

Tangai-Sukananti - May Operations Update

HIGHLIGHTS

- **Strong production of 17,442 barrels of oil (100% JV Share) or 9,593 barrels (net to Bass)**
- **Total sales of 17,420 barrels of oil (100% JV Share) or 9,581 barrels (net to Bass)**
- **3% uplift in sales during month of May compared to previous month**

Bass Oil Limited (ASX:BAS) is pleased to provide shareholders with an operations update for the Company's Indonesian production assets.

Production during the month of May remained strong, totaling 17,442 barrels of oil (100% JV Share) or 9,593 barrels (net to Bass). Bass is pleased with the asset's recent performance, considering the impact of unseasonal rain which caused minor constraints to production. Oil sales recorded a 3% uplift compared to the previous month with total sales equaling 17,420 barrels of oil (100% JV Share) or 9,581 barrels (net to Bass), at an average price of US\$45.68 per barrel. The Joint Venture held higher than normal month-end oil inventories in the field, due to extensive April-May rainfall resulting in export limitations. The unsold month-end inventories stood at 2,470 barrels.

Despite minor disruptions to operations in May, the field continues to perform strongly with production currently at or above 600 barrels of oil per day (BOPD) in early June (100% JV Share) or 330 BOPD (net to Bass). Development and optimisation opportunities recently identified and capable of adding up to 350 BOPD (100% JV Share) to production will be pursued by the Indonesian based operations team in early Q3 2017. Bass continues to undertake due-diligence on potential growth opportunities within the prolific oil and gas province which lies in close proximity to the Company's existing Tangai-Sukananti production assets.

For further information please contact:

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About Bass Oil Limited

Bass Oil Limited (ASX:BAS) is an ASX-listed exploration and production company featuring low cost oil production in Indonesia and a management and Board team with a proven track 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 May 2017, the Tangai-Sukananti KSO was producing at or above 600 barrels of oil per day from 4 wells (100% JV share) and contained 2P oil reserves of 1.73 million barrels (net to Bass as at 30 June 2016 reported in the Cooper Energy 2016 annual report). Bass intends to build a substantial oil & gas business with a clear focus on executing opportunities in the South-East Asia region. Bass has a strong and committed shareholder base with Board and management holding in excess of 20% of issued capital.

