

20 April 2021

Quarterly report for the period ending 31 March 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 exits the March quarter strongly at 505 bopd (JV share)
- Production for the March quarter averaged 431 barrels of oil per day (bopd) JV share down 25% from the December quarter
- Net oil production for March quarter totalled 21,329 barrels¹
- Net oil sales for March quarter totalled 21,807 barrels¹
- Net entitlement oil to Bass for the March quarter totalled 11,708 barrels down 35% generating sales revenue of US\$0.69m
- Oil price received averaged US\$56.73 for the quarter up 45%
- Planning commenced for the 2021 drilling program to start in Q4 2021 with the Tangai 5 development well
- Bass generating positive cash flows on the back of increased oil prices and low operating costs

Comparative Performance:

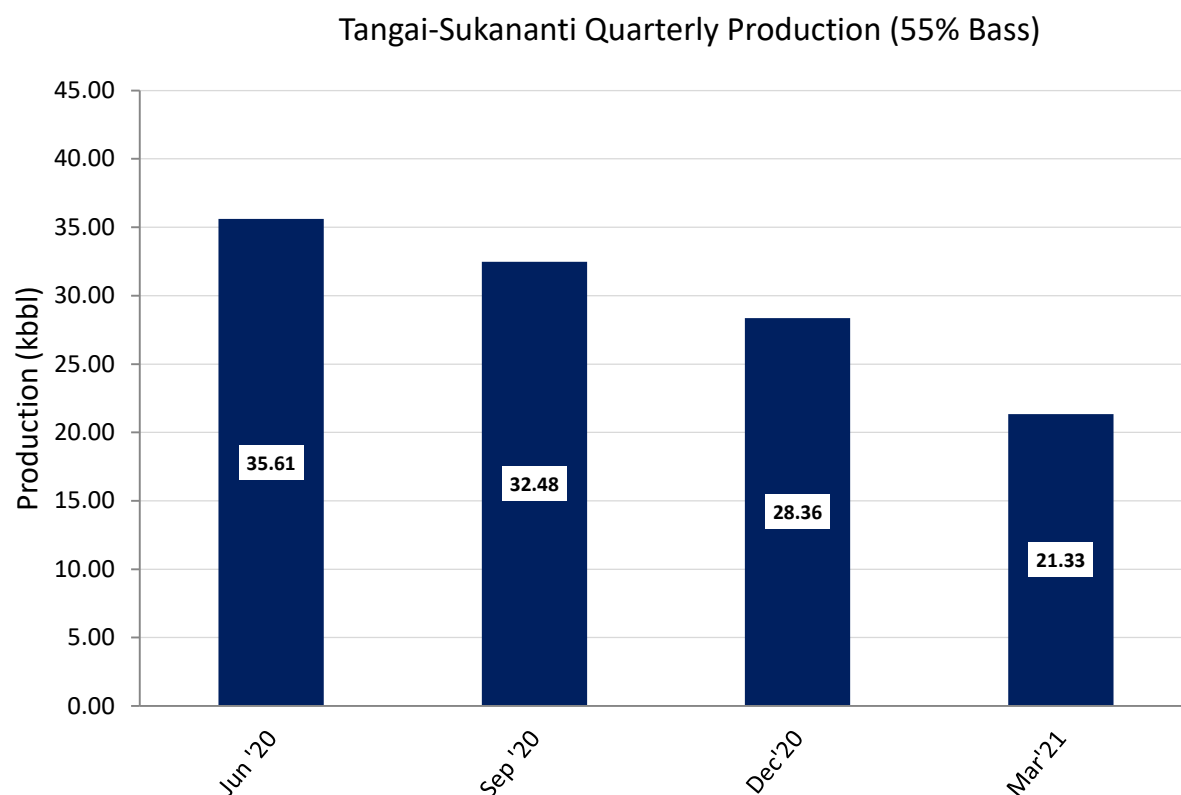
Key Performance Metrics	Mar Qtr Q1 FY21	Dec Qtr Q4 FY20	Qtr on Qtr Change	Mar Qtr Q1 FY20	Yr on yr Change
Net Production ¹ (mbbl)	21.33	28.36	-24.8%	35.47	-39.9%
Net Oil Sales ¹ (mbbl)	21.81	28.17	-22.6%	35.68	-38.9%
Net Entitlement to Bass (mbbl)	11.71	18.00	-34.9%	22.82	-48.7%
Sales Revenue (US\$M)	0.69	0.76	-9.2%	1.10	-37.3%
Average Realised Oil Price	56.73	39.06	45.2%	48.00	18.2%
Cash (US\$M)	0.11	0.10	10.0%	0.54	-79.6%

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 along with the successful conclusion to an Integrated Reservoir study, have given the Company the confidence to commence planning for its 2021 drilling program. This will be the first drilling undertaken since the beginning of the COVID pandemic. The drilling program contains the firm Tangai 5 high rate development well followed by two contingent Bunian wells. Tangai 5 is expected to spud in late 2021.”

Field Performance:



Production for the quarter was 21,329 barrels of oil (55% basis), down 25% from the previous quarter. Quarterly oil sales were 21,807 barrels of oil net to Bass, down 23% from the previous quarter. The net entitlement oil to Bass was 11,708 barrels of oil for the March quarter after Domestic Market Obligation (DMO), down 35% reflecting the effects of the increased oil price on cost recoveries.

Production performance was impacted during the quarter by pump failures at the Bunian 1 and Tangai 1 wells as wells in addition to an unplanned flow line repair near Bunian 3. At the end of the quarter Bass is pleased to report that all repairs have been completed and production has returned to normal levels at just over 500 bopd (JV share).

Field Development:

During the quarter the company completed an Integrated Reservoir study which informed the annual reserves review where 2P reserves remained essentially unchanged (see ASX release dated 25 March 2021 or the Company's annual report dated 31 March 2021 for further details). The study updated the static & dynamic reservoir models for the Bunian field incorporating the results from the Bunian 5 well drilled in late 2019.

This update includes the results of a passive seismic and acoustic impedance studies which have improved the understanding of the subsurface reservoir distribution. The study has identified a material 3P field extension to the west of the currently interpreted limits of the Bunian field (see figure 1). A number of potential drilling locations will be matured for a future drilling program.

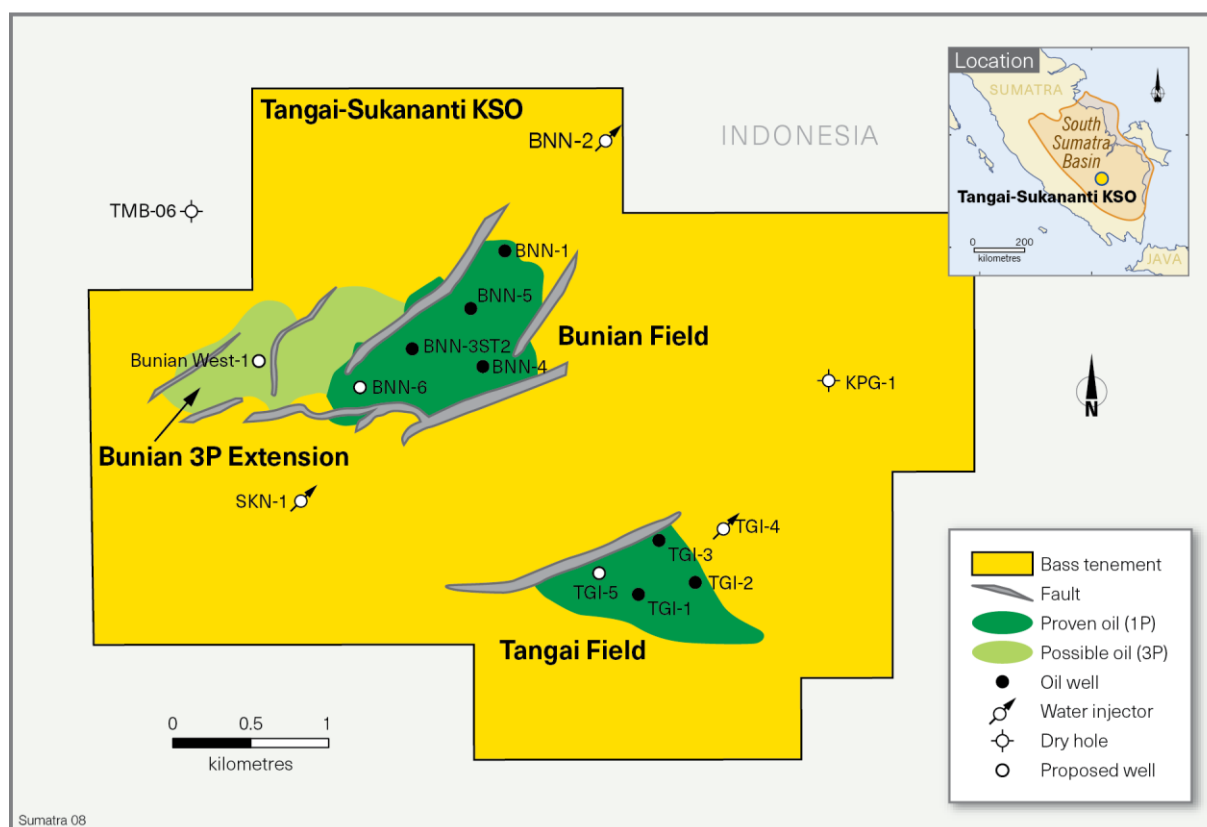


Figure 1: Tangai-Sukananti KSO Location Map

Corporate:

Cash Position

As at 31 March 2021, Bass cash reserves were US\$0.11m. Overall the cash position increased 10% in the March quarter.

The Company realised a 45% increase in the average oil price for the March quarter to US\$56.73. 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.

The Company reacted quickly to the reduction in oil prices and as such the Indonesian operations continue to generate positive cash contributions with higher oil prices and low operating costs. The company is also debt free.

Business Development:

Bass is reviewing a number of onshore Indonesian and other opportunities outside of Indonesia as the fiscal outlook for the energy industry has stabilised and is improving. The Company has not entered into any material contracts or commitments that impact it during this period.

The Company will update the market on developments as appropriate.

Tenement Holdings:

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

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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 March 2021 the Tangai-Sukananti KSO was producing on average 505 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")

31 MARCH 2021

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (3 months) \$USD'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	655	655
1.2	Payments for		
	(a) exploration & evaluation (if expensed)		
	(b) development		
	(c) production	(460)	(460)
	(d) staff costs		
	(e) administration and corporate costs	(104)	(104)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(2)	(2)
1.6	Income taxes paid	(23)	(23)
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	66	66
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)	(33)	(33)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (3 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	(33)	(33)

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)	(16)
3.10	Net cash from / (used in) financing activities	(16)	(16)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	96	96
4.2	Net cash from / (used in) operating activities (item 1.9 above)	66	66
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(33)	(33)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(16)	(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 (3 months) \$USD'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	113	113

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	113	96
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)	113	96

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)	66
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(33)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	33
8.4	Cash and cash equivalents at quarter end (Item 4.6)	113
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	113
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3
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: 20 April 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.