



Dear Fellow Shareholder,

On behalf of the Board of Directors of Bass Strait Oil Company Ltd ("**Company**"), I am pleased to invite you to attend the 2014 Annual General Meeting.

The meeting will be held on Tuesday, 16 December 2014 commencing at 10.00 am at the RACV City Club, 501 Bourke Street, Melbourne.

Enclosed are the Notice of Annual General Meeting and Proxy Form which set out the items of business.

Please note that the purpose of the Meeting this year is, in part, to seek from Shareholders the approval required to implement changes to the composition of the Board. Shareholders were notified of these potential Board changes in the Company's announcement to ASX Market Announcements on 31 October 2014. If the proposed changes have shareholder support, this will enable the hand over to the new Board to be achieved in a structured way with minimum disruption to the Company.

In addition, the Company is also pleased to announce the following capital management initiatives:

- subject to shareholder approval, the placement of up to 85 million new ordinary shares at \$0.005/share to the parties noted in the Notice of Meeting to raise gross proceeds of \$425,000; and
- the intention to conduct a non-renounceable rights issue at the same price as the placement in order to provide participation rights for all shareholders and to further meet the capital requirements of the Company. Further details on the structure and terms of this raising will be released following the Annual General Meeting.

I encourage you to:

- 1. Read the enclosed Notice of Annual General Meeting and Explanatory Statement; and**
- 2. Vote in person at the meeting, or by proxy.**

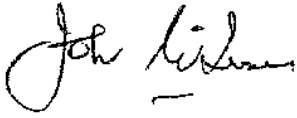
If you are attending the meeting, please bring the enclosed documents with you to facilitate registration.

If you are unable to attend the meeting, I encourage you to complete the enclosed voting form. The Shareholder voting form should be lodged with the Company's share registry in accordance with the instructions set out in the voting form so that it is received not less than 48 hours before the scheduled start of the meeting.

Corporate shareholders will be required to complete a "Certificate of Appointment of Corporate Representative" to enable a person to attend on their behalf. A form of this certificate may be obtained from the Company's share registry.

I look forward to seeing you at the meeting.

Yours faithfully

A handwritten signature in black ink, appearing to read 'John L C McInnes'. The signature is fluid and cursive, with a prominent 'J' and 'M'.

John L C McInnes

Chairman

14 November 2014

BASS STRAIT OIL COMPANY LTD

ABN 13 008 694 817

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Members of Bass Strait Oil Company Ltd ("**Company**" or "**BAS**") will be held at the RACV City Club, 501 Bourke Street, Melbourne on Tuesday, 16 December 2014 commencing at 10.00 am, to be followed by a Company Presentation.

The Explanatory Statement that accompanies this Notice forms part of it and provides additional information regarding the business of the meeting.

AGENDA

ORDINARY BUSINESS

Financial Accounts and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2014 (as set out in the Annual Report 2014).

Resolution 1: Adoption of Remuneration Report

To consider and if thought fit, pass the following resolution as an ordinary resolution:

"To adopt the Remuneration Report for the financial year ended 30 June 2014, as set out in the Directors' Report section of the Annual Report."

Note – the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

In accordance with the *Corporations Act 2001* (Cth) ("**Corporations Act**"), a vote must not be cast on this resolution in any capacity (and will be taken not to have been cast if contrary to this restriction) by or on behalf of a member of the key management personnel, details of whose remuneration are included in the Remuneration Report, and any closely related party of such a member. However, the member or closely related party of such a member may vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution, or by a person who is the chair of the meeting at which the resolution is voted on and the appointment does not specify the way the proxy is to vote on the resolution and expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel; and
- it is not cast on behalf of the member of any closely related party of such a member.

Resolution 2: Approval of Additional 10% Placement Capacity – Shares

To consider and, if thought fit, pass the following resolution as a special resolution:

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Note - The Directors of the Company RECOMMEND that Shareholders vote in favour of this Resolution.

Resolution 3: Appointment of a New Auditor

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, subject to the consent of the Australian Securities & Investments Commission to the current auditor resigning, to appoint Deloitte Touche Tohmatsu, being qualified to act as auditor of the Company, having consented to act and being duly nominated in accordance with Section 328B(1) of the Corporations Act 2001, is appointed as the auditor of the Company effective from the date of the Annual General Meeting and the Directors are authorised to agree the remuneration.”

Note - The Directors of the Company RECOMMEND that Shareholders vote in favour of this Resolution.

Resolution 4: Election of Hector Mackenzie Gordon as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Hector Mackenzie Gordon, being a Director of the Company who was appointed since the previous Annual General Meeting and being eligible under the Company's Constitution, offers himself for election and is hereby elected as a Director of the Company.”

Resolution 5: Election of Giustino (Tino) Guglielmo as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, Giustino (Tino) Guglielmo offers himself for election pursuant to the Constitution of the Company and is hereby elected as a Director of the Company.”

Resolution 6: Election of Peter Francis Mullins as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Peter Francis Mullins, offers himself for election pursuant to the Constitution of the Company and is hereby elected as a Director of the Company.”

Resolution 7: Election of Mark Llewellyn Lindh as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Mark Llewellyn Lindh, offers himself for election pursuant to the Constitution of the Company and is hereby elected as a Director of the Company.”

Resolution 8: Re-election of David John Lindh as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That David John Lindh, being a Director of the Company, who retires by rotation at the close of the Annual General Meeting in accordance with Clause 35(c) of the Company’s Constitution and being eligible, is hereby re-elected as a Director of the Company.”

Resolution 9: Approval for Director Participation in Placement – Mr Hector Gordon

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, subject to the passing of Resolution 4, for the purpose of ASX Listing Rule 10.11, and for all other purposes, shareholders approve the issue of up to 5,000,000 fully paid ordinary shares at an issue price of \$0.005 per share to Mr Gordon (or his nominee/s), as described in the Explanatory Statement which accompanies and forms part of this Notice of General Meeting.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by:

- Mr Gordon
- An associate of Mr Gordon

However, the Company need not disregard a vote on this Resolution if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 10: Approval for Related Party Participation in Placement – Mr Giustino (Tino) Guglielmo

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, subject to the passing of Resolution 5, for the purpose of ASX Listing Rule 10.11, and for all other purposes, shareholders approve the issue of up to 60,000,000 fully paid ordinary shares at an issue price of \$0.005 per share to Mr Guglielmo (or his nominee/s), as described in the Explanatory Statement which accompanies and forms part of this Notice of General Meeting.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by:

- Mr Guglielmo
- An associate of Mr Guglielmo

However, the Company need not disregard a vote on this Resolution if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 11: Approval for Related Party Participation in Placement – Mr Peter Mullins

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, subject to the passing of Resolution 6, for the purpose of ASX Listing Rule 10.11, and for all other purposes, shareholders approve the issue of up to 10,000,000 fully paid ordinary shares at an issue price of \$0.005 per share to Mr Mullins (or his nominee/s), as described in the Explanatory Statement which accompanies and forms part of this Notice of General Meeting.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by:

- Mr Mullins
- An associate of Mr Mullins

However, the Company need not disregard a vote on this Resolution if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 12: Approval for Related Party Participation in Placement – Mr Mark Lindh

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, subject to the passing of Resolution 7, for the purpose of ASX Listing Rule 10.11, and for all other purposes, shareholders approve the issue of up to 10,000,000 fully paid ordinary shares at an issue price of \$0.005 per share to Mr Lindh (or his nominee/s), as described in the Explanatory Statement which accompanies and forms part of this Notice of General Meeting.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by:

- Mr Lindh
- An associate of Mr Lindh

However, the Company need not disregard a vote on this Resolution if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board

A handwritten signature in black ink, appearing to read 'R M Hamilton', written in a cursive style.

R M Hamilton
Company Secretary
14 November 2014

VOTING INFORMATION AND NOTES

1. Voting entitlement on a poll

On a poll, each shareholder present has one vote for each fully paid share they hold.

2. Proxies

A shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on the shareholder's behalf. If the shareholder is entitled to cast two or more votes at the meeting, the shareholder may appoint up to two proxies to attend and vote on the shareholder's behalf.

If a shareholder appoints two proxies, each proxy must be appointed to represent a specified proportion or number of the shareholder's votes. Absent this specification, on a poll, each proxy will need to exercise half the votes.

A proxy can be either an individual or a body corporate and need not be a shareholder of the Company. If a shareholder appoints a body corporate as proxy, the body corporate will need to appoint an individual as its corporate representative and provide satisfactory evidence of this appointment.

If a shareholder's instruction is to abstain from voting for a particular item of business, the shareholders' votes will not be counted in computing the required majority on a poll.

To appoint a proxy, a proxy form must be signed by the shareholder or the shareholder's attorney duly authorised in writing. If the shareholder is a corporation, the proxy form must be signed in accordance with section 127 of the Corporations Act. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the commencement of the meeting. Proxy form and authorities may be lodged:

Online: www.linkmarketservices.com.au Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

by mail:

Bass Strait Oil Company Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

by fax:

+61 2 9287 0309

by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000

Chairman acting as proxy

Shareholders may appoint the Chairman of the meeting as their proxy.

Where the Chairman is appointed as a proxy by a shareholder entitled to cast a vote on a particular resolution and the proxy form specifies how the Chairman is to vote on the resolution (that is, a directed proxy), the Chairman must vote in accordance with that direction.

In respect of proxies where no voting direction has been given (undirected proxies), the Chairman intends to vote all available proxies in favour of each resolution.

In relation to resolution 1, if the shareholder has appointed the Chairman as their proxy and no voting direction has been given, the shareholder will be expressly authorising the Chairman to exercise the undirected proxy in respect of resolution 1 even though the resolution is connected with the remuneration of members of the KMP of the Company. Please read the directions on the proxy form carefully, especially if you intend to appoint the Chairman of the meeting as your proxy.

3. Entitlement to vote at the meeting

For the purpose of the meeting, shares in the Company will be taken to be held by those persons who are registered holders at 10am Melbourne time on Sunday 14th December. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

4. Quorum

The Constitution of the Company provides that five or more members present at the meeting and entitled to vote on a resolution at the meeting.

5. Appointment of a corporate representative

Corporate representatives are requested to bring appropriate evidence of appointments as a representative. Proof of identity will be required for corporate representatives.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions which are the subject of the business of the Meeting.

The purpose of the Meeting is, in part, to seek from Shareholders the approval required to implement changes to the composition of the Board. Shareholders were notified of these potential Board changes, and the need for the Company to raise new capital, in the Company's announcement to ASX Market Announcements on 31 October 2014.

If resolutions 4 – 7 (inclusive) are passed Messrs Hector Gordon, Tino Guglielmo, Peter Mullins and Mark Lindh will be appointed to the Board. Mr Gordon is a current Director who was appointed to the Board on 27 October 2014. He is also a director of Cooper Energy Limited which via its wholly owned subsidiary Somerton Energy Pty Ltd has voting power of approximately 22.9% of the issued ordinary capital of the Company. Messrs Guglielmo, Mullins and M Lindh have been nominated for election to the Board and having consented to their nomination, offer themselves for election as Directors.

It is important for Shareholders to note that resolutions 4 - 7 are not inter-conditional. Accordingly, each of resolutions 4 – 7 will have effect, if passed.

It is proposed that if each of Messrs Gordon, Guglielmo, Mullins and M Lindh are elected to the Board, existing directors, Messrs McInnes, Whittle and David Lindh will resign as directors of the Company. In that event, resolution 8 (re-election of Mr David Lindh as a director) will be withdrawn from the Agenda of the Meeting.

Any changes to the composition of the Board will be subject to the Constitution of the Company, which stipulates that the minimum number of Directors is 3.

The Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2014 (contained in the Annual Report 2014).

Shareholders have been notified that the Bass Strait Oil Company Ltd Annual Report 2014 ("Annual Report 2014") can be found on Bass Strait Oil Company Ltd's website (www.bassoil.com.au) under 'Announcements and Presentations' and have been given the option of having a printed copy of the Report sent to them. The Annual Report 2014 has been sent to those Shareholders who requested it. During the discussion there will be an opportunity for Shareholders to ask questions about, or comment on, the Annual Report 2014 and management of the Company.

Resolution 1 - To adopt the Remuneration Report for the year ended 30 June 2014

The Company is required under the Corporations Act to include, in the business of its AGM, a resolution that the Remuneration Report for the financial year ended 30 June 2014 be adopted. The resolution is advisory only and does not bind the Directors. However, the Directors will take into account the outcome of the vote when reviewing the remuneration policies and practices. During discussion of this Resolution there will be an opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report.

The Remuneration Report which forms part of the Directors Report is set out on pages 12 to 17 of the Annual Report 2014.

Directors' Recommendation

Acknowledging that each Director has a personal interest in his or her own remuneration from Bass Strait Oil Company Ltd, as described in the Remuneration Report, the Directors unanimously **RECOMMEND** the adoption of the Remuneration Report.

Resolution 2 – Approval of Additional 10% Placement Capacity – Shares

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 2, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 2 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 2 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 2 for it to be passed.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$3,628,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. As at the date of this Notice, the Company has one class of Equity Securities on issue, being Shares (ASX Code: BAS). The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$(A \times D) - E$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.

- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 2:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (a)(i) above, the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking)

or such longer period if allowed by ASX (**10% Placement Capacity Period**).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 2 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per share)	\$0.0035 50% decrease in Issue Price	\$0.007 Issue Price	\$0.014 100% increase in Issue Price
518,285,747 (Current)	Shares issued	51,828,575 Shares	51,828,575 Shares	51,828,575 Shares
	Funds raised	\$181,400	\$362,800	\$725,600
777,428,620 (50% increase)	Shares issued	77,742,862 Shares	77,742,862 Shares	77,742,862 Shares
	Funds raised	\$272,100	\$544,200	\$1,088,400
1,036,571,494 (100% increase)	Shares issued	103,657,149 Shares	103,657,149 Shares	103,657,149 Shares
	Funds raised	\$362,800	\$725,600	\$1,451,200

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 31 October 2014.
2. The issue price set out above is the closing price of the Shares on the ASX on 31 October 2014.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised to continue exploration at the Company's Gippsland Basin permits or to fund the investigation or acquisition of additional assets that complement the existing projects, or otherwise to supplement working capital, depending on the prevailing circumstances of the Company at the time of the issue; or
- (ii) as non-cash consideration for the acquisition of new resources, assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

(e) **Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has not previously obtained approval under ASX Listing Rule 7.1A.

As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 2.

Directors' Recommendation

The Directors **RECOMMEND** that Shareholders vote in favour of Resolution 2.

Resolution 3 – Appointment of a new Auditor

Ernst & Young (**EY**) has been acting as the Company's auditor since 2001 and during this time, they have conducted the audit in an effective and competent manner. However, the Board decided it was an appropriate time to hold an audit tender process. The Directors of the Company have conducted a tender process and are pleased to recommend to shareholders the appointment of Deloitte Touche Tohmatsu (**Deloitte**) as the new auditor of the Company.

Under the Corporations Act, members must approve the appointment of a new auditor subject to ASIC granting consent to EY's resignation as auditor of the Company, effective as at the AGM. Deloitte has provided its written consent, subject to shareholder approval, to its appointment as auditor of the Company, and Cooper Energy Ltd, as a member of the Company, has nominated Deloitte to act as the auditor of the Company.

In accordance with section 328B(3) of the Corporations Act, a copy of the notice of nomination is included at the end of this Explanatory Statement.

Directors' Recommendation

The Directors **RECOMMEND** that Shareholders vote in favour of Resolution 3.

Resolution 4 – Election of Hector Mackenzie Gordon as a Director

The Constitution of the Company requires that every Director who is appointed since the last Annual General Meeting shall offer him/her-self for election at the next general meeting following his/her appointment.

Mr Gordon was appointed as a Director of the Board on 27 October 2014. He retires pursuant to the Company's constitution and, being eligible, has offered himself for election as a Director.

Mr Gordon currently serves on the Board of Cooper Energy Limited as an Executive Director – Exploration and Production. Mr Gordon is a very successful geologist with over 35 years' experience in the petroleum industry. Mr Gordon was previously Managing Director Somerton Energy Limited until it was acquired by Cooper Energy in 2012. Previously, he was an Executive Director with Beach Energy Limited where he was employed for more than 16 years. In this time Beach Energy experienced significant growth and Mr Gordon held a number of roles including Exploration Manager, Chief Operating Officer and, ultimately, Chief Executive Officer.

Mr Gordon's previous employers also include Santos Limited, AGL Petroleum, TMOC Resources, Esso Australia and Delhi Petroleum Pty Ltd.

Cooper Energy Limited is a substantial shareholder of Bass Strait Oil Company Limited. The Board do not consider Mr Gordon to qualify as an independent Director.

Resolution 5 – Election of Giustino (Tino) Guglielmo as a Director

Mr Guglielmo has been nominated for election by Somerton Energy Pty Ltd, Chesser Nominees Pty Ltd and Icon Holdings Pty Ltd; all Shareholders in Bass Strait Oil Company Ltd. The biography below has been provided by his nominees and the statements contained therein have not been verified by Bass Strait Oil Company Ltd.

Mr Guglielmo is the Principal of a specialist advisory consultancy, Petroleum Advisors. He is a well credentialed Petroleum Engineer with over 33 years of technical, managerial and senior executive experience in Australia and internationally.

Mr Guglielmo was the CEO and Managing Director of two successful ASX listed companies; Stuart Petroleum Ltd for seven years and Ambassador Oil & Gas Ltd for three years. Both companies merged with larger ASX listed companies generating significant value for shareholders following the identification of compelling resource potential in their respective petroleum resource portfolios.

Mr Guglielmo also worked at Santos Ltd, Delhi Petroleum Ltd, and internationally with NYSE listed Schlumberger Corp. His experience spans the Cooper basin, Timor Sea, Gippsland basin, and exposure to US land and other international basins.

Mr Guglielmo is currently the Chair of the Resources and Energy Sector Infrastructure Council and member of the Resources Industry Development Board, both South Australian Government advisory bodies.

He is a Fellow of the Institution of Engineers, Australia, a member of the Society of Petroleum Engineers and Australian Institute of Company Directors.

Resolution 6 – Election of Peter Francis Mullins as a Director

Mr Mullins has been nominated for election by Somerton Energy Pty Ltd, Chesser Nominees Pty Ltd and Icon Holdings Pty Ltd; all Shareholders in Bass Strait Oil Company Ltd. The biography below has been provided by his nominees and the statements contained therein have not been verified by Bass Strait Oil Company Ltd.

Peter Mullins has over 40 years banking experience in Australia and New York, USA, specialising in Institutional and Corporate Finance across the Agriculture, Defence, Energy, Infrastructure, Mining, Oil & Gas, Property and Wine industries. He is experienced in Mergers and Acquisitions, Privatisations, Structured Finance, IPO's and Capital Raisings.

Mr Mullins retired as Head of Institutional Banking SA&NT with the Commonwealth Bank of Australia in 2009 to take up a part time role as Senior Advisor, Institutional, Corporate and Business Banking for Commonwealth Bank in SA&NT. He retired from this role in 2013.

Mr Mullins was a Director of Somerton Energy Ltd, a listed oil and gas exploration company, from April 2010 until it merged with Cooper Energy Ltd in July 2012.

He is a Fellow of the Financial Services Institute of Australasia and graduated from the Advanced Management Program at the University of Melbourne – Mt Eliza, in 1987.

Resolution 7 – Election of Mark Llewellyn Lindh as a Director

Mr Mark Lindh has been nominated for election by Chesser Nominees Pty Ltd; a Shareholder in Bass Strait Oil Company Ltd. Mr Mark Lindh is a Director of by Chesser Nominees Pty Ltd. The biography below has been provided by Chesser Nominees Pty Ltd and the statements contained therein have not been verified by Bass Strait Oil Company Ltd.

Mr Mark Lindh is a corporate advisor with in excess of 15 years experience in advising mining and resources companies with a particular focus on the energy sector.

He is a founding director of Adelaide Equity Partners Limited, an investment and advisory company.

Resolution 8 – Re-election of David John Lindh as a Director

The Constitution of the Company requires that at every Annual General Meeting one-third, or the next highest number nearest one-third, of the Directors shall retire from office and provides that such Director(s) are eligible for re-election at the meeting.

Mr Lindh has been an independent Non-Executive Director of the Company since 25 November 2011.

Mr Lindh has over 30 years experience as both a lawyer and company director. Mr Lindh is currently the Chairman of ASX listed Island Sky Australia Ltd and has been the Chairman of Enterprise Energy Ltd, Orca Petroleum Ltd and Centrex Metals Ltd.

Mr Lindh is also currently Chairman of Adelaide Equity Partners Limited, a director of various other unlisted companies and a consultant with Minter Ellison lawyers in Adelaide. Mr Lindh was awarded a Medal of the Order of Australia in recognition of his services to business and equestrian sport.

Mr Lindh served as Chair on the audit committee during the year.

Resolutions 9, 10, 11 and 12 - Approval for Related Parties' Participation in Placement

Resolutions 9-12 seek to obtain shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of fully paid ordinary shares to Mr Hector Gordon, a director of the Company, and to Mr Giustino Guglielmo, Mr Peter Mullins and Mr Mark Lindh, each of whom have offered themselves for election as directors of the Company.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the number of shares on issue at the commencement of that 12 month period. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1. Therefore, by obtaining shareholder approval sought through this resolution, the Company retains the ability to issue further shares or options of up to 15% of its ordinary shares under Chapter 7 of the ASX Listing Rules to take advantage of opportunities to obtain further funds if required and available in the future.

Corporations Act 2001 (Cth)

Pursuant to Chapter 2E of the Corporations Act, a public company cannot give a “financial benefit” to a “related party” unless one of the exceptions to the section apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party. Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given arm’s length terms, that is on terms that:

- (a) Would be reasonable in the circumstances if the public company and the related party were dealing at arm’s length; or
- (b) Are less favourable to the related party than the terms referred to in paragraph (a).

The Company considers that the proposed issue of securities the subject of Resolutions 9-12 will be on arm’s length terms and, as such, fall within the exception set out in section 210 of the Corporations Act.

Resolution 9: Approval for Director Participation in Placement – Mr Hector Gordon

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- The securities the subject of this resolution are to be issued to Mr Gordon (or his nominee/s), a director of the Company;
- The maximum number of shares to be issued is 5,000,000 fully paid ordinary shares;
- The securities will be issued no later than 1 month after the date of the General Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investment Commission);
- The issue price of the shares will be \$0.005 per share;
- The shares will rank equally with the Company’s existing fully paid ordinary shares. The Company will apply to ASX for admission of the shares issued for quotation on ASX.
- The issue of securities to Mr Gordon will raise approximately \$25,000. Funds raised by the issue of securities to Mr Gordon will be used to fund the Company’s current projects and provide working capital for the Company.

The passing of Resolution 9 is conditional upon and subject to, Resolution 4 being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 9, you should also vote in favour of Resolution 4.

Resolution 10: Approval for Related Party Participation in Placement – Mr Giustino (Tino) Guglielmo

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- The securities the subject of this resolution are to be issued to Mr Gordon (or his nominee/s);
- The maximum number of shares to be issued is 60,000,000 fully paid ordinary shares;
- The securities will be issued no later than 1 month after the date of the General Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investment Commission);
- The issue price of the shares will be \$0.005 per share;
- The shares will rank equally with the Company's existing fully paid ordinary shares. The Company will apply to ASX for admission of the shares issued for quotation on ASX.
- The issue of securities to Mr Guglielmo will raise approximately \$300,000. Funds raised by the issue of securities to Mr Guglielmo will be used to fund the Company's current projects and provide working capital for the Company.

The passing of Resolution 10 is conditional upon and subject to, Resolution 5 being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 10, you should also vote in favour of Resolution 5.

Resolution 11: Approval for Related Party Participation in Placement – Mr Peter Mullins

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- The securities the subject of this resolution are to be issued to Mr Mullins (or his nominee/s);
- The maximum number of shares to be issued is 10,000,000 fully paid ordinary shares;
- The securities will be issued no later than 1 month after the date of the General Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investment Commission);
- The issue price of the shares will be \$0.005 per share;
- The shares will rank equally with the Company's existing fully paid ordinary shares. The Company will apply to ASX for admission of the shares issued for quotation on ASX. The issue of securities to Mr Mullins will raise approximately \$50,000. Funds raised by the issue of securities to Mr Mullins will be used to fund the Company's current projects and provide working capital for the Company.

The passing of Resolution 11 is conditional upon and subject to, Resolution 6 being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 11, you should also vote in favour of Resolution 6.

Resolution 12: Approval for Related Party Participation in Placement – Mr Mark Lindh

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- The securities the subject of this resolution are to be issued to Mr Lindh (or his nominee/s);
- The maximum number of shares to be issued is 10,000,000 fully paid ordinary shares;
- The securities will be issued no later than 1 month after the date of the General Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investment Commission);
- The issue price of the shares will be \$0.005 per share;
- The shares will rank equally with the Company's existing fully paid ordinary shares. The Company will apply to ASX for admission of the shares issued for quotation on ASX. The issue of securities to Mr Lindh will raise approximately \$50,000. Funds raised by the issue of securities to Mr Lindh will be used to fund the Company's current projects and provide working capital for the Company.

The passing of Resolution 12 is conditional upon and subject to, Resolution 7 being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 12, you should also vote in favour of Resolution 7.



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11 November 2014

The Secretary
Bass Strait Oil Company Limited
Level 1
99 William Street
MELBOURNE VIC 3000

Dear Robyn Hamilton

Subject: Nomination of Auditor

In accordance with the provisions of section 328B of the Corporations Act 2001, Somerton Energy Pty Limited, being a member of Bass Strait Oil Company Limited, hereby nominate Deloitte Touche Tohmatsu for appointment as auditor of that company.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'David P. Maxwell', is written over a faint, larger version of the same signature.

David Maxwell
Managing Director
on behalf of Somerton Energy Pty Ltd



Oil for Australians

ABN 13 008 694 817

LODGE YOUR VOTE



ONLINE >

www.linkmarketservices.com.au



By mail:
Bass Strait Oil Company Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: +61 1300 554 474



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PROXY FORM

I/We being a member(s) of Bass Strait Oil Company Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

☐

the Chairman
of the Meeting
(mark box)

OR if you are NOT appointing the Chairman of the Meeting
as your proxy, please write the name of the person or
body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am on Tuesday, 16 December 2014 at the RACV City Club, 501 Bourke Street, Melbourne (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

STEP 2

VOTING DIRECTIONS

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Election of Mark Llewellyn Lindh as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Re-election of David John Lindh as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Appointment of a New Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval for Director Participation in Placement - Mr Hector Gordon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Hector Mackenzie Gordon as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval for Related Party Participation in Placement - Mr Giustino (Tino) Guglielmo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Election of Giustino (Tino) Guglielmo as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval for Related Party Participation in Placement - Mr Peter Mullins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Election of Peter Francis Mullins as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval for Related Party Participation in Placement - Mr Mark Lindh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

BAS PRX401B



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

Default to Chairman of the Meeting

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted as set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Sunday, 14 December 2014**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE > www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



by mail:

Bass Strait Oil Company Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**