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ASX RELEASE

REVIEW OF CONTINGENT RESOURCES FOR THE JUDITH GAS DISCOVERY – VIC/ P47

The Vic/P47 permit is located in the offshore Gippsland Basin, 14 km from the coast and south of the Victorian town of Orbost (Figure 1), with water depths ranging up to 80 metres.

The participants of the Vic/P47 Joint Venture are as follows:

Bass Strait Oil Company Limited (Operator)	40%
Moby Oil and Gas Limited	35%
Strategic Energy Resources Limited	25%

In June 2008, the Judith gas resource was certified by international consultants Gaffney Cline & Associates ("GCA") who provided an independent resource certification of the Judith gas discovery and associated prospects in Vic/P47 based on available data at the time.

Since that report was obtained, Bass Strait Oil Company Ltd., as operator of the Vic/P47 Joint Venture, carried out detailed seismic inversion studies over the field.

As previously advised to the market, in accordance with the work programme variation for the Vic/P47 permit granted on 12 February 2013, the joint venture commenced re-assessment of the gas resource for the Judith gas discovery. As part of the that work programme, GCA was commissioned to prepare a report updating its previous 2008 assessment of Contingent Resources for the Judith Discovery to incorporate the new seismic inversion data. GCA has now provided its updated report entitled: "*UPDATE TO THE RESOURCE ESTIMATE FOR THE JUDITH FIELD, OFFSHORE VICTORIA, AUSTRALIA AS AT MARCH 31, 2013*".

GCA's estimates of gas initially in place (GIIP) and the 1C, 2C and 3C Gross Contingent Resources are summarized in the following table and notes.

GCA has stated that the seismic inversion processing has enabled it to decrease the uncertainty in the Contingent Resource estimates by utilizing Pre-Stack AVO inversion attributes to define possible connected resource volumes for the Judith reservoirs listed below. The seismic inversion data highlights that structural and stratigraphic complexities may limit reservoir connectivity and in light of this the previous GCA High Case may no longer be valid. No economic limit test has been undertaken to assess the commercial viability of the estimated contingent hydrocarbon resources referred to in the table.

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SUMMARY OF GIIP AND GROSS CONTINGENT RESOURCES

FOR THE JUDITH DISCOVERY AS AT 31 MARCH 2013

Reservoir	GIIP (Bscf)			Gross Contingent Resources (Bscf)		
	Low	Best	High	1C	2C	3C
Sand-1A	3.0	6.6	14.0	1.7	4.3	10.5
Sand-1B	10.6	22.7	48.2	5.8	14.8	36.1
Sand-2	21.6	43.7	88.0	11.9	28.4	66.0
Sand-3A	20.9	48.8	113.5	11.5	31.7	85.1
Sand-3B	2.6	7.7	22.8	1.4	5.0	17.1
Sand-4A	6.1	19.2	59.9	3.4	12.5	44.9
Sand-4B	2.0	6.6	21.6	1.1	4.3	16.2
Total 2013	66.7	155.4	368.0	36.7	101.0	276.0
<i>Total 2008</i>	<i>87.8</i>	<i>298.1</i>	<i>1245.6</i>	<i>48.3</i>	<i>193.7</i>	<i>934.2</i>

Notes:

1. Gross Contingent Resources are 100% of the volumes estimated to be recoverable from the field without any economic cut-off being applied.
2. The volumes reported here are "*Unrisked*" in the sense that a Chance of Development factor has not been applied to the designated volumes within this assessment. Chance of Development represents an indicative estimate of the probability that the Contingent Resource will be developed, which would warrant the re-classification of that volume as a Reserve.
3. Natural gas volumes represent expected gas sales, and are reported in billions (10⁹) of cubic feet (Bscf) at standard conditions of 14.7 psia and 60° F.
4. The volumes reported in this table have not been reduced for non-hydrocarbon gas (CO₂, N₂) content.

Terry White

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Chief Executive Officer

7 May, 2013

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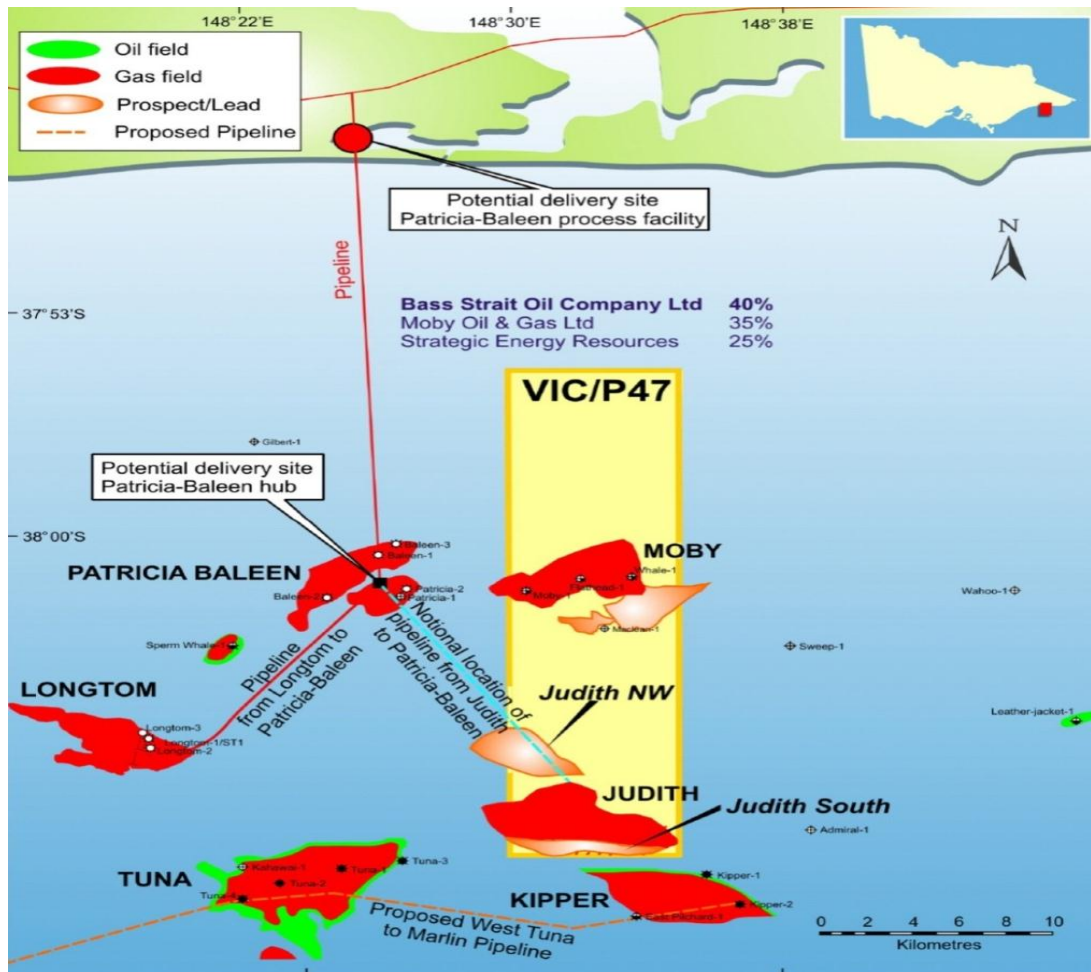


Figure 1. Exploration Permit Vic/P47