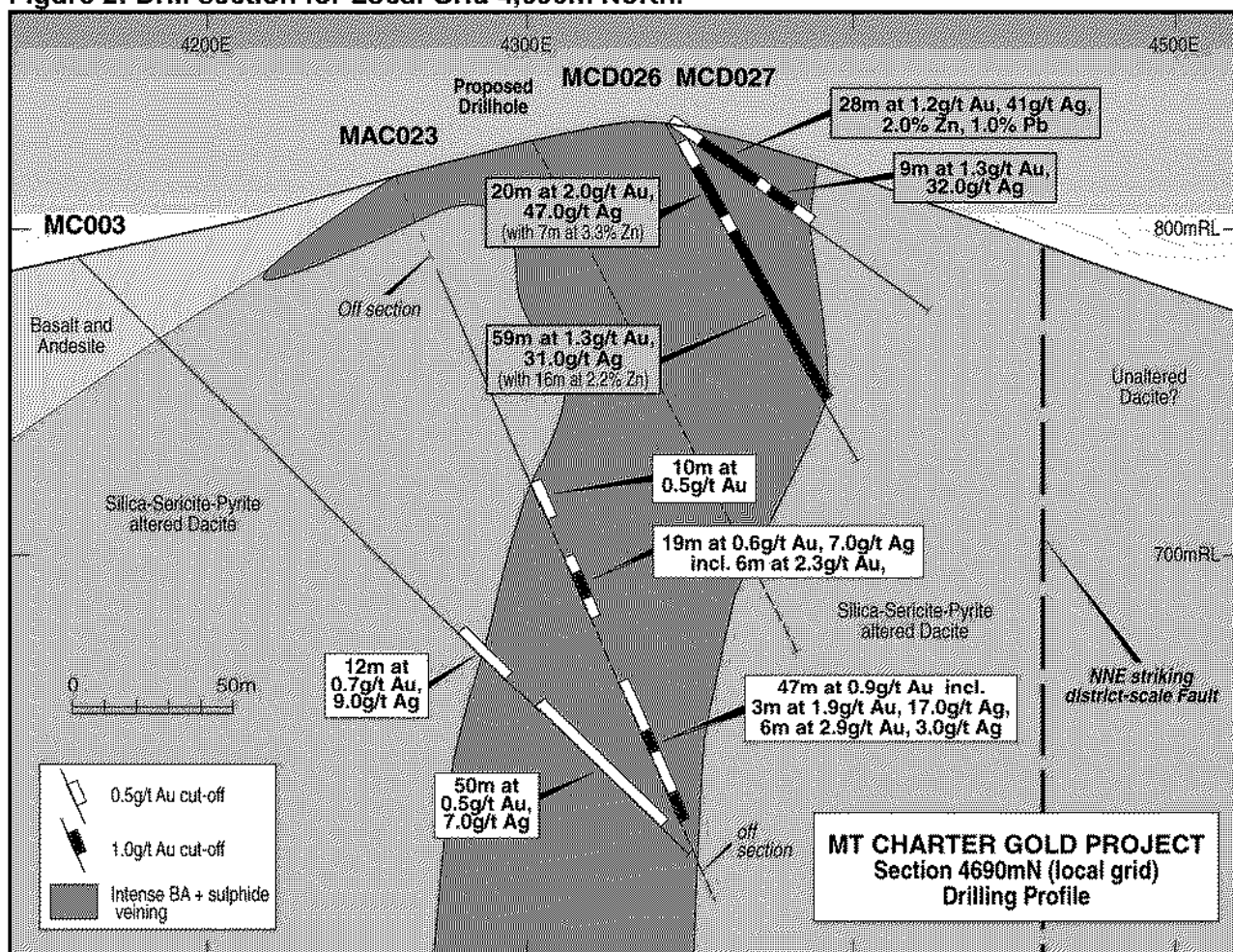




Figure 3: Drilling MCD29 into altered mineralised outcrop on a “typical” clear autumn day.

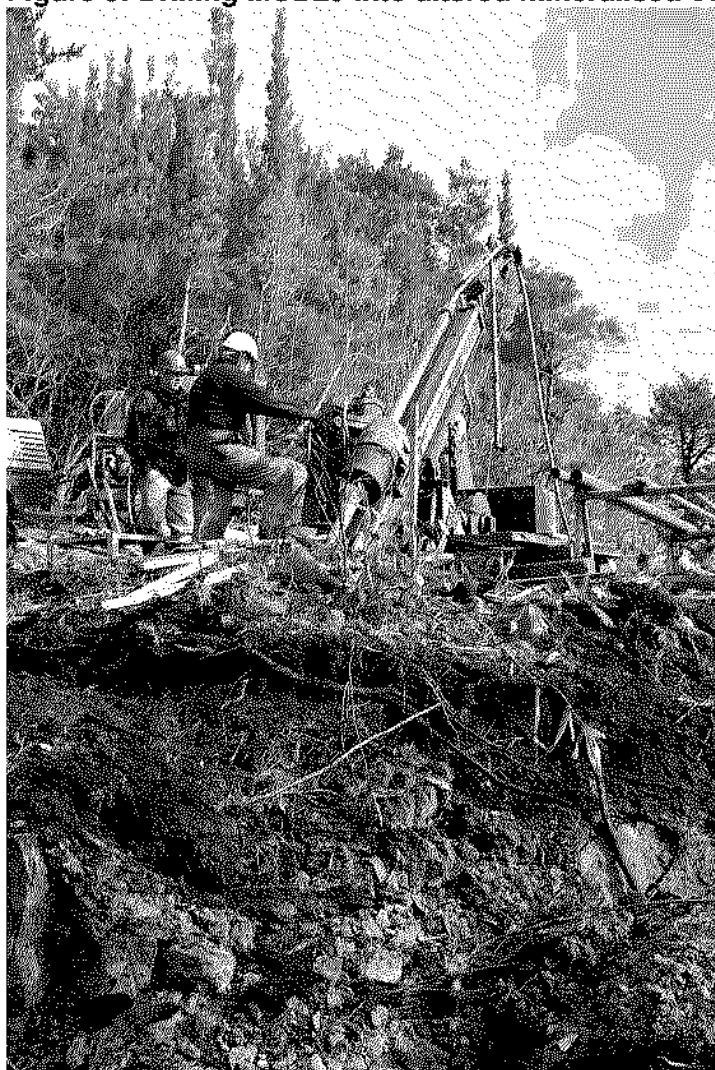


Figure 4: Drilling MCD27 in the snow.....and the drilling goes on.





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.

QA-QC STATEMENT: Mr Mike Rosenstreich is responsible for the verification and quality assurance of the Company's exploration data and analytical results from the Mt Charter project. Surface diamond drill hole collar surveys used differential GPS and down hole surveys used a camera instrument. There is high assay confidence with systematic QA/QC procedures.

Samples of half core from the drill holes described in this release were prepared and analysed by Ammtec laboratory in Burnie (Tasmania) for copper, lead and zinc by triple acid digest followed by atomic absorption analysis, with concentrations reported as a percent. Gold and silver concentrations are determined by fire assay using a 50g charge with an AAS finish. The Company's QA-QC program includes the insertion of commercial standards, blanks and duplicates with each sample batch. Density measurements by conventional water immersion techniques were conducted on each sample submitted for assay.

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.