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Bass Metals to take a look at Hellyer

Friday, 16 February 2007

IN A move to cash in on current copper and zinc prices, Bass Metals will examine cashflow opportunities in and around the historic Hellyer mine in western Tasmania, which closed in 2000.

Bass said in a statement that geologists had identified several new targets and potential resources within the Hellyer mine project, which could significantly boost the company's base metals resource inventory and ultimately its production profile.

"The company is keen to implement an aggressive program to evaluate not just the Hellyer mine project and Que River but also its resources and advanced high-grade base metal targets at Magnet, Farrell and Oonah; all potentially within trucking distance of the Hellyer Mill," Bass said.



Drilling at Bass Metals' Que River polymetallic project in Tasmania

Bass said the major movement in copper and zinc prices motivated the company to identify opportunities at the mine.

"Cash price for zinc and copper for the major proportion of the historic Hellyer mine operations was \$US1184 a tonne and \$US1097/t, respectively," the company said.

"Today, the zinc and copper cash prices are \$US3270/t and \$US5705/t – creating opportunities to follow-up on resources and intercepts not considered attractive when the mine was in operation," the company said.

New targets from historic diamond drillhole intercepts at Southern Feeder zone included 3.9m at 4.9% copper and 40 grams per tonne silver and 4m at 12.9% copper and 70gpt silver.

Intercepts at the Central Feeder zone included 44.3m at 1.7% copper, 5.4% lead, 3.3% zinc and 101gpt silver and 39.2m at 1.8% lead, 3.2% zinc and 23gpt silver, while at Southern Barite Lens intercepts included 4.7m at 0.4% copper, 6.3% lead, 9.3% zinc, 420gpt silver and 5.4gpt gold and 6.2m at 1.1% copper, 10.7% lead, 24% zinc and 156gpt silver and 2gpt gold.

Remnant resource potential at the project was estimated at 600,000-700,000t at 8% zinc, 5% lead, 108gpt silver and 2gpt gold.

Bass said it was revising its business plan to ensure there was sufficient capacity to build up the base metals resource inventory as well as fulfilling its core objective of making a major discovery.

"Hellyer is a world-class scale deposit with a published pre-mining mineral resource of 16.9Mt grading 13.8% zinc, 7.2% lead, 0.4% copper, 167gpt silver and 2.5gpt gold," Bass said.

"The deposit was mined between 1986 and 2000 as a large-scale underground mine with production peaking at around 1.5 million tonnes per annum with ore treated at the Hellyer flotation concentrator plant now owned by Intec and being used to re-process the Hellyer tailings.

"The large scale of the Hellyer mine operation, the style of mineralisation and the major improvement in metal prices creates significant opportunities for Bass Metals to increase its resource inventory and possibly its production profile in the near to medium term."

Aberfoyle, and later Western Metals Resources, operated the Hellyer mine between 1986 and 2000 when economically extractable ore reserves at Hellyer were exhausted.

Meanwhile, trial mining at Bass Metal's Que River project, 4km south of the Hellyer deposit, began earlier this week.

Shares in Bass rose 2c to 31c in morning trade.

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