

## Quarterly report for the period ending 31 March 2015

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Release date 22 April 2015

### HIGHLIGHTS

- **\$1 million raised through a successful rights issue**
- **Tino Guglielmo appointed Executive Director**
- **Mapping identifies significant oil/gas targets on trend with Longtom, Kipper and BMG fields**
- **NOPTA approves 6 month work program suspensions subsequent to the end of the quarter**
- **Technical review of Gippsland permits is ongoing**

### CORPORATE ACTIVITIES

#### Non renounceable rights issue

On 3 March 2015 the Company announced it was undertaking a 1 for 3 non-renounceable pro rata entitlement offer (“Rights Issue”) of new shares at \$0.005. The issue successfully raised \$1 million. Merchant Corporate Finance Pty Ltd acted as Lead Manager and Underwriter of the Rights Issue.

Funds raised under the Rights Issue will be used to cover forecast project expenditure to mature significant oil and gas prospects known to exist in the Company’s Gippsland basin portfolio and general working capital requirements.

#### Management changes

During the quarter Mr. Tino Guglielmo, previously a Non-Executive Director, was appointed to the role of Executive Director of the Company on 2 February 2015. Mr. Guglielmo is well credentialed Petroleum Engineer with over 33 years of technical, managerial and senior executive experience in Australia and internationally. Mr. Guglielmo was previously Managing Director of Stuart Petroleum Ltd and Ambassador Oil and Gas Ltd.

Mr. Steven Noske ceased employment as CEO with effect on 2 February 2015.

#### Cash balance

The cash balance at the end of the quarter stood at \$880,000. At release of this report, the cash balance totalled \$1,030,000 following receipt of all the funds from the successful rights issue.

## **EXPLORATION ACTIVITIES**

### **Gippsland basin offshore - VIC/P68 (Bass 100%) and VIC/P41 (Bass 64.565% and operator)**

During the quarter the Company lodged an application for suspension and extension for both its Gippsland basin permits, Vic/P41 and Vic/P68 with the National Offshore Titles Authority (NOPTA). The variation of the work program for both permits allow further time to integrate and map the reprocessed 3D seismic data and Quantitative Interpretation (QI) data analysis from the NOMB seismic survey.

Subsequent to the end of the quarter NOPTA has approved a 6 month suspension of the work program for Vic/P68 and a 6 month suspension of the work program along with the a six month extension of the permit term for Vi/P41.

The Company engaged additional geoscience resources to conduct a detailed prospectivity review of its Gippsland tenements. The technical team have been mapping the NOMB survey and QI data and already identified oil and gas opportunities similar to and on trend with the Longtom, Basker/Manta/Gummy and Kipper fields. Furthermore, Bass has identified a number of follow up oil targets on trend with Bass' wholly owned Leatherjacket oil discovery contained in Vic/P68 permit. Leatherjacket was drilled by Esso in 1986 and discovered a net oil column of over 20 metres in the highly productive upper LaTrobe group.

In the coming quarter the identified opportunities will be matured to prospects and leads.

### **Onshore Otway basin - PEP 150 (Bass 15%)**

Minimal activity and expenditure has been undertaken in the permit given that exploration activities in the permit are subject to a Victorian government moratorium. The joint venture has applied to the authorities for a further suspension of the work program and extension of the permit term as a result.

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## About Bass Strait Oil Company

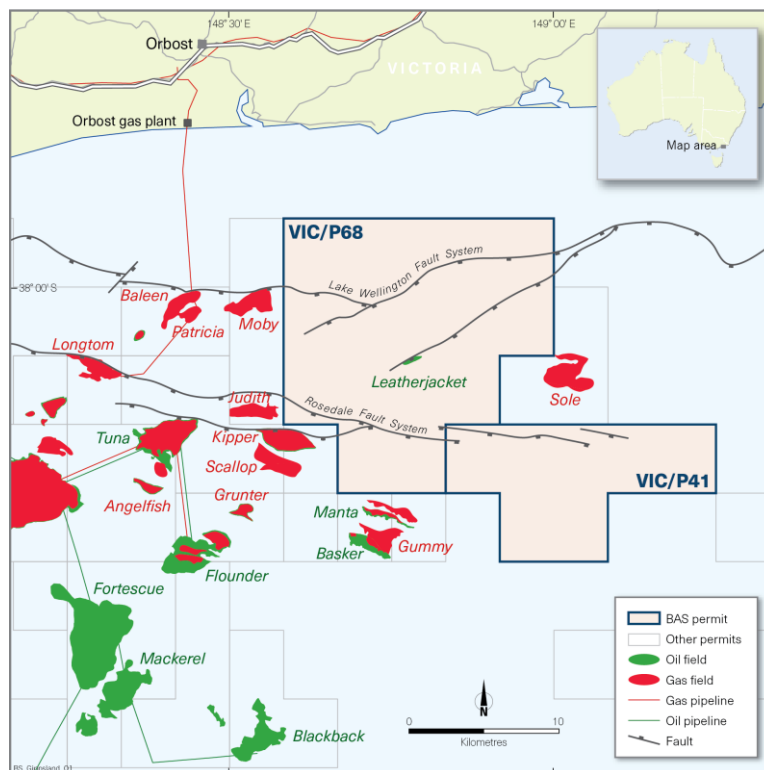
Bass Strait Oil Company Ltd (ASX code: BAS) is a petroleum explorer with an exploration portfolio currently focused on southeast Australia, in particular the world class Gippsland basin.

In the Gippsland basin, our portfolio is focussed on the Rosedale Fault Trend on the northern margin of the basin. Bass has high equity interests and operates two permits, Vic/P41 (64.565%) and Vic/P68 (100%) along the trend and these contain both appraisal and exploration targets. These are generally within subsea completion tie back distances to existing developments. The portfolio is covered by extensive 3D seismic datasets. In the Otway Basin, our portfolio comprises of one eastern onshore permit, PEP 150 (15%).

The Company's consistent technical focus on the region and the proximity of the portfolio to infrastructure and market ensures that Bass is well placed to benefit from the changing dynamics of the Eastern Australian gas market.

The Company has a strong committed shareholder base, with the Board and management holding a 30% interest and Cooper Energy holding a 22% interest. The Board's focus is to extract value from its Gippsland Basin permits for all shareholders.

The BAS exploration permit portfolio targets both conventional oil and gas and unconventional gas plays. It contains a balance of offshore and onshore activity with near term appraisal opportunities and longer term exploration opportunities. The Company believes that this acreage position provides high-impact discovery potential.



BAS Gippsland Basin Permit Map

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

BASS STRAIT OIL COMPANY LTD

ABN

13 008 694 817

Quarter ended ("current quarter")

31 March 2015

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	(3)	51
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(357)	(801)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	2	10
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other		
<b>Net Operating Cash Flows</b>	<b>(358)</b>	<b>(740)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) exploration & evaluation (b) equity investments (c) other fixed assets	(172)	(420)
1.9 Proceeds from sale of: (a) exploration & evaluation (b) equity investments (c) other fixed assets	-	270
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other		
<b>Net investing cash flows</b>	<b>(172)</b>	<b>(150)</b>
1.13 Total operating and investing cash flows (carried forward)	(530)	(890)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(530)	(890)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	639	1,064
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (Share Issue Costs)	(7)	(7)
	<b>Net financing cash flows</b>	<b>632</b>	<b>1,057</b>
	<b>Net increase (decrease) in cash held</b>	<b>102</b>	<b>167</b>
1.20	Cash at beginning of quarter/year to date	778	713
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	<b>880</b>	<b>880</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	82
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

+ See chapter 19 for defined terms.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	0	0
3.2 Credit standby arrangements	0	0

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	80
4.2 Development	
4.3 Production	
4.4 Administration	300
<b>Total</b>	<b>380</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	826	724
5.2 Deposits at call	54	54
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>880</b>	<b>778</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	603,285,747*	603,285,747		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	* 127,834,087 shares were issued 2 April 15	127,834,087	\$0.005 (0.5 cents)	\$0.005 (0.5 cents)
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	-	-	<i>Exercise price</i>	<i>Expiry Date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)		
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 22 April 2015  
(Director)

Print name: Peter F Mullins

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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