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# ***Emerging Oil Producer in South East Asia***

***Investor Presentation***

***February 2017***

# On-track for Transaction Completion

**Final Condition Precedent** of EGM approval **satisfied** for Bass' acquisition of Cooper Energy's **55% interest in the Tangai-Sukananti production assets** located in South Sumatra, Indonesia which will:

- **Immediately transform** Bass into an **oil producer** - current production of over 700 bopd (100% JV share) in a prolific oil and gas region; and provide
- A **platform for future growth** through low-cost development opportunities and execution of value accretive bolt-on acquisitions – minimal additional corporate overheads required with Bass' established Jakarta based personnel



Ground crew at Talang Jimur pump station



Tangai-3 oil well

# Bass Strait Oil & Gas Company (ASX:BAS)

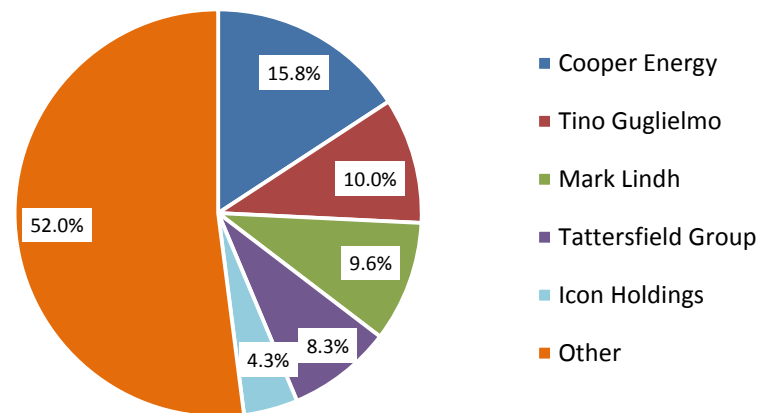


## Capital Structure

Shares on Issue	2,239.2 M
Undiluted Market Cap (@ 0.25c)	A\$5.6 M
Cash Estimate (31-Dec-16)	A\$0.7 M
Enterprise Value	A\$4.9 M

\*Includes issue of 180 million shares to Cooper Energy pursuant to EGM

## Share Ownership Summary



\*Includes issue of 180 million shares to Cooper Energy pursuant to EGM

## Board Structure

### Peter Mullins FFin - Non-Executive Chairman

- ✓ 40-year banking career in Australia and New York specialising in institutional and corporate finance
- ✓ Former head of Institutional Banking SA & NT with Commonwealth Bank of Australia
- ✓ Former Chairman of *Somerton Energy*
- ✓ Current Fellow of Finsia

### Mark Lindh - Non-Executive Director

- ✓ Corporate adviser with 15+ years experience with a specific focus on the energy sector
- ✓ Co-founded Adelaide Equity Partners – natural resources focussed investment bank
- ✓ Successfully executed >A\$1bn in transactions
- ✓ Retained advisor to numerous companies in the energy sector

### Tino Guglielmo BEng (Mech) - Executive Director

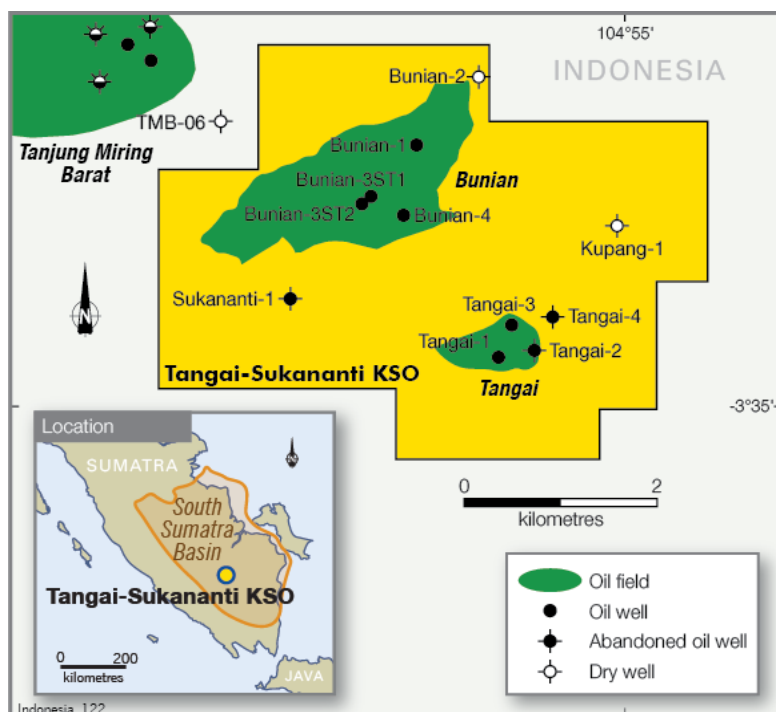
- ✓ 21-year career with *Santos* as a Petroleum Engineer in key management positions
- ✓ 14 years as C-suite executive with various Australian-listed companies
- ✓ Co-founded of *Ambassador Oil & Gas* - achieved sale to Drillsearch Energy in 2014
- ✓ Grew *Stuart Petroleum* as a Cooper Basin junior and sold to *Senex* in 2010 - achieving 7-times value accretion
- ✓ Non-Executive Director of *Octanex* & *Ophir Sdn Bhd Malaysia*

### Hector Gordon BSc (Hons) - Non-Executive Director

- ✓ Current Executive Director of *Cooper Energy*
- ✓ Former Executive Director and Chief Operating Officer of *Beach Energy*
- ✓ Former Managing Director of *Somerton Energy*
- ✓ Integral role in *Beach Energy's* exploration and acquisition successes
- ✓ Significant experience in South-East Asia

# Tangai-Sukananti Production Assets

- ✓ Bass is acquiring a 55% interest in the Tangai-Sukananti production asset - located in the South Sumatra Basin, a prolific Indonesian oil and gas region
- ✓ Proven operations with substantial low-cost and low-risk development options
- ✓ Acquisition represents an ideal platform for building a regional oil & gas business
- ✓ Long-life KSO with production expected until mid-2025
- ✓ 45% of Reserves remain undeveloped representing substantial low-risk upside potential



Source: Cooper Energy

## Resources & Reserves – as at 30 June 2016

Resources (MMboe)					
1C		2C		3C	
Gas (PJ)	Total (MMboe)	Gas (PJ)	Total (MMboe)	Gas (PJ)	Total (MMboe)
1.2	0.2	2.3	0.4	4.3	0.7

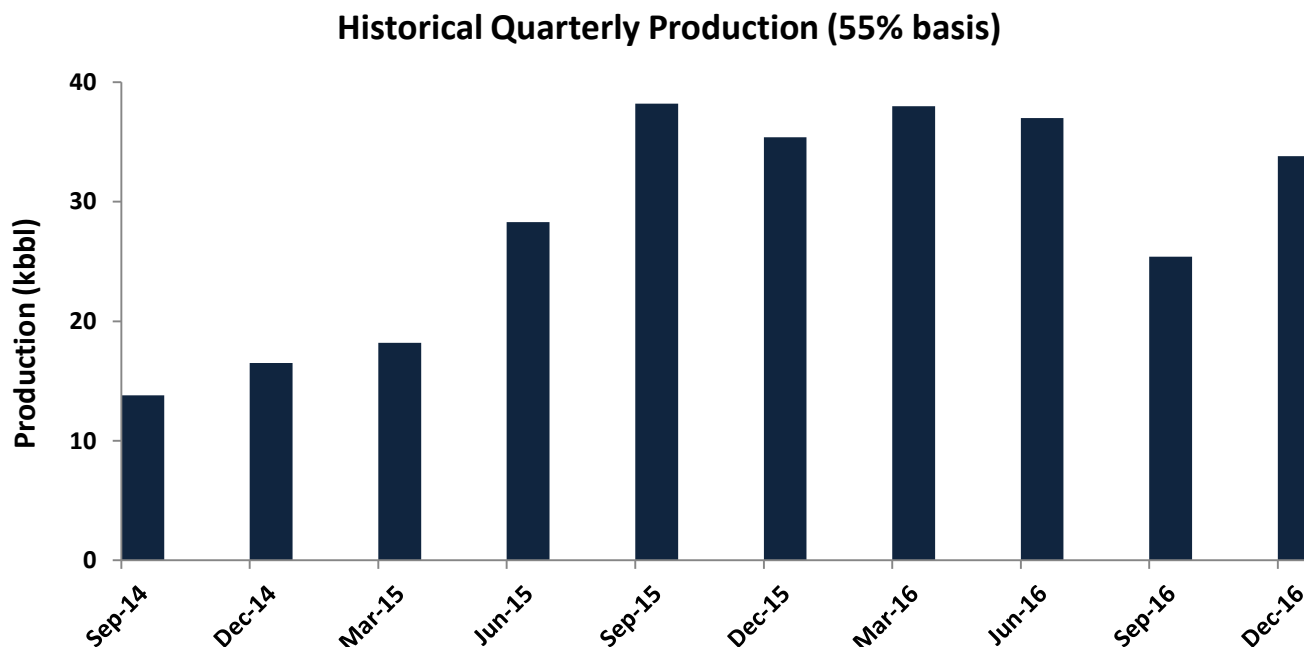
Petroleum Reserves (MMbbl)			
Category	Proved	Proved & Probable	Proved, Probable & Possible
Developed	0.50	0.93	1.39
Undeveloped	0.31	0.80	1.70
<b>Total</b>	<b>0.82</b>	<b>1.73</b>	<b>3.09</b>

\*Totals may not reflect arithmetic addition due to rounding

Source: Cooper Energy 2016 Annual Report

# Strong Sustained Levels of Production

- ✓ 33% production uplift in December 2016 quarter compared to previous quarter
- ✓ Field performing strongly with current oil production of over 700 barrels per day (100%)
- ✓ Recent production increase can be attributed to successful production optimisation activities which commenced at the operation in November 2016
- ✓ Additional optimisation and development opportunities under evaluation
- ✓ Operating costs currently ~US\$35 / bbl – BAS investigating cost optimisation



# Transaction Overview

- ✓ **Upfront cash consideration of A\$500,000 and scrip consideration of 180,000,000 shares**
- ✓ **A\$2,270,000 cash payable 12 months from Transaction Completion**
- ✓ **Additional working capital items to be passed through as collected**
- ✓ **Transaction progressing to completion**
- ✓ **Upon Transaction Completion, Bass will receive funds accumulated since Transaction effective date of October 1, 2016**
- ✓ **Bass to take on all existing, Indonesian based office and field employees**



*Bunian Central Production Facility*

# Investment Case

## ***Strong Project Economics***

- ✓ Free cash flow generated will significantly contribute to payment of deferred acquisition costs
- ✓ Current production in excess of 700 bopd (100% JV share)
- ✓ BAS to become site operator and manage existing Jakarta based team

## ***Regional Growth Opportunities***

- ✓ BAS commencing screening of regional growth opportunities within world class hydrocarbon provinces
- ✓ A solid platform for executing additional value-accretive acquisitions in the region
- ✓ Key focus to build a SE Asian-focussed oil & gas business

## ***Development Upside***

- ✓ Asset contains multiple low-risk and low-cost development opportunities - expected 20% IRR on development wells in South Sumatra
- ✓ Retaining current team in Indonesia – BAS to leverage management expertise
- ✓ 45% of Reserves remain undeveloped representing low risk upside potential

## ***Proven Production in Prolific Region***

- ✓ Successful Bunian-3 ST2 and Bunian-4 wells in 2015
- ✓ Recent optimisation activities have successfully increased production levels
- ✓ Located in South Sumatra basin adjacent to prolific oil & gas fields where over 2.3 billion bbl and 6 Tcf gas have been produced



*Bass Executive Director (Tino Guglielmo) with field based staff and Act. General Manager (Andri L.L Hakim)*

***Back-up Slides***



# Indonesia: Investment Rationale

*BAS views Indonesia as an ideal place for investment in the current market*

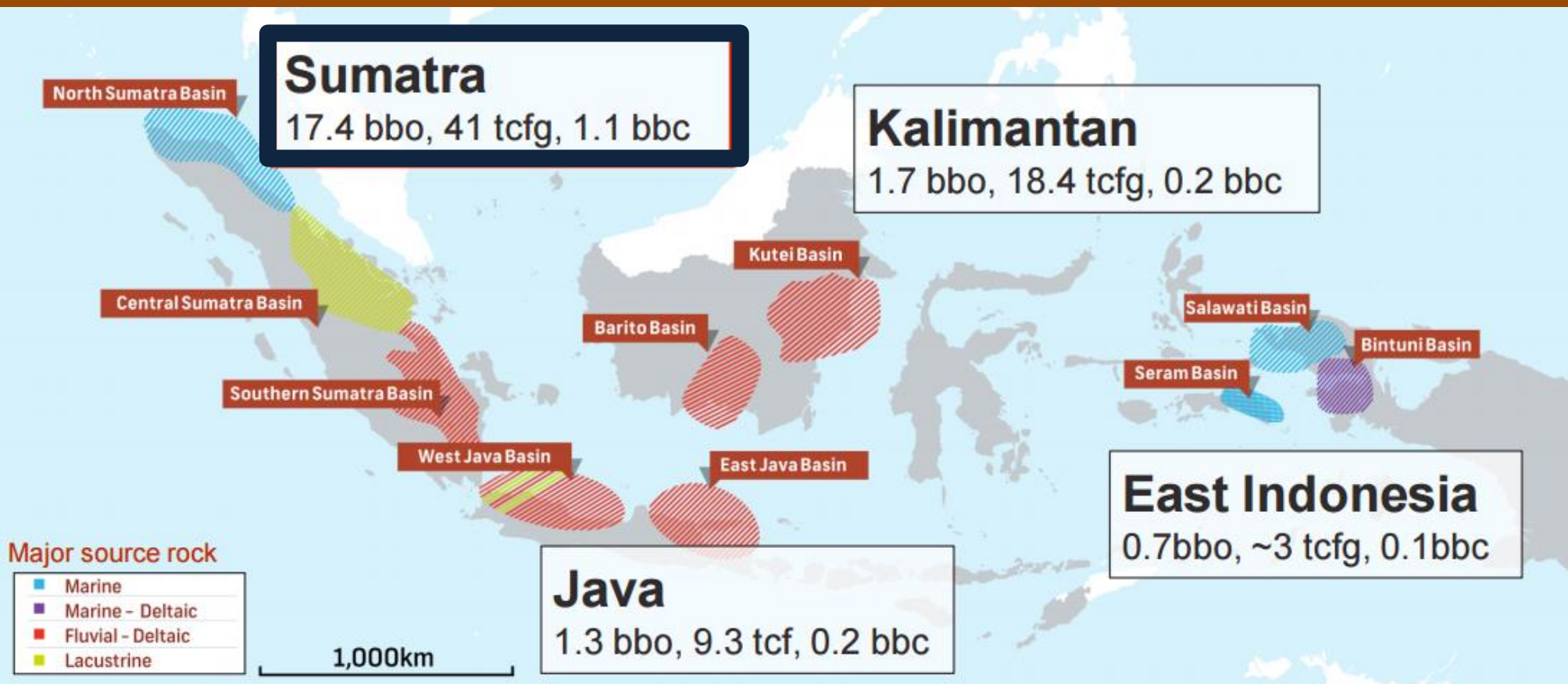
- ✓ **Worlds fourth-largest population (~250 million)**
- ✓ **Fast-growing economy (GDP ~ 6%pa)**
- ✓ **Oil and gas demand growing at > 5%pa**
- ✓ **Declining conventional oil/gas supply**
- ✓ **Supportive government - regulatory changes promoting oil/ gas investment with competitive fiscal terms**
- ✓ **Prolific onshore oil & gas provinces**
- ✓ **Numerous low-cost production opportunities with low-risk development upside**



# Indonesia: World Class Oil & Gas Basins

*Sumatra is Indonesia's most established hydrocarbon province – ideal platform for building a regional business*

## Discovered hydrocarbons in Indonesia onshore provinces

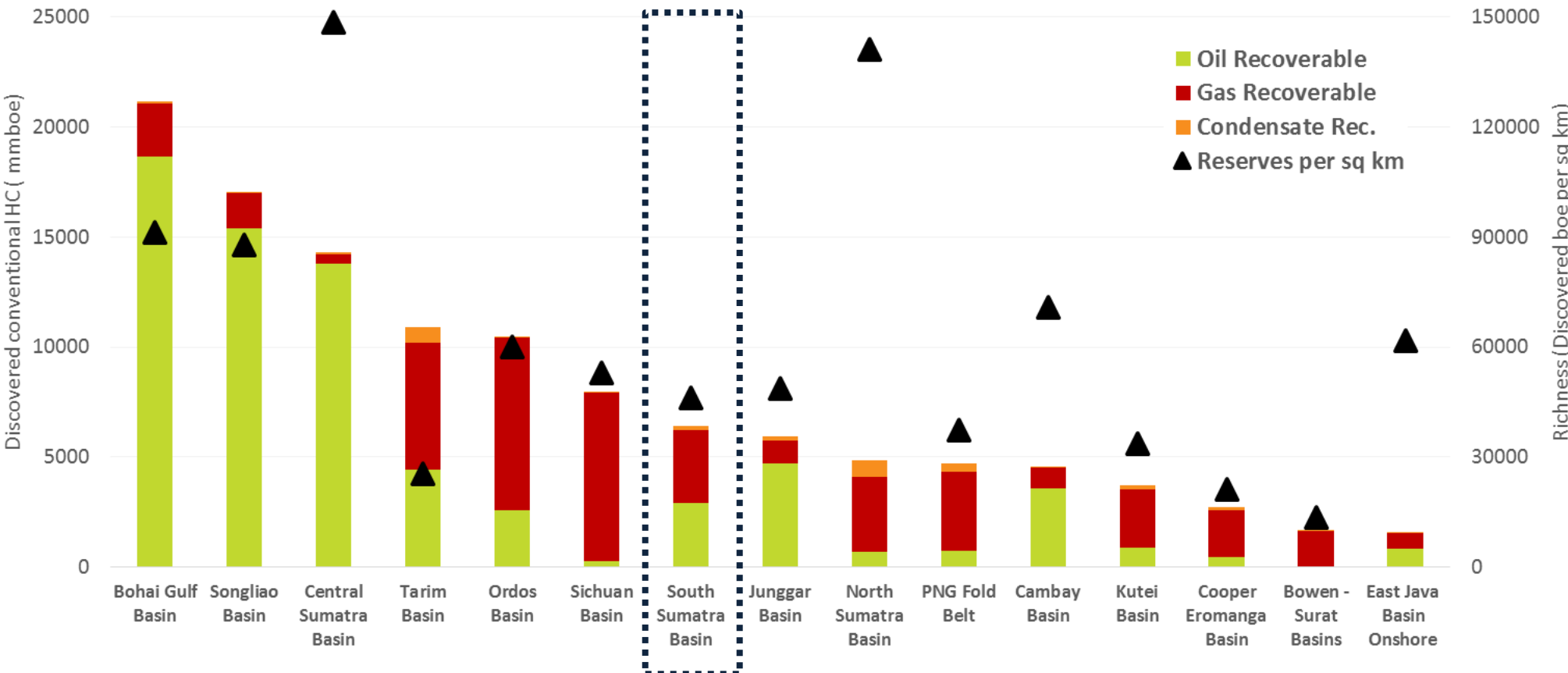


Source: IHSE (onshore oil & gas reserves shown only)

# South Sumatra: Prolific Oil & Gas Province

*The Sukananti production asset is located in South Sumatra, a leading hydrocarbon province in the region*

Asia-Pacific onshore basins, ranked by discovered hydrocarbons



Source: IHSE

# Simple, Low Cost, Effective Processing Facilities



*Bunian Central Production Facility*



*Bunian Store*



*Talang Jimur Transfer Station*

# Contacts

*For further information, please do not hesitate to contact:*

## EXECUTIVE DIRECTOR

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