

## ASX RELEASE

### GIPPSLAND BASIN PERMITS UPDATE

Bass Strait Oil Company Ltd (ASX: BAS) today announces that it has commenced a formal divestment process for its offshore Gippsland Basin portfolio as part of its forward strategy that is focused on delivering best value to shareholders.

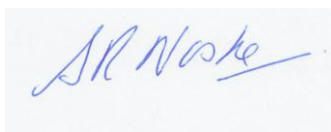
Across Vic/P41 (BAS - 64.565%) and Vic/P68 (BAS - 100%), BAS holds a large trend focused acreage position containing significant conventional oil and gas prospects. With increasing Eastern Australian gas prices, growing customer demand for new sources of gas supply and significant value being placed on recent transactions in the Gippsland Basin, **BAS believes that these assets are not being valued appropriately by the market and will consequently be seeking to extricate appropriate value for them through a divestment process.**

Recent transactions in and around the Gippsland Basin have included permits within close proximity to those held by BAS and include:

- Cooper Energy (ASX:COE), the largest shareholder in BAS with a 22.9% equity interest, acquiring a 65% interest in the Basker Manta Gummy (BMG) production licenses; and
- Nexus Energy (ASX:NXS) entering into a merger implementation agreement and bridge facility with Seven Group Holdings (ASX:SVW).

The Bass Strait Oil Company CEO, Steven Noske commented: "These transactions coupled with the ongoing strength in eastern Australia gas prices, provides an opportunity for the company to realise best value for our Gippsland basin acreage. The Company intends to use any proceeds from the potential divestment of its Gippsland Basin acreage to continue to invest in new opportunities in the oil and gas sector and will remain focused on oil and gas exploration and development activities moving forward."

The Company has engaged GMP Securities Australia Pty Ltd to assist with the divestment process and the execution of its forward strategy. BAS will keep the market informed of the progress made with the divestment process, including any potential requirement for shareholder approval to be sought for a transaction.



Steve Noske  
Chief Executive Officer  
10th April 2014

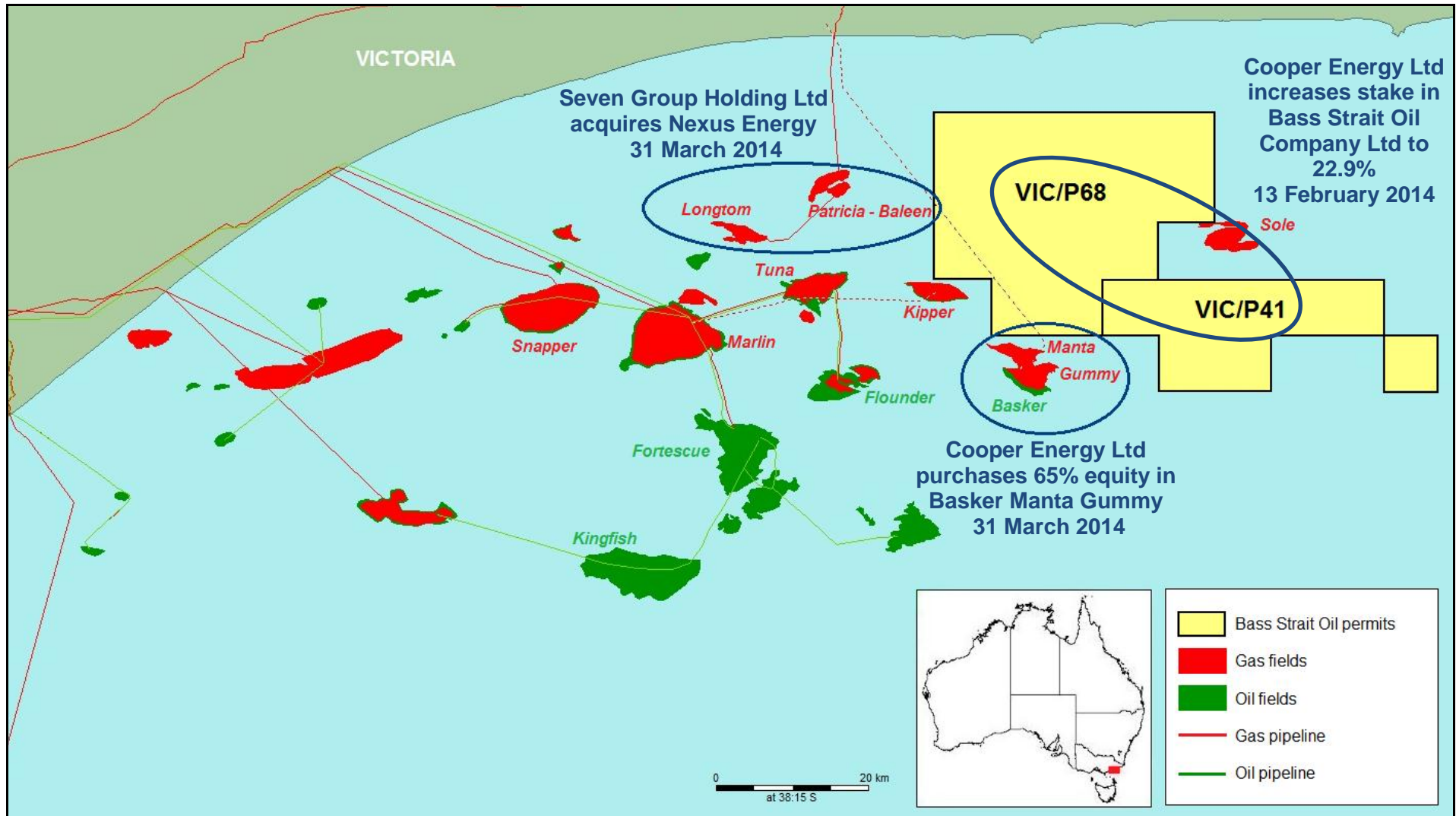


Figure 1. BAS permit location map, Gippsland Basin