

Tangai-Sukananti - December Operations Update

HIGHLIGHTS

- Field production uplift of ~2.2% on previous November quarter
- 3.2% increase in price of oil received in December versus previous month
- December production of 17,078 barrels of oil (JV share) or 9,393 barrels (net to Bass)
- Field development study on-track for January completion

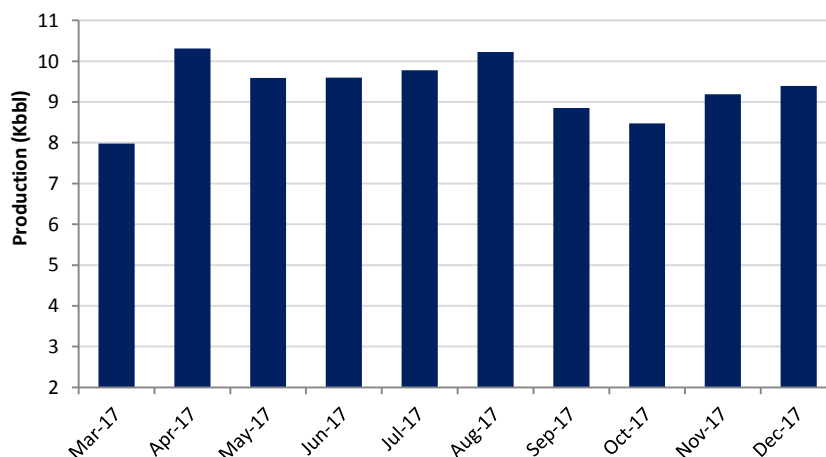
Monthly Production:

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

During December Bass reported total field production of 17,078 barrels of oil (100% JV Share) or 9,393 barrels (net to Bass) representing a 2.2% uplift on the previous month's output.

December oil sales equaled 15,031 barrels of oil (100% JV Share) or 8,267 barrels (net to Bass) at an average realised oil price of US\$59.17 per barrel, a further 3% uplift on November average price.

Tangai-Sukananti CY17 Production (55% basis)



Field Development Study

The Multi-disciplinary field development study being performed by UNPAD is progressing as planned with the reservoir simulation phase now fully underway. Work completed to date strongly supports the Company's view on the asset's significant development and appraisal potential, which will result in a material uplift in future production.

The reservoir modeling and production forecasts are expected to be completed January, 2018. The results of the modeling work are to be presented to the regulators Pertamina and SKK Migas for approval in February.

Development Planning

Bass has commenced planning for a two well drilling program, consisting of the Bunian-5 and Tangai-5 development wells. Drilling is anticipated to commence early in the third quarter of this calendar year.

Concurrent planning work for the upgrade of the Bunian and Tangai production facilities is also underway. A facility upgrade is required to process the additional oil and fluid production rates anticipated following the completion of the drilling phase of the work program.

Business Development

Bass continues to evaluate a number of acquisition targets, as the Company looks to add additional prospective oil properties to its portfolio during 2018.

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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 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 30 June, 2017 are assessed to be 1.35 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 0.7 million.

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.

