ASX / Media Release

13 October 2011

Bass Metals Operations Update - amended

Following the release of the ASX announcement today on the Open Investor Forums and Operations Update, Bass Metals Ltd (ASX: BSM) ("Bass" or "the Company") is pleased to provide the following amended update on the Hellyer Mine Project.

Hellyer Mine Project update - amended

The sixth mill campaign at Hellyer commenced on 3 October 2011 as planned. The budget plan was to treat 67,321 tonnes of ore grading 7.8% zinc, 4.6% lead with significant silver, gold and copper credits. By the beginning of the campaign, the predicted mined tonnage and grades stockpiled at the Hellyer Mill was estimated to be 67,232 tonnes grading 9.1% zinc, 5.3% lead, 0.4% copper, 101g/t silver and 1.9 g/t gold.

Bass Metals' Managing Director, Mike Rosenstreich, said the mine is tracking well with development and production meeting the planned production targets.

"The milling campaign is progressing well with 18,792 tonnes of ore processed at head grades of 8.7% zinc, 5.0% lead and 0.4% copper, 93 g/t silver and 1.9 g/t gold estimated. Good quality zinc (51% zinc) and lead (56% lead) concentrates have already been filtered and trucking of concentrate to the Burnie Port is in progress, which is an excellent start to this campaign," Mr Rosenstreich said.

Dewatering rates at the Fossey Mine have continued to decline to approximately 140 litres/second, from peaks in early June of over 240. The permanent pumping station, capable of pumping up to 300 litres/second is currently being installed, replacing the temporary system installed following the 1 June 2011 water inflow event.

"We look forward to providing shareholders with more detail of our very positive progress at Hellyer and other key developments in Tasmania, along with an update on the Company's corporate activities," Mr Rosenstreich said.

"The Board wishes to thank shareholders for their support of Bass Metals and invites shareholders and interested parties to attend the Open Investor Forums and take the opportunity for further questions over light refreshments afterwards".

Details on the locations and times for the Open Investor Forums can be found on the ASX announcement released earlier today or on the Company's website at www.bassmetals.com.au.

For further information, please contact:

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COMPETENT PERSONS STATEMENTS
EXPLORATION RESULTS
The information within this report that relates to exploration results is based on information compiled by Mr Kim Denwer who is a full time employee of the Company. Mr Denwer is a Member of the Australian Institute of Geoscientists. Mr Denwer has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration and to the activities 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 (the JORC Code)" and he consents to the inclusion of this information in the form and context in which it appears in this report.

MINERAL RESOURCES
The information in this report that relates to the Fossey Mineral Resource estimate is based on information compiled by Mr Steve Richardson who is a fulltime employee of the company and a Member of the Australasian Institute of Mining and Metallurgy. Mr Richardson has sufficient experience which is relevant to the style of mineralisation and type of deposit and to the activity which he is undertaking 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 (the JORC Code)". Mr Richardson consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

ORE RESERVES
The information in this report that relates to the Fossey Ore Reserve estimate is based on information compiled by Mr Victor Rajasooriar who is a full time employee of the Company and a Member of the Australian Institute of Mining and Metallurgy. Mr Rajasooriar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Reserves (the JORC Code)". Mr Rajasooriar consents to the inclusion in this report of the matters based in the form and context in which it appears.

About Bass Metals Ltd (ASX: BSM)

Bass Metals Ltd is a growth-focused Australian base and precious metal producer with a portfolio of high quality zinc, lead, copper and gold assets in the rich Mt Read Volcanic belt in northwest Tasmania.

Listing in 2005, Bass has delivered operating profits for the past three years since 2008 based on its profitable base metals production hub at Que River in Tasmania.

The Company's larger transformational Hellyer Mine Project has commenced production from the Fossey deposit, discovered by Bass in September 2007. The planned ore treatment rate is 350,000 tonnes per annum (tpa), through the Hellyer Mill to produce 46,000 tpa of zinc concentrate, 22,000 tpa of lead concentrates and 3,000 tpa of copper-silver-gold concentrates. Bass has off-take contracts for its lead and zinc concentrates with global multi-metals business, Nyrstar, for its copper silver concentrates with LN Metals.

The Company also has an active and successful exploration programme which has yielded new discoveries such as Fossey, Fossey East and McKay as well as new exploration targets through the use of new exploration techniques not applied in the district before. The Company's has significant gold and polymetallic resources and is currently undertaking a feasibility study following on from positive scoping study outcomes indicating the potential to become a long-term, significant scale gold producer.

Bass has differentiated itself through successfully finding high grade polymetallic resources, strategically and incrementally building up its assets and production profile to now become an emerging mid-tier diversified mining business.