

Two New Permits For Bass Strait Oil

The Bass Strait Oil Company has been awarded two exploration permits, T/42P and T/43P, covering 6,120 km² of the Durroon sub-basin off the north coast of Tasmania.

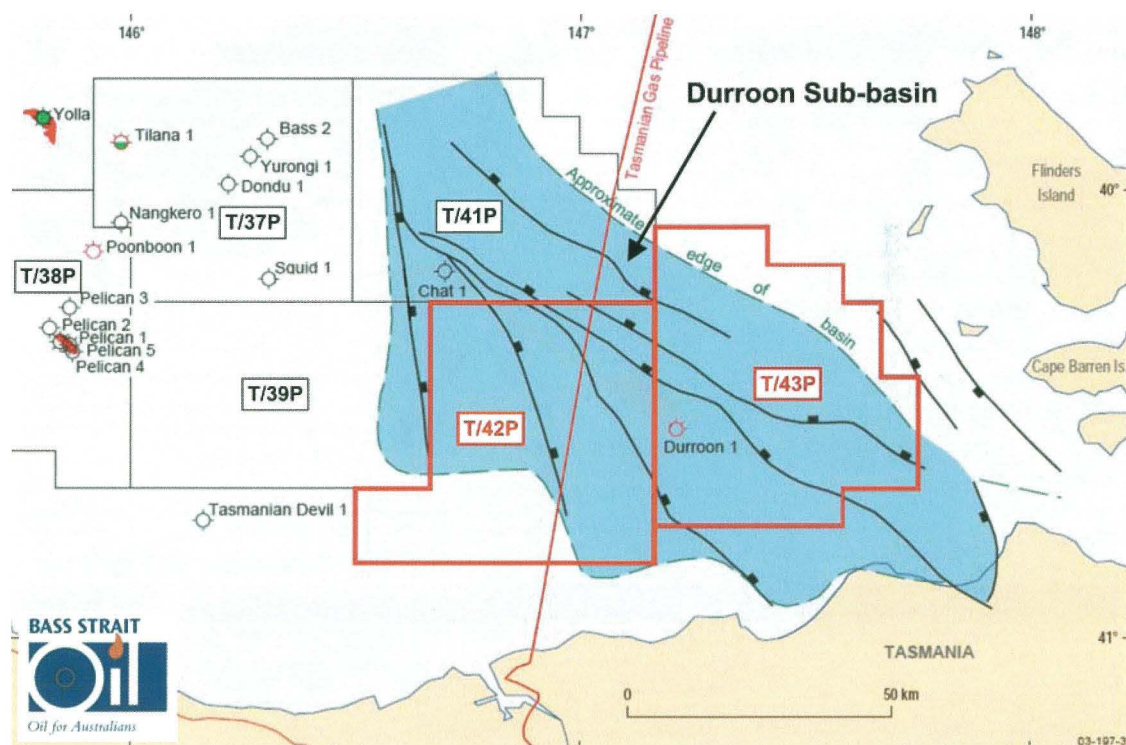
Chief Executive Officer, Andrew Adams, said the company regarded the under-explored area as a grass-roots exploration opportunity.

"Our early-phase geological and geophysical work has the potential to add significant value to the permit", Adams said. "Only two wells have been drilled in the Durroon sub-basin, neither of which penetrated the older section where Bass is initially targeting new play concepts."

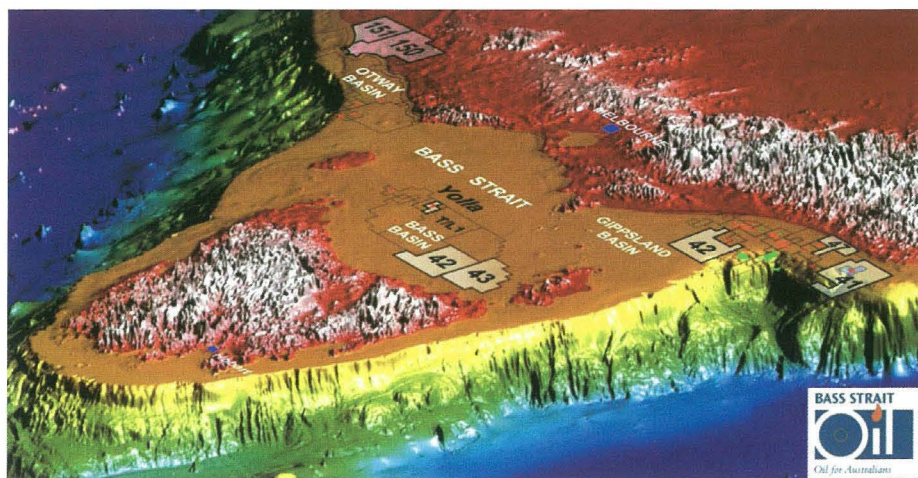
Adams said the permits would complement Bass Strait Oil's existing Bass Basin asset, the Yolla field royalty, where full production is expected to begin in April 2006. "We will also secure a strategic interest in the onshore Otway Basin with the drilling of the Pritchard-1 well last month in PEP151", he said.

"Together with our three offshore Gippsland Basin permits, we are now exploring in all of the productive basins of southeast Australia – Gippsland, Bass and Otway."

"The Durroon sub-basin turbidite play is still conceptual at this stage. However, Bass believes there is strong potential for further development of this and other play concepts in T/42P and T/43P. Bass will pursue a technically-driven programme of data analysis and data acquisition with the initial aim of adding value to these permits by maturing this potential into drillable targets."



Durroon sub-basin location map.



Bass permit interests.