



Oil for Australians

ASX Announcement

16 November 2016

INDONESIAN ACQUISITION UPDATE – NOVEMBER 2016

HIGHLIGHTS

- **Tangai-Sukananti KSO production increased by over 60% to 820 barrels of oil per day (bopd) – Bass share ~450 bopd**
- **Transaction effective date of 1 October 2016 – increased production to materially increase Bass net cash flow**

Bass Strait Oil Company Limited (ASX: BAS) advises that recent production optimisation activities at the Tangai-Sukananti KSO, South Sumatra Basin, Indonesia have increased average daily oil production by more than 60% to over 800 bopd (on a 100% basis) from 500 bopd as previously reported (see ASX Announcement dated 25 October 2016). The share of production accruing to Bass is now some 450 barrels of oil per day.

In October 2016, Bass announced the landmark acquisition of Cooper Energy's 55% operated interest in the Tangai-Sukananti production assets in Indonesia. Importantly, the resultant increase in production will generate an immediate increase in free cash flow flowing through to Bass given that the effective date of the transaction is 1 October 2016. Bass is currently working through the commercial and regulatory processes to achieve transaction completion, expected in late January 2017 following a meeting of Bass shareholders.

The acquisition will transform Bass into a SE Asia-focussed oil & gas production company and provide a solid platform for growth via additional low-cost acquisitions. Bass also notes there are multiple low-cost and low-risk development opportunities within the Tangai and Bunian oil fields which the Company is currently evaluating.

Bass Executive Director, Tino Guglielmo said "The production optimisation program has achieved a most pleasing outcome and is the result of the good work from the team in Jakarta. The increased production is expected to deliver a substantial increase in the free cash flow generated from this asset, enhancing its value to Bass."

The transaction is subject to conditions such as the conduct of a capital raising, regulatory and Joint venture consent and approval of existing Bass shareholders at a General Meeting which is expected in late January 2017. Details of the proposed General Meeting will follow.

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Bass Strait Oil Company (ASX:BAS) is an ASX listed exploration and production company featuring low cost oil production in Indonesia. Bass has realigned its corporate strategy following the landmark acquisition of Cooper Energy's 55% interest in the Tangai-Sukananti production assets located in the prolific oil & gas region of South Sumatra, Indonesia. Bass intends on building 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.

www.bassoil.com.au

