

Bass to Investigate Carbon Capture, Use and Storage initiatives in Australia's prolific hydrocarbon Cooper Basin

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Key Highlights:

- Bass commits to pursue clean energy opportunities on its oil and gas assets as part of its Cooper Basin acquisition strategy, with a particular focus on Carbon Capture, Use and Storage Initiatives ("CCUS")
- The move follows the recent push by the Australian Government's CCUS Fund - A\$210 million Moomba CCUS project in the Cooper Basin, which aims to safely and permanently store 1.7 million tonnes of CO₂ per year with a capacity for up to 20 million tonnes
- Australia has a natural competitive advantage in CCUS with known high quality, stable and geological storage capable of injection at a rate of 300 million tonnes per year for at least 100 years
- Following the push from industry leaders, including Santos and Beach Energy, Bass will study the potential to increase recoveries from operating wells in the Cooper Basin via utilisation of CO₂ by-product obtained via existing production
- The Company will continue to focus on its oil and gas exploration and acquisition strategy with a view to focusing on integrated renewable energy projects

Bass Oil Limited (ASX:BAS) ("Bass" or the "Company") is pleased to provide an update on its ESG initiatives to include a clean energy strategy to enhance the potential of the Cooper Basin portfolio and minimise the Company's carbon footprint.

As announced 26 August 2021, the Company expects to complete a transaction with Cooper Energy Limited to acquire an interest in a portfolio of Cooper Basin tenements in mid-October 2021. This transaction is part of the Company's broader strategy to acquire a portfolio of Cooper Basin assets that produce greater than 1,000 boepd.

Carbon Capture Use and Storage

As part of this strategy, Bass will pursue clean energy initiatives to enhance production and reduce the Company's carbon footprint. Bass's Managing Director, Mr Tino Guglielmo, is a strong supporter of Carbon Capture, Use and Storage ("CCUS") and has conducted research studies for a large Cooper Basin oil and gas producer in the past.

The Company is actively seeking acquisition opportunities with gas production potential and will assess the potential use of CCUS technology to enhance oil and gas recoveries in its hydrocarbon reservoirs. Most of the gas extracted from the Cooper Basin requires the removal of CO₂ before sale, creating a significant amount of carbon opportunity. If captured and utilised correctly, this CO₂ can be re-injected to increase reservoir pressure and enhance recoveries, resulting in a more carbon-neutral extraction process.

The move follows a recent push from industry leaders and the Australian Government, which established the CCUS Development Fund and allocated ~A\$210 million to the Moomba CCUS Project in the Cooper Basin. The project aims to safely store 1.7 million tonnes of CO₂ per year with a capacity of up to 20 million tonnes¹.

In addition to improving well performance and asset recovery, it is envisaged that CCUS technology may open opportunities for Bass to investigate Blue or clean Hydrogen production in the future.

Renewable Power Initiatives

In addition, Bass will review opportunities to deploy photovoltaic (“PV”) and battery technology into the field to reduce the requirement on diesel/crude powered generators. Given Bass’ operations are located in remote regions of Indonesia and Australia, there is a requirement for on-site power generation to operate electrical machinery. Due to the latest improvements in PV and battery technology, there is scope to utilise alternative energy sources to power this machinery, allowing the Company to reduce carbon emissions further along with operating costs.

‘Circular’ Operations for Sustainability

In line with the shift towards a greener future and more sustainable operations, Bass recovers a significant proportion of natural gas produced as an oil by-product destined to be flared as waste, to generate power at its Bunian central production facility in South Sumatra, Indonesia. Additionally, all water produced in the oil extraction process is re-injected into the producing reservoir creating a ‘circular’ process.

Social Responsibility

As another pillar of its ESG commitment Bass continues to invest in its workforce. Bass does not employ expatriates to run its business in Indonesia. Instead, Bass has committed to creating employment opportunities for local Indonesians. Additionally, the Company has invested in training Indonesian personnel and continues to sponsor staff to complete post-graduate studies to continue to upskill an already well-trained workforce.

Further, Bass has a policy of providing employment opportunities for inhabitants of the villages surrounding its operation.

Bass Oil Limited Managing Director Mr Tino Guglielmo commented: *“In keeping with our EGS commitment we are proud to announce our clean energy focus. Bass has always operated with integrity at the forefront in Indonesia and is excited to pursue similar opportunities in Australia to leverage our expertise, assets and reduce our emission footprint.”*

Authorised for release by the Board of Directors of Bass Oil Limited

For further information please contact:

Tino Guglielmo
Managing Director
Bass Oil Limited
Ph: +61 3 9927 3000
Email: tino.guglielmo@bassoil.com.au

Travis Ban
Associate Director
Adelaide Equity Partners Limited
Ph: (08) 8232 8800
email: tban@adelaideequity.com.au

¹ Santos – Media Release, 8 June 2021, “Moomba CCS project boosted by A\$15 million grant from Carbon Capture Use and Storage Development Fund”

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 following the landmark acquisition of an interest in the Beach Energy operated, Cooper Basin based Worrior field, along with several additional assets that exhibit exciting exploration potential.

As of July 2021, the Tangai-Sukananti KSO produced ~450 bopd from (55% JV share) and Worrior produced ~40 bopd (30% JV Share). Bass is building towards a substantial onshore Australian and Indonesian oil & gas business with a clear focus on executing opportunities 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.

