

Operations Update – May 2022

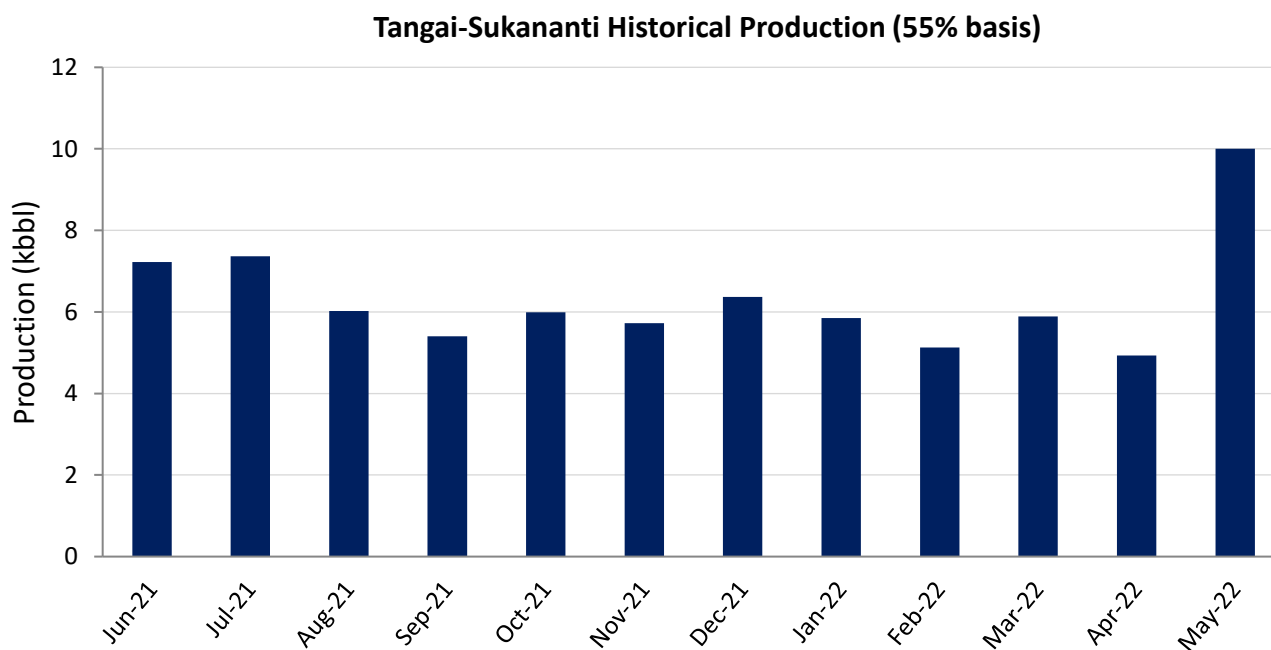
Tangai-5 online and performing strongly

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 Oil Limited commissioned the Tangai-5 development well in mid-May 2022 which is currently ramping up towards a production target of 500-750 bopd (JV share)
- May 2022 daily KSO production averaged 587 bopd (JV share) a 95% increase over April 2022
- Total JV oil production of 18,186 barrels (10,002 barrels net to Bass) with 16,584 barrels sold (9,121 barrels net to Bass) at an average realised oil price of US\$110.01 per barrel
- The KSO was producing over 800 bopd (JV share) as at 31 May 2022 with greater production expected as Tangai-5 nears steady state production and logistical limitations are overcome
- The Company expects to reach nameplate capacity production of 1,000 bopd in June 2022

Monthly Production and Sales:



Bass reports that production from the Company's Tangai-Sukananti Oil Field in Indonesia averaged 587 bopd (JV share) in May 2022, up 95% compared to April 2022, as production from the newly commissioned Tangai-5 well was ramped up from mid-May 2022.

Total field production for the month was 18,186 barrels of oil (JV share) and 16,584 barrels of oil were sold during the period. Bass' net production was 10,002 barrels of oil and the Company obtained sales receipts for 9,121 barrels of oil during the period.

The average monthly realised oil price for May was US\$110.01 per barrel, up from the monthly average oil price of US\$102.00 per barrel achieved in April 2022.

Production Operations

Average daily production increased significantly from ~300 bopd as at 1 May 2022 to over 800 bopd as at 31 May 2022 following the commissioning of the highly successful Tangai-5 well which was brought online 15 May 2022.

Daily production from Tangai-5 increased steadily over the final two weeks of the month and the Company expects to continue Tangai-5 ramp up until mid-June 2022 and reach the facility export limit of approximately 1,000 bopd.

Corporate

On 26 May 2022, Bass kicked off a 1-for-2 non-renounceable entitlement offer at \$0.045 per share to raise up to \$4.0 million (before costs) to finalise the purchase of a portfolio of Cooper Basin tenements from Cooper Energy Limited and Beach Energy Limited (the "**Cooper Basin Transactions**") and to fund development / exploration activities post completion ("**Entitlement Offer**"). Entitlement Offer participants will also receive one (1) free attaching BASO option for every one (1) share subscribed for, exercisable at \$0.12 on or before 30 September 2024 ("**Entitlement Options**").

The Entitlement Offer will provide an opportunity for all eligible shareholders to participate in the capital raising at the same issue price as the Placement completed in March 2022.

Bass announced on 12 July 2021 and 2 March 2022 that it had executed separate conditional sale and purchase agreements with Cooper Energy Limited and Beach Energy Limited for the acquisition of eight Cooper Basin assets, including 100% interests in the producing Worrior and Padulla oil fields and interests in oil and gas exploration acreage, for total cash consideration of A\$1,300,000 and assumption of future restoration liabilities.

The portfolio has been assessed to contain a number of low-risk oil production enhancement opportunities including an ability to optimise existing wells and facilities and complete relatively low-cost well recompletions to lift production to 300-500 bopd and generate significant free cash flow within 3-6 months of Cooper Basin Transaction completion. In addition, the portfolio contains significant gas development and exploration upside which will be the focus of a thorough feasibility study in the near term. Further details of the Cooper Basin Transactions and project opportunities are contained in the ASX release titled 'Cooper Basin Strategy' released on 7 June 2022.

This announcement has been authorised for release by the Board of Directors 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.

