

ASX RELEASE

Vic/P47: Farmout and Permit Renewal Update

The Vic/P47 exploration permit contains the Judith and Moby gas discoveries. The Judith gas resource was certified by Gaffney Cline & Associates in 2008 (see details below) and both Judith and Moby are in close proximity to existing or planned infrastructure in adjacent licences. The Vic/P47 joint venture is seeking farmin partners to fund operations and the opportunity has attracted credible interest. While no offers have been received to date, evaluation and assessment is continuing.

Vic/P47 is held by a joint venture consisting of:

Bass Strait Oil Company Ltd (ASX: BAS)	40% and Operator
Moby Oil & Gas Limited (ASX: MOG)	35%
Strategic Energy Resources Limited (ASX: SER)	25%

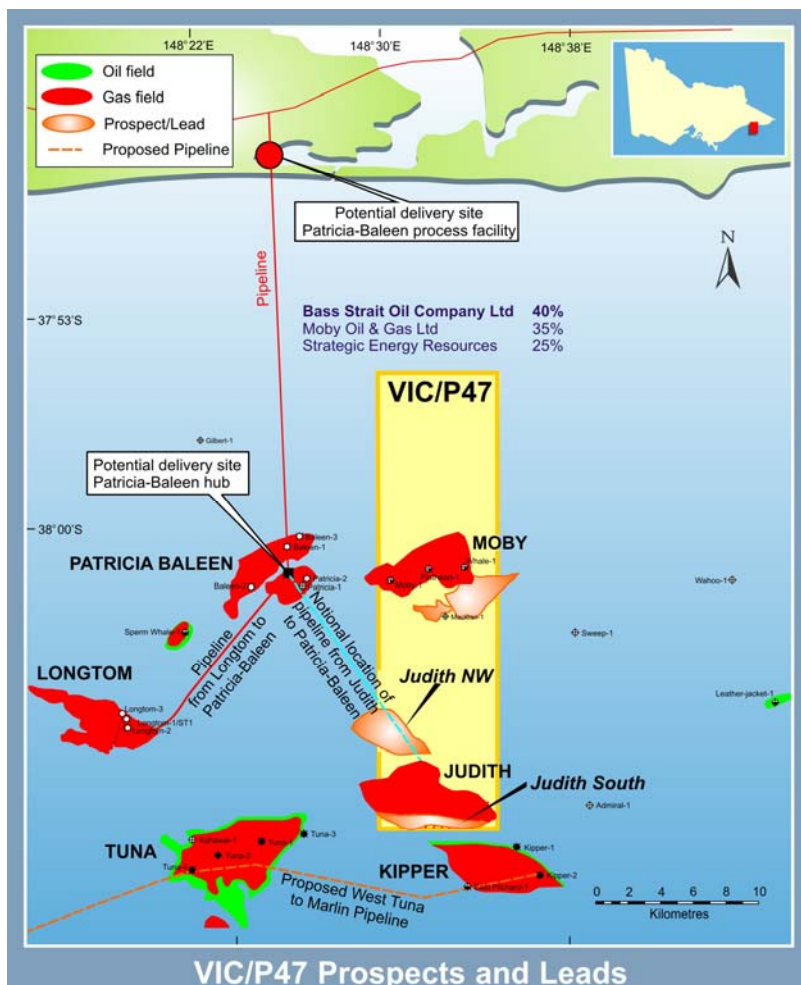
The permit is located in the offshore Gippsland Basin, approximately 10 km from the coast and south of the Victorian town of Orbost, with water depths ranging up to 80 metres. The permit has been undergoing the normal renewal process after the joint venture met or exceeded all obligations under its first six year term.

Permit Renewal Status

On behalf of the Vic/P47 joint venture, BAS has submitted an application to renew the permit for a second 5 year term. The basis of this application reflects the outcome of extensive discussion with the Joint Authority and an outcome is now expected within weeks. Acceptance of any offer by the Vic/P47 joint venture would then lead to grant of the renewal term.

The proposed renewal area is shown on the accompanying map. At approximately 200 sq km, it comprises the 3 graticular blocks from the original permit area which include the Judith and Moby Gas Fields. This area contains approximately 160 sq km of existing 3D seismic data and a commitment to reprocess this data is included in the proposed terms of renewal for Vic/P47.

BAS looks forward to the successful completion of the renewal process over the coming weeks.



Judith Gas Resource Certification

Judith-1 was drilled by Shell in 1989, but not production tested or appraised. The Vic/P47 joint venture has invested in a complete review of the discovery and during June 2008, consultants Gaffney, Cline & Associates (GCA) completed an independent resource certification of the Judith Gas Field and associated prospects in Vic/P47.

GCA's certification provides independent confirmation that, subject to successful appraisal, the Judith Gas Discovery has the resource volume potential to underpin a commercial development.

GCA reported that a gross gas column of 290 metres can be interpreted from Judith-1 electric log data and GCA's petrophysical analysis indicated 135.5 metres of net gas pay in the Judith-1 well.

GCA estimated a 'high' or upside case of 1,735 Bscf (Contingent + Prospective Recoverable Gas Resources for the Greater Judith Area).

The GCA report also indicates a 'best' estimate for the area around the Judith-1 discovery well of 312 Bscf (Contingent + Prospective Recoverable Gas Resources). This is the area that could be addressed by an initial appraisal drilling programme and consultants RPS Energy have completed a study of Judith appraisal drilling options.

By way of comparison and as an indication of potential commerciality, 22 km to the west of Judith, the Longtom Field is being developed by Nexus Energy Ltd. This development is proceeding on the basis of a contract to sell a similar volume to the Judith best case estimate, in that case 350 PJ (approximate conversion = 325 BScf) of sales gas.

Please see BAS's 20 June 2008 ASX release, available on the BAS website www.bassoil.com.au, for more details of the GCA report and for an explanation of abbreviations and resource categories quoted here.



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