ASX Announcement

# 2022 Half Year Results

Release Date: 9 September 2022

**Bass Oil Limited (ASX:BAS) is an Australian-listed oil producer that holds a 55% interest in a South Sumatra Basin (Indonesia) KSO and a majority interest in eight permits in the Cooper Basin (Australia) including the 100% owned Worrior and Padulla oil fields. 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

(All amounts are in United States dollars)

- **4% increase in production to 46,000 barrels (1H CY21 44,000 barrels) after Tangai-5 was commissioned in mid-May**
- **86% increase in 1H CY22 sales revenue to $2.54 million (1H CY21 $1.36 million) due to recovery of drilling costs and high crude oil prices**
- **Cash position $1.78 million as at 30 June 2022**
- **NPAT of $0.16 million (1H CY21 approximately –$0.30 million)**
- **No Lost Time Incidents during the half year**
- **Tangai 5 results adds confidence to commence planning for the 2023 drilling program including multiple well targets in both the Bunian and Tangai fields**

**Bass Oil Managing Director, Mr Tino Guglielmo:**

"Bass is pleased to provide the 2022 half year report to shareholders in which we report both a significant increase in revenue and a Net Profit After tax. Bass is in the fortunate position not only to be able to increase production at a time of high energy prices but to add to its production base with the recent Cooper basin acquisition. The Company is well positioned to achieve production and reserves growth from both its Indonesian and Australian portfolio" Mr Guglielmo added.

## Comparative Performance:

| Key Performance Metrics | 1H CY22 | 1H CY21 | Change |
|---|---|---|---|
| **Net Production (,000 bbls)** | 46.02 | 44.12 | 4.3% |
| **Net Oil Sales (,000 bbls)** | 44.69 | 44.51 | 0.4% |
| **Net Entitlement Oil (,000 bbls)** | 23.18 | 23.15 | 0.1% |
| **Sales Revenue ($ million)** | 2.54 | 1.36 | 86.8% |
| **Cash ($ million)** | 1.78 | 0.20 | 790.0% |
| **Average Realised Oil Price (USD)** | 104.45 | 60.67 | 72.2% |
| **EBITDA[1]($,000)** | 584 | -62 | 1041.9% |
| **NPAT[2]($,000)** | 159 | -319 | 149.8% |

[1]. Earnings Before Income Tax, Depreciation and Amortisation
[2]. Net Profit After Tax

Bass produced 46,018 barrels of oil (55% basis) during the half year ending 30 June 2022, up 4.3% from the prior comparable period. Half-yearly oil sales were 44,694 barrels of oil net to Bass. The net entitlement oil to Bass was 23,175 barrels for the half-year after Domestic Market Obligation (DMO).

The Company realised a 76% increase in sales revenue, primarily on the back of increased cost recoveries from the drilling of Tangai-5 and high crude oil prices.

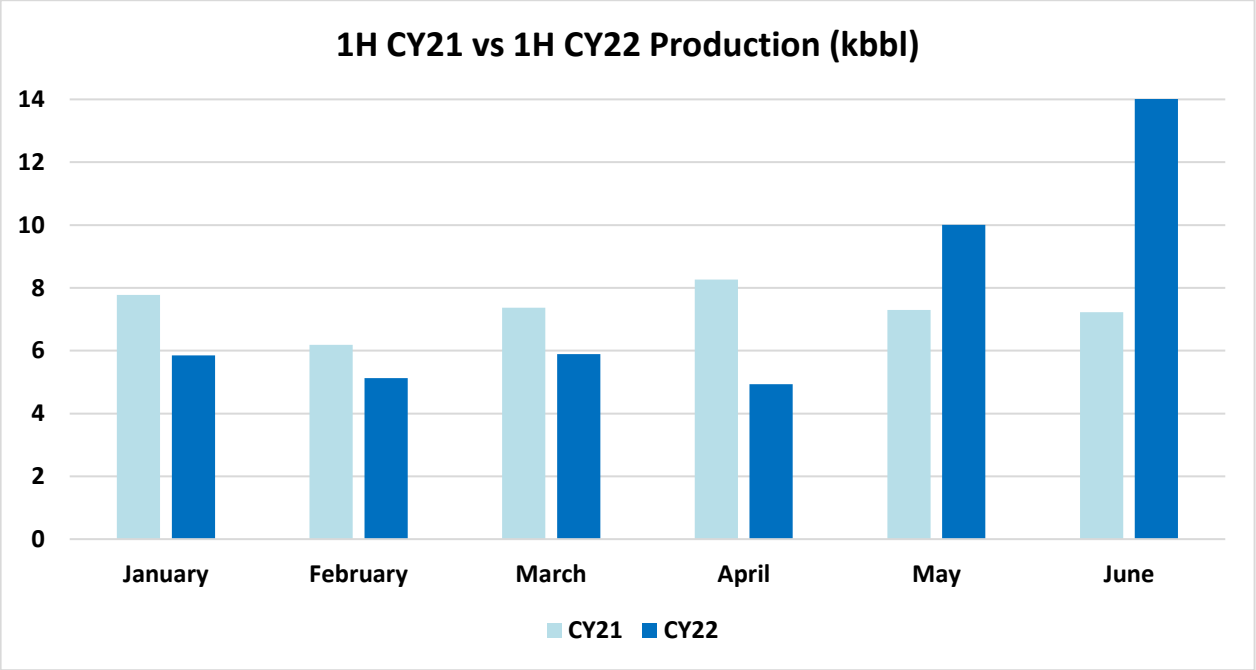


*Figure 1: Tangai-Sukananti Historical*

## Corporate:

**Cash Position**

As at 30 June 2022, Bass cash reserves increased to $1.78 million from $1.49 million as at 31 December 2021.

The Company announced a placement to professional investors of A$1.2 million in March in conjunction with the announcement that it had entered into a conditional sale and purchase agreement (SPA) with Beach Energy Limited for the acquisition of 8 operated Cooper Basin assets including an additional 70% interest in the Worrior oil field and a 100% interest in the Padulla oil field. The transaction was completed concurrently with the previously announced Cooper Energy Limited transaction for Cooper Basin assets.

On 29 June 2022 the Company announced that the Non-Renounceable Rights Issue had raised gross proceeds of $599,614. The Non-Renounceable Rights Issue closed on 24 June 2022. Under the Offer, eligible shareholders were invited to subscribe for one new share for every two shares in the Company held at the Record Date at an issue price of 4.5 cents and one free attaching BASO option for every one share subscribed for, exercisable at 12 cents on or before 30 September 2024.

The funds raised via the placement and rights issue are for the acquisition of the Cooper Basin portfolio of properties from Beach Energy Limited announced 3 March 2022.

Subsequent to the end of June, Bass has placed an additional 71,148,467 shortfall shares and 71,148,467 shortfall options to raise an additional AU$3,202,000 from sophisticated and professional investors. The total capital raise proceeds of AU$3,801,295 have allowed the Company to satisfy the remaining conditions precedent of the Cooper Basin Transactions.

**Balance Sheet**

***Impairment Indicators***

The Directors have undertaken a review of the key indicators of impairment which could negatively impact the carrying value of its investments in associates to determine whether any impairment has arisen and are satisfied that no such indicators of impairment existed at reporting date.

## Development Planning:

Bass successfully drilled, completed, connected and commissioned the Tangai-5 development well in mid-May, achieving an initial clean-up flow rate of 1,120 bopd.

The well was spudded in April and drilled to a Total Depth of 1,663mRT. The primary target, the M-sand reservoir, intersected 5.5 metres of net oil pay as prognosed. This result gives further encouragement for future drilling in the KSO.

Average daily production increased significantly from 587 bopd in May to 861 bopd in June following the ramp up of production from the highly successful Tangai-5 well.

Bass continued to ramp up Tangai-5 production through till mid to late June 2022, where KSO production and export quantities reached maximum nameplate capacity of 1,000 bopd.

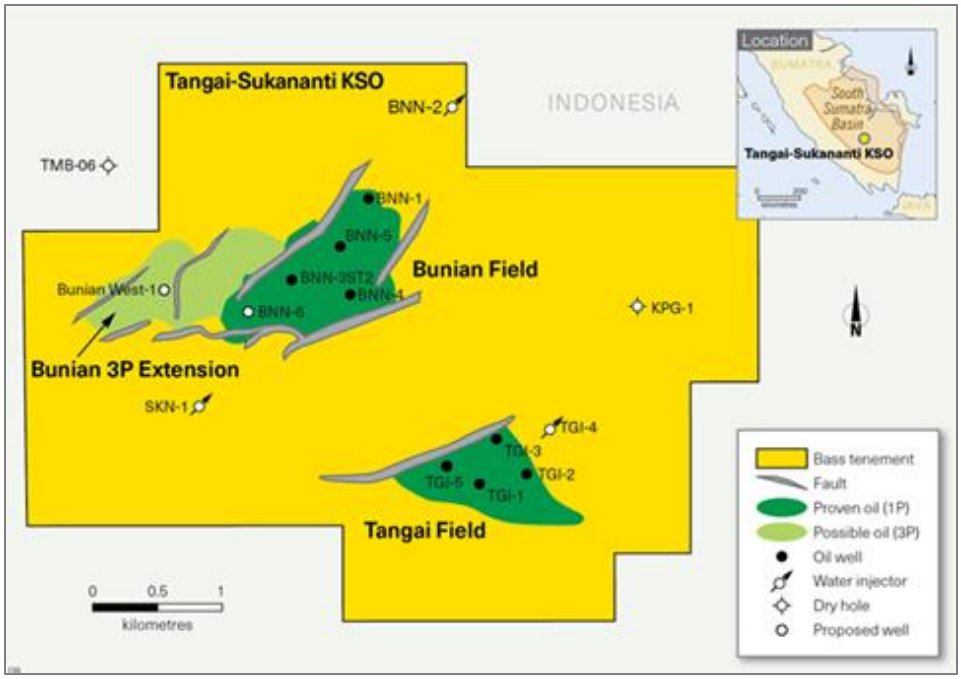


*Figure 2: Tangai-Sukananti KSO Location Map*

## Business Development:

During the last twenty-four months the Company has assessed multiple opportunities in Indonesia and Australia and progressed discussions with multiple counterparties across several opportunities. In doing so, the company selected the most appropriate opportunity, which subsequently resulted in Bass engaging with Cooper Energy and Beach Energy to transact on the recently announced acquisition.

Bass is targeting producing properties that also contain low risk exploration potential which provide a material upside potential.

Operating primarily as an onshore Indonesian oil producer to date, Bass has been seeking for some time to expand its exploration, development and production assets around its existing Sumatran production footprint and considers that the market is now right to include Australian based acquisitions within its portfolio.

The capital raising program described above will provide the necessary funds to develop the assets being acquired from Cooper Energy and Beach Energy.

Bass executed conditional sale and purchase agreements with Cooper Energy and Beach Energy on 12 July 2021 and 2 March 2022 respectively to acquire their interests in eight production and exploration tenements located in the Cooper Basin.

The Company received formal confirmation of conditions precedent satisfaction to complete the Cooper Basin Transactions effective 1 August 2022.

**For further information please contact:**

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| Glossary | |
|---|---|
| **BOPD** | Barrels of oil per day |
| **BOEPD** | Barrels of oil equivalent per day |
| **,000 bbls** | Thousands of barrels of oil |
| **mmbbl** | Millions of barrels of oil |
| **JV** | Joint Venture |
| **TS** | Tangai-Sukananti KSO |
| **KSO** | 'kerja sama operasi' (Indonesian) – meaning an operation cooperation contract |
| **DMO** | Domestic Market Obligation |
| **Yr** | Year |
| **Yr on Yr** | Year on Year |
| **US$ million** | Millions of United States of America dollars |

**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 the Cooper Basin and a management and Board team with a proven track record in delivering shareholder value. Bass has realigned its corporate strategy with the acquisition of a 100% interest in the producing Worrior and Padulla oilfields along with several additional assets that exhibit material exploration potential.

As of June 2022, the Tangai-Sukananti KSO was producing 861 bopd (100% JV share) and the Cooper Basin portfolio was producing ~75 bopd (Bass 100% share). Bass is building towards a substantial onshore Australian and Indonesian oil and gas business with a clear focus on executing production enhancement activities in the Cooper Basin and expanding production in South Sumatra. Bass has a strong and committed shareholder base with the Board and management holding over 10% of the issued capital.

