



Bass Oil Limited
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8 July 2019

Non-Renounceable Rights Issue – Appendix 3B Notice

Dear Shareholder

Letter to Shareholder - Non-Renounceable Rights Issue Pro Rata Entitlement Offer

On 5 July 2019, Bass Oil Limited (ASX:BAS) (“**the Company**”) announced to ASX that it intended to undertake a pro-rata, non-renounceable rights issue of one (1) new share (“**New Shares**”) for every two (2) shares in the Company held at the Record Date at an issue price of 0.2 cents (\$0.002) and one (1) free attaching option (“**New Options**”) having an exercise price of 0.4 cents (\$0.004) and an expiry date of 30 July 2021 for every two (2) New Shares purchased (“**the Offer**” or “**Rights Issue**”).

The Rights Issue also incorporates a Shortfall Facility under which Eligible Shareholders can apply for New Shares in excess of their pro-rata entitlement. The issue of the New Shares under the Shortfall Facility will be dependent on there being a shortfall in the take up of the pro-rata entitlements under the Offer and subject to discretion of the Board. Eligible Shareholders who wish to apply for additional New Shares under the Shortfall Facility can do so by specifying the number of additional New Shares they wish to apply for in the space provided on their Entitlement and Acceptance Form.

The Company intends to raise up to approximately \$2,681,167 before costs, through the issue of up to 1,340,583,741 New Shares at an issue price of 0.2 cents (\$0.002) per New Share. The main purpose of the Rights Issue is for the drilling of up to two low risk Bunian development wells, pursuing business development opportunities and to provide funds to pay the fourth and final deferred installment owing to Cooper Energy of \$770,000 in respect of the Company's acquisition of the Tangai-Sukananti asset.

The Offer is not underwritten. As the Offer is non-renounceable, entitlements under the Offer cannot be sold, traded on the ASX or on any other exchange, nor can they be privately transferred.

The Offer is made to Eligible Shareholders being shareholders of the Company registered on the Company's share register as at 5.00pm AEST the Record Date (10 July 2019) and residing in Australia and New Zealand. Please note that the Company's shares will be traded on an "ex" entitlement basis from 9 July 2019, and therefore any of the Company's shares acquired on market on and after this date will not be entitled to participate in the Rights Issue.

The Offer is made pursuant to a transaction specific prospectus issued in accordance with section 713 of the Corporations Act ("**the Prospectus**") available at www.asx.com.au and www.bassoil.com.au. The Prospectus contains further details of the Offer and should be read in its entirety. Documents relating to the Offer were lodged with ASX and ASIC on 5 July 2019.

A copy of the Prospectus and personalised Entitlement and Acceptance Form (which will set out your entitlement) will be despatched to Eligible Shareholders in accordance with the timetable below:

EVENT	DATE
Offer announced and Appendix 3B lodged with ASX and Prospectus lodged with ASIC.	5 July 2019
Notice of Offer sent to Shareholders	8 July 2019
Shares quoted ex Rights	9 July 2019
Record Date (5.00pm AEST)	10 July 2019
Prospectus and Entitlement and Acceptance Form dispatched to Shareholders	12 July 2019
Closing Date	25 July 2019
New Shares quoted on a deferred settlement basis.	26 July 2019
Notification to ASX of Shortfall Offer	30 July 2019
Issue date for New Shares and New Options (including Shortfall Offer) Deferred settlement trading ends	30 July 2019
Commencement of trading of New Shares and New Options* (Normal trading of Shares resumes)	31 July 2019

*Trading of New Options is subject to them being granted official quotation.

Dates and times in this announcement are indicative only and subject to change. All dates and times are references to Melbourne time. The Company reserves the right to amend any or all of these dates and times, subject to the Corporations Act, the ASX Listing Rules and other applicable laws and regulations.

Actions required by Eligible Shareholder

As an Eligible Shareholder, you may:

- (a) take up your entitlement in full;
- (b) take up your entitlement in full and apply for shortfall securities;
- (c) take up part of your entitlement; or
- (d) do nothing and allow your entitlement to lapse.

Further details on how to perform any of the above actions are specified in Section 8 of the Prospectus.

Enquiries

If you have any questions regarding this Offer, please contact the company on (03) 9927 3000 between 9:00am and 5:00pm (AEST) on business days during the offer period for the Offer.

Thank you for your ongoing support of the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Mullins', with a stylized flourish at the end.

Peter Mullins

Chairman