HALF-YEAR FINANCIAL REPORT

30 June 2024

CORPORATE DIRECTORY

ABN: 13 008 694 817

Directors

Hector M Gordon, Chairman
Giustino Guglielmo
Mark L Lindh
Laura A Reed

Managing Director

Giustino Guglielmo

Company Secretary

Robyn M Hamilton

Registered Office and Principal Administration Office

Level 5, 11-19 Bank Place
Melbourne, Victoria, 3000, Australia
Telephone +61 (3) 9927 3000
Facsimile +61 (3) 9614 6533
Email admin@bassoil.com.au

Auditors

Grant Thornton Audit Pty Ltd
Collins Square
Tower 5/727 Collins Street
Melbourne, Victoria, 3008, Australia

Share Registry

Link Market Services Limited
Tower 4, 727 Collins Street
Melbourne, Victoria, 3008, Australia
Telephone +61 (3) 9615 9800

Stock Exchange Listing

Australian Stock Exchange Ltd
525 Collins Street
Melbourne, Victoria, 3000, Australia

ASX Codes: BAS – Ordinary Shares and BASO - Options

Web Site: www.bassoil.com.au

Contents

Managing Director's Report 3

Director's Report 9

Auditor's Independence Declaration..... 10

Directors' Declaration 11

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income.. 12

Condensed Consolidated Statement of Financial Position 13

Consolidated Statement of Changes in Equity..... .14

Consolidated Statement of Cash Flows..... 15

Notes to the Financial Statements 16

Independent Auditor's Review Report 26

Forward Looking Statements

This Half Year Financial Report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, as well as other matters not yet known to the Group or not currently considered material by the Group.

MANAGING DIRECTOR'S REPORT

I am pleased to present the first half financial results for the 2024 fiscal year. Bass has reached a number of important milestones across both its producing and prospective assets, including the successful completion of preparatory activities for the Kiwi-1 Extended Production Test ('EPT') and the commencement of the Deep Coal Commercialisation Study (PEL-182).

Production at the Company's two cash generating units in Indonesia and the Cooper Basin have continued to deliver with decreases in PCP production (46,000 barrels, down 20.5% from H1FY23) and sales revenue (US$2.69m, down 6.6% from H1FY23) despite temporary operational setbacks in Indonesian operations impacting production in this first half year. Oil price for the period has remained resilient with an average realised price of US$82.24 per barrel resulting in an EBITDA of US$0.242m.

The Company's responsible management of its balance sheet continues to provide a strong foundation for funding priority development activities. Positive free cashflow from production in conjunction with careful cash flow management, have driven a closing cash position of US$1.66m.

Over the period, Bass continued to proactively drive safety performance on its assets, and I am pleased to report that there have been no reportable incidents or injuries.

I am also pleased to report that during the period Bass successfully completed a capital raise, securing ~US$1.0m in funds and introducing a new 'tier 1' institutional investor. This raising will support the strategic initiatives underway at PEL-182 and Kiwi-1. Advancing the 'Company making' growth initiatives in these properties and projects continue to be a key driver behind the Company's goal to become a mid-tier oil and gas producer. The assets continue to show promise and remain attractive opportunities, with the forecast shortfall in supply to the East Coast Gas market in the near future.

I would like to thank shareholders for their continued support throughout the period, including those that supported the capital raise, and look forward to sharing further updates on our exciting development pipeline.

Half Year Summary

Key financial and production performance results for the half year are summarised below. With no debt and sufficient cash reserves, Bass remains well-positioned to execute its strategy and continue its growth trajectory in H2FY24.

(All amounts are in United States dollars unless otherwise stated)

MANAGING DIRECTOR'S REPORT (cont'd)

Financial and Operating Performance

Key Performance Metrics	1H CY24	1H CY23	Change
Net Production[3] (mbbl)	45.61	57.37	-20.5%
Net Oil Sales[3] (mbbl)	41.37	52.77	-21.6%
Net Entitlement Oil[3] (mbbl)	31.50	37.11	-15.1%
Sales Revenue (US$million)	2.69	2.88	-6.5%
Cash (US$million)	1.66	1.52	9.1%
Average Realised Oil Price (USD)	82.42	77.13	6.9%
EBITDA[1] (US$,000)	242	403	-40.0%
NPAT/NLAT[2] (US$,000)	-242	-120	na

[1]. Earnings Before Interest, Taxes, Depreciation and Amortisation
[2]. Net Profit After Tax
[3]. These are Non-IFRS metrics and contain 55% Bass share of Indonesian results and 100% Australian results. Net production, Oil Sales and Entitlement Oil are all components of the Entitlement Calculation Statement that generates Sales revenue and reserves in the Company's Indonesian business.

Bass produced 45,613 barrels of oil (net) during the half year ending 30 June 2024, down 20.5% from the prior comparable period. Half-yearly oil sales were 41,370 barrels of oil net to Bass. The net entitlement oil to Bass was 31,518 barrels for the half-year after Domestic Market Obligation (DMO), down 15.1%.

The Company realised a 6.5% decrease in sales revenue driven by the reduced production.

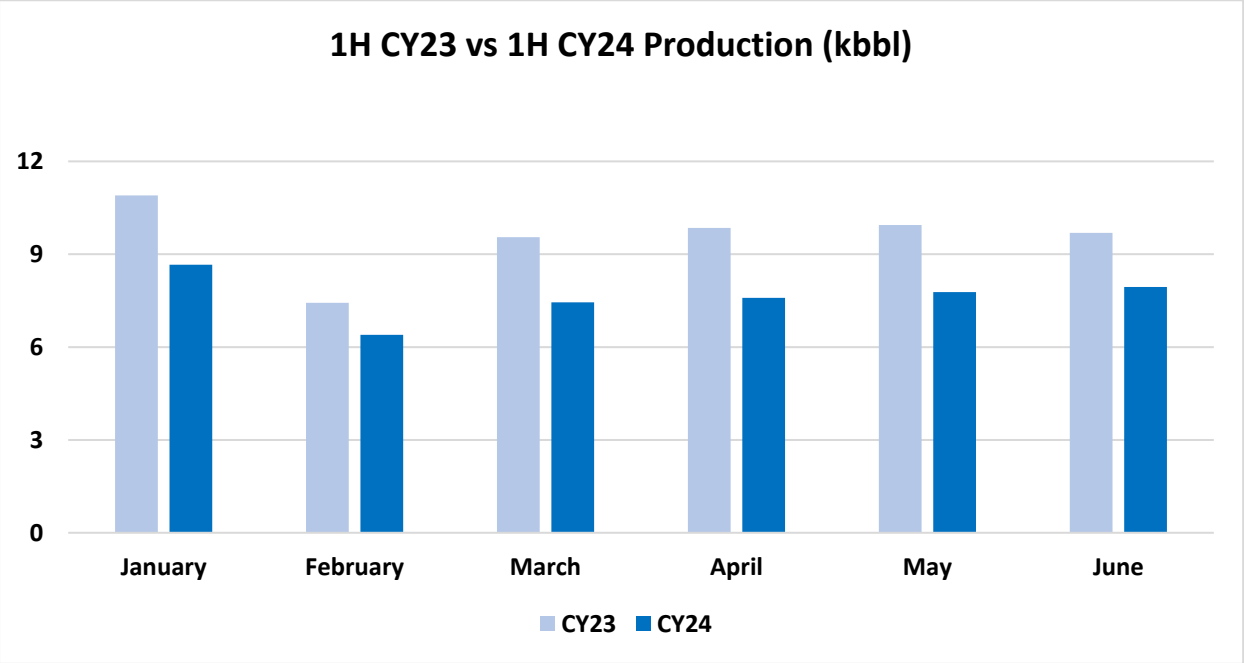

Figure 1: Bass Monthly Production

MANAGING DIRECTOR'S REPORT (cont'd)

Liquidity / Cash Position:

At 30 June 2024, Bass cash reserves had increased to $1.66 million from $0.93 million at 31 December 2023 after the Company raised $1.0 million from a Placement predominantly to an Australian Tier 1 Institutional Investor and a Share Purchase Plan to eligible shareholders at A$0.07 a share.

The Company is not carrying any debt and holds US$2.26 million on deposit to support a rehabilitation bond in favor of the South Australian Department for Energy and Mining.

Development Planning:

Oil Optimisation

One of the Company's core activities remains the focus on production optimization. In the Cooper Basin production from the fields at the end of this half year has remained steady at ~100 bopd. In Indonesia production rates continue to improve.

Kiwi Extended Production Test

Bass has completed earthworks to re-establish road access to the Kiwi 1 well in order to perform the Extended Production Test (EPT). The test has been delayed due to several significant rain events in the basin, closing roads and preventing the movement of truck and heavy equipment. On 12 August 2024 Bass announced that Wild Desert Rig 10 mobilised to the Kiwi-1 wellsite. The rig commenced activities on the well to complete it for production on 17 August. The Extended Production Test (EPT) will begin immediately thereafter.

The EPT will confirm whether the discovery contains a potentially commercial volume of gas. This would provide the pathway for the Company to enter the eastern states' gas market. The geoscience team has also identified the potential for other traps, or prospects, on trend with Kiwi that, as a result of a successful test at Kiwi, may be significantly upgraded, See Figure 2.

PRL 245 hosts the Kiwi gas discovery. Kiwi 1 was drilled in 2003 as an exploration well, resulting in a Triassic age, Callamurra Member gas discovery which flow tested at 9.6 million cubic feet per day on drill stem test. The Kiwi structure, drilled on 2D seismic data, was originally thought to contain a sub commercial quantity of gas in a relatively small structural trap.

A 3D seismic survey was subsequently acquired over the area. A mapping project utilising 3D seismic data has indicated the possible presence of a larger stratigraphic trap and has resulted in an increased assessment of a mean Contingent Resource at Kiwi of 5.24 BCF and a 3C Contingent Resource of 11.5 BCF.

MANAGING DIRECTOR'S REPORT (cont'd)

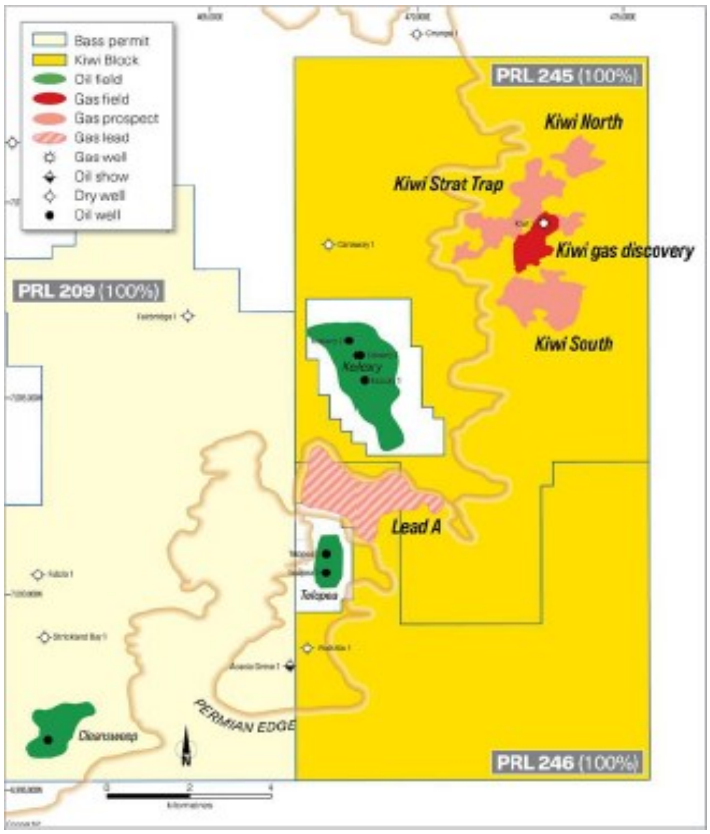

Figure 2: Kiwi-1 location map

Deep Permian Coal Gas

Bass has engaged SLB (formally Schlumberger) – a global technology company - to perform a technical study that seeks to identify the potential commercialisation of gas from the deep coal resources in the 100% owned PEL 182 in the Cooper Basin.

Study deliverables include a geomechanical model to assist in both well and fracture stimulation design, two key elements to allow commercialisation. At balance date the geomechanical study is well advanced. And will be complete shortly. The results of this study will be used to finalise the scope of a Rapid Resource Assessment (RRA) that will focus on sweet spot identification and assessment of economic exploitation scenarios.

MANAGING DIRECTOR'S REPORT (cont'd)

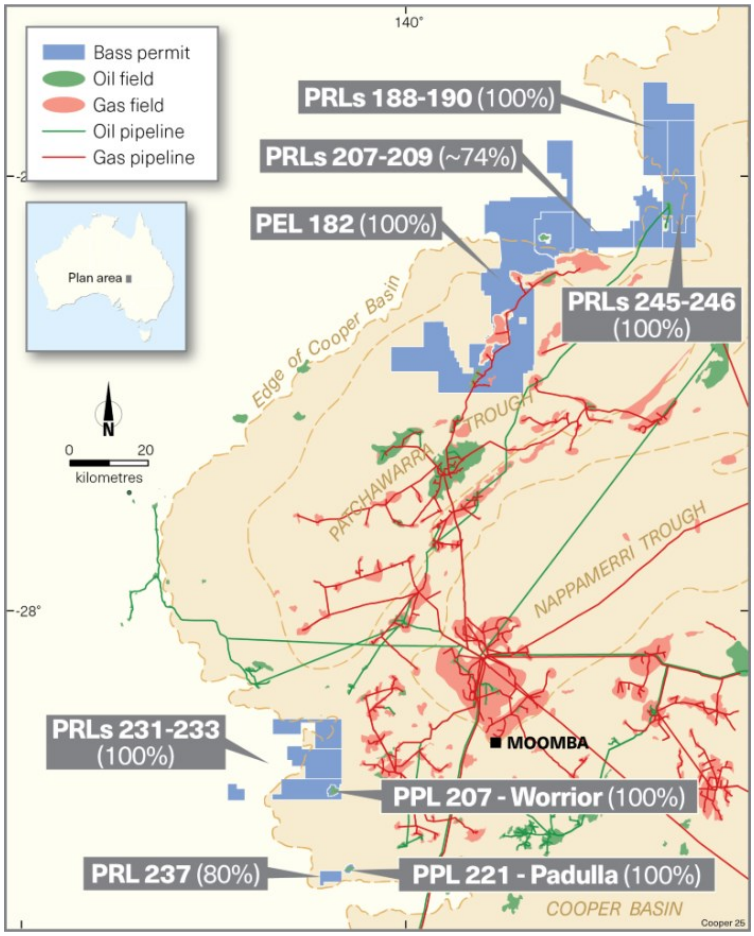

Figure 3: Cooper Basin assets

Indonesian Oil

Planning and procurement activities have commenced for the drilling of the Bunian 6 development well. The well will be located south-west of the prolific Bunian 3 well (Figure 4). which has produced in excess of one million barrels of oil to date and is still the strongest producer in the field. Bunian 6 will target undrained oil in the southwest of the Bunian field. The well is expected to spud in late 2024.

The results of Bunian 6 will inform the potential for a significant extension of the Bunian field to the west. The existence of the westerly extension will likely be tested by the drilling of the Bunian West 1 well currently planned for the 2025 drilling program. A drilling success at Bunian West could increase field reserves significantly, see Figure 4.

MANAGING DIRECTOR'S REPORT (cont'd)

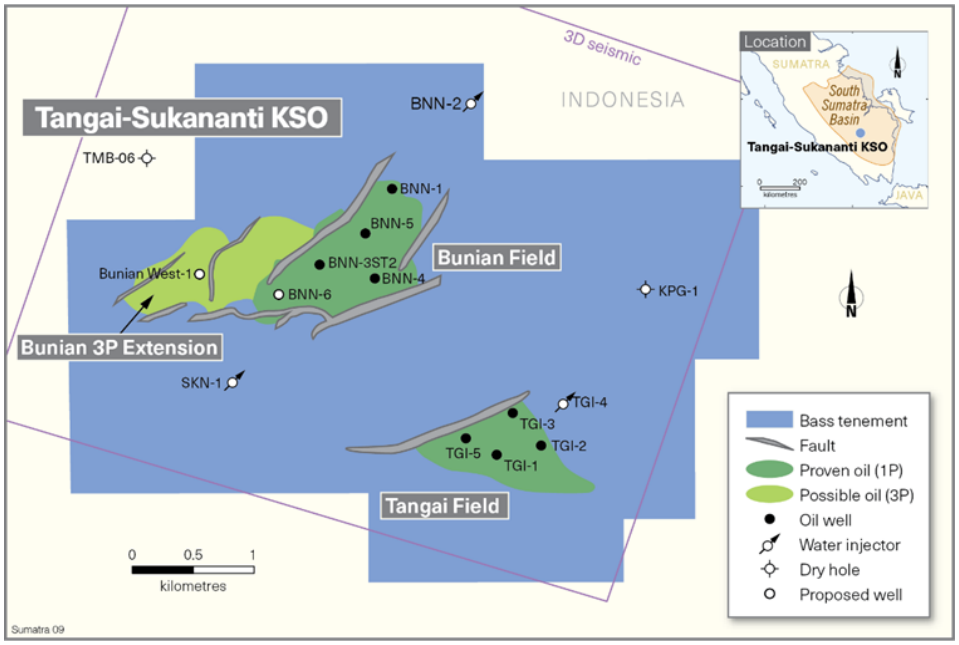

Figure 4: Tangai-Sukananti KSO Location Map

Business Development:

Bass is actively seeking opportunities to expand its operations and grow production. In addition to organic growth contained within Bass' existing portfolio the Company is focused on acquiring assets with low-risk growth potential that have the are able to deliver above average returns by leveraging its expertise and resources.

DIRECTORS' REPORT

The Directors present their report on the results of Bass Oil Limited consolidated entity ("BAS" or "Bass" or "the Company" or "the Group") for the half-year ended 30 June 2024.

DIRECTORS

The names and details of the Company's directors in office during the half-year and until the date of this report are set out below: Directors were in office for the entire period unless otherwise stated.

Hector M Gordon (Chairman)
Giustino (Tino) Guglielmo (Managing Director)
Mark L Lindh
Laura A Reed

PRINCIPAL ACTIVITY

The principal activity of the Group during the period was oil production from producing assets in the Cooper Basin, South Australia and a 55% Operator interest in the Tangai-Sukananti licence in the prolific South Sumatra Basin.

The Company is debt free and committed to creating and maximizing value, leveraging its competitive strengths in both Australia and Indonesia.

REVIEW AND RESULTS OF OPERATIONS

A review of Group's operations can be found on page 3.

The Group's operating loss for the half-year ended 30 June 2024 after income tax was $242,460 (30 June 2023: loss of $119,799).

SIGNIFICANT EVENTS AFTER BALANCE DATE

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

We have obtained an independence declaration from our auditor, Grant Thornton Audit Pty Ltd, a copy of which is attached to this report.

Signed in accordance with a resolution of the Directors

Chairman
Melbourne, 30 August 2024

Grant Thornton

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of Bass Oil Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Bass Oil Limited for the half-year ended 30 June 2024, I declare that, to the best of my and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 30 August 2024

Grant Thornton Audit Pty Ltd ACN 130 913 594 a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

DIRECTORS' DECLARATION

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s303(5) of the Corporations Act 2001.

On behalf of the Directors

Hector M Gordon
Chairman
Melbourne, 30 August 2024

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 June 2024

	Note	Consolidated	
		6 months to 30 June 2024 $	6 months to 30 Jun 2023 $
Revenue			
Oil revenue		2,692,657	2,883,240
Cost of oil sold		(1,894,615)	(2,081,174)
Gross profit		798,042	802,067
Other income			
Interest received		53,714	42,264
Operator fees		42,561	37,281
Total revenue and other income		894,317	881,612
Administrative expenses	3	(686,604)	(546,232)
Employee benefits expense		(317,085)	(368,644)
Finance costs		(57,822)	(3,755)
Profit/(loss) before income tax		(167,194)	(37,019)
Income tax expense		(75,266)	(82,780)
Profit/(loss) for the half year		(242,460)	(119,799)
Other comprehensive loss, net of income tax			
Items that may be reclassified to profit or loss			
Foreign currency translation		(123,686)	(63,699)
Total comprehensive profit/(loss) for the half year		(366,146)	(183,498)
Basic and diluted (loss)/earnings per share - cents		(0.09)	(0.04)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	Consolidated	
		30 June 2024 $	31 December 2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,657,505	932,148
Trade and other receivables		856,049	1,351,994
Other current assets		431,335	437,653
Inventories		420,515	455,482
Other financial assets		3,643	3,762
Total current assets		3,369,047	3,181,039
Non-current assets			
Trade and other receivables		446,068	155,958
Other financial assets		2,290,673	2,364,473
Property, plant, and equipment		101,856	114,542
Right of use assets		122,461	161,600
Oil properties	5	5,077,552	5,320,164
Exploration assets	6	233,357	81,647
Total non-current assets		8,271,967	8,198,384
TOTAL ASSETS		11,641,014	11,379,423
LIABILITIES			
Current Liabilities			
Trade and other payables		955,733	1,079,558
Provisions		53,751	57,995
Lease liabilities		59,838	68,347
Provision for tax		406,026	573,046
Total current liabilities		1,475,348	1,778,946
Non-current liabilities			
Provisions		2,707,053	2,704,250
Lease liabilities		59,237	88,181
Total non-current liabilities		2,766,290	2,792,431
TOTAL LIABILITIES		4,241,638	4,571,377
NET ASSETS		7,399,376	6,808,046
EQUITY			
Contributed equity	7	32,566,214	31,608,738
Reserves		3,214,417	3,338,103
Accumulated losses		(28,381,255)	(28,138,795)
TOTAL EQUITY		7,399,376	6,808,046

The above statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2024

	Contributed equity	Accumulated losses	Currency translation reserve	Share based payments reserve	Total
	$	$	$	$	$
At 1 January 2023	31,598,393	(28,450,382)	3,087,512	262,036	6,497,559
Net profit for the year	-	269,783	-	-	269,783
Foreign currency translation loss	-	-	40,704	-	40,704
Total comprehensive income for the year	-	269,783	40,704	-	310,487
Shares issued on conversion performance rights	10,345	-	-	(10,345)	-
Lapsed performance rights	-	41,804	-	(41,804)	-
At 31 December 2023	**31,608,738**	**(28,138,795)**	**3,128,216**	**209,887**	**6,808,046**
At 1 January 2024	31,608,738	(28,138,795)	3,128,216	209,887	6,808,046
Net loss for the period	-	(242,460)	-	-	(242,460)
Foreign currency translation loss	-	-	(123,686)	-	(123,686)
Total comprehensive income for the period	-	(242,460)	(123,686)	-	(366,146)
Shares issued	1,015,878	-	-	-	1,015,878
Transaction cost on share issues	(58,402)	-	-	-	(58,402)
At 30 June 2024	**32,566,214**	**(28,381,255)**	**3,004,530**	**209,887**	**7,399,376**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2024

	Note	Consolidated	
		30 June 2024 $	30 June 2023 $
Cash flows from operating activities			
Receipts from customers		3,058,935	3,158,288
Payments to suppliers and employees		(2,817,642)	(2,519,642)
Taxation paid		(242,286)	(103,111)
Interest paid		(5,421)	(3,755)
Interest received		52,743	28,387
Net cash provided by operating activities		46,329	560,167
Cash flows from investing activities			
Oil properties capital expenditure		(59,575)	(441,617)
Exploration expenditure		(154,289)	(37,791)
Net cash (used in) investing activities		(213,864)	(479,408)
Cash flows from financing activities			
Principal elements of lease payments		(43,621)	(20,636)
Proceeds from share issues		1,013,261	-
Payment share issue costs		(58,402)	-
Net cash provided by/ (used in) by financing activities		911,238	(20,636)
Net increase in cash and cash equivalents		734,703	60,123
Foreign exchange movement		(18,346)	(15,183)
Cash and cash equivalents at the beginning of the year		932,148	1,477,074
Cash and cash equivalents at the end of the half year		**1,657,505**	**1,522,014**

Some administration and corporate costs included in the 30 June 2024 ASX Quarterly Appendix 5B have been reclassified to exploration expenditure from payments to suppliers for production.

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 30 June 2024

Note 1. Corporate Information

The consolidated financial statements of Bass Oil Limited ("Parent Entity" or "Company") and its controlled entities (collectively as "Consolidated Entity" or "the Group") for the half-year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors on 30 August 2024.

Bass Oil Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The nature of the operations and principal activities of the Group are oil production and oil exploration.

Note 2. Summary of Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in United States dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2023 annual financial report for the financial year ended 31 December 2023. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

In the application of the Group's accounting policies, which are described below, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Except where indicated otherwise, all amounts are presented in United States dollars.

Going Concern

The consolidated financial statements have been prepared on the going concern basis, which assumes that the Group will be able to realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report.

For the financial half-year ended 30 June 2024 the Group earned a loss after tax of $242,460 (30 June 2023: loss of $119,799), had a net cash inflow from operating activities of $46,329 (30 June 2023: inflow $560,167), a net cash outflow from investing activities of $213,864 (30 June 2023: $479,408) and had a net cash inflow from financing activities of $911,238 (30 June 2023: outflow $20,636).

The Directors have prepared a cash flow forecast through to September 2025 which indicates that the Group has sufficient funds to remit the final instalment of the performance bond for the rehabilitation of the Cooper Basin properties in favour of the SA Department for Energy and Mining and invest in further projects to maintain/increase production levels.

The Group may be required to secure additional funding (which may be sourced as debt or equity) in the event of unforeseen issues arising including but not limited to a weakness in the price of oil, field production performance or projected cash returns from the Company's Indonesian subsidiary or to fund drilling and non-drilling projects beyond September 2025.

Note 2. Summary of Material Accounting Policy Information (cont'd)

Going concern (cont'd)

Based on the Group's cash flow forecast, achieving the funding referred to above and achieving successful results from drilling and non-drilling projects, the Directors believe that the Group will be able to continue as a going concern.

Should the Group be unsuccessful in achieving the projected levels of cashflow from initiatives set out above, a material uncertainty would exist that may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

(a) Statement of Compliance

These financial statements are general purpose interim financial statements which have been prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the most recent annual report. The financial statements comprise the consolidated statements of the Group. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity.

Compliance with AASB 134 ensures compliance with IFRS Accounting Standard IAS 34 *Interim Financial Reporting.*

(b) New Accounting Standards and Interpretations

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2024.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and will not have a material impact on the financial statements.

(c) Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Note 2. Summary of Material Accounting Policy Information (cont'd)

(c) Critical accounting estimates and judgements (cont'd)

These accounting policies have been consistently applied by each entity with the exception of oil property assets, in the consolidated entity, and the estimates and underlying assumptions are reviewed on an ongoing basis. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

(i) Impairment of Oil Property Assets

Oil properties impairment testing requires an estimation of the value in use of the cash generating unit to which deferred costs have been allocated when impairment indicators have been identified. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. Other assumptions used in the calculations which could have an impact on future years includes available reserves and oil prices.

(ii) Useful Life of Oil Property Assets

Oil properties are amortised on the Units of Production basis using the latest approved estimate of Proven (1P) Reserves and Proven and Probable (2P) Reserves. Amortisation is charged only once production has commenced. No amortisation is charged on areas under development where production has not yet commenced. Estimates of reserve quantities are a critical estimate impacting amortisation of oil property assets.

(iii) Estimates of Reserve Quantities

The estimated quantities of Proven and Probable hydrocarbon reserves reported by the Company are integral to the calculation of the amortisation expense relating to oil properties, and to the assessment of possible impairment of these assets. Estimated reserve quantities are based upon interpretations of geological and geophysical models and assessments of the technical feasibility and commercial viability of producing the reserves. These assessments require assumptions to be made regarding future development and production costs, commodity prices, exchange rates and fiscal regimes. The estimates of reserves may change from period to period as the economic assumptions used to estimate the reserves can change from period to period, and as additional geological data is generated during the course of operations. Reserves estimates are prepared in accordance with the Company's policies and procedures for reserves estimation which conform to guidelines prepared by the Society of Petroleum Engineers. The estimated reserve quantities are used in the assessment of fair value of the oil properties.

(iv) Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 2. Summary of Material Accounting Policy Information (cont'd)

(c) Critical accounting estimates and judgements (cont'd)

(v) Capitalisation of exploration assets

Exploration and evaluation expenditure is carried forward separately for each area of interest provided that the rights to tenure of the area of interest is current and either:

- the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in or relating to, the area of interest are continuing.

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the area of interest level whenever facts and circumstances suggest that the carrying value may exceed its recoverable amount.

An impairment exists when the carrying amount of capitalised exploration and evaluation expenditure relating to an area of interest exceeds its recoverable amount. The asset is then written down to its recoverable amount. Any impairment losses are recognised in profit or loss.

(vi) Restoration provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

(vii) Recoverability of Indonesian VAT

The recoverability and classification of the Indonesian VAT has been assessed, utilising historical trends to form an expectation for the timing and amount of repayment. The carrying value of non-current receivables is assessed as being unlikely to be received in the next 12 months due to the process involved for a KSO to recover VAT from the Indonesian Tax Office.

Note 3. Administrative Expenses

	Note	Consolidated	
		30 June 2024 $	30 June 2023 $
Audit fees		36,021	39,285
Consultants' fees		210,365	107,714
Corporate related costs		88,720	70,569
Directors' remuneration		65,725	67,149
Net foreign exchange (gains)/losses		(23,574)	37,374
Insurance		91,227	73,073
Legal expenses		13,991	7,084
Permit fees		2,866	5,010
Rent		8,856	18,236
Travel		22,302	16,486
Other administrative expenses		170,105	104,252
		686,604	546,232

Note 4. Cash and Cash Equivalents

	Note	Consolidated	
		30 June 2024 $	31 December 2023 $
Cash at bank and in hand		1,657,505	932,148
		1,657,505	932,148

Note 5. Oil Properties

	Note	Consolidated 30 June 2024 $	Consolidated 31 December 2023 $
Tangai-Sukananti KSO, Indonesia		1,885,580	1,925,082
Cooper Basin, Australia		3,191,972	3,395,082
		5,077,552	5,320,164
Tangai-Sukananti KSO			
Movement in the carrying value of oil properties			
Balance at the beginning of year		1,925,082	2,204,333
Capital expenditure during the period		59,575	146,433
Remeasurement of Rehabilitation provision		88,796	-
Depreciation, depletion and amortisation		(187,873)	(425,684)
Balance at the end of the period		1,885,580	1,925,082
Cooper Basin			
Movement in the carrying value of oil properties			
Balance at the beginning of year		3,395,082	3,711,964
Capital expenditure during the period		80,358	557,140
Depreciation, depletion and amortisation		(122,475)	(344,942)
Foreign Translation		(160,993)	(549,036)
Balance at the end of the period		3,191,972	3,395,082

Note 6. Exploration and Evaluation Costs

	Note	Consolidated 30 June 2024 $	Consolidated 31 December 2023 $
Petroleum tenements in the exploration phase			
Balance at the beginning of year		81,647	-
Capital expenditure during the period		154,288	81,647
Foreign Translation		(2,579)	-
Balance at the end of the period		233,356	81,647

The net carrying amount of exploration and evaluation costs is represented by Ex PEL 90K $57,820 (31 December 2023: $40,287), Ex PEL 100 $127,641 (31 December 2023: $41,360) and Ex PEL 93 $47,896.

Significant judgement is required in determining whether it is likely that future economic benefits will be derived from the capitalised exploration and evaluation expenditure. In the judgement of the Directors, at 30 June 2024 exploration activities in each area of interest have not yet reached a stage which permits a reasonable assessment of the prospectivity of the permits. Appraisal of the permits in relation to each area of interest are ongoing. Nothing has come to the attention of the Directors to indicate future economic benefits will not be achieved.

Note 7. Contributed Equity

	30 June 2024 Shares	31 December 2023 Shares	30 June 2024 $	31 December 2023 $
Issued and paid up capital				
Ordinary share fully paid	268,394,438	268,394,438	31,616,317	31,608,738
Movements in ordinary shares on issue				
Ordinary shares on issue at beginning of period	268,394,438	267,917,271	31,608,738	31,598,393
Issue of ordinary shares	22,094,262	-	1,013,261	-
Issuance of share performance rights	-	477,167	-	10,345
Less transaction costs	-	-	(58,402)	-
Ordinary shares on issue at end of the period	290,488,700	268,394,438	32,563,597	31,608,738

On 30 April 2024 the Company issued 15,714,286 ordinary shares in a private placement of new shares at A$0.07 per share.

On 17 May 2024 the Company issued 6,322,836 ordinary shares under a Share Purchase Plan to existing shareholders for new shares at A$0.07 per share.

Terms and Conditions of Contributed Equity

On 5 April 2024 the Company announced that it had issued 57,140 restricted employee shares at A$0.07 per share, refer Note 8. The restriction period whereby the Shares must not be disposed of or transferred is for thirty-six months from the Acceptance Closing date.

Ordinary shares entitle the holder to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Share Options on Issue

As at 30 June 2024, the Company has 132,340,789 (31 December 2023: 132,340,789) share options on issue, exercisable on a 1:1 basis for 132,340,789 (31 December 2023: 132,340,789) ordinary shares of the Company at an exercise price of A$0.12 (31 December 2023: A$0.12) and an expiry date of 30 September 2024.

Note 7. Contributed Equity (cont'd)

Share Options on Issue

	Note	Consolidated	
		30 June 2024 Options	31 December 2023 Options
Movements in options on issue			
Balance at the beginning of year		132,340,789	132,340,789
Balance at the end of the period		132,340,789	132,340,789

Note 8. Share based payments

	Note	Consolidated	
		30 June 2024 $	31 December 2023 $
Fair value of employee restricted shares	7	2,617	-
Fair value of employee share rights		-	16,348
Fair value of listed options issued to the Lead Manager of capital raise		-	209,887
Total		2,617	226,235

Note 9. Related Party Disclosures

Terms and conditions of transactions with related parties other than Key Management Personnel

During the period the Group paid corporate advisory and investor relations fees to Adelaide Equity Partners Limited (a director related entity of Mr M Lindh) of $57,695 (30 June 2023: $30,160) and capital raising success fees to Adelaide Equity Partners Limited of $36,106 (30 June 2023: $nil) (both under a corporate advisory and investor relations mandate). The fees were provided under normal commercial terms and conditions. Amounts outstanding at balance date were $10,930 (31 December 2023: $11,286).

The Group has a corporate advisory & investor relations mandate with Adelaide Equity Partners. The mandate was renegotiated in December 2023 and has a monthly retainer of AUD $15,000 per month. The mandate can be terminated at any time by either party, by written notice to the other party.

Note 10. Segment Information

For management purposes the group operated in two business segments (two geographical areas) – exploration, development and production of oil and gas – Australia and Indonesia.

The chief operating decision maker only reviews consolidated financial information. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board. The Board does not currently receive segment Statement of Financial Position and Statement of Comprehensive Income information.

For exploration and development activities the Board managed each activity through review and approval Authority for Expenditure (AFE's) and other operational information. For oil production (from both the Tangai–Sukananti KSO located in South Sumatra Basin in Indonesia and the Cooper Basin assets located in South Australia) the Board manages the activities through review of production details, internal reports and other operational information.

The consolidated assets and liabilities as at 30 June 2024 and 30 June 2023 relate to oil production.

	Australia	Indonesia	Corporate	Total
30 June 2024				
Revenue	1,140,836	1,551,821	-	2,692,657
Other income	58,167	11,978	49,704	119,849
Total revenue	1,199,003	1,563,799	49,704	2,812,506
Segment profit before depletion, depreciation and amortisation	238,148	355,696	(409,172)	184,672
Depletion, depreciation & amortisation	(132,301)	(219,565)	-	(351,866)
Profit/(loss) before income tax	105,847	136,131	(409,172)	(167,194)
Assets				
Current assets	859,726	1,496,202	1,013,119	3,369,047
Non-current assets	5,822,097	2,449,870	-	8,271,967
Total assets	6,681,823	3,946,072	1,013,119	11,641,014
Liabilities				
Current liabilities	(448,117)	(896,410)	(130,821)	(1,475,348)
Non-current liabilities	(2,573,069)	(163,077)	(30,144)	(2,766,290)
Total liabilities	(3,021,186)	(1,059,487)	(160,965)	(4,241,638)

Note 10. Segment Information (cont'd)

	Australia	Indonesia	Corporate	Total
30 June 2023				
Revenue	1,269,173	1,614,067	-	2,883,240
Other income	38,868	-	40,677	79,545
Total revenue	1,308,041	1,614,067	40,677	2,962,785
Segment profit before depletion, depreciation and amortisation	478,369	267,433	(346,120)	399,682
Depletion, depreciation & amortisation	(177,269)	(259,432)	-	(436,701)
Profit/(loss) before income tax	301,100	8,001	(346,120)	(37,019)
Assets				
Current assets	648,472	1,755,793	871,685	3,275,950
Non-current assets	5,609,023	2,159,199	3,282	7,771,504
Total assets	6,257,495	3,914,992	874,967	11,047,454
Liabilities				
Current liabilities	(290,064)	(1,275,620)	(146,068)	(1,711,752)
Non-current liabilities	(2,918,765)	(102,876)	-	(3,021,641)
Total liabilities	(3,208,829)	(1,378,496)	(146,068)	(4,733,393)

Note 11. Contingent Liabilities

As at 30 June 2024 the Group had no contingent liabilities (31 December 2023: $Nil).

Note 12. Subsequent Events

On 27 August 2024 the Company announced that Kiwi 1's Extended Production Test (EPT) had commenced with strong initial flow rates of 4.1 million cubic feet per day (mmcfd) of gas along with 988 barrels of condensate per day at a flowing wellhead pressure of 1585 psi indicating gas flow rates in line with expectations and condensate yields far exceeding the Company's expectations.

The testing is still ongoing and the results will assist in determining the size of the resource and the commerciality of the field.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Grant Thornton

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Independent Auditor's Review Report

To the Members of Bass Oil Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Bass Oil Limited (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 30 June 2024, and the condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the Directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half year financial report of Bass Oil Limited does not comply with the *Corporations Act 2001* including:

a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half year ended on that date; and

b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES *110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Grant Thornton Audit Pty Ltd ACN 130 913 594 a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that for the half year ended 30 June 2024 the Group incurred a net loss after tax of $242,460 and had a net cash outflow from investing activities of $213,864. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half year financial report

The Directors of the Group are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 30 August 2024