

27 April 2010

The Manager Companies  
Australian Stock Exchange  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

### **BANK FACILITY COMPLETES MINE FINANCING**

Bass Metals Ltd (ASX:BSM) is pleased to announce the completion of its funding for the Hellyer Mine Project (HMP) with the acceptance of a Credit approved offer of a Project Finance facility from RMB Resources Limited.

The pre-start capital cost for the HMP is estimated to be \$21 million; Bass will contribute \$13 million to project developments, which it already holds (cash position at end of March was \$17.5M), before drawing on the Project Loan facility to complete the development. The \$12 million Project Loan limit ensures that Bass has a significant buffer to meet potential cost over-runs or alternatively, with RMB's consent, has additional working capital to utilise for other purposes.

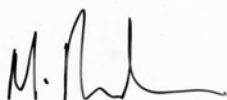
The finance commitment by RMB Resources follows an extensive due diligence process including detailed technical review by Snowden Mining Industry Consultants of the Definitive Feasibility Study and the subsequent Hellyer Operating Plan. The Project Loan and Hedging facilities are offered on standard commercial and banking terms for a facility of this type, including:

- completion of a minimum hedging programme estimated to comprise approximately 30% of the lead and zinc in concentrates derived from the Fossey deposit;
- an equity based fee comprising 2 to 4 million Bass options exercisable at a 10% premium to the market price at the time of issue. The number of options issued will be dependent on the timing of the option issue and whether or not Bass draws the facility over \$10 million;
- a proceeds account, with a cash flow cascade and 25% cash sweep mechanism to advance loan repayments; and,
- ongoing technical monitoring.

This financing offer removes the overhang of further shareholder dilution to fund the HMP development and provides indirect endorsement of the project through the rigorous due diligence and credit assessment process undertaken by RMB Resources. RMB Resources is a specialist global resources financier with an active and skilled technical group in Australia that is actively supporting several local new mine developments with funding and hedging lines.

The management and Board of Bass Metals is very pleased to have secured the support of RMB Resources to develop its second, larger scale mining operation and looks forward to a long-term working relationship with RMB Resources to further grow its business.

Yours Sincerely



Mike Rosenstreich  
*Managing Director*