

Onshore Indonesian Oil Operations Update – August 2019

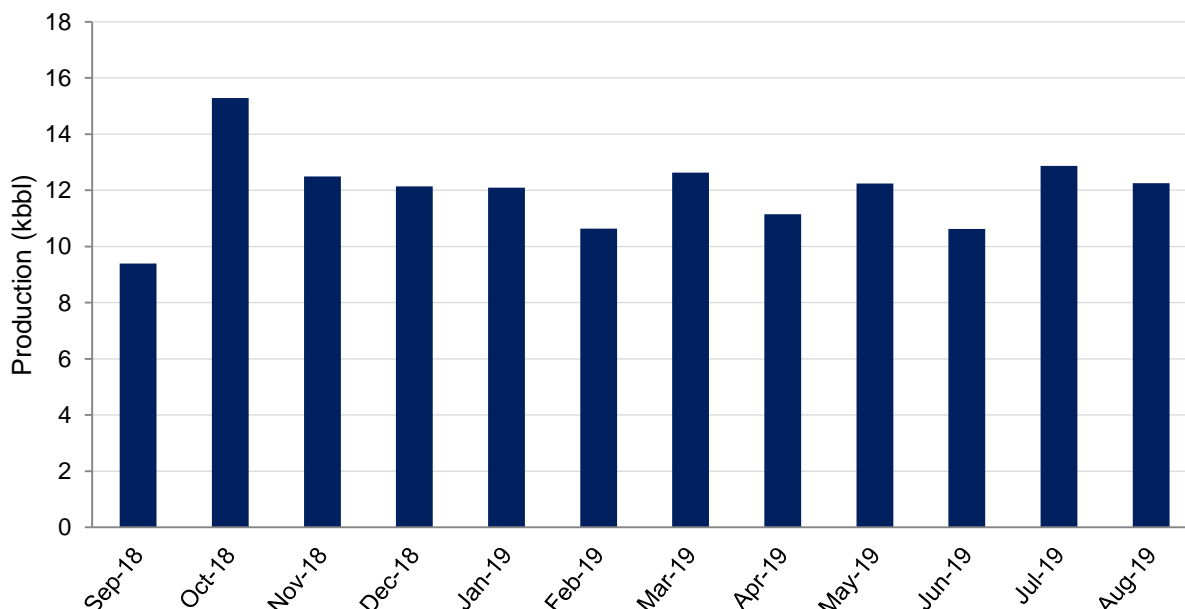
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Highlights

- Monthly production achieved in August at Tangai-Sukananti an average of 718 barrels of oil per day JV share, the second highest on record
- August production totalled 22,273 barrels of oil JV share or 12,250 barrels net to Bass
- August oil sales totalled 22,071 barrels of oil JV Share or 12,139 barrels net to Bass
- Monthly average oil price was US\$56.59
- The fields continue to generate positive cash contributions to the business, with field operating costs at US\$20 per barrel
- The Bunian 5 development well is expected to commence shortly
- High impact business development opportunities under advanced evaluation

Monthly Production and Sales:

Tangai-Sukananti Historical Production (55% basis)



Australian-based, Indonesian oil producer, Bass Oil Limited (ASX:BAS) is pleased to provide its monthly operations update for August 2019. Total field production at Tangai-Sukananti for the month was 22,273 barrels of oil JV Share or 12,250 barrels of oil Bass share. August oil sales totalled 22,071 barrels of oil JV Share or 12,139 barrels Bass share. Monthly average oil production for August was 718 bopd.

The average monthly realised oil price for August was US\$56.59 compared with a monthly average oil price of US\$61.26 per barrel recorded in July. The fields continue to generate positive cash contributions to the business with field operating costs at US\$20 per barrel.

Production Operations

Field production has been steady throughout August with the wells recording minimal downtime. The production facility has been subject to some water handling restrictions but this has resulted in only a minor restriction in oil production.

The team in Indonesia has sourced and contracted workover rig to perform the remaining well work, which includes the Tangai 3 pump repair, the Bunian 4 workover and the Tangai 4 conversion to water injector. This work is expected to be carried out throughout September and October.

Development Planning

Bass received drilling rig tenders for the drilling of the Bunian 5 well. The team in Jakarta has negotiated and finalised contract terms and conditions with the preferred tenderer. The contract award recommendation has been approved by Pertamina. The aim is to drill the Bunian 5 as soon as the rig is available which is now likely to be October.

Bunian 5 is expected to double production from the field taking up the remaining available production capacity of the Tangai-Sukananti field facilities as well as increasing developed reserves.

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 2019.

The very 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.

After several years of successful proven Indonesian operatorship, Bass is highly regarded in-country and has formed deep and strong relationships with local operators and is well known by the Indonesian upstream oil and gas regulator. All of these factors place Bass in an ideal position to successfully execute on this strategy and the Company looks forward to updating the market on these developments at the appropriate time in the future.

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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 August 2019, the Tangai-Sukananti KSO was producing on average 718 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.

