

Quarterly report for the period ending 30 June 2017

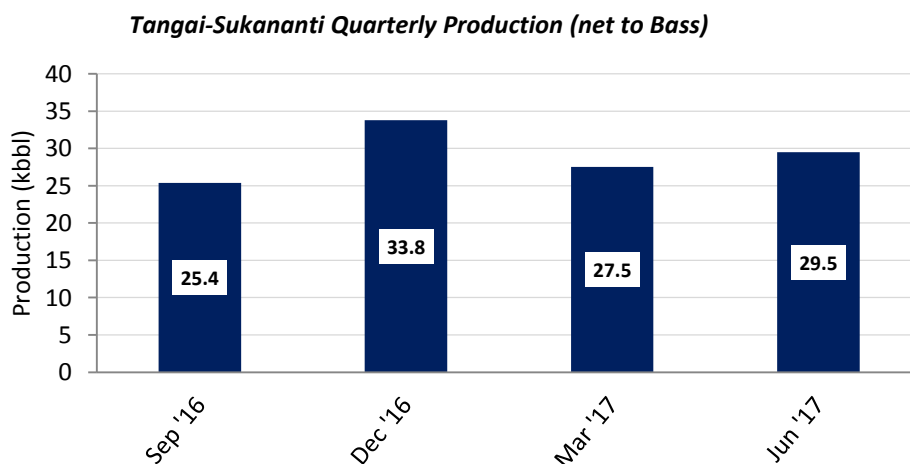
Release date 28 July 2017

HIGHLIGHTS

- Strong net cash position of A\$1.346 million as at 30 June 2017
- Oil production for June quarter of 29,500 barrels net to Bass, up 7% from March quarter
- Oil sales for the June quarter of 28,993 barrels net to Bass
- Fields performing at or above expectation
- Field mapping identifies potential for significant field extensions at Bunian and two highly deliverable development wells at the Bunian and Tangai fields
- Multi-disciplinary field development review of KSO has commenced
- Active screening of new investment opportunities continues

Field Performance:

Production for the June quarter totalled 29,500 barrels of oil net to Bass, representing a 7% increase on production from the previous quarter. Oil sales for the June quarter totalled 28,933 barrels of oil net to Bass.



The field continues to perform strongly with production averaging 590 barrels of oil per day, 100% JV share, (or 325 barrels Bass share) during the quarter. This was a pleasing result as production was impacted by downtime associated with road repairs and bottom hole surveys in the Bunian 3 well.

Strong Cash Generation:

As at 30 June 2017, Bass increased its cash balance to A\$1.346 million which is commendable given the low oil price environment and the deduction of Australian corporate overheads. Bass is in a strong financial position and has the requisite working capital for an Indonesian focused production business seeking growth through strategic acquisition.

Significant Development Upside:

Mapping of the 3-D seismic data set that covers the entire KSO has identified the potential for a significant extension of the Bunian field at Bunian South West. Furthermore, mapping over the Bunian and Tangai oil fields identified the opportunity to drill a development well in each field, Bunian 5 and Tangai 5. Both wells have the potential to produce at high rates of approximately 500 to 1,000 barrels of oil per day each. Plans are underway to mature the drilling locations for the 2018 drilling program.

Plan of Field Development:

During the quarter, a Plan of Field Development (POFD) project commenced. The project is being undertaken in association with the geological faculty of the University of Padjadjaran in Bandung, Indonesia. The project is a fully integrated multi disciplinary review of the entire Tangai-Sukananti KSO. The outputs of the project will include a static and dynamic model of the Bunian and Tangai fields which will inform and evaluate various development scenarios and field reserves.

The project team also intends to mature the Bunian South West prospect for the 2018 drilling program.

Imminent Production Optimisation:

The Indonesian-based team has identified development and optimisation opportunities capable of adding up to 350 bopd (100% JV) in production from two wells, Tangai 1 and Bunian 4. Field work to implement these opportunities has commenced and will continue throughout the current quarter. Bass will advise on the results of the optimisation initiatives as results come to hand.

Investment Opportunities:

Bass continues to undertake due diligence on potential acquisition opportunities in Indonesia, particularly within the prolific oil and gas province which lies in close proximity to the Company's existing Tangai-Sukananti production assets.

For further information please contact:

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

Christian Calabrese
Corporate Advisor
Adelaide Equity Partners Limited
Ph: +61 431 877 682
Email: ccalabrese@adelaideequity.com.au

About Bass Oil Limited

Bass Oil Limited (ASX:BAS) is an ASX-listed exploration and production company featuring low cost oil production in Indonesia and a management and Board team with a proven track 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 30 June 2017, the Tangai-Sukananti KSO was producing over 600 barrels of oil per day from 4 wells (100% JV share) and contained 2P oil reserves of 1.73 million barrels (net to Bass as at 30 June 2016 reported in the Cooper Energy 2016 annual report). Bass intends to build a substantial oil & gas business with a clear focus on executing opportunities in the South-East Asia region. Bass has a strong and committed shareholder base with Board and management holding in excess of 20% of issued capital.



Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

BASS OIL LIMITED

ABN

13 008 694 817

Quarter ended ("current quarter")

30 JUNE 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,687	2,323
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production	(1,171)	(1,358)
(d) staff costs		
(e) administration and corporate costs	(462)	(1,088)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	3
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	54	(120)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)	-	(17)
(c) investments	-	(500)
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Cash acquired as a result of acquisition	-	855
2.6	Net cash from / (used in) investing activities	-	338

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	772
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(94)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	678

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,299	457
4.2	Net cash from / (used in) operating activities (item 1.9 above)	54	(120)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	338
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	678
4.5	Effect of movement in exchange rates on cash held	(7)	(7)
4.6	Cash and cash equivalents at end of period	1,346	1,346

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,346	1,299
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)	1,346	1,299

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
133
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
35
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	
8.2 Credit standby arrangements	-	
8.3 Other (please specify)	-	
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	-
9.2 Development	-
9.3 Production	600
9.4 Staff costs	-
9.5 Administration and corporate costs	300
9.6 Other	-
9.7 Total estimated cash outflows	900

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.



Sign here:
(Director)

Date: 28 July 2017

Print name: PETER MULLINS

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.