



**BASS STRAIT OIL COMPANY LTD**

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21 November 2016

**Non-renounceable Rights Issue Pro Rata Entitlement Offer  
Ineligible Shareholder Letter**

On 18 November 2016, Bass Strait Oil Company Limited (ASX:BAS) (“**the Company**”) announced to ASX that it intended to undertake a pro rata, non-renounceable rights issue of three (3) new shares (“**New Shares**”) for every five (5) shares in the Company held at the Record Date at an issue price of 0.1 cent (\$0.001) and one (1) free attaching option (“**New Options**”) having an exercise price of 0.3 cents and expiry date of 15 December 2017 for every two (2) New Shares purchased (“**the Offer**” or “**Rights Issue**”). Each New Option will upon exercise, entitle the holder to one ordinary share and one (1) new Piggy Back Option having an exercise price of 0.6 cents and an expiry date of 15 December 2018.

The Company intends to raise up to approximately \$772,207 before costs, through the issue of up to 772,206,594 New Shares at an issue price of 0.1 cent (\$0.001) per New Shares. The main purpose of the Rights Issue is to provide funds to meet budgeted and anticipated expenditure associated with the Company’s proposed acquisition of the Tangai Sukananti Project as announced to ASX on 19 October 2016, together with meeting current working capital requirements and providing for future evaluation and examination of prospective exploration or production assets and projects, identified by the Board from time to time as presenting value and being in line with the Company’s direction.

The Offer is made pursuant to a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. The Offer is not underwritten.

The Offer is made to Eligible Shareholders being shareholders of the Company registered on the Company’s share register at the Record Date (as at 5.00pm AEDT 23 November 2016) and residing in Australia and New Zealand.

As the Offer is non-renounceable, entitlements under the Offer cannot be sold, traded on the ASX or on any other exchange, nor can they be privately transferred.

Documents relating to the Offer were lodged with ASX on 18 November 2016 and will be despatched to Eligible Shareholders on 21 November 2016.

### **Ineligible shareholders**

The Company is of the view that it is unreasonable to extend the Offer to Shareholders with registered addresses outside Australia or New Zealand, having regard to:

- (a) the small number of Shareholders with registered addresses outside Australia and New Zealand;
- (b) the number and value of the New Shares which would be offered to ineligible Shareholders; and
- (c) the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, shareholders who do not have a registered address in Australia or New Zealand are not eligible to participate in the Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder. Accordingly, the Company wishes to advise you that it will not be extending the Offer to you and you will not be able to subscribe for New Shares and New Options under the Offer.

You are not required to do anything in response to this letter.

### **Enquiries**

If you have any questions regarding this non-renounceable pro rata Rights Issue, please telephone the Bass Shareholder Enquiry's Line on 1800 303 491.

Thank you for your ongoing support of the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Mullins', written in a cursive style.

**Peter Mullins**

Chairman