

Bass to Evaluate Kiwi Gas Discovery Upside and Commercialisation Potential

Bass Oil Limited (ASX:BAS) is an Australian-listed oil producer with a 55% Operator interest in the Tangai-Sukananti (KSO) licence in the prolific South Sumatra Basin. As announced 12 July 2021 and 2 March 2022, Bass is in the process of acquiring a significant portfolio of tenements, which include production in the Cooper Basin, South Australia. The Company is debt free and committed to creating and maximising value, leveraging its competitive strengths, operating capability, reputation, and relationships in both Australia and Indonesia.

Highlights:

- Bass has commenced a feasibility study to assess the commercialisation potential of the Kiwi Gas Discovery which will be acquired from Beach Energy Limited in July 2022
- Bass is evaluating the potential upside of the Kiwi stratigraphic trap which could offer a prospective resource of more than 24 billion cubic feet of gas
- The Company will also fast-track its assessment of the gas potential contained in PEL 182 targeting both conventional traps and deep Permian coals in the Patchawarra Trough
- The Company sees significant high-impact gas upside in the Cooper Basin portfolio during a period of record gas prices and significant shortages in the market
- Bass expects to finalise both studies before year end 2022

Bass Oil Limited (ASX:BAS) (“**Bass**” or the “**Company**”) is pleased to announce that it has commenced a feasibility study to evaluate the commercialisation potential of the Kiwi Gas Discovery which it will shortly acquire.

The Company is in the process of acquiring a number of Cooper Basin production and exploration tenements from Cooper Energy Limited (ASX:COE) and Beach Energy Limited (ASX:BPT) which include multiple prospective gas development and exploration targets (the “**Cooper Basin Transactions**”). The Company is progressing transaction completion with final document execution expected in early July 2022.

Since the Company announced the Cooper Basin Transactions in July 2021 and March 2022, Australian gas prices have increased more than 250% on the back of significant shortages in the market. As such, the Company is fast-tracking planned evaluation of key gas development opportunities in the portfolio and expects to complete this study in Q4 2022.

Managing Director, Mr Tino Guglielmo commented:

We believe the acquisition of this portfolio from Cooper and Beach is transformative for Bass because it provides both oil and gas growth opportunities at an opportune time in the commodity cycle. Given the record gas prices we are seeing in the market, we will ‘fast-track’ our gas commercialisation strategy and in particular, evaluate the upside potential of the Kiwi Gas Discovery which could offer a prospective resource of more than 24 billion cubic feet of gas.

Cooper Basin Gas Prospects

Bass aims to complete the Cooper Basin Transactions in July 2022 and will acquire a portfolio of prospective oil and gas development and exploration opportunities. Specifically, the northern properties are highly prospective for liquids rich gas within and adjacent to the Patchawarra Trough. The area hosts numerous gas fields in Permian and Triassic aged sediments.

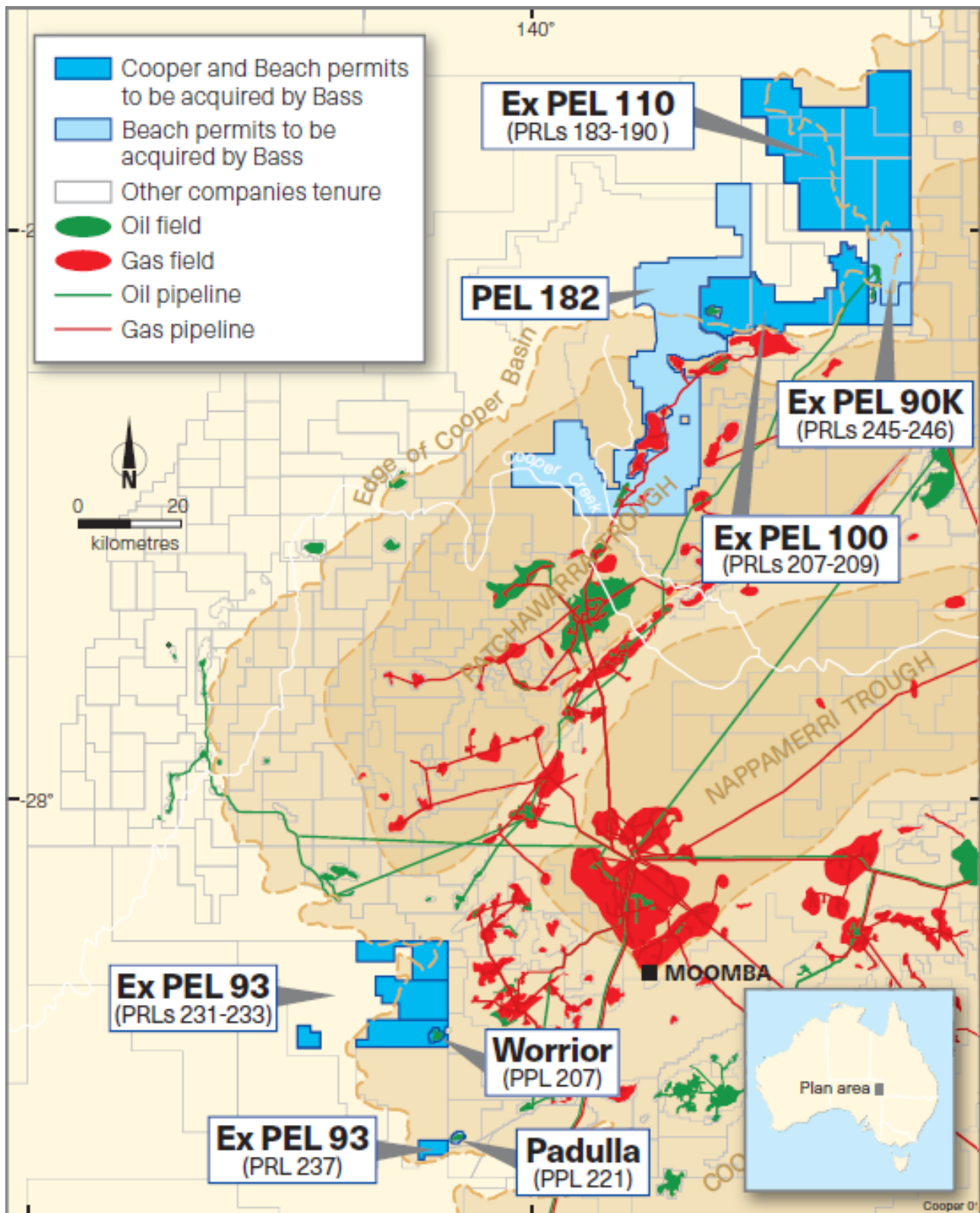


Figure 1: Cooper Basin permits to be acquired via the Cooper Basin Transactions.

Ex PEL 90K

Ex PEL 90K is located on the north-west margin of the Cooper Basin in South Australia ~120km from Moomba. In 2003, Stuart Petroleum Limited (“Stuart”) utilised 2D seismic survey to conduct an exploration program across the Cooper Basin, including within Ex PEL 90K. As part of this program, Stuart drilled the Kiwi-1 well resulting in a gas discovery which flow tested at a rate of 9.6 MMscf per day and was assessed to contain a Contingent resource in the range of 1.6 to 5.0 bcf with a 2C of 3.0 bcf on the basis of a structural trap indicated on the 2D seismic. This Callamura Member gas discovery was notable because is contained low inerts (CO₂) and was moderately liquids rich.

Stuart did not proceed with the development, given a gas price of approximately \$3.50/GJ, the modest resource size and gas infrastructure capital cost requirements at the time of discovery.

Subsequently, Senex Energy Limited (“Senex”) commissioned an extensive 3D seismic survey over the Kiwi gas discovery and the surrounding area followed by a significant mapping effort. This mapping identified significant upside potential associated with a stratigraphic trapping play to expand the potential of the Kiwi Gas Discovery. The upside potential was assessed to be a prospective resource of 6.3 to 49.7 bcf (P90 to P10) with a mean prospective resource of 23.9 bcf. This could represent a significant development target for Bass.

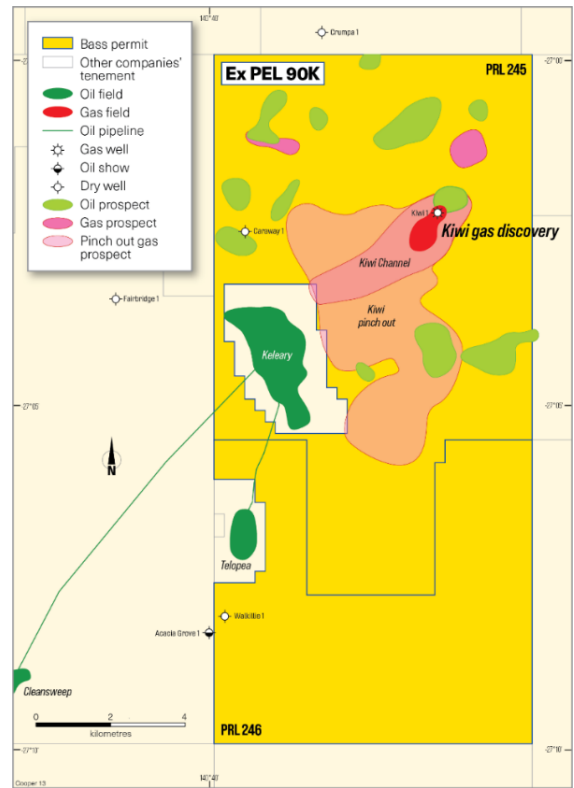


Figure 2: Ex PEL 90K Kiwi Gas Discovery.

PEL 182

PEL 182 spans 870km² and is located to the south west of Ex PEL 90K. Senex conducted significant exploration activities within the tenement between 2015 and 2018, including the acquisition of 3D seismic over 25% of the permit. Senex identified a number of oil and gas leads that highlight the potential for Triassic gas accumulations similar to those discovered at Kiwi and the Santos operated Coonatie and Napowie gas fields.

The tenement also contains thick sections of deep Permian coals in the Patchawarra Trough and Santos has recently drilled the adjacent Beanbush-2 horizontal well that specifically targets this coal section. The well is soon to undergo a multi-stage fracture stimulation program to enhance the productivity of the coal section and test its commercialisation potential. If successful, the Beanbush-2 well may provide an important indicator for Bass’ PEL 182 gas production upside.

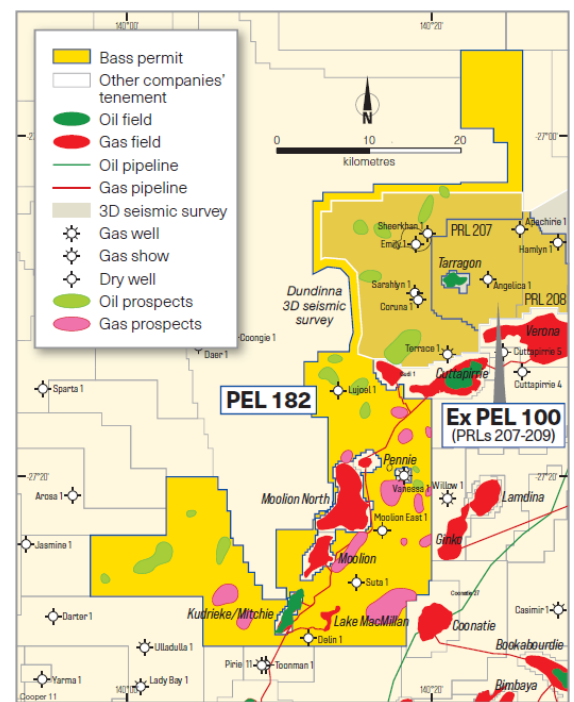


Figure 3: PEL 182 map.

On completion of the Cooper Basin Transactions, Bass will own 100% of PEL 182 and will have optionality to acquire additional 3D seismic, conduct exploration drilling and/or attract farm-in partners to carry the Company’s expenditure.

Ex PEL 100

Located between Ex PEL 90K and PEL 182, ex PEL 100 contains significant oil and gas potential. The permit contains the Cleansweep oil discovery which proved up the basal Birkhead oil play, a significant and long-term Cooper Basin oil producing reservoir. Studies aimed at evaluating the follow up potential of the Cleansweep structure and the adjacent Deramookoo structure have commenced and may result in follow up drilling in 2023.

The permit is adjacent the edge of the Patchawarra Trough. The edge of the trough has hosted a number of significant gas discoveries. The gas potential will also be evaluated in Bass’ geoscientific studies.

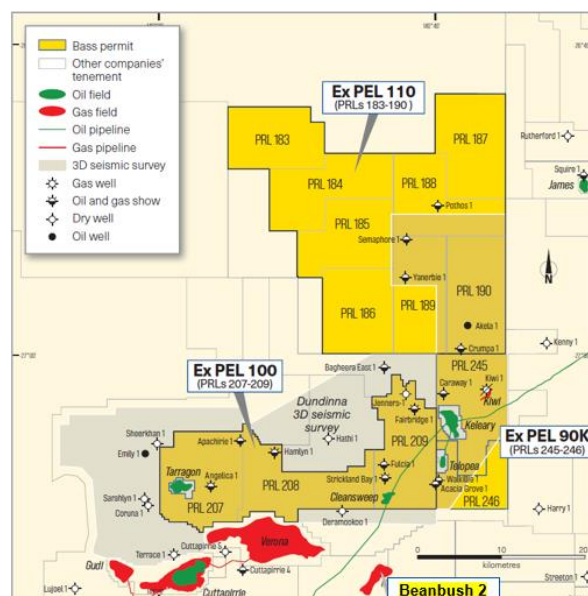


Figure 4: Ex PEL 100 map and Beanbush-2 location.

Australian Gas Market

Australian east coast gas prices have increased more than 250% to over \$35.00 per gigajoule at the Wallumbilla hub in recent months, given a multitude of domestic and international factors have significantly hampered supply availability (Figure 5). In addition, Australian state and federal governments are looking to domestic energy producers to alleviate the current supply pressure.

The increasing price significantly enhances the likelihood of Kiwi Gas Discovery commercialisation or progressing one of the Company’s other prospective gas exploration opportunities in the near-term. Therefore, the Company has accelerated its gas development and exploration endeavours within the Cooper Basin portfolio.

AEMO Benchmark Gas Price - WAL

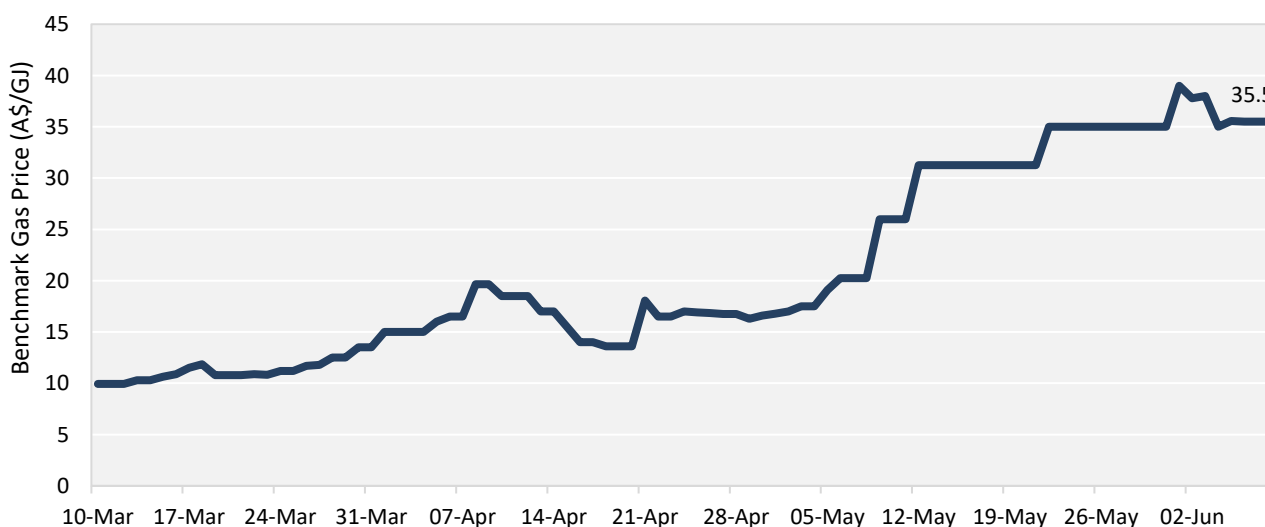


Figure 5: AEMO Benchmark Gas Prices at the Wallumbilla hub (3-month historical chart).

Feasibility Study Details

Bass has commenced a feasibility study to assess a tie-in of the Kiwi-1 well to the Moomba gas gathering system and the viability of conducting an Extended Production Test (EPT) to prove up the larger stratigraphic trapping potential identified by Senex's 3D seismic survey. An EPT is one of the most effective methods of evaluating the potential size of the resource.

The study will also evaluate the economic returns available by selling the gas via a tie-in to the Moomba gas gathering and processing system and sales into the growing east-coast gas market rather than flaring it on location.

In addition, the Company will assess the gas potential in conventional targets as well as within the deep Permian coals in the Patchawarra Trough in PEL 182, given the multi-tcf gas potential of a Santos Limited led Cooper Basin joint venture targeting the same coals approximately 20km east of PEL 182.

Bass expects to complete the feasibility study in 2022. Upon the successful conclusion of the study, Bass will concurrently commence project planning activities and commercial discussions with appropriate counterparties to secure gas sales and processing agreements, as required.

This announcement has been approved for release by the Board of Bass Oil Limited.

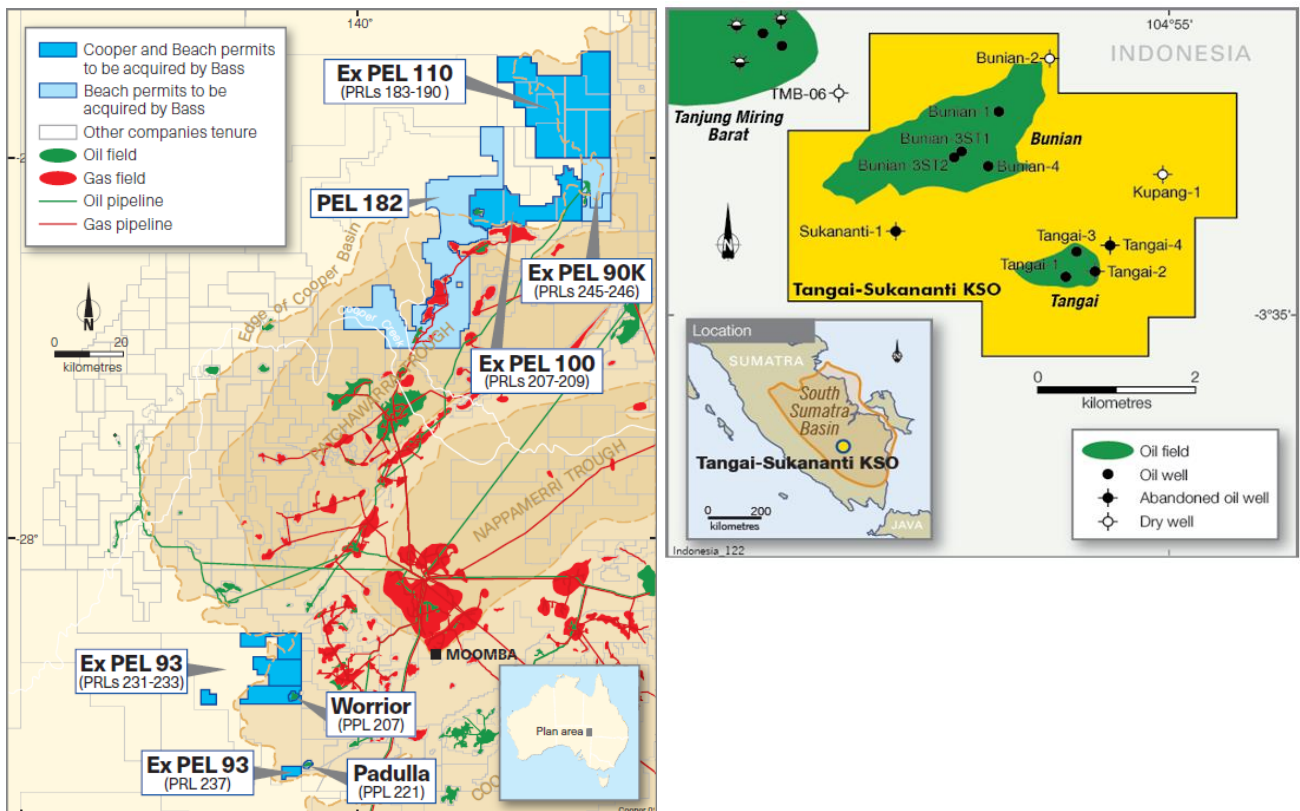
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About Bass Oil Limited:

Bass Oil Limited (ASX:BAS) (www.bassoil.com.au) is an ASX-listed exploration and production company featuring low-cost onshore oil production in Indonesia and the Cooper Basin and a management and Board team with a proven track record in delivering shareholder value. Bass has realigned its corporate strategy and is currently progressing the landmark acquisition of an interest in the Worrior and Padulla oilfields along with several additional assets that exhibit material exploration potential.

As of December 2021, the Tangai-Sukananti KSO produced ~350 bopd from (55% JV share). Bass is building towards a substantial onshore Australian and Indonesian oil & gas business with a clear focus on executing opportunities in the Cooper Basin and expanding production in South Sumatra. Bass has a strong and committed shareholder base with the Board and management holding over 10% of the issued capital.



Qualified Petroleum Reserves and Resources Evaluator Statement:

The information contained in this report regarding the Bass Oil Limited reserves and contingent resources is based on and fairly represents information and supporting documentation reviewed by Mr Giustino Guglielmo who is an employee of Bass Oil Limited and holds a Bachelor of Engineering (Mech). He is a member of the Society of Petroleum Engineers (SPE) and a Fellow of the Institution of Engineers Australia (FIEAust) and as such is qualified in accordance with ASX listing rule 5.4.1 and has consented to the inclusion of this information in the form and context in which it appears.