

29 July 2021

Quarterly report for the period ending 30 June 2021

Bass Oil (ASX:BAS) is an Australian-listed Indonesian oil producer with a 55% Operator interest in the Tangai-Sukananti licence in the prolific South Sumatra Basin. Bass is debt free and committed to creating and maximizing value, leveraging its competitive strengths; its team, operating capability, reputation, and relationships in Indonesia.

HIGHLIGHTS

- Production for the June quarter averaged 455 barrels of oil per day (bopd) JV share up 6% from the March quarter
- Net entitlement oil to Bass for the June quarter totalled 11,442 barrels generating sales revenue of US\$0.75m up 9%
- Net oil production for June quarter totalled 22,788 barrels¹ up 7%
- Net oil sales for June quarter totalled 22,699 barrels¹ up 4%
- Oil price received averaged US\$64.46 for the quarter up 13.6%
- Bass to acquire a portfolio of Cooper basin assets from Cooper Energy Limited
- Planning continues for the upcoming drilling program to commence in late 2021 to early 2022 with the Tangai 5 development well

Comparative Performance:

Key Performance Metrics	Jun Qtr Q2 FY21	Mar Qtr Q1 FY21	Qtr on Qtr Change	Jun Qtr Q2 FY20	Yr on yr Change
Net Production ¹ (mdbl)	22.79	21.33	6.8%	35.61	-36.0%
Net Oil Sales ¹ (mdbl)	22.70	21.81	4.1%	35.69	-36.4%
Net Entitlement to Bass (mdbl)	11.44	11.71	-2.3%	27.63	-58.6%
Sales Revenue (US\$M)	0.75	0.69	8.7%	0.68	10.3%
Average Realised Oil Price	64.46	56.73	13.6%	24.90	158.9%
Cash (US\$M)	0.20	0.11	81.8%	0.26	-23.1%

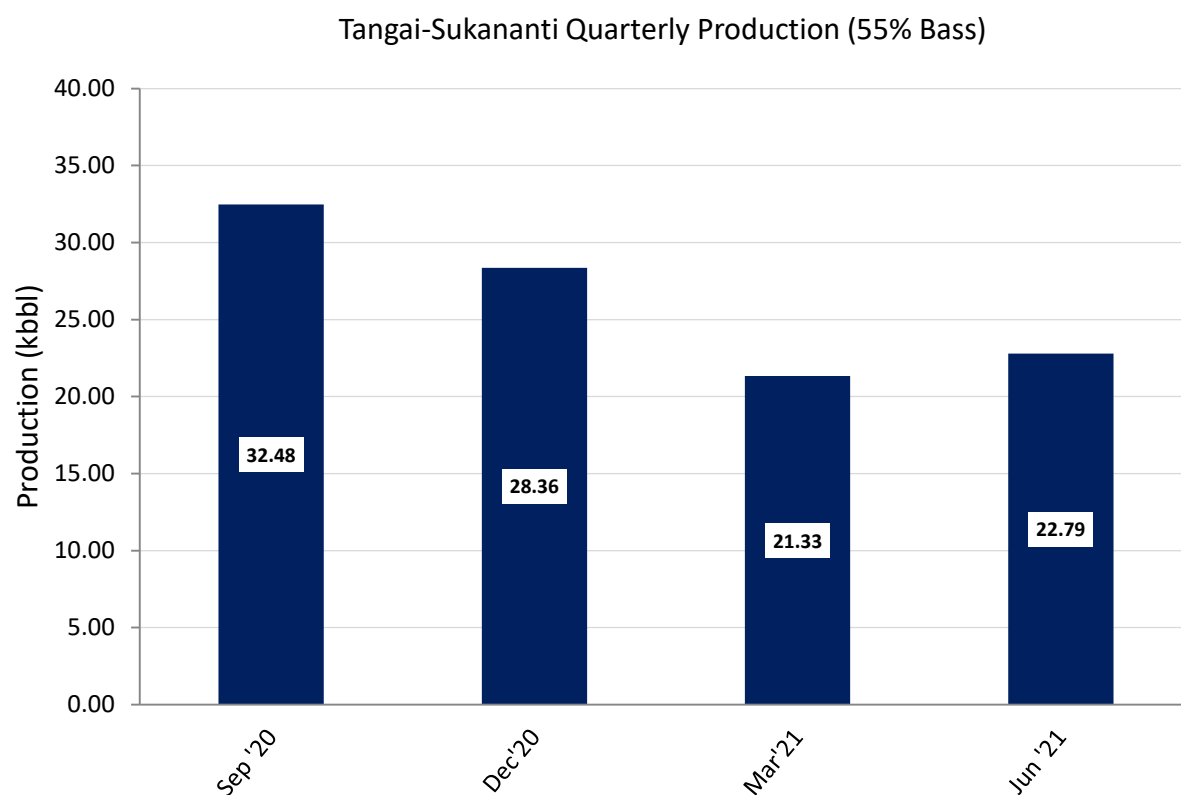
Note 1: Net Production and Oil Sales are reported at 55% of Gross Production and Oil Sales for consistency and excludes the deduction of Domestic Market Obligation (DMO)

Bass Oil Managing Director, Mr Tino Guglielmo commented:

“Bass is entering an exciting phase of the oil price recovery cycle. Higher oil prices have increased free cashflow and given the Company confidence to prepare for the recommencement of drilling in late 2021.

We also recently announced the addition of a new arm to our business, with the acquisition of assets in the highly productive Cooper basin from Cooper Energy Limited. This acquisition includes a 30% stake in the producing Worrior oil field,” Mr Guglielmo added.

Field Performance:



Production for the quarter was 22,788 barrels of oil (55% basis), up 6.8% from the previous quarter. Quarterly oil sales were 22,699 barrels of oil net to Bass, up 4.1% from the previous quarter. The net entitlement oil to Bass was 11,442 barrels of oil for the June quarter after Domestic Market Obligation (DMO), down 2.3% reflecting the effects of the increased oil price on cost recoveries.

Production performance was relatively steady throughout the quarter with only minor downtime impacting production.

The Company has thus far been successful in mitigating the impact of the COVID-19 pandemic in Indonesia. Bass expects its COVID protocols will continue to minimize any foreseeable production interruptions.

Field Development:

In the June quarter Bass continued to progress procurement activities related to 2021 drilling program consisting of one firm development well in the highly productive Tangai field and up to two contingent wells in the Bunian field. The engineering team are continuing with well design and planning.

The anticipated commencement of drilling is late calendar 2021 to early 2022.

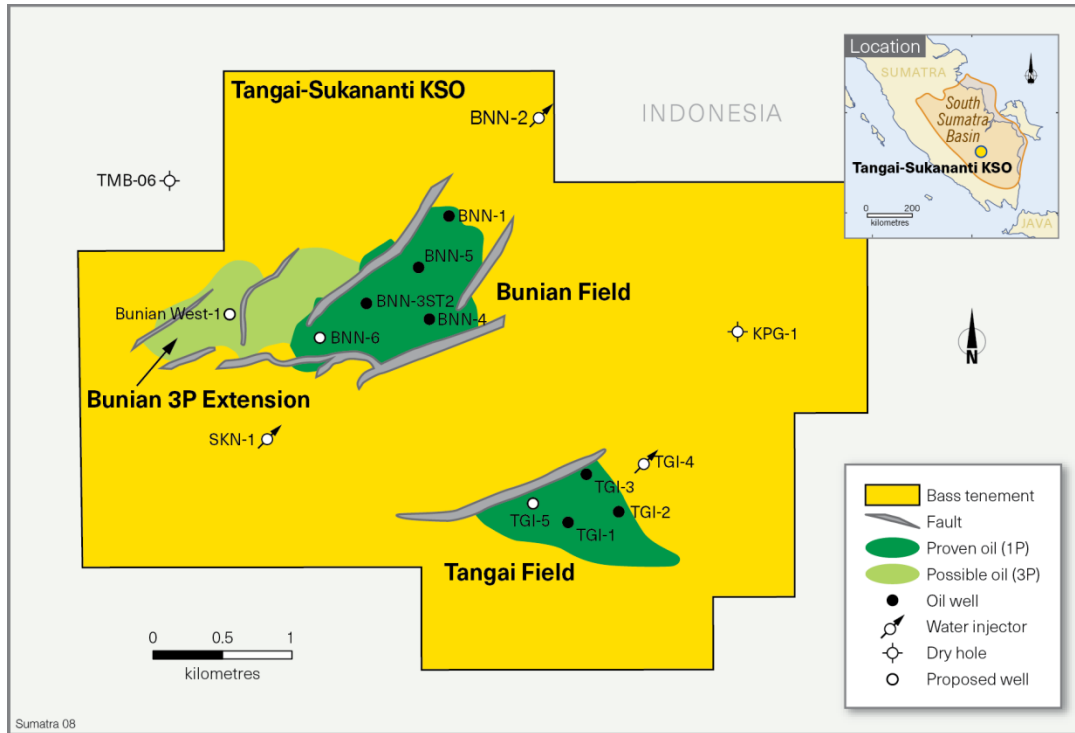


Figure 1: Tangai-Sukananti KSO Location Map

Corporate:

Cash Position

As at 30 June 2021, Bass cash reserves were US\$0.20m. Overall the cash position increased 82% in the June quarter.

The Company realised a 14% increase in the average oil price for the June quarter to US\$64.46. Bass receives ICP crude pricing, linked to the benchmark Brent crude which trades at a premium to West Texas Intermediate (WTI) crude oil. The company has no oil hedges in place and no debt.

Business Development:

Following an extensive review of acquisition opportunities both in Indonesia and Australia on 12 July Bass announced that it had entered into a conditional sale and purchase agreement with Cooper Energy Limited for the acquisition of three non-operated Cooper Basin assets including a 30% interest in the producing Worrior oil field and interests in highly prospective exploration acreage for a total cash consideration of A\$650,000.

The transaction represents a unique opportunity for Bass to acquire a quality portfolio of assets in the Cooper Basin (see figure 2) which will provide a platform from which to secure additional interests in this prolific hydrocarbon province. The assets are to all be operated by the highly regarded Beach Energy Limited.

The transaction remains subject to a number of conditions precedent, including relevant regulatory approvals, Bass raising the funds required to complete the acquisition and the consent of Cooper Energy's financiers.

Bass is currently exploring its funding options with a number of parties and will seek to raise the necessary funds. For further information on the transaction please refer to the ASX release dated 12 July 2021.

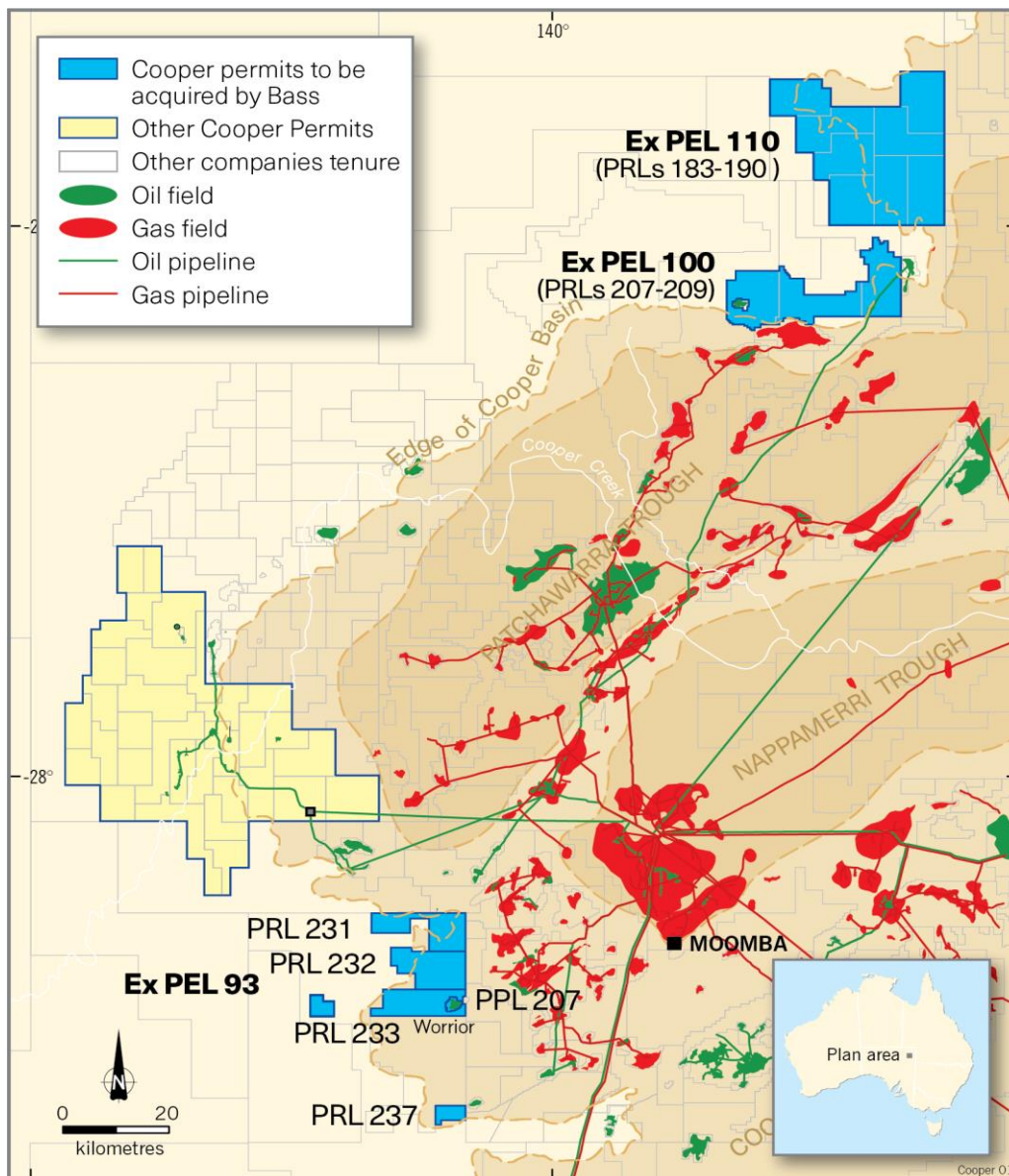


Figure 2: Cooper Basin properties to be acquired by Bass Location Map

Tenement Holdings:

Joint Operation	Location	Interest owned	Interest acquired/farmin during the quarter	Interest disposed/farmout during the quarter
Tangai-Sukananti KSO	Indonesia	55%	-	-

For further information please contact:

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Glossary	
BOPD	Barrels of oil per day
BOEPD	Barrels of oil equivalent per day
mbbl	Thousands of barrels of oil
mmbbl	Millions of barrels of oil
DMO	Domestic Market Obligation (for Oil)
JV	Joint Venture
TS	Tangai-Sukananti KSO
KSO	'kerja sama operasi' (Indonesian) – meaning an operation cooperation contract
Qtr	Quarter
Qtr on Qtr	Quarter on Quarter
Yr	Year
Yr on Yr	Year on Year
US\$m	Millions of United States of America dollars

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 a management and Board team with a proven track record in delivering shareholder value. Bass has realigned its corporate strategy following the landmark acquisition of a 55% interest in the Tangai-Sukananti KSO producing assets located in the prolific oil & gas region of South Sumatra, Indonesia.

As at June 2021 the Tangai-Sukananti KSO was producing on average 455 bopd (JV share) from four wells. Bass reports Net Entitlement 2P Oil Reserves of 0.549 million. Bass is building towards a substantial onshore Indonesian oil & gas business with a clear focus on executing opportunities in South Sumatra as they present. Bass has a strong and committed shareholder base with Board and management holding in excess of 16% of issued capital.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

BASS OIL LIMITED

ABN

13 008 694 817

Quarter ended ("current quarter")

30 JUNE 2021

Consolidated statement of cash flows	Current quarter \$USD'000	Year to date (6 months) \$USD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,108	1,763
1.2 Payments for		
(a) exploration & evaluation (if expensed)		
(b) development		
(c) production	(872)	(1,332)
(d) staff costs		
(e) administration and corporate costs	(98)	(202)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	-	(2)
1.6 Income taxes paid	(24)	(47)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	114	180

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation (if capitalised)	(24)	(57)
(e) investments		
(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (6 months) \$USD'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(24)	(57)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (Lease payments)	-	(16)
3.10	Net cash from / (used in) financing activities	-	(16)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	113	96
4.2	Net cash from / (used in) operating activities (item 1.9 above)	114	180
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(24)	(57)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(16)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (6 months) \$USD'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	203	203

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$USD'000	Previous quarter \$USD'000
5.1	Bank balances	203	113
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	203	113

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$USD'000
-
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$USD'000	Amount drawn at quarter end \$USD'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$USD'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	114
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(24)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	90
8.4 Cash and cash equivalents at quarter end (Item 4.6)	203
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	203
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	2
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2021

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.