

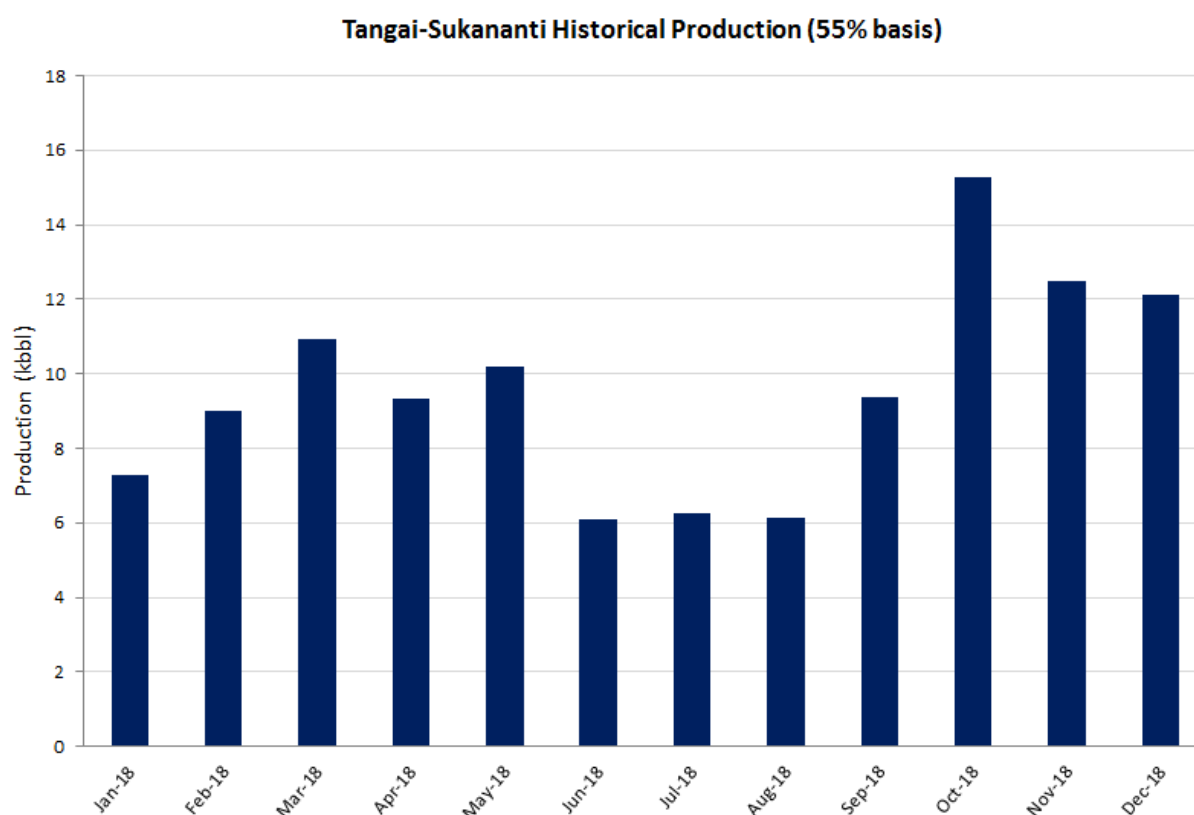
Onshore Indonesian Oil Operations Update – December 2018

Release Date: 15 January 2019

Highlights

- Continued strong monthly production achieved at Tangai Sukananti at an average of 712 barrels of oil per day
- December production volumes totalled 22,071 barrels of oil (JV share) or 12,139 barrels (net to Bass) the third highest monthly production since Bass acquired the asset
- December oil sales totalled 23,747 barrels of oil (JV Share) or 13,061 barrels (net to Bass)
- Monthly average oil price was US\$53.86
- Bunian 5 well site construction complete. Contract negotiations continuing with drilling expected to occur in 1st Quarter 2019 subject to rig availability

Monthly Production and Sales:



Australian-based, Indonesian oil producer, Bass Oil Limited (ASX:BAS) is pleased to provide its monthly operations update for December 2018. Total field production at Tangai-Sukananti for December was

22,071 barrels of oil (JV Share) or 12,139 barrels of oil (net to Bass). December oil sales totalled 23,747 barrels of oil (100% JV Share) or 13,061 barrels (net to Bass).

The oil price fall continued during December in line with movements in global oil markets. The average monthly realised oil price was US\$53.86 compared with a monthly average oil price of US\$62.25 per barrel received in November. The fields continue to generate positive cash contributions to the business with field operating costs at or below US\$30 per barrel.

Production Operations

Strong oil production levels continued in December. Production in December averaged 712 barrels of oil per day (JV share), which was the third highest production level attained from the field in the last 12 months.

The production optimisation effort continues with debottlenecking studies aimed at easing short term processing restrictions commencing in November.

Development Planning

Construction of the Bunian 5 well site was completed in December. The award of the drilling contract for the program has been delayed by rig availability. Submissions received indicated that rigs would not be available in the area until March 2019. Discussions with contractors are ongoing.

The drilling program is expected to further increase the production capacity of the Tangai-Sukananti fields 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

During December Bass announced that it elected to withdraw from the acquisition of a 100% participating interest in the North Madura PSC following the completion of its due diligence enquiries.

In the meantime 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.

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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 October 2018, the Tangai-Sukananti KSO was producing on average 890 bopd 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 16% of issued capital.

