

28 April 2022

## Quarterly report for the period ending 31 March 2022

Bass Oil Limited (ASX:BAS) (“Bass” or the “Company”) is an Australian-listed oil producer with a 55% Operator interest in the Tangai-Sukananti 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, its team, operating capability, reputation, and relationships in both Australia and Indonesia.

### Highlights

- Bass executed a Sale and Purchase Agreement with a subsidiary of Beach Energy Limited to acquire its interest in eight Cooper Basin tenements for cash consideration of A\$650,000
- Bass raised A\$1.2 million via the placement of 800 million Bass shares at \$0.0015 per share and 1-for-3 free attaching option to fund the Beach Transaction
- Bass has concluded drilling of the Tangai-5 development well penetrating the primary target, the M reservoir, on prognosis with good hydrocarbon shows and between 5 metres and 6 metres of high quality net oil pay
- Production for the March 2022 quarter averaged 365 barrels of oil per day (bopd) (JV share)
- Net entitlement oil for the March 2022 quarter totalled 8,142 barrels of oil and the Company generated sales revenue of US\$0.84 million (average oil price of US\$98.85 received)

### Comparative Performance:

Key Performance Metrics	Mar Qtr Q1 FY22	Dec Qtr Q4 FY21	Qtr on Qtr Change	Mar Qtr Q1 FY21	Yr on yr Change
Net Production <sup>1</sup> (mbbl)	16.88	18.09	-6.7%	21.33	-20.9%
Net Oil Sales <sup>1</sup> (mbbl)	16.61	19.53	-15.0%	21.81	-23.8%
Net Entitlement to Bass (mbbl)	8.14	10.10	-19.4%	11.71	-30.5%
Sales Revenue (US\$M)	0.84	0.81	3.7%	0.69	21.7%
Average Realised Oil Price	98.85	77.87	26.9%	56.73	74.2%
Cash (US\$M)	1.84	1.50	22.7%	0.11	1572.7%

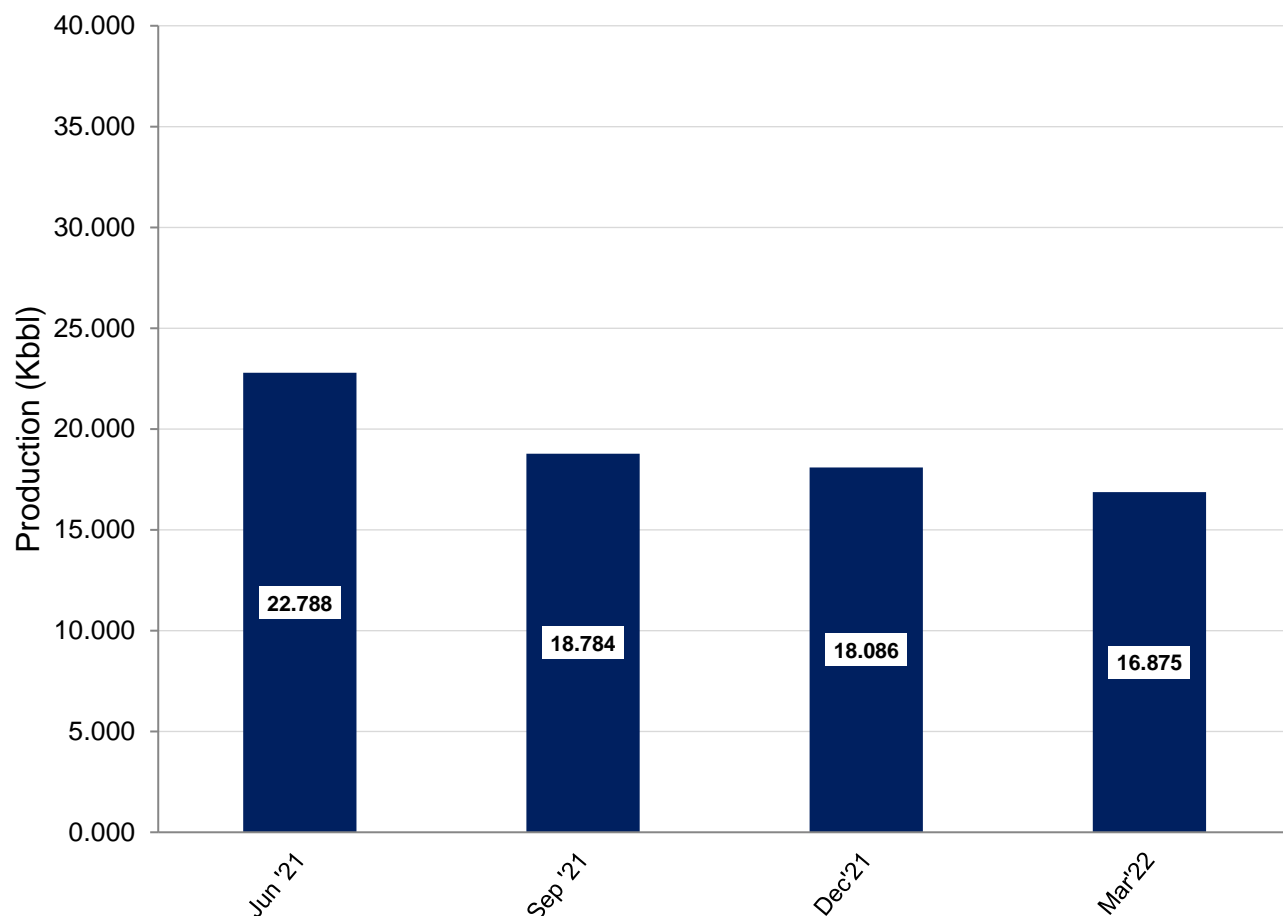
Note 1: Net Production and Oil Sales are reported at 55% of Gross Production and Oil Sales for consistency and excludes the deduction of Domestic Market Obligation (DMO)

### Bass Oil Managing Director, Mr Tino Guglielmo, commented:

*“During a busy quarter Bass has materially progressed a number of its strategic growth initiatives. These include the acquisition of a suite of high-quality Cooper Basin assets. After the end of the quarter Bass safely and successfully concluded the drilling of the Tangai 5 development well in Indonesia achieving all its pre-drill objectives. Indonesian production is forecast to shortly reach 1000 bopd (JV share), this at a time of high oil prices. The Cooper basin transaction is targeting an ambitious production growth target of 500 bopd in the first 12 months from those assets.”*

## Field Performance:

**Tangai-Sukananti Quarterly Production (55% Bass)**



Production for the March quarter was 16,875 barrels of oil (55% basis), down 6.7% from the December quarter. Quarterly oil sales were 16,614 barrels of oil net to Bass, down 15.0% from the previous quarter. The net entitlement oil to Bass was 8,142 barrels of oil for the March quarter after Domestic Market Obligation (DMO), down 19.4%. In the Indonesian fiscal regime, net entitlement oil reduces with increased oil price as cost recovery and profit oil quantities are achieved with fewer barrels of oil.

## Field Development:

During the quarter the drilling rig was moved into the Tangai field and rigged up on the Tangai 5 development well location. The well was spudded on 1 April 2022. The well was drilled to a Total Depth of 1,663mRT.

The primary reservoir, the M sand was penetrated on prognosis and had good hydrocarbon shows on the mud log. Preliminary wireline log analysis has identified between 5 metres and 6 metres of net oil pay in high quality reservoir as prognosed. The rig is completing the well as an oil producer.

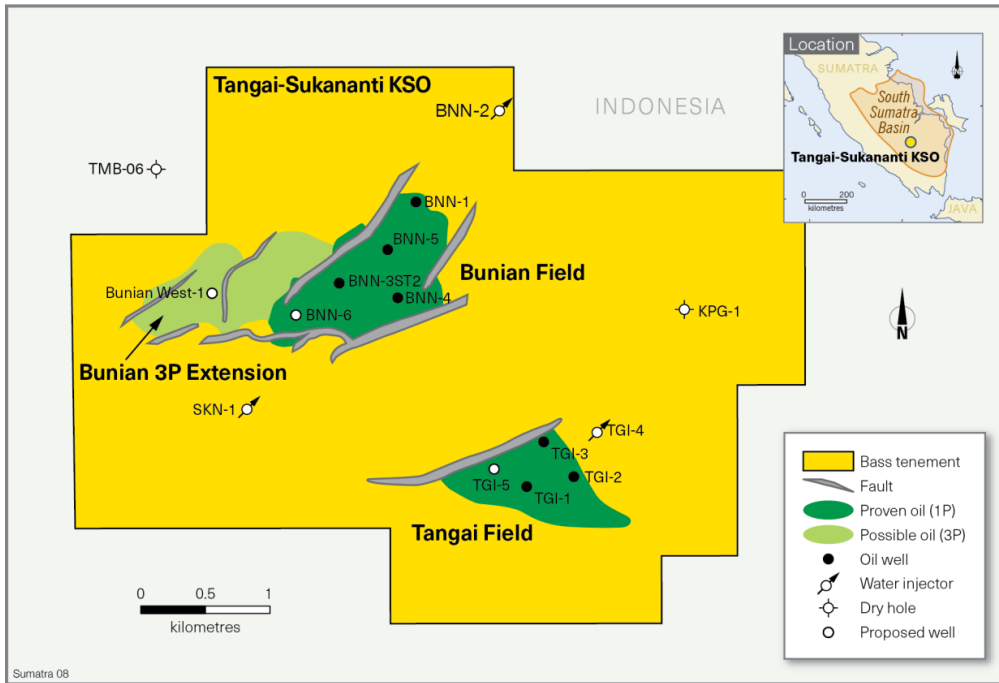


Figure 1: Tangai-Sukananti KSO Location Map

## **Corporate:**

### **Cash Position**

As at 31 March 2022, Bass' cash reserves increased 22.7% from the December 2021 quarter to US\$1.84m. The increase in cash reserves was influenced by the funds received from a Placement which was approved by Shareholder at a General Meeting on 8 April 2022. The Company carries no debt.

### **Timing of payment**

Due to delays within Pertamina, Bass did not receive its January oil proceeds due in March, until 21 April 2022 resulting in the Company's cash position being \$0.26m lower than expected.

### **Revenue**

Oil sales for Bass totaled US\$0.84m in the March quarter, an increase of 3.7% on December quarter.

### **Oil Price**

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 realised an 26.9% increase in the average oil price for the March quarter to US\$98.85. The Company has no oil hedges in place.

### **Placement**

At the General Meeting of Shareholders held on 8 April 2022 the Company received shareholder approval to issue 800 million shares at \$0.0015 per share in a Placement to sophisticated and professional investors. Additionally, the investors were issued a 1 free attaching option for every 3 shares acquired, exercisable at \$0.004 on or before 30 September 2024.

The Company also received shareholder approval at the General Meeting to undertake a 1-for-30 Share Consolidation which will be completed after completion of a non-marketable parcel buy-back on 28 April 2022. Together, the Consolidation and Buy-Back represent Bass' capital initiatives outlined by the Company in the ASX Announcement dated 2 March 2022.

**Business Development:**

Bass announced on 2 March 2022 that it had entered into a conditional sale and purchase agreement with a subsidiary of Beach Energy Limited to acquire its interest in eight Cooper Basin tenements for cash consideration of A\$650,000 and assumption of future restoration liabilities.

The assets to be acquired include Beach’s interest in the producing Worrior and Padulla oil fields and a number of properties that contain prospective appraisal and exploration opportunities. The Beach Transaction remains subject to a number of conditions precedent, including relevant regulatory approvals.

On contemporaneous completion of the Beach and Cooper Transactions (announced on 12 July 2021), the Company will own a 100% interest in the Worrior and Padulla oil fields as well as a 74%-100% interest in an additional six Cooper Basin tenements. This holding represents one of the more significant land positions in the core of the Cooper Basin. The transaction is expected to complete late in Q2 CY 2022.

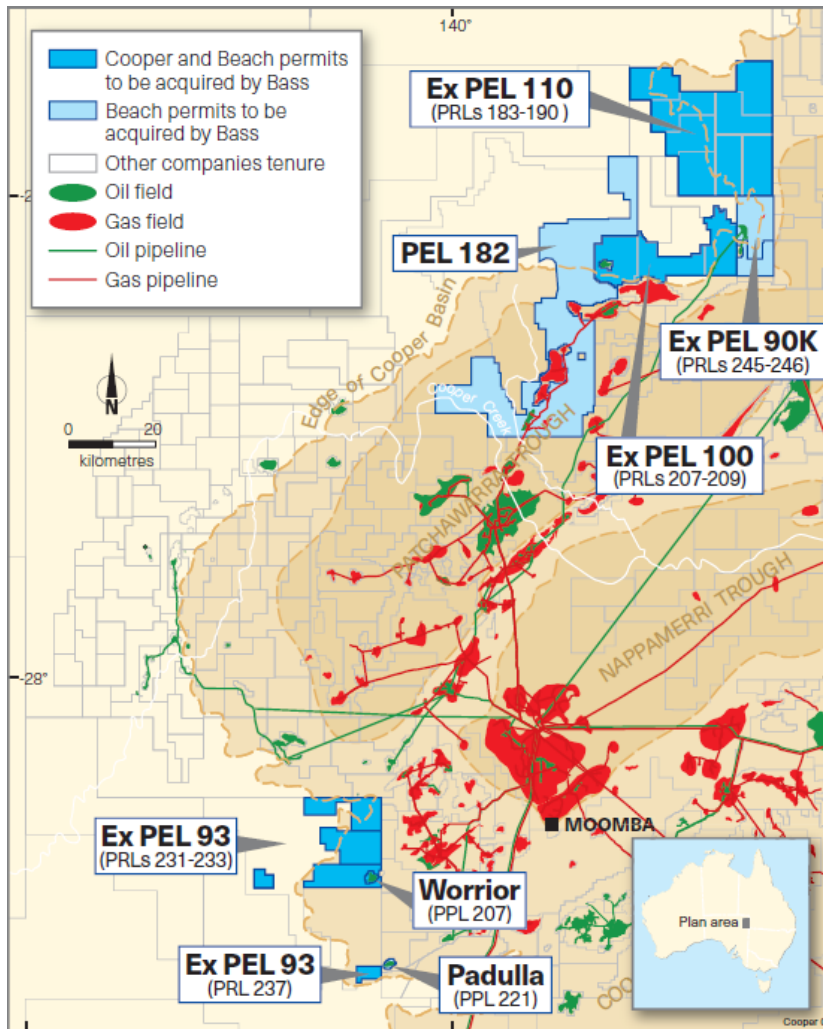


Figure 2: Cooper Basin properties to be acquired by Bass Location Map

## Tenement Holdings:

Joint Operation	Location	Interest owned	Interest acquired/farm in during the quarter	Interest disposed/farm out during the quarter
Tangai-Sukananti KSO	Indonesia	55%	-	-

This ASX announcement was authorised for release by the Bass Oil Limited Board of Directors.

### **For further information, please contact:**

Tino Guglielmo  
Managing Director  
Bass Oil Limited  
Ph: +61 3 9927 3000  
Email: [tino.guglielmo@bassoil.com.au](mailto:tino.guglielmo@bassoil.com.au)

Travis Ban  
Associate Director  
Adelaide Equity Partners Limited  
Ph: (08) 8232 8800  
email: [tban@adelaideequity.com.au](mailto:tban@adelaideequity.com.au)

---

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

**About Bass Oil Limited:**

Bass Oil Limited (ASX:BAS) ([www.bassoil.com.au](http://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.

## Appendix 5B

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

Name of entity

<b>BASS OIL LIMITED</b>
-------------------------

ABN

<b>13 008 694 817</b>
-----------------------

Quarter ended ("current quarter")

<b>31 MARCH 2022</b>
----------------------

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$USD'000</b>	<b>Year to date (3 months) \$USD'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	528	528
1.2 Payments for		
(a) exploration & evaluation (if expensed)		
(b) development		
(c) production	(701)	(701)
(d) staff costs		
(e) administration and corporate costs	(208)	(208)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	(57)	(57)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(438)</b>	<b>(438)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(91)	(91)
(d) exploration & evaluation (if capitalised)		
(e) investments		
(f) other non-current assets		

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$USD'000</b>	<b>Year to date (3 months) \$USD'000</b>
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)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(91)</b>	<b>(91)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	879	879
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)	(7)	(7)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>872</b>	<b>872</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,496	1,496
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(438)	(438)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(91)	(91)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	872	872



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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$USD'000</b>	<b>Year to date (3 months) \$USD'000</b>
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,839</b>	<b>1,839</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$USD'000</b>	<b>Previous quarter \$USD'000</b>
5.1	Bank balances	1,839	1,496
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,839</b>	<b>1,496</b>

**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	24
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

<b>Current quarter \$USD'000</b>
24
-

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$USD'000</b>	<b>Amount drawn at quarter end \$USD'000</b>
<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)		
<b>7.4 Total financing facilities</b>		

7.5 <b>Unused financing facilities available at quarter end</b>	
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.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$USD'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(438)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(91)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(529)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,839
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,839
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	<b>3</b>

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

- 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:

Due to delays within Pertamina, Bass did not receive its January oil proceeds due in March, until 21 April 2022 resulting in the Company's cash position being \$0.26m lower than expected.

- 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:

- 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: 28 April 2022

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.