

Onshore Indonesian Oil Operations Update – September 2019

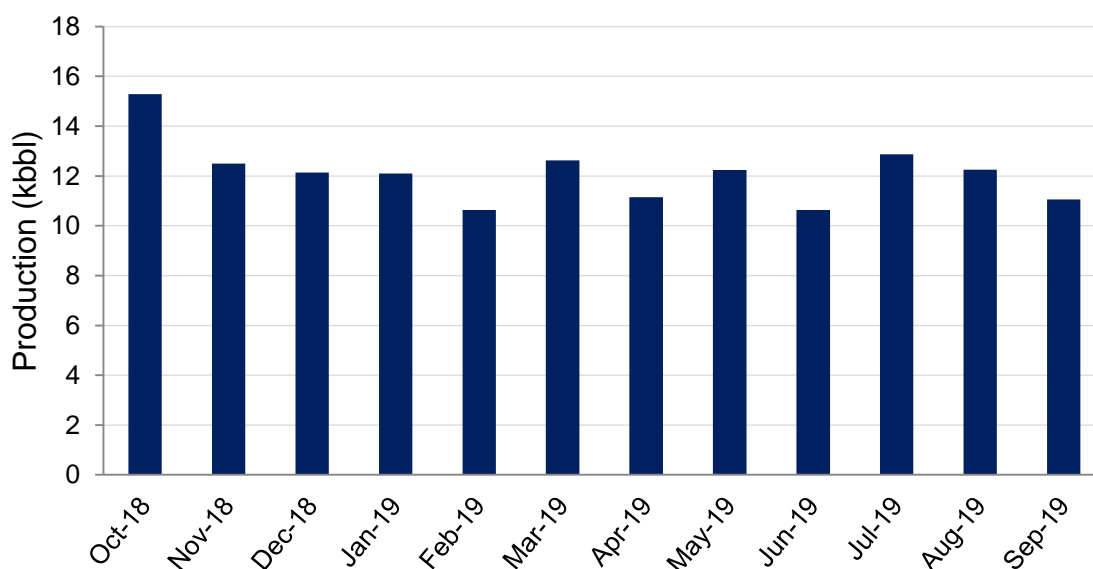
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Highlights

- **Monthly production in September at Tangai-Sukananti averaged 671 bopd JV share**
- **September production totalled 20,115 barrels of oil JV share or 11,063 barrels net to Bass**
- **September oil sales totalled 21,088 barrels of oil JV Share or 11,598 barrels net to Bass**
- **Monthly average oil price was US\$60.13 per barrel**
- **The fields continue to generate positive cash contributions to the business, with field operating costs at US\$20 per barrel**
- **The Bunian 5 development well has commenced drilling – expected to double production**
 - **Currently status** – Drilled to 1315 metres KB - the intermediate casing setting depth
 - **Next steps** – Run wireline logs prior to running and cementing 9-5/8" casing
- **High impact business development opportunities under advanced evaluation**

Monthly Production and Sales

Tangai-Sukananti Historical Production (55% basis)



Australian-based, Indonesian oil producer, Bass Oil Limited (ASX:BAS) is pleased to provide its monthly operations update for September 2019. Total field production for the month was 20.115 barrels of oil JV Share or 11,063 barrels of oil Bass share. September oil sales totalled 21,088 barrels of oil JV Share or 11,598 barrels Bass share. Monthly average oil production for September was 671 bopd.

The average monthly realised oil price for September was US\$60.13 compared with a monthly average oil price of US\$56.59 per barrel recorded in August. The fields continue to generate positive cash contributions to the business with field operating costs at US\$20 per barrel.

Production Operations

Field production has been steady throughout September with the wells recording minimal downtime. The production facility has been subject to some water handling restrictions but this has resulted in only a minor restriction in oil production.

The team in Indonesia has sourced and contracted workover rig to perform the remaining well work, which includes the Tangai 3 pump repair, the Bunian 4 workover and the Tangai 4 conversion to water injector. This commencement of this work has been delayed to accommodate the early arrival of the drilling rig to site for the drilling of the Bunian 5 well. The workover program will commence as soon as possible following the completion of the drilling program.

Development Planning

Bass mobilised the PDSI Rig 20 to the Bunian 4/5 well pad in early September for the drilling of the Bunian 5 well. The well was spudded on 24 September and is expected to take 30 days to drill and complete.

The construction of the flowline to tie in the Bunian 5 well is occurring concurrently to minimise the time to bring the well on line post the completion of the drilling process.

Bunian 5 is expected to double production from the field taking up the remaining available production capacity of the Tangai-Sukananti field facilities as well as increasing developed reserves.

Business Development

Bass continues to evaluate and negotiate on a number of onshore and offshore Indonesian opportunities, as the Company looks to add additional prospective oil properties to its portfolio during 2019. The active business development program has a three-tiered strategy designed to create and maximise value through:

1. company transforming acquisitions,
2. material growth exploration opportunities, and
3. optimisation of existing mature fields through the application of proven technologies.

Within Indonesia, there are a number of very high impact oil and gas projects that fall into each of these categories that Bass is in an excellent position to be able to acquire. Bass expects that a combination of these business development opportunities would firmly place the Company in the mid-tier/junior ASX listed oil and gas producer sector, i.e. 2,000-5,000 boepd.

After several years of successful proven Indonesian operatorship, Bass is highly regarded in-country and has formed deep and strong relationships with local operators and is well known by the Indonesian upstream oil and gas regulator. All of these factors place Bass in an ideal position to successfully execute on this strategy and the Company looks forward to updating the market on these developments as appropriate.

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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 Tanggai-Sukananti KSO producing assets located in the prolific oil & gas region of South Sumatra, Indonesia.

As at September 2019, the Tanggai-Sukananti KSO was producing on average 671 bopd from 4 wells (100% JV share). Bass reports Net Entitlement 2P Oil Reserves of 0.602 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.

