

BASS STRAIT



Oil for Australians

Excellence in Oil and Gas – March 2011

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DIRECTORS AND MANAGEMENT

- **John McInnes OAM, Chairman** – BComm, FCA, chartered accountant and company director
- **Andrew Adams, Managing Director** – BSc, MBA, former Amoco Canada and Santos executive, member of APPEA Exploration Committee
- **Dr Henry Askin, Director** – former Shell Australia Exploration Manager, Chairman Central Petroleum Ltd
- **Jack Tuohy, Director** - BCA, chartered accountant, commercial and company secretarial experience in the industry

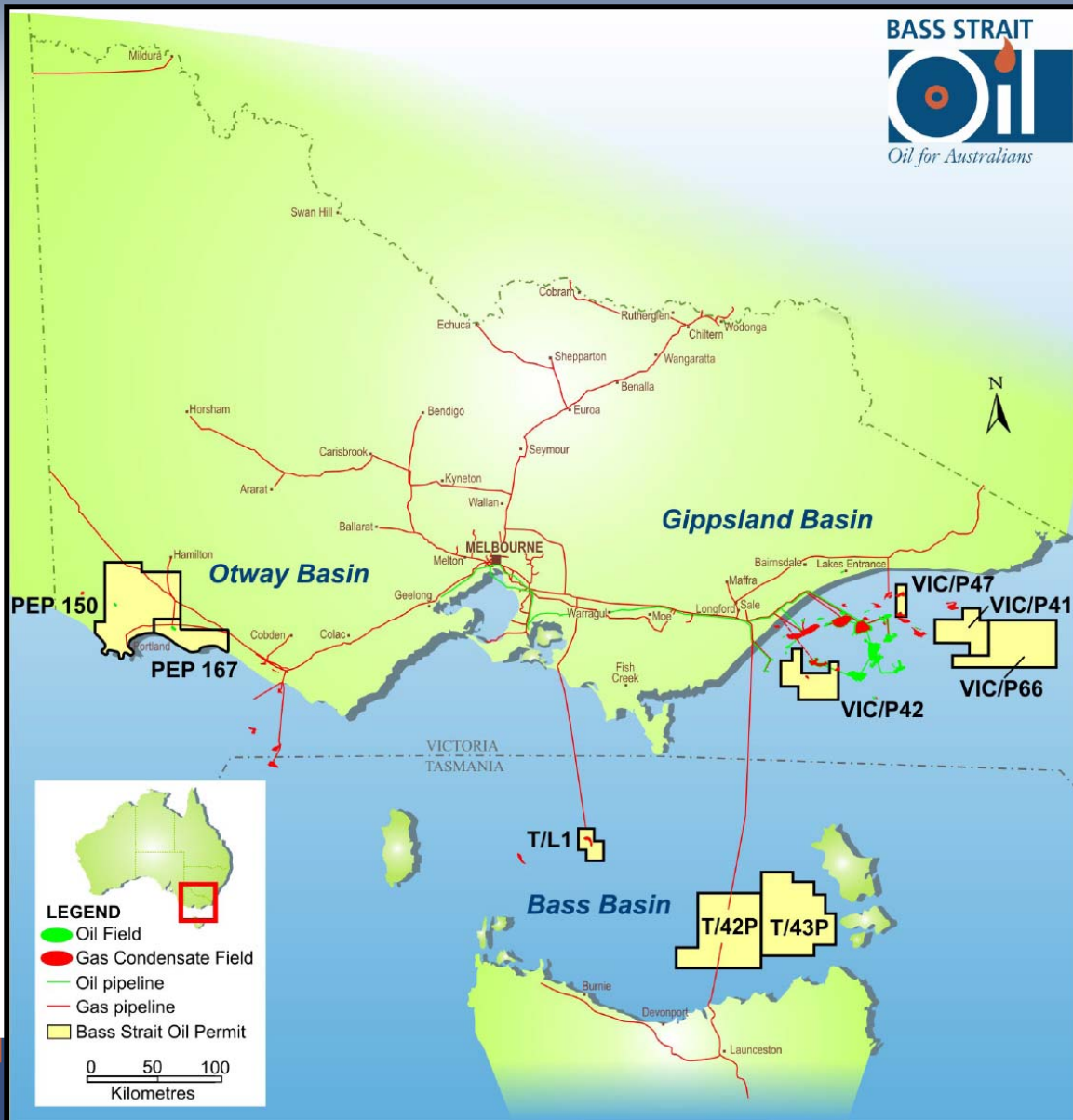
- **Dr Steve Mackie, Exploration Manager** – BSc, MBA, PhD; former Sinopec, Santos and Magellan exploration manager; APPEA technical programme chair; adjunct lecturer at Australian School of Petroleum, University of Adelaide

CORPORATE INFORMATION

- **ASX code: BAS**
- **291,030,250 ordinary shares**
- **Total shareholders approximately 2,250**
- **Top 50 shareholders hold 57%**
- **Albers Group interests 20%**
- **1.5 million unlisted employee options**

- **Cash on hand approximately \$3.2 million**
- **Market capitalisation approximately \$10 million**

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

Otway Basin

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

BALANCED PORTFOLIO OF OPPORTUNITIES

APPRAISAL

- ✓ **PORTFOLIO – 40%**
- ✓ **RISK: < 45%**
- ✓ **REWARD: < 500 Bcf**
< 5 MMbbbls
- **VIC/P47**
-Judith
- **PEP 167**
-Windermere
- **PEP 150**
-Lindon

EXPLORATION

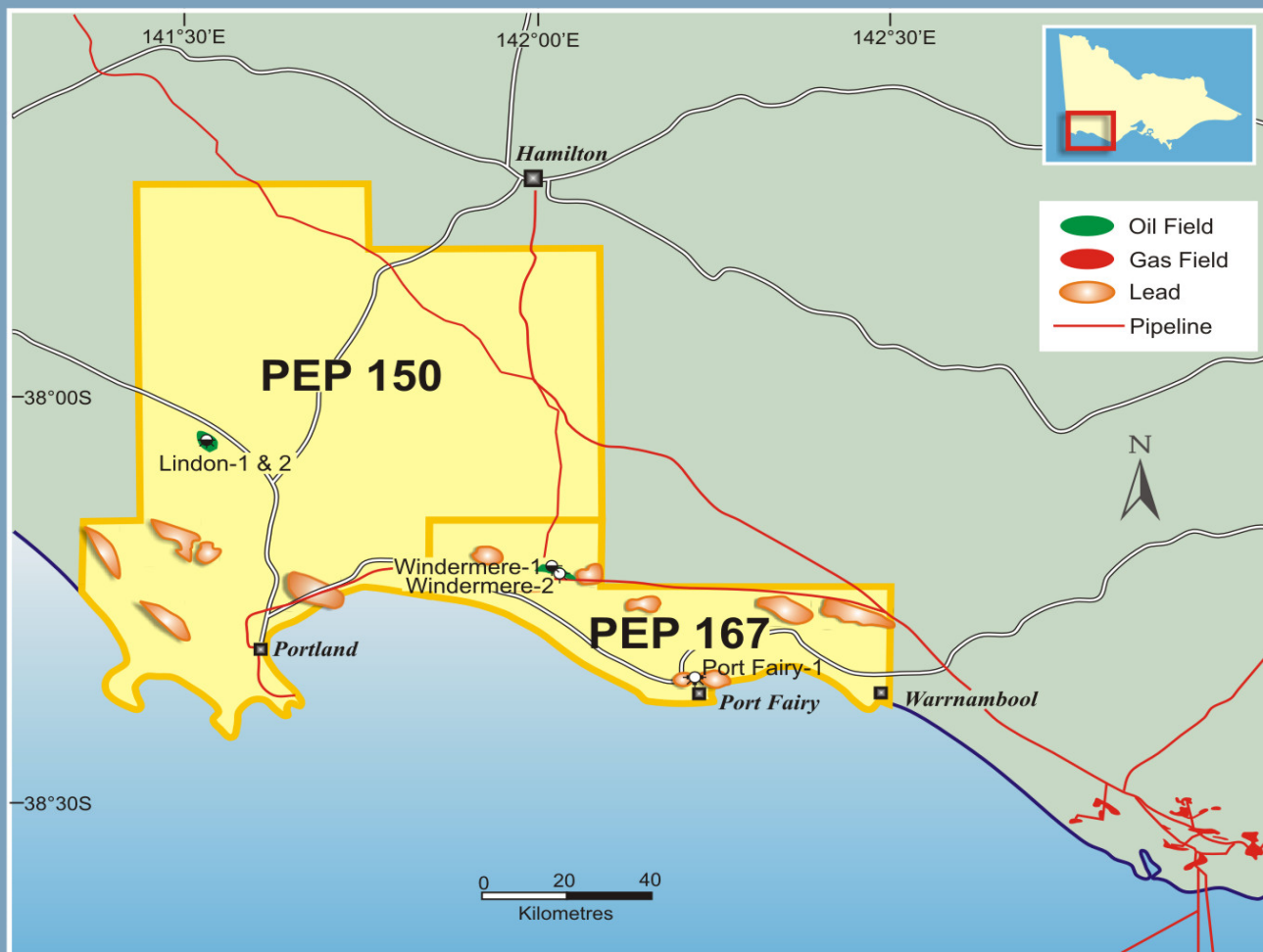
- ✓ **PORTFOLIO – 40%**
- ✓ **RISK: 15% - 45%**
- ✓ **REWARD: 0.5 – 5.0 Tcf**
5 – 150 MMbbbls
- **VIC/P41**
-Kipling
-Benchley
-Oscar
- **VIC/P42**
-Tara
-Omeo
-Zane Grey

FRONTIER

- ✓ **PORTFOLIO – 20%**
- ✓ **RISK: > 15%**
- ✓ **REWARD: > 5.0 Tcf**
> 150 MMbbbls
- **T/42P & T/43P**
-Duroon Sub-basin
- **VIC/P66**
-East Gippsland

Near Term ←————→ Longer Term

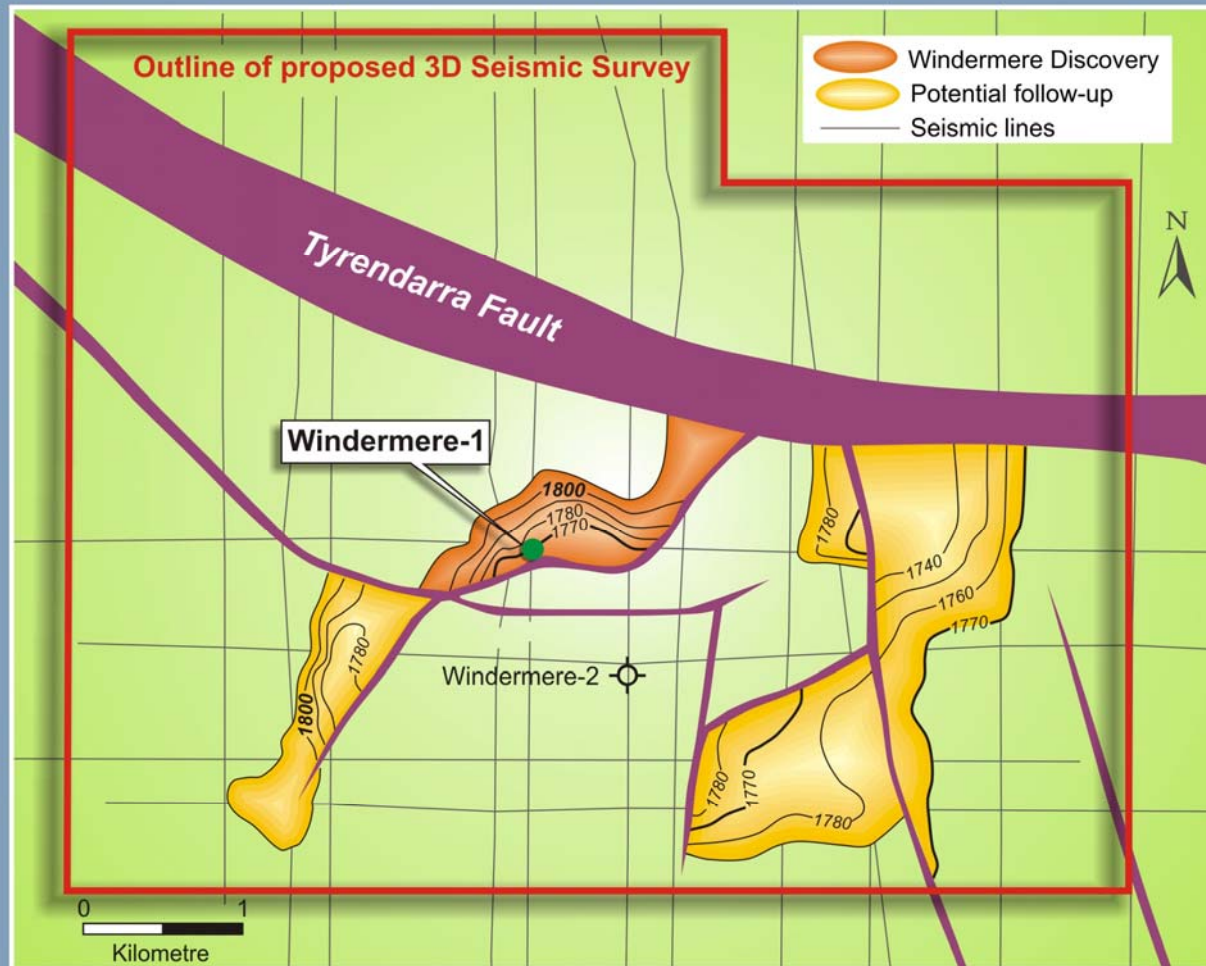
ONSHORE OTWAY BASIN – BAS ACREAGE



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*
- *2009 \$2 million farmout to Interra Resources for Windermere 3D seismic*
- *BAS retains 50% and operatorship.*
- *Interra is new to Australia and is experienced in similar plays in its Asian interests*

WINDERMERE OIL PROJECT – Pre 3D

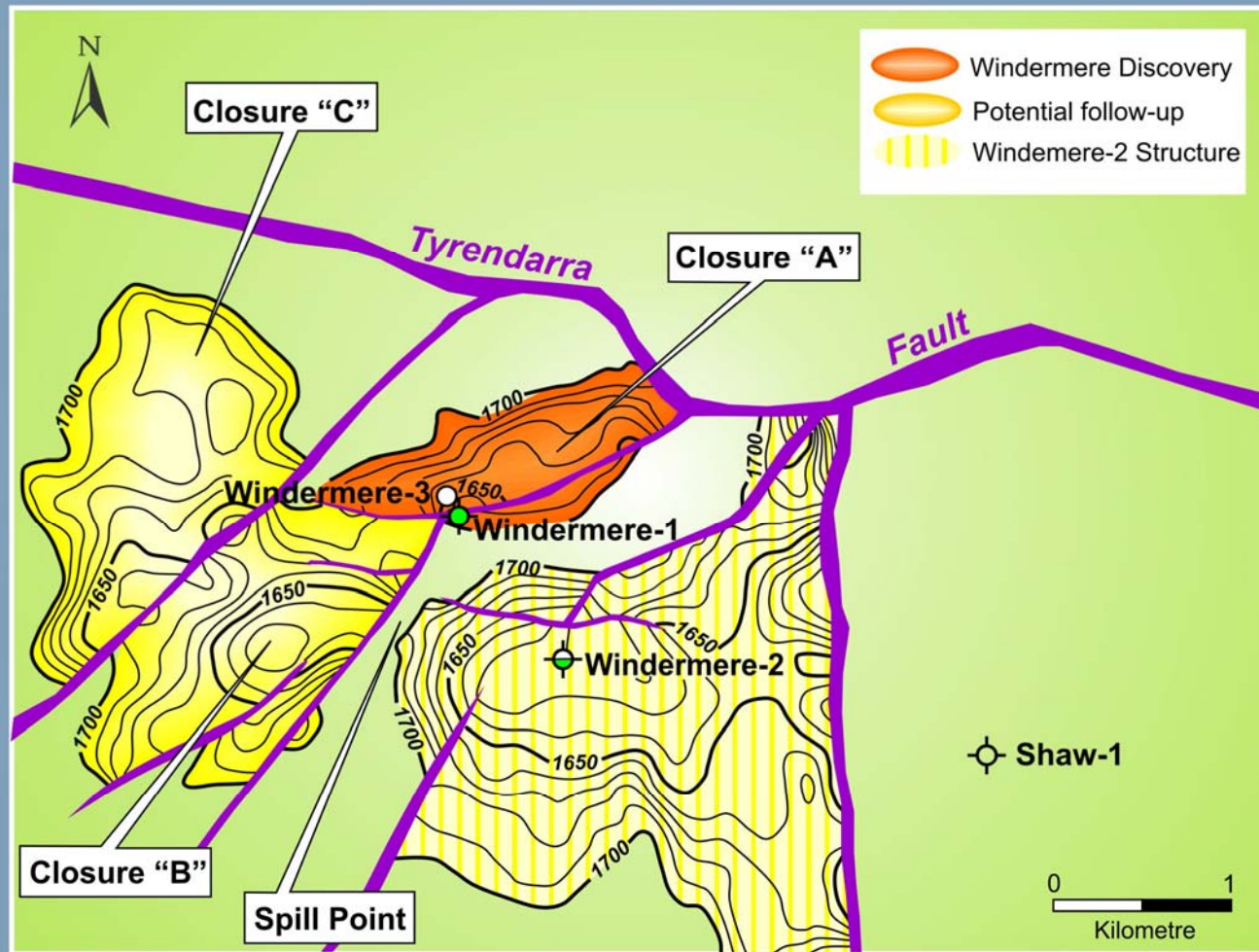


PEP 167 (Onshore Otway) - Windermere
Base Heathfield Depth Structure

Windermere-1:

- drilled in 1987
 - recovered 32 bbls oils
 - likely wellbore damage
- Technical review indicates good potential for commercial flow rates
 - 41 sq km of 3D seismic successfully completed April 2010
 - Interpretation and mapping completed
 - Follow-up leads also addressed by Windermere 3D seismic

WINDERMERE OIL PROJECT – Post 3D



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

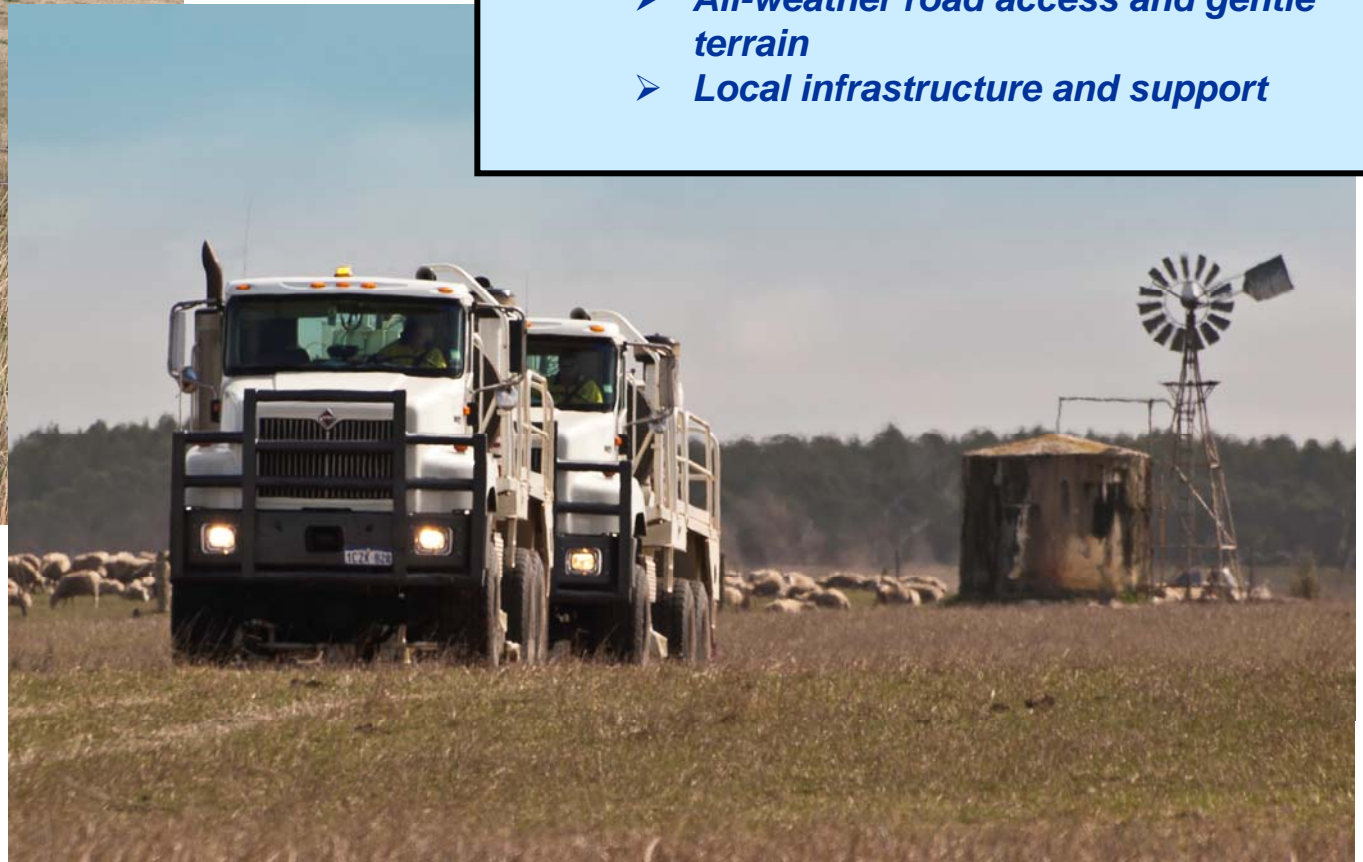
- **3D mapping shows Windermere-1 is structurally separate from Windermere-2 at oil reservoir level**
- **Anticipate drilling Windermere-3 (as twin to W-1) in 2nd Quarter 2011**
- **Follow-up potential mapped within 3D area – three sub closures for Windermere-1 structure**

WINDERMERE ECONOMICS



Anticipate robust economics based on:

- ***Relatively shallow reservoir (approx 1800m)***
- ***Sealed highway to Geelong refinery***
- ***All-weather road access and gentle terrain***
- ***Local infrastructure and support***

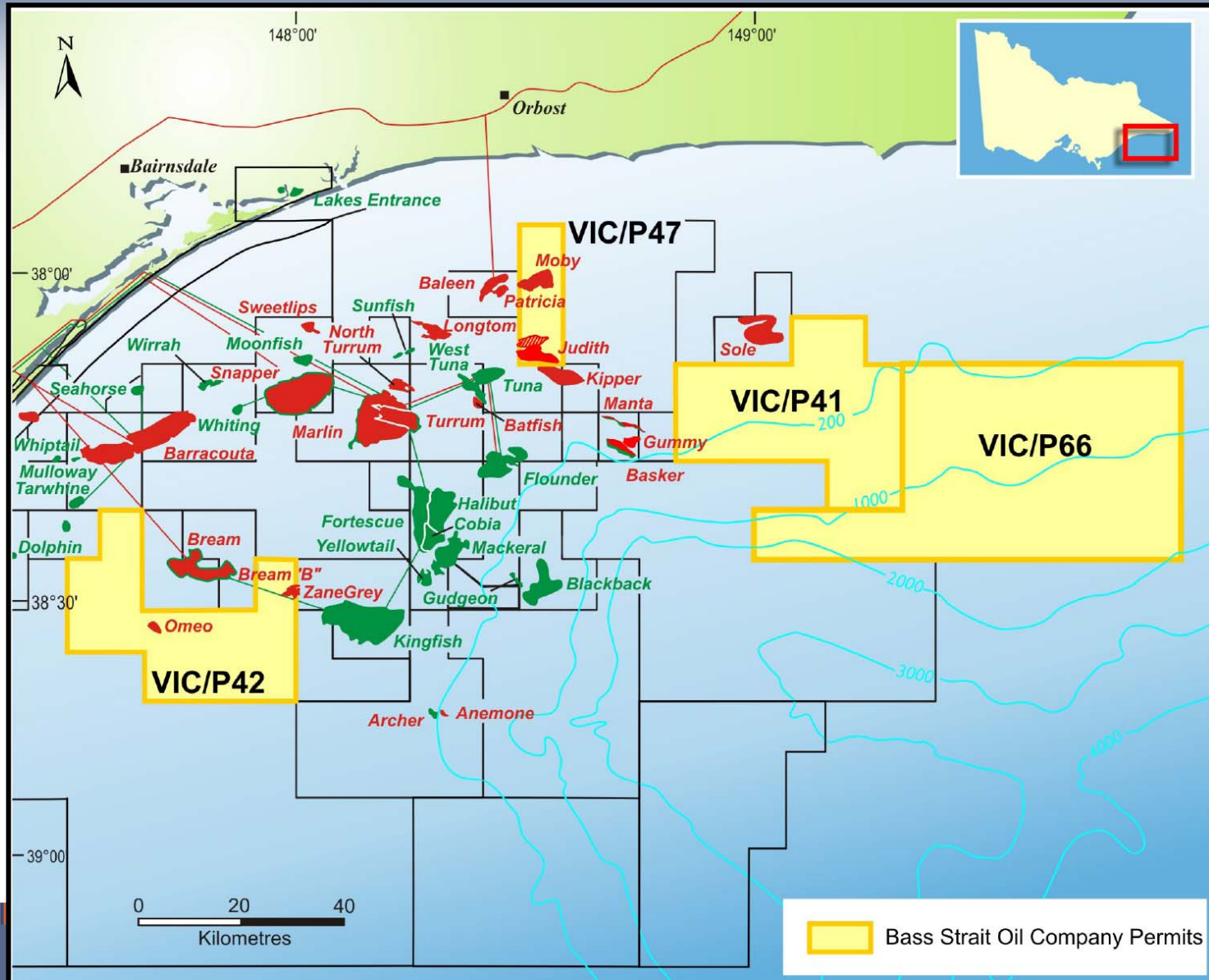


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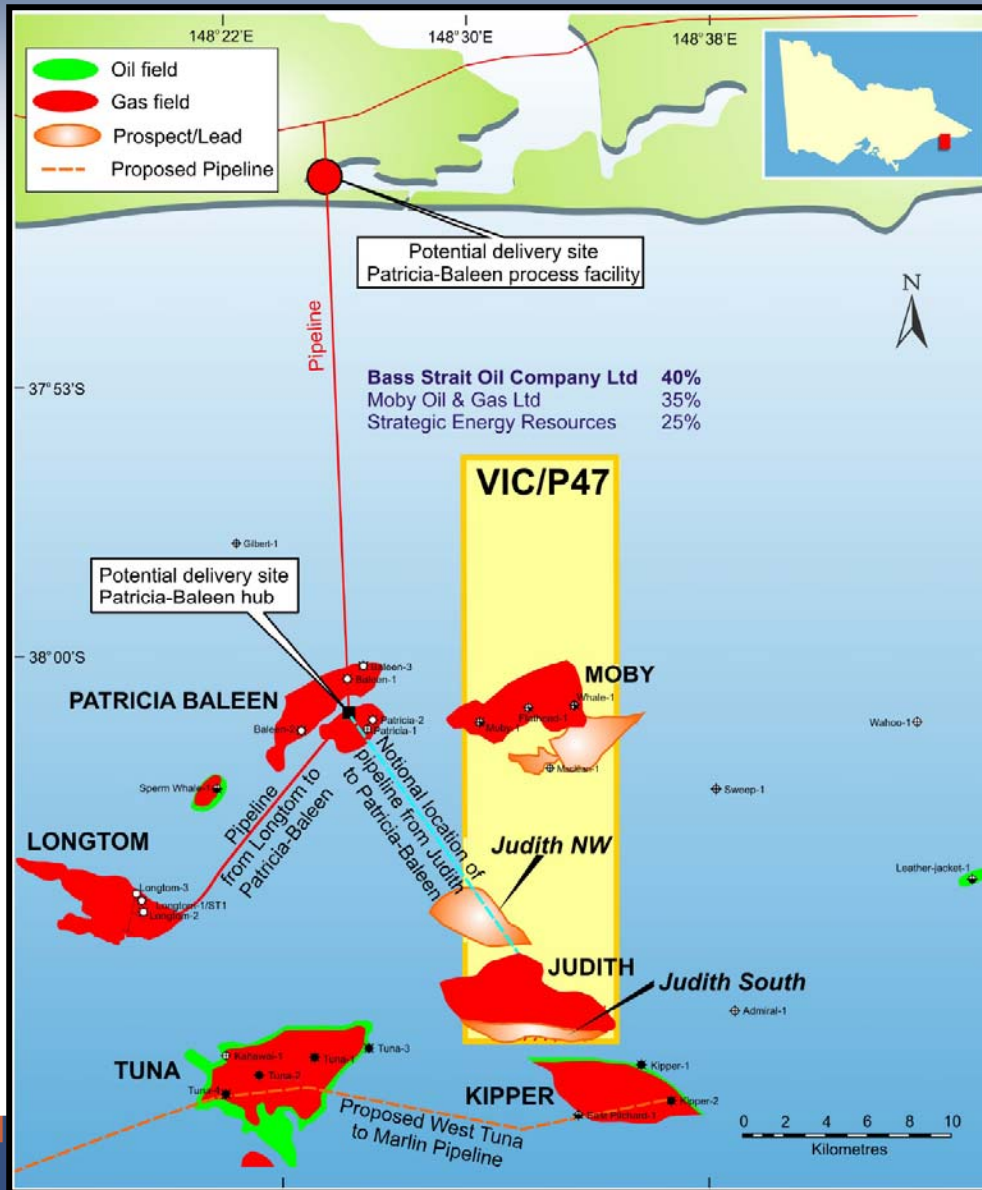


Oil for Australians

OFFSHORE GIPPSLAND BASIN - BAS ACREAGE

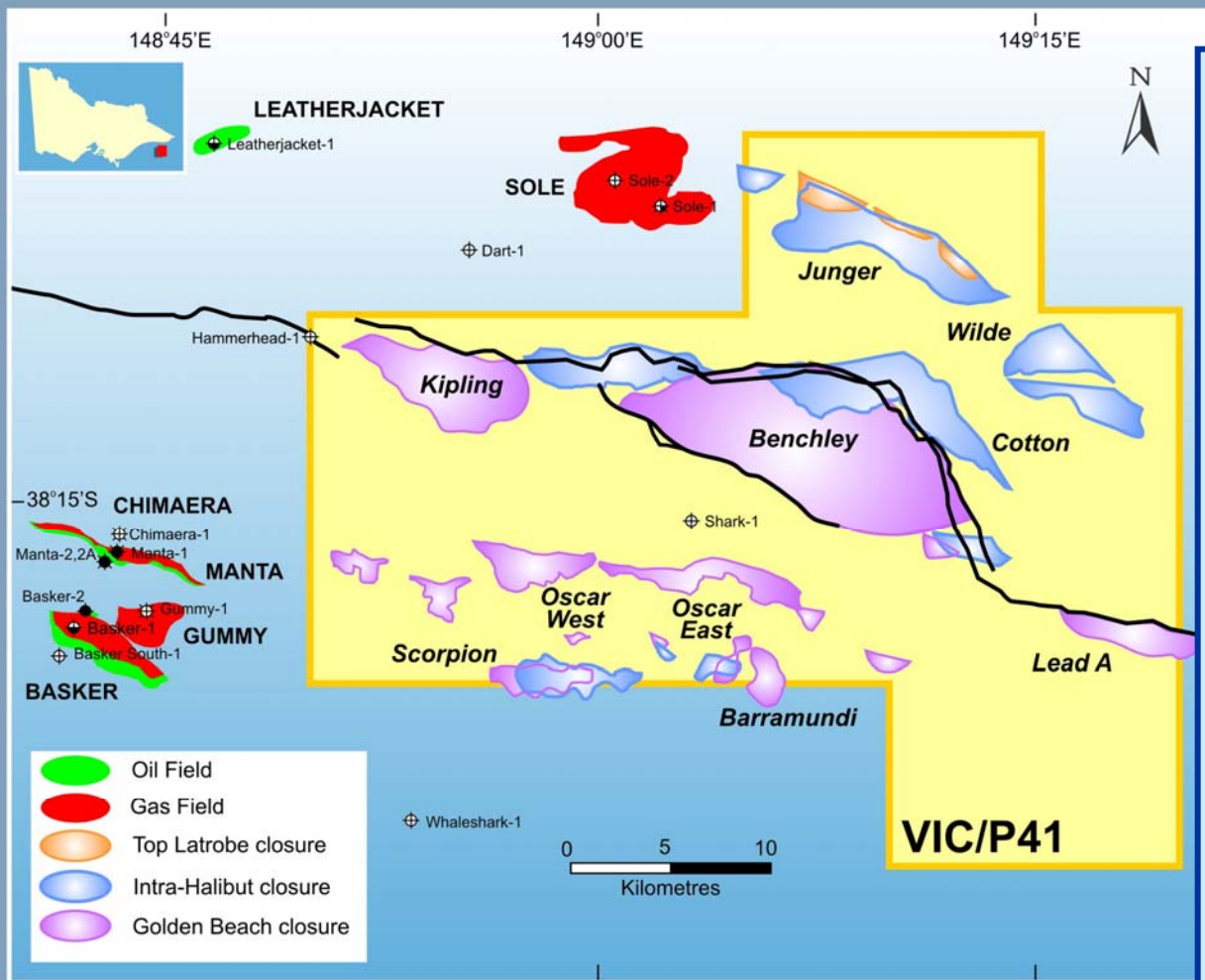


VIC/P47: APPRAISAL & PROSPECTS



- **Continuing farmout interest**
- **Existing gas discoveries at Judith and Moby with nearby infrastructure**
- **Longtom (Nexus) now on production is analogue for Judith**
 - both Emperor Sub Group reservoirs in fault bound traps
- **Patricia Baleen (Santos) is analogue for Moby**
 - both Gurnard Fm reservoirs in dip closed traps
- **Kipper (Esso / BHPB / Santos) development drilling - aimed at first gas 2011**
 - Golden Beach reservoir in fault bound trap

VIC/P41: PROSPECTS & LEADS



VIC/P41 Prospects and Leads

- 3D-defined, high-impact prospects

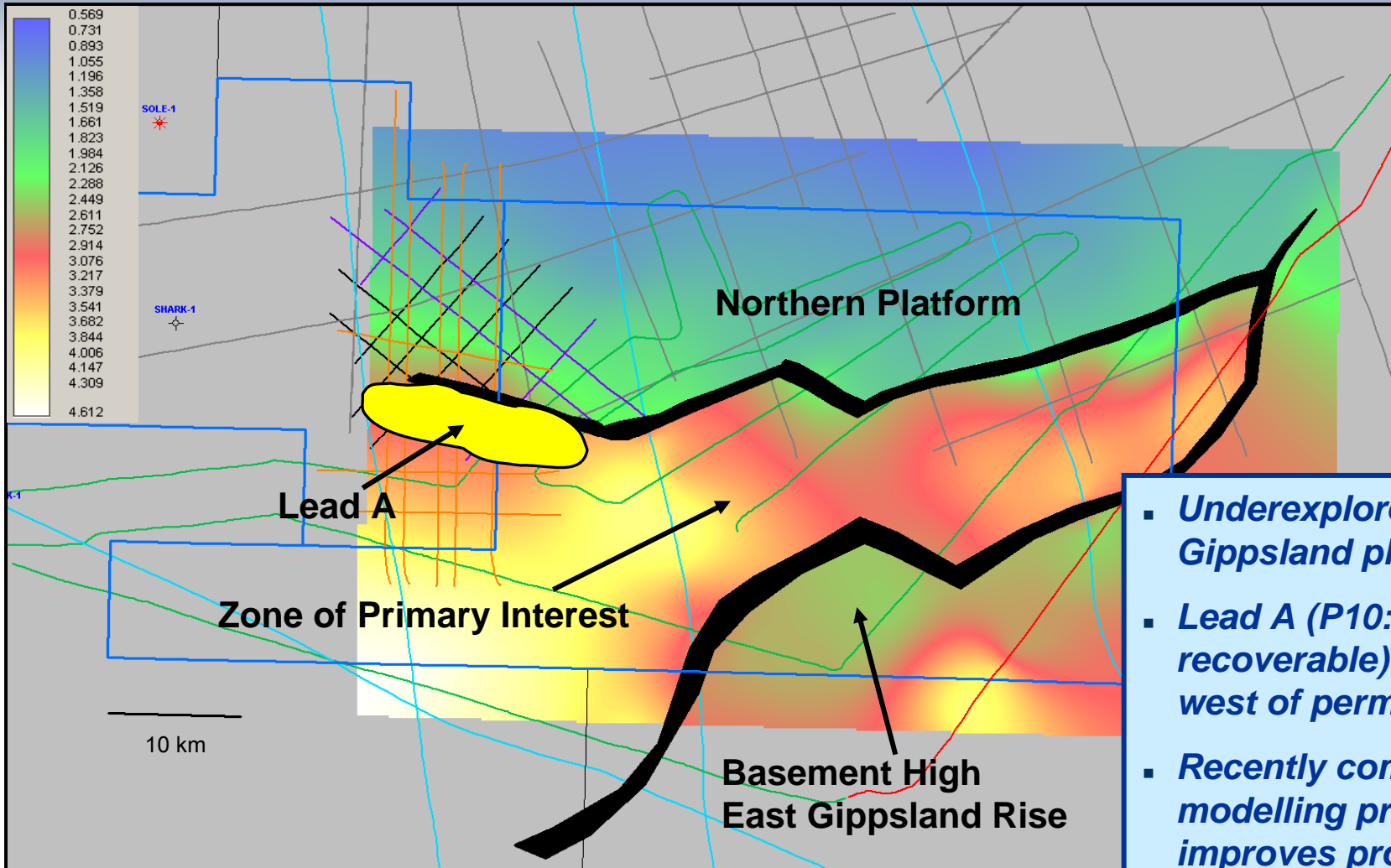
Kipling, analogous to Kipper field
P50: 320 Bcf + 15 mmbbls
P10: 1 Tcf + 50 mmbbls

Benchley, GB and Halibut targets
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)

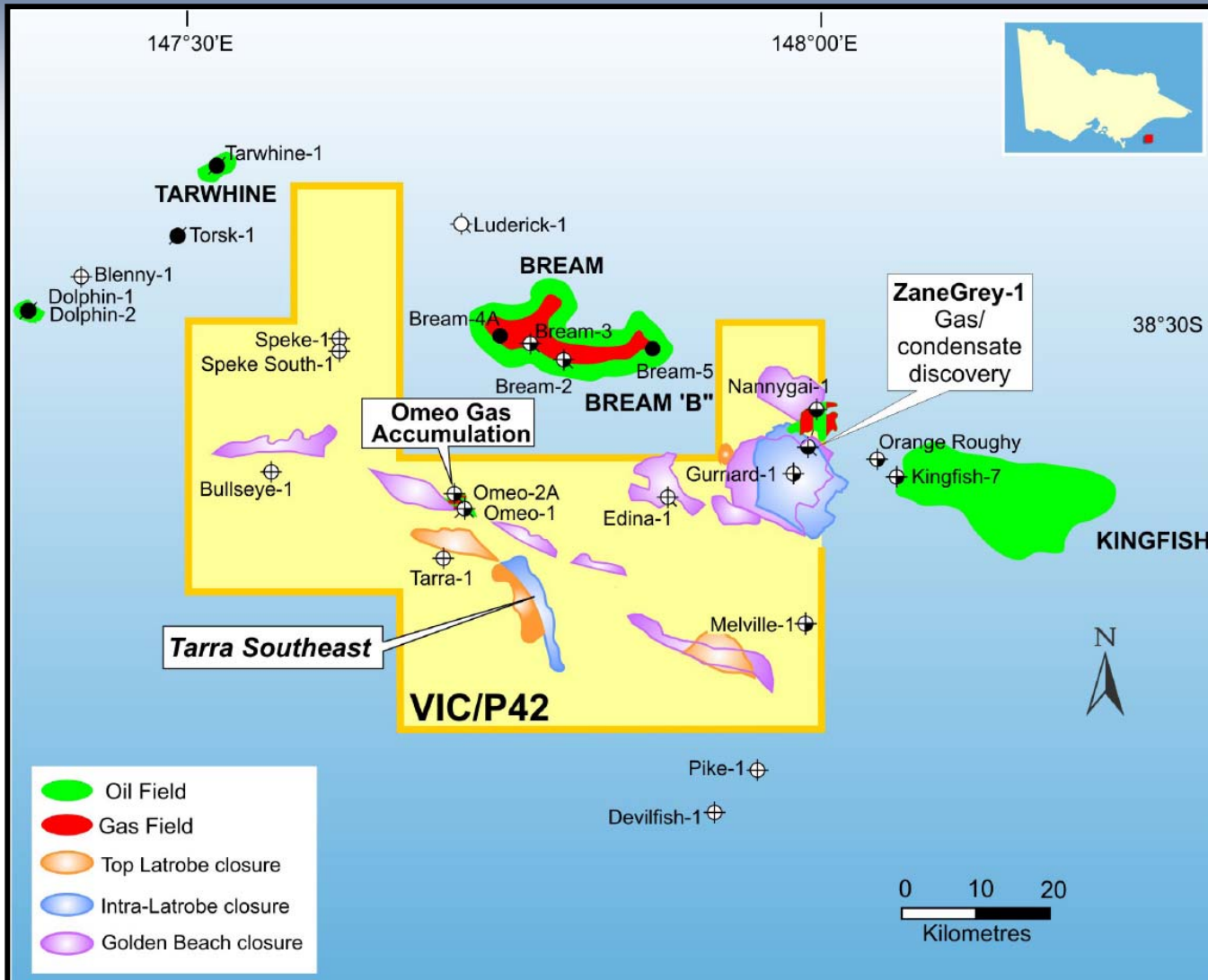
- Leads defined on 2D in east of permit
- Recently completed seismic inversion and basin modelling projects which highgrade prospectivity

VIC/P66: EXPLORATION CONCEPTS



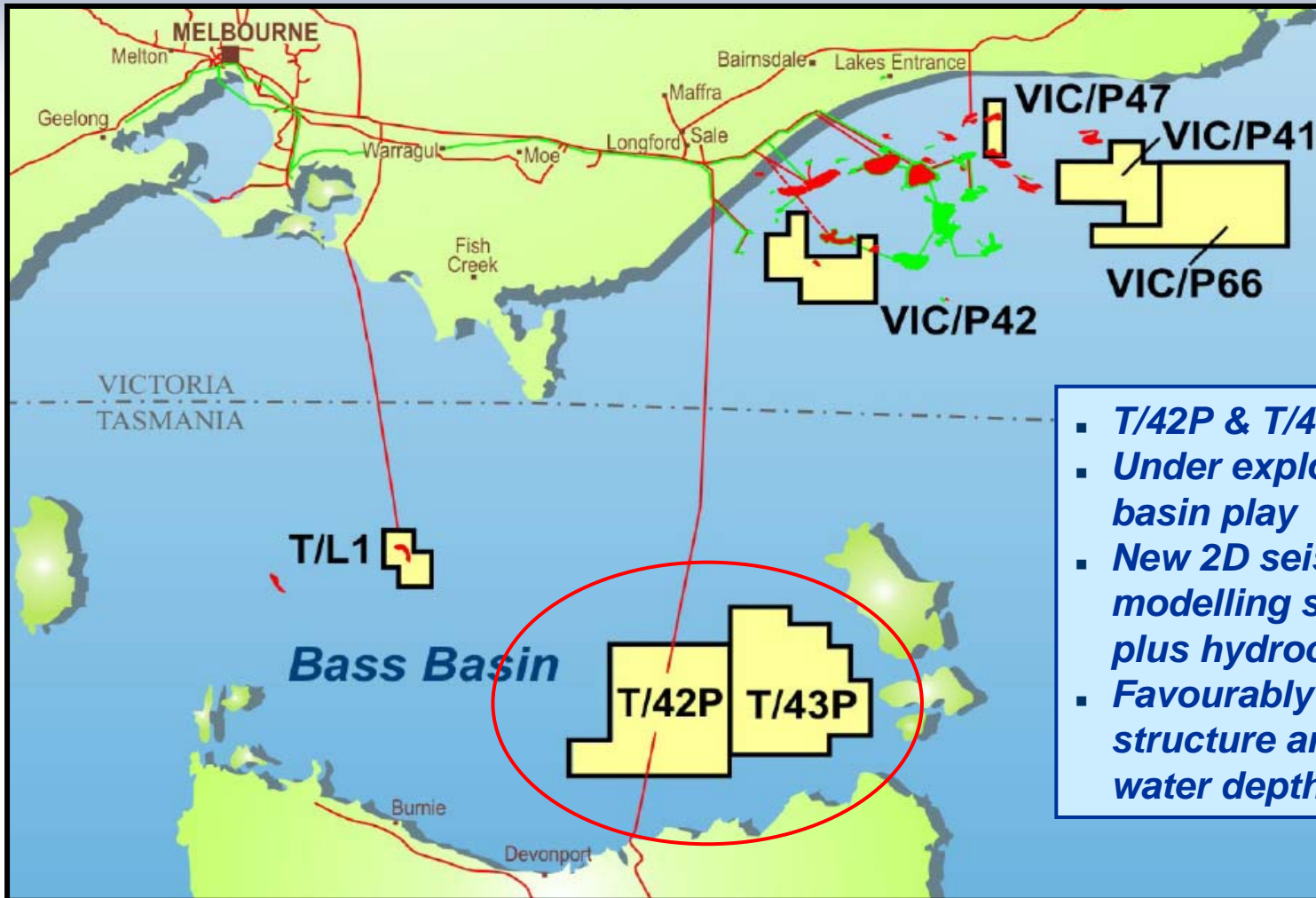
- **Underexplored East Gippsland play**
- **Lead A (P10: ~600 Bcf recoverable) defined on 2D in west of permit**
- **Recently completed basin modelling project which improves prospectivity**

VIC/P42: PROSPECTS & LEADS



- *Renewal complete - BAS 100% and operator*
- *Zane Grey and Omeo discoveries*
- *Renewal area fully covered by 3D seismic*
- *Seismic data sets to be reprocessed*

OFFSHORE BASS BASIN - BAS ACREAGE



- *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*

Clear Exploration Focus on Southeast Australia



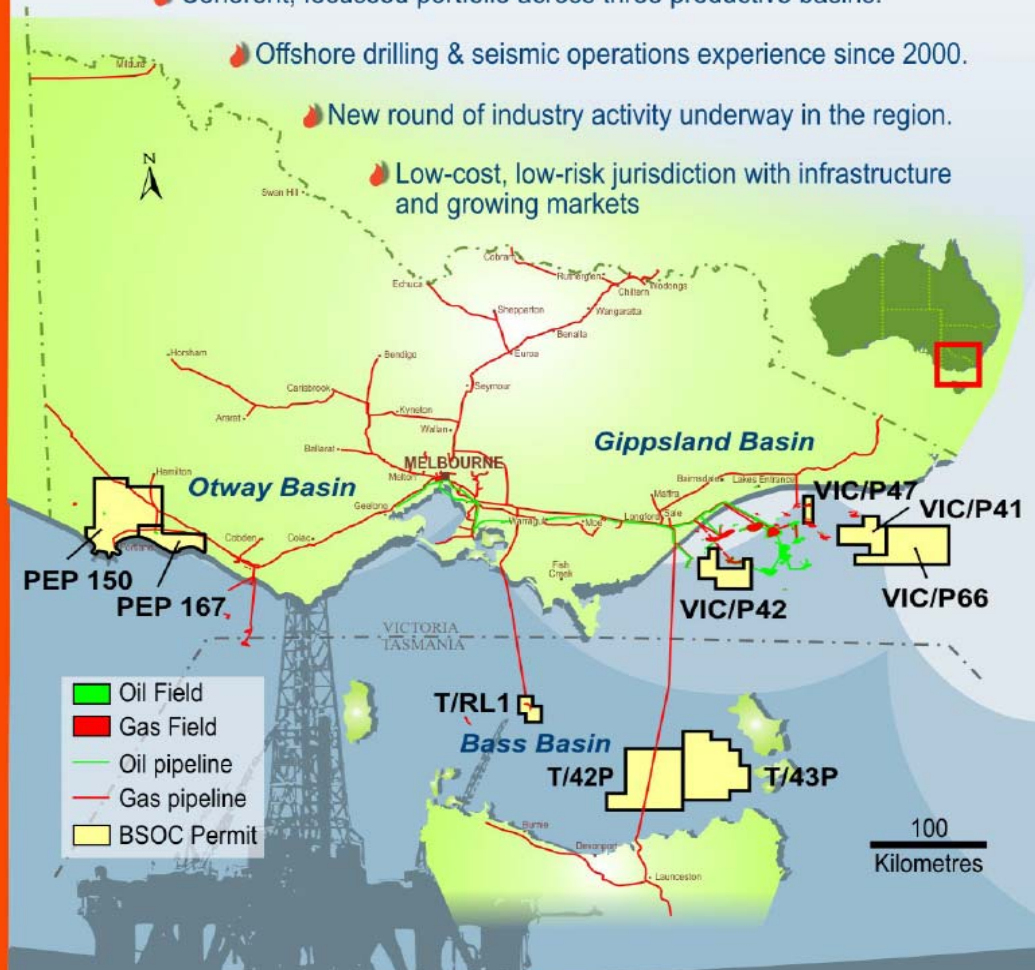
Strong permit position; excellent leverage to high-impact discovery potential.

Coherent, focussed portfolio across three productive basins.

Offshore drilling & seismic operations experience since 2000.

New round of industry activity underway in the region.

Low-cost, low-risk jurisdiction with infrastructure and growing markets



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