

BASS OIL LIMITED

ACN 008 694 817

RIGHTS ISSUE PROSPECTUS

For a pro-rata, non-renounceable rights issue to Eligible Shareholders of 1 New Share for every 2 Shares held on the Record Date at an issue price of \$0.045 per New Share with 1 free attaching New Option for every 1 New Share subscribed for and issued (each such New Option exercisable at \$0.12 on or before 30 September 2024).

Important Information

The Rights Issue closes at 5.00pm (Melbourne time) on 17 June 2022 (or such later date as the Directors, in their absolute discretion may determine).

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

An investment in the securities offered by this Prospectus should be considered as speculative.

Important information

Important notice

You should read this entire Prospectus carefully. It is important that you consider the risk factors (see Section 4) that could affect the Company's financial performance, before deciding on your course of action.

This Prospectus is dated 26 May 2022. A copy of this Prospectus was lodged with ASIC on 26 May 2022. No New Securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to the ASX for the New Shares and the New Options to be quoted on the ASX within 7 days after the date of this Prospectus.

Applications for New Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus. The Entitlement and Acceptance Form sets out a shareholders' Entitlement to participate in the Offer. Eligible Shareholders who do not take up their Entitlement will have their existing interest in the Company diluted. Please refer to Section 1 for details of how to accept the Offer.

The Company has not authorised any person to give information, or to make any representation, in connection with this Prospectus which is not contained in the Prospectus or inconsistent with it. Any information or representation not so contained, or inconsistent with the information in this Prospectus, may not be relied on as having been authorised by the Company in connection with this Prospectus.

Some words in this Prospectus have defined meanings. The definitions appear in Section 7 at the end of this Prospectus. References to dollars are to Australian dollars unless otherwise indicated.

All amounts stated in this Prospectus may be subject to slight variation due to rounding.

This Prospectus contains an offer to Eligible Shareholders in Australia or in New Zealand of "**continuously quoted securities**" (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Please refer to Section 1 for further information concerning the nature of this Prospectus.

Neither the ASIC nor the ASX take any responsibility for the contents of this Prospectus, or the merits of the investment to which this Prospectus relates.

Foreign Shareholders and Foreign jurisdictions

The New Securities are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Securities is being made in reliance on the *Financial Markets Conduct Act 2013* (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

This Prospectus does not constitute an offer in any place where it would not be lawful to make such an offer, nor does it constitute an offer to any person to whom it would not be lawful to make such an offer. Ineligible Foreign Shareholders are not entitled to participate in the Rights Issue.

Future performance

Except as required by law, and only then to the extent required, neither the Company nor any other person, guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

Any investment in the New Securities should be considered speculative.

Qualified Petroleum Reserves and Resources Evaluator Statement

The information contained in section 2.2 of this Prospectus regarding the Company's reserves and contingent resources is based on and fairly represents information and supporting documentation reviewed by Mr Giustino Guglielmo who is an employee of the Company 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 as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) and has consented to the inclusion of this information in the form and context in which it appears in this Prospectus.

Enquiries

If you have any queries about your Entitlement or the Offer, please contact the company between the hours of 8.30am and 5.00pm (AEST), Monday to Friday:

Phone: +61 3 9927 3000

Email: admin@bassoil.com.au

Alternatively, contact your stockbroker or other professional advisor.

Chairman's letter

26 May 2022

Dear Shareholder

On behalf of the Board of Bass Oil Limited, I am pleased to invite you to participate in a non-renounceable Rights Issue to raise up to a total of \$4,018,000.

The Rights Issue provides all Eligible Shareholders the opportunity to invest in one (1) New Share for every two (2) Shares held at 7.00pm (Melbourne time) on the Record Date (31 May 2022) with one (1) free attaching New Option for every one (1) New Share subscribed for and issued (with each New Option being exercisable at \$0.12 up until 30 September 2024). The New Shares will be issued at \$0.045 per New Share.

In addition, Eligible Shareholders may apply for Additional Shares (and attaching Additional Options) over and above their Entitlement at the same price of \$0.045 per Additional Share, if and to the extent, there is any Shortfall. Further details are included in Section 1.2 of the Prospectus.

Bass has executed conditional Sale and Purchase Agreements with Cooper Energy Limited and Beach Energy Limited to acquire a portfolio of production and exploration assets in the Cooper Basin, Australia. On completion of those agreements, Bass will become one of the largest acreage holders in the Cooper Basin and will immediately seek to expand the production and reserves base in the region.

The Company has identified a number of relatively low risk workover and optimisation activities to significantly increase production and cash flow. In addition, the acquired portfolio includes a number of oil and gas prospects that show significant potential. Therefore, funds raised from the Rights Issue will be used to pay:

- the funding of a program of in wellbore work aimed at increasing Cooper Basin production from approximately 75 bopd at completion of the Cooper Basin Transactions to up to 500 bopd;
- exploration activities aimed at generating and high grading a seriatim of prospects and leads within the Cooper Basin permits to be acquired;
- for the lodgement of a security deposit in favour of the South Australian Department of Energy & Minerals to satisfy a Rehabilitation Bond requirement (being a condition precedent of the Cooper Basin Transactions);
- costs related to transitioning to become an operator in the Cooper Basin;
- the costs and expenses of the Rights Issue; and
- ongoing working capital requirements of the Company.

Bass expects to complete the Cooper Basin Transactions shortly after the Rights Issue is completed. Further information about the Rights Issue, including the timetable for completion, is detailed in this Prospectus.

The Prospectus was lodged with ASIC on 26 May 2022 and a copy will be sent to all Shareholders of the Company who are on the register of members as at 5.00pm on 31 May 2022 and who have registered addresses in Australia or New Zealand.

To find out what you need to do to participate in the Rights Issue, please refer to the attached Entitlement and Acceptance Form which sets out the details of your Entitlement and how to accept all or a portion of your Entitlement.

I urge you to read the Prospectus thoroughly. The Prospectus is intended to be read in conjunction with publicly available information relating to the Company. This information regarding the Company can be accessed via links on the Company website, www.bassoil.com.au

The directors of the Company intend to take up either all or a significant portion of their entitlements.

On behalf of the Board of Bass Oil, I thank you for your continued support and encourage you to consider this investment opportunity.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Mullins', written in a cursive style.

Mr Peter Mullins
Chairman

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Summary of Important Dates

Table 1: Rights Issue Key Dates

| | |
|---|------------------------------|
| Date of Lodgement of Prospectus with ASIC and ASX | 26 May 2022 |
| Existing Shares quoted ex-rights | 30 May 2022 |
| Record Date to determine Entitlements under Rights Issue | 7:00pm (AEST) 31 May 2022 |
| Prospectus with Entitlement and Acceptance Form despatched to Eligible Shareholders | 2 June 2022 |
| Acceptances Open | |
| Closing Date for acceptances | 17 June 2022 |
| New Securities are quoted for ASX trading on a deferred settlement basis | 20 June 2022 |
| Company notifies ASX of under subscriptions | 21 June 2022 |
| Issue of New Shares and New Options | 22 June 2022 |
| Despatch of holding statements | 30 June 2022 |

The above dates are indicative only and may change without notice.

Defined terms and abbreviations

Terms and abbreviations used in this Prospectus are defined in the Glossary in Section 7.

1 DETAILS OF THE OFFER

1.1 General

This Prospectus invites Eligible Shareholders to participate in a pro-rata non-renounceable Rights Issue on the basis of:

- (a) one (1) New Share for every two (2) Shares held on the Record Date at an issue price of \$0.045 per New Share; together with
- (b) one (1) free attaching New Option for every one (1) New Share subscribed for and issued, with an option exercise price of \$0.12 and an expiry date of 5.00pm (Melbourne time) on 30 September 2024.

If all Entitlements are taken up, then:¹

- (a) 89,305,757 New Shares and 89,305,757 New Options will be issued under the Rights Issue; and
- (b) the amount of \$4,018,000 before costs, will be raised by the Company from the Rights Issue.

1.2 Additional Shares and Additional Options

Eligible Shareholders who take up their full Entitlement may also apply for Additional Shares (and attaching Additional Options). Applications for Additional Shares may be considered if not all of the New Securities are taken up by the Eligible Shareholders under the Offer. Additional Shares will be issued at the discretion of the Directors and, as a result, there is no guarantee that you will receive Additional Shares and attaching Additional Options.

In the event that Entitlements are not taken up in full, Eligible Shareholders who have taken up all of their Entitlement and have made an application for Additional Securities may be allocated Additional Securities as follows:

- (a) the number of Additional Shares allocated to an Eligible Shareholder who has applied for Additional Shares will be at the discretion of the Directors;
- (b) an Eligible Shareholder will be allocated one (1) Additional Option for every one (1) Additional Shares allocated to them (if any);
- (c) the Directors reserve the right to allocate Additional Shares to Eligible Shareholders in part or not at all; and
- (d) an Eligible Shareholder will not receive more Additional Shares than they have applied for.

There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional Shares and Additional Options that they may apply for. If an application for Additional Shares is scaled back or the Directors decide not to issue Additional Shares to an Eligible Shareholder, then the Application Moneys for those Additional Shares which are not issued to the applicant will be returned to the applicant without any payment of interest.

The policy adopted by the Directors for the exercise of their discretion as to the allocation of any Additional Shares (and attaching Additional Options) subscribed for pursuant to the Prospectus will be as follows:

- (i) Eligible Shareholders who have applied for Additional Securities will receive the Additional Securities they have applied for unless there is an over subscription for Additional Shares, in which case Eligible Shareholders will receive Additional Securities on a pro-rata basis having regard to their Entitlement; and
- (ii) no Additional Securities will be issued to Eligible Shareholders in a way that would increase a particular Eligible Shareholder's voting power above 20% or in a way that would have a material effect on the control of the Company.

1.3 Your Entitlement and trading of Entitlements

Your Entitlement is shown in the accompanying Entitlement and Acceptance Form.

In the calculation of any Entitlement, fractions will be rounded up to the nearest whole number and, for this purpose, holdings in the same name will be aggregated for calculation of Entitlements.

The Rights Issue is being made on a non-renounceable basis, meaning that Entitlements cannot be transferred or sold.

¹ Note that all figures stated in this Prospectus are subject to slight variation due to rounding.

1.4 Minimum Subscription

There is no minimum subscription for the Offer.

1.5 No Underwriting

The Rights Issue is not underwritten.

1.6 Opening Date and Closing Date

The Rights Issue will open on 2 June 2022 (**Opening Date**) and close at 5.00pm (Melbourne time) on 17 June 2022 (or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine) (**Closing Date**).

Completed Entitlement and Acceptance Forms must be received at the Company's Share Registry by the Closing Date, together with payment, in Australian dollars, for the amount of the application.

1.7 How to take up your Entitlement

Under the Rights Issue, you may apply for 100% of your Entitlement or for a portion less than your Entitlement, by using the personalised Entitlement and Acceptance Form mailed to you with this Prospectus.

The Entitlement and Acceptance Form details your Entitlement and payment should be made in accordance with the instructions set out on its reverse side.

If you elect to pay by cheque, bank draft or money order, you must complete an Entitlement and Acceptance Form and return it to the Share Registry. You should allow sufficient time to ensure that your Entitlement and Acceptance Form reaches the Share Registry by the specified time of 5.00pm (Melbourne time) on the Closing Date, being 17 June 2022 unless extended by the Directors.

If you elect to pay by BPAY, you do not need to complete and return an Entitlement and Acceptance Form.

1.8 Use of Funds

The purpose of the Offer is to raise up to \$4,018,000. The gross proceeds of the Rights Issue are intended to be used for the purposes and in the amounts set out in the table in Section 3.1 of this Prospectus.

1.9 Directors' right to place Shortfall Securities

The Directors reserve the right to issue any New Shares and New Options which are not taken up by Eligible Shareholders pursuant to the Offer on the terms and conditions below (**Shortfall Offer**). The Directors may, at their discretion, issue any Shortfall Securities within 3 months after the Closing Date for acceptances. The issue price for any New Securities will be an amount that is no less than the issue price for securities offered under the Rights Issue. It is important that Eligible Shareholders understand that if they do not take up their Entitlement, then they will have their existing interest in the Company diluted.

The Company may pay a commission and management fee of up to 6% of the issue price of Shortfall Securities where they are placed by a Participant of the Australian Securities Exchange and issued by the Company.

In exercising their discretion to allocate any Shortfall Securities pursuant to the Shortfall Offer, the Directors will not allocate Shortfall Securities in a way that would increase a particular Shareholder's voting power above 20% or in a way that would have a material effect on the control of the Company.

1.10 Issue and Allotment of New Shares and New Options

The allotment of New Shares and New Options will take place as soon as practicable after the Closing Date.

The New Shares will be issued fully paid and, from the date of issue, will rank equally in all respects with Shares. A summary of the rights attaching to New Shares and New Options is set out in Sections 5.1 and 5.2.

By returning your Entitlement and Acceptance Form, you agree to comply with the Constitution in respect of the New Securities issued to you.

Until the issue and allotment of the New Securities, the Application Monies will be held on trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the Application Monies will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Securities takes place. No allotment of New Securities will take place

until the proceeds of the Rights Issue have been received and ASX grants permission to quote the New Shares.

1.11 ASX Quotation

The Company will make application to the ASX within 7 days following the date of this Prospectus for the grant of official quotation of the New Shares and the New Options. Quotation of the New Shares and the New Options, if granted by the ASX, will commence as soon as practicable after statements of holdings for the New Shares and the New Options are dispatched.

If approval for official quotation of the New Shares and/or New Options is not granted by ASX within 3 months after the date of this Prospectus, the Company will not allot or issue any New Securities and will repay all Application Monies (where applicable) within the time prescribed under the Corporations Act, without interest.

That the New Shares and the New Options have been admitted to quotation on ASX is not to be taken in any way as an indication of the merits of the Company or the New Shares and the New Options.

1.12 Overseas Shareholders

The New Securities being offered under this Prospectus are being offered to Eligible Shareholders with registered addresses in New Zealand in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The Company believes it is unreasonable to extend the Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the securities that would be offered to those shareholders; and
- (b) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the Offer under this Prospectus is not made to Ineligible Foreign Shareholders (as defined in Section 7).

1.13 Risks associated with not accepting your Entitlement

It is important that Eligible Shareholders understand the risks associated with not accepting their Entitlement.

If you elect not to accept your Entitlement in full under this Prospectus, your Shareholding in the Company will be diluted. Please carefully consider whether to accept your Entitlement and, if you are in doubt as to whether to accept, you should consult your independent professional investment adviser.

1.14 Brokerage and stamp duty payable on subscription under Entitlement

No brokerage or stamp duty will be payable by you in respect of a subscription for New Securities under your Entitlement.

1.15 Tax implications

The Company makes no representation and provides no advice in relation to the tax consequences for any Shareholder of taking up their Entitlement under the Offer. Shareholders should seek professional taxation advice about the tax consequences of taking up the Entitlement.

1.16 Enquiries

Any questions concerning this Prospectus or the Offer should be directed to the Managing Director or the Company Secretary at the Company's registered office, details of which are set out in Section 8.

1.17 The Company's regular reporting and disclosure requirements

The Company is a "disclosing entity" for the purposes of Part 1.2A of the Corporations Act. As a disclosing entity, the Company is subject to regular reporting and disclosure obligations. Broadly, these obligations require:

- the preparation of both yearly and half yearly financial statements, a report on the operations of the Company during the relevant accounting period together with an audit or review report by the Company's auditor;

- any half year financial report lodged with ASIC by the Company after lodgement of the above financial report and before the lodgement of the copy of the Prospectus with ASIC; and
- immediate notification to the ASX of any information concerning the Company which it becomes aware of and which a reasonable person would expect to have a material effect on the price or value of the Shares, subject to certain exceptions.

Copies of any documents in relation to the Company which are lodged with ASIC may be obtained from, or inspected at, an ASIC office. ASX maintains a file of all announcements lodged with it by the Company. Copies of documents lodged by the Company with ASX can be found on ASX's website, www.asx.com.au and on the Company's website, www.bassoil.com.au.

During the period that the Offer remains open, the Company will provide copies of the following to any person on request, free of charge:

- the Company's annual financial report for the year ended 31 December 2021; and
- any continuous disclosure notices used to notify ASX of information relating to the Company between 1 April 2022 (being the date of lodgement with ASIC of the annual financial report referred to in paragraph (a)) and the date of lodgement of this Prospectus. The documents listed in Schedule 1 to this Prospectus were lodged by the Company with ASX during this period.

All requests for copies of the above documents should be addressed to the Company Secretary.

2 COMPANY OVERVIEW

The Company is an oil and gas exploration and production company with oil-producing assets in Indonesia. The Company has been seeking to expand and diversify its exploration, development and production assets and has entered into two binding agreements to acquire Cooper Basin, Australia based properties to diversify its portfolio with additional production and exploration upside which will be completed concurrently.

2.1 Australia – Cooper Basin

Cooper Basin Transactions

The Company announced on 12 July 2021 that it had entered into a conditional sale and purchase agreement with Cooper Energy for the acquisition of five non-operated Cooper Basin assets, including a 30% interest in the producing Worrior oil field and interests in exploration acreage for total cash consideration of \$650,000 and assumption of future restoration liabilities ("**Cooper Energy Transaction**").

The Company also announced on 2 March 2022 that it had entered into a second conditional sale and purchase agreement with a subsidiary of Beach Energy Limited to acquire a portfolio of Cooper Basin assets for a total cash consideration of \$650,000 and assumption of future restoration liabilities ("**Beach Energy Transaction**"). The acquired assets include Beach's 70% interest in the producing Worrior oil field, a 100% interest in the Padulla oil field and a number of properties that contain prospective appraisal and exploration opportunities. On completion, the Company will own a 74%-100% interest in eight Cooper Basin tenements.

The assets to be acquired are summarised as follows:

| Asset | Cooper Energy Interest to be Acquired | Beach Interest to be Acquired | Bass Interest on Transaction Completion |
|-----------------------------------|---------------------------------------|-------------------------------|---|
| PPL 207 (Worrior) | 30% | 70% | 100% |
| PPL 221 (Padulla) | - | 100% | 100% |
| PRL's 231-233 (Ex PEL 93) | 30% | 70% | 100% |
| PRL's 237 (Ex PEL 93) | 20% | 60% | 80% |
| PRL's 207-209 (Ex PEL 100) | ~19% | 55% | ~74% |
| PRL's 183-190 (Ex PEL 110) | 20% | 80% | 100% |
| PRL's 245-246 (Ex PEL 90K) (Kiwi) | - | 100% | 100% |
| PEL 182 | - | 100% | 100% |

The Cooper Energy Transaction and the Beach Energy Transaction (together, the “Cooper Basin Transactions”) remain subject to customary conditions precedent relating to relevant regulatory approvals. The transactions are expected to complete contemporaneously in late June 2022.

Following completion of the Cooper Basin Transactions, Bass will hold high equity stakes in eight Cooper Basin tenements and will be the sole owner and operator of the Worrior and Padulla oil fields which currently produce ~75 boepd at a net margin of ~A\$30 per barrel at a Brent oil price of ~US\$80 per barrel.

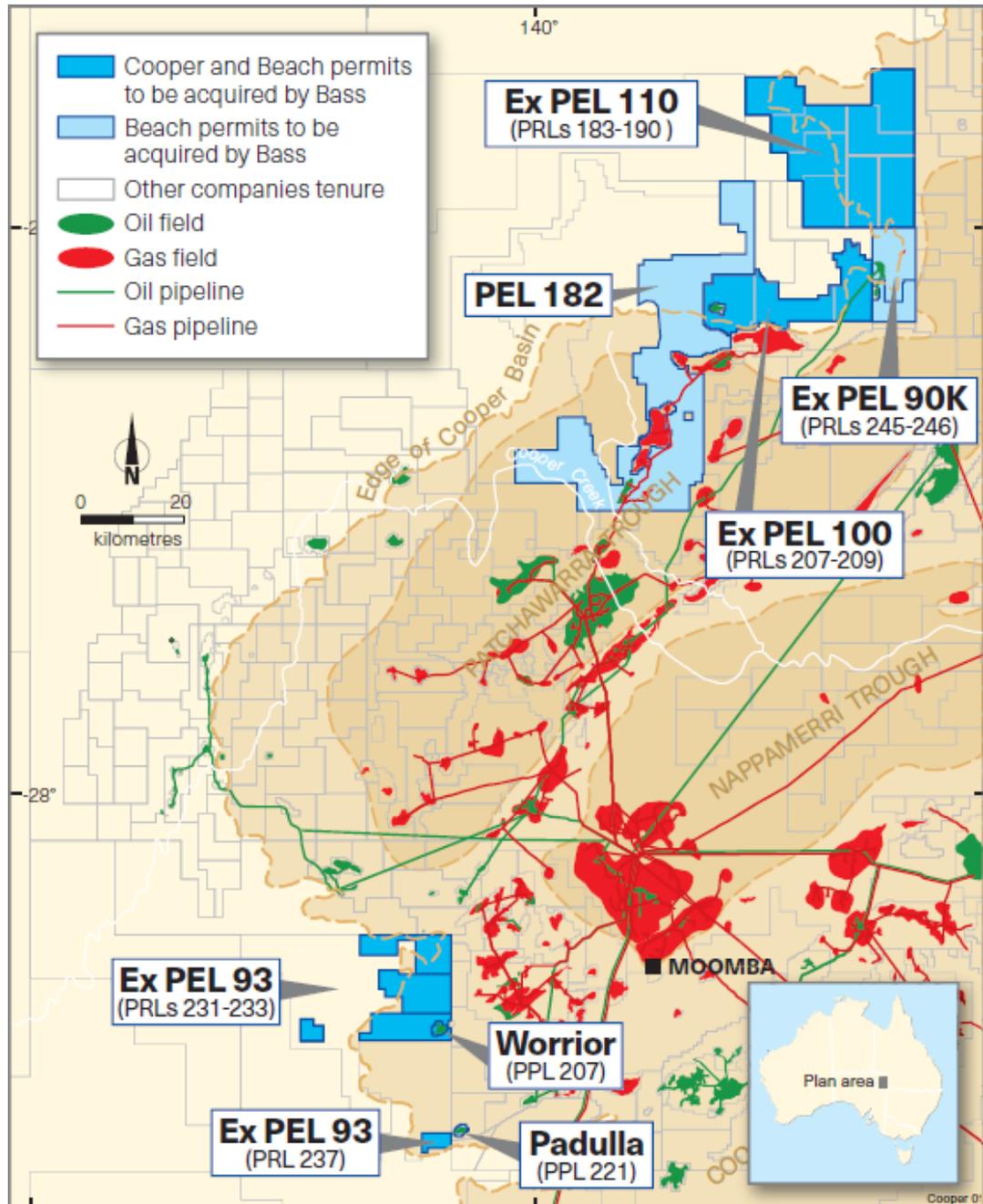


Figure 1: Cooper Basin permits to be acquired via the Cooper Basin Transactions.

Oil Development

Bass has previously identified a significant attic oil opportunity in the McKinlay reservoir in the Worrior field and the Company intends to exploit this opportunity by the low-cost recompletion of the Worrior-11 well in the near-term. This low risk opportunity has the potential to grow production to between 200 to 500 bopd and significantly increase reserves. This project is planned for implementation following the completion of the Rights Issue.

Bass will also complete an engineering feasibility and initial field works to exploit the potential in the Murta reservoir in the Worrior field.

Monies have also been allocated for production optimisation activities such as pump changes and zone changes to increase production from the Worrior and Padulla oil fields.

Exploration

The properties acquired via the Cooper Basin Transactions contain significant exploration potential. The southern Cooper Basin properties (ex PEL93) are prospective for oil potential and are on the southern extension of the prolific Western margin oil province in the Cooper Basin. The northern properties are highly prospective for liquids rich gas within and adjacent to the Patchawarra Trough. The area hosts numerous gas fields in the Permian and Triassic aged sediments as well as a number of Jurassic oil fields.

Bass will review all the prospectivity reviews performed by the previous operators and focus its exploration efforts to create a seriatim of prospects which will provide an organic growth path for the Company.

Studies will be focused on evaluating the emerging high impact plays such as the deep Permian coals in the Patchawarra trough in PEL182 which is adjacent to the pathfinder Beanbush 2 horizontal well that is currently being drilled and fracked by Santos Limited (ASX:STO) (**Santos**). Studies will also focus on the potential for further gas discoveries in the Triassic aged sediments such as the Bass Kiwi discovery and adjacent Santos gas fields such as Coonatie and Verona.

Gas Development Studies

Bass will immediately commence studies aimed at evaluating the upside stratigraphic trapping potential of its 100% owned Kiwi gas discovery in PRL245. These studies are aimed at reserves growth beyond the structural trap as well as an economic evaluation of a tie in to the Moomba gas gathering and processing system and sales into the growing East coast gas market.

Cooper Basin Summary

The Cooper Basin Transactions represent a unique opportunity for the Company to acquire a quality portfolio of assets in the Cooper Basin, which will provide a platform from which to secure additional interests in this prolific hydrocarbon province. Bass' leadership team have a proven track record in the Cooper Basin and delivering stakeholder value.

The Company has developed a capital efficient work program consisting of three work overs aimed at materially increasing production and converting the 2C contingent resources to 2P reserves within 6 to 12 months after contemporaneous completion of the Cooper Basin Transactions. The work program will consist of the recompletion of up to three wells in the Worrior field commencing with Worrior 11.

The Cooper Basin Transactions mark a significant step forward for Bass in its goal to become a leading low-cost oil and gas producer in the Australian market with a goal of achieving production levels of 1000 boepd in next 12 months to 24 months and allows for greater operational optionality including the potential to assess farm-in opportunities.

Further details regarding the Cooper Basin Transactions and interests proposed to be acquired are set out in the Company's ASX announcements dated 12 July 2021 and 2 March 2022 and investor presentations dated 26 July 2021 and 9 March 2022.

2.2 Indonesia – South Sumatra Basin

The Company acquired its 55% operator interest in the Tangai-Sukananti (KSO) license in February 2017. The Tangai-Sukananti (KSO) licence is located in the prolific South Sumatra Basin. As at 31 December 2021, the Tangai-Sukananti KSO produced ~350 bopd (BAS 55% JV share).

Since Bass became the operator the KSO has drilled two successful wells.

Bunian-5 Development Well

The Bunian-5 well spudded on 24 September 2019. Bunian 5 was a vertical well that took 23 days to drill and complete, reaching a total depth of approximately 1,662 metres.

The well result confirms that Bunian-5 has a prolific production capacity from the two productive zones, the TRM3 and the K reservoirs. The productive potential of the two secondary reservoirs encountered during drilling, the TRM0 and the GRM sandstones will be further evaluated as the data from the well is used to update the field models

Tangai-5 Development Well

The Tangai-5 development well spudded on 1 April 2022, and penetrated the primary reservoir, the M sand, on prognosis confirming 5-1/2 metres of net oil pay in a high quality oil reservoir.

As announced on 12 May 2022, Tangai-5 development well recorded an initial clean up flow rate of

1,120 bopd on a 13/64 inch choke at a flowing tubing head pressure of 480 psi to an on-site storage tank for a period of 2-1/2 hours. A total of approximately 120 barrels of oil was produced during the test with the initial flow rate highlighting the highly productive nature of the M reservoir in the Tangai field.

The rig moved off location and the well was connected to the recently upgraded Tangai Production Facility. The upgrades include a new flow line, enhanced water handling and improved export capacity to ensure a more efficient and cost-effective production process. Tangai-5 was brought online Friday 6 May 2022 at controlled rates of around 250 bopd to commission these facility upgrades.

Bass is targeting a production rate of between 500 bopd to 750 bopd for the well following completion of the well test. If achieved, the Company expects to raise total oil exports from the Tangai-Sukananti KSO to its limit of 1,000 bopd.

Reserves and Contingent Resources

The 2021 reserves review has been influenced by natural field decline and a delay of the planned development drilling program due to the continuing impact of the global COVID-19 pandemic and resultant oil price volatility in 2021.

The gross 100% field reserves decreased slightly at 1P, 2P and 3P, reflecting the year's production. The year-on-year movements in Net Entitlement Reserves reflect a larger decrease in both the 1P, 2P and 3P reserves for the Bunian and Tangai fields under the fiscal terms of the KSO, due to the delay in development drilling which deferred some forecast oil production past the contract expiry in July 2025. This has resulted in a concurrent increase in the contingent resources.

Reserves

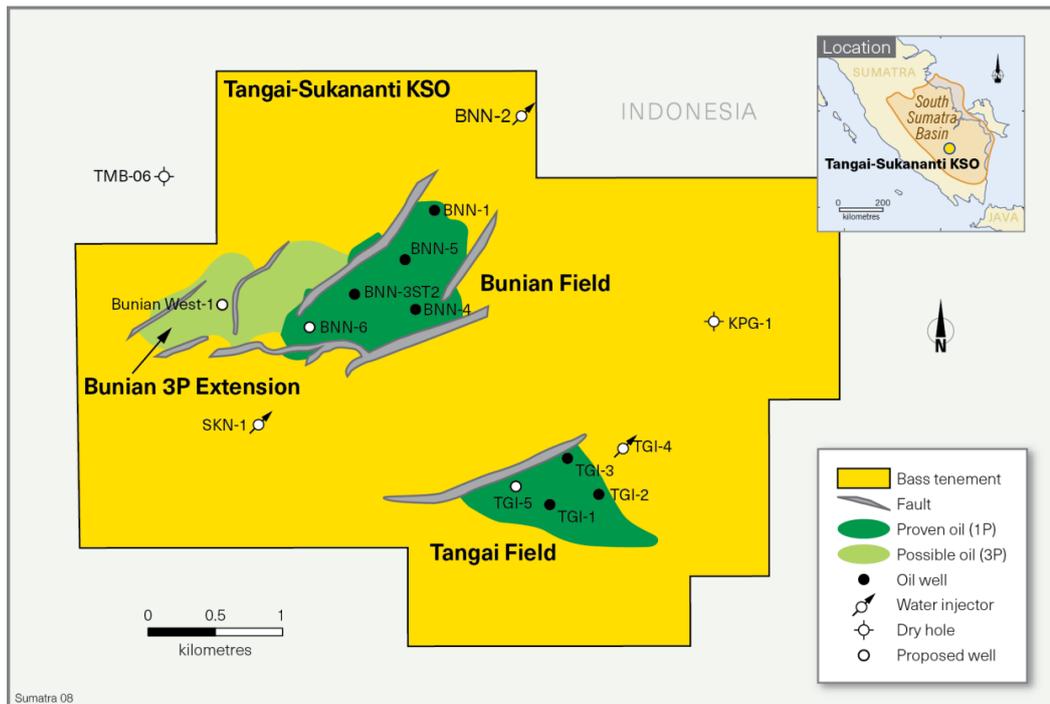
The 2P Field Reserves in the Tangai-Sukananti KSO were assessed as of 31 December 2021, to be 1.637 million barrels of oil on a 100% JV basis. Bass reported Net Entitlement 2P oil Reserves of 0.425 million barrels. Net Entitlement Reserves are the share of cost oil and profit oil that Bass is entitled to receive under the KSO signed with the Indonesian government body, PT Pertamina. The Net Entitlement Reserves formula varies with the fiscal environment, cost recovery status, oil price and scheduled contract expiry.

Contingent Resources

The total 100% Field 2C Contingent Resources for the Tangai-Sukananti KSO on 31 December 2021 are assessed to be 1.564 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 license expiry in July 2025. This presents a future development opportunity to increase or bring forward reserves.

The Company has just completed a successful drilling of the Tangai-5 development well which has just been connected to the Tangai Production Facilities. The well commenced production on 6 May 2022 at a controlled rate of approximately 250 bopd to commission the facility upgrades and bed down export capacity. Bass is targeting a steady-state production rate of between 500 to 750 bopd from the well which will triple oil exports from the KSO to its capacity of approximately 1,000 bopd.

The Company has begun early discussions with Pertamina in respect to extending the permit beyond July 2025.



The Company has a strong and committed shareholder base with the Board and management holding in excess of 11% of issued capital.

A summary of the major activities and financial information relating to the Company for the financial year ended 31 December 2021 is contained in the Annual Financial Report, which was lodged with ASX on 1 April 2022. The Company's continuous disclosure notices (i.e. ASX announcements since 1 April 2022) are listed in Schedule 1 to the Prospectus. As stated in Section 1.16, copies of these documents are available free of charge from the Company.

2.3 Vision and Strategy

Bass has a vision to become a leading mid-cap oil and gas producer and the leadership team has identified a number of opportunities within the existing Indonesian portfolio and the assets to be acquired via the Cooper Basin Transactions to significantly scale oil production.

The Cooper Basin Transactions mark a return to the Cooper Basin for several Bass Directors and members of the leadership team, enabling them to leverage their extensive experience and relationships to generate value for Bass shareholders.

Bass aims to lift production to 1,000 boepd within 12 months of completion of the Cooper Basin Transactions via aggressive organic growth from within the existing and acquired asset base and will seek further judicious acquisition opportunities to add to the portfolio where relevant. This is the first step to achieving the Company's medium-term goal of producing 5,000 boepd and paying shareholders a stable dividend.

3 PURPOSE AND EFFECT OF THE RIGHTS ISSUE ON THE COMPANY

3.1 Purpose of the Rights Issue

The purpose of the Rights Issue is to raise up to \$4,018,000 before costs. Costs related to the Offer are expected to be up to approximately \$230,000. No funds will be raised from the issue of the New Options.

The gross proceeds to be raised from the Offer are planned to be used in accordance with the table set out below:

| Use of proceeds raised | \$ | % |
|--|--------------------|-------------|
| Contributing to a program of in-wellbore work in the Worrior Oil Field | \$500,000 | 12.4% |
| Exploration activities on Cooper Basin assets | \$988,000 | 24.6% |
| Department of Energy & Minerals Rehabilitation bond | \$2,300,000 | 57.2% |
| Expenses related to the Rights Issue | \$230,000 | 5.7% |
| Total | \$4,018,000 | 100% |

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the proceeds are ultimately applied. The Board reserves the right to alter the way proceeds are applied on this basis.

If the Cooper Basin Transactions do not complete then the gross proceeds raised from the Offer will be used to investigate and seek to acquire other growth opportunities.

3.2 Principal effect of Rights Issue

If all Entitlements are taken up, then the principal effect of the Rights Issue on the Company will be that:

- (a) cash reserves and contributed equity of the Company will increase by up to \$4,018,000 before deducting the expenses of the Rights Issue; and
- (b) the number of Shares on issue will increase by 89,305,757 from 178,611,514 shares to 267,917,271 shares;
- (c) the number of Options on issue will increase by 89,305,757, from 35,535,032 to 124,840,789 Options.

3.3 Impact on capital structure

Shares and Options

Following Shareholder approval at the Company's General Meeting held on 8 April 2022, the consolidation of the issued capital of the Company on the basis of every thirty (30) Shares into one (1) Share and every thirty (30) \$0.004 options expiring on 30 September 2024 into one (1) \$0.12 option expiring on 30 September 2024 is now complete.

At the date of this Prospectus, the Company has:

- (a) 178,611,514 Shares on issue; and
- (b) 35,535,032 Options on issue.

Assuming no Shares are issued prior to the Record Date and all Entitlements are taken up, then the New Shares issued pursuant to this Prospectus will be 89,305,757 or approximately 33.3% of the expanded issued capital, and the total Shares on issue after the Rights Issue will be 267,917,271. In addition, 89,305,757 New Options will be issued, and the total Options on issue after the Rights Issue will be 124,840,789.

That is, the effect on the capital structure of the Company, assuming that all Entitlements are accepted, will be as follows:

| Number of Shares on Issue prior to the Offer | Number of Shares issued under this Prospectus | Total Share on issue on completion of the Offer |
|---|--|--|
| 178,611,514 | 89,305,757 | 267,917,271 |

| Number of Options on Issue prior to the Offer | Number of Shares issued under this Prospectus | Total Share on issue on completion of the Offer |
|--|--|--|
| 35,535,032 | 89,305,757 | 124,840,789 |

Market Prices of existing Shares on ASX

The highest and lowest market sale price of the Company's Shares on ASX, during the 3 months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: \$0.09 on 16- Mar-22, 17-Mar-22

Lowest: \$0.041 on 11-May-22

The last available market sale price of Shares on ASX prior to the date of this Prospectus was \$0.047 on 18 May 22. As noted above, the Company undertook a thirty (30) Shares into one (1) Share consolidation which completed on 11 May 2022. Accordingly, these trading numbers should be read having regard to that change.

3.4 Effect on control of Company

The potential effect the Offer will have on each Shareholder's percentage interest in the total issued capital of the Company is as follows:

- (a) if all Eligible Shareholders take up their Entitlement in full, each Eligible Shareholder's percentage in the total issued Securities of the Company will remain the same and will not be diluted; or
- (b) if some but not all Eligible Shareholders take up their Entitlement, and some or all of the Shortfall is taken up by Eligible Shareholders applying for Additional Securities, the percentage interest in the total issued securities of the Company of:
 - (1) each Eligible Shareholder who does not take up their Entitlement (either not at all or partially) will be diluted;
 - (2) each Eligible Shareholder who does take up their Entitlement will remain the same; and
 - (3) each Eligible Shareholder who takes up their Entitlement and is issued Additional Shares will increase.

The Offer and the Shortfall Offer may have a material effect on the control of the Company as if all New Shares are applied for and issued then this will result in a 33.3% increase in the number of Shares on issue post the completion of the Offer and Shortfall Offer, together with the issue of 89,305,757 New Options. In this regard, acceptance of Entitlements or the placement of any Shortfall Securities may result in existing Shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. Shortfall Securities will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act.

Where Shares are issued pursuant to the exercise of New Options, the voting power of the Option holders who exercise their New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire. The exercise of the New Options is subject to compliance with the Corporations Act, and in particular Chapter 6 of the Corporations Act.

3.5 Financial Effect of the Offer

The effect of the Offer on the Company's financial position if all the Entitlements are taken up will be to increase consolidated net assets and consolidated total equity by approximately \$4,018,000 after payment of the costs of the Rights Issue which are estimated at \$230,000. It is intended that these funds will be applied as set out in Section 3.1 of this Prospectus.

If only 50% of all Entitlements are taken up (and the Directors are not successful in placing the Shortfall Securities) then the consolidated net assets and consolidated total equity will increase by approximately \$2,009,000 after payment of the costs of the Rights Issue which are estimated at \$110,000.

A pro-forma Statement of Financial Position has been prepared on the basis that there have been no material movements in assets and liabilities of the Company between 31 December 2021 and the completion of the Rights Issue and assuming all Entitlements are taken up, except:

- (a) the Placement of 800,000,000 Shares issued on 11 April 2022 at \$0.0015 raised \$1,200,000, less estimated costs of the Placement;
- (b) the Rights Issue of 89,305,757 New Shares at \$0.045 raising \$4,018,000;
- (c) estimated costs of the Rights Issue of up to approximately \$230,000 to be offset against contributed equity.

Consolidated Statement of Financial Position

| | Audited 31 December 2021 USD (\$) | Pro Forma Adjustments | | Pro Forma 31 December 2021 USD (\$) |
|--------------------------------------|---|---|---|---|
| | | Placement – AUD \$1.1 million (net of costs) USD (\$) | Rights Issue - AUD\$4.0 milli on (net of costs) USD (\$) | |
| Current assets | | | | |
| Cash and cash equivalents | 1,492,646 | 812,000 | 1,071,000 | 3,375,646 |
| Restricted cash | - | | 1,656,000 | 1,656,000 |
| Trade and other receivables | 1,221,205 | | | 1,221,205 |
| Other current assets | 33,047 | | | 33,047 |
| Inventories | 141,487 | | | 141,487 |
| Other financial assets | 3,991 | | | 3,991 |
| Total current assets | 2,892,376 | | | 6,431,376 |
| Non-current assets | | | | |
| Trade and other receivables | 298,195 | | | 298,195 |
| Other financial assets | 27,469 | | | 27,469 |
| Right of use assets | 19,671 | | | 19,671 |
| Oil properties | 1,795,403 | | | 1,795,403 |
| Total non-current assets | 2,140,738 | | | 2,140,738 |
| Total assets | 5,033,114 | | | 8,572,114 |
| Current liabilities | | | | |
| Trade and other payables | 923,821 | | | 923,821 |
| Provisions | 265,301 | | | 265,301 |
| Lease liabilities | 19,781 | | | 19,781 |
| Provision for tax | 615,937 | | | 615,937 |
| Total current liabilities | 1,824,840 | | | 1,824,840 |
| Non-current liabilities | | | | |
| Provisions | 99,635 | | | 99,635 |
| Total non-current liabilities | 99,635 | | | 99,635 |
| Total liabilities | 1,924,475 | | | 1,924,475 |
| Net assets | 3,108,639 | | | 6,764,639 |
| Equity | | | | |
| Issued Capital | 28,435,817 | 812,000 | 2,727,000 | 31,974,817 |
| Reserves | 3,165,797 | | | 3,165,797 |
| Accumulated losses | (28,492,975) | | | (28,492,975) |
| Total equity | 3,108,639 | | | 6,647,639 |

Notes to pro-forma balance sheet:

- (i) Assumes estimated costs of the Rights Issue of \$230,000 and of the Placement of \$72,000
- (ii) Assumed foreign exchange rate USD\$0.72 to AUD \$1.00

4 RISK FACTORS

4.1 General

The Company's activities are subject to a number of risks which may impact respective future financial performance and the market price at which New Securities trade. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside the Company's control and cannot be mitigated. Therefore, investors who acquire New Securities may be exposed to a number of risks. Broadly, these risks can be classified as risks general to investing in the share market and risks specific to an investment in Shares and Options and the Company's underlying business.

This Section sets out the identified major risks associated with investing in New Securities. This list is not exhaustive and investors should read this Prospectus in its entirety before making an investment decision. Investors should also have regard to their own investment objectives and financial circumstances, and should consider seeking appropriate independent investment advice before deciding whether to invest in the New Securities.

4.2 Specific risks relating to the Company's operations

(a) Operating Risks

The operations in which the Company is currently participating are generally considered high-risk undertakings and are subject to a number of risks and hazards typically associated with such operations, each of which could result in substantial damage to facilities, other property and the environment or in personal injury and/or death and/or interruption of operations.

The operations of the Company may be affected by a range of factors, including operational and technical difficulties encountered in drilling; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated drilling problems which may affect production costs; remediation costs; adverse weather conditions; industrial and environmental accidents; industrial disputes; unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and unexpected constraints on movement from global pandemics (COVID-19).

(b) Foreign Risk

The Tangai-Sukananti Project is located in Indonesia. There can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation in Indonesia will not be amended or replaced in the future to the detriment of the Company's business and/or projects. As such there is exposure to sovereign risk. There can be no assurance that the systems of government and the political systems in Indonesia will remain stable.

Additionally, operations in Indonesia are subject to risk of key infrastructure unavailability such as access roads and utilities which could have a materially adverse effect upon the Company's operations and which are outside of the Company's control. There may also be increased risk of natural disaster affecting operations, such as volcanic eruption, an earthquake or cyclonic activity.

(c) Geopolitical

Politics on a global, regional or local scale could impact the Company's operations, the Company's access to certain countries and the Company's right to continue operating in a particular country, including Indonesia where the Tangai-Sukananti Project is based. Acts of terrorism or outbreak of war may disrupt or prevent the Company from operating its business programs.

(d) Oil and Gas Price and Currency Volatility

Oil and gas prices are subject to influencing factors beyond the control of the Company and can be subject to significant fluctuations. Some of these influencing factors include:

- world demand for oil and gas;
- the level of production costs in major oil and gas producing regions;
- political and economic conditions in oil producing countries (including outbreaks of war);
- actions of the Organization of the Petroleum Exporting Countries (OPEC) or members thereof; and
- expectations regarding inflation, interest rates and US dollar exchange rates.

Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse effect on the Company's operations and financial position.

Market related factors affecting oil and gas prices include:

- supply and demand fluctuations for oil and gas;
- changes in investor sentiment toward oil and gas;

- speculative trading;
- forward selling activities.

(e) **Joint venture**

Some of the Company's interests in the Cooper Basin assets (if the acquisition is completed) will be held through joint venture arrangements with subsidiaries of Santos Limited and Metgasco Limited. The Company will hold high equity interests but may not control the approval of work programs and budget which the joint venture may vote to participate in and could be subject to the risk of dilution of its interest generally or in respect of a particular program, or be at risk of not gaining the benefit of the program at a later time, except at a significant cost penalty. Delays in programs may arise due to joint venture partners not reaching agreements on exploration and development activities. The Company has no assurance of the financial viability of other joint venture partner and may incur unforeseen costs and losses in the event of default of joint venture participants.

(f) **Title of permits**

The Company's title to its production interests in the Tangai-Sukananti Project and the Cooper Basin assets (if the acquisition is completed) are regulated by the relevant petroleum laws applying in the place of their location and are typically evidenced by the granting of leases, licences, permits or contracts. Each lease, licence, permit or contract is typically for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, these assets if the imposed conditions are not met or if insufficient funds are available to meet expenditure commitments.

4.3 Risk factors specific to the Company

(a) **Additional Requirements for Capital**

The Company's capital requirements depend on numerous factors. If the Company identifies a new opportunity in which it wishes to invest, the Company is likely to have insufficient funds to pursue the acquisition of such an interest without the raising of further funds (either through equity or debt or a combination of both).

There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain finance will adversely affect the business and financial condition of the Company and its performance. Existing shareholders may be diluted if additional funds are raised by equity securities.

(b) **Economic Factors**

The Company's future possible revenues, operating costs, Share price and returns to Shareholders may be affected by changes in factors such as:

- local and world economic conditions;
- inflation or inflationary expectations;
- currency movements;
- interest rates;
- supply and demand;
- levels of tax, taxation law and accounting practice;
- government legislation or intervention;
- industrial disruption; and
- natural disasters, social upheaval or war in Indonesia or elsewhere in South East Asia has an increased prevalence of geological disasters such as earth quakes which may have an adverse effect on the Company's operations in the region.

These factors are beyond the control of the Company and its Directors.

(c) **Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company is substantially dependent upon the Company's senior management, key personnel and consultants. There can be no assurance given that there will be no detrimental impact on the Company if one, or a number of, those employees or consultants cease their employment or engagement with the Company.

(d) **Currency Fluctuations**

The future value of the Company's Shares and Options may fluctuate in accordance with movements in foreign currency exchange rates.

(e) **Taxation**

The Company's profitability may be affected by changes in overseas (particularly Indonesian), Australian and State government taxation laws and policies.

There may be tax implications arising from the acquisition of New Securities, any possible receipt of dividends (both franked and un-franked) and the disposal of New Securities. All prospective investors should carefully consider these tax implications and if uncertain as to the relevant taxation issues, obtain further advice from a qualified professional adviser. Tax liabilities are the responsibility of each individual investor and the Company will not be responsible for any tax or related penalties incurred by investors.

(f) **Environmental Risks**

Environmental risks are inherent in oil and gas drilling operations. The Company adopts practices which the Company believe are appropriate to minimise the potential of causing environmental damage in all the Company's operations, but no assurance can be made that the Company will not be affected by environmental claims or issues in the future.

The Company is strongly committed to conducting the Company's operations in an environmentally responsible manner, applying the highest standards and industry best practice to all the Company's field activities.

(g) **Development Risk/Profitability**

The Company's commercial viability will be dependent upon the successful development and operation of the Company's projects and any other activity that the Company may undertake. No assurances can be given that the Company will be able to initiate or sustain successful operations at any of the Company's current tenements or that operations will achieve commercial viability. Equally, no representation as to future profitability or dividends can be given.

(h) **Production and Cost Estimates**

By their very nature, production and cost estimates and assumptions are inherently subject to significant uncertainties. Actual results may materially differ from the Company's estimates and assumptions and may materially and adversely affect the Company's commercial viability and future results.

(i) **Government and Regulatory Approvals**

There can be no assurance that all of the relevant approvals and permits necessary to conduct oil and gas exploration and production operations will be granted by the relevant governments and regulatory authorities or that they will remain in good standing where already granted.

(j) **Regulatory**

The Company's activities will require compliance with various laws relating to the protection and rehabilitation of the environment, health and safety, culture and heritage and other matters.

In addition, the Company is required to obtain numerous government permits, leases, licences and approvals in respect of the Company's oil and gas exploration and production operations.

There is a risk that the Company may not obtain or may lose permits, leases, licences or approvals, essential to the Company's operations.

The Company cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on the Company's business or financial condition.

(k) **Uninsured Loss and Liability**

Exploration for and development of oil and gas assets involves hazards and risks that could result in us incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all losses or liabilities that could arise from the Company's operations. If the Company incurs losses or liabilities which are not covered by the Company's insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of the Company's assets may be at risk.

(l) **Stock Market Risks**

The market price of the Company's securities may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to the Company's operations.

(m) **Occupational Health and Safety**

There is an inherent risk of work place accidents occurring during the conduct of oil and gas production activity. The Company is totally committed to providing a safe and healthy work place for the Company's employees and contractors. The Company's safety policy is displayed prominently at all operating sites. Hazardous activities are avoided wherever possible, but when necessary, all

employees and contractors are provided with and required to wear personal protective equipment. Training is provided where it is needed and safety meetings are held at appropriate times in the course of the Company's production activities.

(n) **Liquidity Risk**

The Shares (and quoted options) in the Company have historically traded at low-volume and there is no guarantee that there will be an ongoing liquid market for New Securities. Accordingly, there is a risk that, should the market for New Securities become illiquid, holders of New Securities will be unable to realise their investment in the Company.

4.4 General Risks

There are risks involved with any investment in listed shares and options. The value of the New Securities, and any Shares issued on their exercise of New Options, once listed on the ASX, may rise or fall depending upon a range of factors and share conditions which are unrelated to the Company's future financial performance. Share market conditions are affected by many factors including, but not limited to:

- economic conditions in both Australia and internationally;
- investor sentiment and local and international share market conditions;
- changes in interest rates and the rate of inflation;
- changes in oil and oil derivative prices;
- changes to government regulation, policy or legislation;
- changes in exchange rates; and
- the nature of competition in the industry in which the Company operates.

Some of these risks can be mitigated by the use of contingency plans and safeguards. However, many are outside the control of the Company and cannot be mitigated.

Like all businesses, the Company is affected by general economic conditions including the level of interest rates, inflation and consumer spending. Any prolonged downturn in economic activity could be expected to have a negative impact on the Company. As a company having a smaller market capitalisation, the market in the Company's securities may suffer periods of illiquidity.

4.5 Other Risk Factors

Other risk factors include those normally found in conducting business including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the Company's business or trade.

Before any decision is made to subscribe for New Securities, the above matters, and all other matters described in this document must be carefully considered. The New Securities to be issued pursuant to this Prospectus, and any Shares to be issued on the exercise of New Options, should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

Investment in the Company is regarded as speculative and neither the Company nor any of its Directors guarantees that any specific objective of the Company will be achieved or that any particular performance of the Company or its securities, including the New Securities offered by this Prospectus will be achieved.

The above list of risk factors should not to be taken as exhaustive of the risks faced by the Company or the Shareholders or holders of New Options. The above factors, and others not specifically referred to above, may in the future materially affect the Company's financial performance and the value of the New Securities and any Shares issued on the exercise of New Options.

5.1 Rights and liabilities attaching to Shares

The New Shares will be of the same class and will, once issued, rank equally in all respects with existing Shares (including equal voting rights and equal rights to dividends, profits and capital). The rights and liabilities attaching to the New Shares are identical in all material respects to the terms of the existing Shares. The following is a summary of the principal rights of the holders of Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders under the Constitution.

The Constitution may be inspected free of charge by appointment during office hours (Melbourne time) at the registered office of the Company.

Meetings of Shareholders and notices

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the ASX Listing Rules.

Voting

At a general meeting, every Shareholder present in person or by proxy, attorney or representative has one vote on a show of hands (irrespective of the number of Shares they hold) and one vote for each Share held on a poll. Where there are two or more joint holders of a Share and more than one joint holder tenders a vote, the vote of the holder named first in the register who tenders the vote will be accepted to the exclusion of the votes of the other joint holders.

Voting at any meeting of Shareholders is by a show of hands unless a poll is demanded. A poll may be demanded by:

- (i) at least three Shareholders entitled to vote on the resolution;
- (ii) Shareholders with at least 5% of the votes that may be cast on the resolution; or
- (iii) the Chairman.

If the votes are equal on a proposed resolution, the Chairman has a casting vote on a show of hands.

Dividends

The Company may pay to ordinary shareholders any interim and final dividends as, in the Directors' judgement, the financial position of the Company justifies. The Directors may fix the amount, the record date for determining eligibility and the method of payment.

Subject to any special rights or restrictions attaching to any shares, dividends must be paid equally on all shares and in proportion to the number of, and the amounts paid on, the shares held.

Issues of Shares

Subject to the restrictions on the issue of shares imposed by the Constitution, the ASX Listing Rules and the Corporations Act, the Directors may issue, grant options in respect of, or otherwise dispose of further shares to any person on such terms and conditions (including preferential, deferred or special rights, privileges or conditions, or restrictions) as they see fit.

Variation of class rights

Subject to the Corporations Act and their terms of issue, the rights attached to a class of shares may be varied with the consent in writing of the holders of at least three quarters of the issued shares in the particular class, or by a special resolution passed at a separate meeting of the holders of shares in that class.

Transfer of Shares

Generally, all shares in the Company are freely transferable subject to the procedural requirements of the Constitution and to the provisions of the Corporations Act, the ASX Listing Rules and the ASX Settlement Rules. The Directors may decline to register an instrument of transfer received where the transfer is not in registrable form or where refusal is permitted under the ASX Listing Rules or the ASX Settlement Rules. If the Directors decline to register a transfer, the Company must give reasons for the refusal. The Directors must decline to register a transfer when required by the Corporations Act, the ASX Listing Rules or the ASX Settlement Rules.

Directors – appointment and removal

Subject to the Corporations Act, the minimum and maximum number of Directors may be fixed by the Directors from time to time.

The Directors may also appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who will then hold office until the next general meeting of the Company.

Retirement will occur on a rotational basis so that no Director (excluding the Managing Director) may hold office beyond the third annual general meeting following the meeting at which they were last elected or re-elected (whichever is later) without Shareholders approving their reappointment.

Directors – voting

Questions arising at a meeting of Directors will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of a tied vote, the Chairman has a second or casting vote, unless there are only two Directors present or qualified to vote, in which case the proposed resolution is taken as having been lost.

Directors' and officers' indemnities

The Company, on a full indemnity basis and to the full extent permitted by law, indemnifies each person who is or has been an executive officer of the Company or a Director, and such other officers or former officers of the Company or its related bodies corporate as the Directors in each case determine (each an Officer), against any liability (including costs and expenses) incurred by that person as an Officer or a related body corporate of the Company to the extent permitted by law.

The Company, to the extent permitted by law, may insure an Officer against a liability incurred by the Officer as an officer of the Company or any of its related bodies corporate including, but not limited to, a liability for negligence or for reasonable costs or expenses incurred in defending proceedings whether civil or criminal and whatever the outcome.

Variation of the Constitution

The Constitution may be amended only by a special resolution passed by at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution. At least 28 days' written notice specifying the intention to propose the resolution must be given to Shareholders.

5.2 Rights and Liabilities attaching to Options

The New Options issued pursuant to this Prospectus will be issued on the following terms and conditions:

- Each New Option will entitle the holder to subscribe for one (1) Share at an exercise price of \$0.12.
- All Shares allotted on exercise of the New Options will rank equally in all respects with the Company's then existing Shares.
- The New Options are exercisable at any time on or before 5.00pm (Melbourne time) on 30 September 2024 wholly or in part by delivering a duly completed form of notice of exercise to the Company's Share Registry, accompanied by payment of the exercise moneys. Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 30,000.
- The Options cannot be exercised if, as a result of the exercise, the Option holder or any of its Associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- Holders of New Options may only participate in new issues of securities as Shareholders if a New Option has been exercised and a Share has been allotted in respect of the New Option before the record date for determining entitlements to the issue (other than in the event of any reorganisation of the issued capital of the Company, see further details in paragraph below). The Company must give at least 6 Business Days' notice to holders of any New Options before the record date for determining entitlements to the issue in accordance with the Listing Rules.
- Adjustments to the exercise price of a New Option or the number of Shares over which a New Option is exercisable may be made to take account of changes to the capital structure of the Company by way of pro rata bonus or cash issues in accordance with the Listing Rules (which are currently provided under Listing Rules 6.22.2 and 6.22.3).
- If there is a pro rata issue (other than a Bonus Issue), the exercise price may be reduced in accordance with the Listing Rules.
- If there is a bonus issue to Shareholders (**Bonus Issue**), on the exercise of New Options, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the New Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The exercise price will not change. The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other Shares of that class at the date of issue of the Bonus Shares. If, prior to the expiry of any New Options, there is a reorganisation of the issued capital of the Company, the New Options shall be reorganised in the manner set out in the Listing Rules.

5.3 Related party transactions

Other than as disclosed elsewhere in this Prospectus, the Company is not a party to any agreement that would be considered a related party transaction.

5.4 Litigation and material disputes

As at the date of this Prospectus, the Company is not involved in any legal or administrative proceedings and the Directors are not aware of any claim or threatened claim against the Company which may result in material legal proceedings.

5.5 Interests of Directors and promoters

Other than as set out below or elsewhere in this Prospectus, no Director or promoter of the Company (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Rights Issue; or
- the Rights Issue,

and, other than as set out below or elsewhere in this Prospectus, no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- any Director to induce him or her to become or to qualify as a director of the Company; or
- any Director or promoter of the Company (or entity in which they are a partner or director) for services which he or she has provided in connection with the formation or promotion of the Company or the Rights Issue.

The Directors and their related entities have the following interests in the Shares and the Options as at the date of this Prospectus.

Directors' Interests (including indirect interests)

| Director | Shares Held | Options held |
|----------------|-------------|--------------|
| Peter Mullins | 2,333,333 | 153,333 |
| Tino Guglielmo | 10,587,682 | 533,333 |
| Hector Gordon | 1,010,666 | 84,222 |
| Mark Lindh | 5,885,787 | 379,369 |

Directors' interests include interests they have in Shares registered in the name of other persons. The Directors holding Shares will be entitled to participate in the Offer on the same basis as other Eligible Shareholders.

5.6 Remuneration of Directors

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process.

(a) Employment contract of Managing Director

The employment conditions of the Managing Director, Giustino (Tino) Guglielmo, is formalised in an employment agreement. The employment agreement stipulates a 6 month resignation notice period. The Company may terminate the employment agreement without cause by providing 6 months' written notice. Termination payments are not payable on resignation or dismissal for wilful or gross misconduct. In the instance of wilful or gross misconduct the Company can terminate employment at any time.

(b) Remuneration of Non-executive Directors

The compensation for non-executive directors is set based on advice from external advisors with reference to fees paid to other non-executive directors of comparable companies. None of the non-executive directors receive performance-related compensation. Directors' fees cover all main board activities. The maximum aggregate remuneration of non-executive Directors fees has been set at \$250,000.

The following table shows the annual remuneration paid to both executive and non-executive Directors and the Company Secretary for the last two financial years ended 31 December 2021 and 31 December 2020:

| | Short-term employee benefits (Salary and fees) USD (\$) | | Post-employment benefits (Super) USD (\$) | | Termination payments | Total Compensation 2020 and 2021 USD (\$) |
|----------------|---|---------|---|--------|----------------------|---|
| | 2020 | 2021 | 2020 | 2021 | | |
| Peter Mullins | 32,277 | 55,277 | 3,066 | 5,472 | - | 96,092 |
| Tino Guglielmo | 130,078 | 216,014 | 12,357 | 27,024 | - | 385,473 |
| Hector Gordon | 23,536 | 40,537 | 2,236 | 4,013 | - | 70,322 |
| Mark Lindh | 21,418 | 36,853 | 2,035 | 3,648 | - | 63,954 |
| Robyn Hamilton | 42,888 | 62,845 | - | - | - | 105,733 |

No Share-based payments or long-term benefits were paid to directors or officers in the last two financial years.

Further details of the remuneration of Directors is set out in the Remuneration Report set out in the Annual Report 2021 of the Company.

5.7 Privacy notification

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing personal information to the Company.

The *Privacy Act 1988* (Cth) regulates the way the Company collects, uses, disposes, keeps secure and gives people access to their personal information.

The Company collects, holds and uses that personal information in order to process your application and to administer your shareholding in the Company, including:

- setting up and maintaining a register of shareholders in accordance with the Corporations Act;
- paying dividends to you should the Company at a later date declare a dividend;
- communicating with Shareholders, including sending annual reports, notices of meetings and any other documents which the Company wishes to send to you as a Shareholder;
- carrying out general administration including monitoring, auditing, evaluation, modelling data, dealing with complaints and answering queries; and
- complying with its legal and regulatory obligations.

If you do not provide the information requested in the Entitlement and Acceptance Form, the Company may not be able to process or accept your application for New Shares.

Your personal information may be provided to the Company's agents or service providers.

The types of agents and service providers that may be provided with your personal information include:

- the Share Registry for ongoing administration of the share register;
- printers and mail houses for the purposes of preparation and distribution of documents to you and for handling mail; and
- professional service providers such as lawyers, accountants, auditors and other professional advisers for the purpose of administering, and advising on, the New Shares and for any associated actions.

Your personal information may be provided to certain third parties. The types of third parties that may be provided with your personal information, and the circumstances in which your personal information may be disclosed, include:

- your financial adviser or broker (other than your tax file number information) in connection with services provided to you by your adviser or broker;
- government, regulatory authorities or other people when permitted or required by law, such as ASIC or people inspecting the share register in accordance with the Corporations Act;
- ASX; and
- in certain circumstances and with safeguards to respect your privacy, potential or actual purchasers of an interest in the Company or the Company's business or any part thereof.

You have the right to gain access to your personal information held by, or on behalf of, the Company, subject to certain exemptions under the law. You may be required to pay a reasonable charge in order to access your personal information. You can request access to your personal information by writing to the Company Secretary.

5.8 Taxation Implications

The Company recommends that Eligible Shareholders obtain their own independent taxation advice regarding the possible taxation implications of the Rights Issue.

5.9 Interests of advisers

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, do not have, and have not had in the two years before the date of this Prospectus, any interests in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- the Rights Issue,

and, other than as set out below or elsewhere in this Prospectus, no amounts have been paid or agreed to be paid and no other benefit has been given or agreed to be given to any persons named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, in connection with the formation or promotion of the Company or the Rights Issue.

By a mandate agreement between Adelaide Equity Partners Limited (Adelaide Equity) and the Company, Adelaide Equity has agreed to act as Corporate Advisor in respect of the Offer as well as provide certain other advisory and investor relations services (**Mandate Agreement**). Pursuant to the Mandate Agreement, the Company has agreed to pay Adelaide Equity \$7,500 a month, for 3 months during the Rights Issue offer period and a 1% fee (exclusive of GST) calculated by multiplying the total number of New Shares issued under the Rights Issue by the price at which each New Share is issued. This fee is payable after completion of the Rights Issue.

Copeak Corporate Pty Ltd as trustee for the Peak Asset Management Unit Trust (**Peak Asset Management**) has been appointed to act as Lead Manager and Corporate Advisor of the Offer under an Engagement Letter. Under the Engagement Letter, the Company has agreed to pay Peak Asset Management: (1) a management fee of 1.5% of all funds raised from existing Shareholders under the Offer; (2) a 5% capital raise fee on all funds raised by the Company as a result of Peak Asset Management procuring the subscription for those Shares and Options not accepted as at the close of the Offer (excluding GST) (**Capital Raising Fee**); and (3) subject to minimum \$4,000,000 being raised under the Offer, the Company will issue Peak Asset Management 7,500,000 Options on the same terms as the New Options. In the absence of any shareholder approval required for the issue of the New Options, the Capital Raising Fee is payable in cash to the equivalent value of the New Options to be issued to Peak Asset Management.

Link Market Services Limited has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of applications received pursuant to this Prospectus and will be paid for these services on established industry terms and conditions.

5.10 Consents to statements in the Prospectus and consents to be named

Copeak Corporate Pty Ltd has given and, at the time of lodging of this Prospectus with ASIC, has not withdrawn, its consent to be named in this Prospectus in the form and context in which it is named.

Adelaide Equity Partners Limited has given and, at the time of lodging of this Prospectus with ASIC, has not withdrawn, its consent to be named in this Prospectus as Corporate Advisor for the Company in the form and context in which it is named.

Link Market Services Limited has given and, at the time of lodging of this Prospectus with ASIC, has not withdrawn, its consent to be named in this Prospectus as Share Registry for the Company in the form and context in which it is named.

CoPeak Corporate Pty Ltd, Adelaide Equity Partners Limited and Link Market Services Limited:

- have not authorised or caused the issue of this Prospectus;
- do not make or purport to make, any statement in this Prospectus, or any statement in which a statement in this Prospectus is based, other than as specified above; and
- to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than the reference to their name or as otherwise specified above.

5.11 Estimated Costs of the Rights Issue

The expenses of the Rights Issue (exclusive of GST) are estimated to be up to approximately \$230,000, made up as follows:

| Expenses | \$ |
|--|------------------|
| Legal | 20,000 |
| Printing, postage and share registry | 23,000 |
| ASX listing fees | 10,000 |
| ASIC lodgement fee | 3,206 |
| Lead Manger and corporate advisory fees* | 170,000 |
| Total estimated costs of Rights | \$230,206 |

**Note the final Lead Manager and corporate advisory fees will vary between \$100,450 and \$241,080, depending on the number of Shortfall Securities issued.*

6 AUTHORISATION

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:



Mr Peter Mullins
Chairman
Bass Oil Limited

7 GLOSSARY

In this Prospectus and in the Entitlement and Acceptance Form, unless the context otherwise requires, the following terms have the meanings listed:

| | |
|--|---|
| Additional Options | New Options applied for in addition to the number shown on a Shareholder's Entitlement and Acceptance Form. |
| Additional Securities | Means Additional Shares and Additional Options. |
| Additional Shares | New Shares applied for in addition to the number shown on the Shareholder's Entitlement and Acceptance Form. |
| Application Monies | The monies received from persons applying for New Shares pursuant to the terms of the Rights Issue. |
| ASIC | Australian Securities and Investments Commission. |
| Associate | Has the meaning given to that term in the Corporations Act. |
| ASX Settlement Rules | The ASX Settlement and Operating Rules for the ASX Settlement Pty Ltd ABN 49 008 504 532. |
| ASX | ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange operated by it (as the context requires). |
| Beach Energy | Beach Energy Limited ACN 007 617 969 |
| Beach Energy Transaction | Has the meaning given to that term in Section 2. |
| Board | Board of Directors of the Company. |
| Business Day | Has the meaning given to that term in the Listing Rules. |
| CHESS | Has the meaning attributed to that term in the ASX Settlement Rules. |
| Closing Date | 5.00pm (Melbourne time) on Monday, 17 June 2022, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine. |
| Company or Bass | Bass Oil Limited ACN 008 694 817. |
| Constitution | The constitution of the Company. |
| Cooper Basin Transaction | Has the meaning given to that term in Section 2. |
| Cooper Energy | Cooper Energy Limited ACN 096 170 295. |
| Cooper Energy Transaction | Has the meaning given to that term in Section 2. |
| Corporations Act | <i>Corporations Act 2001</i> (Cth). |
| Director | A director of the Company. |
| Eligible Shareholder | A registered holder of the Company's Shares on the Record Date whose registered address is in Australia or New Zealand. |
| Entitlement | A Shareholder's entitlement under the Rights Issue to subscribe for New Shares, with one attaching New Option for every two New Shares subscribed for and issued. |
| Entitlement and Acceptance Form | The entitlement and acceptance form accompanying this Prospectus. |
| Existing Options | The Options listed in Table 2 in Section 3.3(b). |
| Ineligible Foreign Shareholder | A Shareholder with an address in the Company register of Shareholders outside Australia and New Zealand, unless the Company is satisfied that it is not precluded from lawfully issuing New Securities to that Shareholder either unconditionally or after compliance with conditions which the Board in its sole |

| | |
|---------------------------------|--|
| | discretion regards as acceptable and not unduly onerous. |
| Listing Rules | The listing rules of the ASX. |
| New Option | An Option offered pursuant to the Rights Issue, the terms of which are set out in Section 5.2. |
| New Share | A Share offered pursuant to the Rights Issue. |
| New Securities | New Shares and/or New Options offered pursuant to the Rights Issue. |
| Offer | The offer to Eligible Shareholders to subscribe for New Shares and the New Options under the Rights Issue. |
| Option | An option to subscribe for Shares. |
| Optionholder | A holder of an Option. |
| Peak Asset Management | Copeak Corporate Pty Ltd ACN 632 277 144 as trustee for the Peak Asset Management Unit Trust. |
| Placement | The placement of 800,000,000 Shares issued by the Company on 11 April 2022. |
| Record Date | 7.00pm (Melbourne time) on 31 May 2022. |
| Rights Issue | A pro rata non-renounceable offer to the Eligible Shareholders to subscribe for: <ul style="list-style-type: none"> (1) One (1) New Share at the price of \$0.045 per New Share for every two (2) Shares held at the Record Date; together with (2) One (1) free attaching Option for every one (1) New Share subscribed for and issued (each exercisable at \$0.12 on or before 30 September 2024). |
| Section | A section of this Prospectus. |
| Share | A fully paid, ordinary share issued in the share capital of the Company. |
| Share Registry | Link Market Services Limited. |
| Shareholder | A shareholder of the Company. |
| Shortfall | The difference between the total number of New Shares and New Options offered under the Offer and the number of New Shares and New Options actually applied for by Eligible Shareholders. |
| Shortfall Offer | Has the meaning given to that term in Section 1.9 |
| Shortfall Securities | Those New Shares and attaching New Options offered under the Rights Issue but not applied for by Eligible Shareholders under their Entitlement. |
| Tangai-Sukananti Project | The Company's 55% interest in the Tangai-Sukananti production assets located in South Sumatra, Indonesia. |

Directors

Peter Mullins
Tino Guglielmo
Hector Gordon
Mark Lindh

Company Secretary

Robyn Hamilton

**Registered Office and
Principal Place of Business**

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

Ph: +61 3 9927 3000
Email: admin@bassoil.com.au

Company website

<http://www.bassoil.com.au>

ASX CODE: BAS

Share Registry

Link Market Services Limited
Level 13, Tower 4
727 Collins Street
Melbourne VIC 3000

Corporate Advisors

Adelaide Equity Partners Limited
Ground Floor,
70 Hindmarsh Square
Adelaide SA 5000
+61 8 8232 8800

Peak Asset Management
Level 39
55 Collins Street
Melbourne VIC 3000
www.peakassetmanagement.com.au

SCHEDULE 1 – DOCUMENTS LODGED WITH ASX SINCE 1 APRIL 2022**DOCUMENTS LODGED AT ASX SINCE 1 APRIL 2022**

| Date of Announcement | Description of Announcement |
|-----------------------------|--|
| 24 May 2022 | Results of Meeting |
| 24 May 2022 | 2022 AGM Presentation |
| 16 May 2022 | Change of Director's Interest Notice - M Lindh |
| 16 May 2022 | Change of Director's Interest Notice – H Gordon |
| 16 May 2022 | Change of Director's Interest Notice – G Guglielmo |
| 16 May 2022 | Change of Director's Interest Notice – P Mullins |
| 16 May 2022 | Onshore Indonesian Oil Operations Update – April 2022 |
| 12 May 2022 | Tangai-5 Strong Clean Up Oil Flow Rate |
| 11 May 2022 | Completion of Share Consolidation |
| 6 May 2022 | Update - Notification of Cessation of Securities |
| 29 April 2022 | Tangai-5 Weekly Drilling Update |
| 28 April 2022 | Notification of Cessation of Securities |
| 28 April 2022 | Completion of Unmarketable Parcel of Shares Buy-Back |
| 28 April 2022 | Quarterly Activities Report and Appendix 5B March 2022 |
| 22 April 2022 | Notice of Annual General Meeting and Proxy Form |
| 21 April 2022 | Tangai-5 Weekly Drilling Update |
| 19 April 2022 | Onshore Indonesian Oil Operations Update – March 2022 |
| 19 April 2022 | Change in Substantial Holding |
| 14 April 2022 | Tangai-5 Weekly Drilling Update |
| 14 April 2022 | Change in Substantial holding from COE |
| 11 April 2022 | Application for Quotation of Securities |
| 8 April 2022 | Results of Meeting |
| 8 April 2022 | General Meeting Presentation |
| 7 April 2022 | Tangai-5 Weekly Drilling Update |

IID:
SRN/HIN:
Entitlement Number:
Number of Eligible Shares held as at the Record Date, 7:00pm (AEST) 31 May 2022:
Entitlement to New Shares (on a 1 New Share for 2 basis):
Amount payable on full acceptance at A\$0.045 per Share:

| | |
|--|---------------------|
| Offer Closes 5:00pm (AEST): | 17 June 2022 |
|--|---------------------|

ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Shareholder you are entitled to acquire 1 New Share and 1 New Option for every 2 Existing Shares that you hold on the Record Date, at an Offer Price of A\$0.045 per New Share. You may also apply for New Shares in excess of your Entitlement, at the Offer Price. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Offer is being made under the Prospectus dated 26 May 2022. The Prospectus contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Prospectus. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus.

If you have any queries about your Entitlement or the Offer, please contact the Company between 8:30am and 5:00pm (AEST) Monday to Friday by calling +61 3 9927 3000 or via email at admin@bassoil.com.au.

PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement (as shown above), or take up all of your Entitlement and apply for additional New Shares, you have two payment options detailed below.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (AEST) on 17 June 2022. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.

OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5:00pm (AEST) on 17 June 2022.



Billers Code: XXXXXX
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
© Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach and enclose with payment



ABN 13 008 694 817



IID:
SRN/HIN:
Entitlement Number:

A Number of New Shares accepted (being not more than your Entitlement shown above)

B Number of additional New Shares

C Total number of New Shares accepted (add Boxes A and B)

D PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “Bass Oil Limited” and crossed “Not Negotiable”.

| Drawer | Cheque Number | BSB Number | Account Number | Amount of Cheque |
|----------------------|----------------------|----------------------|----------------------|--------------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | A\$ <input type="text"/> |

E CONTACT DETAILS – Telephone Number

Telephone Number – After Hours

Contact Name

BASS OIL LIMITED

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Prospectus and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Bass Oil Limited.

HOW TO APPLY FOR NEW SHARES

1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.045.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of **additional** New Shares above your Entitlement for which you wish to apply into Box B. Your Application for additional New Shares may not be successful (wholly or partially). The decision of Bass Oil Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

D. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section D. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Bass Oil Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, Bass Oil Limited may treat you as applying for as many New Shares and Additional New Shares as your cheque, bank draft or money order will pay for.

E. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

Please send your completed Entitlement and Acceptance Form with the payment for New Shares to the postal address set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Bass Oil Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (AEST) on 17 June 2022. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Bass Oil Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

If you any queries about your Entitlement or the Offer, please contact the Company between 8:30am and 5:00pm (AEST) Monday to Friday by calling +61 3 9927 3000 or via email at admin@bassoil.com.au