

TARGET MARKET DETERMINATION – OPTION ISSUE

Made by: **Bass Oil Limited** (ACN 008 694 817) of Level 5, 11-19 Bank Place, Melbourne, Victoria (**Company**).

Product: Options to be issued in connection with a prospectus lodged by the Company on 14 May 2025, with an exercise price of \$0.05 and an expiry date of 31 May 2028 (**Options**).

Effective date: 14 May 2025

This target market determination (**TMD**) has been prepared by the Company in relation to the following offers pursuant to the Company's prospectus dated 14 May 2025 (**Prospectus**), a copy of which is available on the Company's website, bassoil.com.au:

- (a) an offer of Options in connection with the Entitlement Offer (**Entitlement Offer**); and
- (b) an offer Options in connection with the Shortfall Offer (**Shortfall Offer**).

Unless otherwise defined in this TMD, capitalised terms have the meaning given to those terms in the Prospectus.

Pursuant to the Prospectus:

- (a) Eligible Shareholders who subscribe for New Shares under the Entitlement Offer are being offered one (1) free attaching Option for every 2 New Shares issued; and
- (b) the Company may, in its absolute discretion, place any Options within 3 months from the closing date of the Entitlement Offer.

The offers will be made under the Prospectus, lodged with the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) on 14 May 2025. Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional adviser if they have any questions regarding the contents of the Prospectus. Any recipient of this TMD who wants to acquire Options under an offer will need to complete the application form that will be in, or will accompany, the Prospectus. There is no cooling off period in respect of the issue of the Options. This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth), and therefore, it has not been lodged, and does not require lodgement, with ASIC nor does it contain a full summary of the terms and conditions of the Options.

This TMD does not take into account what you currently have, or what you want and need, for your financial future. It is important for you to consider these matters and read the Prospectus before you make an investment decision. The Company is not licensed to provide financial product advice in relation to the Options.

This TMD is current as at 14 May 2025 and will be withdrawn following the issue of the Options under the offers. The Company may review and amend this TMD at any time.

2 TARGET MARKET

Factor	Target market
Investment Objective	Entitlement Offer

Factor	Target market
	<p>The Company expects that an investment in Options under the Entitlement Offer will be suitable to eligible Shareholders (Investors) who wish to increase their exposure to equities in a small-cap gas exploration and production company listed on the Australian Securities Exchange (ASX). Particularly, it will be those existing Shareholders of the Company who are registered as holders of Shares at 7pm (Melbourne time) on 20 May 2025 and whose registered address is in Australia being those Shareholders who are eligible to participate in the Company's Entitlement Offer to raise up to \$3,100,000, to which the issue of Options relate.</p> <p>Shortfall Offer</p> <p>The Company expects that an investment in Options under the Shortfall Offer will be suitable for:</p> <ul style="list-style-type: none"> • new and existing institutional, sophisticated or professional investors that are invited to invest in the Company to gain exposure to equities in / seek to profit from an appreciation in the market price of shares in a small-cap mining exploration company listed on the ASX; and • who are in a position to pay any exercise amounts in relation to the Options in due course.
Investment Timeframe	<p>The target market of investors will take a short to medium term outlook on their investment. Investors with a short-term outlook for their investment will benefit from an ability to exercise Options and trade the underlying Shares issued on exercise should the Option exercise price of the Options be lower than the trading price of Shares. Investors with a medium-term outlook will benefit from an ability to exercise the Options within their 3 year exercise period and increase their shareholding and exposure to the potential upside in the Company's Shares into the future.</p> <p>Given the need to pay the exercise price in order to acquire Shares, Investors in the target market are in a financial position that is sufficient for them to invest their funds on exercise the Options over a three year time horizon, during which their ability to liquidate their Options in the Company may be limited by a lack of liquidity in the Options and by the trading price of the underlying Shares.</p>
Investment Metrics	<p>While the Company does not have an established eligibility framework for investors based on metrics such as age, expected return or volatility, it is expected that the target</p>

Factor	Target market
	market of investors will be able to withstand potential fluctuations in the value of their investment. The Options offer no guaranteed income or capital protection.
Risk	The Company considers that an investment in the Options is highly speculative, such that an investment in the Company is not appropriate for an investor who would not be able to bear a loss of some or all of the investment. Investors should also have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the risks of investing in Options as an asset class generally and the more specific risks of investing in an Australian listed small-cap gas exploration and appraisal company.

3 DISTRIBUTION CONDITIONS

The Entitlement Offer is being directly offered to Eligible Shareholders who hold shares at the Record Date.

Any Entitlements not taken up under the Entitlement Offer will form a shortfall and Eligible Shareholders may subscribe for additional securities. Any remaining shortfall may be placed by the Company following the close of the Entitlement Offer.

The Prospectus will include jurisdictional conditions on eligibility. The Company will also include on its web landing page for the Entitlement Offer a copy of this TMD and require that retail clients confirm that they meet the eligibility criteria of the expected target market outlined in this TMD before they apply for Options.

The Company considers that these distribution conditions will ensure that persons who invest in Options under the Entitlement Offer fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

4 REVIEW TRIGGERS

The Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the Options will no longer be available for investment by way of issue. It follows that the TMD will only apply in the period between 14 May 2025 and the issue of the Options shortly after the close of the Entitlement Offer (or Shortfall Offer, where applicable) (**Offer Period**).

To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the Options and should be reviewed, the following review triggers apply for the Offer Period:

- (i) a new offer of Options that requires preparation of a disclosure document is made after completion of the Offer Period;
- (ii) any event or circumstance that would materially change a factor taken into account in making this TMD;

- (iii) the existence of a significant dealing of the Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options on market is a significant dealing;
- (iv) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
- (v) material changes to the regulatory environment that applies to an investment in the Options.

5 REVIEW PERIOD

If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger.

The Company will otherwise complete a review of the TMD immediately prior to the issue of Options under the Offer.

6 INFORMATION REPORTING

The reporting requirements of all distributors is set out in the table below.

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Options.	<ul style="list-style-type: none"> For such time as the Offer Period remains open, within 10 business days after the end of each quarter. Within 10 business days after the end of the Offer Period. 	<ul style="list-style-type: none"> The number of complaints received. A summary of the nature of each complaint or a copy of each complaint.
A significant dealing of the Options that is not consistent with this TMD	As soon as reasonably practicable after the significant dealing occurs, but in any event no later than 10 business days after the significant dealing occurs.	<ul style="list-style-type: none"> Details of the significant dealing. Reasons why the distributor considers that the significant dealing is not consistent with this TMD.
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD	Within 10 business days after the end of the close of the offer of Options in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

7 CONTACT DETAILS

Contact details in respect of this TMD for the Company are:

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