



Image: Bass' Tangai Sukananti KSO operations team members based in Jakarta

## **Growth and Opportunity in Indonesia**

*March 2019*

# Disclaimers and Important Notices

## **Forward Looking Statements:**

This presentation has been prepared by Bass Oil Ltd (“BAS” or the “Company”), with the purpose of providing general information about the Company. It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company, or as an inducement to make an offer or invitation with respect to those securities.

The presentation contains certain statements which may constitute “forward-looking statements”. Such statements are only predictions and involve inherent risks and uncertainties. Actual results and performance are likely to differ materially from those expressed or implied in any forward-looking statements.

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## **Qualified Petroleum Reserves and Resources Evaluator Statement:**

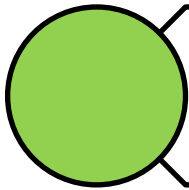
The information contained in this report regarding the Bass Oil Limited reserves and contingent resources is based on and fairly represents information and supporting documentation reviewed by Mr Giustino Guglielmo who is an employee of Bass Oil Limited and holds a Bachelor of Engineering (Mech). He is a member of the Society of Petroleum Engineers (SPE) and a Fellow of the Institution of Engineers Australia (FIEAust) and as such is qualified in accordance with ASX listing rule 5.4.1 and has consented to the inclusion of this information in the form and context in which it appears.

## **Notes on Reserves and Resources (Reserves and Contingent Resources as at 31 Dec 2018 were reported to the ASX on 25 February 2019):**

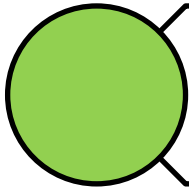
Under the SPE PRMS guidelines, “Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions”. Net Entitlement Reserves are the reserves that Bass has a net economic entitlement to. That is, a share of cost oil and profit oil that Bass is entitled to receive under the KSO signed with the Indonesian government body, PT Pertamina. Contingent Resources are “those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies”.

Bass Oil is not aware of any new information or data that materially affects the information provided in those releases, and all material assumptions and technical parameters underpinning the estimates provided in the releases continue to apply

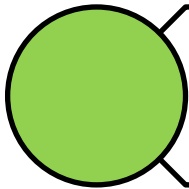
# Growth; Impact and Opportunity in Indonesia



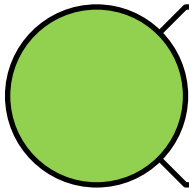
Bass has increased its Proved Reserves by 76% in 2018



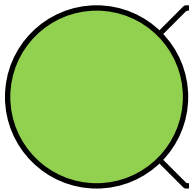
Bass posted record production of 850 barrels of oil per day (bopd) in October 2018 with current capacity at ~700 bopd



In 2019, Bass aims to double production via its development program



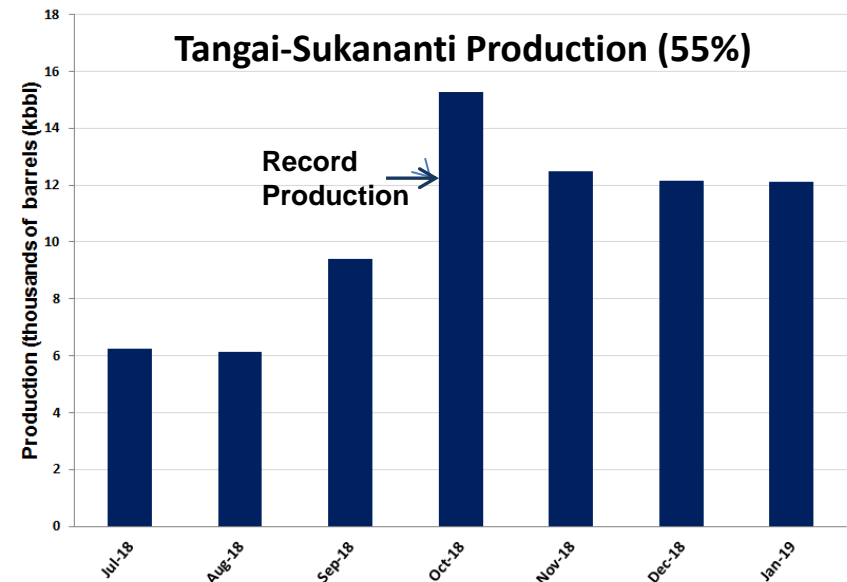
Bass is focussed on Indonesian new ventures and acquisitions to achieve material, company-changing growth



Bass is committed to creating value, leveraging its competitive strengths; its team, operating capability, reputation, and relationships in Indonesia

# Existing Asset: Simple, low cost, profitable production

- Bass holds a 55% JV interest in and Operates the producing Tangai-Sukananti KSO in the South Sumatra Basin
- Experienced on-ground Indonesian team manages field operations
  - A robust record of delivery
- Consistent production at the long-life KSO expected beyond licence expiry in 2025
- Bass' successful production optimisation initiatives improved the fields' output and potential
- Aiming to double production in 2019



# Major study backs further prospectivity in asset, with development drilling program commencing at Bunian 5

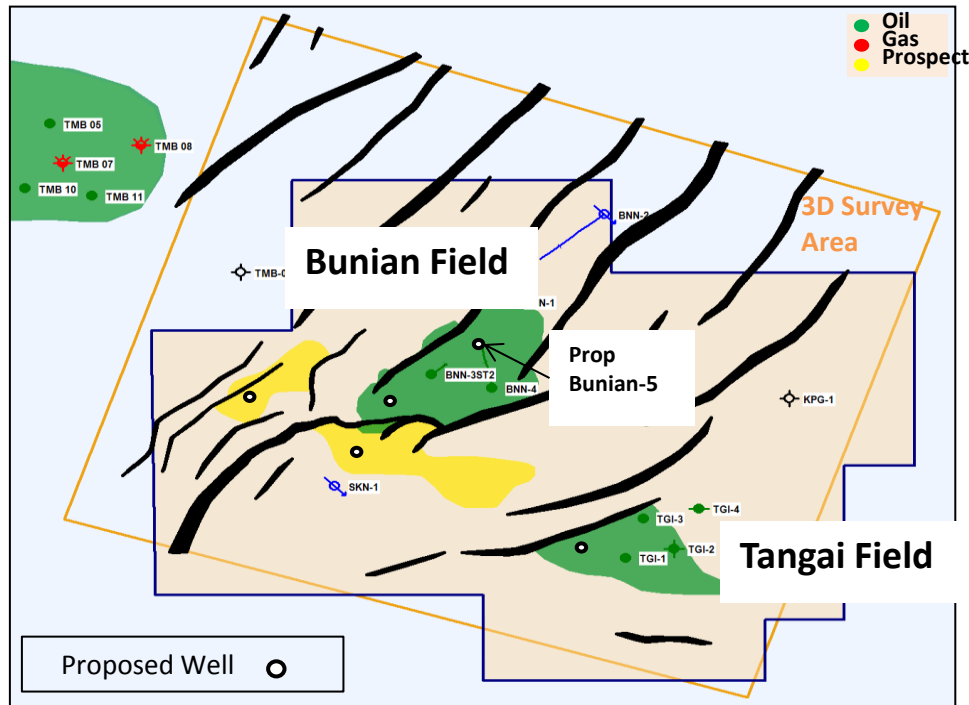


Figure 2: Tangai-Sukananti KSO Producing Oil Fields and Prospects

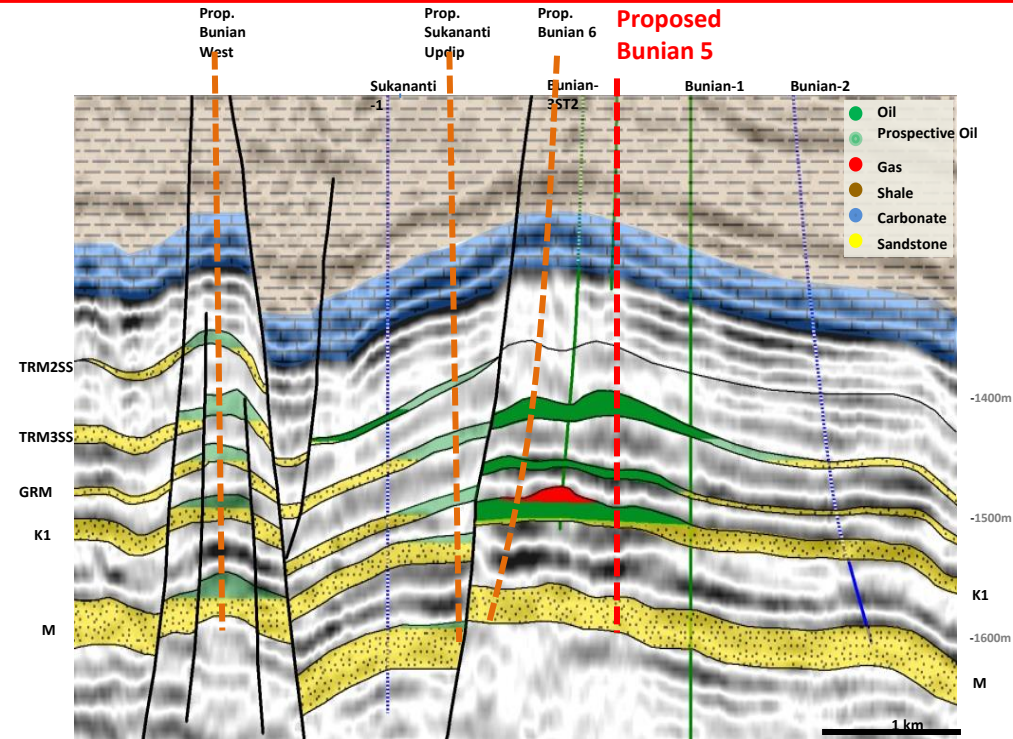
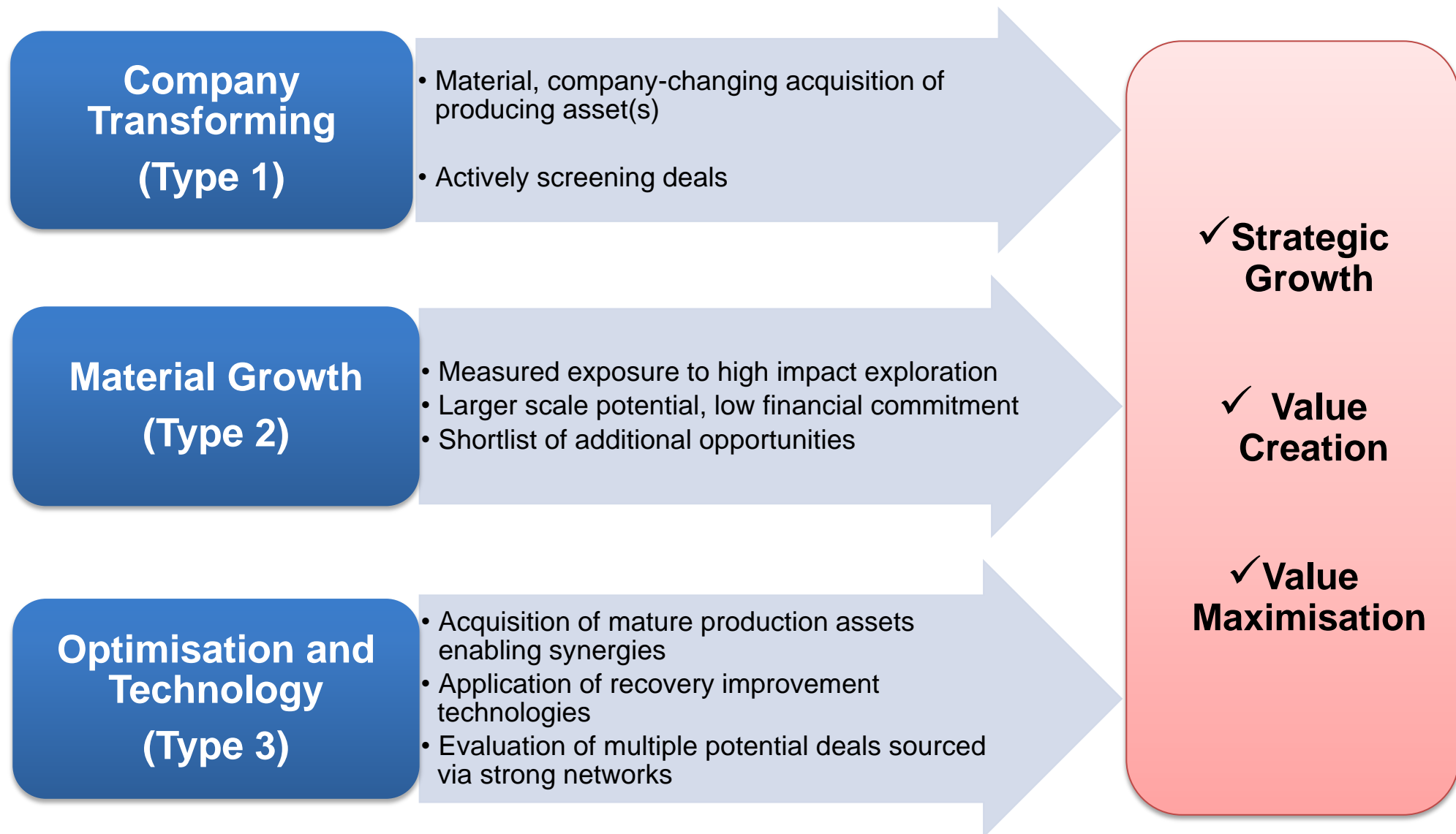


Figure 1: Geological cross-section Bunian Field

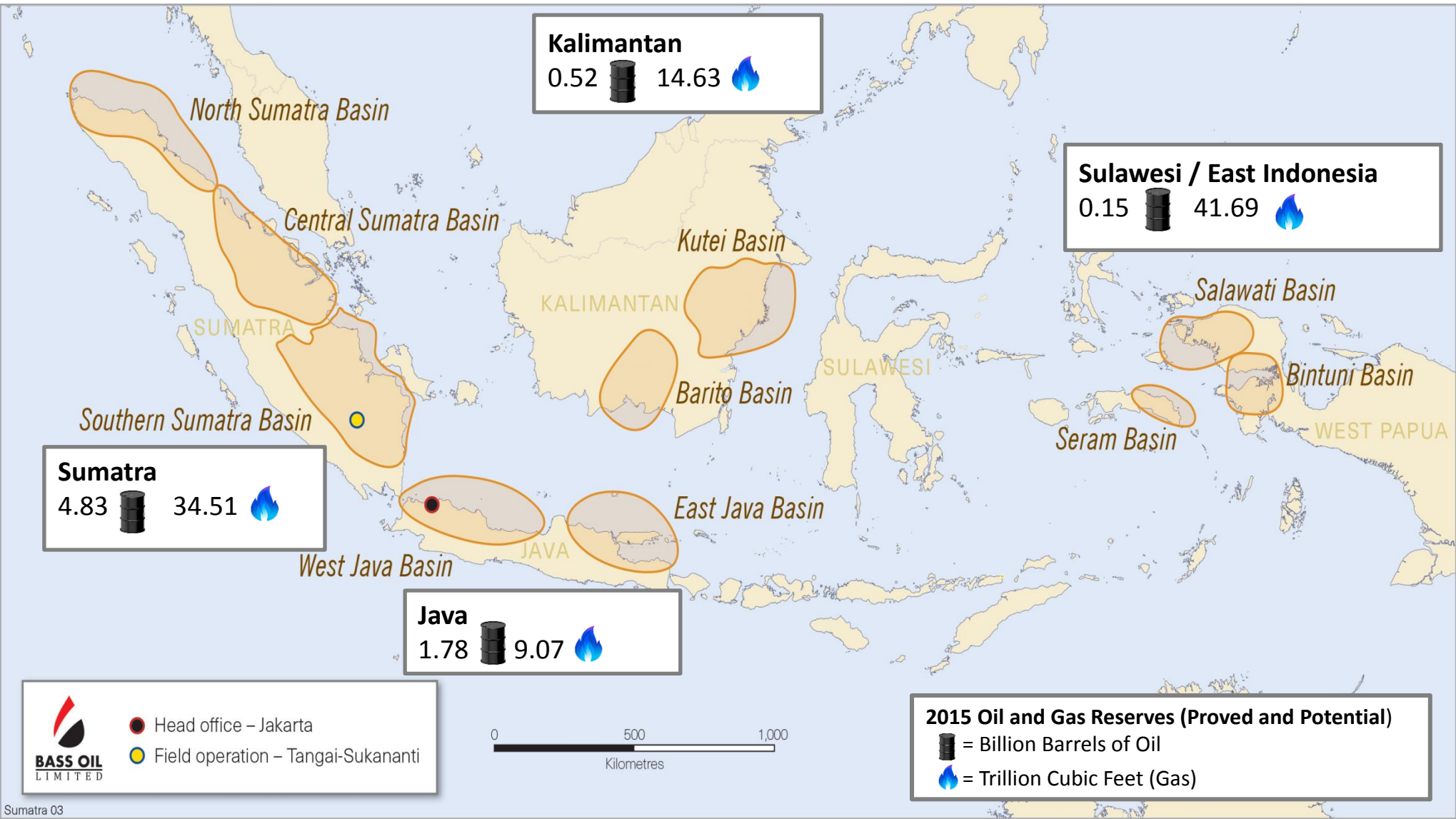
- Major prospectivity boost identified in UNPAD study, with multiple appraisal targets defined
- New prospects significantly increase recoverable oil potential from the Bunian and Tangai fields
- Planning and procurement underway for the 2019/2020 development drilling program commencing at Bunian 5

# Business Development - building a diversified portfolio of exploration, development and producing assets





# Indonesia hydrocarbon basins are world-class with extensive infrastructure in place



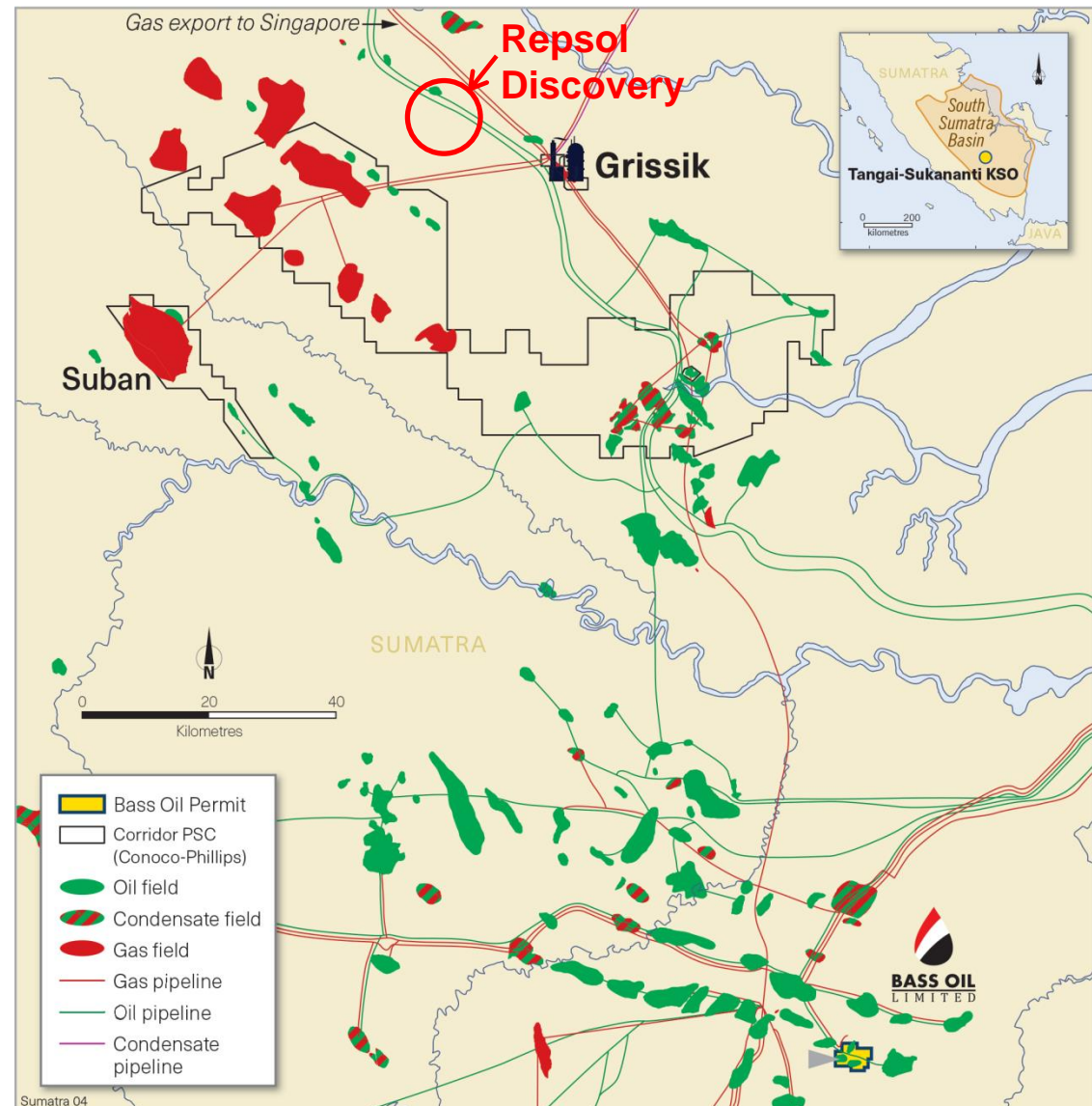
Source: Indonesia Energy Outlook 2016

# Large Discoveries being made now

## Significant Repsol Discovery in Bass' Hunting Ground

In February 2019, Repsol, and JV partners Petronas and Moeco, announced the largest gas discovery in Indonesia in 18 years

- Estimated to hold 2 Tcf (trillion cubic feet) of recoverable resources
- Surpasses the largest discovery in Asia Pacific in 2018, the Dorado discovery in Australia
- Near to Bass' existing fields
- In Bass' area of focus for material growth opportunities

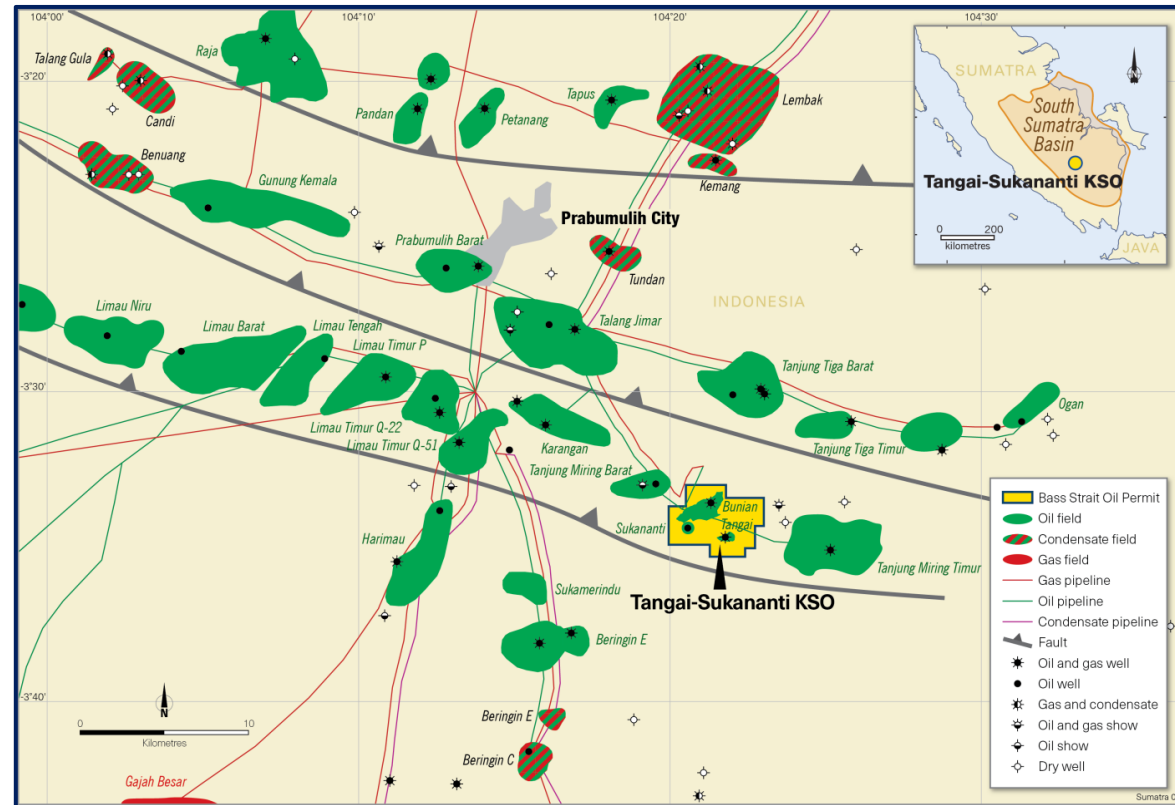




# Leveraging local knowledge and relationships

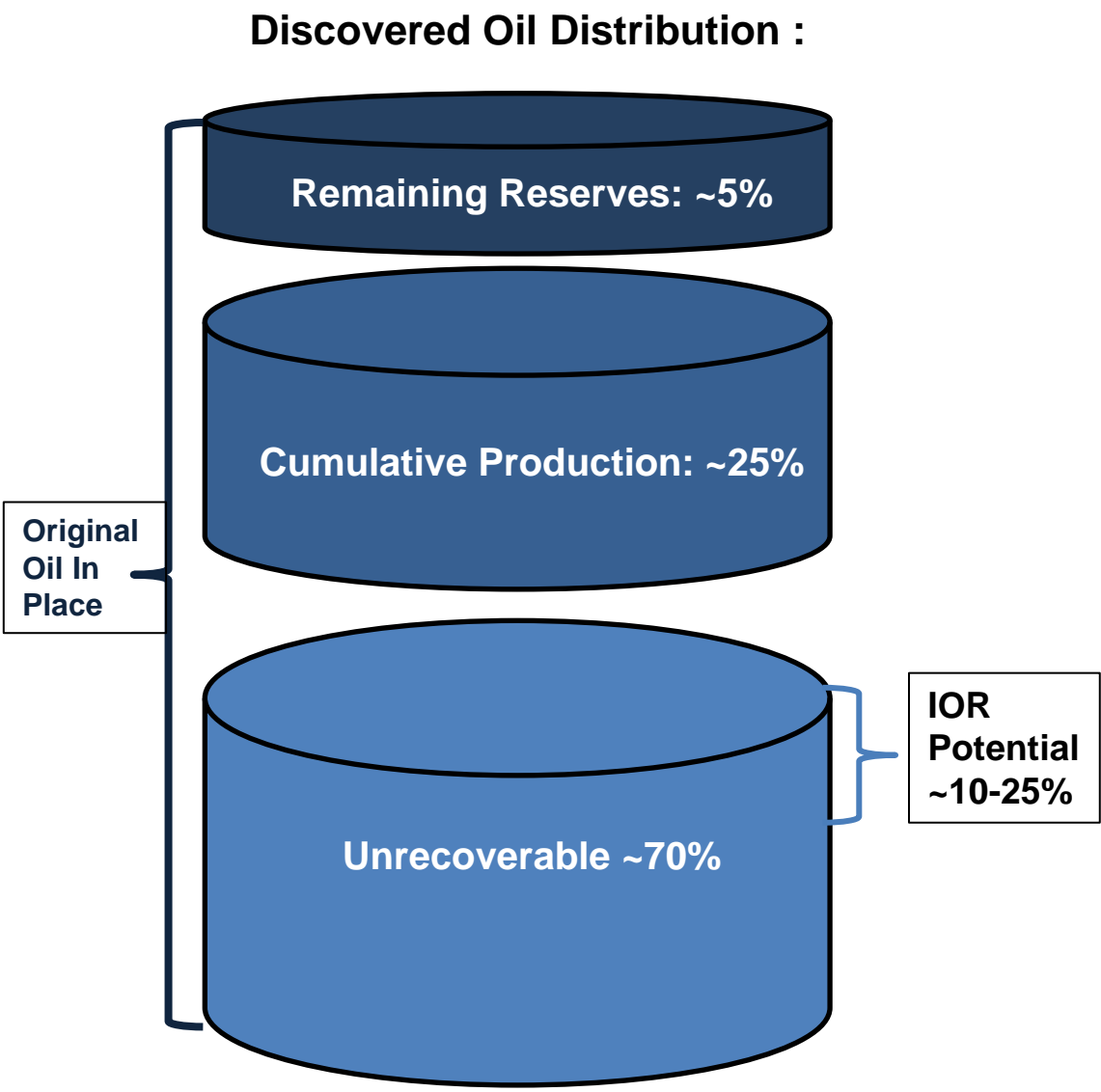
Bass management and technical teams are experts in local geology and reservoir characterisation, enabling:

- Improving oil recovery (IOR) via application of current and future technologies
- Identification of under-performing, stranded or dormant oil & gas fields in close proximity to Bass' production
- Active pursuit of opportunities



# Improving Oil Recovery (IOR) – Abundant opportunity for increased recovery

- Billions of barrels of unrecovered oil in Indonesia can potentially be exploited using currently available IOR technologies on mature fields
- The average recovery factor in Indonesia is ~10-30% while analogues including the Cooper Basin are ~45% and greater
- Current estimates of ~10-25% additional recovery potential for Indonesian fields utilising current technologies
- This is a huge opportunity for experienced operators with technical expertise such as Bass
- Bass is developing new technology in IOR specific to the region via its MoU's with local and leading Universities



# Process to evaluate pipeline of opportunities

## 60 screened → 5 shortlisted → 2 Agreements

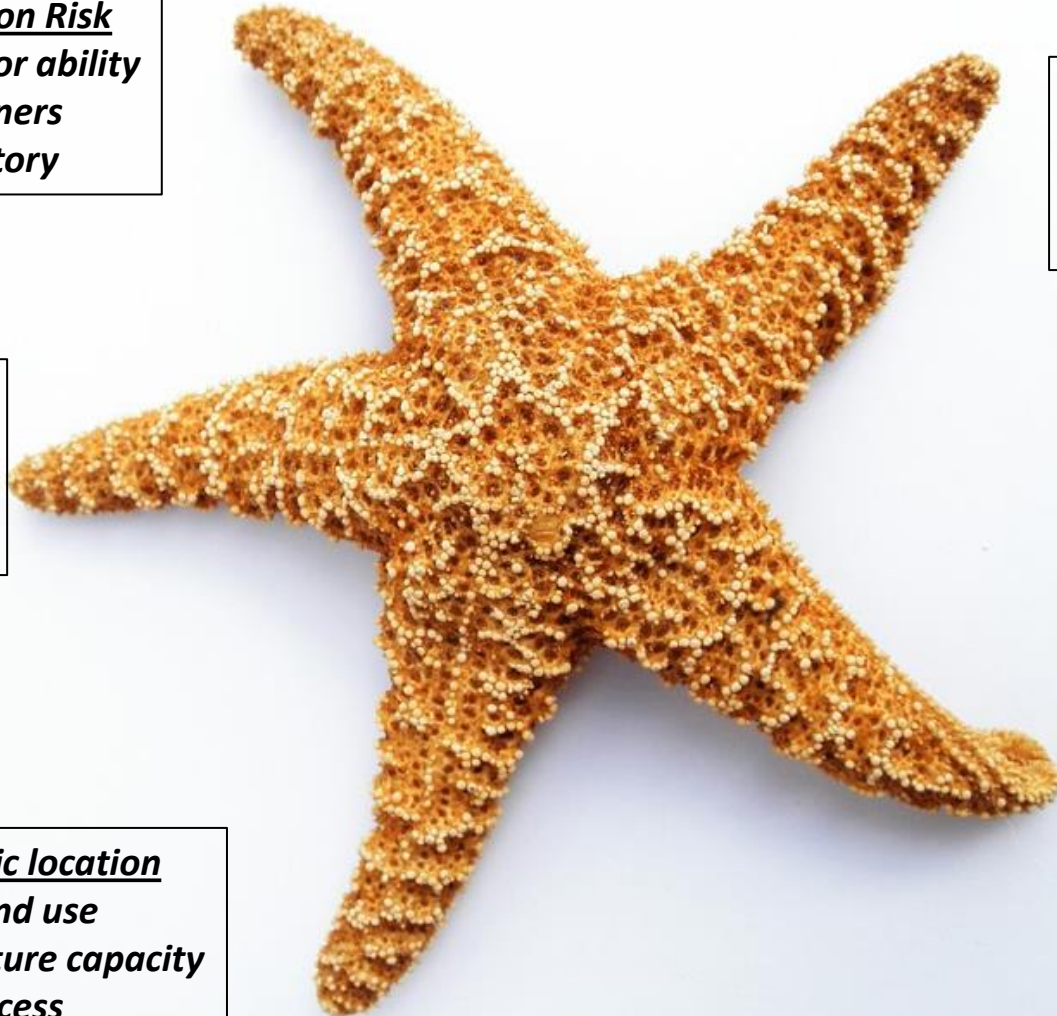
**Execution Risk**  
*Operator ability*  
*JV partners*  
*Regulatory*

**Petroleum System**  
*Geology / Subsurface*  
*Hydrocarbon type*  
*Reservoir deliverability*

**Acquisition cost**  
*Work program*  
*Commitments*  
*Capital schedule*

**Geographic location**  
*Surface land use*  
*Infrastructure capacity*  
*Market access*

**Production materiality**  
*Discovered resources*  
*Near-term development*  
*Follow-up potential*



# Why Invest in Bass Oil?

## Strong Production

- ✓ Production growth
- ✓ Low operating cost (<\$25/bbl)
- ✓ Increased Proved Reserves increases certainty of production profile

## Growth and Upside

- ✓ Aiming to double production during 2019 with drilling commencing at Bunian 5 mid-year
- ✓ Business Development strategy focussed on three types of growth opportunities
- ✓ Technology focus on improving oil recovery through MoUs with leading Asian Universities

## Management Achievement

- ✓ Proven operational excellence in Indonesia
- ✓ Long-term industry-related career history for management team
- ✓ Successful track-record of creating value for shareholders

## Supportive Jurisdiction

- ✓ Indonesia energy consumption increasing with GDP (+5% in 2017); Local supply cannot meet demand
- ✓ Established investment regime promoting foreign investment

*For further information, please do not hesitate to contact:*

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Appendix

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# **ADDITIONAL SLIDES**

# Bass Oil Limited (ASX:BAS) – Corporate Snapshot

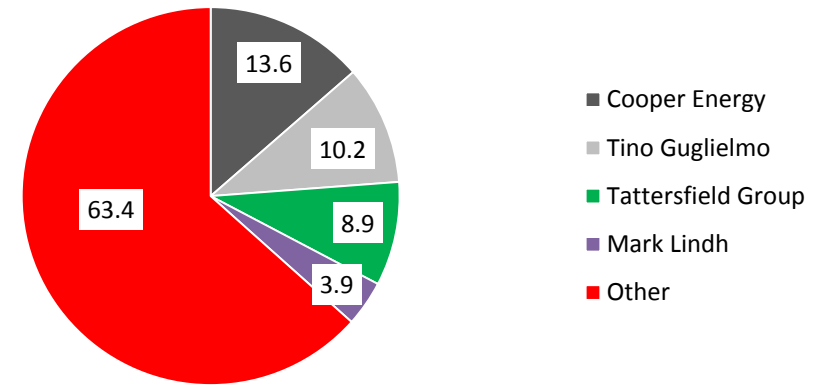
## Capital Structure

Market Cap @0.3c (11-02-19)	A\$7.8M
Shares On Issue	2,606,167,481
Cash Estimate (31-Dec-18)	US\$0.854M
Debt (31-Dec-18)	US\$0.896M
Enterprise Value	A\$7.9M

## Board Structure

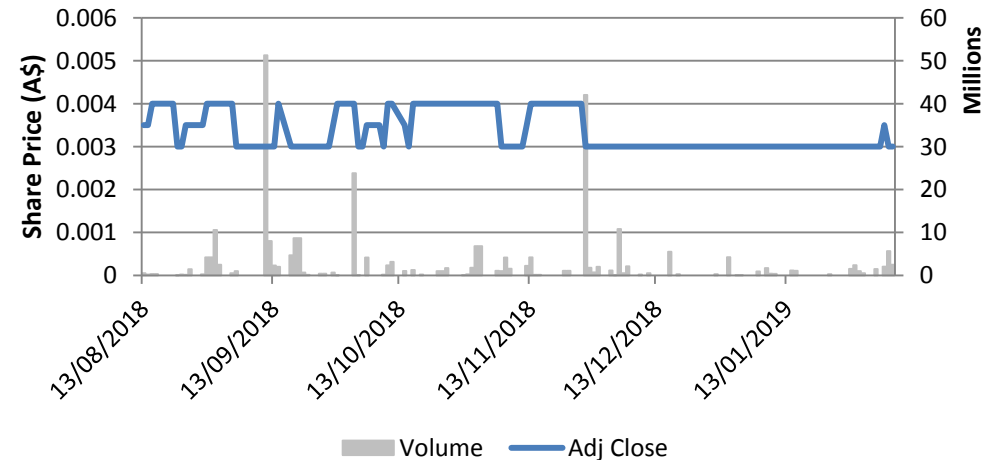
Non-Executive Chairman	Peter Mullins
Non-Executive Director	Mark Lindh
Non-Executive Director	Hector Gordon
Managing Director	Tino Guglielmo

## Share Ownership Summary



\* As of 11 Sept 2018

## Trading History



# Key Personnel bring focused experience to Bass Oil



- **Chairman - Peter Mullins:** 40 year senior banking career experience in Australia and New York as key Commonwealth Bank executive. Specialist in institutional and corporate finance across resources and energy sector, including mergers and acquisitions, privatisations, structured finance, IPOs and capital raisings.



- **Managing Director - Tino Guglielmo:** 36 year Australian and international executive petroleum engineering career, including previously leading two ASX-listed oil and gas companies - Stuart Petroleum and Ambassador Oil & Gas. His experience spans the Indonesian, Cooper, Gippsland and US land-based Basins & the Timor Sea.



- **Non Exec Director - Hector Gordon:** 40 year upstream petroleum geologist career, primarily in Australia & South East Asia. A current Non Executive Director of Cooper Energy (where he was previously ED - Exploration & Production). Previous executive roles with Beach Energy, Santos, AGL, TMOC, Esso Australia and Delhi Petroleum.



- **Non Exec Director - Mark Lindh:** Corporate advisor with in excess of 15 years' experience in advising mining and resources companies with a particular focus on the energy sector. He is a founding director of Adelaide Equity Partners Limited, an investment and advisory company.



- **General Manager Indonesia - Andri Luthfi:** Part of Indonesia's new highly educated (geology, petroleum engineering, MSc (Phd in progress) energy leaders with more than 10 years' experience across the country's major basins. Most recently General Manager at Bass oil – CESL Tangai Sukananti KSO.



- **New Ventures – Simon Brealey:** Geologist with over 30 years of experience in exploration and new ventures in Australia and internationally.

# A 76% increase in Net Attributable 1P Reserves

Reserves & Resources as at 31 December, 2018		
100% Field Reserves (MMbbl)		
Category	1P - Proved	2P - Proved & Probable
Developed & Undeveloped	1.777	2.019
BAS Net Entitlement Reserves (MMbbl)		
Category	1P - Proved	2P - Proved & Probable
Developed & Undeveloped	0.505	0.602
100% Field Contingent Resources (MMbbl)		
Category	1C	2C
Total	0.552	0.882

- An 76% increase in Net Attributable 1P reserves is a strong demonstration of the Indonesian operations team capability and the underlying performance of the asset.
- Record daily production in 2018 and strong performance of the wells has moved reserves into the Proved category from the Probable