ASX / Media Release

29 September 2010

NEW HIGH GRADE INTERCEPT CONFIRMS SWITCHBACK RESOURCE POTENTIAL

Key points

- **Bass confirms third mineralised intercept from diamond drilling at new Switchback target within Hellyer Mine area in NW Tasmania;**
- **Latest drilling yields intercept of 2.25 metres grading 8.3 % zinc, 4.3 % lead, 74 g/t silver and 1.3 g/t gold; within 11.05 metres grading 4.1% zinc, 1.8 % lead, 37 g/t silver and 0.8 g/t gold;**
- **Bass considers that with further drilling there is excellent potential to define a sizable resource; and**
- **Switchback target is within close proximity to the Hellyer Mill and the Fossey underground mine (currently in development).**

Bass Metals Ltd (ASX: BSM) is pleased to report a third mineralised intercept from its promising new Switchback target within its 100% owned Hellyer mine lease in north-west Tasmania.

The latest intercept, from diamond drill hole HED20 comprises 2.25 metres of base metal sulphide mineralisation grading 8.3 % zinc, 4.3 % lead, 74 g/t silver and 1.3 g/t gold within an overall 11.05 metre zone that grades 4.1% zinc, 1.8 % lead, 37 g/t silver and 0.8 g/t gold.

This is the third potentially economic intercept from the Switchback target and further highlights the exciting nature of this new discovery within the existing mine area. The geological cross section in Figure 1 demonstrates continuity of mineralisation with:

- a high grade intercept of 2.35 metres grading 25 % zinc, 8.6 % lead, 192 g/t silver and 4.9 g/t gold within an overall 9.25 metre zone at 8.5 % zinc, 3.3 % lead, 69 g/t silver and 1.6 g/t gold in HED16, 40 metres to the south; and,
- a medium grade zone of 3.95 metres grading 5.9 % Zn, 2.4% Pb, 79 g/t Ag and 1.1 g/t Au in HED19, 100 metres south of HED20.

The latest drill intercept, like HED16 and HED19, is also associated with massive sulphide clasts within a mass flow unit interpreted to have been shed from a distinct massive sulphide mound located somewhere between the Hellyer and Que River deposits.

The mineralised unit is open in all directions and Bass considers that with further drilling there is excellent potential to define a sizable resource. This is particularly attractive given its close proximity to the Hellyer Mill and the Fossey underground mine (currently in development) as shown in Figure 2. As well, the high-grade massive sulphide clasts may vector exploration drilling into a new primary massive sulphide deposit.

Bass is exploring for large scale, high grade polymetallic (copper-lead-zinc-silver-gold) volcanogenic massive sulphide (VMS) deposits in the Mt Read Volcanic belt, in North-west Tasmania. These deposit styles generally occur in clusters, and Bass' exploration focus is around the Hellyer-Que River VMS system which occurs on its Mining Leases within 5km radius of its Hellyer Mill.

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About Bass Metals Ltd (ASX: BSM)

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

Listing in 2005, Bass delivered its maiden profit in 2008 from its profitable base metals production hub at Que River in Tasmania, which has generated $25 million in cash flow over the last two years.

The Company's larger transformational Hellyer Mine Project is on track to commence production toward the end of 2010. With an initial through-put rate of 400,000 tonnes per annum (tpa), the 1.5 million tpa capacity Hellyer Mill will produce 53,000 tpa of zinc concentrate, 27,000 tpa of lead concentrates and 4,500 tpa of copper—silver-gold concentrates.

The Company also has an active and successful exploration programme and initiatives underway to generate cash by processing remnant ore from the Hellyer mine

Que River ore is currently sold to the nearby Rosebery Plant under an Ore Sales Agreement with the plant's owner/operator, MMG Australia. In January 2010 the Bass signed a committed off-take contract with leading global multi-metals business, Nyrstar, for all zinc and lead concentrates produced from the Fossey mine.

Competent Person
The information within this report that relates to exploration results is based on information compiled by Mr Kim Denwer and Mr Mike Rosenstreich who are both full time employees of the Company. Mr Rosenstreich is a Member of The Australasian Institute of Mining and Metallurgy and Mr Denwer is a Member of the Australian Institute of Geoscientists. They both, individually have 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(s) as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and they consent to the inclusion of this information in the form and context in which it appears in this report.

Technical Detail
This Report aims to provide a high level summary of various technical aspects of the Company's projects. For more details on the underlying technical parameters the reader is referred to the ASX Reports on the Bass Metals' website, www.bassmetals.com.au .

Forward-Looking Statements:
This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Bass Metals Ltd's planned development and exploration programmes and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Bass Metals Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Figure 1: Schematic geological cross section

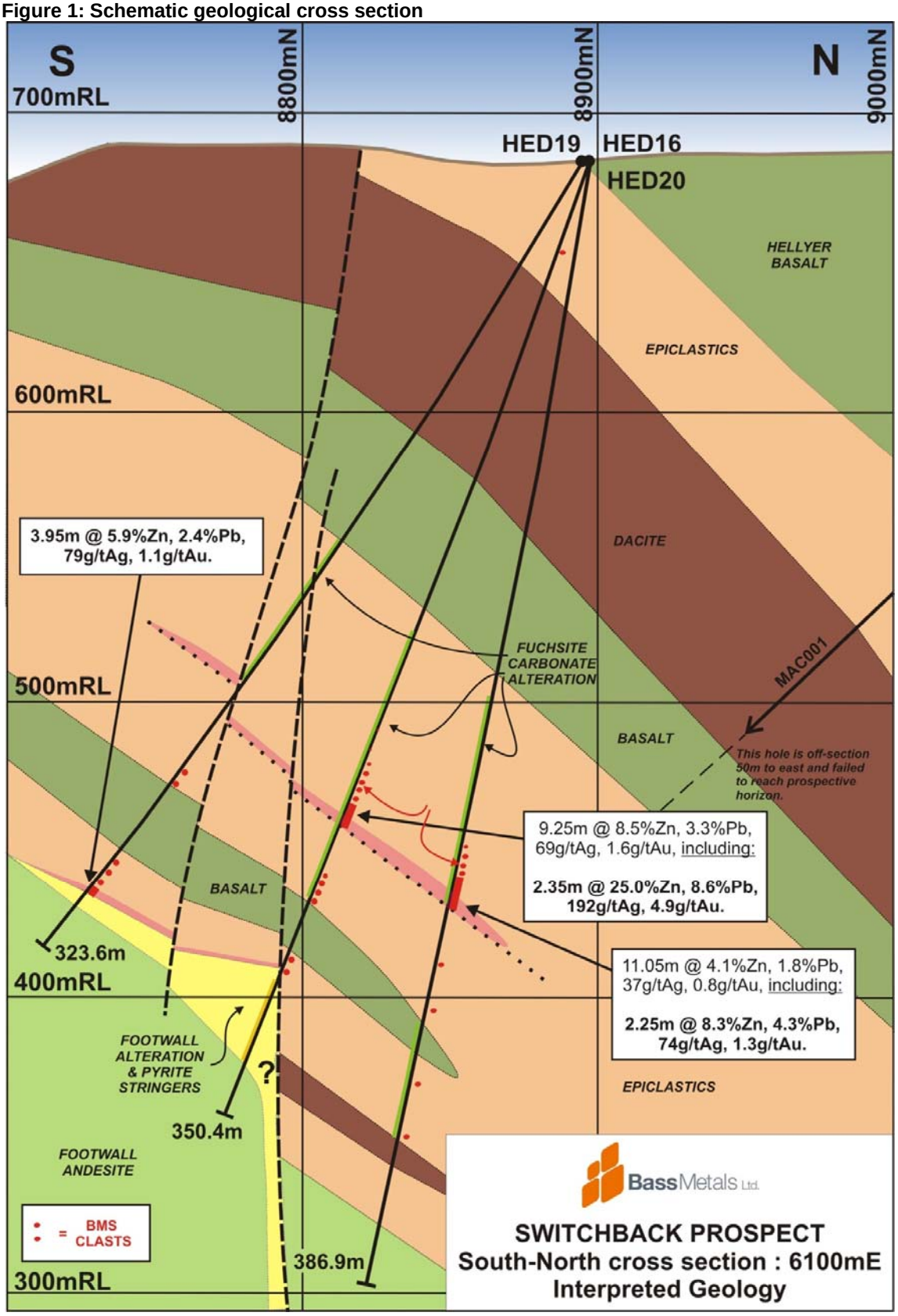

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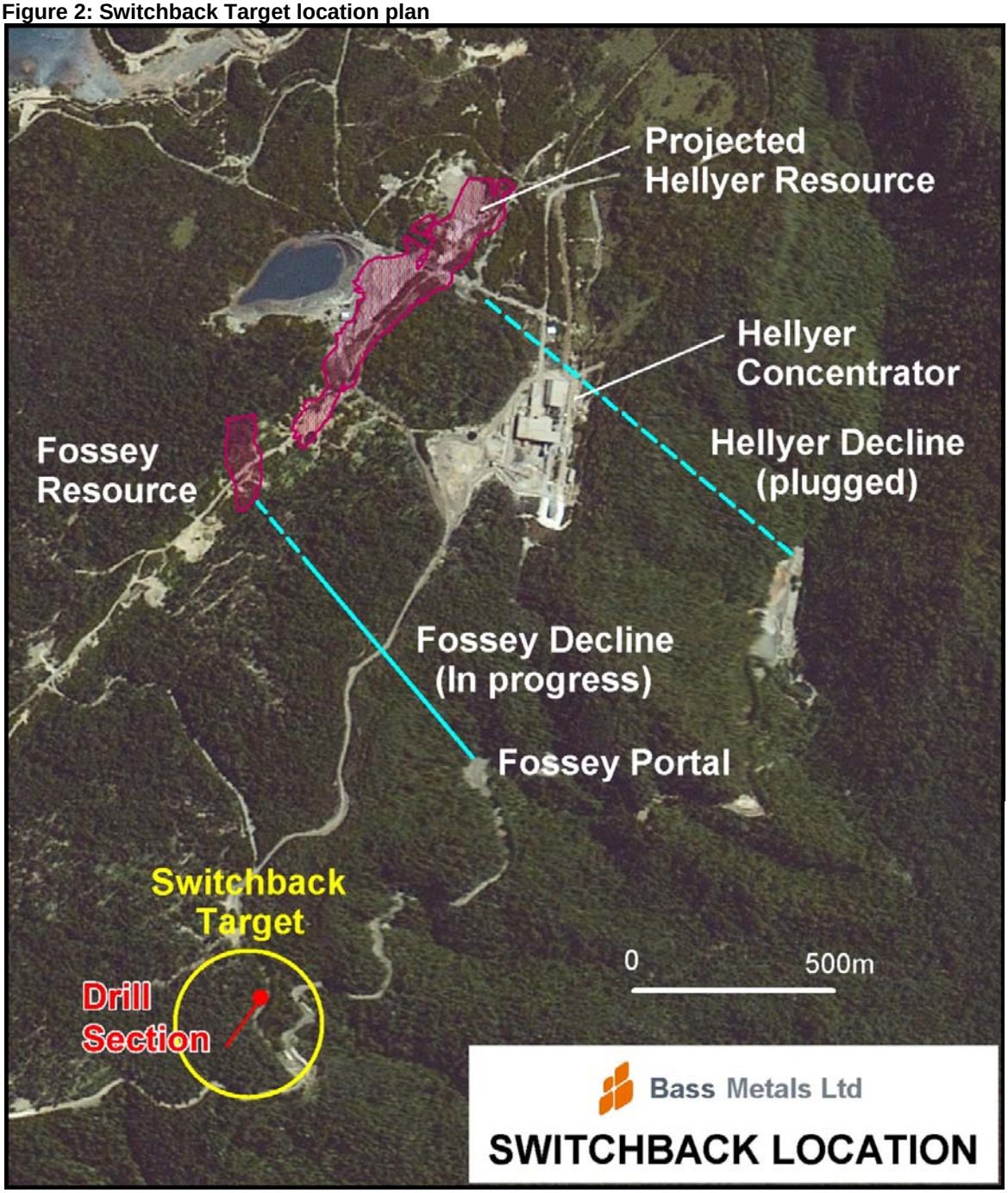
Figure 2: Switchback Target location plan



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