



Bass Oil Limited
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8 July 2019

Dear Shareholder

**Non-Renounceable Rights Issue Pro Rata Entitlement Offer
Ineligible Shareholder Letter**

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 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 made pursuant to a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. The Offer is not underwritten.

The Offer is made to Eligible Shareholders being shareholders of the Company registered on the Company's share register at the Record Date (as at 5.00pm AEST 10 July 2019) and residing in Australia and New Zealand.

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.

Documents relating to the Offer were lodged with ASX on 5 July 2019 and will be despatched to Eligible Shareholders on 12 July 2019.

Ineligible shareholders

The Company is of the view that it is unreasonable to extend the Offer to Shareholders with registered addresses outside Australia or New Zealand, having regard to:

- (a) the small number of Shareholders with registered addresses outside Australia and New Zealand;
- (b) the number and value of the New Shares which would be offered to ineligible Shareholders; and
- (c) the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, shareholders who do not have a registered address in Australia or New Zealand are not eligible to participate in the Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder. Accordingly, the Company wishes to advise you that it will not be extending the Offer to you and you will not be able to subscribe for New Shares and New Options under the Offer.

You are not required to do anything in response to this letter.

Enquiries

If you have any questions regarding this non-renounceable pro rata Rights Issue, please contact the company on (03) 9927 3000.

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