



BASS STRAIT OIL COMPANY Ltd
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ASX RELEASE

COMPLETION OF CAPITAL RAISING

Bass Strait Oil Company Ltd (ASX Code: BAS) is pleased to advise that it has completed a placement of shares and options to raise \$2,000,000. The securities were placed with institutional investors and with a number sophisticated investors registered as clients of Patersons Securities Limited. Patersons Securities Limited acted as Lead Manager for the issue.

10,000,000 new BAS shares were placed at 20 cents each. 5,000,000 free attaching options were also placed on a 1 for 2 basis with the new shares. These options are exercisable at 30 cents on or before 30 June 2007. The Company intends that, subject to the issue of an Offer Information Statement (OIS), an application will be made for the 30 June 2007 options to be quoted on the ASX. An OIS is expected within two months.

BAS will fund its 40% share of the forthcoming Maclean-1 offshore exploration well from existing cash and receivables. The \$2,000,000 in fresh capital raised by this placement will provide BAS with additional working capital to continue with its 2006 exploration programme and, importantly, with the opportunity to expand its acreage holdings and to secure new opportunities for further near-term drilling activity.

Shareholder approval is not required for this placement as the issue falls within the 15% limit imposed by ASX listing rule 7.1. The allotment of shares is expected to occur on or about 6 October 2005.

Andrew Adams
Chief Executive Officer
3 October 2005