

Water injection trials to commence at Bass' onshore fields to lift oil production

Highlights

- Bass Oil Limited ('Bass' or 'the Company') has taken site delivery of the water treatment equipment required to commence the first in-field trials using water injection to lift production and reserves from oil wells at its onshore Indonesian fields
- The Company anticipates a potential 10% increase in production and recoveries per well for both existing and new wells to be drilled as part of current capital raising
- Bass supported by MoU with Bandung Institute of Technology (ITB) in Indonesia to trial Low-Salinity Water Injection
- The MoU continues to progress development of "smart", low-salinity water-flooding systems for enhanced oil recovery specific to Indonesian onshore oil fields
- Bass has also identified a wide range of low-capex opportunities across Indonesia, which would benefit from the application of the 'smart' low-salinity water-flooding systems. Bass looks forward to updating the market as these opportunities materialize.

Bass Oil Limited (BAS.ASX) is pleased to announce that it has taken site delivery of the water treatment skid to be installed as the company prepares for the first in-field trials using water injection to lift production and reserves from oil wells at its onshore Indonesian fields.

Preparatory work ahead of the trials has pointed to a potential increase in output and ultimate recoveries of around 10% per well – a target to be tested by Bass when it moves in the first half of next year to a six month water injection pilot.

The Company's in-field trials are being supported by its Memorandum of Understanding (MoU) (announced 29 Oct 2018) with the Bandung Institute of Technology (ITB) in Indonesia to trial Low-Salinity Water Injection (LSWI) at the Company's producing Tangai oil field in South Sumatra.

The purpose of the MoU is to facilitate collaboration on research in relation to the implementation of "smart", low-salinity water-flooding systems for enhanced oil recovery specific to onshore Indonesian oil fields.

Subject to positive first field trial results and approval by Indonesia's State-owned oil and gas corporation, PT Pertamina, Bass and the University are expected to commence the pilot water injection project in January next year.

Bass' Managing Director, Mr Tino Guglielmo, said today the principle behind the field trial and pilot plant program was that ionic exchange between the oil and the clays would release oil from smaller pore spaces thereby increasing ultimate recoveries from the reservoir.

"The pilot project will be conducted over 6-months and the results monitored to determine the degree of increased recovery compared with existing baseline production rate values. Internal studies suggest that Low Salinity Water Injection will increase oil production and recoveries by up to 10%," Mr Guglielmo said.

"Bass has welcomed the opportunity to work alongside this highly respected Indonesian university and its LSWI research team to apply the outcomes of the studies and laboratory trials to the field scale pilot project to improve oil recoveries from Bass' current and expanding portfolio of oil properties.

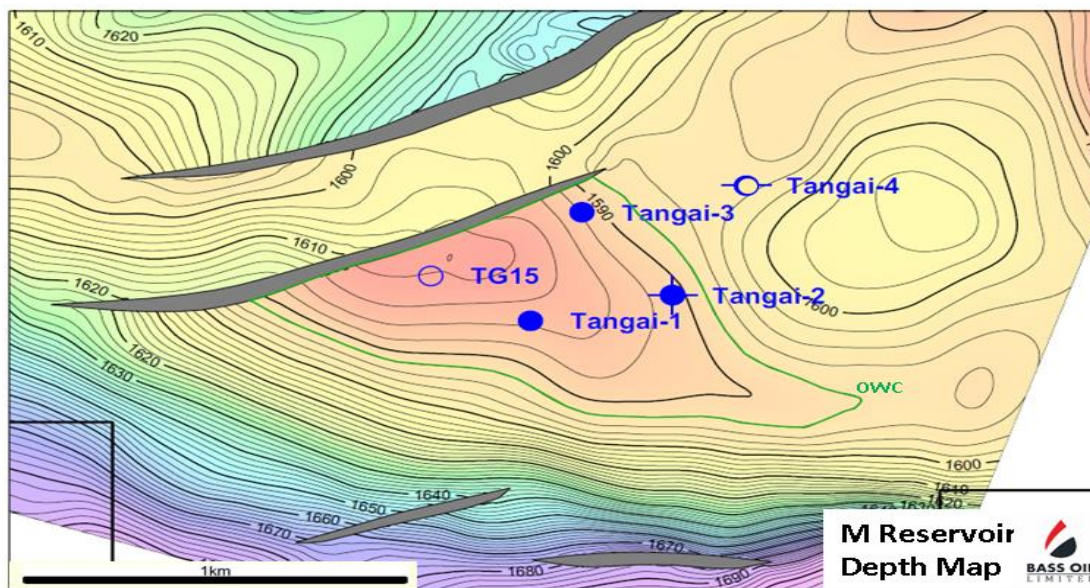
"This mutually beneficial relationship could see Bass significantly benefit from the outcomes of the studies in improving oil recovery techniques using this relatively low cost technique. Bass has observed that, on average, oil recovery factors achieved in Indonesian oil fields remain relatively low when compared to other regional analogues. This presents the Company with a significant business growth opportunity."



The portable water filtering equipment in the laboratory in South Korea (above), and arriving at Tangai Production Facility (below)



Below: Depth map of the Talang Akar Formation “M” Sand at Tangai oil Field, showing locations of Tangai-4 injection well and Tangai-3 production well; and proposed Tangai-5 development well.

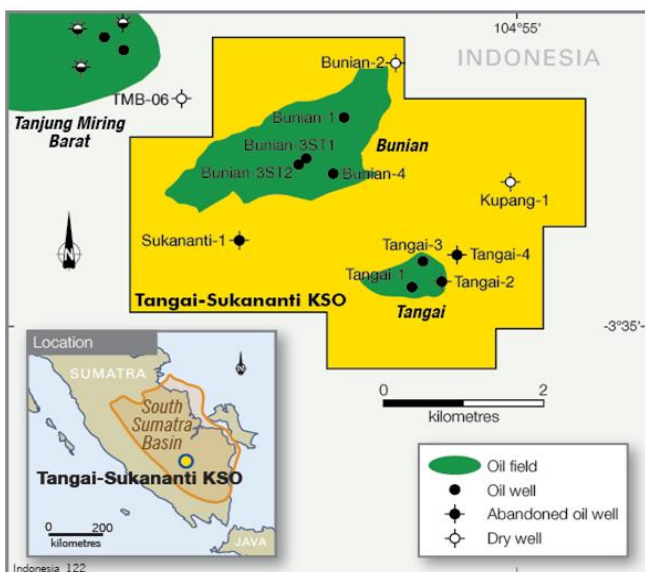


For further information please contact:

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 30 June 2019, the Tangai-Sukananti KSO was producing on average 632BOPD from 4 wells (100% JV share). In accordance with ASX reporting requirements for fiscal environments that use production sharing contracts or similar, Bass reports Net 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.



About Bandung Institute of Technology

The Institut Teknologi Bandung is an engineering-oriented university located in Bandung, Indonesia, with a strong knowledge back ground that supports research, and wishes to serve its role as an academic institution .by participating in research related to the oil and gas industry.