Bass Oil Limited
Level 5, 11-19 Bank Place
Melbourne, Victoria 3000 Australia

Telephone: (61) (3) 9927 3000
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Email: admin@bassoil.com.au

Dear fellow shareholders,

Bass Oil Annual Report for the Financial Year ended 31 December, 2019

Melbourne-based Bass Oil (ASX:BAS), an Australian-listed Indonesian oil producer focused on expanding oil and gas production from its onshore holdings in Indonesia's prolific South Sumatran Basin, is pleased to present the Company's annual report for the financial year ended 31 December, 2019.

The Company's principal asset is a 55% Operator interest in the long-life Tangai-Sukananti licence hosting multiple in-field, exploration, development and production opportunities.

In recent times the global business community has been plunged into an era of significant uncertainty by the spread of the COVID-19 virus and the resultant fall in the oil price. During this time our key focus is to remain disciplined, ensuring the health and safety of our staff, whilst reducing our cost base, delivering and optimising, ongoing production throughout CY2020, whilst not compromising field integrity. We share the view that the current depression in oil prices have been exacerbated by external forces, which will inevitably result in a correction in due course, at which time, Bass will be positioned to take advantage of attractive opportunities.

Bass remains committed to a corporate strategy of building significant South East Asian energy business through 2020 and beyond.

Full Year Highlights included:

- Successful drilling of the Bunian-5 well
- Bunian Field production is being optimised, highlighting the Company's confidence in sustained long-term performance of the Bunian Field
- Successful capital raise resulting in US$1.01 million in new funds being raised
- Completion of US$0.884 million, the final two deferred payments for the purchase of the Tangai Sukananti asset from Cooper Energy
- High impact business development opportunities under advanced evaluation
- Oil production (Bass 55% share) totalled 151,410 barrels
- Net entitlement oil totalled 83,276 barrels – up 46% YoY
- Gross revenue totalled US$5.05m – up 32% YoY
- Gross Profit US$2.65 million
- Earnings before interest, tax and depreciation and amortisation (EBITDA) US$1.25 million
- Earnings before interest and tax (EBIT) US$0.80 million
- Maiden Net Profit After Tax of US$0.40 million, representing a turn-around of almost $1 million

I commend the report to you.

Yours sincerely,

Peter Mullins

Chairman
31 March 2020

BASS OIL LIMITED

ANNUAL REPORT

For the financial year ended

31 December 2019

CORPORATE DIRECTORY

ABN: 13 008 694 817

Directors

Peter F Mullins, Chairman
Giustino Guglielmo
Hector M Gordon
Mark L Lindh

Managing Director

Giustino Guglielmo

Company Secretary

Robyn M Hamilton

Registered Office and Principal Administration Office

Level 5, 11-19 Bank Place
Melbourne, Victoria, 3000, Australia
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Facsimile +61 (3) 9614 6533
Email admin@bassoil.com.au

Auditors

Deloitte Touche Tohmatsu
11 Waymouth Street
Adelaide, South Australia, 5000, Australia

Share Registry

Link Market Services Limited
Tower 4, 727 Collins Street
Melbourne, Victoria, 3008, Australia
Telephone +61 (3) 9615 9800
Facsimile +61 (3) 9615 9900

Stock Exchange Listing

Australian Stock Exchange Ltd
525 Collins Street
Melbourne, Victoria, 3000, Australia

ASX Codes: BAS – Ordinary Shares

Web Site: www.bassoil.com.au

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Forward Looking Statements

This Annual Report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, as well as other matters not yet known to the Group or not currently considered material by the Group.

CHAIRMAN’S MESSAGE

Dear fellow shareholders,

After a strong performance in 2019, a year that has seen Bass record its maiden profit, it gives me pleasure on behalf of your Board to present to you the Annual Report of Bass Oil Limited for the 12 months ended 31 December, 2019.

Importantly, Bass is proud to report that it recorded zero incidents resulting in injuries over 2019, which is a credit to all staff in Indonesia and Australia. Furthermore, the Company, its employees, consultants and contractors have accumulated over 4 million working hours without a Lost Time Injury, a truly creditable performance.

In 2019 Bass drilled the successful Bunian 5 development well under budget and without incident. The Company posted two consecutive record months of production in November and December 2019 on the back of strong production performance in the field and with the addition of production from the Bunian 5 well. Net entitlement oil production increased 46% from 57,222 barrels to 83,276 barrels year on year. Sales revenue increased 32% from $3.84 million to $5.05 million as a result.

Importantly, I am pleased to report that Bass recorded its maiden profit of $0.40 million this year, up from a $0.42 million loss in 2018 representing almost a $1 million turn around.

Bass Oil’s focus is on building an energy business, initially in Indonesia. Your Board is confident that our three-tiered growth strategy detailed further in this report, and predicated on our cornerstone Indonesian producing asset, is the right balance at the right time to deliver on our stated objectives and build shareholder value.

Our engagement with and assessment of potential acquisitions and other growth building initiatives increased over the period. While no transaction moved to completion, this reflects your Company’s tight due diligence and adherence to an expansion policy based on identifying projects with significant growth potential, proven economics and profitability, not sentiment.

I would like to make some comments regarding the current lower oil price environment and the COVID-19 threat. Bass has actively put measures in place to mitigate the effect of COVID-19 and the depressed oil price. Firstly, Bass is actively monitoring and complying with all Government directions to ensure the health and safety of all staff is protected throughout these trying times. To mitigate against the current oil price environment the Company is safeguarding its financial position, via a reduction in overheads, which includes a cut to directors’ fees and salaries.

Fortunately, Bass is in the stable position, given it is operating in a low-cost oilfield. The Company has optimised its field, reducing direct operating costs to US$20/barrel at current production rates.

In closing, I thank particularly this year, our shareholders for your loyalty, support of the Company, and your personal encouragement through the year to our Board and management.

Finally, I thank our Melbourne-based executive team, our Indonesian-based operations team and my fellow Directors for their diligent attention to the affairs of your Company. We will continue to work on strategically positioning ourselves for growth in Indonesia, a country with an emerging economy hungry for energy to facilitate the growth of its economy.

Peter Mullins
Chairman
31 March 2020

MANAGING DIRECTOR'S REPORT

During 2019, your Company achieved a number of key objectives while putting in place an invigorated growth structure for the future of our business in Indonesia.

The year saw Bass Oil deliver a maiden profit on the back of record production and revenues. This result is a validation of the Company's strategy in focusing on exploiting the latent potential of previously underperforming assets. This model is one that is highly scalable in Indonesia and drives our business development focus. This augurs well for Bass Oil.

2019 saw Bass demonstrate its operating capability beyond production optimisation initiatives to drilling our successful Bunian 5 development well, both under budget and without incident. The results of the well are being integrated into our field models. This result, in combination with the production performance of the Bunian and Tangai field, has resulted in an increase in field reserves with the effect of almost replacing the entirety of 2019 production. This is discussed later in the report. In combination, these factors provide Bass with the confidence that the fields are capable of underpinning the future growth of our business in Indonesia.

Indonesia's energy consumption is increasing with GDP, ~5% again in 2019. The local supply cannot meet demand. Following the 2019 presidential elections in Indonesia it is clear that there is an increased focus in addressing the country's shortfall in energy supply of oil and gas.

This supply pressure will provide Bass with further opportunities for growth in this regional energy market. Indonesia's hydrocarbon basins are world-class and have extensive infrastructure in place – factors favouring our growth outlook. Bass corporate growth strategy comprises a three tiered approach to potential acquisitions:

- **'Company Transforming'** (Type 1) transactions via the acquisition of producing asset(s) representing material company-changing assets. We are actively screening such opportunities;
- '**Material Growth'** (Type 2 opportunities) which would emanate from measured exposure to high impact exploration – a scenario offering larger scale potential but with a low financial commitment from Bass. Examples include Production Sharing exploration contracts, identifying prospective areas to request as KSOs, or working with Indonesia's Government body, PT Pertamina, on the Improved Oil Recovery potential (IOR) of their legacy assets. Shortlisted opportunities are under assessment; and,
- An '**Optimisation and Technology**' focus whereby our proven IOR skill set allows the assessment and potential acquisition of mature production assets offering synergies with our existing field production infrastructure. Such assets could be under-performing, stranded or dormant oil and gas fields in close proximity to our existing production footprint in southern Sumatra.

Key financial highlights for the year included:

- Successful capital raise resulting in $1.01 million in new funds being raised
- Completion of $0.884 million, the final two deferred payments for the purchase of the Tangai-Sukananti asset from Cooper Energy
- Gross revenue totalled $5.05 million – up 32% YoY
- Gross Profit $2.65 million – up 84% YoY
- Earnings before interest, tax and depreciation and amortisation (EBITDA) $1.25 million
- Earnings before interest and tax (EBIT) $0.800 million
- Maiden Net Profit After Tax of A$0.40 million, representing a turn-around of almost $1 million

MANAGING DIRECTOR'S REPORT (cont'd)

In regard to COVID-19 and the current lower oil price environment, our key focus is to remain disciplined, ensuring the health and safety of our staff, whilst delivering and optimising, ongoing production throughout CY2020, whilst not compromising field integrity. We share the view that the current depression in oil prices has been exacerbated by external forces, which will inevitably result in a correction in due course, at which time, Bass will be positioned to take advantage of attractive opportunities.

Bass is committed to supporting government and community efforts to limit the spread of the virus, and supporting business continuity with regard to its staff and contractors.

Bass has activated a Business Continuity Plan (BCP) during this period of significant health and economic uncertainty. The Company has implemented a series of measures to protect the health and safety of our people, including health screening protocols, restricting travel and meetings, implementing social distancing measures and making changes to field and office access arrangements. The BCP includes contingency plans that will allow production operations to continue in the event of any of the field operations team contracting the virus.

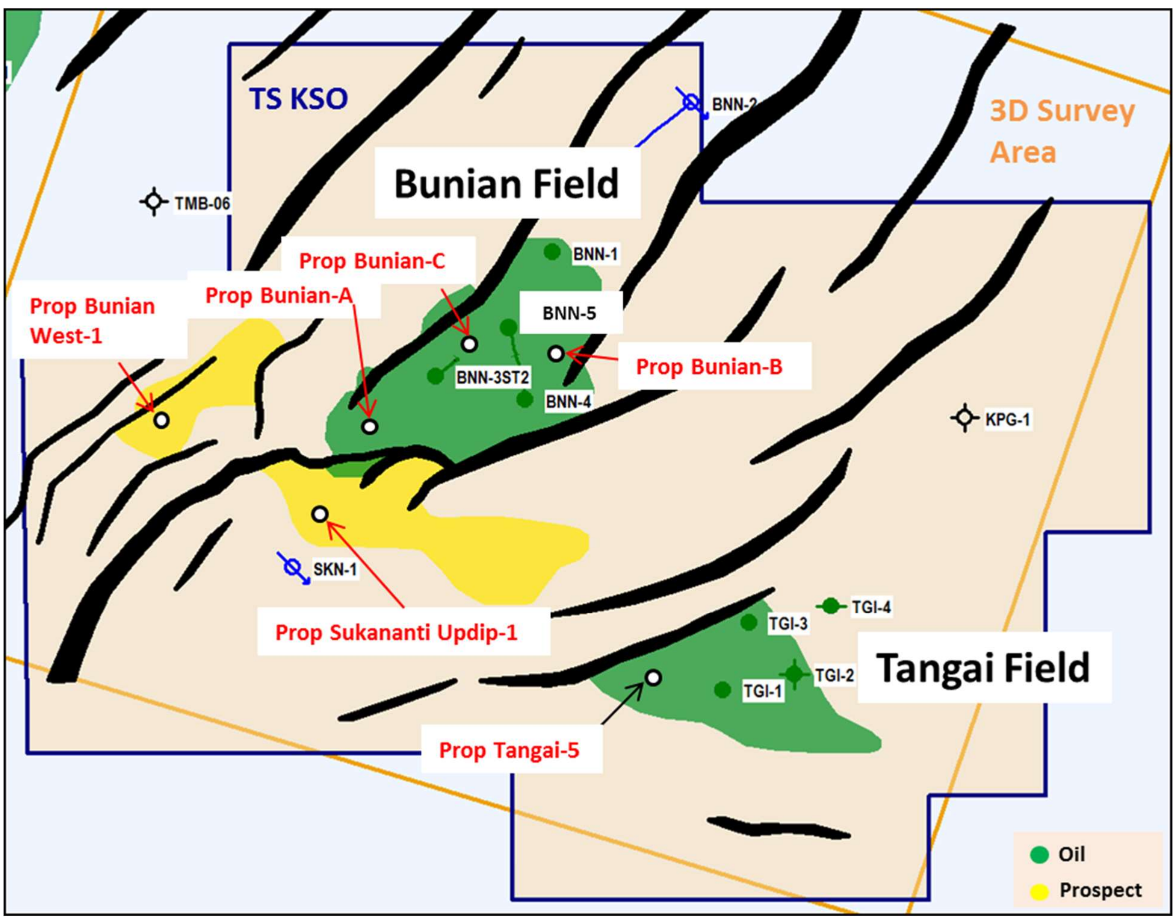

Figure 1 Tangai-Sukananti KSO Location Map

MANAGING DIRECTOR'S REPORT (cont'd)

Tangai-Sukananti KSO

Bass' experienced Indonesian on-site personnel and Jakarta-based technical and management teams operate the Tangai-Sukananti KSO production assets containing the producing Bunian and Tangai oil fields. It was pleasing to see our success from mid-2019 in optimising production within the KSO. This lifted total production capacity and increased output from selected wells. The KSO is considered long-life with production expected beyond license expiry in mid-2025.

The assets provide a future platform for growth through low-cost field development opportunities and execution of value-accretive acquisitions requiring minimal additional corporate overheads, given Bass' established Jakarta-based personnel.

Since acquiring the Tangai-Sukananti KSO, Bass has sustained strong and consistent levels of production at the operations (see Figure 2). The result of the 2018 de-bottlenecking operations at Bunian 3 boosted production from ~300 to more than 700 barrels of oil per day, consistently, throughout 2019.

Total production for the year ending 31 December 2019 was 151,410 barrels on a 55% basis (or 83,276 barrels on a net entitlement basis). Bass expects a production up-lift during 2020, due to the drilling of the Bunian 5 development well in November of last year and the continued focus on implementation of field optimisation activities. Bass is also planning to drill the Tangai-5 development well in the second half of 2020 to maintain overall field production capacity at or above the current facility limits subject to a recovery in the economic climate.

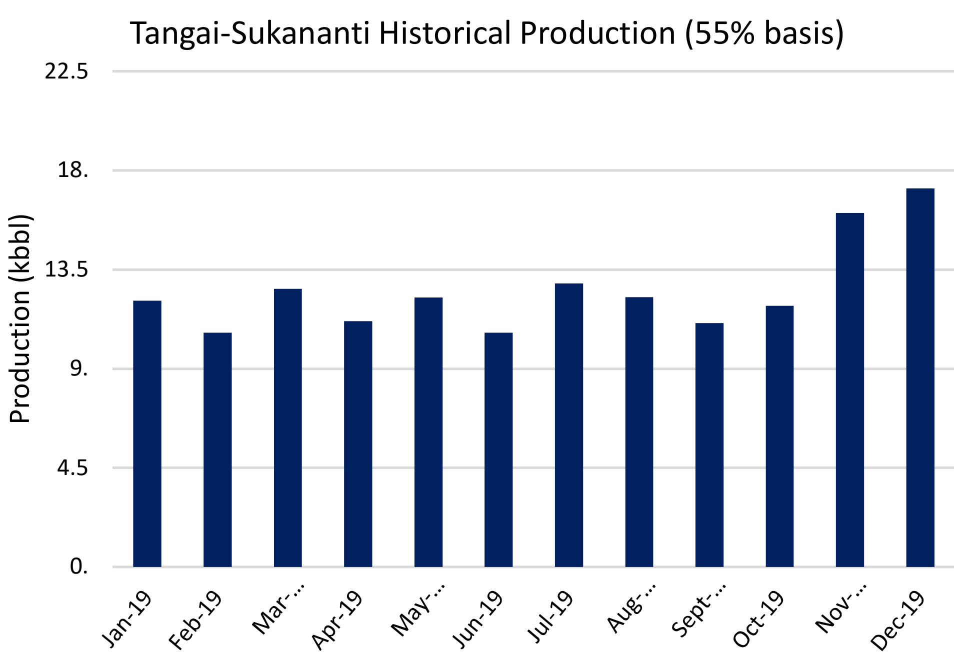

Figure 2: Tangai-Sukananti Historical Production (55% basis)

MANAGING DIRECTOR'S REPORT (cont'd)

Substantive technical review

The focus of the Jakarta and Melbourne based sub-surface teams in 2020 is to update the comprehensive, integrated reservoir study and dynamic reservoir model following the drilling of the successful Bunian-5 development well.

Following the completion of this work development scenarios and production forecasts from the Dynamic Modelling project will inform the Company's future development plan and update the 1P and 2P reserves and contingent resource.

The total 100% Field 2P Reserves at 31 December, 2019 are assessed to be 2.191 million barrels of oil. This reflects the reserves for the Bunian and Tangai oil Fields (Figure 1). In accordance with ASX reporting requirements for fiscal environments that use production sharing contracts or similar, Bass reports Net Entitlement 2P Reserves of 0.567 million barrels. Net Entitlement Reserves are the share of cost oil and profit oil that Bass is entitled to receive under the KSO signed with PT Pertamina.

Improved Oil Recovery (IOR) a future business cornerstone

There are billions of barrels of unrecovered oil in Indonesia that can potentially be exploited using currently available IOR technologies on mature fields, a growth target under our business model and a huge opportunity for experienced operators with technical expertise such as Bass Oil.

The average oil recovery factor in Indonesia is ~10-30% while analogues including the Cooper Basin are ~45% and greater.

Current estimates point to an approximate 10-25% additional recovery potential for Indonesian fields utilising available IOR technologies. Bass will pursue this value-add business stream with vigour over 2020 including developing new IOR technology specific to the Indonesian region under our Memoranda of Understandings (MOUs) with local and leading regional universities.

The first significant step into our IOR program is the conversion of Tangai-4 to a water injection well. Tangai-4 will host the field pilot for the Low Salinity Water Injection (LSWI) 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 likely commence in late Q1 2020.

MANAGING DIRECTOR'S REPORT (cont'd)

Business Development

Bass entered the 2020 calendar year actively engaged in the evaluation of, and negotiations on a number of growth opportunities across our three categories of Business Development initiatives.

This strong level of potential stakeholder and project engagement resulted from a successful ramp-up during 2019 of our initiatives to develop a pipeline of emerging opportunities designed to provide short-term growth, and, medium to long-term organic increases in Bass' exposure to diverse but opportunistic and commercially economic assets.

More than 20 assets proceeded to detailed technical evaluation over calendar year 2019. This resulted over the period under review, in a shortlist of a number of strategically compatible opportunities, each of which was the subject of a formal offer and advanced negotiations. At time of going to press two of these opportunities are "live" and Bass will keep the market appraised of the outcome of any of these negotiations.

Bass applies stringent and consistent evaluation criteria to all opportunities which it considers, commencing with the Petroleum System, and including all aspects of production materiality, geographic location, acquisition costs and execution risk.

The Business Development effort will continue during calendar 2020.

RESERVES AND RESOURCES

Reserves and Contingent Resources

(For 12 month period ending 31 December 2019)

The 2019 reserves review has been influenced by stronger than forecast performance at all existing wells, in particular Bunian-3, throughout 2019.

Furthermore, this year saw the successful drilling and completion in November, 2019 of Bunian-5 as another producing well on the Bunian Field. The results from Bunian-5 have also encouraged Bass to include additional reserves in the K reservoir for the first time. Geological results from the Bunian-5 well are being incorporated into the 2018 Field static and dynamic reservoir models to yield updated oil volumetrics and scenarios for future drilling locations.

Whilst the gross field reserves remained relatively constant or went up slightly, the year-on-year movements in Net Entitlement Reserves reflect a slight decrease in both the 1P and 2P reserves for the Bunian and Tangai fields under the fiscal terms of the KSO. Overall the field reserves were revised upwards offsetting oil produced from these fields during 2019. These upward revisions are primarily due to Bunian-5 being successfully drilled and coming on-line in November, 2019. The outcomes at Bunian-5 endorsed the inclusion of reserves for the K reservoir at the Bunian Field. Additionally, there was an improved performance of all existing wells, particularly Bunian-3.

The results give your Board and management a high level of confidence in our forward development drilling program for 2020/21 and beyond.

Resources & Reserves as at 31 December, 2019		
100% Field Reserves (MMbbl)		
Category	**Proved - 1P**	**Proved & Probable - 2P**
Developed & Undeveloped	**1.725**	**2.191**
BAS Net Entitlement Reserves (MMbbl)		
Category	**Proved - 1P**	**Proved & Probable - 2P**
Developed & Undeveloped	**0.483**	**0.567**
100% Field Contingent Resources (MMbbl)		
Category	**1C**	**2C**
Total	**0.189**	**0.426**

Table 1: Tangai-Sukananti Reserves and Resources

Reserves

The 2P Field Reserves in the Tangai-Sukananti KSO are assessed as at 31 December, 2019, to be 2.191 million barrels of oil on a 100% JV basis. This reflects the proved and probable reserves for the Bunian and Tangai oilfields (Tables 1 and 2).

RESERVES AND RESOURCES (cont'd)

In accordance with ASX reporting requirements for fiscal environments that use production sharing contracts or similar, Bass reported Net Entitlement 2P Reserves of 0.567 million barrels. Net

Entitlement Reserves are the share of cost oil and profit oil that Bass is entitled to receive under the KSO signed with PT Pertamina. The Net Entitlement Reserves formula varies with the fiscal environment, cost recovery status and oil price.

Contingent Resources

The total 100% field 2C Contingent Resources for the Tangai-Sukananti KSO as at 31 December, 2019, are assessed to be 0.426 million barrels of oil. The field Contingent Resources comprise volumes attributed to currently producing or future planned wells in the Bunian and Tangai oil fields post licence expiry in July, 2025. This presents a future development opportunity to increase reserves.

Resources & Reserves as at 31 December, 2019		
100% Field Reserves (MMbbl)		
Category	**Proved 1P**	**Proved & Probable 2P**
100% Field Reserves at 31 Dec 2018	**1.777**	**2.019**
CY 2019 Production	(0.275)	(0.275)
Revisions	**0.223**	**0.447**
100% Field Reserves at 31 Dec 2019	**1.725**	**2.191**
BAS Net Entitlement Reserves (MMbbl)		
Category	**Proved 1P**	**Proved & Probable 2P**
Net Entitlement Reserves at 31 Dec 2018	**0.505**	**0.602**
CY 2019 Production	(0.083)	(0.083)
Revisions	**0.061**	**0.048**
Net Entitlement Reserves at 31 Dec 2019	**0.483**	**0.567**
100% Field Contingent Resources (MMbbl)		
Category	**1C**	**2C**
100% Field Contingent Resources - 31 Dec 2018	**0.552**	**0.882**
Revisions	**(0.363)**	**(0.456)**
100% Field Contingent Resources - 31 Dec 2019	**0.189**	**0.426**

Table 2: Tangai-Sukananti Reserves and Resources including revisions

RESERVES AND RESOURCES (cont'd)

Notes on Calculation of Reserves and Resources

Bunian-5 was successfully drilled and came on line in November, 2019. Pending the revision of the Static and Dynamic Field Models with the geological results of Bunian-5, the reserves and contingent resources have been updated by accounting for the year's production and using revised forecasts for the existing and planned development wells utilising the decline curve analysis method.

The Bunian Field currently has one producing reservoir (TRM3 sandstone) but following the encouraging results at Bunian-5, the K reservoir is expected to become a significant contributor to production. The Tangai Field has one producing reservoir (the M sandstone).

All reserves and resources are estimated by deterministic estimation methodologies consistent with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS).

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 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".

Qualified Petroleum Reserves and Resources Evaluator Statement

The information contained in this section regarding Bass Oil's 2019 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 in this section.

SAFETY

Bass Oil implements daily, a strict, industry-standard health and safety regime around its Operatorship of the Tangai-Sukananti production assets. This safety regime is energetically promoted by Pertamina, the Indonesian state owned Oil Company.

In February 2020, the senior management of Bass reaffirmed its commitment to resourcing and promoting our safety program to Pertamina at the annual safety review held in Bogor, Indonesia.

The Bass approach, under our Heath, Safety, Environment, Quality and Community (HSEQC) protocols, prioritises the ongoing design, implementation and monitoring of robust and inclusive safety cultures and outcomes across the entire business but in particular, to ensure the well-being of our Indonesian field teams and reliability of field operations.

In short, we strive for 'zero incidents' in all activities.

Bass is proud to report that it recorded zero incidents resulting in injuries over 2019, which is a credit to all staff in Indonesia and Australia. The total Safe Work Man Hours achieved up to 31 December 2019 was 4,070,090 hours. This is an outstanding achievement.

Our successful delivery of a safe work environment over 2019 was achieved despite increases in work activity associated with the drilling, completion and connection of the Bunian 5 well and production optimisation initiatives.

All staff and employees are to be commended for their diligence in making Bass a safe place to work.

The challenge, however, is always an ongoing one. We will continue to minimise potential hazards and risks associated with the operations moving forward, as our assets and operating environment change.

ENVIRONMENT

In addition to our Safety focus, the Company is highly focused to preserve the natural onshore environment in which we operate, including respect for local communities within our operating footprint.

Over 2019, our field teams fully met regulated air management and noise management requirements. Our monitoring systems indicated all parameters of ambient air quality and emissions were better than established quality standards.

Noise monitoring in production operations was conducted in accordance with the provisions of the Indonesian UKL-UPL guidelines and indicated that noise levels at all locations monitored met the set quality standards.

In terms of on-site surface Water Quality and Aquatic Biota, new internal monitoring systems to ensure local water quality remains good and not impacted by production processes, are being implemented, with stability to date in the diversity index of plankton being monitored in local water bodies.

Laboratory analysis of samples of water drainage, surface water and wells showed good water quality that met biological measuring standards.

Bass Oil’s environmental protocols include respect for community. In 2019 the Company continued to deliver on its Corporate Social Responsibility program, via community development assistance, especially for the villages of Tanjung Leaning and Kayu Ara. Bass also ensured that the increased movements in heavy vehicle traffic had a minimal impact on the local communities in the area.

Bass continues to strive to achieve the lightest possible footprint in the environment in which we work.

DIRECTORS' REPORT

The Directors present their report on the results of Bass Oil Limited consolidated entity ("BAS" or "Bass" or "the Company" or "the Group") for the year ended 31 December 2019.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report follow. Directors were in office for the entire period unless otherwise stated.

Peter F Mullins FFin
Chairman and non-executive independent director (Appointed 16 December 2014)

Mr Mullins has over 40 years banking experience in Australia and New York, USA, specialising in Institutional and Corporate Finance across the Agriculture, Defence, Energy, Infrastructure, Mining, Oil & Gas, Property and Wine industries. He is experienced in Mergers and Acquisitions, Privatisations, Structured Finance, IPO's and Capital Raisings.

Mr Mullins retired as Head of Institutional Banking SA&NT with the Commonwealth Bank of Australia in 2009 to take up a part time role as Senior Advisor, Institutional, Corporate and Business Banking for Commonwealth Bank in SA&NT. He retired from this role in 2013.

Mr Mullins was a Director of Somerton Energy Limited, a listed oil and gas exploration company, from April 2010 until it merged with Cooper Energy Limited in July 2012.

He is a Fellow of the Financial Services Institute of Australasia and graduated from the Advanced Management Program at the University of Melbourne – Mt Eliza, in 1987.

Mr Mullins served on the Audit and Risk Committee during the period.

Giustino (Tino) Guglielmo BEng (Mech)
Managing director from 1 February 2017, previously was Executive Director (Appointed 16 December 2014)

Mr Guglielmo is a Petroleum Engineer with over 39 years of technical, managerial and senior executive experience in Australia and internationally.

Mr Guglielmo was the CEO and Managing Director of two ASX listed companies; Stuart Petroleum Limited for seven years and Ambassador Oil & Gas Limited for three years. Both companies merged with larger ASX listed companies generating significant value for shareholders following the identification of compelling resource potential in their respective petroleum resource portfolios.

Mr Guglielmo also worked at Santos Limited, Delhi Petroleum Limited, and internationally with NYSE listed Schlumberger Corp. His experience spans the Cooper basin, Timor Sea, Gippsland basin, and exposure to US land and other international basins.

Mr Guglielmo was a member of the Resources and Infrastructure Task Force and the Minerals and Energy Advisory Council, both South Australian Government advisory bodies. He is a Fellow of the Institution of Engineers, Australia, a member of the Society of Petroleum Engineers and Australian Institute of Company Directors. Mr Guglielmo resigned as a director of Octanex Limited - on 17 July 2018.

Mr Guglielmo served on the Audit and Risk Committee during the period.

Hector M Gordon BSc (Hons)
Non-executive independent director (Appointed 23 October 2014)

Mr Gordon currently serves on the Board of Cooper Energy Limited as a Non-Executive Director.

Mr Gordon is a geologist with over 40 years of experience in the upstream petroleum industry, primarily in Australia and southeast Asia. Until June 2017 Mr Gordon was employed by Cooper Energy Limited as Executive Director - Exploration & Production.

DIRECTORS' REPORT (cont'd)

Mr Gordon's previous employers also include Beach Energy, Santos Limited, AGL Petroleum, TMOC Resources, Esso Australia and Delhi Petroleum Pty Ltd. He is currently a Non-Executive Director of Cooper Energy Limited, which is a substantial shareholder of Bass Oil Limited.

Mr Gordon is a member of the American Association of Petroleum Geologists and a member of the Society of Petroleum Engineers.

Mr Gordon served as Chair of the Audit and Risk Committee during the period.

Mark L Lindh - Non-executive independent director (Appointed 16 December 2014)

Mr Mark Lindh is a 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. He is currently a non-executive Chairman of Aerometrex Limited (ASX Code AMX) and a Non-Executive Director of Advanced Braking Technology Limited.

Mr Lindh served on the Audit and Risk Committee during the period.

INTERESTS IN THE SHARES & OPTIONS OF THE COMPANY

As at the date of this report, the interests of the Directors in the shares and options of Bass Oil Limited were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
P F Mullins	60,800,000	7,600,000
G Guglielmo	285,630,465	10,000,000
H M Gordon	25,266,668	2,500,000
M L Lindh	113,811,393	10,000,000

COMPANY SECRETARY

Mrs R Hamilton was appointed Company Secretary on the 31st March 2011. She has been a Chartered Accountant for over 25 years.

DIVIDENDS

During the year and to the date of this report, no dividends were recommended, provided for or paid.

PRINCIPAL ACTIVITY

The principal activity of the Group during the year was oil production from low cost oil production assets in Indonesia. The Company realigned its corporate strategy following the acquisition of a 55% interest in Tangai-Sukananti KSO, which contains producing assets located in the prolific oil and gas region of South Sumatra, Indonesia.

DIRECTORS' REPORT (cont'd)

OPERATING AND FINANCIAL REVIEW

Operating results for year

The Group's operating profit for the year ended 31 December 2019 after income tax was $398,418 (31 December 2018: loss of $419,615).

Review of Financial Condition

Liquidity

The Group's consolidated statement of cash flows for the year recorded a decrease of $212,686 (2018: decrease of $729,351) in cash and cash equivalents. The cash flows were derived from operating receipts of $5,064,484 (2018: $4,084,968) and capital raising net of transaction costs of $944,649 (2018: $nil).

There were cash outflows to suppliers and employees of $3,768,975 (2018: $4,420,433) and taxation paid of $486,512 (2018: $nil). Further cash outflows of deferred payments to Cooper Energy of $883,638 (2018: $369,550), and net cash outflows in investing activities of $940,023 (2018: $26,114) relating to expenditure on oil properties.

Cash assets at 31 December 2019 were $640,871 (2018: $854,117).

CHANGES IN THE STATE OF AFFAIRS

There have been no changes in the state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Since assuming the operator role at the Tangai-Sukananti KSO, Bass has highlighted a number of prospective targets and leads that warrant further testing and development.

The Company's view is that there is a substantial quantity of oil reserves that remain undeveloped, within the Bunian and Tangai Fields.

Subsequent Events – Refer to note 34 to the financial report for the details of subsequent events.

SHARE OPTIONS

Unissued shares

As at the date of this report there were 367,986,328 unissued ordinary shares under options (nil at 31 December 2018).

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

BAS maintains a directors and officers insurance policy and has paid an insurance premium for the policy. The contract of insurance prohibits disclosure of the amount of the premium and the nature of the liabilities insured. Pursuant to the constitution the Company has entered into Deeds of Indemnity with the Directors and Chief Financial Officer.

DIRECTORS' REPORT (cont'd)

INDEMNIFICATION OF OFFICERS AND AUDITORS

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

	Board Meetings		Audit and Risk Committee	
	Held	Attended	Held	Attended
P F Mullins	6	6	2	2
G Guglielmo	6	6	2	2
H M Gordon	6	6	2	2
M L Lindh	6	6	2	2

REMUNERATION REPORT (AUDITED) (31 December 2019)

This Remuneration Report outlines the director and executive remuneration arrangements of the Group in accordance with the *Corporations Act 2001* and its Regulations. For the purposes of this report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes the Company Secretary.

Details of Key Management Personnel (including executives of the Group)

(i) Directors

P F Mullins	Chairman
G Guglielmo	Managing Director
H M Gordon	Director (Non-executive)
M L Lindh	Director (Non-executive)

(ii) Executives

S J Brealey	Staff Geologist New Ventures
R M Hamilton	Company Secretary

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2019) (cont'd)

There have been no changes to key management personnel after 31 December 2019 and before the date the financial report was authorised for issue.

The Board of Directors ("the Board") is responsible for determining and reviewing remuneration arrangements for the directors and executives. No remuneration consultant was engaged nor was any remuneration advice sought during the period.

The Board assesses the appropriateness of the nature and amount of remuneration of executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from retention of a high quality, high performing executive team.

Remuneration Philosophy

The performance of the Company largely depends upon the quality of its directors and executives. To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

Remuneration policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders. The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually. The Board considers advice from external consultants if required, as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The Company's constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The latest determination was at the Annual General Meeting held on 3 October 2001, when shareholders approved an aggregate remuneration of AUD 250,000 per year.

Structure

The remuneration of non-executive directors consists of director's fees and committee fees for the non-executive director who chairs the Audit and Risk Committee. The payment of additional fees for chair of the Audit and Risk Committee recognises the additional time commitment required by a non-executive director who chairs a sub-committee. The non-executive directors also receive retirement benefits in the form of superannuation. There are no other retirement benefits, other than superannuation.

REMUNERATION REPORT (AUDITED) (31 December 2019) (cont'd)

The table below summaries the non-executive director remuneration (excluding superannuation):

Board fees	AUD
Chairman	75,000
Directors	50,000
Incremental Audit and Risk Committee fees	
Chairman	5,000

No other fees are paid for serving on Board committees or on boards of wholly owned subsidiaries.

Non-executive directors have been encouraged by the Board to hold shares in the Company.

The remuneration of non-executive directors for the period ending 31 December 2019 and 31 December 2018 is detailed in Table 1 and 2 respectively of this Remuneration Report.

Executive Remuneration

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company so as to:

- Reward executives for individual performance;
- Align the interests of executives with those of shareholders; and
- Ensure that total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board engages external consultants as needed to provide independent advice. No consultant was engaged in the current year.

Remuneration consists of fixed remuneration being base salary and superannuation and/or consultancy fees.

The proportion of base salary and superannuation and/or consultancy fees for each executive is set out in Table 1.

Fixed remuneration

Objective

Fixed remuneration is reviewed regularly by the Board, with access to external advice if required.

Structure

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and superannuation. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue costs for the Company. The fixed remuneration component of executives is detailed in Table 1.

DIRECTOR'S REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2019) (cont'd)

Employment contracts

Managing Director and Chief Executive Officer

Mr G Guglielmo was appointed Managing Director and Chief Executive Officer ("CEO") on 1 February 2017.

The Managing Director and CEO is employed under a rolling contract and under the terms of the contract, Mr Guglielmo receives fixed remuneration of AUD$300,000 per annum. If there is cause for termination, the Company can terminate the contract immediately without compensation, other than any employee entitlements up to the date of termination. Otherwise, the contract may be terminated at any time by either side giving six months notice in writing or by the Company paying six months salary in lieu of notice, unless mutually agreed.

Staff Geologist New Ventures

Dr S Brealey was appointed Staff Geologist New Ventures on 16 May 2018.

The Staff Geologist New Ventures is employed under a maximum term contract of 24 months and under the terms of the contract, Dr Brealey receives fixed remuneration of AUD$225,000 per annum. A short term incentive (STI) of up to 50% of his base salary will be payable in cash in July each year based upon performance against criteria to be agreed with the Managing Director.

If there is cause for termination, the Company can terminate the contract immediately without compensation, other than any employee entitlements up to the date of termination. Otherwise, the contract may be terminated at any time by either side giving three months notice in writing or by the Company paying three months salary in lieu of notice, unless mutually agreed.

Consultancy Services Agreements

The Group has entered into consultancy agreements with Robyn Hamilton.

Details of the agreements entered into by the Group and outstanding as at 31 December 2019 are set out below:

	Type	Details	Term
Robyn Hamilton	Consultancy	Minimum of 1 day per week at an agreed hourly rate, from 6 October 2014	The agreement is on a going forward basis with the Company being able to terminate the agreement, at no less than one month's notice.

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2019) (cont'd)

Company performance

The remuneration of Bass executives and contractors is not formally linked to financial performance measures of the Company. In accordance the Section 300A of the Corporations Act 2001 the following table summarises Bass' performance over a four and half year period:

Measure	Dec 2019	Dec 2018	Dec 2017 (6 months)	June 2017	June 2016
Net profit/(loss) $	398,418	(419,615)	(98,149)	(1,357,287)	(3,044,418)
Basic profit/(loss) per share ¢ per share *	0.000	(0.000)	(0.000)	(0.001)	(0.001)
Share price at the beginning of the year * $	0.003	0.003	0.001	0.001	0.002
Share price at the end of the year * $	0.003	0.003	0.003	0.001	0.001
Dividends per share ¢	Nil	Nil	Nil	Nil	Nil

* Prices have been rounded to three decimal points

Remuneration of key management personnel

No key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

Table 1: Remuneration for the year ended 31 December 2019

	Short-term benefits	Post employment	Share-based payments	Long-term benefits	
	Salary & fees	Superannuation	Options	Long service leave	Total
	USD	USD	USD	USD	USD
Non-executive Directors					
P F Mullins	52,491	4,987	-	-	57,478
H M Gordon	38,491	3,657	-	-	42,148
M L Lindh	34,990	3,324	-	-	38,314
Sub-total non-executive directors	125,972	11,968	-	-	137,940
Managing Director					
G Guglielmo	208,920	19,847	-	-	228,767
Other key management personnel					
S J Brealey	156,690	14,886	-	-	171,576
R M Hamilton	69,821	-	-	-	69,821
Sub-total key management personnel	226,511	14,886	-	-	241,397
Totals	**561,403**	**46,701**	**-**	**-**	**608,104**

REMUNERATION REPORT (AUDITED) (31 December 2019) (cont'd)

Remuneration of key management personnel (cont'd)

Table 2: Remuneration for the year ended 31 December 2018

	Short-term benefits	Post employment	Share-based payments	Long-term benefits	
	Salary & fees	Superannuation	Options	Long service leave	Total
	USD	USD	USD	USD	USD
Non-executive Directors					
P F Mullins	55,353	5,234	-	-	60,587
H M Gordon	40,592	3,839	-	-	44,431
M L Lindh	36,901	3,490	-	-	40,391
Sub-total non-executive directors	132,846	12,563	-	-	145,409
Managing Director					
G Guglielmo	224,590	21,211	-	-	245,801
Other key management personnel					
S J Brealey	104,546	9,932	-	-	114,478
R M Hamilton	69,016	-	-	-	69,016
Sub-total key management personnel	173,562	9,932	-	-	183,494
Totals	**530,998**	**43,706**	**-**	**-**	**574,704**

Table 3: Shareholdings of key management personnel

Shares held in Bass Oil Limited (number)

	1 January 2019 Balance at beginning of period	Purchases	Sales	31 December 2019 Balance at end of period
2019				
Directors				
P F Mullins	45,600,000	15,200,000	-	60,800,000
G Guglielmo	265,630,465	20,000,000	-	285,630,465
H M Gordon	20,266,668	5,000,000	-	25,266,668
M L Lindh [(a)]	93,811,393	20,000,000	-	113,811,393
	425,308,526	60,200,000	-	485,508,526
Other key management personnel				
S J Brealey	-	25,000,000	-	25,000,000
R M Hamilton	7,500,000	2,000,000	-	9,500,000

(a) Mr M Lindh's interest includes 26,885,000 (2018: 21,508,000) shares held directly and 86,926,393 (2018: 72,303,393) shares held indirectly by related parties, Marbel Capital Pty Ltd and Chesser Nominees Pty Ltd (2018: Marbel Capital Pty Ltd and Chesser Nominees Pty Ltd), all subsidiaries of Adelaide Equity Partners Ltd, a director related entity of Mr M Lindh.

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2019) (cont'd)

Remuneration of key management personnel (cont'd)

Options held in Bass Oil Limited (number)

	1 January 2019 Balance at beginning of period	Option issued	Options expired	Net change other	31 December 2019 Balance at end of period
2019					
Directors					
P F Mullins	-	7,600,000	-	-	7,600,000
G Guglielmo	-	10,000,000	-	-	10,000,000
H M Gordon	-	2,500,000	-	-	2,500,000
M L Lindh	-	10,000,000	-	-	10,000,000
Other key management personnel					
S J Brealey	-	12,500,000	-	-	12,500,000
R M Hamilton	-	1,000,000	-	-	1,000,000

Options

On 30 July as part of the Entitlement issue , options were issued to key management personnel as follows: P F Mullins 7,600,000; G Guglielmo 10,000,000; H M Gordon 2,500,000; M L Lindh 10,000,000; S J Brealey 12,500,000 and R M Hamilton 2,500,000.

Other transactions and balances with key management personnel and their related parties

In accordance with AASB 124: "Related Party Disclosures", key management personnel (KMP) have authority and responsibility for planning, directing and controlling the activities of the Bass Oil Limited. Hence, KMP are deemed to include the following:

- the non-executive Directors of Bass Oil Limited; and
- certain executives in the Managing Director's senior leadership team.

During the year the Group paid corporate advisory and investor relations fees to Adelaide Equity Partners Limited (a director related entity of Mr M Lindh) of $24,015 (31 December 2018: $34,522) and capital raising success fees to Adelaide Equity Partners Limited of $47,304 (31 December 2018: $nil) (both under a corporate advisory and investor relations mandate). The fees were provided under normal commercial terms and conditions. Amounts outstanding at balance date were $11,365 (31 December 2018: $nil). The Group has a corporate advisory & investor relations mandate with Adelaide Equity Partners. The mandate has a monthly retainer of A$5,000 per month and can be terminated at anytime by written notice to the other party.

During the year the Group paid rent to Adelaide Equity Partners Limited of $7,377 (31 December 2018: $3,985) (under a rental of premises mandate). The fees were provided under normal commercial terms and conditions. Amounts outstanding at balance date were $nil (31 December 2018: $nil).

HEALTH, SAFETY AND ENVIRONMENT

The Company has adopted an Environment Policy and a Safety Policy and conducts its operations in accordance with the Indonesian government regulations.

DIRECTORS' REPORT (cont'd)

HEALTH, SAFETY AND ENVIRONMENT (cont'd)

The Company's petroleum exploration and development activities are subject to environmental conditions specified by the Indonesian regulatory authorities. During the period there were no known contraventions by the Company of any relevant environmental regulations.

The Company considers all injuries are avoidable and has policies and procedures to ensure employees and contractors manage safety accordingly. There is a continuous process of monitoring and evaluating our procedures. During the year there were no recorded health and safety incidents.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement for the year ended 31 December 2019 may be accessed from the Company's website at www.bassoil.com.au.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the audit for the year ended 31 December 2019 is included on page 25.

Non-audit services

The Directors are satisfied that the provision of non-audit services, during the period, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Audit and Risk Committee, in conjunction with the Chief Financial Officer, assesses the provision of non-audit services by the auditors to ensure that the auditor independence requirements of the Corporation Act 2001 in relation to the audit are met.

Details of amounts paid or payable to the auditor for non-audit services provided during the period by the auditor are outlined in note 9 to the financial statements.

The directors are of the opinion that the services as disclosed in note 9 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit and Risk Committee, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Signed in accordance with a resolution of the Directors

Chairman
Melbourne, 31 March 2020

Deloitte.

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31 March 2020

The Board of Directors
Bass Oil Limited
Level 5
11 -19 Bank Place
MELBOURNE VIC 3000

Dear Board Members

Bass Oil Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Bass Oil Limited.

As lead audit partner for the audit of the financial report of Bass Oil Limited for the year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit

(ii) Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Darren Hall
Partner
Chartered Accountants

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Bass Oil Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity, are in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the year ended on that date; and

   (ii) complying with Accounting Standards and Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(c) the financial statements and notes comply with International Financial Reporting Standards as stated in Note 2(a).

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 31 December 2019.

On behalf of the Board

Chairman
Melbourne, 31 March 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2019

		Consolidated	
	Note	2019 $	2018 $
Revenue			
Oil revenue		5,052,319	3,838,237
Cost of oil sold		(2,398,969)	(2,395,667)
Gross profit		2,653,350	1,442,570
Other income			
Interest received		770	1,778
Operator fees		70,443	60,970
Other income	4	-	448,566
Total revenue and other income		2,724,563	1,953,884
Administrative expenses	5	(1,065,617)	(1,399,759)
Employee benefits expense	7	(859,472)	(622,220)
Finance costs	8	(58,709)	(31,686)
Profit/(loss) before income tax		740,765	(99,781)
Income tax expense	10(a)	(342,347)	(319,834)
Profit/(loss) for the year		398,418	(419,615)
Other comprehensive loss, net of income tax			
Items that may be reclassified to profit or loss		-	-
Other comprehensive loss, net of income tax		-	-
Total comprehensive profit/(loss) for the year		398,418	(419,615)
Basic and diluted earnings/(loss) per share	26	0.000	(0.000)

The above statement of comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Note	2019 $	2018 $
ASSETS			
Current Assets			
Cash and cash equivalents	11	640,871	854,117
Trade and other receivables	12	1,408,644	1,312,608
Other current assets	13	32,694	131,060
Inventories	14	277,357	55,944
Other financial assets	15	3,853	3,882
Total current assets		2,363,419	2,357,611
Non current assets			
Trade and other receivables	12	337,925	175,898
Other financial assets	15	27,469	27,312
Plant and equipment	16	1,769	3,178
Right of use assets	17	169,779	-
Oil properties	18	1,945,213	1,345,408
Total non-current assets		2,482,155	1,551,796
TOTAL ASSETS		4,845,574	3,909,407
LIABILITIES			
Current Liabilities			
Trade and other payables	21	1,296,255	751,391
Provisions	22	144,760	75,587
Lease liabilities		92,320	-
Provision for tax	10(e)	715,359	870,624
Borrowings	23	-	896,366
Total current liabilities		2,248,694	2,593,968
Non current liabilities			
Provisions	22	100,346	246,896
Lease liabilities		83,808	-
Total non current liabilities		184,154	246,896
TOTAL LIABILITIES		2,432,848	2,840,864
NET ASSETS		2,412,726	1,068,543
EQUITY			
Contributed equity	24	26,674,268	25,728,503
Reserves	33	3,129,996	3,129,996
Accumulated losses	25	(27,391,538)	(27,789,956)
TOTAL EQUITY		2,412,726	1,068,543

The above statement of comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2019

		Consolidated				
	Note	Contributed equity	Accumulated losses	Currency translation reserve	Share option reserve	Total
		$	$	$	$	$
At 1 January 2019		25,728,503	(27,789,956)	3,129,996	-	1,068,543
Net profit for the year		-	398,418	-	-	398,418
Total comprehensive income for the period		-	398,418	-	-	398,418
Shares issued		1,008,708	-	-	-	1,008,708
Transaction costs on share issues		(74,043)	-	-	-	(74,043)
Tax consequences of share issue costs		11,100	-	-	-	11,100
At 31 December 2019		26,674,268	(27,391,538)	3,129,996	-	2,412,726
At 1 January 2018		25,720,096	(27,502,223)	3,129,996	131,882	1,479,751
Net loss for the year		-	(419,615)	-	-	(419,615)
Total comprehensive income for the period		-	(419,615)	-	-	(419,615)
Transfer on expiry and cancellation of options			131,882		(131,882)	-
Tax consequences of share issue costs		8,407	-	-	-	8,407
At 31 December 2018		25,728,503	(27,789,956)	3,129,996	-	1,068,543

The above statement of comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2019

	Note	Consolidated 2019 $	2018 $
Cash flows from operating activities			
Receipts from customers		5,064,484	4,084,968
Payments to suppliers and employees		(3,768,975)	(4,420,433)
Interest received		770	1,778
Interest paid		(31,706)	-
Taxation paid		(486,512)	-
Net cash (used in)/provided by operating activities	32	778,061	(333,687)
Cash flows from investing activities			
Proceeds from plant and equipment	16	-	3,895
Oil properties expenditure	18	(940,023)	(26,834)
Purchase plant and equipment	16	-	(3,175)
Net cash (used in)/provided by investing activities		(940,023)	(26,114)
Cash flows from financing activities			
Proceeds from issue of shares and equity options		1,008,708	-
Payment share issue costs		(64,059)	-
Principal elements of lease payments		(111,740)	-
Payment of deferred consideration	23	(883,638)	(369,550)
Net cash (used in)/provided by financing activities		(50,729)	(369,550)
Net (decrease)/increase in cash and cash equivalents		(212,691)	(729,351)
Net foreign exchange differences		(555)	(24,361)
Cash and cash equivalents at the beginning of the year		854,117	1,607,829
Cash and cash equivalents at the end of the year	11	640,871	854,117

The above statement of comprehensive income should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

Note 1. Corporate Information

The consolidated financial statements of Bass Oil Limited ("Parent Entity" or "Company") and its controlled entities (collectively as "Consolidated Entity" or "the Group") for the year ended 31 December 2019 was authorised for issue in accordance with a resolution of the directors on 31 March 2020.

Bass Oil Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The nature of the operations and principal activities of the Group are oil production.

Note 2. Summary of Significant Accounting Policies

Basis of Preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in United States dollars, unless otherwise noted.

In the application of the Group's accounting policies, which are described below, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Going Concern

The consolidated financial statements have been prepared on the going concern basis, which assumes that the Group will be able to realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report.

For the year ended 31 December 2019 the Group made a profit after tax of $398,418 (31 December 2018: incurred a loss of $419,615), had a net cash inflow from operating activities of $778,061 (31 December 2018: outflows of $333,687) had a net cash outflow from investing activities of $940,023 (31 December 2018: $26,114) and a net cash outflow from financing activities of $50,729 (31 December 2018: $369,550). At 31 December 2019, the Group has a cash balance of $640,871 (31 December 2018: $854,117) and the current assets exceed current liabilities by $114,725 (31 December 2018: current liabilities exceed current assets by $236,357).

Subsequent to year end, the spot oil price has decreased significantly and the worldwide spread of COVID-19 along with current economic uncertainty has caused significant disruption to businesses and economic activity. The current low oil price environment and the subsequent quarantine measures imposed by the Australian and Indonesian governments, along with the travel and trade restrictions imposed by Australia and other countries in early 2020, are likely to have a negative impact on the operations of the Group in the year ending 31 December 2020.

The Group's key focus is to remain disciplined, ensuring the health and safety of our staff, whilst delivering and optimising, ongoing production throughout FY2020, whilst not compromising field integrity.

The Group has activated a Business Continuity Plan (BCP) during this period of significant health and economic uncertainty. The BCP includes contingency plans that will allow production operations to continue in the event of any of the field operations team contracting the virus.

Note 2. Summary of Significant Accounting Policies (cont'd)

As the situation remains fluid as at the date these financial statements are authorised for issue, the directors of the Group considered that the financial effects of COVID-19 and the current low oil price environment on the Group's consolidated financial statements cannot be reasonably estimated. Nevertheless, the economic effects arising from the COVID-19 outbreak and the current low oil price are expected to affect the consolidated results of the Group for the first half and full year of 2020.

The Group has implemented a number of cost control measures including the following:

- Deferring the drilling of Tangai-5;
- All discretionary capital expenditure not essential to maintaining the operation has been deferred to 2021;
- Focus on accelerating Cost Recovery approvals;
- Minimised the contractor workforce in the field as a result of decreasing non-essential tasks to sustain operations;
- Ensuring all expenditure is minimised, including eliminating any discretionary operational expenditure that is not cost recoverable;
- All director fees and executive director salary cut by 50% till March 2021; and
- Ongoing discussions with the Indonesian Tax office regarding the status of the current tax liability as disclosed in note 10 to the financial statements (plus any interest) with the objective of entering into a payment plan acceptable to both parties.

The Directors have prepared a cash flow forecast through to March 2021 which indicates that assuming the Group is successful in achieving the above matters; the Group will have sufficient cash to continue as a going concern.

The cash flow has been prepared using the current oil price and foreign exchange rates. Should the oil price fall below current levels, the Australian dollar appreciate against the US dollar above current levels, or should the Indonesian tax office not agree to enter into an acceptable payment plan for the current tax liability, the Group will be required to raise additional funds. At the date of signing this report, the Directors have reasonable grounds to believe that the Group will be able to raise further funds if required and that it is appropriate to prepare the financial report on the going concern basis.

Should the Group be unsuccessful in achieving the initiatives set out above, a material uncertainty would exist that may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

Note 2. Summary of Significant Accounting Policies (cont'd)

(a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law. The financial statements comprise the consolidated statements of the Group. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards.

(b) New Accounting Standards and Interpretations

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2019.

AASB 16 Leases

The group leases office space in Melbourne and Jakarta. The group also leases office equipment and motor vehicles in Jakarta.

Impact of application of AASB 16 Leases

AASB 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements. AASB 16 supersedes the lease guidance including AASB 117 Leases and the related Interpretations when it became effective for the accounting period beginning on 1 January 2019. The date of initial application of AASB 16 for the Company was 1 January 2019.

The Group has chosen the modified retrospective application of AASB 16 in accordance with AASB 16:C8(a). Consequently, the Group will not restate the comparative information.

In contrast to lessee accounting, AASB 16 substantially carries forward the lessor accounting requirements in AASB 117.

Impact of the new definition of a lease

The Group has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with

AASB 117 and Interpretation 4 will continue to apply to those leases entered or modified before 1 January 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset; and
- The right to direct the use of that asset.

The Group has applied the definition of a lease and related guidance set out in AASB 16 to all lease contracts entered into or modified on or after 1 January 2019.

Note 2. Summary of Significant Accounting Policies (cont'd)

(b) New Accounting Standards and Interpretations (cont'd)

In preparation for the first-time application of AASB 16, the Company has carried out an implementation project. The project has shown that the new definition in AASB 16 will not change significantly the scope of contracts that meet the definition of a lease for the Group.

Operating leases

AASB 16 has changed how the Group accounts for leases previously classified as operating leases under AASB 117, which were off-balance sheet.

On initial application of AASB 16, for all leases (except as noted below), the Group has:

a) Recognised Right-Of-Use assets (ROU Assets) and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;

b) Recognised depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss;

c) Separated the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated cash flow statement.

Under AASB 16 lease incentives (e.g. rent-free period) are recognised as part of the measurement of the right-of-use assets and lease liabilities. Previously, lease incentives resulted in the recognition of a lease liability incentive, amortised as a reduction of rental expenses on a straight-line basis.

Under AASB 16, right-of-use assets will be tested for impairment in accordance with AASB 136 Impairment of Assets. This replaces the previous requirement to recognize a provision for onerous lease contracts.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), the Group opted to recognise a lease expense on a straight-line basis as permitted by AASB 16.

As at 31 December 2018, the Group had non-cancellable lease commitments of $262,835 after removing arrangements that relate to leases which are of a short-term nature and leases of low-value assets, therefore the Group recognised ROU Assets with a net book value of $262,835 and corresponding lease liabilities of $262,835 at 1 January 2019. Rolling these balances forward to 31 December 2019, the Group recorded ROU Assets with a net book value of $169,779, and corresponding lease liabilities of $176,128.

The impact on profit or loss as at 31 December 2019 is to decrease administrative expenses by $195,250, to increase depreciation by $107,123, and to increase interest expense by $25,033.

Under AASB 117, all lease payments on operating leases were presented as part of cash flows from operating activities. The impact of the changes under AASB 16 resulted in an increase in the cashflows from operating activities by $111,740 and a decrease in cashflows from financing activities by $111,740.

The Group has made use of the practical expedient to not separate non-lease and lease components at the adoption date (AASB16.15).

Critical judgements required in the application of AASB 16

Determination of whether it is reasonably certain that an extension or termination option will be exercised

Note 2. Summary of Significant Accounting Policies (cont'd)

(b) New Accounting Standards and Interpretations (cont'd)

The Group reflected a reasonable expectation of the period over which the underlying asset will be used as this approach provides the most useful information to the readers of the financial statements.

For lease agreements with 12 months or less remaining from adoption date (1 January 2019), the Group has made an assessment on the terms over which it was reasonably certain to extend the agreements by including lease payments and length of lease.

Determination of whether variable payments are in-substance fixed

For lease agreements subject to lease payments with fixed increases, the Group factored in the fixed increases into its calculation of the lease liability. The Group has no lease agreements subject to lease payments based on a variable index.

Key sources of estimation uncertainty in the application of AASB 16

Determination of the appropriate rate to discount the lease payments

The Group estimated the incremental borrowing rates applicable to the lease portfolio, which is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment, by using a country and asset risk adjusted rate depending on the location and nature of the asset. The incremental borrowing rate applied to leases in Indonesia was 10.95% and the incremental borrowing rate on leases in Australia was 5%.

The following is a reconciliation of total operating lease commitments at 31 December 2018 to the lease liabilities recognised at 1 January 2019:

Operating lease commitments disclosed at 31 December 2018	735,480
Discounted using the incremental borrowing rate at the date of initial application	511,887
Less: short term leases recognised on a straight line basis as expense	(249,052)
Opening leases at 1 January 2019	262,835
The recognised right of use assets relate to the following types of assets:	
Office Premises	93,750
Office Computers	26,455
Motor Vehicles	142,630
Total	262,835

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of Bass Oil Limited and its subsidiaries as at 31 December each year (the Group).

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Note 2. Summary of Significant Accounting Policies (cont'd)

(c) Basis of consolidation (cont'd)

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

(d) Foreign currency translation

Transactions and balances

Transactions in currencies other than an entity's functional currency are initially recorded in the functional currency by applying the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in currencies other than an entity's functional currency are retranslated at the foreign exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognised in the income statement.

Foreign exchange differences that arise on the translation of monetary items that form part of the net investment in a foreign operation are recognised in the translation reserve in the consolidated financial statements.

Non-monetary assets and liabilities that are measured in terms of historical cost in currencies other than an entity's functional currency are translated using the exchange rate at the date of the initial transaction. Non-monetary assets and liabilities denominated in currencies other than an entity's functional currency that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The year-end exchange rate used for 31 December 2019 was A$/US$ 1:0.7006 (31 December 2018: 1:0.7058, 31 December 2017: 1:0.7800).

(e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and short term deposits with an original maturity of three months or less that are readily convertible to known cash amounts of cash which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(f) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

Note 2. Summary of Significant Accounting Policies (cont'd)

(f) Financial assets (cont'd)

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Note 2. Summary of Significant Accounting Policies (cont'd)

(f) Financial assets (cont'd)

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "finance income – interest income" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(h) Joint arrangements

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

(i) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Office furniture and equipment – over 3 to 10 years

Note 2. Summary of Significant Accounting Policies (cont'd)

(i) Plant and equipment (cont'd)

The assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, at each financial year end. Gains or losses on disposals are determined by comparing proceeds with the carrying amount and are included in profit or loss.

(j) Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Note 2. Summary of Significant Accounting Policies (cont'd)

(j) Leases (cont'd)

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(k) below.

(k) Impairment of non-financial assets other than indefinite life intangibles

Non-financial assets other than indefinite life intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Group conducts an annual internal review of asset values, which is used as a source of information to assess any indicators for impairment. If any impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an assets fair value less costs of disposal and value in use. Non-financial assets that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

(l) Oil properties

Oil properties are carried at cost including construction, installation of infrastructure such as roads and the cost of development of wells.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it's probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Oil properties are amortised on the Units of Production basis using the latest approved estimate of Proven (1P) Reserves. Amortisation is charged only once production has commenced. No amortisation is charged on areas under development where production has not yet commenced.

Note 2. Summary of Significant Accounting Policies (cont'd)

(m) Provision for restoration

The Group records the present value of its share of the estimated cost to restore operating locations. The provision is based on the net present value of the current agreed monthly payment to Pertamina to cover the anticipated obligations relating to the reclamation, waste site closure, plant closure, production facility removal and other costs associated with the restoration of the site. Pertamina is responsible for all restoration.

When the liability is recorded the carrying amount of the production asset is increased by the restoration costs which are depreciated over the producing life of the asset. Over time, the liability is increased for the change in the present value based on a risk free discount rate and monthly payment to Pertamina. The unwinding of the discount is recorded as an accretion charge within finance costs.

Any changes in the estimate of the provision for restoration arising from changes in the amount required to be paid to Pertamina or changes in the discount rate of the restoration provision are recorded by adjusting the provision and the carrying amount of the production or exploration asset and then depreciated over the producing life of the asset. Any change in the discount rate is applied prospectively.

(n) Trade and other payables

Trade payables and other payables are carried at amortised cost due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(o) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) Revenue recognition

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. Revenue is recognised and measured at the fair value of the consideration or contributions received, net of goods and service tax ("GST"), to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Sales revenue

Sales revenue is recognised on the basis of the Group's interest in a producing field ("entitlements" method), when the physical product and associated risks and rewards of ownership pass to the purchaser, which is at the time the oil is received at the Pertamina terminal. Revenue earned under a production sharing contract ("KSO") is recognised on a net entitlements basis according to the terms of the KSO.

Other income

Other income is recognised in profit or loss at the fair value of the consideration received or receivable, net of GST, when the significant risks and rewards of ownership have been transferred to the buyer or when the service has been performed.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Note 2. Summary of Significant Accounting Policies (cont'd)

(q) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short term employee benefits, are measured at their nominal values using the remuneration rate expected at the time of settlement.

(r) Income tax and other taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Note 2. Summary of Significant Accounting Policies (cont'd)

(r) Income tax and other taxes (cont'd)

Indonesian First Tranche Petroleum

A provision for deferred income tax payable related to tax potentially payable by the Group on its share of First Tranche Petroleum which has already been recovered from Tangai-Sukananti KSO production. This tax is payable in the event the contractors exhaust the pool of cost recovery prior to expiry of the KSO. The cost recovery pool has been exhausted during the year and tax is now payable.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST or VAT except:

- when the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST or VAT included.

The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST or VAT recoverable from, or payable to, the taxation authority.

(s) Earnings per share

Basic earnings per share is calculated as net profit/(loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

(t) Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These accounting policies have been consistently applied by each entity in the consolidated entity, and the estimates and underlying assumptions are reviewed on an ongoing basis.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

(i) Impairment of Oil Property Assets

Oil properties impairment testing requires an estimation of the value in use of the cash generating unit to which deferred costs have been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. Other assumptions used in the calculations which could have an impact on future years includes available reserves and oil prices.

Note 2. Summary of Significant Accounting Policies (cont'd)

(t) Critical accounting estimates and judgements (cont'd)

(ii) Useful Life of Oil Property Assets

As detailed at Note 2 (l) in the Annual Report, oil properties are amortised on the Units of Production basis using the latest approved estimate of Proven (1P) Reserves. Amortisation is charged only once production has commenced. No amortisation is charged on areas under development where production has not yet commenced. Estimates of reserve quantities are a critical estimate impacting amortisation of oil property assets.

(iii) Estimates of Reserve Quantities

The estimated quantities of Proven and Probable hydrocarbon reserves reported by the Company are integral to the calculation of the amortisation expense relating to oil properties, and to the assessment of possible impairment of these assets. Estimated reserve quantities are based upon interpretations of geological and geophysical models and assessments of the technical feasibility and commercial viability of producing the reserves. These assessments require assumptions to be made regarding future development and production costs, commodity prices, exchange rates and fiscal regimes. The estimates of reserves may change from period to period as the economic assumptions used to estimate the reserves can change from period to period, and as additional geological data is generated during the course of operations. Reserves estimates are prepared in accordance with the Company's policies and procedures for reserves estimation which conform to guidelines prepared by the Society of Petroleum Engineers.

Note 3. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise receivables, payables, cash, deposits and borrowings.

The Group manages its exposure to key financial risks, including oil price, interest rate and currency risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, commodity price risk, credit risk and liquidity risk. The Group uses different methods to measure and manage different types of risk to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rates, foreign exchange and commodity prices. The risks are summarised below.

Primarily responsibility for identification and control of financial risks rests with the Managing Director under the authority of the Board. The Board reviews and agrees management's assessment for managing each of the risks identified below.

The carrying amounts and net fair values of the Group's financial assets and liabilities at 31 December 2019 are cash and cash equivalents $640,871, trade and other receivables $1,746,569, other financial assets $31,322, trade and other payables $1,296,255.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, commodity price risk and interest rate risk. Financial instruments affected by market risk include deposits, trade and other receivables, trade and other payables, and borrowings.

The sensitivity analyses in the following sections relate to the position as at 31 December 2019.

Note 3. Financial Risk Management Objectives and Policies (cont'd)

The sensitivity analyses have been prepared on the basis that the amount of the financial instruments in foreign currencies is all constant. The sensitivity analyses are intended to illustrate the sensitivity changes in market variables on the Group's financial instruments and show the impact on profit and loss and shareholders' equity, where applicable.

Foreign currency risk

The Group has transactional currency exposure arising from corporate costs which are denominated in Australian dollars (AUD), and oil sales costs which are denominated in Indonesian Rupiah (IDR) and United States dollars. The Group does not undertake any hedging activities.

The Group owns oil production assets in Indonesia and is exposed to foreign currency risk arising from various currency exposures, to the United States dollar.

The Board approved the policy of holding certain funds in United States dollars to manage foreign exchange risk. The Group's exposure to foreign exchange risk at the reporting date was as follows:

	31 December 2019	
	AUD $	IDR $
Financial assets:		
Cash and cash equivalents	342,728	131,213
Trade and other receivables	1,402	334,455
Financial liabilities:		
Trade and other payables	156,368	934,082

At the reporting date, if the currencies set out in the table above, strengthened or weakened against the United States dollar by the percentage shown, with all other variables held constant, net profit for the year would increase/(decrease) and net assets would increase/(decrease) by:

	31 December 2019	
	AUD $	IDR $
Impact on post tax profit		
Exchange rate +10%	18,776	(46,841)
Exchange rate -10%	(18,776)	46,841
Impact on equity		
Exchange rate +10%	18,776	(46,841)
Exchange rate -10%	(18,776)	46,841

Management believes the risk exposures as at the reporting date are representative of the risk exposure inherent in the financial instruments. A movement of +/− 10% is selected because a review of recent exchange rate movements and economic data suggests this range is reasonable.

Note 3. Financial Risk Management Objectives and Policies (cont'd)

Commodity Price Risk

The Group is exposed to commodity price fluctuations through the sale of petroleum products denominated in US dollars. The Group may enter into commodity crude oil price swap and option contracts to manage its commodity price risk.

If the US dollar oil price changed by +/-10% from the average oil price during the period, with all other variables held constant, the estimated impact on post-tax profit and equity would have been:

	31 December 2019 $
Impact on post tax profit	
USD oil price +10%	505,232
USD oil price -10%	(505,232)
Impact on equity	
USD oil price +10%	505,232
USD oil price -10%	(505,232)

Interest rate risk

The Group's exposure to market interest rates is related primarily to the Group's cash and cash equivalents.

The Group constantly analyses its interest rate opportunity and exposure. Within analysis consideration is given to existing positions and alternative arrangement on fixed or variable deposits.

The following sensitivity analysis is based on the interest rate opportunity/risk in existence at reporting date.

At reporting date, if interest rates changed by +/- 1%, with all other variables held constant, the estimated impact on post-tax profit and equity would have been:

	31 December 2019 $
Impact on post tax profit	
Interest rates +1%	6,409
Interest rates - 1%	(6,409)
Impact on equity	
Interest rates +1%	6,409
Interest rates -1%	(6,409)

A movement of + and-1% is selected because this is historically within the range of rate movements and available economic data suggests this range is reasonable.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Note 3. Financial Risk Management Objectives and Policies (cont'd)

Liquidity risk (cont'd)

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk framework for the management of the Group's short, medium and longer term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate banking facilities through monitoring of future rolling cash flow forecasts of its operations, which reflect management's expectations of the settlement of financial assets and liabilities.

The financial liabilities are trade and other payables, and borrowings. At 31 December 2019, the Group had $1,296,255 (2018: $751,391) in trade and other payables. Trade payables are non-interest bearing and have a contractual maturity of less than 30 days. At 31 December 2019 the Group had borrowings of $nil (2018: $896,366) which are incurring interest at nil (2018: 7.5%).

The only financial assets are cash and cash equivalents, trade and other receivables, and other financial assets. At 31 December 2019, the Group had $640,871 (2018: $854,117) in cash and cash equivalents, $1,746,569 (2018: $1,488,506) in trade and other receivables, and $31,322 (2018: $31,194) in other financial assets.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate	Less than one year	One to two years	Greater than two years	Total
	%	$	$	$	$
31 December 2019					
Trade and other payables	-	1,296,255	-	-	1,296,255
Borrowings	-	-	-	-	-
31 December 2018					
Trade and other payables	-	751,391	-	-	751,391
Borrowings	7.50	896,366	-	-	896,366

Credit risk

Credit risk arises from financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables, and other financial assets.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk without taking account of any collateral or other security obtained.

In addition, receivable balances are monitored on an ongoing basis with the result being that the Group's exposure to bad debts is not significant. Currently there are no receivables that are impaired or past due but not impaired.

Note 3. Financial Risk Management Objectives and Policies (cont'd)

Credit risk (cont'd)

Apart from Pertamina, the Indonesian State owned oil Company, the largest customer of the Group, the Group does not have significant credit risk exposure to any other counterparty.

The credit risk on liquid funds is banks with high ratings assigned by international credit rating agencies.

Fair value of financial instruments

The Directors consider that the carrying amount of the financial assets and liabilities recorded in the financial statements approximate their fair values unless otherwise stated.

Capital management

Capital is defined as equity. When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders.

The Group will seek to raise further capital, if required, to fund its future strategy for the development of the Tangai-Sukananti field.

The Group is not subject to any externally imposed capital requirements.

Note 4. Other Income

	Note	Consolidated 2019 $	Consolidated 2018 $
Recovery of Consultancy fees		-	4,050
Royalty revenue		-	311,632
Net foreign exchange gains		-	132,884
		-	448,566

Note 5. Administrative Expenses

	Note	Consolidated 2019 $	Consolidated 2018 $
Audit and tax fees	9	58,107	69,179
Consultants fees other		298,392	352,120
Corporate related costs		54,170	71,853
Directors' remuneration		138,001	145,409
Foreign exchange losses		13,459	-
Insurance		21,067	28,173
Legal expenses		46,325	132,527
Operating lease costs		-	69,409
Travel		125,618	158,330
Other administrative expenses		310,478	372,759
		1,065,617	1,399,759

Note 6. Depreciation and Amortisation

Depreciation and amortisation included in the profit and loss is as follows:

	Note	Consolidated 2019 $	Consolidated 2018 $
Depreciation plant and equipment	16	1,361	1,156
Depreciation of right of use assets	17	107,123	-
Amortisation of oil properties	18	340,218	201,171
		448,702	202,327

Note 7. Employee Benefits Expense

	Note	Consolidated 2019 $	Consolidated 2018 $
Wages and salaries		717,880	606,031
Superannuation		34,733	31,143
Provision for annual leave		3,862	4,041
Medical expense		8,990	5,808
Termination benefits		89,178	(27,425)
Workers' compensation		2,497	2,622
Payroll tax		2,332	-
		859,472	622,220

Note 8. Finance Costs

	Note	Consolidated 2019 $	Consolidated 2018 $
Interest on borrowings		31,706	6,671
Interest on leases		25,033	-
Accretion interest		1,970	25,015
		58,709	31,686

Note 9. Auditor's Remuneration

	Note	Consolidated 2019 $	Consolidated 2018 $
Amounts received or due and receivable by Deloitte for:			
An audit or review of the financial report of the entity paid to:			
Deloitte Touche Tohmatsu Australia		45,463	43,823
Deloitte Touche Tohmatsu Indonesia		11,220	13,280
		56,683	57,103
The auditor of Bass Oil Limited is Deloitte Touche Tohmatsu			
Tax services paid to Deloitte Touche Tohmatsu Australia		1,424	12,076
Total		58,107	69,179

Note 10. Income Tax

		Note	Consolidated 2019 $	Consolidated 2018 $
(a)	**Income tax recognised in profit or loss**			
	Current tax			
	In respect of the current financial year		331,247	311,427
	Deferred tax			
	In respect of the current financial year		11,100	8,407
	Total income tax expenses recognised in profit or loss		342,347	319,834
	The income tax expense for the year can be reconciled to the accounting profit or loss as follows:			
	Profit/(loss) before tax		740,765	(99,781)
	Income tax calculated at 30% (2018: 30%)		222,230	(29,934)
	Difference in tax rates		82,812	77,857
	Cost recovery profit that is not liable to income tax in Indonesia		(281,018)	(15,470)
	Other		-	54,891
	Current financial year temporary differences not recognised		14,980	(15,480)
	Current year revenue tax losses not recognised		303,343	247,970
	Income tax expense recognised in the profit or loss		342,347	319,834
(b)	**Recognised deferred tax assets and (liabilities)**			
	Deferred tax assets and (liabilities) are attributable to the following:			
	Other assets		(9,271)	(6,887)
	Trade and other payables		7,717	8,999
	Provisions		1,792	601
	Share issue costs		22,983	11,870
			23,220	14,583
	Net deferred tax assets not recognised		(23,220)	(14,583)
	Net deferred tax assets and (liabilities)		-	-
(c)	**Unrecognised deferred tax assets**			
	Deferred tax assets have not been recognised in respect of the following items:			
	Temporary differences		23,220	14,583
	Revenue tax losses		5,193,647	4,890,304
	Capital tax losses		162,679	163,887
			5,379,546	5,068,774

Note 10. Income Tax (cont'd)

Deferred tax assets have not been recognised in respect to these items as it is not probably at this time that future taxable profits will be available against which the group can utilise the benefit.

		Note	Consolidated 2019 $	Consolidated 2018 $
(d)	**Movement in recognised net deferred tax assets**			
	Opening balance		-	-
	Recognised in equity		(11,100)	(8,407)
	Recognised in income		11,100	8,407
	Closing balance		-	-
(e)	**Movement in provision for tax**			
	Opening balance		870,624	559,197
	Current tax expense		331,247	311,427
	Less payments		(486,512)	-
	Closing balance		715,359	870,624

The provision for tax relates to income tax payable in Indonesia. The tax only becomes payable when there are no cost recoveries available to be carried forward at the end of the tax year in Indonesia (31 December). There were no cost recoveries available to be carried forward at 31 December 2018, meaning that the tax was payable on 30 April 2019. The Group has entered into discussions with the Indonesian tax office regarding a payment plan for the tax provision of $715,359.

The provision for tax covers the tax years from 2010 to 2019.

Note 11. Cash and Cash Equivalents

	Note	Consolidated 2019 $	Consolidated 2018 $
Cash at bank and in hand		640,871	854,117
		640,871	854,117

Note 12. Trade and Other Receivables

	Note	Consolidated 2019 $	2018 $
Current			
Trade debtors (1)		1,072,787	913,619
Other receivables		7,110	7,690
Goods and services tax		1,402	5,514
Value-added tax		327,345	385,785
		1,408,644	1,312,608
Non-current			
Other receivables		337,925	175,898
		337,925	175,898

(i) At balance date, there are no trade receivables that are past due but not impaired. Due to the short term nature of these receivables, their carrying value approximates fair value. Trade receivables are non-interest bearing and are generally on 60 day terms. Details regarding the credit risk of receivables are disclosed in Note 3. All sales from the Tangai-Sukananti KSO are to Pertamina, the Indonesia State owned oil Company.

Note 13. Other Current Assets

	Note	Consolidated 2019 $	2018 $
Prepayments		26,580	56,794
Accrued revenue		6,114	74,266
		32,694	131,060

Note 14. Inventories

	Note	Consolidated 2019 $	2018 $
Oil inventories in tank (at cost)		59,650	31,438
Maintenance spares (at cost)		217,707	24,506
		277,357	55,944

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

Note 15. Other Financial Assets

	Note	Consolidated 2019 $	Consolidated 2018 $
Current			
Security deposit		3,853	3,882
		3,853	3,882
Non-current			
Security deposit		27,469	27,312
		27,469	27,312

Note 16. Plant and Equipment

	Note	Consolidated 2019 $	Consolidated 2018 $
Office equipment, furniture and fittings			
Opening balance, net of accumulated depreciation		3,178	1,775
Purchases		-	3,175
Disposals		-	-
Foreign exchange movement		(47)	(616)
Depreciation charge for the year	6	(1,362)	(1,156)
Closing balance, net of accumulated depreciation		1,769	3,178
Cost		32,002	32,457
Accumulated depreciation		(30,233)	(29,279)
Net carrying amount		1,769	3,178

Note 17. Leases

(a) Right of Use Assets

Consolidated	Office Premises	Computers	Motor Vehicles	Total
Opening balance	93,750	26,455	142,630	262,835
Depreciation	(34,855)	(16,459)	(55,809)	(107,123)
Foreign exchange movement	4,533	1,440	8,094	14,067
Closing balance, net of accumulated depreciation	63,428	11,436	94,915	169,779

Note 17. Leases (cont'd)

The Group leases several assets including buildings, IT equipment and vehicles. The average lease term is 3 years (2018: 3 years).

Amounts recognised in profit and loss

	31 December 2019
Depreciation expense on right-of-use assets	107,123
Interest expense on lease liabilities	25,033
Expense relating to short term leases	4,517
Expense relating to leases of low value assets	-

The total cash outflow for leases amounts to $111,740.

(b) Lease Liabilities

	31 December 2019
Current	92,320
Non-current	83,808
	176,128

Maturity analysis:

	31 December 2019
Year 1	92,320
Year 2	69,563
Year 3	14,245
Year 4	-
Year 5	-
Onwards	-
	176,128

Note 18. Oil Properties

	Note	Consolidated 2019 $	Consolidated 2018 $
Tangai-Sukananti KSO		1,945,213	1,345,408
		1,945,213	1,345,408
Movement in the carrying value of oil properties			
Balance at the beginning of year		1,345,408	1,523,640
Expenditure during the period		940,023	26,834
Disposals during the period		-	(3,895)
Depreciation, depletion and amortisation	6	(340,218)	(201,171)
Balance at the end of year		1,945,213	1,345,408

Note 19. Subsidiaries

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31 Dec 19	31 Dec 18
BSOC Business Services Pty Ltd	Non-operating	Australia	100%	100%
Bass Oil Sukananti Ltd	Oil Producer	British Virgin Islands	100%	100%

Note 20. Joint Arrangements

Name of Joint Venture	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31 Dec 19	31 Dec 18
Tangai-Sukananti KSO (i)	Oil Producer	Indonesia	55%	55%

(i) Joint arrangements in which Bass Oil Limited is the operator.

Note 21. Trade and Other Payables

	Note	Consolidated 2019 $	2018 $
Current			
Trade payables (i)		328,387	191,955
Other payables		967,868	559,436
		1,296,255	751,391

(i) The Group settles creditors on average within 30 days and no interest is charged.

Note 22. Provisions

	Note	Consolidated 2019 $	Consolidated 2018 $
Current			
Employee benefits		144,760	75,587
		144,760	75,587
Non-current			
Restoration		92,519	246,896
Make Good		7,827	-
		100,346	246,896

Movement in the carrying value of restoration provision

	Note	Consolidated 2019 $	Consolidated 2018 $
Balance at the beginning of year		246,896	281,160
Re-estimation of liability		(140,989)	-
Expenditure during the period		(15,358)	(40,532)
Accretion interest		1,970	6,268
Balance at the end of year		92,519	246,896

The restoration provision was agreed with Pertamina EP and will be fully paid when the license expires in July 2025.

Note 23. Borrowings

	Note	Consolidated 2019 $	Consolidated 2018 $
Current		-	896,366
Non-current		-	-
		-	896,366

The acquisition of Bass Oil Sukananti Limited formally Cooper Energy Sukananti Limited from Cooper Energy Limited (a shareholder and director related entity) was agreed and approved by shareholders at a Special General Meeting on 13 February 2017. The transaction was settled on the 28 February 2017 with the payment of AUD 500,000 cash and the issue of 180,000,000 ordinary shares, valued at AUD 360,000. Additionally, a deferred settlement of AUD 2,270,000 was agreed to be paid by 31 December 2018. The Company paid the first repayment of AUD 500,000 in December 2017 and the second repayment of AUD 500,000 in June 2018.

The Company secured an extension of 6 months for the remaining payments. The timetable for a third payment of AUD 500,000, due 30 September 2018, was paid on the 30 April 2019 and the fourth and final payment of AUD 770,000, due 31 December 2018, was paid on the 31 July 2019. The Company paid Cooper Energy an interest cost of 7.5% per annum on the outstanding AUD1,270,000 over the period of the deferral. The deferred settlement was secured by a registered charge over the shares the Company holds in Bass Oil Sukananti Limited. The security has been released.

Note 24. Contributed Equity

	2019 Shares	2018 Shares	2019 $	2018 $
Issued and paid up capital				
Ordinary share fully paid	2,606,167,481	2,606,167,481	25,728,503	25,728,503
Movements in ordinary shares on issue				
Ordinary shares on issue at beginning of period	2,606,167,481	2,606,167,481	25,728,503	25,720,096
Issue of ordinary shares	735,972,615	-	1,008,708	-
Transaction costs		-	(74,043)	-
Tax consequences of share issues costs	-	-	11,100	8,407
Ordinary shares on issue at end of period	3,342,140,096	2,606,167,481	26,674,268	25,728,503

On 5 July 2019 the Company issued 75,000,000 ordinary shares in a private placement to sophisticated and professional investors through the issue of New Shares at A$0.002 per share. The placement included a 1 for 2 free attaching option exercisable at A$0.004 on or before 30 July 2021. The placement raised $105,300 before costs.

On 30 July 2019 the Company issued 240,972,615 ordinary shares in a non-renounceable entitlement offer of new shares on a 1 for 2 basis, at an issue price of A$0.002 per share. The Rights Issue included a 1 for 2 free attaching option exercisable at A$0.004 on or before 30 July 2021.

On 8 October 2019 the Company issued 195,000,000 ordinary shares and on 23 October 2019 the Company issued 225,000,000 ordinary shares, both as part of the shortfall shares from the Rights Issue. In total the rights issue raised $903,408 before costs and expenses.

Terms and Conditions of Contributed Equity

Ordinary shares entitle the holder to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Share Options on Issue

As at 31 December 2019, the Company has 367,986,328 (2018: nil) share options on issue, exercisable on a 1:1 basis for 367,986,328 (2018: nil) ordinary shares of the Company at an exercise price of A$0.004 and an expiry date of 31 July 2021.

	Note	Consolidated	
		2019 Options	2018 Options
Movements in options on issue			
Balance at the beginning of year		-	-
Options issued		367,986,328	366,688,205
Options exercised		-	-
Options expired and cancelled		-	(366,668,205)
Closing value		367,986,328	-

Note 25. Accumulated Losses

	Note	Consolidated 2019 $	Consolidated 2018 $
Balance at the beginning of year		(27,789,956)	(27,502,223)
Net profit/(loss)		398,418	(419,615)
Options expired and cancelled		-	131,882
Balance at the end of year		(27,391,538)	(27,789,956)

Note 26. Earnings per Share

The following reflects the income used in the basic earnings per share computations.

	Note	Consolidated 2019 $	Consolidated 2018 $
Basic earnings/(loss) per share		0.000	(0.000)
Net profit/(loss) attributable to ordinary equity shareholders of the parent		398,418	(419,615)

	Note	2019 $	2018 $
Issued ordinary shares at 1 January		2,606,167,481	2,606,167,481
Effect of shares issued July 2019		138,451,459	-
Effect of shares issued October 2019		87,410,959	-
Weighted average number of ordinary shares at 31 December		2,832,029,899	2,606,167,481

Note 27. Key Management Personnel Disclosures

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Note	Consolidated 2019 $	Consolidated 2018 $
Short-term employee benefits		561,403	530,998
Post-employment benefits		46,701	43,706
		608,104	574,704

(a) Employment agreements

The Group may terminate Mr Guglielmo’s employment agreement by giving six months’ notice. The Group has a contingent liability of $115,000 (2018: $116,000) in relation to this agreement, if Mr Guglielmo is not required to work out the notice period.

The Group may terminate Dr Brealey’s employment agreement by giving three months’ notice. The Group has a contingent liability of $43,000 (2018: $43,000) in relation to this agreement, if Dr Brealey is not required to work out the notice period.

Note 29. Parent Entity Disclosures

Information relating to Bass Oil Limited

	Parent	
	2019 $	2018 $
Current assets	404,242	477,256
Total assets	2,606,217	2,680,639
Current liabilities	162,343	1,025,995
Total liabilities	2,866,962	2,851,970
Net assets	(260,745)	(171,331)
Contributed equity	26,674,268	25,728,504
Foreign exchange reserve	3,129,996	3,129,996
Accumulated losses	(30,065,009)	(29,029,831)
Total shareholder's equity	(260,745)	(171,331)
Loss of the parent entity	(1,035,178)	(755,352)
Total comprehensive income/(loss) of the parent entity	(1,035,178)	(755,352)

The Parent Entity has a net asset deficiency of $260,745 as at 31 December 2019.

The commitments and contingencies of the parent entity are the same as disclosures in Note 28 excluding the commitments relating to Tangai-Sukananti KSO.

Note 30. Related Party Disclosures

Terms and conditions of transactions with related parties other than KMP

During the year the Group paid corporate advisory and investor relations fees to Adelaide Equity Partners Limited (a director related entity of Mr M Lindh) of $24,015 (31 December 2018: $34,522) and capital raising success fees to Adelaide Equity Partners Limited of $47,304 (31 December 2018: $nil) (both under a corporate advisory and investor relations mandate). The fees were provided under normal commercial terms and conditions. Amounts outstanding at balance date were $11,365 (31 December 2018: $nil). The Group has a corporate advisory & investor relations mandate with Adelaide Equity Partners. The mandate has a monthly retainer of A$5,000 per month and can be terminated at anytime by written notice to the other party.

During the year the Group also paid rent to Adelaide Equity Partners Limited of $7,377 (31 December 2018: $3,985) (under a rental of premises mandate). The fees were provided under normal commercial terms and conditions. Amounts outstanding at balance date were $nil (31 December 2018: $nil).

Note 30. Related Party Disclosures (cont'd)

The acquisition of Bass Oil Sukananti Limited formally Cooper Energy Sukananti Limited from Cooper Energy Limited (a shareholder and director related entity) was agreed and approved by shareholders at a Special General Meeting on 13 February 2017. The transaction was settled on the 28 February 2017 with the payment of AUD 500,000 cash and the issue of 180,000,000 ordinary shares, valued at AUD 360,000. Additionally, a deferred settlement of AUD 2,270,000 was agreed to be paid by 31 December 2018. The Company paid the first repayment of AUD 500,000 in December 2017 and the second repayment of AUD 500,000 in June 2018.

The Company secured an extension of 6 months for the remaining payments. The timetable for a third payment of AUD 500,000, due 30 September 2019, was paid on the 30 April 2019 and the fourth and final payment of AUD 770,000, due 31 December 2019, was paid on the 31 July 2019. The Company paid Cooper Energy an interest cost of 7.5% per annum on the outstanding AUD1,270,000 over the period of the deferral. The deferred settlement was secured by a registered charge over the shares the Company holds in Bass Oil Sukananti Limited. The security has been released.

Note 31. Segment Information

For management purposes there is only one operating segment, which is oil production.

The chief operating decision maker only reviews consolidated financial information. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board.

The Board does not currently receive segment Statement of Financial Position and Statement of Comprehensive Income information. For exploration activities the Board managed each exploration activity of each permit through review and approval of joint venture cash calls, Authority for Expenditure (AFE's) and other operational information. For oil production (from the Tangai–Sukananti KSO located in South Sumatra Basin in Indonesia) the Board manages the activity through review of production details, review and approval of the joint venture cash calls and other operational information.

The result for the year ended 31 December 2019 was from oil production.

The consolidated entity operates in the oil and gas industry in Indonesia.

The consolidated assets and liabilities as at 31 December 2019 and 2018 relate to oil production.

For the current financial year, the Group's revenue of $5,052,319 was received from the sale of oil in Indonesia to Pertamina EP (the Indonesian State owned oil Company).

Note 32. Reconciliation of Cash Flows from Operating Activities

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank, and short term deposits at call.

Reconciliation of profit after income tax to net cash provided/used in operating activities

	Note	Consolidated 2019 $	Consolidated 2018 $
Net profit/(loss) after tax		398,418	(419,615)
Adjustments for:			
Depreciation	6	108,485	1,156
Amortisation		340,213	201,171
Impairment of receivables		-	182,974
Accretion interest		27,003	24,927
Non-cash decrease in provision		(204,658)	-
Foreign exchange adjustment		(26,315)	(98,854)
		643,146	(108,241)
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		(258,064)	(375,092)
Decrease/(increase) in other assets		98,366	(66,361)
(Increase) in inventories		(221,413)	49,000
Increase/(decrease) in provisions		125,311	(124,165)
Increase/(decrease) in trade and other payables		534,880	(28,662)
(Decrease)/increase in provision for tax		(155,265)	311,427
Increase in deferred tax		11,100	8,407
Net cash flows used in operating activities		778,061	(333,687)

Note 33. Reserves

	Note	Consolidated 2019 $	Consolidated 2018 $
Currency translation reserve (i)		3,129,996	3,129,996
		3,129,996	3,129,996

(i) The Currency translation reserve was recognised at 31 December 2017 with the change in functional and presentational currency to USD. In order to derive US dollar opening balances, the Australian dollar functional currency assets and liabilities at 1 July 2017 were converted at the spot rate of US$1:A$0.77 on the reporting date; and the contributed equity, reserves and retained earnings were converted at applicable historical rates and the difference has given rise to the recognition of the Currency translation reserve.

Note 34. Subsequent Events

The current low oil price environment together with the outbreak of COVID-19 and the subsequent quarantine measures imposed by the Australian and Indonesian governments as well as the travel and trade restrictions imposed by Australia and other countries in early 2020 have caused disruption to businesses and economic activity. The Group considers this to be a non-adjusting post balance sheet event.

This has had a negative impact on the operations of the Group. The Group's operations are located in Australia and Indonesia.

In regard to COVID-19 and the current lower oil price environment, the Group's key focus is to remain disciplined, ensuring the health and safety of our staff, whilst delivering and optimising, ongoing production throughout CY2020, whilst not compromising field integrity. The Group is of the view that the current depression in oil prices has been exacerbated by external forces, which will inevitably result in a correction in due course, at which time, the Group will be positioned to take advantage of attractive opportunities.

The Group is committed to supporting government and community efforts to limit the spread of the virus, and supporting business continuity with regard to its staff and contractors.

The Group has activated a Business Continuity Plan (BCP) during this period of significant health and economic uncertainty. The Group has implemented a series of measures to protect the health and safety of our people, including health screening protocols, restricting travel and meetings, implementing social distancing measures and making changes to field and office access arrangements. The BCP includes contingency plans that will allow production operations to continue in the event of any of the field operations team contracting the virus.

As the situation remains fluid (due to continuing changes in government policy and evolving business and customer reactions thereto) as at the date these financial statements are authorised for issue, the directors of the Group considered that the financial effects of COVID-19 and the current low oil price environment on the Group's consolidated financial statements cannot be reasonably estimated. Nevertheless, the economic effects arising from the COVID-19 outbreak and the current low oil price are expected to affect the consolidated results of the Group for the first half and full year of 2020.

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the entity in subsequent financial years.

Note 35. General Information

Bass Oil Limited (the Company) is a listed public company incorporated in Australia. The address of its registered office and principle place of business is as follows:

Level 5
11-19 Bank Place
Melbourne, VIC, 3000
Australia

Deloitte Touche Tohmatsu
ABN 74 490 121 060
11 Waymouth Street
Adelaide, SA, 5000
Australia

Phone: +61 8 8407 7000
www.deloitte.com.au

Independent Auditor's Report to the members of Bass Oil Limited

Opinion

We have audited the financial report of Bass Oil Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 December and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

As stated in Note 2 to the financial report, a significant decrease in the price of oil subsequent to 31 December 2019, along with the other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our procedures in relation to going concern included, but were not limited to:

- Inquiring of management and the directors in relation to events and conditions that may impact the assessment on the Group's ability to continue as a going concern;

- Challenging the assumptions contained in management's cash flow forecast in relation to the Group's ability to continue as a going concern; and
- Assessing the adequacy of the disclosure related to going concern in Note 2.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Recoverability of oil properties As at 31 December 2019, the Group has a depreciated value of $1.9 million in oil properties as disclosed in Note 18. Significant judgement is applied in assessing the recoverability of the oil properties from its continued use in production, which includes: • Whether the facts and circumstances indicate that the oil properties should be tested for impairment; • Estimation of recoverable value of the cash generating unit to which the deferred costs have been allocated; and • Assessments of the technical feasibility and commercial viability of producing the reserves.	Our procedures included, but were not limited to: • Reviewing management's assessment of impairment indicators as at 31 December 2019; and • Assessing whether any facts or circumstances existed to suggest impairment testing was required. We also assessed the appropriateness of the disclosures included in Notes 2(l) and 2(t) to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

Deloitte.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 24 of the Directors' Report for the year ended 31 December 2019.

In our opinion, the Remuneration Report of Bass Oil Limited, for the year ended 31 December 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Darren Hall
Partner
Chartered Accountants
Adelaide, 31 March 2020

SHAREHOLDER AND OTHER INFORMATION

Compiled as at 27 March 2020

DISTRIBUTION OF ORDINARY SHARES

Ordinary Shares	Number of Holders	Number of Shares
1 – 1,000	193	58,914
1,001 – 5,000	305	852,264
5,001 – 10,000	184	1,529,555
10,001 – 100,000	599	24,923,118
100,001 and over	954	3,314,776,245
Total on Issue	2,235	3,342,140,096

1,515 holders held less than a marketable parcel of ordinary shares. There is no current on-market buy back.

SUBSTANTIAL SHAREHOLDERS

As disclosed in notices given to the Company.

Name of substantial shareholder	Interest in number of shares *Beneficial and non-beneficial*	% of shares
Cooper Energy Ltd	353,361,294	10.57
Miller Anderson Pty Ltd	285,630,465	8.55
Tattersfield Group	171,475,048	5.13

VOTING RIGHTS

At meetings of members or classes of members:

(a) each member entitled to vote may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has one vote; and

(c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:

  (i) for each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, one vote for the share;

  (ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited),

subject to any rights or restrictions attached to any shares or class or classes of shares.

SHAREHOLDER AND OTHER INFORMATION

Compiled as at 27 March 2020

THE 20 LARGEST SHAREHOLDERS OF ORDINARY SHARES

Holder	Ordinary shares	% of total issued
Somerton Energy Ltd	353,361,294	10.57
Miller Anderson Pty Ltd <Longhorn Ridge S/F>	243,200,000	7.28
Tattersfield Securities Ltd	120,004,173	3.59
Miss S Masalkovski	103,649,828	3.10
Mr M Saboundjian	95,000,000	2.84
Scintilla Strategic Investments Limited	79,115,710	2.37
Marbel Capital Pty Ltd	68,176,383	2.04
Wingmont Pty Ltd	60,800,000	1.82
Mr S H Bell & Mrs J K Berveling <Bell & Berveling Super A/C>	59,403,577	1.78
Yavern Creek Holdings Pty Ltd	53,250,000	1.59
Mr B W Smith	62,000,000	1.56
Mr W C Wheelahan	45,000,000	1.35
Crescent Nominees Limited	44,706,875	1.33
Mr N Guglielmo & Mr G Guglielmo <Nicola Guglielmo Family A/C>	42,430,465	1.27
Mr P Sciancalepore & Mrs P Sciancalepore	40,000,000	1.20
Mr M K Pagliarulo	39,833,333	1.19
Small Business Finance Pty Ltd	37,401,351	1.12
Mr M K H Raabe	36,000,000	1.08
Accord MBO Pty Ltd	31,000,000	0.93
Emmett Enterprises Pty Ltd	30,000,000	0.90

The 20 largest shareholders hold 1,634,332,989 shares, representing 48.91% of the issued share capital.