

25 October 2023

Quarterly report for the period ending 30 September 2023

Bass Oil Limited (ASX:BAS) is an Australian-listed oil producer that holds a majority interest in eight permits in the Cooper Basin (Australia) including the 100% owned Worrior and Padulla oil fields and a 55% interest in a South Sumatra Basin (Indonesia) KSO. The Company is debt free and committed to creating value by leveraging the competitive strengths of its team, operating capability, reputation, and relationships in both Australia and Indonesia.

Highlights

- Quarterly oil sales were US\$1.91 million, up 26.7%, at an average price of US\$84.94 per bbl
- Production, net to Bass in the September quarter was 35,958 barrels up 22.0%, averaging 390 bopd
- Cash balance US\$1.71 million, up 12.5% on the previous quarter
- Bass awarded a 10-year extension to Indonesian KSO to September 2035 allowing the Company to exploit growth potential
- Geophysical mapping has assessed the Kiwi gas discovery to contain a 2C Contingent Resource of 5.24 BCF and a 3C Contingent Resource of 11.5 BCF
- Long Lead Items for the Kiwi 1 Extended Production Test purchased

Bass Oil Managing Director, Mr Tino Guglielmo, commented:

“ Both the Indonesian and Cooper Basin cash generating units continue to deliver for Bass through strong production performance combined with high oil prices. The Cooper portfolio is also revealing further upside gas potential particularly in Bass’ northern permits surrounding the Kiwi discovery and the recently granted 10-year extension to the Indonesian KSO is of significant benefit to the Company as we focus on growing Bass into a mid-tier oil and gas producer.”

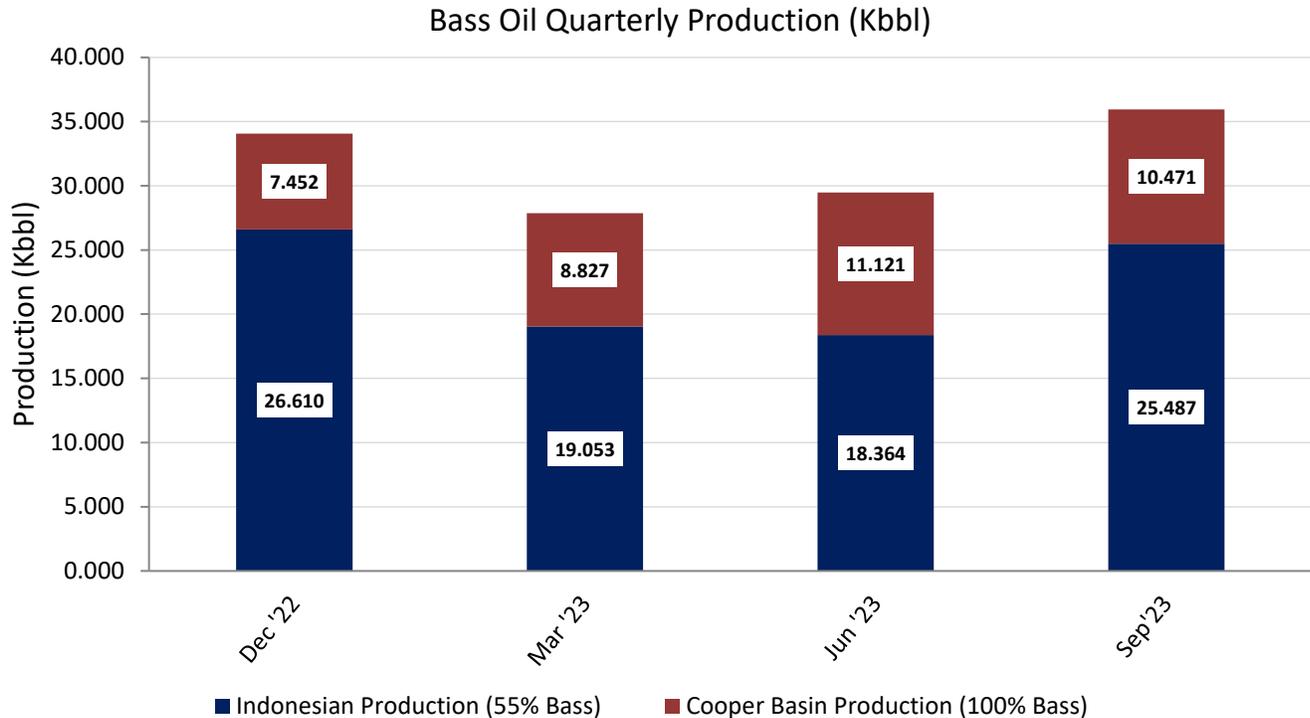
Key Performance Metrics	Sep Qtr Q3 FY23	Jun Qtr Q2 FY23	Qtr on Qtr Change	2023 YTD	2022 YTD	Yr on yr Change
Net Production ¹ (m bbl)	35.96	29.48	22.0%	93.32	90.32	3.3%
Net Oil Sales ¹ (m bbl)	34.14	26.62	28.2%	86.90	87.84	-1.1%
Net Entitlement to Bass (m bbl)	20.76	20.05	3.6%	57.96	38.65	50.0%
Sales Revenue ³ (US\$M)	1.91	1.51	26.7%	4.79	4.10	16.9%
Average Realised Oil Price	84.94	74.94	13.3%	78.77	101.64	-22.5%
Cash (US\$M)	1.71	1.52	12.5%	1.71	3.21	-46.7%

Note 1: Net Indonesian Production and Sales are reported at 55% share and excludes the deduction of Domestic Market Obligation (DMO).

Note 2: The KPM, including Net Entitlement to Bass, for Sep Qtr Q3 FY23 & Jun Qtr Q2 FY23 include both Cooper Basin and Indonesian results (net of DMO).

Note 3: Revenue from the sale of oil is recognised at the point in time when the customer obtains control of the oil.

Production



Oil production for the September quarter was 35,958 barrels of oil, up 22.0% from 29,485 barrels in the June quarter. Production net to Bass for the quarter averaged 390 bopd. The increase was primarily due to debottlenecking opportunities at the Bunian field in Indonesia as well as the impact of production optimisation activities in the Cooper Basin.

Oil Price

Bass realised an average oil price for the September 2023 quarter of US\$84.94, a 13.3% increase on the June 2023 quarter. The oil markets have been through a period of strength and global oil prices have continued to increase since the end of the quarter. The weakness in the AUD/USD exchange rates along with the oil price strength are a compound benefit to the Company.

Bass oil sales in Indonesia are tied to ICP crude pricing which in turn is linked to the benchmark Brent crude. Cooper Basin oil sales are also linked to the benchmark Brent crude. The Company has no oil hedges in place.

COOPER BASIN

Worrior and Padulla Oil Fields (Bass 100%)

Production for the September quarter from the Worrior and Padulla oil fields averaged 114 bopd, down 5.8% on the June quarter.

Revenue for the quarter from the Cooper Basin was US\$0.76 million (A\$1.17 million) from the sale of 8,730 barrels of oil, up 11.1% from sales of 8,781 barrels in the June 2023 quarter. The Company received an average oil price for the September 2023 quarter of US\$87.88 (A\$134.18), up 12.4% from the June 2023 quarter.

Operations

Production operations predominantly consisted of routine activities with the exception of an engine replacement for the Padulla jet pumping system. This resulted in some minor interruption to production from the Padulla field during the quarter. The downhole jet pump in the Padulla 3 well was recovered and refurbished. The well was returned to production lifting total Cooper Basin production to ~130 bopd.

	Sep Qtr Q3 FY23	Jun Qtr Q2 FY23	Qtr on Qtr change
Sales Volume			
Crude Oil (mmbbl)	8,730	8,781	-0.6%
Total Sales Volume	8,730	8,781	-0.6%
Total Sales Revenue (US\$M)	\$0.76	\$0.69	11.1%
Production			
Crude Oil (mmbbl)	10,471	11,121	-5.8%
Total Production	10,471	11,121	-5.8%
Capital Expenditure (US\$M)	-	-	-

Worrior Jet Pump Expansion

Existing infrastructure at the Worrior facility can accommodate up to three power fluid pumps operating in parallel. The pumps provide artificial lift power fluid to increase production from the wells. Worrior has only been operating with one power fluid pump online which is insufficient to provide artificial lift to all the wells.

During the quarter Bass took delivery of all equipment and materials to recommission a second pump. The second pump was commissioned in September. Shortly after the new pump was commissioned a fault was detected in the original pump. A replacement pump has been sourced and will be installed in November.

Worrior Murta development

The Worrior Murta reservoir has never been developed. Previous operators have assessed it to contain a 3C contingent resource of up to 1 million barrels of oil. This reservoir is the same reservoir that is currently in production at the nearby Padulla oilfield. Bass is planning to test the oil production potential of this reservoir following fracture stimulation as part of the 2024 appraisal program.

Cooper Basin Gas

Ex PEL 90K Kiwi (Bass 100%)

Kiwi 1 was drilled in 2003 as an exploration well, resulting in a Triassic age, Callamurra Member gas discovery which flow tested at 9.6 million cubic feet per day on drill stem test. The discovery, which was drilled on a 2D seismic data set, was originally thought to contain a sub commercial quantity of gas in a relatively small structural trap.

A 3D seismic survey subsequently acquired over the area has revealed potential upside of the Kiwi gas discovery via a larger stratigraphic trap. A mapping project has quantified the size of the possible stratigraphic trap, which has resulted in a revised assessment of a 2C Contingent Resource of 5.24 BCF and a 3C Contingent Resource of 11.5 BCF.

The Bass technical team has identified an amplitude anomaly in the seismic data that appears to support the mapping of a stratigraphic upside to the Kiwi gas discovery. The amplitude anomaly may also be indicating the presence of other stratigraphic traps on trend with the Kiwi discovery that as a result of a successful test at Kiwi may be significantly upgraded.

The objectives of the planned Extended Production Test are to confirm the gas composition and potential field size. Kiwi 1 is cased and suspended and has never been completed for production.

The Company has committed to the purchase of Long Lead Items required to complete the Kiwi 1 well and perform an Extended Production Test.

Ex PEL 182 (Bass 100%)

Deep Permian Coal Gas

Bass has commenced discussions with a global oil service company to scope out a study to identify the most effective strategy to progress the commercialisation of this significant deep coal gas resource in the PEL 182 permit. In late 2022 Bass announced the results of an independent study carried out by geological experts, Fluid Energy Consultants (Fluid) into the prospectivity of the gas bearing potential of the deep coals in this permit. The Deep Coal Gas Prospective Resource Report quantified the gas potential contained in PEL 182 (Figure 1) at a “best estimate” of 21 TCF of gas in place along with and accompanying 845 million barrels of condensate/oil in place.

For further information please see the ASX Announcement “Significant Gas Resource Identified in PEL 182 (Bass 100%)”, released 16 November 2022.

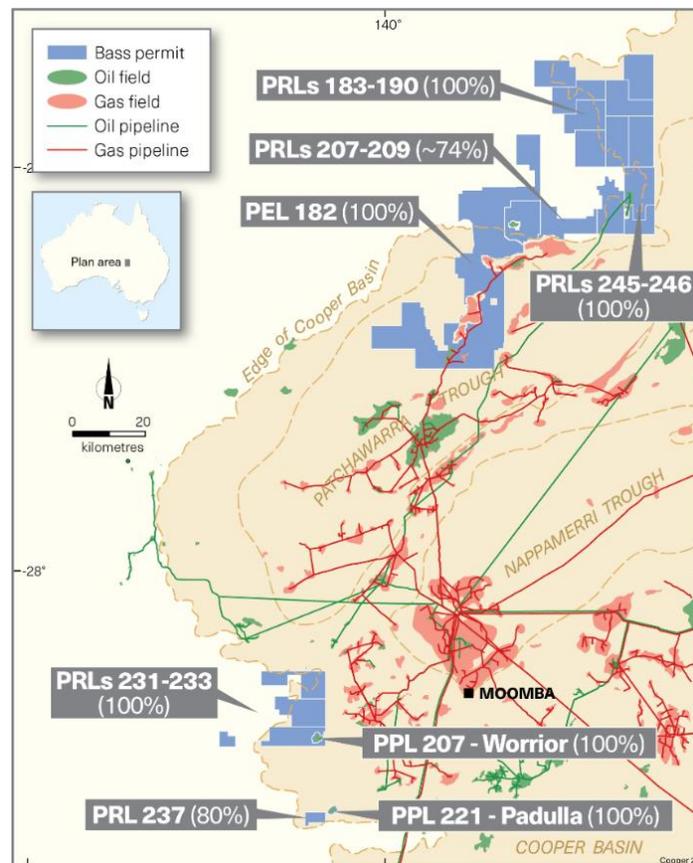


Figure 1: Location Map PEL 182

INDONESIA

Tangai-Sukananti KSO (Bass 55% and Operator)

The Company produced 25,487 barrels of oil (Bass share) during the quarter and sold 25,406 barrels of oil (Bass share). The net entitlement oil to Bass was 12,032 barrels for the September 2023 quarter an increase of 6.8% after Domestic Market Obligation (DMO).

The subsurface team planned and commenced a well optimisation program during the June quarter. This activity revolved around removing flowline bottlenecks which restrict production from the two highest producing wells in the fields, Bunian 3 and Tangai 5. The results from this work have been positive and resulted in an increase in daily production throughout the September quarter.

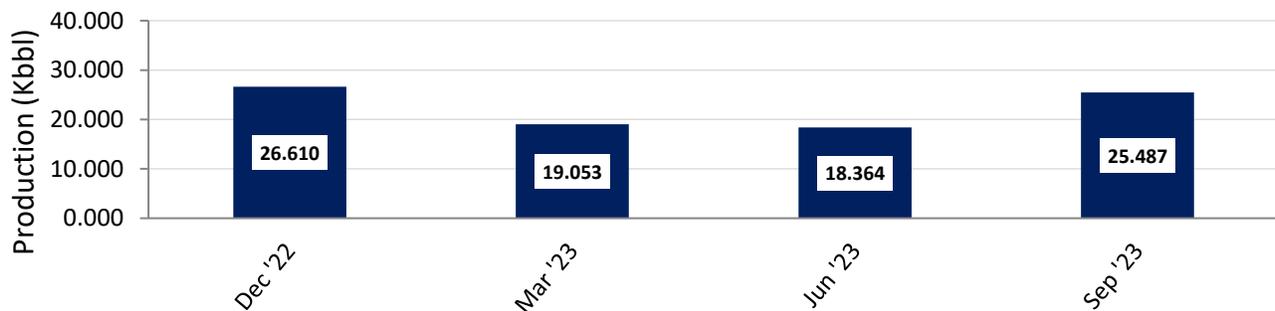
On 10 August 2023, Bass announced that it had signed a 10 (ten) year extension to its 55% owned and operated Tangai-Sukananti KSO in South Sumatra with the Indonesian state-owned oil company Pertamina EP. The new terms commenced from 1 August 2023. The KSO was due to expire 25 July 2025, 15 years after it was granted in 2010. The KSO will now expire 16 September 2035.

The extension was granted under improved fiscal terms. One of the major benefits of the new KSO terms is an increased equity split of profit oil. The previous KSO terms had a fixed equity split of 15% on profit oil after tax, less Domestic Market Obligations (DMO). The new terms calculate the profit split on a sliding scale up to 35% with no DMO. The split is after tax.

The effect of these terms is to encourage the license holder to maintain an active work program to achieve the highest profit split available.

An additional benefit of the license extension to Bass is an expected increase in reserves at no significant cost to the Company. This is because a quantity of oil production was forecast to be produced beyond the previous expiry that could only be identified as contingent resources. This oil will now be produced within licence tenure and can be recognised as reserves. The full reserve impact of the license extension will be quantified as part of the 31 December 2023 reserves review.

Tangai-Sukananti Quarterly Production (55% Bass)



Field Development

Bunian field performance and the Tangai 5 well result gives encouragement for future drilling in the KSO (Figure 2). Bass has started planning for the 2024 drilling program which will likely include the Bunian 6 development well, targeting the undrained oil in the southwest of the Bunian field.

Oil Price

Bass oil sales in Indonesia are tied to ICP crude pricing which in turn is linked to the benchmark Brent crude. The Company realised an average oil price for the September 2023 quarter of US\$82.00.

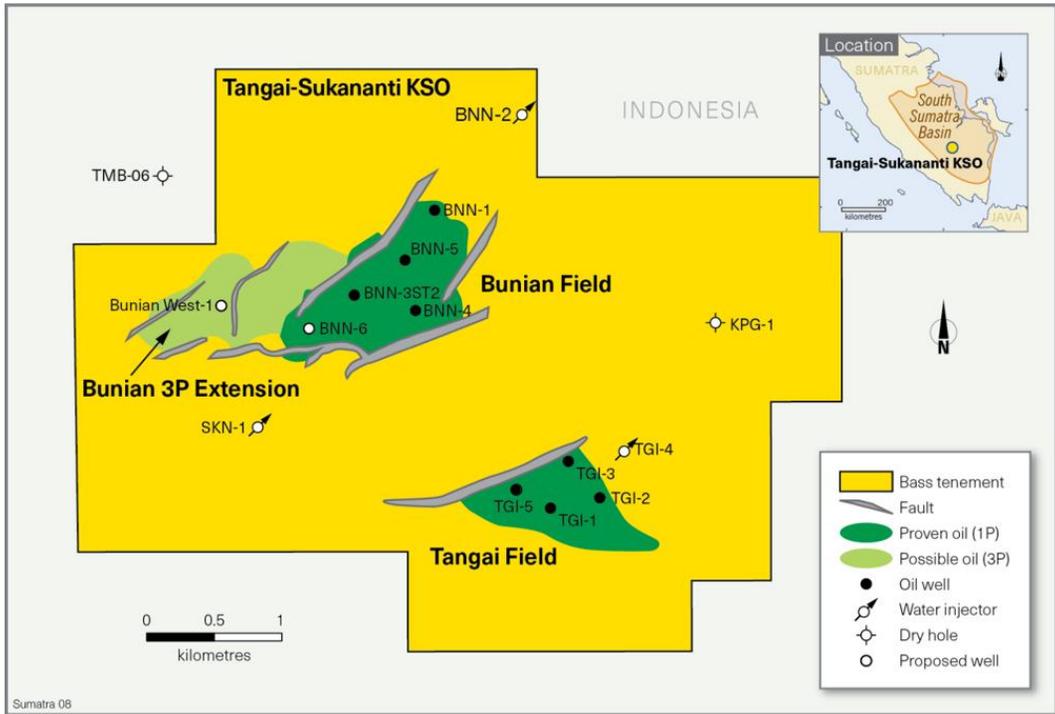


Figure 2: Tangai-Sukananti KSO Location Map

CORPORATE

Cash Position

As of 30 September 2023, Bass’ cash reserves totalled US\$1.71 million (or some A\$2.64 million), up 12.5 % on the previous quarter. The cash reserves exclude A\$2.28 million (or US\$1.47 million) in cash which has been placed on deposit to support a rehabilitation bond in favour of the South Australian Department of Energy and Mining for the future rehabilitation of wells and facilities in the Cooper Basin. The Company carries no debt.

Revenue

Oil sales for Bass totalled US\$1.91 million for the quarter, an increase of 27% from the previous quarter. This is primarily a result of the combination of increased production from the Indonesian assets, higher realised oil prices as well as the improved new KSO fiscal terms in Indonesia which commenced 1 August 2023.

TENEMENT HOLDINGS

Tenement	Location	Interest owned	Interest acquired/farm in during the quarter	Interest disposed/farm out during the quarter
Tangai-Sukananti KSO	Indonesia	55%	-	-
PPL 207 (Worrior)	Cooper Basin	100%	100%	-
PPL 221 (Padulla)	Cooper Basin	100%	100%	-
PRL's 231-233 (Ex PEL 93)	Cooper Basin	100%	100%	-
PRL 237 (Ex PEL 93)	Cooper Basin	80%	80%	-
PRL's 207-209 (Ex PEL 100)	Cooper Basin	~74%	~74%	-
PRL's 183-190 (Ex PEL 110)	Cooper Basin	100%	100%	-
PRL's 245-246 (Ex PEL 90K) (Kiwi)	Cooper Basin	100%	100%	-
PEL 182	Cooper Basin	100%	100%	-

This ASX announcement was authorised for release by the Bass Oil Limited Board of Directors.

For further information, please contact:

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Glossary

BOPD	Barrels of oil per day
BOEPD	Barrels of oil equivalent per day
mbbl	Thousands of barrels of oil
mmbbl	Millions of barrels of oil
DMO	Domestic Market Obligation (for Oil)
JV	Joint Venture
TS	Tangai-Sukananti KSO
KSO	'kerja sama operasi' (Indonesian) – meaning an operation cooperation contract
Qtr	Quarter
Qtr on Qtr	Quarter on Quarter
Yr	Year
Yr on Yr	Year on Year
US\$m	Millions of United States of America dollars

About Bass Oil Limited:

Bass Oil Limited (ASX:BAS) is an Australian-listed oil producer that holds a majority interest in eight permits in the Cooper Basin (Australia) including the 100% owned Worrior and Padulla oil fields and a 55% interest in a South Sumatra Basin (Indonesia) KSO. The Company is debt free and committed to creating value by leveraging the competitive strengths of its team, operating capability, reputation, and relationships in both Australia and Indonesia.

As of September 2023, Bass' production totalled ~372 bopd from Indonesia and Australia. Bass is building towards a substantial onshore Australian and Indonesian oil & gas business with a clear focus on expanding production in the Cooper Basin and in South Sumatra. Bass has a strong and committed shareholder base with the Board and management holding over 10% of the issued capital.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

BASS OIL LIMITED

ABN

13 008 694 817

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$USD'000	Year to date (9 months) \$USD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,618	4,776
1.2 Payments for		
(a) exploration & evaluation (if expensed)		
(b) development		
(c) production	(1,040)	(3,156)
(d) staff costs		
(e) administration and corporate costs	(266)	(669)
1.3 Dividends received (see note 3)		
1.4 Interest received	34	62
1.5 Interest and other costs of finance paid	(1)	(5)
1.6 Income taxes paid	(31)	(134)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	314	874
2. Cash flows from investing activities		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(44)	(486)
	(d) exploration & evaluation (if capitalised)	(48)	(86)
	(e) investments		
	(f) other non-current assets		

ASX Listing Rules Appendix 5B (01/12/19)

+ See chapter 19 of the ASX Listing Rules for defined terms.

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (9 months) \$USD'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(92)	(572)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3.8	Dividends paid		
3.9	Other (Lease payments)	(13)	(33)
3.10	Net cash from / (used in) financing activities	(13)	(33)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,522	1,477
4.2	Net cash from / (used in) operating activities (item 1.9 above)	314	874
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(92)	(572)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(13)	(33)
Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (9 months) \$USD'000
4.5	Effect of movement in exchange rates on cash held	(21)	(36)
4.6	Cash and cash equivalents at end of period	1,710	1,710

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$USD'000	Previous quarter \$USD'000
5.1	Bank balances	1,710	1,522
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,710	1,522

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$USD'000
15
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

During the period the Group paid corporate advisory and investor relations fees to Adelaide Equity Partners Limited (a director related entity of Mr M Lindh) under a corporate advisory & investor relations mandate. The mandate has a monthly retainer of AUD \$7,500 per month and commenced on 25 May 2023. The fees were provided under normal commercial terms and conditions.

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$USD'000	Amount drawn at quarter end \$USD'000

7.5 Unused financing facilities available at quarter end

7.6

Include in the box below a rate, maturity date have been entered into include a note providing each facility above, including interest of those facilities as well.

secured or unsecured. If any additional financing proposed to be entered into per quarter end,

8. Estimated cash available for future operating activities

- 8.1 Net cash from / (used in) operating activities (Item 1.9)
- 8.2 Capitalised exploration & evaluation (Item 2.1(d))
- 8.3 Total relevant outgoings (Item 8.1 + Item 8.2)
- 8.4 Cash and cash equivalents at quarter end (Item 4.6)

\$USD'000
314
48
362
1,710

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,710
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	5

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 25 October 2023

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.