

ASX RELEASE

3D SEISMIC RECORDING UNDERWAY AT WINDERMERE OIL DISCOVERY

Bass Strait Oil Company Ltd (ASX: BAS) advises that recording of the Windermere 3D seismic programme in PEP 167 commenced during the weekend. The survey covers 41 sq km and recording and associated operations are scheduled to take approximately two weeks.



Vibrator trucks in action during 3D seismic recording at Windermere, Otway Basin

The 1987 Windermere-1 well produced oil on test but was never put on production given the oil prices and the available technology at that time. BAS's review indicates that the oil bearing formation may have been damaged during drilling operations and that there is good potential to achieve commercial flow rates at Windermere, particularly given careful well design, modern drilling techniques and potentially employing horizontal drilling.

The new 3D seismic data is expected to provide high quality definition of the Windermere oil zone for the first time.

The objective of the new Windermere 3D survey is to define the nature and extent of the Windermere accumulation and to allow detailed planning and optimisation for appraisal drilling. Surrounding follow-up leads will also be addressed by the new survey.

A successful 3D seismic survey could lead to appraisal drilling for Windermere oil in the next year.

A key factor in the Windermere project is that the economics of any oil production that may be established in this area are favourable, with good access, local infrastructure and support and relatively short transport distance via sealed highway to the Geelong refinery.

Permit PEP 167

PEP 167 is held by a joint venture of:

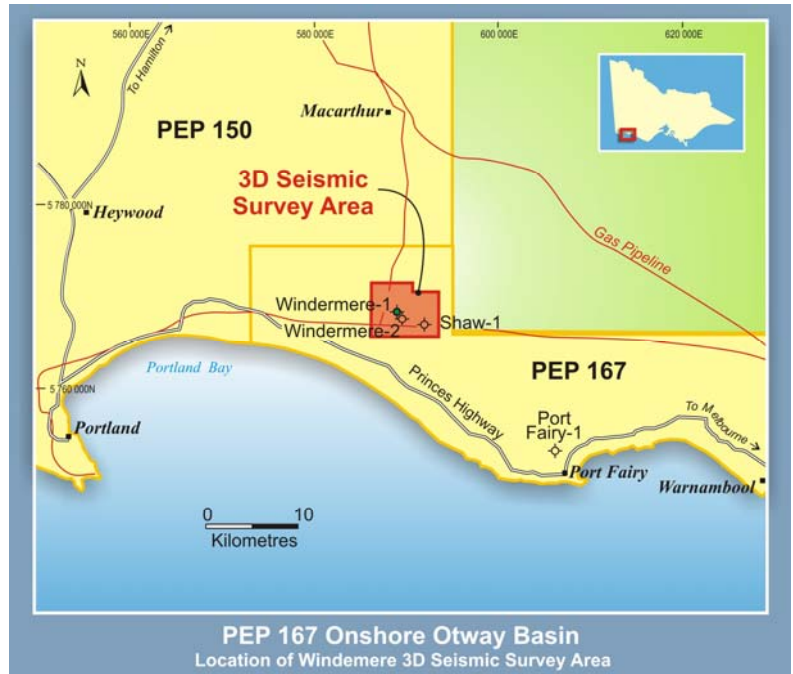
- Bass Strait Oil Company Ltd (ASX: BAS), 50% and operator
- Interra Resources Ltd (ASX: ITR), 50%

Exploration permit PEP 167 is located in the onshore Otway Basin, near Portland, in western Victoria. The permit covers 833 sq kms of primarily agricultural land with largely gentle terrain and good internal road access.

PEP 167 contains two discovery wells: the 1987 Windermere-1 oil well and at the 2002 Port Fairy-1 oil and gas well.

Interra Resources Ltd is funding 100% of the Windermere 3D survey up to a cap of \$1.75 million, after which joint venture contributions revert to 50/50.

ITR is a Singapore-based exploration and production company with onshore oil production in both Indonesia and Myanmar, as well as exploration interests in Thailand. The Windermere project is its first petroleum exploration interest in Australia.



The Windermere 3D seismic survey will fulfil the PEP 167 Year 3 permit obligation.

Andrew Adams
Managing Director
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