ASX Announcement

Release date: 17 October 2024

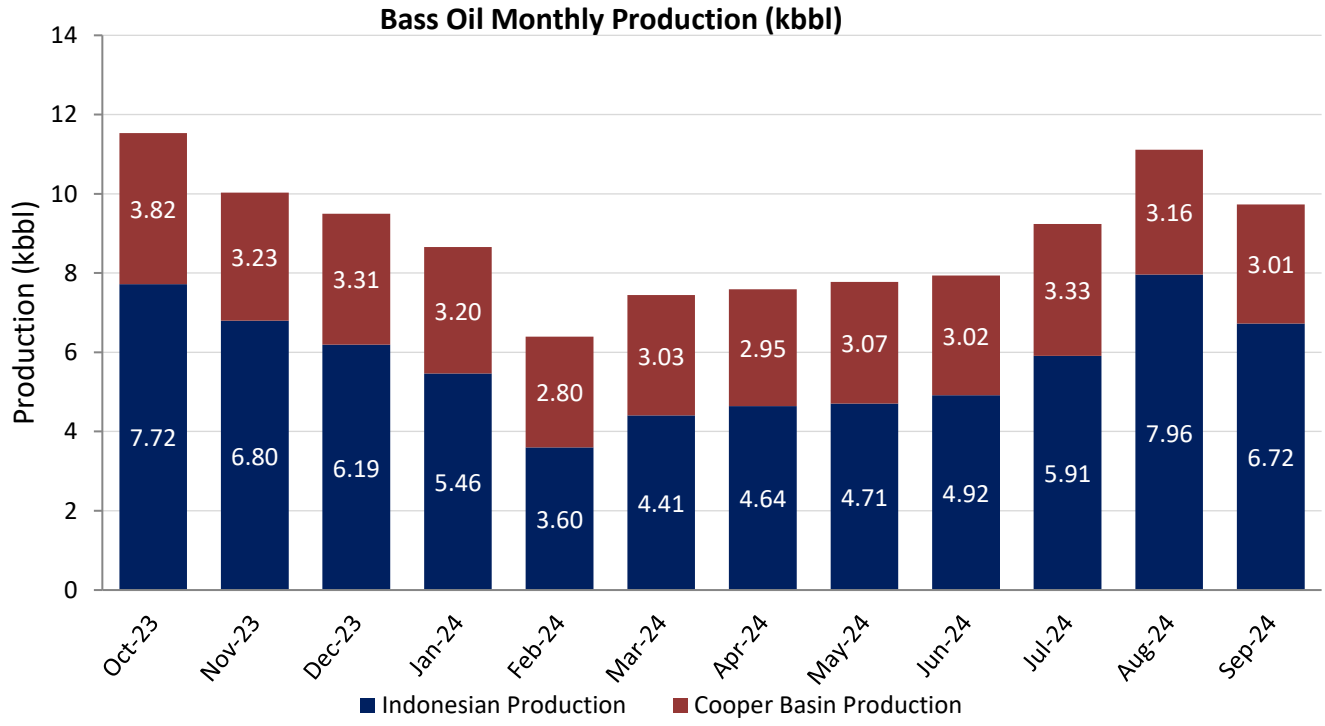
Operations Update – September

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

- **Total sales revenue for September was US$490,958 net to Bass (A$708,248)**
- **Daily oil production for the group averaged 324 bopd for the month and total monthly production was 9,731 barrels**
- **Total Cooper Basin monthly production was 3,008 barrels produced and 2,367 barrels sold at an average oil price of A$109.94 per barrel**
- **Total Indonesian oil production of 6,723 barrels net to Bass with 6,693 barrels sold at an average oil price of US$70.76 per barrel**
- **Kiwi 1 – Bass is examining early production options to commence condensate sales as well as options to accelerate the permanent connection of the well to commence gas sales**
- **PEL 182 Deep Coal Study – SLB completed the geomechanical model – Bass and SLB finalising the scope of the phase 2 study aimed at identifying most economic commercialisation plan**

Monthly Production and Sales:



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Daily oil production for the group averaged 324 bopd (Bass share) in September. Monthly production totaled 9,731 barrels (Bass share) with monthly sales of 9,060 barrels. Total sales revenue for September was US$490,958 (or A$708,248) net to Bass. See below for further information.

Cooper Basin Operations

Production from the Company's 100% owned Worrior and Padulla oilfields was 3,008 barrels for the month of September. Oil sales totaled 2,367 barrels for the month. Production averaged 100 bopd in September.

The Company achieved an average sales price of A$109.94 per barrel for oil sales. Cash receipts for oil sales are expected before month end.

Production Operations

There was little unplanned downtime at the Worrior or Padulla facilities in September with both locations recording an uptime of 96.9% and 99.1% respectively.

The field is operating with one HPS in service while the engine on the second unit undergoes a scheduled major overhaul. The second HPS is expected to be returned to service in November. Field production is expected to increase by ~6% as a result.

Gas Appraisal

Kiwi 1 Extended Production Test (EPT) (Bass 100%)

The Company completed the production test of the Kiwi 1 well in August. The well is currently shut in on build up phase of the test. The pressure gauges downhole will be recovered this month. This will allow the technical team to perform a pressure transient analysis to confirm the reservoir pressures at the beginning and end of the test providing a guide to the gas reserves accessed by this well.

The EPT over the Triassic Callamurra formation achieved a maximum flow rate of 4.1 million standard cubic feet per day on a 48/64" choke setting along with 988 barrels of condensate per day with a flowing wellhead pressure of 1585 psig. The gas is low in inerts and very liquids rich, yielding over 230 barrels of condensate per million standard cubic feet, much greater than expected.

There were over 800 barrels of condensate produced during the test which is stored in tanks onsite. The team is currently arranging for the transportation and sale of this product.

Bass is currently investigating options to bring the well online in an early production mode and accelerate the permanent tie in of the well to existing production infrastructure.

The result of the EPT has reinforced the view that Kiwi has significant economic value to Bass. For further details please refer to the ASX releases dated 27 August and 2 September 2024.



Figure 1: Kiwi 1 Wellsite post EPT

PEL 182 Deep Coal Commercialisation Study (Bass 100%)

As per the Company's ASX announcement on 18 May 2024, the geomechanical study being undertaken by technology leader SLB was completed with a summary of the results contained in the ASX release dated 16 September 2024.

SLB completed the geomechanical model calibrated with formation integrity and rock strength data obtained from wells drilled by Santos adjacent to the study area. The proprietary data provided by Santos was provided under a Data Sharing Agreement with Bass in return for Santos accessing the completed model and results of the study.

The study confirmed a number of key well and frac design parameters, including:

- The safe mud weight window to be used while drilling to avoid excessive hole ovalisation and possible wellbore collapse in the coal and/or sandstone sequences.
- The direction and magnitude of the principal horizontal stresses (SH_{max} and Sh_{min}) which are key inputs into wellbore and frac design.
- Possible solutions to challenges common in horizontal drilling of coal seams, with the MEM indicating that the wellbore be landed in the layers adjacent to the coal sequences to increase the probability of a successful outcome.
- Significant areal stress variations exist across the Patchawarra Trough. The PEL 182 area is in a favourable stress regime.
- Quantifying the vertical stress profile in the Permian section, a key input into detailed fracture stimulation design to optimise the number of frac stages placed. The number of stages is a key parameter influencing the economic outcome from the well.

Bass and SLB are working together to finalise the scope of phase 2 of the study which will again be led by SLB. The objective for the next phase of the study is to utilise the MEM to determine preliminary well designs and the number of frac stages required to achieve an economic flow rate and gas recovery per well to economically exploit this resource.

Indonesian Operations

Production from the Company's Tangai-Sukananti Oil fields in Indonesia averaged 224 bopd (Bass share) in September 2024. Bass share of field production for the month was 6,723 barrels of oil with 6,693 barrels of oil sold. The average monthly oil price for September was US$70.76 per barrel.

There was no unscheduled field downtime with all wells on-line.

Development

The subsurface team in Jakarta has reprocessed the 3D seismic data set and the initial interpretation of the new data set is supporting the potential of a westerly extension of the main Bunian structure. The interpretation effort is continuing.

Procurement and planning continued for the drilling of the Bunian 6 development well, south-west of the prolific Bunian 3 well, see map below.

Well pad construction has been completed and the flowline laid to the edge of the location. The well pad has been constructed to accommodate at least two wells which will shorten lead times for future drilling considerably. Bass is currently confirming drilling rig availability to lock in an anticipated spud date.



Figure 2: Bunian 6 Well pad

This announcement has been authorised for release by the Board of Directors of Bass Oil Limited.

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