

Onshore Indonesian Oil Operations Update – September 2018

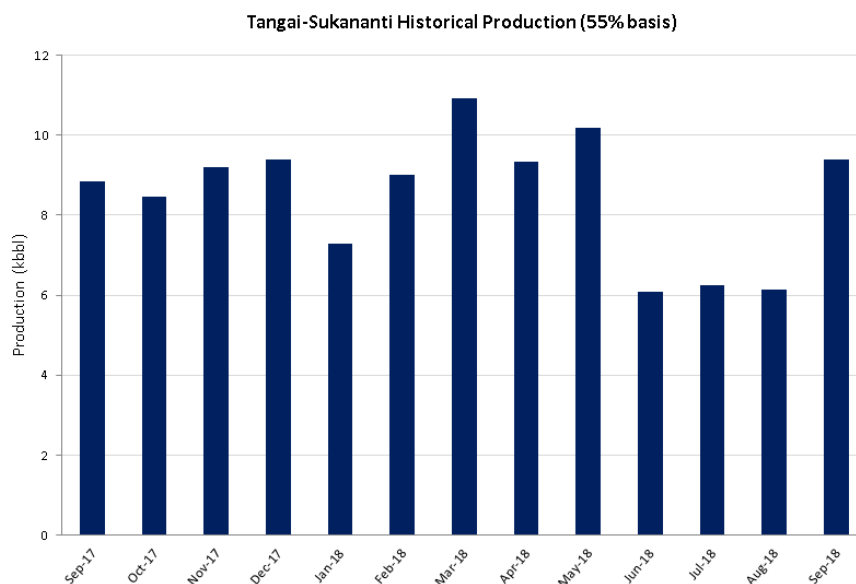
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Daily Production achieved levels not seen since March 2018

Highlights

- September production volumes totaled 17,081 barrels of oil (JV share) or 9,395 barrels (net to Bass), a 53% increase over August production
- Daily production increased to levels of between 850 barrels of oil per day (bopd) to 950 bopd by end of September following completion of scale remediation and production optimisation programs
- September oil sales volumes totaled 15,522 barrels of oil (JV Share) or 8,537 barrels (net to Bass)
- Continuing high monthly average oil price of US\$73.50 realised from sales from the Company's 55%-owned Tangai-Sukananti block oilfields
- Planning advanced for a two well drilling program at Tangai-Sukananti with expected drilling to commence in December 2018
- Bunian 5 development well procurement activities ongoing

Monthly Production and Sales:



Australian-based Indonesian oil producer, Bass Oil Limited (ASX:BAS) is pleased to provide its monthly operations update for September 2018. Total field production at Tangai-Sukananti for September was 17,081 barrels of oil (JV Share) or 9,395 barrels of oil (net to Bass), a 53% increase on production for August. As previously reported, production early in September was impacted by remediation works at the

production wells, with end September and early October production stable at record daily levels of between 850 bopd and 950 bopd.

September oil sales equaled 15,522 barrels of oil (100% JV Share) or 8,537 barrels (net to Bass). The rising oil price continues, with an average realised oil price of US\$73.50 per barrel.

Production Operations

Total production in September showed a return to previous monthly high levels following the completion of the well repairs and scale remediation program undertaken recently.

October production commenced strongly at levels of between 850 bopd to 950 bopd as a result of the full effect of the previously completed production optimisation initiatives taking hold following the completion of the scale remediation program.

Development Planning

Bass continued the detailed planning and procurement processes for the 2018 drilling program scheduled to commence in December 2018. The scope of the program includes the drilling of up to two oil development wells, at Bunian 5 and Tangai 5.

It is expected that the drilling of these two proposed development wells will further increase the production capacity of the Tangai-Sukananti field as well as increase developed reserves.

Planning work for the upgrade of the Bunian and Tangai production facilities continues. A facility upgrade is required to process the additional oil and fluid production anticipated following the completion of the drilling phase of the work program.

Business Development

Bass continues to evaluate a number of potential onshore Indonesian acquisition targets, particularly those closest to its existing oil production infrastructure, as the Company looks to add additional prospective oil properties to its portfolio during 2018 and early 2019.

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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 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 31 December 2017, the Tangai-Sukananti KSO was producing on average 600BOPD from 4 wells (100% JV share). Bass Oil's Gross (55% share) 2P Reserves at 31 December, 2017 are assessed to be 1.28 million barrels of oil. In accordance with ASX reporting requirements for fiscal environments that use production sharing contracts or similar, Bass reports Net 2P Oil Reserves of 0.67 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 20% of issued capital.

