

BASS STRAIT



Oil for Australians

Investor Presentation – September 2011

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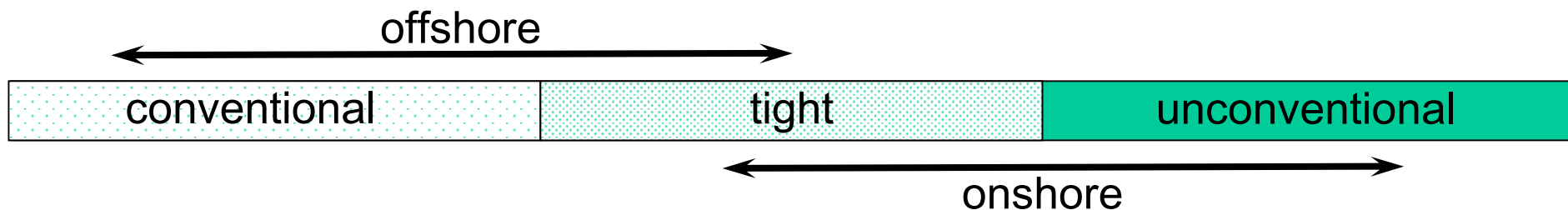
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Competent Person’s Statement

This presentation contains estimates based on information compiled by BAS’s Chief Executive Officer, Dr Steven Mackie. Dr Mackie is a full-time employee of BAS, is a qualified person as defined under the ASX Listing Rule 5.11 and has consented in writing to the inclusion of the above estimates in this presentation, in the form and context in which they appear.

BASS STRAIT OIL COMPANY LTD – VISION

- *Bass Strait Oil Company Ltd (ASX code: BAS) is a specialist, technically-driven, petroleum explorer currently focused exclusively on southeast Australia.*
- *BAS has a 2 pronged strategy:*
 - *Tight to unconventional petroleum onshore*
 - *Conventional to tight petroleum offshore*



HIGHLIGHTS

- **Oil exploration in prospective Southeast Australia permits**
 - two pronged strategy – tight to unconventional petroleum onshore, conventional to tight petroleum offshore
- **Windermere-3 well results expected November 2011**
 - Windermere oil project in the onshore Otway Basin (PEP 167) – Windermere-1 recovered 33 bbls of oil on test
 - formal acceptance received for Windermere-3 operation, targeting P50 prospective resource of 3.36 mmbbls oil-in-place (~1 mmbbls of oil recoverable)
- **Joint Study Agreement with China National Offshore Oil Corporation to review Australian acreage**
- **Farmout discussions on-going in the Offshore Gippsland and Bass Basins**
- **Board and management strengthened**
 - Dr Steven Mackie as CEO (former Sinopec, Santos and Magellan Exploration Manager)
 - Andrew Whittle as Non-Exec Director (former Esso Australia Geological Manager)

CAPITAL RAISING

- **Underwritten 1:3 non renounceable rights issue at 2.5 cents per share to raise gross proceeds of A\$2.4 million**
- **Offer closing Friday, 7th October 2011**
- **Rights issue proceeds, along with existing cash of ~A\$2.1 million, to be used for:**
 - **Windermere-3 drilling** **A\$1.6m**
 - **Seismic acquisition and reprocessing** **A\$0.5m**
 - **Other exploration** **A\$1.6m**
 - **Working capital and costs of issue** **A\$0.8m**
 - **TOTAL** **A\$4.5m**

DIRECTORS AND MANAGEMENT

- **John McInnes OAM, Non-Executive Chairman** – BComm, FCA; chartered accountant and experienced company director
- **Dr Henry Askin, Non-Executive Director** – BSc (Hon) PhD; former Shell Australia Exploration Manager, Chairman Central Petroleum Ltd
- **John Tuohy, Non-Executive Director** – BCA; chartered accountant, commercial and company secretarial experience in the industry
- **Andrew Whittle, Non-Executive Director** – BSc (Hons); former Esso Australia geological manager, currently consulting via PetroVal, Benaris and director of Bumi Armada Berhad

- **Dr Steven Mackie, Chief Executive Officer** – BSc, MBA, PhD; former Sinopec, Santos and Magellan exploration manager; APPEA technical programme chair; adjunct lecturer at Australian School of Petroleum, University of Adelaide

CORPORATE INFORMATION (post capital raising)

- **ASX code: BAS**
- **388,040,333 ordinary shares**
- **Total shareholders approximately 2,225**
- **Top 20 shareholders hold ~ 40%**
- **Cash on hand ~ A\$4.5 million**
- **Market capitalisation ~ A\$11 million**

BALANCED PORTFOLIO OF OPPORTUNITIES

APPRAISAL

✓ **PORTFOLIO – 40%**

- **VIC/P47**
-Judith
- **VIC/P42**
-Zane Grey
-Omeo
- **PEP 167**
-Windermere
- **PEP 150**
-Lindon

EXPLORATION

✓ **PORTFOLIO – 40%**

- **VIC/P41**
-Kipling
-Benchley
-Oscar
- **VIC/P42**
-Tara

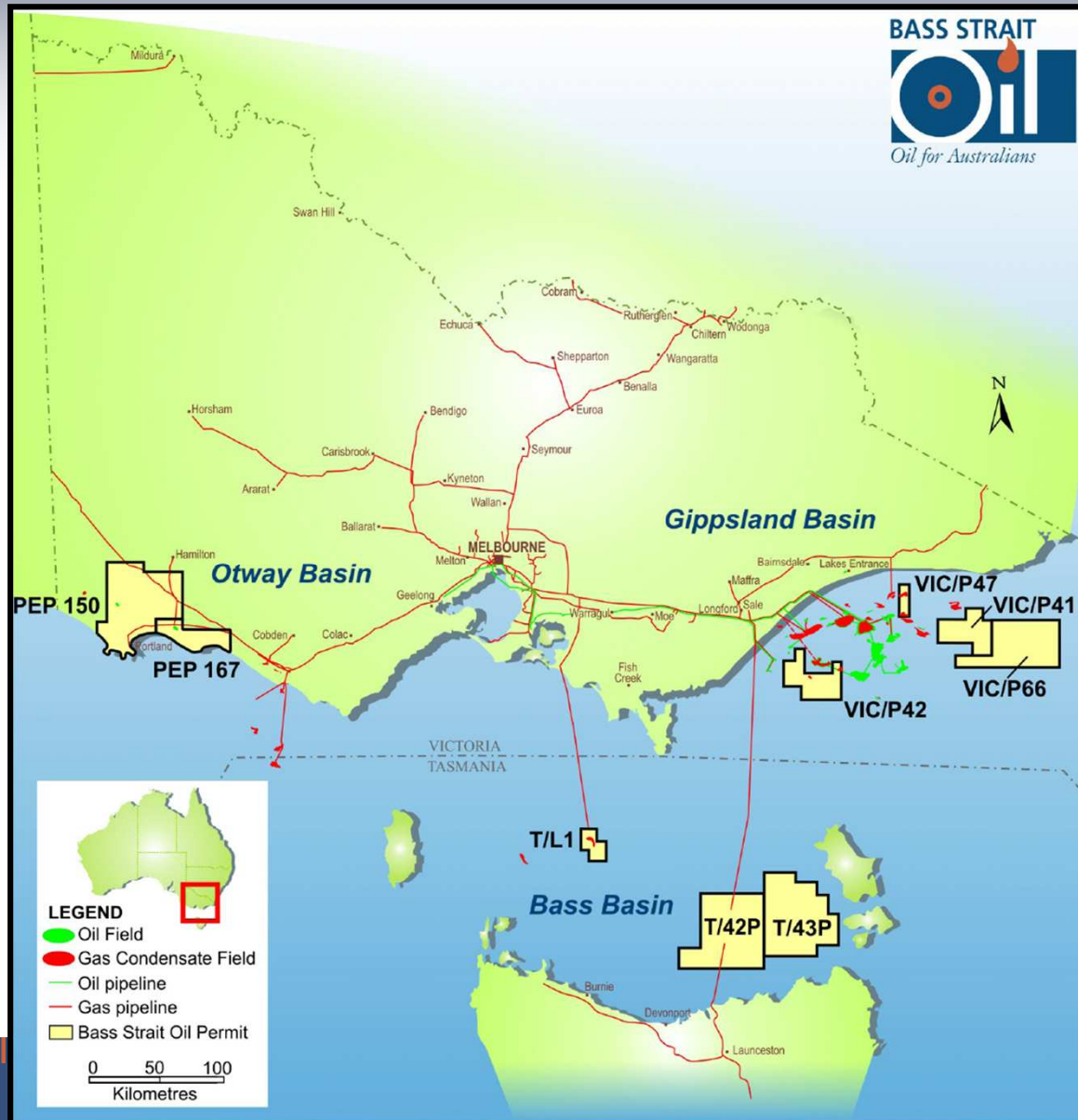
FRONTIER

✓ **PORTFOLIO – 20%**

- **T/42P & T/43P**
-Duroon Sub-basin
- **VIC/P66**
-East Gippsland

Near Term ←————→ Longer Term

BASS STRAIT OIL COMPANY LTD – PERMITS



**TOTAL ACREAGE ca 14,000 sq km
IN THREE PRODUCTIVE BASINS**

Gippsland Basin

VIC/P41 – 45% operator
VIC/P42 – 100% operator
VIC/P47 – 40% operator
VIC/P66 – 60% operator

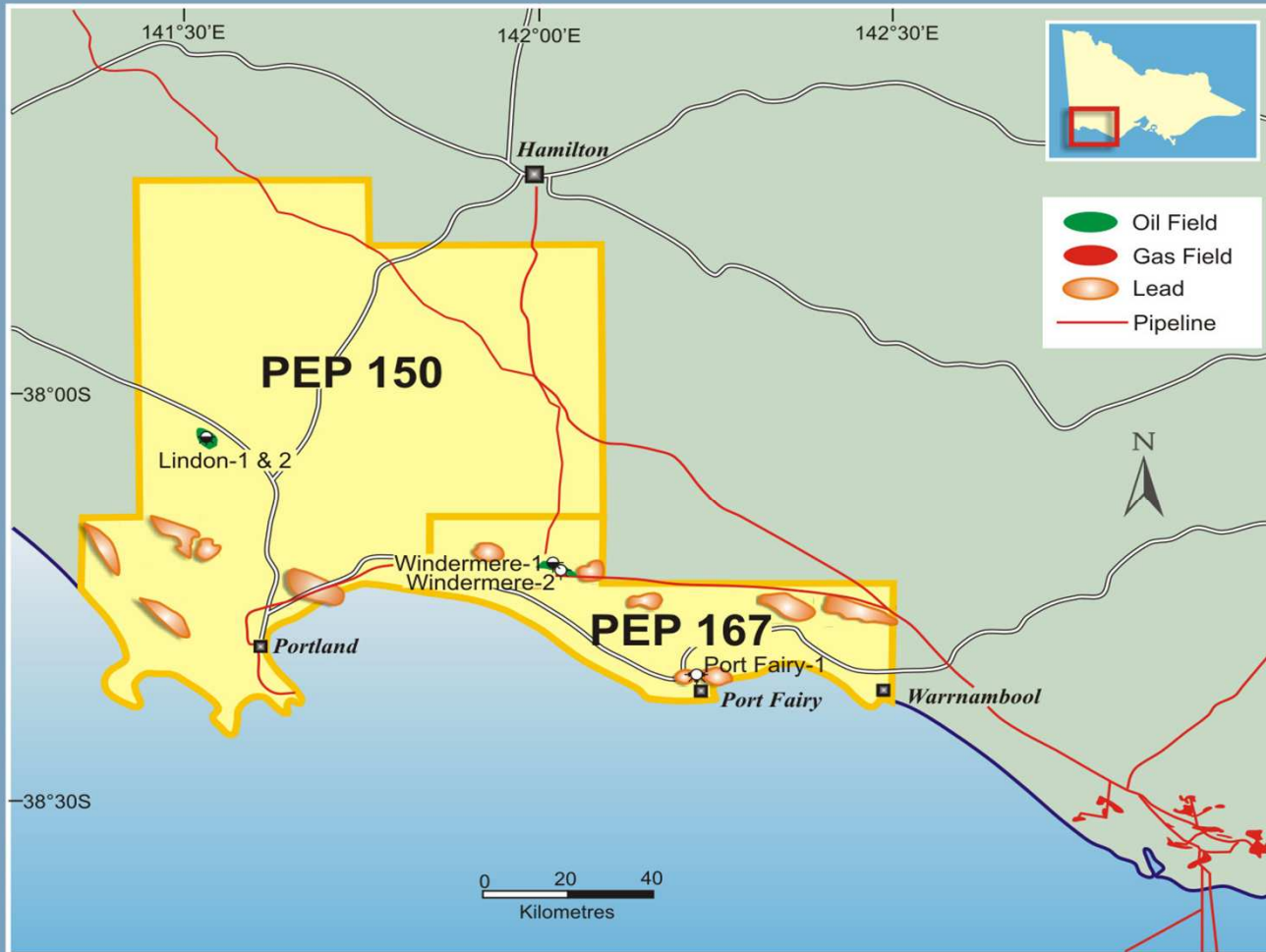
Bass Basin

T/42P & T/43P – 100% operator
T/L1 – ORR (0.0648%)

Otway Basin

PEP167 – 50% operator
PEP150 – 15%, permit yet to be granted

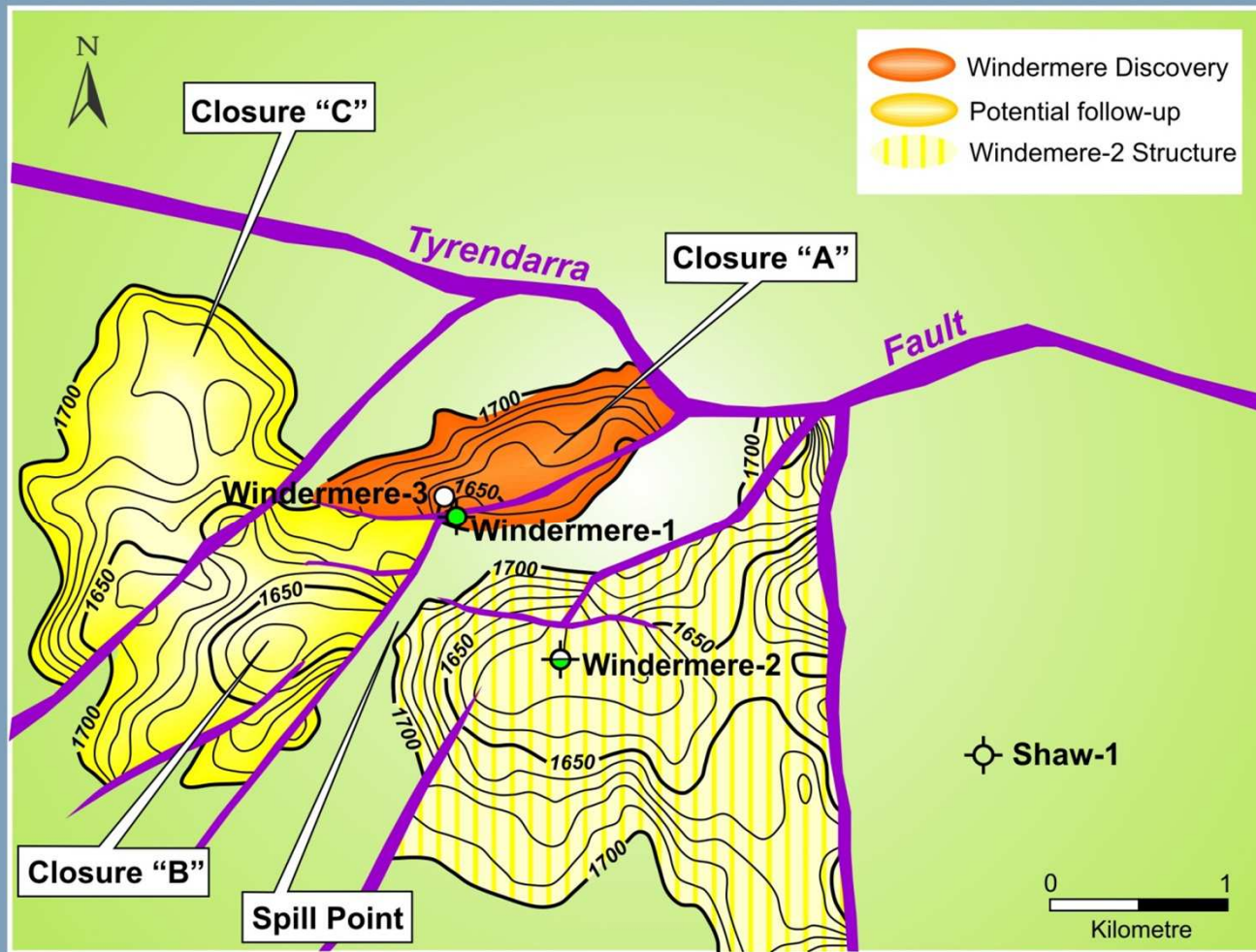
ONSHORE OTWAY BASIN



PEP 150 and PEP 167 Leads

- **PEP 167 contains Windermere-1 oil discovery, PEP150 contains Lindon oil discovery (permit pending native title)**
- **Area offers excellent access and infrastructure indicating good economics for oil development**
- **PEP 167 50%/50% JV with Interra Resources**
- **PEP 150 waiting on resolution of Native Title prior to permit award**

WINDERMERE OIL PROJECT (Bass: 50%)

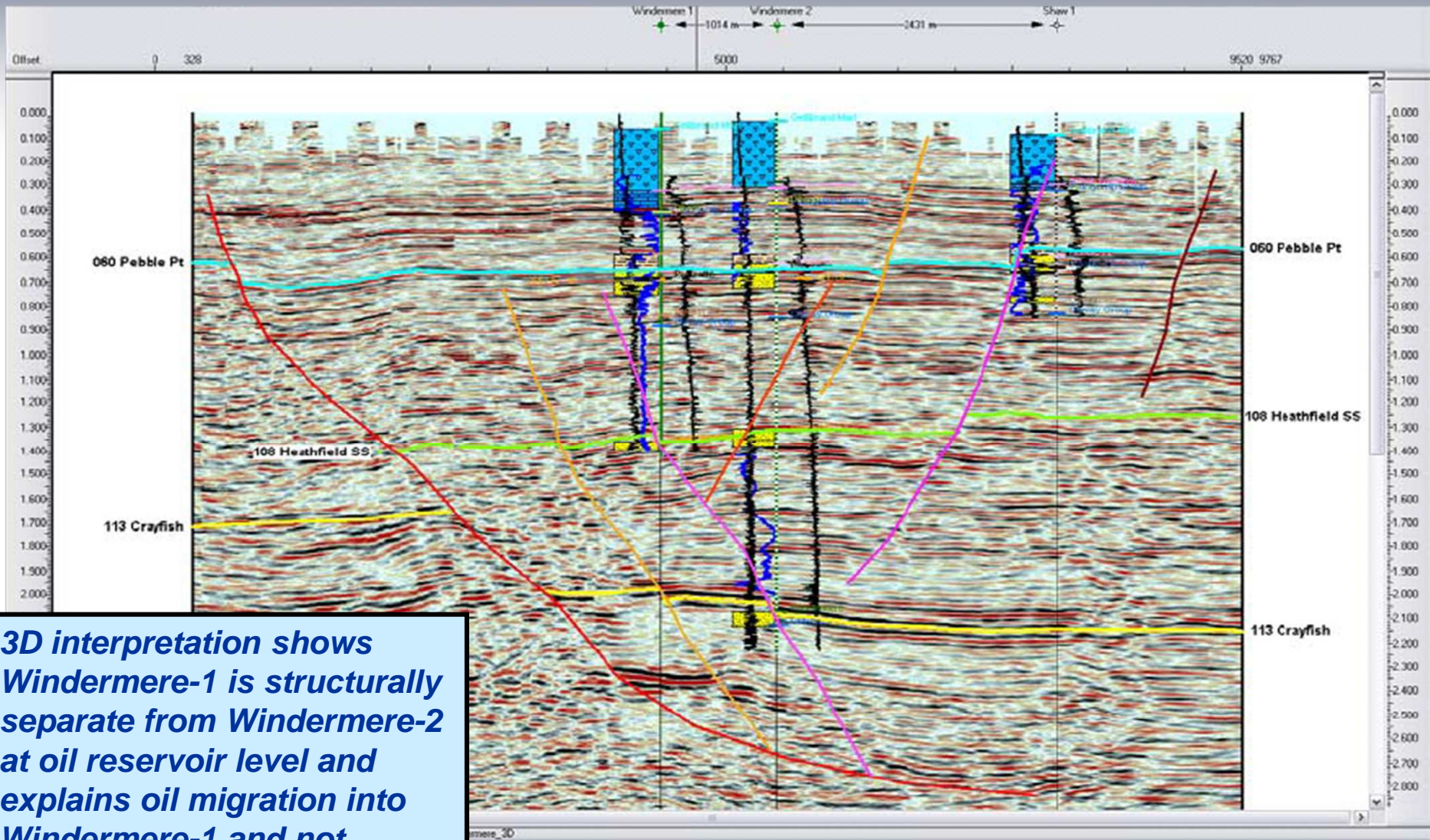


PEP 167 (Onshore Otway) - Windermere 3D
Top Heathfield Member Depth Structure

Windermere-1:

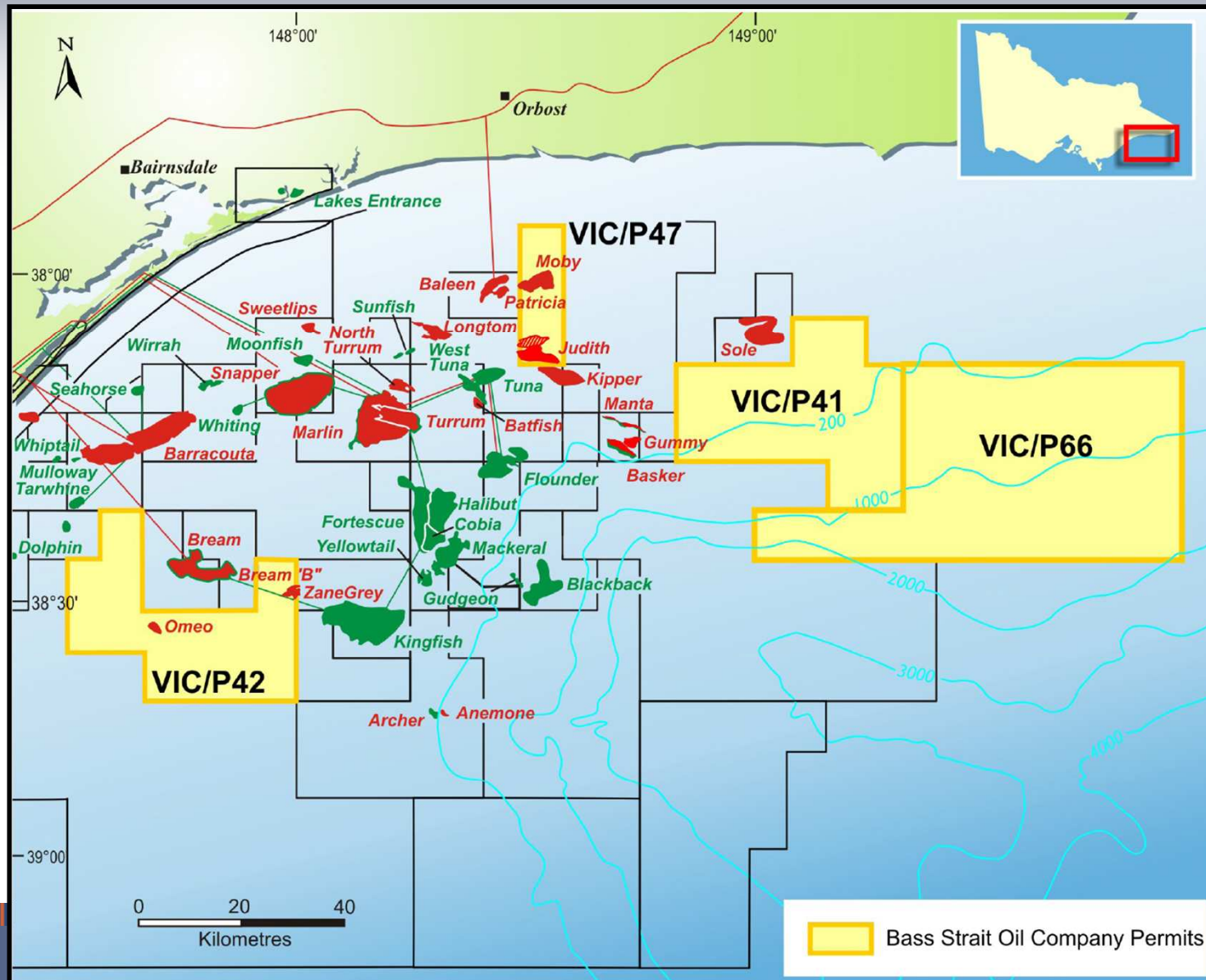
- drilled in 1987
 - recovered 32 bbls oil on DST but nothing on production
 - likely wellbore damage
- Technical review indicates good potential for commercial flow rates
 - Anticipate drilling Windermere-3 (as twin to W-1) in 4th Quarter 2011
 - Windermere-3 to address ~ 1 mmbbls recoverable (3.4 mmbbls OIP P50)
 - Follow-up potential (P10 - 35 mmbbls OIP) mapped within 3D area – three sub closures for Windermere-1 structure

WINDERMERE OIL PROJECT

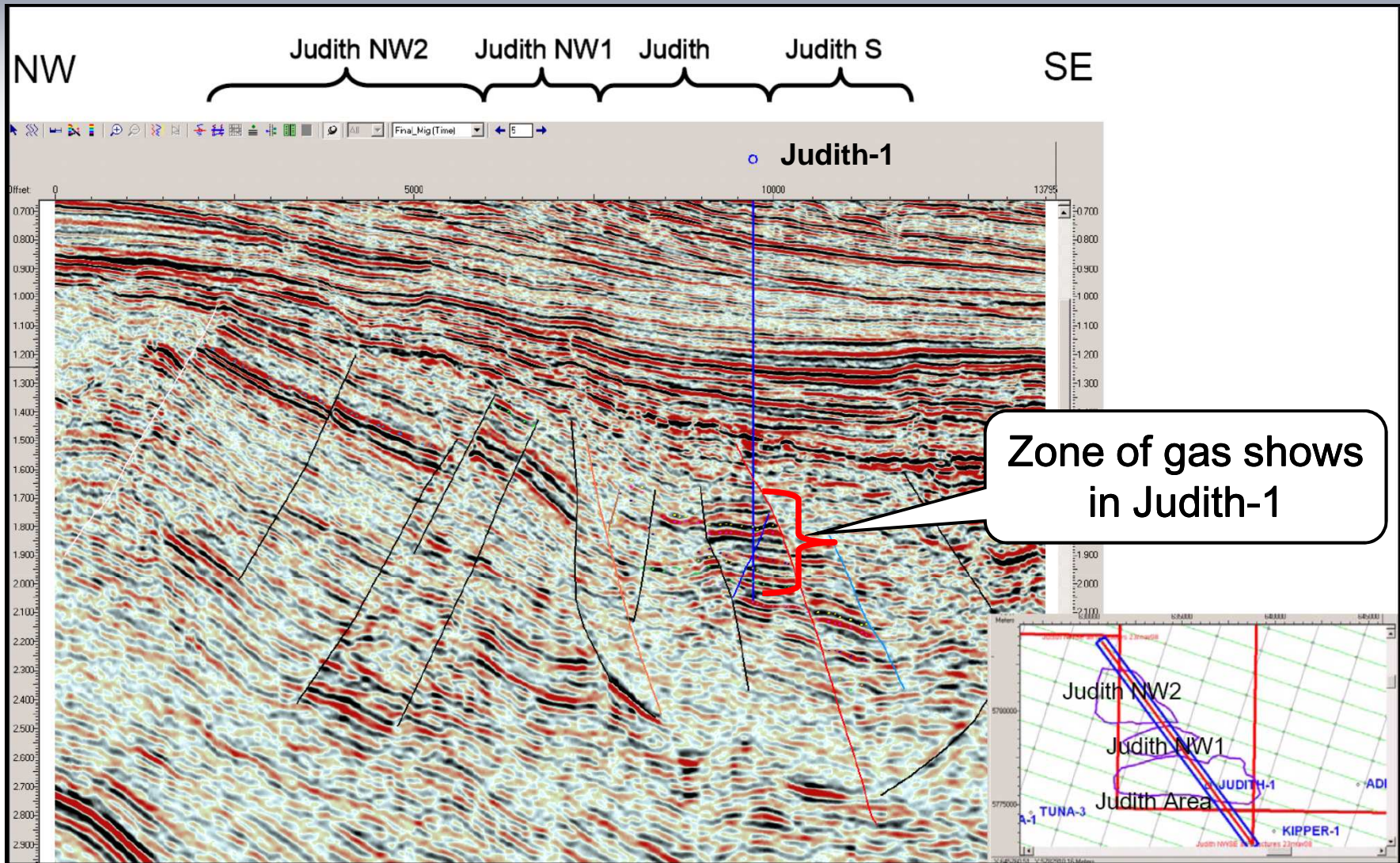


- **3D interpretation shows Windermere-1 is structurally separate from Windermere-2 at oil reservoir level and explains oil migration into Windermere-1 and not Windermere-2**

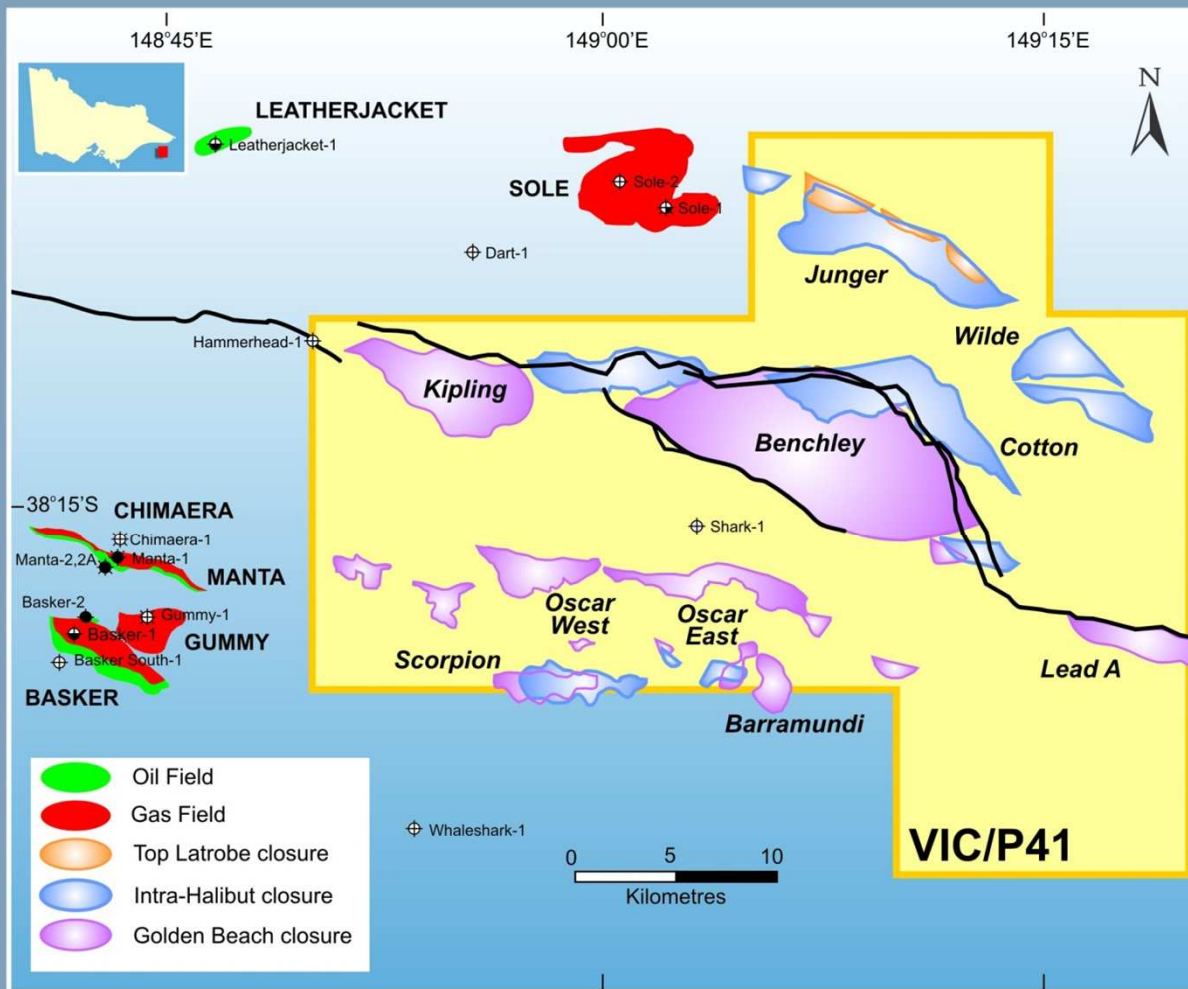
OFFSHORE GIPPSLAND BASIN



VIC/P47: APPRAISAL & PROSPECTS



VIC/P41: PROSPECTS & LEADS (Bass: 45%)



VIC/P41 Prospects and Leads

- **3D-defined, high-impact prospects with prospective resources**

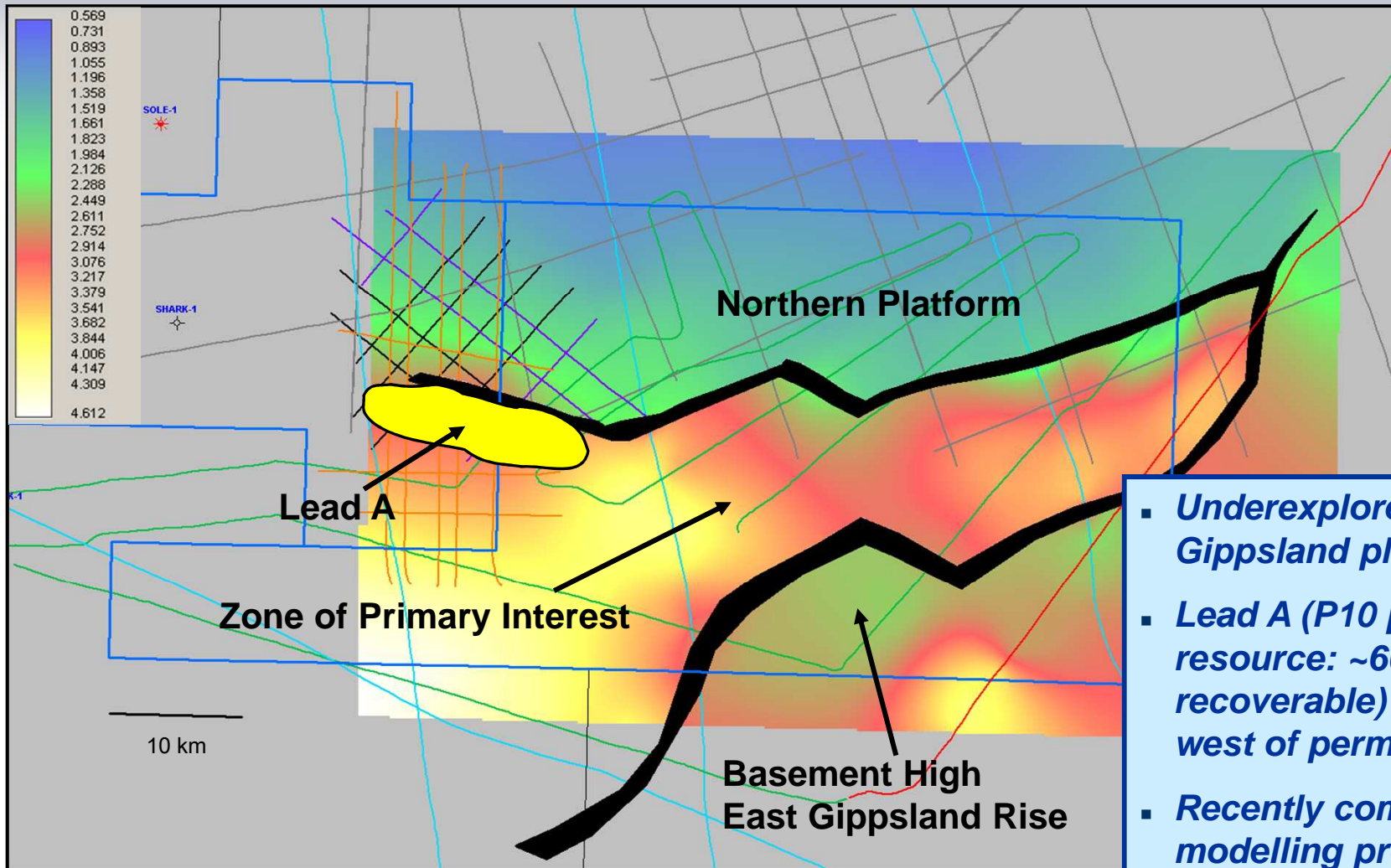
Kipling, analogous to Kipper field
P50: 320 Bcf + 15 mmbbls
P10: 1 Tcf + 50 mmbbls

Benchley, analogous to Kipper field
P50: 800 Bcf + 40 mmbbls
P10: 3 Tcf + 150 mmbbls

Oscar East, analogous to Basker/Manta
P50: 30 mmbbls
P10: 150 mmbbls
(Unrisked, 100% volume estimates)

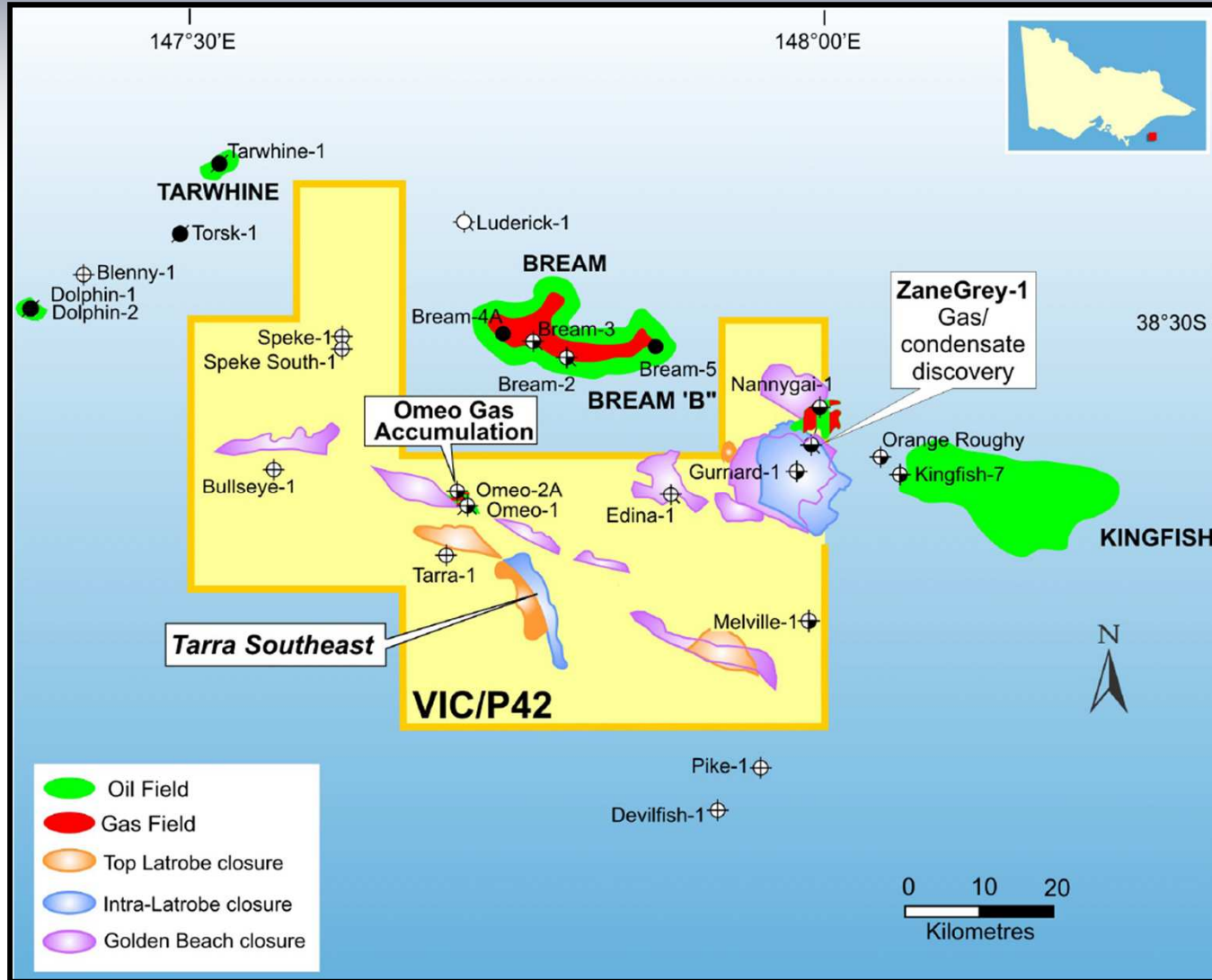
- **Leads in east of permit defined by recent 2D**
- **Recently completed seismic inversion and basin modelling projects which highgrade prospectivity**

VIC/P66: EXPLORATION CONCEPTS (Bass: 60%)



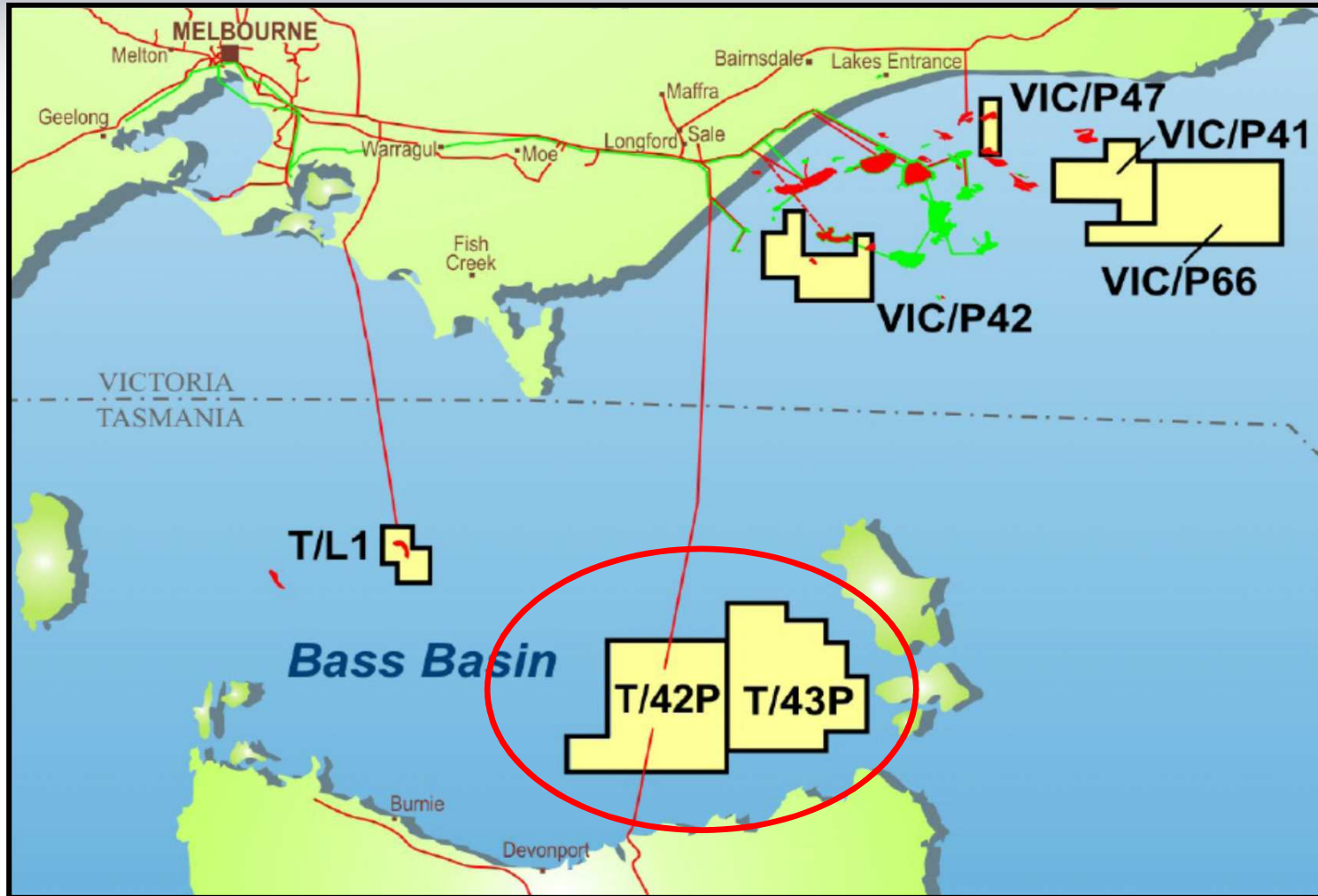
- *Underexplored East Gippsland play*
- *Lead A (P10 prospective resource: ~600 Bcf recoverable) defined on 2D in west of permit*
- *Recently completed basin modelling project which improves prospectivity*

VIC/P42: PROSPECTS & LEADS (Bass: 100%)

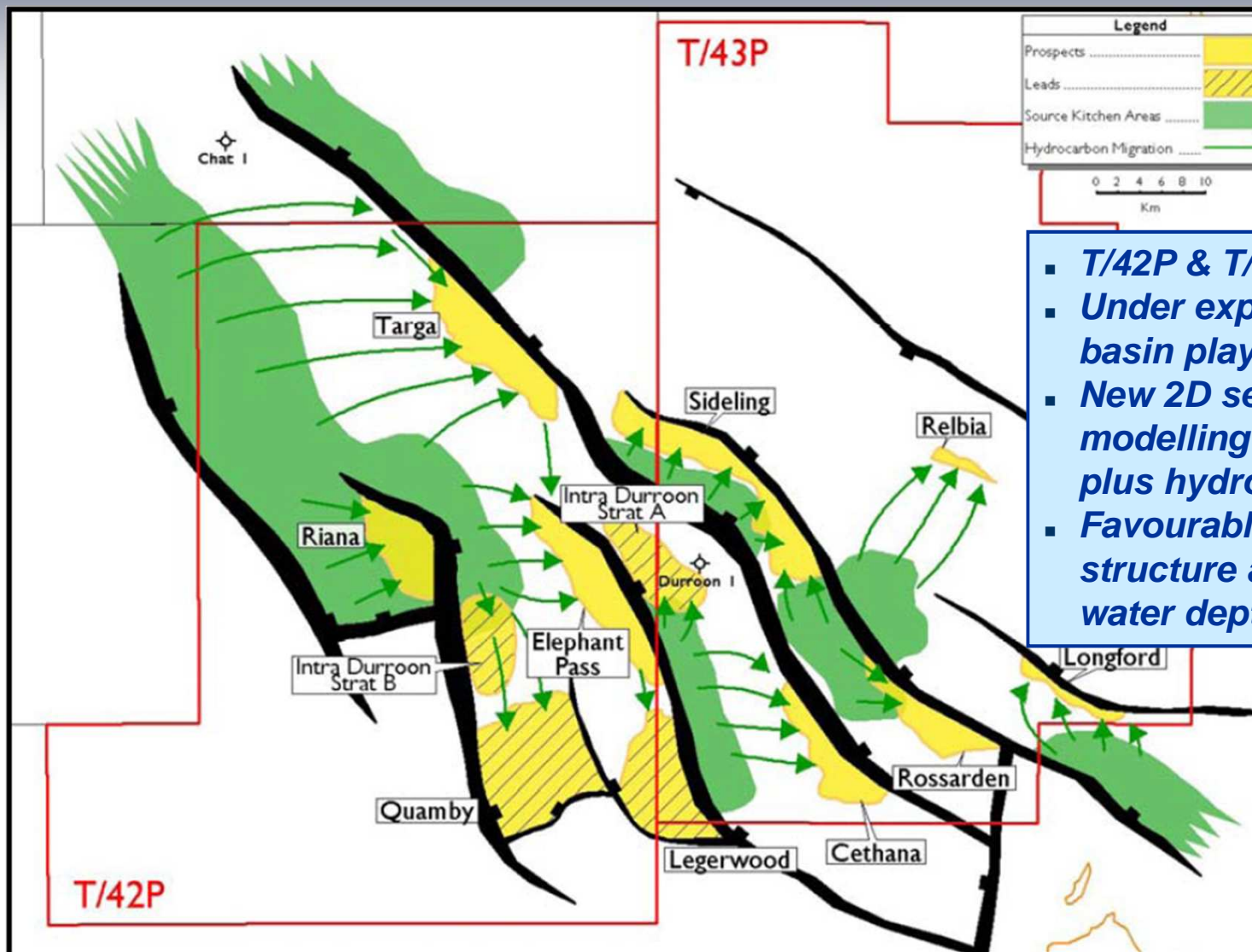


- *Zane Grey and Omeo discoveries*
- *Renewal area fully covered by 3D seismic*
- *Seismic data sets to be reprocessed*

OFFSHORE BASS BASIN



T/42P & T/43P: PROSPECTS AND LEADS (Bass: 100%)



- *T/42P & T/43P - total 6,120 sq km*
- *Under explored Durroon Sub basin play*
- *New 2D seismic and basin modelling show large prospects plus hydrocarbon 'kitchens'*
- *Favourably located - infra structure and growth markets, in water depth < 100m*

SHORT TERM FORWARD PROGRAM

	4Q 2011	1Q 2012
OTWAY BASIN		
PEP 167	Drill Windermere-3	
GIPPSLAND BASIN		
Vic/P41	Renew Permit	
Vic/P42		3D Seismic Reprocessing
Vic/P47	3D Seismic Reprocessing	
Vic/P66		2D Seismic Acquisition *
BASS BASIN		
T/42P		Renew Permit
T/43P		Renew Permit

* - subject to Permit suspension application

SUMMARY

- **Balanced permit position: excellent leverage to high impact discovery potential**
- **Coherent focused portfolio across three productive basins**
- **Offshore drilling and seismic operations since 2000**
- **New round of industry activity in the region**
- **Low-cost, low-risk jurisdiction with infrastructure and growing markets**
- **Joint Study Agreement with CNOOC**
- **Near term drilling results from Windermere-3**
- **Funded through committed exploration program**