

## Bass continues to post strong production

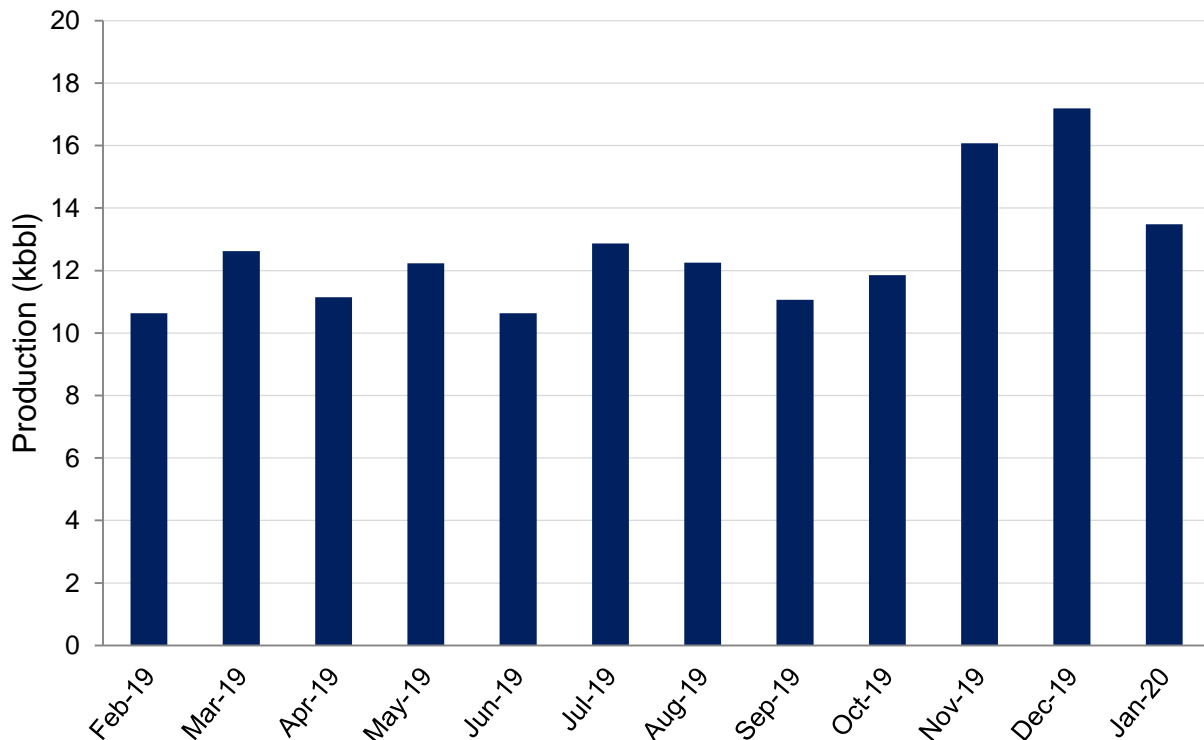
### Indonesian Oil Operations Update – January 2020

#### Highlights

- Monthly production in January averaging 791 bopd JV share down from the December record due to pump maintenance
- Production is expected to return to previous levels in coming months once the field is optimized with a workover rig performing pump repairs and installations whilst also addressing water handling limits
- January production totalled 24,516 barrels of oil JV share or 13,484 barrels net to Bass
- January oil sales totalled 24,983 barrels of oil JV Share or 13,741 barrels net to Bass
- Monthly average oil price was US\$63.91 per barrel
- The fields continue to generate positive cash contributions to the business with field operating costs at ~US\$20 per barrel
- High impact business development opportunities under advanced discussion

#### Monthly Production and Sales:

**Tangai-Sukananti Historical Production (55% basis)**



Australian-based, Indonesian oil producer, Bass Oil Limited (ASX:BAS) reports that monthly average oil production for January was 791 bopd. Total field production for the month was 24,516 barrels of oil JV

Share or 13,484 barrels of oil Bass share. January oil sales totalled 24,983 barrels of oil JV Share or 13,741 barrels Bass share.

The average monthly realised oil price for January was US\$63.91 compared with a monthly average oil price of US\$66.15 per barrel recorded in December. The fields continue to generate positive cash contributions to the business with field operating costs at ~US\$20 per barrel.

### **Production Operations**

Field production decreased in late December and early January due to pump failure in the Bunian 1 well, water handling restrictions at the Bunian Central Processing Facility (CPF) and the performance of the Bunian 5 well. Bunian 5 watercut from the TRM 3 reservoir has increased gradually to 22% as expected. However, as the well is on natural flow, this has reduced the rate of total fluid production. The team is now preparing to install a pump in the well to restore production to between 500 to 700 barrels of fluid per day. In the meantime the well has been switched to the K reservoir which is producing at a restricted rate due to water handling limitations.

The pump in Bunian 1 has been repaired and the well brought back onto production. The well is on line and currently on 'clean up'.

The production facility has been undergoing modifications to allow for the anticipated further increases in production from the Bunian 5 well and other higher water producing wells. The current field producing, processing and exporting limit is a maximum of 1,100 bopd while the facilities modifications' continue.

### **Well work-overs and Development**

A workover rig was mobilised to Tangai Sukanati in December to perform a workover program. The Bunian 4 well was worked over and brought on test.

The rig is currently on Tangai 4. The well is being converted to a water injector. Tangai 4 will host the field pilot for the Smart-Water injection trial. The pilot is targeting an increase in field recovery via the injection of tailored low salinity water to improve oil recoveries. The pilot will commence in late Q1 2020.

The rig will then move to complete the remaining well work which includes the Tangai 3 pump repair.

### **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 2020. 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. The Company looks forward to updating the market on these developments as appropriate.

### **For further information please contact:**

Tino Guglielmo  
Managing Director  
Bass Oil Limited

Ph: +61 3 9927 3000

Email: [tino.guglielmo@bassoil.com.au](mailto:tino.guglielmo@bassoil.com.au)

**About Bass Oil Limited:**

Bass Oil Limited (ASX:BAS) ([www.bassoil.com.au](http://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 December 2019, the Tangai-Sukananti KSO was producing on average 1009 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.

