

ASX RELEASE

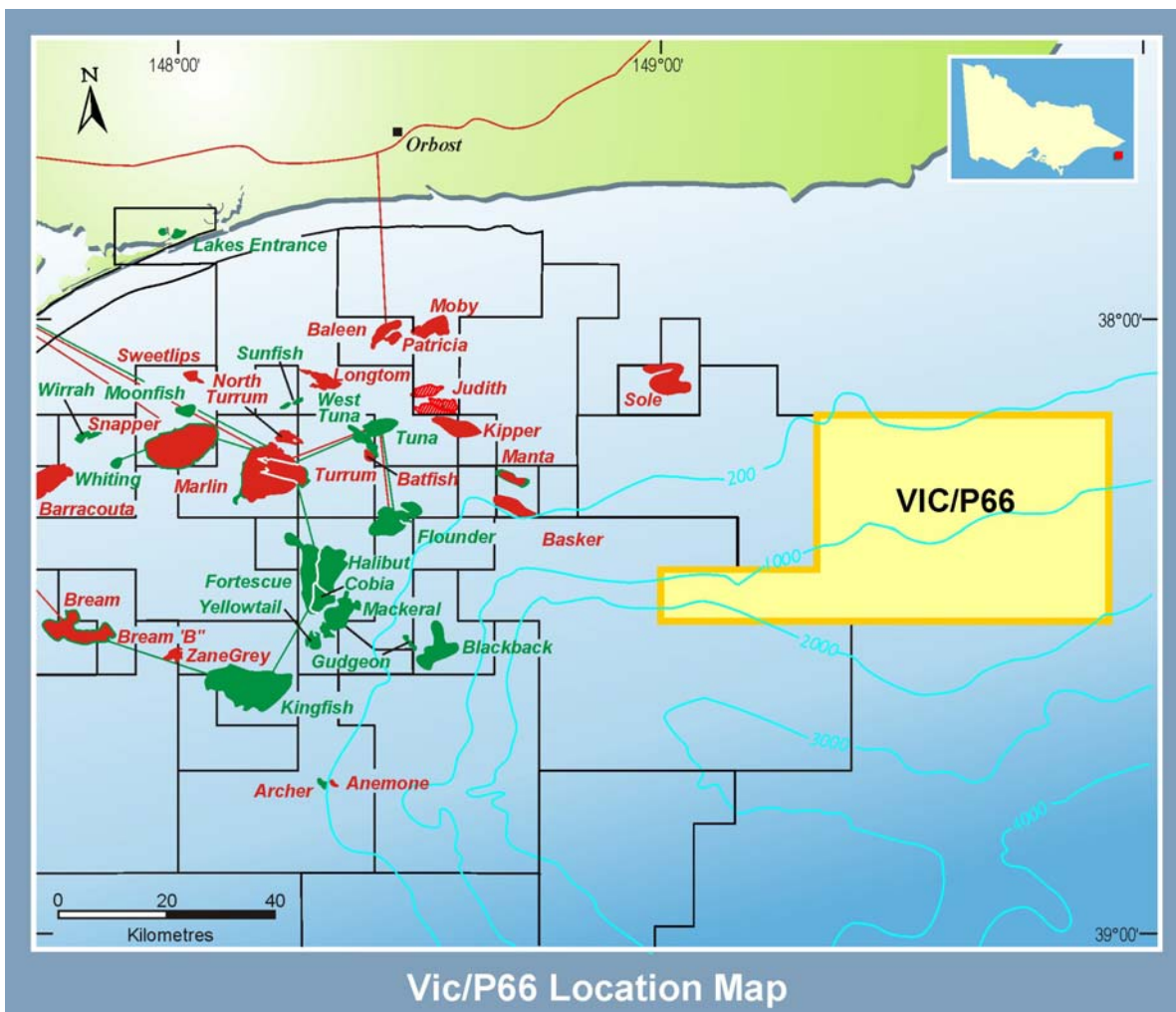
Successful Bid for New Gippsland Basin Permit

Bass Strait Oil Company Ltd is pleased to announce that new exploration permit Vic/P66 has been awarded to a group of Australian companies consisting of

Bass Strait Oil Company Limited (ASX Code: BAS)	60% and operator
Strategic Energy Resources Limited (ASX code: SER)	23%
Oil Basins Limited (ASX code: OBL)	17%

The Vic/P66 permit covers 2160 square kilometres from approximately 50 kilometres offshore in the eastern Gippsland Basin. It spans water depths from 200 metres to over 2000 metres.

The Gippsland Basin is a proven world-class petroleum province which contains some 20 producing oil and gas fields, including Australia's largest oil discovery to date, the Kingfish Field.

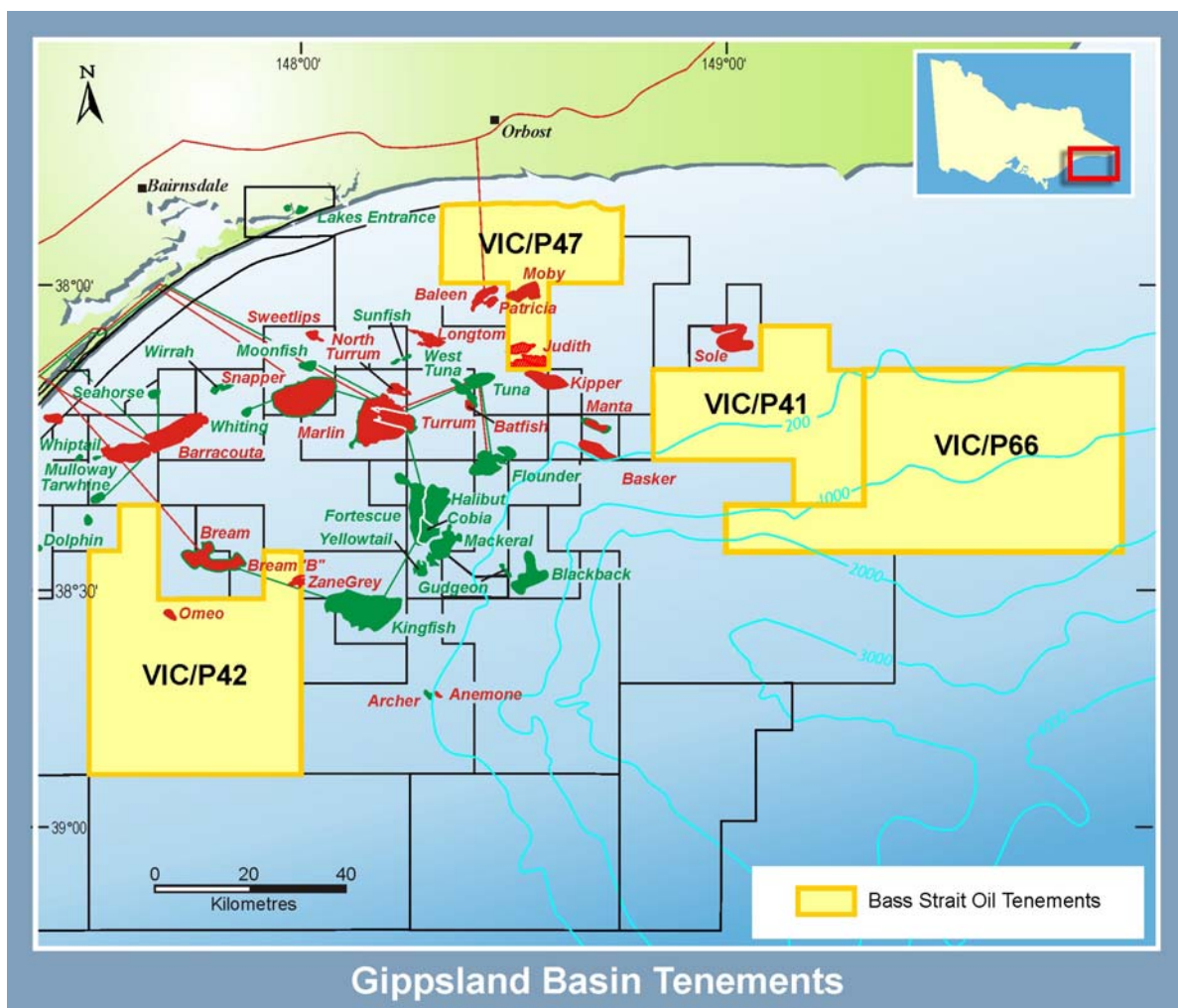


Vic/P66 Location Map

The eastern area of the Gippsland containing Vic/P66 has not been targeted for significant exploration in the past. Distance from established fields and infrastructure and increasing water depths are two factors that likely limited earlier exploration. However, as evidenced in many areas around the world today, the demand for energy and modern oilfield technology are combining to bring exploration in such areas into the industry mainstream.

The Vic/P66 group believes that this new permit provides early-stage exploration exposure to the potential for extensions of proven Gippsland Basin plays and also for the development of new play concepts. Given the relative lack of modern seismic data and recent exploration studies in the area, the planned Vic/P66 exploration programme consists of data collection and studies in the first two years, in preparation for 2D seismic acquisition in the third permit year.

Acquiring this new permit interest complements and extends Bass Strait Oil Company's strategic focus on the southeast Australia region. As Vic/P66 operator, BAS plans to add value to this new permit by leveraging the Company's accumulated experience in the region and, in particular, to seek synergies with the adjacent Vic/P41 permit. The Vic/P66 participants have interests in Vic/P41, where similar geological concepts are being pursued.



Andrew Adams
Managing Director
12 December 2008