

## Cooper Basin Acquisition Update

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Release date: 10 September 2021

### Key Highlights:

- **Bass' Cooper Basin asset acquisition from Cooper Energy funded via placement and fully underwritten rights issue**
- **The tenement package includes the producing Worrior oil field and ~1,300km<sup>2</sup> of retention licences with significant exploration potential**
- **The assets are located among an array of highly lucrative producing wells that are currently operated by world-class oil and gas companies, including Beach and Santos**
- **The assets will form the cornerstone of Bass' refreshed strategy to add an Australian producing portfolio and build production to >1,000 bopd**
- **Transaction completion currently expected mid-October**

Bass Oil Limited (ASX:BAS) ("**Bass**" or the "**Company**") is pleased to provide an update on the Cooper Basin acquisition, with funding now secured to complete the Transaction. Bass will acquire four tenements in the Cooper Basin from Cooper Energy Limited<sup>1</sup> ("**Cooper**") for consideration of A\$650,000 (the "**Transaction**"). The Transaction was conditional on a capital raising to fund the consideration which was successfully completed on 26 August 2021. The Company expects formal Transaction completion mid-October following achievement of the final conditions outstanding.

The acquired tenements surround the Santos operated, Moomba processing facility in South Australia. They are situated on the western margins of the Cooper Basin and cover a cumulative area of approximately 1,300 km<sup>2</sup>. The assets are located amongst an array of highly lucrative producing oil and gas fields that are operated by world-class oil and gas companies such as Beach Energy Limited ("**Beach**") and Santos Limited ("**Santos**").

The portfolio includes one producing license (covering the Worrior oil field) and a number of retention licences with significant exploration potential, such as the drill ready Athelstan and Tyrell prospects. The Athelstan prospect within Ex PEL 100 is on-trend with, and West of the Santos operated Keleary Oil Field, while the Tyrell opportunity within Ex PEL 93 is adjacent to the Worrior oil field.

The portfolio provides Bass with an initial foothold into the highly prospective Cooper Basin oil province while expanding its production profile. As announced on 12 July 2021, this acquisition forms a key part of the refreshed Bass strategy to acquire oil and gas assets, providing steady production growth and exploration potential to create step changes in value for shareholders.

Bass Oil Limited Managing Director Mr Tino Guglielmo commented: "*Although this acquisition is the Company's first step into the Cooper Basin, it marks a return to the Basin for the Company's management team. We have an intimate knowledge of the region and are confident that the portfolio provides an attractive mix of production and targeted exploration upside. We look forward to providing further updates as the Transaction progresses to completion.*"

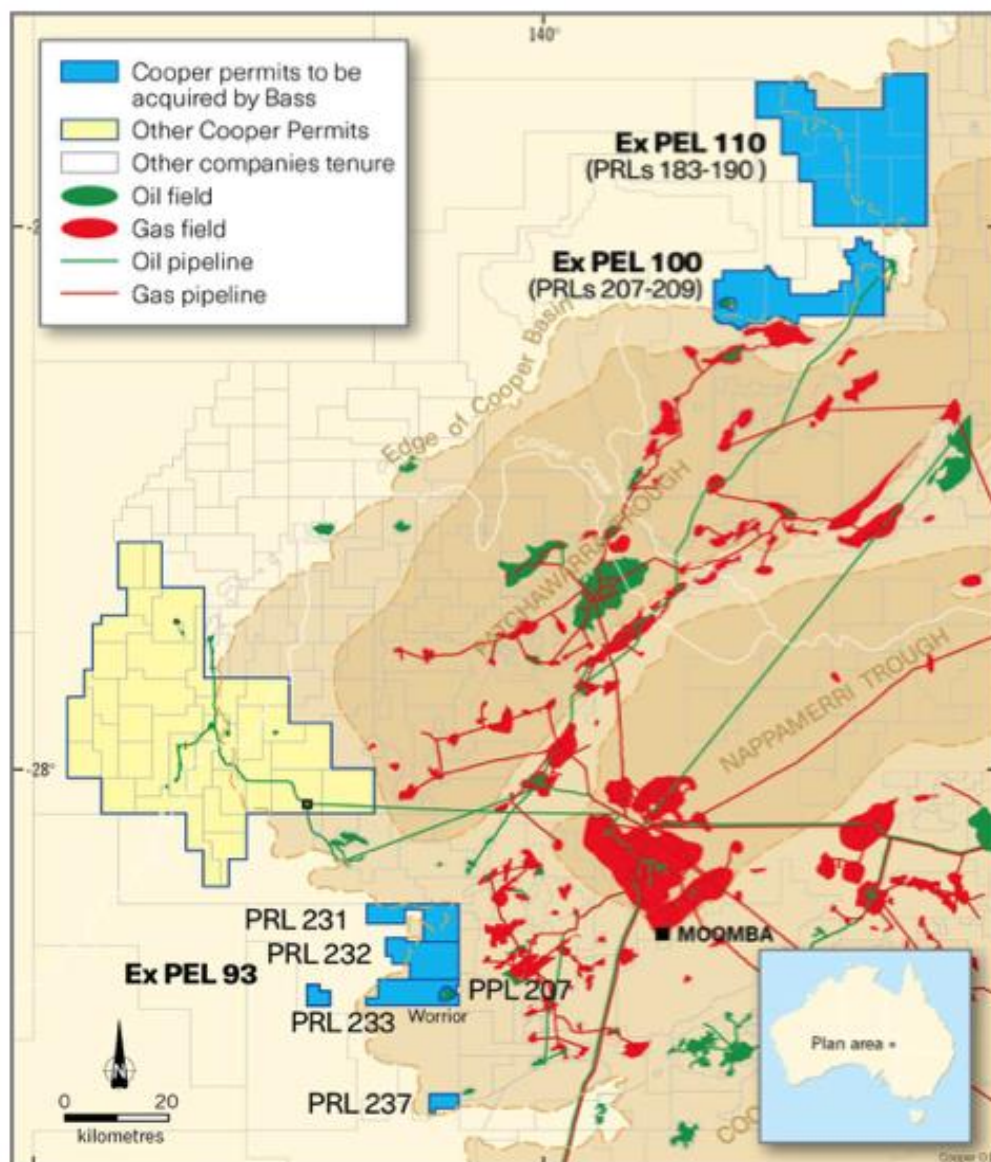
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<sup>1</sup> The information set out in this announcement has been prepared by Bass Oil Limited, and does not include input from Cooper Energy Ltd.

## Cooper Basin Portfolio

On 12 July 2021, Bass announced the Company's entry into the Cooper Basin with the acquisition of a suite of permits from Cooper. These tenements are located in the regions surrounding Moomba on the western margin of the Cooper Basin in South Australia, which remains one of Australia's most prolific prospective oil and gas basins. The assets to be acquired are summarised as follows:

License	Participating Interest	Square Kilometres	Key Prospects
PPL 207	30.00%	6.41	Worrior oil field
Ex PEL 93 (PRLs 231-233)	30.00%	294.1	Tyrell oil prospect
Ex PEL 100 (PRLs 207-209)	19.17%	296.5	Athelstan oil prospect
Ex PEL 110 (PRLs 183-190) & PRL 237	20.00%	727.5	Frostfang oil prospect



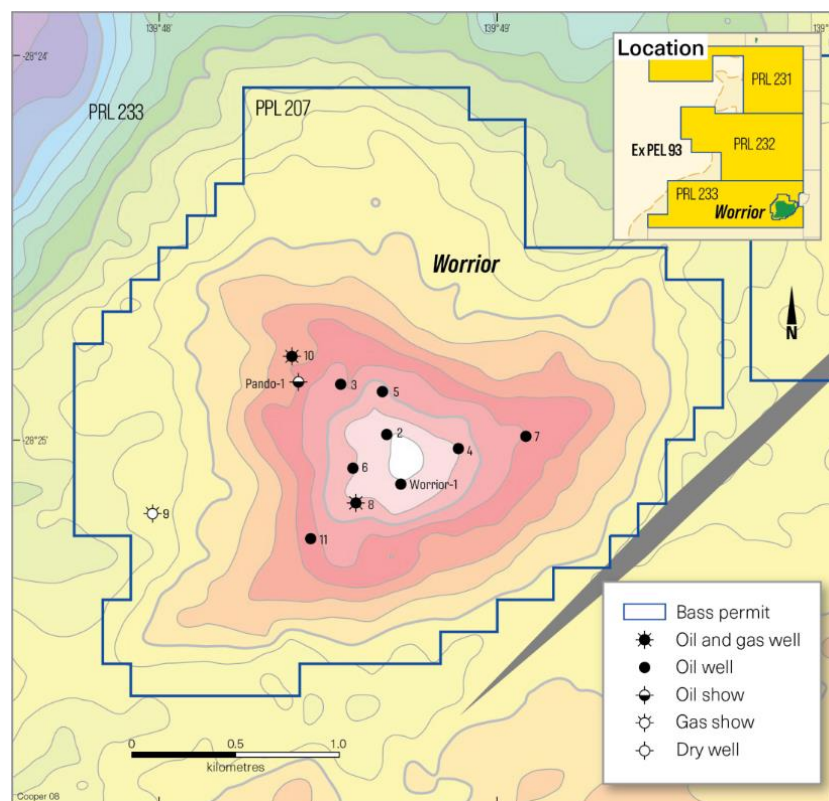
*Figure 1: Summary of acquired assets*

Bass has previously demonstrated its ability to extract value from mature fields. In particular, its executive team has extensive experience and a proven track record of adding shareholder value in dealing with interests in the Cooper Basin. The Board and management team have served in senior management roles with successful Cooper Basin focused companies such as Santos, Beach, Delhi Petroleum Pty Ltd, Stuart Petroleum Ltd and Ambassador Oil and Gas Limited.

This acquisition represents a low-cost entry into the Australian energy market with substantial growth potential. The Company will use the acquired assets as a platform from which to expand its portfolio in both the Cooper Basin and potentially other mature basins in Australia.

### Production License (PPL 207) - Warrior Oilfield

PPL 207 covering 6.4 km<sup>2</sup>, contains the producing Warrior oil field. Warrior has produced 4.1 million barrels of oil since production commenced in December 2003. The field is operated by Beach and is located ~50 km South West of Moomba in South Australia. Oil produced and processed at the Warrior facility is exported to Moomba or the oil refinery at Eromanga in South West Queensland.



*Figure 2: Warrior oil field structure map*

Significant drilling has occurred to date, with 3 exploration wells, 1 appraisal well, and 9 development wells targeting the Murta, McKinlay/Namur, Birkhead, Hutton and Patchawarra reservoirs. The operator reports a remaining 2P reserve as at 30 June 21 of 0.18 million barrels of oil (JV share). The field also contains 2C contingent resources of 0.67 million barrels of oil (JV share), primarily located in the prospective Murta reservoir.

The acquisition will increase Bass' 2P reserves base by 54,000 barrels or 10% after accounting for the Warrior reserves. The 2C contingent resource increment will increase by 200,000 barrels (Bass share).

Worrior Field	OOIP Volumes (MMBBL)	Oil Produced	Recovery Factor
<b>Developed Reservoirs</b>			
McKinlay	4.8	2.1	43%
Birkhead	5.9	1.9	32%
Hutton	0.6	0.1	17%
Patchwarra (w-10)	0.7	0.04	6%
<b>Total Developed</b>	<b>12.0</b>	<b>4.1</b>	<b>34%</b>
<b>Undeveloped Reservoirs</b>			
Murta	2.7	-	-
Patchawarra	1.5	-	-
<b>Total Undeveloped</b>	<b>4.2</b>	-	-
<b>Total Developed + Undeveloped OOIP</b>			
<b>Total</b>	<b>16.2</b>	-	-

*Production and recovery factor sourced from PEPS South Australia*

### *Production Enhancement*

The field currently produces over 40 barrels of oil per day (JV Share) with a planned zone change to increase production to around 100 barrels per day.

This is possible given the producing Worrior wells, targeting the McKinlay/Namur and the Birkhead reservoirs have been configured to allow zone changes by low-cost intervention. A number of 'water shut-off' opportunities also exist. These will be evaluated and may increase the economic potential of the field.

### *Additional Opportunities*

The Murta reservoir has been a substantial contributor to oil production in the Cooper Basin for over 40 years and presents a significant opportunity to increase Bass' production from the Worrior field. For example, the Padulla oil field, located approximately 25km from Worrior, has produced over 1 million barrels of oil from the Murta formation since it was discovered in 2006. The previous operator assessed the oil potential in the Murta formation at Worrior to be 0.42 million barrels of oil (JV share) 2C contingent resources. All producing wells in the Worrior field penetrate the Murta and provide a number of opportunities to drain the reservoir when re-completed.

In addition, the Hutton and Patchawarra reservoirs provide an opportunity to unlock previously untapped potential and increase recoveries. As shown above, the recovery factors for these two reservoirs may be anomalously low. The Murta, Hutton and Patchawarra reservoirs will be the focus areas for Bass going forward.

### **Exploration Licenses (ex PEL 93, ex PEL 100 and ex PEL 110)**

The acquired portfolio contains a non-operating interest in a number of prospective exploration assets (separate to PPL 207) that provide Bass with significant upside potential.

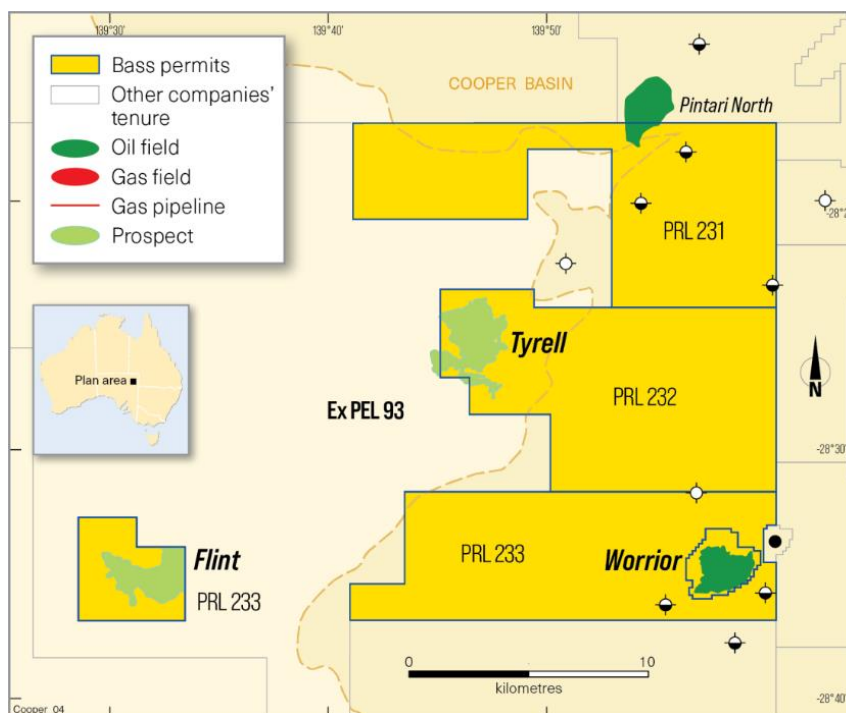
Ex PEL 93, ex PEL 100 and ex PEL 110 are located on the highly productive western margin of the Cooper Basin, as defined by the limits of the Permian sediments. All blocks are well-positioned to receive an oil charge from proven kitchen areas, the Patchawarra trough in the South or Araburru trough to the North (see figure 1). Beach is the operator of all three blocks and has recorded historical success exploring oil in its Western margin assets in the Cooper Basin. Bass is looking to collaborate with Beach, the operating partner, to review the prospectivity of the acquired tenements with a view to agreeing and executing a refreshed and impactful exploration strategy.

**Ex PEL 93**

Ex PEL 93 is situated ~40 km South-West of Moomba and hosts at least two oil prospects which the existing joint venture has assessed to contain a total mean unrisks prospective resource of 4 million barrels of oil (JV share) within the McKinlay and Murta reservoirs (See figure 3).

Opportunity	Permit	Mean Recoverable (MMBBLs)	Secondary Targets
Tyrell	PRL 232	2.3	Murta
Flint	PRL 233	1.7	Murta

The permit contains the drill-ready Tyrell prospect 12km South-West of the Santos operated Pintari North field, which the existing joint venture has assessed to contain a mean unrisks, prospective resource of 2.3 million barrels of oil (JV share) within the highly productive McKinlay/Namur reservoirs. The Tyrell prospect is within the prolific western flank of the Cooper Basin. A success at Tyrell would indicate a new oil trend on the Warra ridge, with multiple follow up prospects already identified. The Tyrell prospect and others on trend have been mapped with the benefit of the recent Westeros 3D seismic survey. A discovery at either Tyrell or Flint can be easily tied in to the Worrior production facility.



*Figure 3: ex PEL 93 prospect map*

**Ex PEL 100**

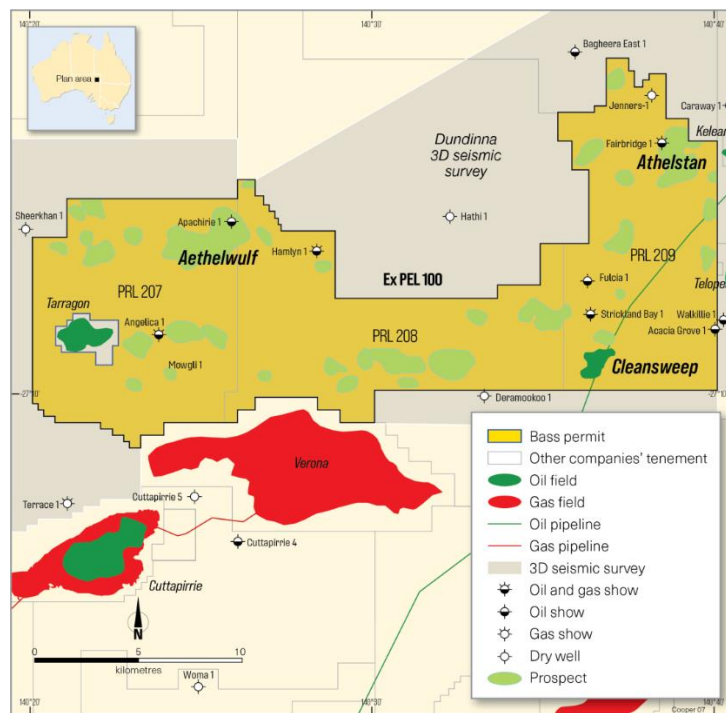
Ex PEL 100 encompasses PRL 207 – 209 and is 296 km<sup>2</sup> in area. It contains the Cleansweep oil discovery and is adjacent to the Cuttappirrie oil and gas field and the Verona gas field (see figure 4).

The license contains several oil prospects, which the existing joint venture has assessed to contain a total mean unrisks prospective resource of 4.8 million barrels of oil (JV share). The potential exists in the Tinchoo, Poolawanna and Birkhead target horizons.

The drill-ready Athelstan oil prospect has been assessed to contain a mean unrisks, prospective resource of 1.2 million barrels of oil (JV share) within the Poolowana, Birkhead and Tinchoo formations. Athelstan has been identified with the benefit of Dundinna 3D seismic survey and is 3.2km



West and on-trend with the Santos owned and operated Keleary oil field (1.8 million barrels of oil produced to date) and is adjacent to existing processing facilities and export infrastructure. The Keleary field has produced oil from the Poolawanna, Birkhead and Tinchoo formations.



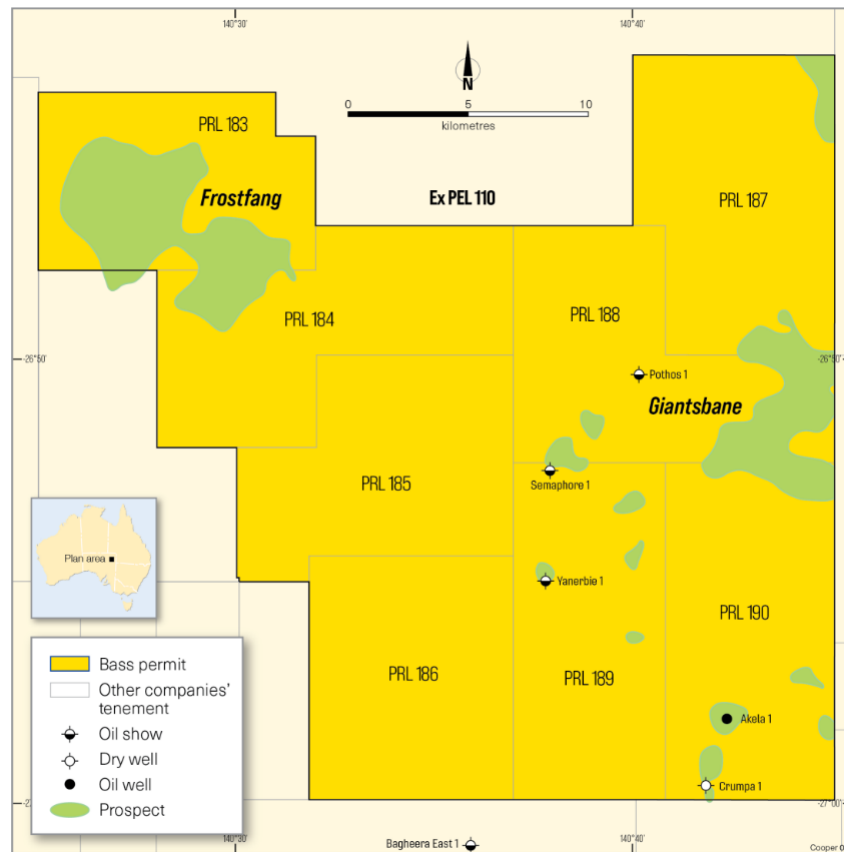
**Figure 4: ex PEL 100 prospectivity map**

**Ex PEL 110**

Ex PEL 110 sits North of Ex PEL 100 and is a 727 km<sup>2</sup> in area. The licence contains several oil prospects the existing joint venture has assessed to contain in total a mean unrisks prospective resource of 7.9 million barrels of oil (JV share). Ex PEL 110 is located approximately 120km from Moomba and within 20km of the Keleary production and export facilities.

The Tinchoo, Poolawanna, Hutton and Birkhead target horizons provide significant exploration potential, most notably the Frostfang and Giantsbane prospects. (see figure 5).

The Frostfang prospect has been assessed to contain a mean unrisks, prospective resource of 3.3 million barrels of oil (JV share) within the Jurassic and Triassic sequences. The Giantsbane prospect has been assessed to contain a mean unrisks prospective resource of 2.5 million barrels of oil (JV share). Both prospects were identified on a 2D seismic dataset and will likely benefit from additional seismic analysis to de-risk the prospect and identify follow-up potential.



*Figure 5: ex PEL 110 prospectivity map*

### Transaction Timetable

Bass initially commenced discussions with Cooper to acquire the Cooper Basin tenements in early February 2021 and agreed to acquire the portfolio in early July 2021. The acquisition was subject to a number of conditions precedent including the Company's requirement to fund cash consideration of A\$650,000. As announced on 26 August 2021, this funding is now in place.

Transaction completion conditions also include ministerial approval. The Company has been pursuing satisfaction of these conditions and is confident that it will receive the appropriate consents by early October 2021. As such, Bass expects formal completion by mid-October. The Company will update investors as it progresses towards transaction completion.

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## 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 following the landmark acquisition of an interest in the Beach Energy operated, Cooper Basin based Worrior field, along with several additional assets that exhibit exciting exploration potential.

As of June 2021, the Tangai-Sukananti KSO produced ~500 bopd from (55% JV share) and Worrior produced ~40 bopd (30% 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.

## Notes on reserves and resources:

The reserves and resources information in this release is based on, and fairly represents, information and supporting documentation reviewed by Mr Tino Guglielmo. Mr Guglielmo is an employee of Bass Oil Limited and has a Bachelor of Engineering (Mech). He is a member of the Society of Petroleum Engineers (SPE) and a Fellow of the institution of Engineers of Australia (FIEAust). He has in excess of 40 years of experience. The reserves and resources information in this release has been issued with the prior consent of Mr Guglielmo as to the form and content in which it appears.

