

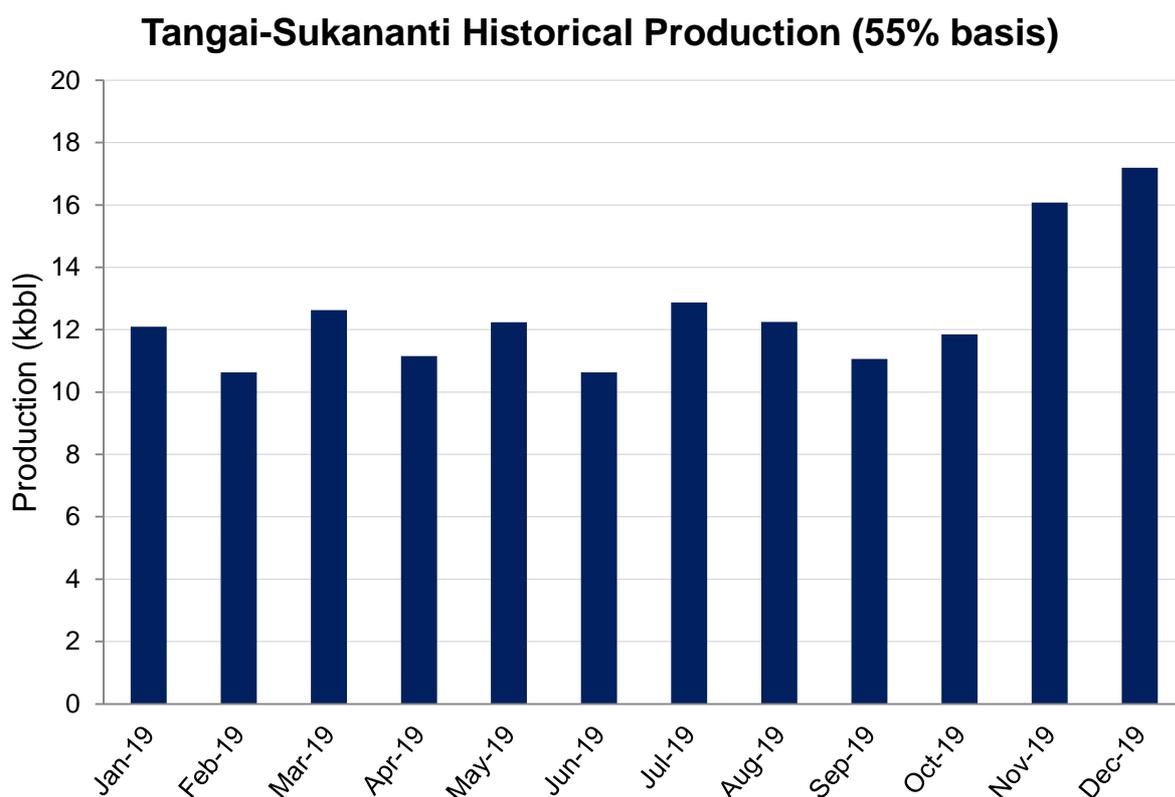
Bass posts another production record in December

Indonesian Oil Operations Update – December 2019

Highlights

- Record monthly production in December averaging 1,009 bopd JV share up 7% from the November record
- Field production is being optimised, highlighting the Company's confidence in sustained long-term performance of the Bunian Field
- December production totalled a record 31,265 barrels of oil JV share or 17,195 barrels net to Bass
- December oil sales totalled 31,916 barrels of oil JV Share or 17,554 barrels net to Bass
- Monthly average oil price was US\$66.15 per barrel up 6% from November
- High impact business development opportunities under advanced evaluation

Monthly Production and Sales:



Australian-based, Indonesian oil producer, Bass Oil Limited (ASX:BAS) reports that it posted a new oil production record at its 55% owned Tangai Sukanati KSO for December 2019. Monthly average oil production for December was 1,009 bopd up 7% over November's record production levels for this KSO. The production increase was attributable to the Bunian 5 well which was brought on-line in November.

Total field production for the month was 31,265 barrels of oil JV Share or 17,196 barrels of oil Bass share. December oil sales totalled 31,916 barrels of oil JV Share or 17,554 barrels Bass share.

The average monthly realised oil price for December was US\$66.15 compared with a monthly average oil price of US\$62.32 per barrel recorded in November. The fields continue to generate positive cash contributions to the business with field operating costs at ~US\$20 per barrel.

Production Operations

Field production increased 7% in December over November levels. Late in the month production was impacted by the pump failure in Bunian 1 which produces over 100 bopd. The pump is expected to be replaced with the well being returned to production in early February.

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

Well work-overs and Development

A workover rig was mobilised to Tangai Sukanati in December to perform a workover program. After verification of compliance and operational performance the rig commenced operations on the Bunian 4 location. The well is being worked over to remove a downhole obstruction preventing the production of well fluids. The well will be brought back into production from the TRM 3 oil zone. This should add to the total production capacity of the KSO.

The rig will then move to complete the remaining well work including the Bunian 1 and Tangai 3 pump repairs. These wells account for approximately 125 bopd of field production.

The workover program will conclude with the Tangai 4 conversion to water injector. Tangai 4 will host the field pilot for the Smart-Water injection trial. The pilot is targeting an increase in field recovery via the injection of tailored low salinity water to improve oil recoveries. The pilot will commence in late Q1 2020.

Business Development

Bass continues to evaluate and negotiate on a number of onshore and offshore Indonesian opportunities, as the Company looks to add additional prospective oil properties to its portfolio during 2020. The active business development program has a three-tiered strategy designed to create and maximise value through:

1. company transforming acquisitions,
2. material growth exploration opportunities, and
3. optimisation of existing mature fields through the application of proven technologies.

Within Indonesia, there are a number of very high impact oil and gas projects that fall into each of these categories that Bass is in an excellent position to be able to acquire. Bass expects that a combination of these business development opportunities would firmly place the Company in the mid-tier/junior ASX listed oil and gas producer sector, i.e. 2,000-5,000 boepd. The Company looks forward to updating the market on these developments as appropriate.

For further information please contact:

Tino Guglielmo
Managing Director
Bass Oil Limited
Ph: +61 3 9927 3000
Email: tino.guglielmo@bassoil.com.au

About Bass Oil Limited:

Bass Oil Limited (ASX:BAS) (www.bassoil.com.au) is an ASX-listed exploration and production company featuring low cost onshore oil production in Indonesia and a management and Board team with a proven track record in delivering shareholder value. Bass has realigned its corporate strategy following the landmark acquisition of a 55% interest in the Tangai-Sukananti KSO producing assets located in the prolific oil & gas region of South Sumatra, Indonesia.

As at December 2019, the Tangai-Sukananti KSO was producing on average 1009 bopd from 4 wells (100% JV share). Bass reports Net Entitlement 2P Oil Reserves of 0.602 million. Bass is building towards a substantial onshore Indonesian oil & gas business with a clear focus on executing opportunities in South Sumatra as they present. Bass has a strong and committed shareholder base with Board and management holding in excess of 16% of issued capital.

