

FULLY UNDERWRITTEN NON-RENOUNCEABLE RIGHTS ISSUE

HIGHLIGHTS

- **Fully Underwritten Non-Renounceable Rights Issue to raise up to \$1.0M at \$0.005 per share**
- **Directors to participate for their entitlements in the Rights Issue**
- **Major shareholder Cooper Energy Ltd to participate for its entitlement in the Rights Issue and sub-underwrite any shortfall up to a maximum of 20M New Shares**
- **Shareholders can apply for additional shares in excess of their entitlement**
- **Funds raised will be used to strengthen the Company's balance sheet and provide increased working capital to support forecast project expenditure and growth objectives**

Bass Strait Oil Company Ltd ("**Bass**" or the "**Company**"; ASX: BAS) is pleased to announce a capital raising by way of a fully underwritten non-renounceable pro-rata rights issue ("**Rights Issue**" or "**Entitlement Offer**") at an issue price of \$0.005 (0.5 cents) per new share on the basis of one (1) new share for every three (3) ordinary shares held. Under the offer a maximum of approximately 201 million shares will be issued to raise up to approximately \$1 million (before costs and expenses).¹

Funds raised will be used to strengthen the Company's financial position and to cover forecast project expenditure and general working capital requirements. BAS intends to achieve these objectives by using the net proceeds of the Entitlement Offer to:

- fund the interpretation of the newly reprocessed 3D seismic data obtained in respect of its existing Gippsland Basin exploration interests and the undertaking of geological and geophysical studies in connection with those interests;
- identify opportunities to acquire additional interests in prospective oil and gas projects; and
- meet its general working capital requirements.

The Company's Directors will participate for their entitlement in the Rights Issue along with the Company's largest shareholder, Cooper Energy Ltd. Furthermore, Cooper Energy Ltd has agreed to sub-underwrite any shortfall to a maximum of 20 million New Shares.

The Entitlement Offer is fully underwritten by Merchant Corporate Finance Pty Ltd, who is lead manager and underwriter of the Rights Issue ("**Underwriter**").

¹ The figures for the number of new shares and the amount to be raised are maximum figures only. They assume that all shareholders on the Record Date are Eligible Shareholders.

BAS Executive Director, Mr Tino Guglielmo said: *“we are delighted to receive such significant support from our largest shareholders in this raising and see this as a clear indication of support for our existing asset base and the strategic direction being pursued by the Company.”*

Eligible Shareholders

The eligible shareholders to whom the Entitlement Offer is being made are those shareholders who are:

- (a) registered as a holder of BAS’s Shares as at the Record Date;
- (b) have a registered address in Australia or New Zealand;
- (c) not in the United States, are not a “U.S. person”, as defined in Regulation S under the U.S. Securities Act of 1933 (“**U.S. Person**”), and are not acting for the account or benefit of any person in the United States or any ‘US Person’; and
- (d) eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

In addition to being able to apply for new shares under the Rights Issue, eligible shareholders will also have the ability to apply for additional new shares that are not subscribed for under the Rights Issue.

Key Dates

The indicative timetable for the Rights Issue is as follows:

Event	Date
Announcement of Entitlement Offer, and Appendix 3B and Offer Booklet lodged with ASX	Tuesday, 3 March, 2015
Shareholder notice dispatched	Wednesday, 4 March, 2015
Shares traded on an “ex” Entitlement basis	Thursday, 5 March, 2015
Record Date for eligibility to participate in the Entitlement Offer	7:00PM on Tuesday, 10 March, 2015
Offer Booklet and Entitlement and Acceptance Form despatched to Shareholders	Thursday, 12 March, 2015
Opening Date for the Entitlement Offer	Thursday, 12 March, 2015
Last Date to extend the Closing Date for the Entitlement Offer	Monday, 23 March, 2015
Closing Date for the Entitlement Offer	5:00PM on Thursday, 26 March, 2015
Securities Quoted on a Deferred Settlement Basis	Friday, 27 March, 2015
Notification to ASX of Under Subscriptions	Tuesday, 31 March, 2015
Issue of New Shares under the Entitlement Offer and Deferred Settlement Trading Ends	Thursday, 2 April, 2015
Trading of New Securities on ASX Commences	Tuesday, 7 April, 2015

Dates and times in this announcement are indicative only and subject to change. All dates and times are references to Melbourne time.

BAS, with the consent of the Underwriter, reserves the right to amend any or all of these dates and times, subject to the Corporations Act, the ASX Listing Rules and other applicable laws and regulations. In particular, BAS reserves the right to extend the Closing Date, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the Closing Date may have a consequential impact on the date that New Shares are issued and commence trading on the ASX. Applicants are encouraged to submit their acceptances as soon as possible after the Entitlement Offer opens.

BAS also reserves the right not to proceed with the whole or part of the Entitlement Offer at any time prior to the issue of the New Shares. In that event, application monies (without interest) would be returned to applicants.

Shareholder Enquiries

Eligible shareholders will be sent further details about the Entitlement Offer in an Offer Booklet, a copy of which accompanies this announcement. Shareholders should read the Offer Booklet carefully before making any investment decision regarding the Entitlement Offer.

Shareholders who have questions relating to the Entitlement Offer should call the Company on +61 3 9927 3000 between 9:00am and 5:00pm (Melbourne time) on business days during the offer period for the Entitlement Offer.

Peter F Mullins

A handwritten signature in black ink, appearing to read 'P. Mullins', with a stylized flourish at the end.

Non-Executive Chairman