BASS OIL
LIMITED

ANNUAL REPORT

For the financial year ended

31 December 2021

CORPORATE DIRECTORY

ABN: 13 008 694 817

Directors

Peter F Mullins, Chairman
Giustino Guglielmo
Hector M Gordon
Mark L Lindh

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 Australia 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
Facsimile +61 (3) 9615 9900

Stock Exchange Listing

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

ASX Codes: BAS – Ordinary Shares

Web Site: www.bassoil.com.au

Contents

Forward Looking Statements

This Annual 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.

CHAIRMAN'S MESSAGE

The year 2021 was still one significantly impacted by the COVID 19 pandemic. However, the global economy recovered and regained a measure of predictability. Energy market prices increased, responding to an increased demand for oil and gas and a lag in the industry bringing on new supply.

Like many other oil producers, Bass had to delay plans to increase production until 2022. As a result, production was impacted by natural field decline. During the year Bass was able to secure the acquisition of oil-producing assets with growth potential in the Cooper basin. The Cooper basin is an area well known to the team at Bass and these assets will provide a clear growth path for your Company. In this context, I am pleased on behalf of your Board, to present to you the Annual Report of Bass Oil Limited for the 12 months ended 31 December 2021.

Importantly, Bass is proud to report that it recorded zero incidents resulting in injuries over 2021, which is a credit to all staff in Indonesia and Australia. Furthermore, the Company, its employees, consultants, and contractors have accumulated over 5.2 million working hours without a Lost Time Injury, a truly creditable performance.

In 2021, Bass and our fellow oil industry peers, saw the continued impact of the COVID health pandemic. The Company responded to these challenges early and was able to limit their impact. Bass achieved the following key outcomes. Net entitlement oil production decreased 51% from 86,765 barrels to 42,597 barrels year on year. Sales revenue decreased 7% from US $3.15 million to $2.93 million, resulting in an increased net loss after tax of ($0.60) million this year, against a loss of ($0.50) million in 2020.

Bass Oil's focus this year has been on stabilising and planning to grow our production base at our 55% owned Tangai-Sukananti property. Your Company has also been focused on building a balanced energy business by adding assets outside of Indonesia to mitigate the risk of operating solely in one area. Bass has recently secured an attractive and significant position in Australia's premier onshore oil and gas basin, the Cooper basin. This follows a period of tight due diligence underpinned by an expansion policy based on identifying projects with significant growth potential, proven economics and profitability, rather than sentiment.

I am pleased to report that there has been no interruption to our operations during the COVID-19 pandemic and that oil prices have increased substantially. Whilst the pandemic continues, Bass is actively monitoring and complying with all Government directions to ensure the health and safety of all staff is protected throughout this period.

In closing, I thank particularly this year, our shareholders for your loyalty, support of the Company and our capital raising initiatives. We also appreciate your personal encouragement throughout the year for our Board and management.

Finally, I thank our Melbourne-based executive team, our Indonesian-based operations team and my fellow Directors for their diligent attention to the affairs of your Company. We look forward to taking full advantage of the economic potential of the portfolio following the recent announcement of the Cooper basin acquisitions. We remain open to adding high-quality value-adding growth opportunities as they present themselves.

Peter Mullins
Chairman
31 March 2022

MANAGING DIRECTOR'S REPORT

Comment from the Managing Director, Mr Tino Guglielmo

The full-year 2021 saw a welcome and significant improvement in both the global economy and oil markets. The price of Brent crude oil rose from ~US$50 per barrel to over ~US$80 per barrel towards the end of the year.

This year Bass made the first significant move to expand its energy business outside of Indonesia to the Cooper basin in central Australia. In July Bass announced that it had committed to acquiring certain properties from Cooper Energy Limited, including an interest in the producing Worrior oil field. After year-end Bass further announced that it had committed to increasing its footprint in the Cooper basin in a transaction with Beach Energy Limited. These transactions will see Bass become an operator and significant oil producer in both Indonesia and Australia.

Bass has already identified a number of capital-efficient projects that are expected to increase production from the acquired properties from 75 bopd to over 500 bopd in the first 6 months of ownership. In an area in which the Bass team has much experience, these acquisitions position the Company well for future growth at a time where oil prices have scaled to multi-year highs.

I am pleased to report that through the global COVID 19 pandemic, the Indonesian based Bass oil team has worked diligently to ensure that there has been no significant interruption to production throughout the year. However, I am saddened to report that almost every member of the Bass oil team has lost a family member or a friend to the virus and one of our valued staff members passed way from complications related to COVID. All Bass staff and a significant proportion of the Indonesian population has now been vaccinated.

Bass maintained a tight focus on operating costs throughout the period. In combination with the increasing oil prices, particularly during the second half of the year, the Company saw an increase in free cash from operations and its cash balance, which was supplemented by a capital raising mid-year.

Production for the period was lower due to normal field decline combined with the end of the 'flush production' period of the newly drilled Bunian 5 well. As previously reported, there is a significant proportion of undeveloped oil potential in both the Bunian and Tangai fields waiting to be tapped. Bass has recently announced that the Tangai 5 development well will be drilled in early 2022.

Sales revenue was impacted by the decline in field production but largely offset by the increased oil price during the period. The Company reported a small loss after tax due to non-cash elements of the financial reporting such as depreciation and depletion.

Bass is in the fortunate position of having no debt and no permit obligations and material production upside in its project portfolio. As such, the Company is well-positioned to improve its performance into 2022.

Full Year Summary

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

- **39% decrease in production to 81,000 barrels (CY20 132,000 barrels) due to natural field decline after initial flush production from Bunian 5**
- **7% decrease in CY21 sales revenue to $2.93 million (CY20 $3.15 million) due to lower production, which was partially offset by higher crude oil prices**
- **Cash position $1.49 million as at 31 December 2021**
- **A NPAT of approximately -$0.60 million (CY20 approximately -$0.50 million)**

MANAGING DIRECTOR'S REPORT (cont'd)

Financial and Operating Performance

Key Performance Metrics	CY21	CY20	Change
Net Production (mbbl)	80.99	131.93	-38.6%
Net Oil Sales (mbbl)	81.38	132.28	-38.5%
Net Entitlement Oil (mbbl)	42.60	86.76	-50.9%
Sales Revenue (US$million)	2.93	3.15	-7.1%
Cash (US$million)	1.49	0.10	1460.7%
Average Realised Oil Price (USD)	66.79	37.89	76.3%
EBITDA (US$,000)	-102.73	89.37	-214.9%
NPAT (US$,000)	-602	-500	-20.4%

[1]. Earnings Before Income Tax, Depreciation and Amortisation
[2]. Net Profit After Tax

Bass produced 80,986 barrels of oil (55% basis) during the year ended 31 December 2021, down 39% from the prior comparable period. Yearly oil sales were 81,377 barrels of oil net to Bass, down 38%. The net entitlement oil to Bass was 42,597 barrels for the year after Domestic Market Obligation (DMO), down 51%. The reduction in the net entitlement oil was mainly due to the impact on cost recoveries from increasing oil prices.

The Company realised a 7% decrease in sales revenue, primarily on the back of decreased production, which has been partially offset by an increased oil price following the recovery in the global oil markets which began in 2021.

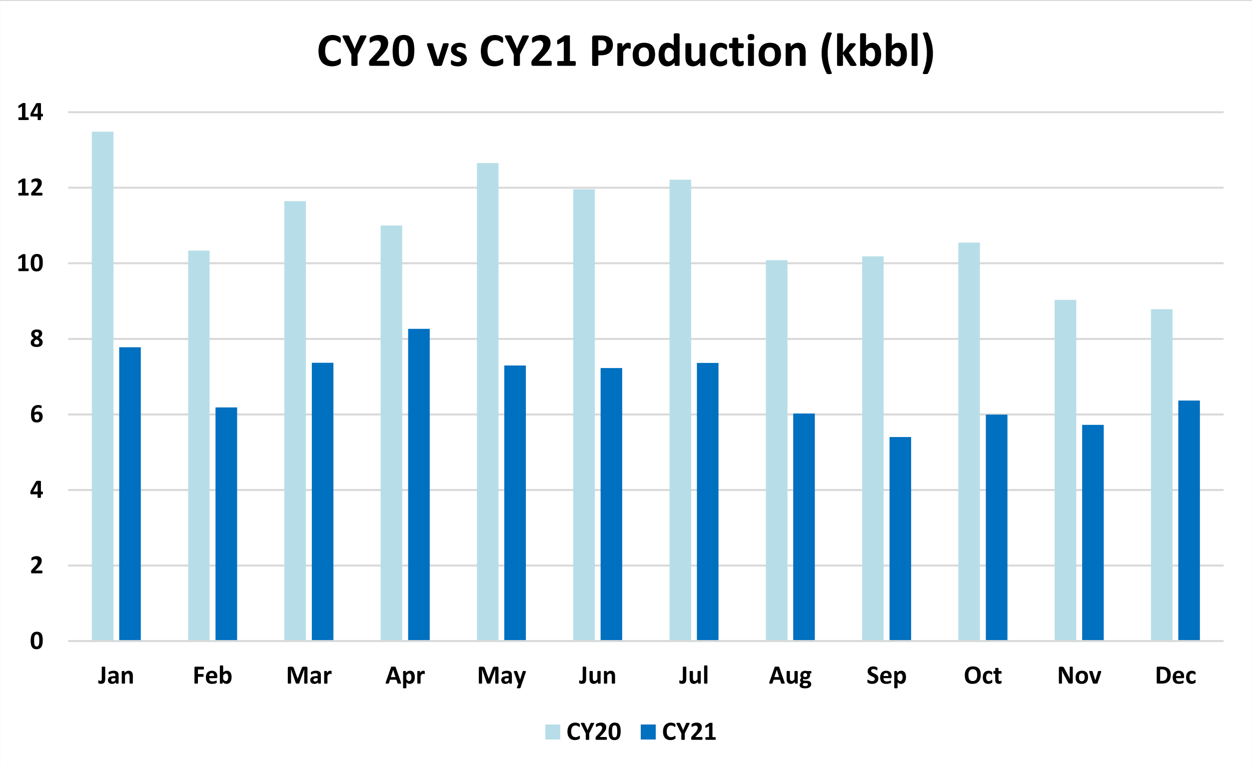

Figure 1: Tangai-Sukananti Historical Production (55% basis)

MANAGING DIRECTOR'S REPORT (cont'd)

Liquidity / Cash Position:

As at 31 December 2022, Bass's cash reserves had increased to $1.49m from $0.10m as at 31 December 2020. This was due to the Company's capital raising program completed in September & October 2021 as well as a continued focus on operating costs and improvements in oil prices.

Post balance date, Bass announced that it has successfully received irrevocable commitments to raise $1.2 million (before costs) from sophisticated and professional investors through the issue of 800 million new ordinary shares at $0.0015 per share, subject to shareholder approval. Placement participants will receive one (1) free attaching option for every three (3) shares successfully subscribed for under the Placement, exercisable at $0.004 on or before 30 September 2024 also subject to shareholder approval.

Bass also announced its intention to undertake two capital management initiatives, comprising:

a) a minimum holding share buy-back in respect of ordinary shares for holders of less than a marketable parcel of shares, namely $500; and

b) a share consolidation at a ratio of 30-to-1, subject to shareholder approval.

The Company will seek shareholder approval to issue the Placement Shares and Options and to undertake the Share Consolidation at an Extraordinary General Meeting, to be held on 8 April 2022.

The Company is not carrying any debt and has no material permit obligations.

Balance Sheet

Impairment Indicators

The Directors have undertaken a review of the key indicators of impairment that could negatively impact the carrying value of its assets to determine whether any impairment has arisen and are satisfied that no such indicators of impairment existed at the reporting date.

Development Planning:

During the year, the Indonesian regulator granted approval to drill the Tangai 5 well in November 2021, in the highly productive Tangai field.

The rig mobilisation to the Tangai 5 drill site commenced in mid-March with the aim of commencement of drilling operations at the end of March 2022.

This and other drilling opportunities were identified by the integrated field studies completed in 2020 which also informed the YE 2021 reserves review. The studies have increased the confidence levels of the future development program.

MANAGING DIRECTOR'S REPORT (cont'd)

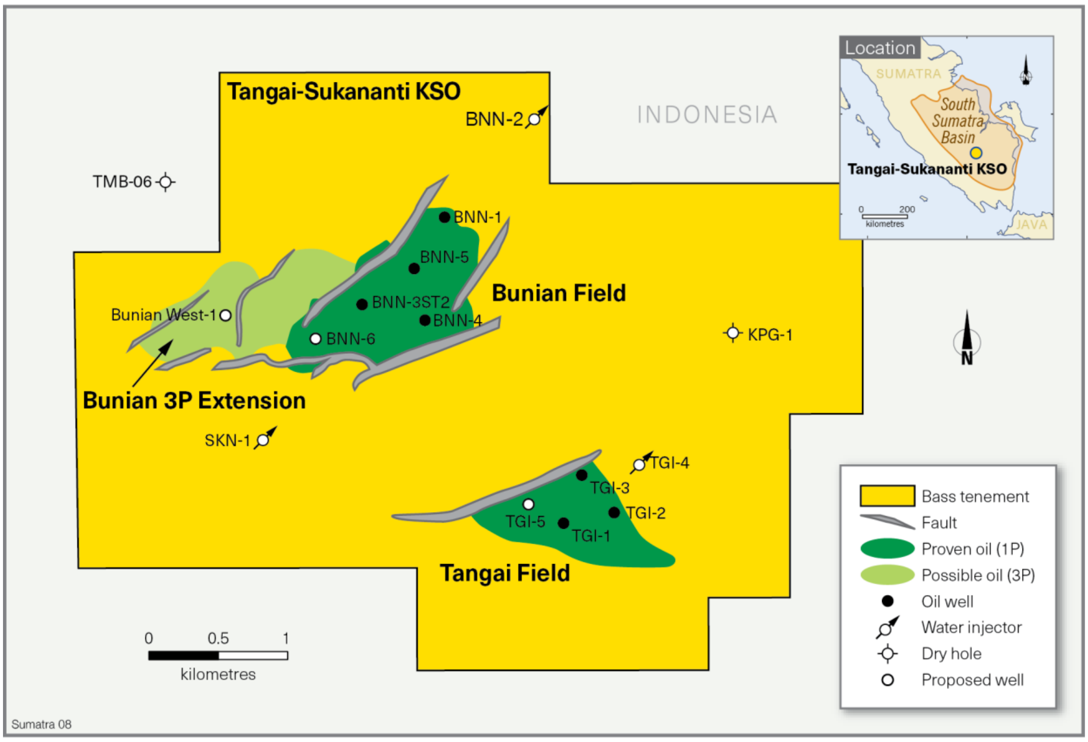

Figure 2: Tangai-Sukananti KSO Location Map

Business Development:

During the year the Company assessed multiple opportunities in Indonesia and Australia. The Company progressed discussions with multiple counterparties across several opportunities with the following results.

Firstly, Bass entered into a conditional sale and purchase agreement (SPA) with Cooper Energy Limited for the acquisition of three non-operated Cooper Basin assets including a 30% interest in the producing Worrior oil field and interests in highly prospective exploration acreage for a total cash consideration of A$650,000. This was announced to the ASX on 12 July 2021.

Post balance date, on 2 March 2022 Bass announced that it had entered a second conditional sale and purchase agreement (SPA) with a subsidiary of Beach Energy Limited to acquire a portfolio of Cooper Basin assets for cash consideration of A$650,000 and assumption of future restoration liabilities.

The assets to be acquired include Beach's interest in the producing Worrior and Padulla oil fields and a number of properties that contain prospective appraisal and exploration opportunities. On completion, the Company will own a 74%-100% interest in eight Cooper Basin tenements, representing a large acreage holding in the core of the Cooper Basin. The Beach Transaction remains subject to a number of conditions precedent, including relevant regulatory approvals.

Relative to the proposed Cooper Energy Transaction (announced 12 July 2021), Bass will increase its interest in the producing Worrior oil field from 30% to 100% and add the producing Padulla oil field (100%) to its portfolio. The fields are producing ~75 bopd at a net margin of ~A$30 per barrel at a Brent oil price of ~US$80. The fields will also provide 2P reserves of almost 200,000 barrels of oil and 2C contingent resources of approximately 540,000 barrels of oil.

MANAGING DIRECTOR'S REPORT (cont'd)

Bass has developed a capital-efficient work program consisting of three work overs to materially increase production and convert the 2C contingent resources to 2P reserves within 6 to 12 months after contemporaneous completion of both the Beach and Cooper Transactions.

Bass continues to target acquisition opportunities that increase production and contain low-risk exploration potential, which provides further material upside potential.

The assets to be acquired are summarised as follows:

Asset	Cooper Energy Interest to be Acquired	Beach Interest to be Acquired	Bass Interest on Transaction Completion
PPL 207 (Worrior)	30%	70%	100%
PPL 221 (Padulla)	-	100%	100%
PRL's 231-233 (Ex PEL 93)	30%	70%	100%
PRL's 237 (Ex PEL 93)	20%	60%	80%
PRL's 207-209 (Ex PEL 100)	~19%	55%	~74%
PRL's 183-190 (Ex PEL 110)	20%	80%	100%
PRL's 245-246 (Ex PEL 90K) (Kiwi)	-	100%	100%
PEL 182	-	100%	100%

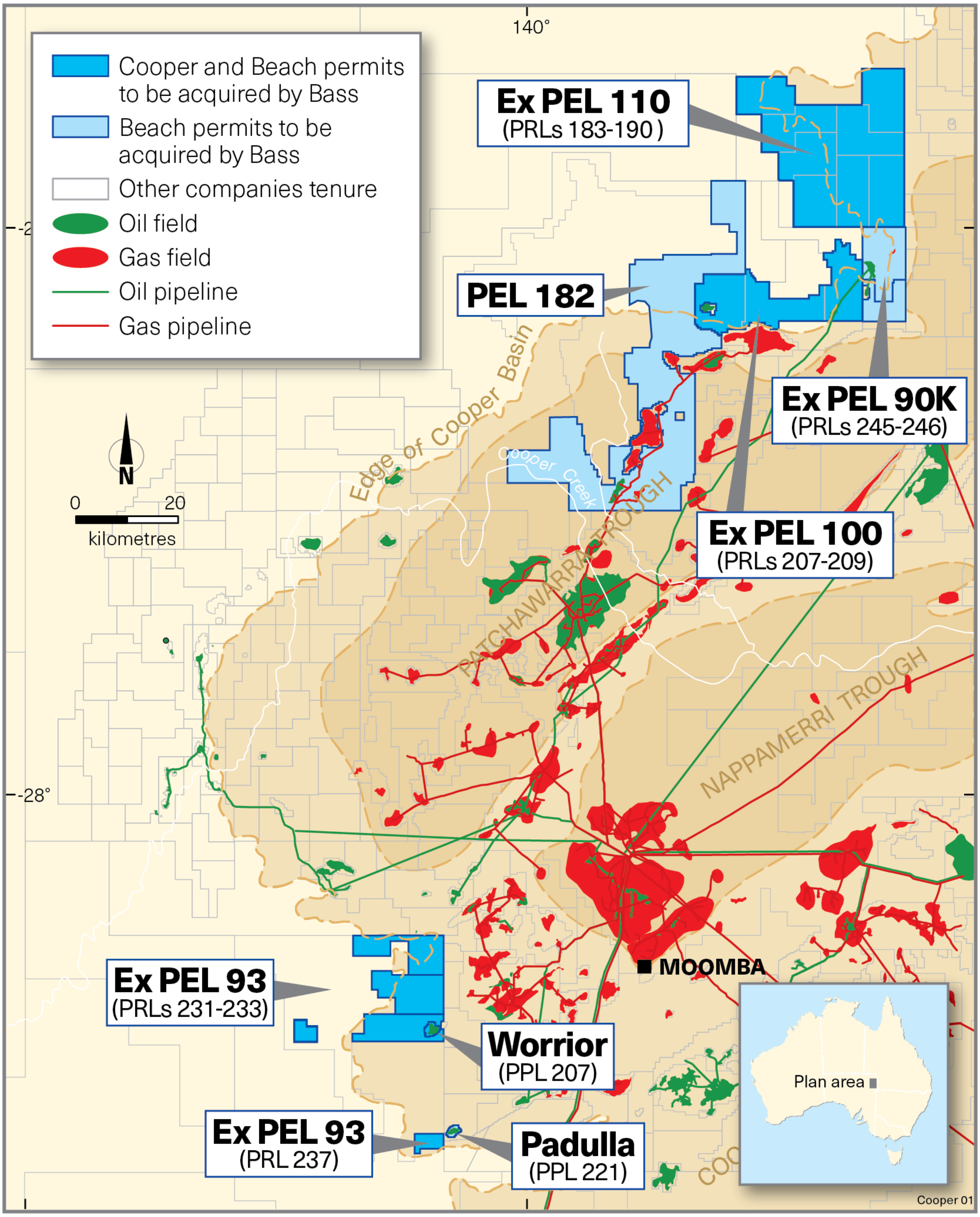

Figure 3: Cooper Basin permits to be acquired from Beach Energy Limited and Cooper Energy Limited

RESERVES AND RESOURCES

Reserves and Contingent Resources

(For year ended 31 December 2021)

The 2021 reserves review has been influenced by natural field decline and a curtailment of the planned development drilling program due to the continuing impact of the global COVID-19 pandemic and resultant oil price volatility in 2021.

The gross 100% field reserves decreased slightly at 1P, 2P and 3P, reflecting the year's production. The year-on-year movements in Net Entitlement Reserves reflect a larger decrease in both the 1P, 2P and 3P reserves for the Bunian and Tangai fields under the fiscal terms of the KSO, due to the delay in development drilling which deferred some forecast oil production past the contract expiry in July 2025. This has resulted in a concurrent increase in the contingent resources.

The Board and management have a high level of confidence in resuming our forward development drilling program for 2022/23 and beyond.

Reserves & Resources as at 31 December, 2021			
100% Field Reserves (MMbbl)			
Category	**Proved 1P**	**Proved & Probable 2P**	**Proved, Probable & Possible 3P**
Developed & Undeveloped	**1.242**	**1.637**	**3.057**
BAS Net Entitlement Reserves (MMbbl)			
Category	**Proved 1P**	**Proved & Probable 2P**	**Proved, Probable & Possible 3P**
Developed & Undeveloped	**0.316**	**0.425**	**0.644**
100% Field Contingent Resources (MMbbl)			
Category	**1C**	**2C**	**3C**
Total	**0.478**	**0.891**	**1.564**

Table 1: Tangai-Sukananti Reserves and Resources

Reserves

The 2P Field Reserves in the Tangai-Sukananti KSO are assessed as of 31 December 2021, to be 1.637 million barrels of oil on a 100% JV basis. This reflects the proved and probable reserves for the Bunian and Tangai oilfields see (Tables 1 and 2 as well as Figure 1 below). In accordance with ASX reporting requirements for fiscal environments that use production sharing contracts or similar, Bass reports Net Entitlement 2P oil Reserves of 0.425 million barrels. Net Entitlement Reserves are the share of cost oil and profit oil that Bass is entitled to receive under the KSO signed with the Indonesian government body, PT Pertamina. The Net Entitlement Reserves formula varies with the fiscal environment, cost recovery status and oil price.

RESERVES AND RESOURCES (Cont'd)

Contingent Resources

The total 100% Field 2C Contingent Resources for the Tangai-Sukananti KSO on 31 December 2021 are assessed to be 1.564 million barrels of oil. The Field Contingent Resources comprise volumes attributed to currently producing or future planned wells in the Bunian and Tangai oil fields post license expiry in July 2025. This presents a future development opportunity to increase or bring forward reserves.

Table 2 – Movements in Reserves & Resources as at 31 December, 2021			
100% Field Reserves (MMbbl)			
Category	**Proved 1P**	**Proved & Probable 2P**	**Proved, Probable & Possible 3P**
100% Field Reserves at 31/12/20	**1.263**	**1.703**	**3.422**
CY 2021 Production	(0.149)	(0.149)	(0.149)
Revisions	0.128	0.083	(0.216)
100% Field Reserves at 31/12/21	**1.242**	**1.637**	**3.057**
BAS Net Entitlement Reserves (MMbbl)			
Category	**Proved 1P**	**Proved & Probable 2P**	**Proved, Probable & Possible 3P**
Net Entitlement Reserves at 31/12/20	**0.436**	**0.549**	**0.842**
CY 2021 Production	(0.043)	(0.043)	(0.043)
Revisions	(0.077)	(0.081)	(0.155)
Net Entitlement Reserves at 31/12/21	**0.316**	**0.425**	**0.644**
100% Field Contingent Resources (MMbbl)			
Category	**1C**	**2C**	**3C**
100% Contingent Resources at 31/12/20	**0.283**	**0.836**	**1.401**
Revisions	0.195	0.055	0.163
100% Contingent Resources at 31/12/21	**0.478**	**0.891**	**1.564**

Table 2: Tangai-Sukananti Reserves and Resources including revisions

RESERVES AND RESOURCES (Cont'd)

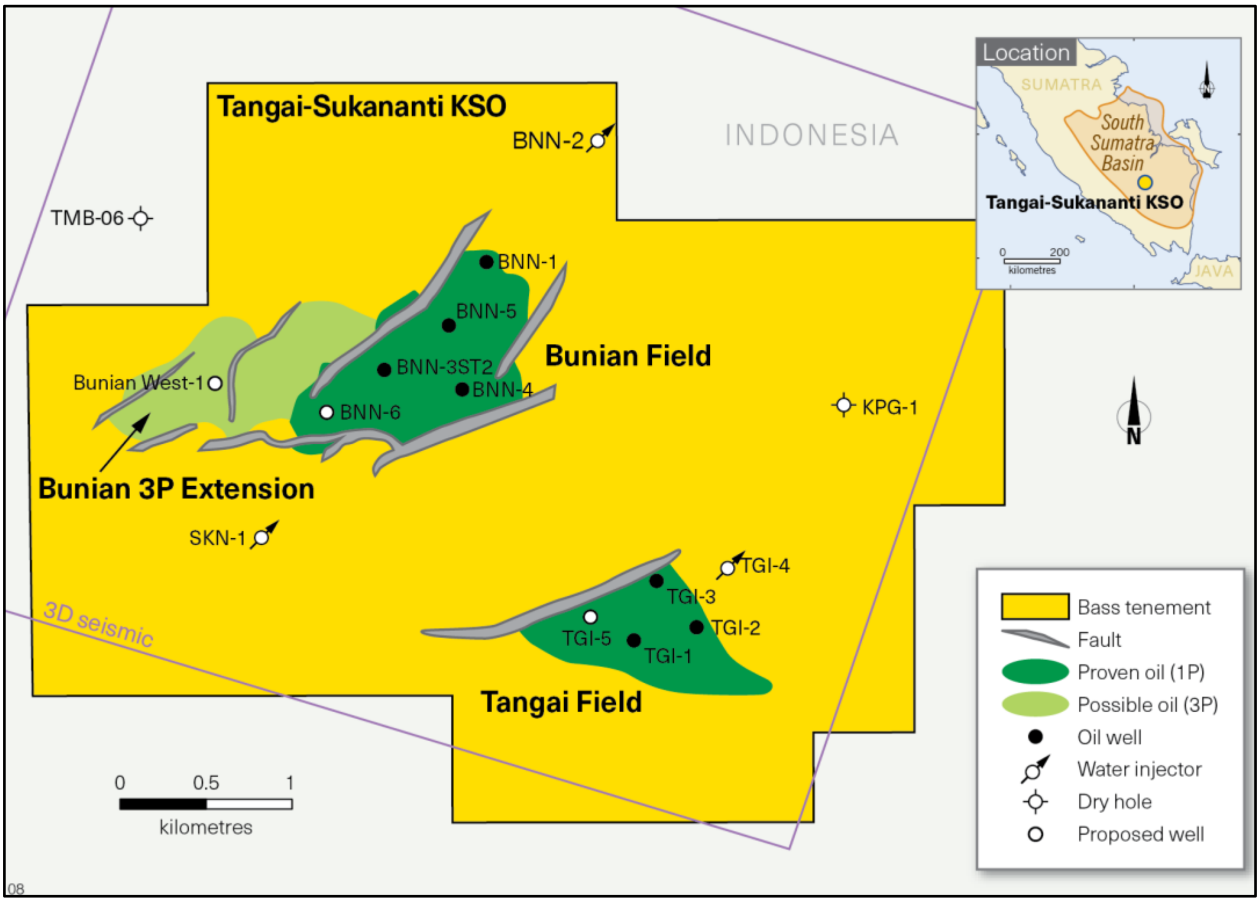

Figure 1 Tangai-Sukananti KSO Location Map

Notes on Calculation of Reserves and Resources

The Integrated field studies completed in 2020 have updated the oil volumetrics, development scenarios and drilling locations used in this report. Additionally, a decline curve analysis (DCA) was conducted on the current and planned wells. The 1P, 2P and 3P cases are a combination of the forecasts from both the Dynamic Model and the DCA as deemed to best represent realistic outcomes.

The Bunian Field is currently producing from only the TRM3 sandstone. However, the K reservoir is expected to become a significant contributor to future production with planned drilling. The Tangai Field has one producing reservoir (the M sandstone).

All reserves and resources are estimated by deterministic estimation methodologies consistent with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS).

Under the SPE PRMS guidelines, "Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions". Net Entitlement Reserves are the reserves that Bass has a net economic entitlement to. That is, a share of cost oil and profit oil that Bass is entitled to receive under the KSO signed with the Indonesian government body, PT Pertamina

Contingent Resources are "those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies".

Qualified Petroleum Reserves and Resources Evaluator Statement

The information contained in this section regarding Bass Oil's 2021 reserves and contingent resources is based on and fairly represents information and supporting documentation reviewed by Mr Giustino Guglielmo who is an employee of Bass Oil Limited and holds a Bachelor of Engineering (Mech). He is a member of the Society of Petroleum Engineers (SPE) and a Fellow of the Institution of Engineers Australia (FIEAust) and as such, is qualified in accordance with ASX listing rule 5.4.1 and has consented to the inclusion of this information in the form and context in which it appears in this section.

SAFETY

Bass Oil implements daily, a strict, industry-standard health and safety regime around its Operatorship of the Tangai-Sukananti production assets. This safety regime is energetically promoted by Pertamina, Indonesia's state-owned oil company.

The major safety challenge of 2021 was managing the impact of the COVID-19 pandemic. Whilst the impact was felt globally, developing countries such as Indonesia were amongst those impacted the most. Bass implemented pandemic response plans to ensure the health of all employees in the field and the Jakarta office. To date, these plans have minimised the impact on the Company's employees as well as its operations.

During 2021 Indonesia commenced the roll out of an effective COVID vaccine that covered all Bass employees and a significant proportion of the population. The results of the roll out appear to have had the effect of reducing the number and severity of cases of the Delta variant. The Omicron variant started to take hold late in the calendar 2021 and early in 2022 but the severity of those cases is not as high. Bass remains watchful, for the changing effects of the COVID-19 pandemic in Indonesia.

Regarding our normal operations, the Bass approach, under our Heath, Safety, Environment, Quality and Community (HSEQC) protocols, prioritises the ongoing design, implementation and monitoring of robust and inclusive safety cultures and outcomes across the entire business but in particular, to ensure the well-being of our Indonesian field teams and reliability of field operations.

In short, we strive for 'zero incidents' in all activities.

Bass is proud to report that over 2021, it recorded zero incidents resulting in injuries, an outcome which is a credit to all staff in Indonesia and Australia. The total Safe Work Hours achieved up to 31 December 2021, was more than 5.2 million hours. This is an outstanding achievement.

All staff and employees are to be commended for their diligence in making Bass a safe place to work.

The challenge remains an ongoing one especially as we are planning a drilling campaign in 2022. We will continue to minimise potential hazards and risks associated with operations as our assets and operating environment change.

.

ENVIRONMENT

In addition to our Safety focus, the Company is highly focused to preserve the natural onshore tropical rain forest environment in which we operate, including respect for local communities within our operating footprint. One of the more important recent initiatives is to reduce the effects of Bass' carbon emissions by replanting trees around the Sukananti area.

Over 2021, our field operations fully met regulated air and noise management requirements. Our monitoring systems indicated all parameters of ambient air quality and emissions were better than established quality standards. Noise monitoring in production operations was conducted in accordance with the provisions of the Indonesian UKL-UPL guidelines and indicated that noise levels at all locations monitored, met the set quality standards.

On-site surface Water Quality and Aquatic Biota monitoring systems to ensure local water quality remains good and not impacted by production processes, are regularly monitored, and show stability to date in the diversity index of plankton being monitored in local water bodies. Laboratory analysis of samples of water drainage, surface water and wells showed good water quality that met biological measuring standards.

Bass Oil's environmental protocols include respect for community. In 2021, the Company continued to deliver on its Corporate Social Responsibility program, via community development assistance, especially for the villages of Tanjung Miring and Kayu Ara. Bass also ensured that the increased movements in heavy vehicle traffic had a minimal impact on the local communities in the area.

Bass continues to strive to achieve the lightest possible footprint in the environment in which we work.

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 year ended 31 December 2021.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report follow. Directors were in office for the entire period unless otherwise stated.

Peter F Mullins FFin
Chairman and non-executive independent director (Appointed 16 December 2014)

Mr Mullins has over 40 years banking experience in Australia and New York, specialising in Institutional and Corporate Finance across a broad industry range, including Oil & Gas. He is experienced in Mergers and Acquisitions, Structured Finance, IPO's and Capital Raisings.

Mr Mullins retired as Head of Institutional Banking SA&NT with the Commonwealth Bank (CBA) in 2009 and took up a part time role as Senior Advisor, Institutional, Corporate and Business Banking for CBA in SA&NT. He retired from this role in 2013.

Mr Mullins was a Director of Somerton Energy Limited for 3 years prior to its merger with Cooper Energy Limited in 2012.

He is a Fellow of the Financial Services Institute of Australasia.

Mr Mullins served on the Audit and Risk Committee during the period.

Giustino (Tino) Guglielmo BEng (Mech)
Managing director from 1 February 2017, previously was Executive Director (Appointed 16 December 2014)

Mr Guglielmo is a Petroleum Engineer with over 40 years of technical, managerial and senior executive experience in Australia and internationally.

Mr Guglielmo was the CEO and Managing Director of two ASX listed companies; Stuart Petroleum Limited for seven years and Ambassador Oil & Gas Limited for three years. Both companies merged with larger ASX listed companies generating significant value for shareholders following the identification of compelling resource potential in their respective petroleum resource portfolios.

Mr Guglielmo also worked at Santos Limited, Delhi Petroleum Limited, and internationally with NYSE listed Schlumberger Corp. His experience spans the Cooper basin, Timor Sea, Gippsland basin, and exposure to US land and other international basins.

Mr Guglielmo was a member of the Resources and Infrastructure Task Force and the Minerals and Energy Advisory Council, both South Australian Government advisory bodies. He is a Fellow of the Institution of Engineers, Australia, a member of the Society of Petroleum Engineers and Australian Institute of Company Directors. Mr Guglielmo resigned as a director of Octanex Limited - on 17 July 2018.

He is currently a non-executive of Whitebark Energy Limited (ASX Code WBE).

Mr Guglielmo served on the Audit and Risk Committee during the period.

Mark L Lindh - Non-executive independent director (Appointed 16 December 2014)

Mr Mark Lindh is a corporate advisor within excess of 15 years' experience in advising mining and resources companies with a particular focus on the energy sector.

He is a founding director of Adelaide Equity Partners Limited, an investment and advisory company. He is currently a non-executive Chairman of Aerometrex Limited (ASX Code AMX) and a Non-Executive Director of Advanced Braking Technology Limited.

Mr Lindh served on the Audit and Risk Committee during the period.

DIRECTORS' REPORT (cont'd)

Hector M Gordon BSc (Hons)
Non-executive independent director (Appointed 23 October 2014)

Mr Gordon currently serves on the Board of Cooper Energy Limited as a Non-Executive Director.

Mr Gordon is a geologist with over 40 years of experience in the upstream petroleum industry, primarily in Australia and Southeast Asia. Until June 2017 Mr Gordon was employed by Cooper Energy Limited as Executive Director - Exploration & Production.

Mr Gordon's previous employers also include Beach Energy, Santos Limited, AGL Petroleum, TMOC Resources, Esso Australia and Delhi Petroleum Pty Ltd. He is currently a Non-Executive Director of Cooper Energy Limited, which is a substantial shareholder of Bass Oil Limited.

Mr Gordon is a member of the American Association of Petroleum Geologists and a member of the Society of Petroleum Engineers.

Mr Gordon served as Chair of the Audit and Risk Committee during the period.

INTERESTS IN THE SHARES & OPTIONS OF THE COMPANY

As at the date of this report, the interests of the Directors in the shares and options of Bass Oil Limited were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
P F Mullins	70,000,000	4,600,000
G Guglielmo	317,630,465	16,000,000
M L Lindh	176,573,680	11,381,144
H M Gordon	30,320,003	2,526,668

COMPANY SECRETARY

Mrs R Hamilton was appointed Company Secretary on the 31 March 2011. She has been a Chartered Accountant for over 25 years.

DIVIDENDS

During the year and to the date of this report, no dividends were recommended, provided for or paid.

PRINCIPAL ACTIVITY

The principal activity of the Group during the year was oil production from a 55% Operator interest in the Tangai-Sukananti licence in the prolific South Sumatra Basin. As announced 12 July 2021, Bass is also in the process of acquiring a portfolio of tenements in the Cooper Basin, South Australia. The Company is debt free and committed to creating and maximizing value, leveraging its competitive strengths in both Australia and Indonesia.

OPERATING AND FINANCIAL REVIEW

Operating results for year

The Group's operating loss for the year ended 31 December 2021 after income tax was $601,611 (31 December 2020: loss of $499,826).

DIRECTORS' REPORT (cont'd)

Review of Financial Condition

Liquidity

The Group's consolidated statement of cash flows for the year recorded a increase of $1,397,004 (2020: decrease of $545,229) in cash and cash equivalents. The cash flows were derived from operating receipts of $3,221,899 (2020: $3,555,327) and capital raising net of transaction costs of $1,738,395 (2020: $(6,736)).

There were cash outflows to suppliers and employees of $3,212,095 (2020: $3,384,788) and taxation paid of $174,815 (2020: $249,216). Further net cash outflows in investing activities of $84,748 (2020: $360,308) relating to expenditure on oil properties.

Cash assets at 31 December 2021 were $1,492,646 (2020: $95,642).

CHANGES IN THE STATE OF AFFAIRS

The major challenge of 2021 was continuing to manage the impact of the ongoing COVID-19 pandemic. Whilst the impact was felt globally, developing countries such as Indonesia were amongst those impacted the most. Bass implemented pandemic response plans to ensure the health of all employees in the field and the Jakarta office.

The Company raised A$1,000,000 from a private placement to sophisticated and professional investors through the issue of 500 million new ordinary shares ("Shares") at A$0.002 per share. Placement participants will receive one free attaching option for every two shares successfully subscribed for under the Placement, exercisable at A$0.004 on or before 30 September 2024. The Company then undertook a Rights Issue to all shareholders, on the same basis which raised a further A$1,537,560. The additional capital will be used to fund the Cooper Energy Limited acquisition.

There have been no other changes in the state of affairs.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 2 March 2022 the Company announced that it had entered into a conditional Sale and Purchase Agreement ("SPA") with a subsidiary of Beach Energy Limited ("Beach") for its subsidiary to acquire a portfolio of Cooper Basin assets for cash consideration of A$650,000 and assumption of future restoration liabilities ("Beach Transaction"). In conjunction, Bass has successfully received irrevocable commitments to raise $1.2 million (before costs) from sophisticated and professional investors through the issue of 800 million new ordinary shares ("Shares") at $0.0015 per share ("Offer Price"), subject to shareholder approval (the "Placement"). Placement participants will receive one free attaching option for every three shares successfully subscribed for under the Placement, exercisable at $0.004 on or before 30 September 2024 ("Options") also subject to shareholder approval.

The Company is also undertaking two capital management initiatives, comprising:

- a minimum holding share buy-back in respect of ordinary shares for holders of less than a marketable parcel of shares ("Minimum Holding Buy-Back"); and
- a share consolidation at a ratio of 30-to-1, subject to shareholder approval ("Share Consolidation").

The Company will seek shareholder approval to issue the Placement Shares and Options and to undertake the Share Consolidation at an Extraordinary General Meeting, to be held on 8 April 2022.

The assets to be acquired include Beach's interest in the producing Worrior and Padulla oil fields and a number of properties that contain prospective appraisal and exploration opportunities. On completion, the Company will own a 74%-100% interest in eight Cooper Basin tenements, representing a large acreage holding in the core of the Cooper Basin. The Beach Transaction remains subject to a number of conditions precedent, including relevant regulatory approvals.

DIRECTORS' REPORT (cont'd)

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR (Cont'd)

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the entity in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Bass has executed a conditional Sale and Purchase Agreement with a subsidiary of Beach Energy Limited to acquire its interest in eight Cooper Basin tenements for a cash consideration of A$650,000. This is in addition to the conditional Sale and Purchase Agreement executed with Cooper Energy Limited and announced on 12 July 2021 to acquire their interests in five Cooper Basin tenements for a cash consideration of $650,000 and assumption of future restoration liabilities.

Relative to the proposed Cooper Energy Transaction (announced 12 July 2021), Bass will increase its interest in the producing Worrior oil field from 30% to 100% and add the producing Padulla oil field (100%) to its portfolio.

The fields will provide 2P reserves of almost 200,000 barrels of oil and 2C contingent resources of approximately 540,000 barrels of oil. Bass has developed a capital efficient work program consisting of three work overs aimed at materially increasing production and converting the 2C contingent resources to 2P reserves within 6 to 12 months after contemporaneous completion of the Beach and Cooper Transactions.

SHARE OPTIONS

Unissued shares

As at the date of this report there were 759,390,150 unissued ordinary shares under options (367,986,328 at 31 December 2020).

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

BAS maintained a directors and officers insurance policy for part of the year and had paid an insurance premium for the policy. The contract of insurance prohibits disclosure of the amount of the premium and the nature of the liabilities insured. Pursuant to the constitution the Company has entered into Deeds of Indemnity with the Directors and Chief Financial Officer.

INDEMNIFICATION OF OFFICERS AND AUDITORS

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

	Board Meetings		Audit and Risk Committee	
	Held	Attended	Held	Attended
P F Mullins	6	6	2	2
G Guglielmo	6	6	2	2
H M Gordon	6	6	2	2
M L Lindh	6	6	2	2

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2021)

This Remuneration Report outlines the director and executive remuneration arrangements of the Group in accordance with the *Corporations Act 2001* and its Regulations. For the purposes of this report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes the Company Secretary.

Details of Key Management Personnel (including executives of the Group)

(i) Directors

P F Mullins	Chairman
G Guglielmo	Managing Director
H M Gordon	Director (Non-executive)
M L Lindh	Director (Non-executive)

(ii) Executives

R M Hamilton	Company Secretary

There have been no changes to key management personnel after 31 December 2021 and before the date the financial report was authorised for issue.

The Board of Directors ("the Board") is responsible for determining and reviewing remuneration arrangements for the directors and executives. No remuneration consultant was engaged nor was any remuneration advice sought during the period.

The Board assesses the appropriateness of the nature and amount of remuneration of executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from retention of a high quality, high performing executive team.

Remuneration Philosophy

The performance of the Company largely depends upon the quality of its directors and executives. To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

Remuneration policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders. The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually. The Board considers advice from external consultants if required, as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The Company's constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The latest determination was at the Annual General Meeting held on 3 October 2001, when shareholders approved an aggregate remuneration of AUD 250,000 per year.

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2021) (cont'd)

Structure

The remuneration of non-executive directors consists of director's fees and committee fees for the non-executive director who chairs the Audit and Risk Committee. The payment of additional fees for chair of the Audit and Risk Committee recognises the additional time commitment required by a non-executive director who chairs a sub-committee. The non-executive directors also receive retirement benefits in the form of superannuation. There are no other retirement benefits, other than superannuation.

The table below summaries the non-executive director remuneration (excluding superannuation):

Board fees	AUD
Chairman	75,000
Directors	50,000
Incremental Audit and Risk Committee fees	
Chairman	5,000

No other fees are paid for serving on Board committees or on boards of wholly owned subsidiaries.

Non-executive directors have been encouraged by the Board to hold shares in the Company.

The remuneration of non-executive directors for the period ending 31 December 2021 and 31 December 2020 is detailed in Table 1 and 2 respectively of this Remuneration Report.

In response to the COVID-19 pandemic all director fees and the executive director's salary were cut by 50% from 1 April 2020 to 31 December 2020.

Executive Remuneration

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company so as to:

- Reward executives for individual performance;
- Align the interests of executives with those of shareholders; and
- Ensure that total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board engages external consultants as needed to provide independent advice. No consultant was engaged in the current year.

Remuneration consists of fixed remuneration being base salary and superannuation and/or consultancy fees.

The proportion of base salary and superannuation and/or consultancy fees for each executive is set out in Table 1.

Fixed remuneration

Objective

Fixed remuneration is reviewed regularly by the Board, with access to external advice if required.

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2021) (cont'd)

Structure

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and superannuation. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue costs for the Company. The fixed remuneration component of executives is detailed in Table 1.

Employment contracts

Managing Director and Chief Executive Officer

Mr G Guglielmo was appointed Managing Director and Chief Executive Officer ("CEO") on 1 February 2017.

The Managing Director and CEO is employed under a rolling contract and under the terms of the contract, Mr Guglielmo receives fixed remuneration of AUD$300,000 per annum. If there is cause for termination, the Company can terminate the contract immediately without compensation, other than any employee entitlements up to the date of termination. Otherwise, the contract may be terminated at any time by either side giving six months' notice in writing or by the Company paying six months' salary in lieu of notice, unless mutually agreed.

Consultancy Services Agreements

The Group has entered into consultancy agreements with Robyn Hamilton.

Details of the agreements entered into by the Group and outstanding as at 31 December 2021 are set out below:

	Type	Details	Term
Robyn Hamilton	Consultancy	Minimum of 1 day per week at an agreed hourly rate, from 6 October 2014	The agreement is on a going forward basis with the Company being able to terminate the agreement, at no less than one month's notice.

Company performance

The remuneration of Bass executives and contractors is not formally linked to financial performance measures of the Company. In accordance the Section 300A of the Corporations Act 2001 the following table summarises Bass' performance over a four- and half-year period:

Measure	Dec 2021	Dec 2020	Dec 2019	Dec 2018	Dec 2017 (6 months)
Net profit/(loss) $	(601,611)	(499,826)	398,418	(419,615)	(98,149)
Basic profit/(loss) per share ¢ per share *	(0.000)	(0.000)	0.000	(0.000)	(0.000)
Share price at the beginning of the year * ¢	0.002	0.003	0.003	0.003	0.001
Share price at the end of the year * ¢	0.002	0.002	0.003	0.003	0.003
Dividends per share ¢	Nil	Nil	Nil	Nil	Nil

*　Prices have been rounded to three decimal points

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2021) (cont'd)

Remuneration of key management personnel

No key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

Table 2: Remuneration for the year ended 31 December 2021

	Short-term benefits	Post-employment	Share-based payments	Long-term benefits	
	Salary & fees	Superannuation	Options	Long service leave	Total
	USD	USD	USD	USD	USD
Non-executive Directors					
P F Mullins	55,277	5,472	-	-	60,749
H M Gordon	40,537	4,013	-	-	44,550
M L Lindh	36,853	3,648	-	-	40,501
Sub-total non-executive directors	132,667	13,133	-	-	145,800
Managing Director [(i)]					
G Guglielmo	216,014	27,024	-	-	243,038
Other key management personnel					
R M Hamilton	62,845	-	-	-	62,845
Totals	**411,526**	**40,157**	**-**	**-**	**451,683**

Table 2: Remuneration for the year ended 31 December 2020

	Short-term benefits	Post-employment	Share-based payments	Long-term benefits	
	Salary & fees	Superannuation	Options	Long service leave	Total
	USD	USD	USD	USD	USD
Non-executive Directors [(i)]					
P F Mullins	32,277	3,066	-	-	35,343
H M Gordon	23,536	2,236	-	-	25,772
M L Lindh	21,418	2,035	-	-	23,453
Sub-total non-executive directors	77,231	7,337	-	-	84,568
Managing Director [(i)]					
G Guglielmo	130,078	12,357	-	-	142,435
Other key management personnel					
R M Hamilton	42,888	-	-	-	42,888
Totals	**250,197**	**19,694**	**-**	**-**	**269,891**

DIRECTORS' REPORT (cont'd)

REMUNERATION REPORT (AUDITED) (31 December 2021) (cont'd)

Remuneration of key management personnel (cont'd)

(i) In response to the COVID-19 pandemic all director fees and the executive director's salary were cut by 50% from 1 April 2020 until 31 December 2020.

Table 3: Shareholdings of key management personnel

Shares held in Bass Oil Limited (number)

	1 January 2021 Balance at beginning of period	Purchases	Participation in Entitlement Issue	Sales	31 December 2021 Balance at end of period
2021					
Directors					
P F Mullins	60,800,000	-	9,200,000	-	70,000,000
G Guglielmo	285,630,465	-	32,000,000	-	317,630,465
H M Gordon	25,266,668	-	5,053,335	-	30,320,003
M L Lindh (ii)	113,811,393	20,000,000	22,762,284	-	156,573,677
	485,508,526	20,000,000	69,015,619	-	574,524,145
Other key management personnel					
R M Hamilton	9,500,000	-	2,500,000	(2,000,000)	10,000,000

(ii) Mr M Lindh's interest includes 32,262,000 (2020: 26,885,000) shares held directly and 86,926,393 (2020: 86,926,393) shares held indirectly by related parties, Marbel Capital Pty Ltd and Chesser Nominees Pty Ltd (2020: Marbel Capital Pty Ltd and Chesser Nominees Pty Ltd), all subsidiaries of Adelaide Equity Partners Ltd, a director related entity of Mr M Lindh.

Table 4: Optionholdings of key management personnel

Options held in Bass Oil Limited (number)

	1 January 2021 Balance at beginning of period	Participation in Entitlement issue	Options expired	Net change other	31 December 2021 Balance at end of period
2021					
Directors					
P F Mullins	7,600,000	4,600,000	(7,600,000)	-	4,600,000
G Guglielmo	10,000,000	16,000,000	(10,000,000)	-	16,000,000
H M Gordon	2,500,000	2,526,668	(2,500,000)	-	2,526,668
M L Lindh (a)	10,000,000	11,381,144	(10,000,000)	-	11,381,144
	30,100,000	34,507,812	(30,100,000)	-	34,507,812
Other key management personnel					
R M Hamilton	1,000,000	1,250,000	(1,000,000)	-	1,250,000

REMUNERATION REPORT (AUDITED) (31 December 2021) (cont'd)

Other transactions and balances with key management personnel and their related parties

In accordance with AASB 124: "Related Party Disclosures", key management personnel (KMP) have authority and responsibility for planning, directing and controlling the activities of the Bass Oil Limited. Hence, KMP are deemed to include the following:

- the non-executive Directors of Bass Oil Limited; and
- certain executives in the Managing Director's senior leadership team.

During the year the Group paid corporate advisory and investor relations fees to Adelaide Equity Partners Limited (a director related entity of Mr M Lindh) of $44,041 (31 December 2020: $6,624) and capital raising success fees to Adelaide Equity Partners Limited of $20,483 (31 December 2020: $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 $7,982 (31 December 2020: $11,365).

The Group has a corporate advisory & investor relations mandate with Adelaide Equity Partners. The mandate has a monthly retainer of AUD $10,000 per month and commenced on 16 July 2021. The mandate can be terminated at any time by either party, by written notice to the other party.

During the year the Group paid rent to Adelaide Equity Partners Limited of $nil (31 December 2020: $2,430) (under a rental of premises mandate). The rental was provided under normal commercial terms and conditions. Amounts outstanding at balance date were $nil (31 December 2020: $nil). The rental arrangement ceased on 30 April 2020.

End of the REMUNERATION REPORT (AUDITED) (31 December 2021)

DIRECTORS' REPORT (cont'd)

HEALTH, SAFETY AND ENVIRONMENT

The Company has adopted an Environment Policy and a Safety Policy and conducts its operations in accordance with the Indonesian government regulations.

The Company's petroleum exploration and development activities are subject to environmental conditions specified by the Indonesian regulatory authorities. During the period there were no known contraventions by the Company of any relevant environmental regulations.

The Company considers all injuries are avoidable and has policies and procedures to ensure employees and contractors manage safety accordingly. There is a continuous process of monitoring and evaluating our procedures. During the year there were no recorded health and safety incidents.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement for the year ended 31 December 2021 may be accessed from the Company's website at www.bassoil.com.au.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the audit for the year ended 31 December 2021 is included on page 26.

Non-audit services

The Directors are satisfied that the provision of non-audit services, during the period, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Audit and Risk Committee, in conjunction with the Chief Financial Officer, assesses the provision of non-audit services by the auditors to ensure that the auditor independence requirements of the Corporation Act 2001 in relation to the audit are met.

Details of amounts paid or payable to the auditor for non-audit services provided during the period by the auditor are outlined in note 9 to the financial statements.

The directors are of the opinion that the services as disclosed in note 9 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit and Risk Committee, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Signed in accordance with a resolution of the Directors

Chairman
Adelaide, 31 March 2022

Collins Square, Tower 5
Melbourne VIC 2008

Correspondence to:
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

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 audit of Bass Oil Limited for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

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

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

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 31 March 2022

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Bass Oil Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity, are in accordance with the Corporations Act 2001, including:

 (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and its performance for the year ended on that date; and

 (ii) complying with Accounting Standards and Corporations Regulations 2001; and

(b) 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

(c) the financial statements and notes comply with International Financial Reporting Standards as stated in Note 2(a).

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 31 December 2021.

On behalf of the Board

Chairman
Adelaide, 31 March 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Revenue			
Oil revenue		2,925,950	3,150,396
Cost of oil sold		(1,891,294)	(2,500,899)
Gross profit		1,034,656	649,497
Other income			
Interest received		1,984	352
Operator fees		58,085	64,145
Other income	4	12,186	132,172
Total revenue and other income		1,106,911	846,166
Administrative expenses	5	(1,487,226)	(1,200,123)
Finance costs	8	(7,029)	(14,713)
Profit/(loss) before income tax		(387,344)	(368,670)
Income tax expense	10(a)	(214,267)	(131,156)
Profit/(loss) for the year		(601,611)	(499,826)
Other comprehensive loss, net of income tax			
Items that may be reclassified to profit or loss		-	-
Other comprehensive loss, net of income tax		-	-
Total comprehensive profit/(loss) for the year		(601,611)	(499,826)
Basic and diluted earnings/(loss) per share	25	0.000	0.000

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	2021 $	2020 $
ASSETS			
Current Assets			
Cash and cash equivalents	11	1,492,646	95,642
Trade and other receivables	12	1,221,205	1,270,434
Other current assets	13	33,047	12,467
Inventories	14	141,487	176,586
Other financial assets	15	3,991	4,236
Total current assets		2,892,376	1,559,365
Non current assets			
Trade and other receivables	12	298,195	300,900
Other financial assets	15	27,469	27,469
Plant and equipment	16	-	423
Right of use assets	17(a)	19,671	78,973
Oil properties	18	1,795,403	1,935,331
Total non-current assets		2,140,738	2,343,096
TOTAL ASSETS		5,033,114	3,902,461
LIABILITIES			
Current Liabilities			
Trade and other payables	21	923,821	1,007,065
Provisions	22	265,301	200,875
Lease liabilities	17(b)	19,781	68,123
Provision for tax	10(e)	615,937	589,023
Total current liabilities		1,824,840	1,865,086
Non current liabilities			
Provisions	22	99,635	99,909
Lease liabilities	17(b)	-	13,950
Total non current liabilities		99,635	113,859
TOTAL LIABILITIES		1,924,475	1,978,945
NET ASSETS		3,108,639	1,923,516
EQUITY			
Contributed equity	23	28,435,817	26,684,884
Reserves	31	3,165,797	3,129,996
Accumulated losses	24	(28,492,975)	(27,891,364)
TOTAL EQUITY		3,108,639	1,923,516

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

	Note	Consolidated				
		Contributed equity	Accumulated losses	Currency translation reserve	Share option reserve	Total
		$	$	$	$	$
At 1 January 2021		26,684,884	(27,891,364)	3,129,996	-	1,923,516
Net loss for the year		-	(601,611)	-	-	(601,611)
Total comprehensive income for the period		-	(601,611)	-	-	(601,611)
Shares issued		1,850,321	-	-	-	1,850,321
Transaction costs on share issues		(111,926)	-	-	-	(111,926)
Share-based payment		-	-	-	35,801	35,801
Tax consequences of share issue costs		12,538	-	-	-	12,538
At 31 December 2021		28,435,817	(28,492,975)	3,129,996	35,801	3,108,639
At 1 January 2020		26,674,268	(27,391,538)	3,129,996	-	2,412,726
Net loss for the year		-	(499,826)	-	-	(499,826)
Total comprehensive income for the period		-	(499,826)	-	-	(499,826)
Reversal of transaction costs on share issues		2,340	-	-	-	2,340
Tax consequences of share issue costs		8,276	-	-	-	8,276
At 31 December 2020		26,684,884	(27,891,364)	3,129,996	-	1,923,516

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2021

	Note	Consolidated 2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		3,221,899	3,555,327
Payments to suppliers and employees		(3,212,095)	(3,384,788)
Interest received		1,984	352
Interest paid		(7,029)	(14,713)
Taxation paid		(174,815)	(249,216)
Net cash (used in)/provided by operating activities	30	(170,056)	(93,038)
Cash flows from investing activities			
Oil properties expenditure	18	(84,748)	(360,308)
Net cash (used in)/provided by investing activities		(84,748)	(360,308)
Cash flows from financing activities			
Proceeds from issue of shares and equity options		1,833,676	-
Payment share issue costs		(95,281)	(6,736)
Principal elements of lease payments		(86,587)	(85,147)
Net cash (used in)/provided by financing activities		1,651,808	(91,883)
Net (decrease)/increase in cash and cash equivalents		1,397,004	(545,229)
Cash and cash equivalents at the beginning of the year		95,642	640,871
Cash and cash equivalents at the end of the year	11	1,492,646	95,642

Some administration and corporate costs included in the 31 December 2021 ASX Quarterly Appendix 5B have been re-classified to principal elements of lease payments consistent with the consolidated entity's accounting policies for leases. Additionally, some administration and corporate costs have been reclassified to share issue costs and receipts from customers.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

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 year ended 31 December 2021 was authorised for issue in accordance with a resolution of the directors on 31 March 2022.

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.

Note 2. Summary of Significant Accounting Policies

Basis of Preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. 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.

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.

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 year ended 31 December 2021 the Group incurred a loss after tax of $601,611 (31 December 2020: made a loss after tax of $499,826), had a net cash outflow from operating activities of $170,056 (31 December 2020: outflows of $93,038), had a net cash outflow from investing activities of $84,748 (31 December 2020: $360,308) and a net cash inflow from financing activities of $1,651,808 (31 December 2020: $91,883).

The Directors have prepared a cash flow forecast through to March 2023 which indicates that the Group has sufficient funds to invest in further drilling to maintain production levels.

The Group will be required to secure additional funding (which may include debt, a pro-rata issue to shareholders and/or a placement of shares) if the Group is to proceed with business development opportunities through to 31 March 2023 and to fund drilling beyond March 2023.

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

Should the Group be unsuccessful in achieving the 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.

Note 2. Summary of Significant Accounting Policies (cont'd)

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 financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law. 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 Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards.

(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 2021.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 January 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of Bass Oil Limited and its subsidiaries as at 31 December each year (the Group).

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Note 2. Summary of Significant Accounting Policies (cont'd)

(d) Foreign currency translation

Transactions and balances

Transactions in currencies other than an entity's functional currency are initially recorded in the functional currency by applying the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in currencies other than an entity's functional currency are retranslated at the foreign exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognised in the income statement.

Foreign exchange differences that arise on the translation of monetary items that form part of the net investment in a foreign operation are recognised in the translation reserve in the consolidated financial statements.

Non-monetary assets and liabilities that are measured in terms of historical cost in currencies other than an entity's functional currency are translated using the exchange rate at the date of the initial transaction. Non-monetary assets and liabilities denominated in currencies other than an entity's functional currency that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The year-end exchange rate used for 31 December 2021 was AUD/USD 1:0.7256 (31 December 2020: 1:0.7702).

(e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and short-term deposits with an original maturity of three months or less that are readily convertible to known cash amounts of cash which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(f) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Note 2. Summary of Significant Accounting Policies (cont'd)

(f) Financial assets (cont'd)

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the financial asset, or, where appropriate, a shorter period, to the gross carrying amount of the financial asset on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the financial asset on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "other income – interest received" line item.

Note 2. Summary of Significant Accounting Policies (cont'd)

(f) Financial assets (cont'd)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses "ECL" on investments in financial assets that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(h) Joint arrangements

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

(i) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Office furniture and equipment – over 3 to 10 years

The assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, at each financial year end. Gains or losses on disposals are determined by comparing proceeds with the carrying amount and are included in profit or loss.

Note 2. Summary of Significant Accounting Policies (cont'd)

(j) Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Note 2. Summary of Significant Accounting Policies (cont'd)

(j) Leases (cont'd)

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(k) below.

(k) Impairment of non-financial assets other than indefinite life intangibles

Non-financial assets other than indefinite life intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Group conducts an annual internal review of asset values, which is used as a source of information to assess any indicators for impairment. If any impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an assets fair value less costs of disposal and value in use. Non-financial assets that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

(l) Oil properties

Oil properties are carried at cost including construction, installation of infrastructure such as roads and the cost of development of wells.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it's probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Oil properties are amortised on the Units of Production basis using the latest approved estimate of Proven (1P) Reserves. Amortisation is charged only once production has commenced. No amortisation is charged on areas under development where production has not yet commenced.

(m) Provision for restoration

The Group records the present value of its share of the estimated cost to restore operating locations. The provision is based on the net present value of the current agreed monthly payment to Pertamina to cover the anticipated obligations relating to the reclamation, waste site closure, plant closure, production facility removal and other costs associated with the restoration of the site. Pertamina is responsible for all restoration.

Note 2. Summary of Significant Accounting Policies (cont'd)

(m) Provision for restoration (cont'd)

When the liability is recorded the carrying amount of the production asset is increased by the restoration costs which are depreciated over the producing life of the asset. Over time, the liability is increased for the change in the present value based on a risk-free discount rate and monthly payment to Pertamina. The unwinding of the discount is recorded as an accretion charge within finance costs.

Any changes in the estimate of the provision for restoration arising from changes in the amount required to be paid to Pertamina or changes in the discount rate of the restoration provision are recorded by adjusting the provision and the carrying amount of the production or exploration asset and then depreciated over the producing life of the asset. Any change in the discount rate is applied prospectively.

(n) Trade and other payables

Trade payables and other payables are carried at amortised cost due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(o) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of oil is recognised at the point in time when the customer obtains control of the oil, which is generally at the time of delivery.

Sales revenue is recognised on the basis of the Group's interest in a producing field ("entitlements" method), when the physical product and associated risks and rewards of ownership pass to the purchaser, which is at the time the oil is received at the Pertamina terminal. Revenue earned under a production sharing contract ("KSO") is recognised on a net entitlements basis according to the terms of the KSO.

Note 2. Summary of Significant Accounting Policies (cont'd)

(p) Revenue recognition (cont'd)

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(q) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected at the time of settlement.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Monte Carlo, Binomial, or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

Note 2. Summary of Significant Accounting Policies (cont'd)

(q) Employee benefits (cont'd)

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(r) Income tax and other taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Note 2. Summary of Significant Accounting Policies (cont'd)

(r) Income tax and other taxes (cont'd)

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Indonesian First Tranche Petroleum

A provision for deferred income tax payable related to tax potentially payable by the Group on its share of First Tranche Petroleum which has already been recovered from Tangai-Sukananti KSO production. This tax is payable in the event the contractors exhaust the pool of cost recovery prior to expiry of the KSO. The cost recovery pool has been exhausted during the year and tax is now payable.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST or VAT except:

- when the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST or VAT included.

The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST or VAT recoverable from, or payable to, the taxation authority.

(s) Earnings per share

Basic earnings per share is calculated as net profit/(loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

(t) 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.

These accounting policies have been consistently applied by each entity 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. 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.

Note 2. Summary of Significant Accounting Policies (cont'd)

(t) Critical accounting estimates and judgements (cont'd)

(ii) Useful Life of Oil Property Assets

As detailed at Note 2 (l) in the Annual Report, oil properties are amortised on the Units of Production basis using the latest approved estimate of Proven (1P) 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.

(iv) Coronavirus (COVID-19) pandemic

Judgment has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(v) 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.

(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.

Note 3. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise receivables, payables, cash, and deposits.

The Group manages its exposure to key financial risks, including oil price, interest rate and currency risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, commodity price risk, credit risk and liquidity risk. The Group uses different methods to measure and manage different types of risk to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rates, foreign exchange and commodity prices. The risks are summarised below.

Primarily responsibility for identification and control of financial risks rests with the Managing Director under the authority of the Board. The Board reviews and agrees management's assessment for managing each of the risks identified below.

The carrying amounts and net fair values of the Group's financial assets and liabilities at 31 December 2021 are cash and cash equivalents $1,492,646, trade and other receivables $1,523,118, other financial assets $31,460, trade and other payables $923,821.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, commodity price risk and interest rate risk. Financial instruments affected by market risk include deposits, trade and other receivables, trade and other payables.

The sensitivity analyses in the following sections relate to the position as at 31 December 2021.

The sensitivity analyses have been prepared on the basis that the amount of the financial instruments in foreign currencies is all constant. The sensitivity analyses are intended to illustrate the sensitivity changes in market variables on the Group's financial instruments and show the impact on profit and loss and shareholders' equity, where applicable.

Foreign currency risk

The Group has transactional currency exposure arising from corporate costs which are denominated in Australian dollars (AUD), and oil sales costs which are denominated in Indonesian Rupiah (IDR) and United States dollars. The Group does not undertake any hedging activities.

The Group owns oil production assets in Indonesia and is exposed to foreign currency risk arising from various currency exposures to the United States dollar.

The Board approved the policy of holding certain funds in United States dollars to manage foreign exchange risk. The Group's exposure to foreign exchange risk at the reporting date was as follows:

	31 December 2021	
	AUD $	IDR $
Financial assets:		
Cash and cash equivalents	1,398,285	42,616
Trade and other receivables	8,256	598,744
Financial liabilities:		
Trade and other payables	258,931	412,230

Note 3. Financial Risk Management Objectives and Policies (cont'd)

Foreign currency risk (cont'd)

At the reporting date, if the currencies set out in the table above, strengthened or weakened against the United States dollar by the percentage shown, with all other variables held constant, net profit for the year would increase/(decrease) and net assets would increase/(decrease) by:

	31 December 2021	
	AUD $	IDR $
Impact on post tax profit		
Exchange rate +10%	114,761	22,913
Exchange rate -10%	(114,761)	(22,913)
Impact on equity		
Exchange rate +10%	114,761	22,913
Exchange rate -10%	(114,761)	(22,913)

Management believes the risk exposures as at the reporting date are representative of the risk exposure inherent in the financial instruments. A movement of +/– 10% is selected because a review of recent exchange rate movements and economic data suggests this range is reasonable.

Commodity Price Risk

The Group is exposed to commodity price fluctuations through the sale of petroleum products denominated in US dollars. The Group may enter into commodity crude oil price swap and option contracts to manage its commodity price risk.

If the US dollar oil price changed by +/-10% from the average oil price during the period, with all other variables held constant, the estimated impact on post-tax profit and equity would have been:

	31 December 2021 $
Impact on post tax profit	
USD oil price +10%	292,595
USD oil price -10%	(292,595)
Impact on equity	
USD oil price +10%	292,595
USD oil price -10%	(292,595)

Interest rate risk

The Group's exposure to market interest rates is related primarily to the Group's cash and cash equivalents.

The Group constantly analyses its interest rate opportunity and exposure. Within analysis consideration is given to existing positions and alternative arrangement on fixed or variable deposits.

The following sensitivity analysis is based on the interest rate opportunity/risk in existence at reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

Note 3. Financial Risk Management Objectives and Policies (cont'd)

Interest rate risk (cont'd)

At reporting date, if interest rates changed by +/- 1%, with all other variables held constant, the estimated impact on post-tax profit and equity would have been:

	31 December 2021 $
Impact on post tax profit	
Interest rates +1%	14,926
Interest rates - 1%	(14,926)
Impact on equity	
Interest rates +1%	14,926
Interest rates -1%	(14,926)

A movement of + and-1% is selected because this is historically within the range of rate movements and available economic data suggests this range is reasonable.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk framework for the management of the Group's short-, medium- and longer-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate banking facilities through monitoring of future rolling cash flow forecasts of its operations, which reflect management's expectations of the settlement of financial assets and liabilities.

The financial liabilities are trade and other payables. At 31 December 2021, the Group had $923,821 (2020: $1,007,065) in trade and other payables. Trade payables are non-interest bearing and have a contractual maturity of less than 30 days.

The only financial assets are cash and cash equivalents, trade and other receivables, and other financial assets. At 31 December 2021, the Group had $1,492,646 (2020: $95,642) in cash and cash equivalents, $1,519,400 (2020: $1,571,334) in trade and other receivables, and $31,460 (2020: $31,705) in other financial assets.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Note 3. Financial Risk Management Objectives and Policies (cont'd)

Liquidity risk (cont'd)

	Weighted average effective interest rate	Less than one year	One to two years	Greater than two years	Total
	%	$	$	$	$
31 December 2021					
Trade and other payables	-	923,821	-	-	923,821
31 December 2020					
Trade and other payables	-	1,007,065	-	-	1,007,065

Credit risk

Credit risk arises from financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables, and other financial assets.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk without taking account of any collateral or other security obtained.

In addition, receivable balances are monitored on an ongoing basis with the result being that the Group's exposure to bad debts is not significant. Currently there are no receivables that are impaired or past due but not impaired.

Apart from Pertamina, the Indonesian State-owned oil Company, the largest customer of the Group, the Group does not have significant credit risk exposure to any other counterparty.

The credit risk on liquid funds is banks with high ratings assigned by international credit rating agencies.

Fair value of financial instruments

The Directors consider that the carrying amount of the financial assets and liabilities recorded in the financial statements approximate their fair values unless otherwise stated.

Capital management

Capital is defined as equity. When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders.

The Group will seek to raise further capital, if required, to fund its future strategy for the development of the Tangai-Sukananti field.

The Group is not subject to any externally imposed capital requirements.

Note 4. Other Income

	Note	Consolidated 2021 $	Consolidated 2020 $
Reimbursement of expenses		-	12,736
Federal Government Grants		-	66,020
State Government Grants		-	7,108
Jobkeeper receipts		12,186	41,165
Net foreign exchange gains		-	5,143
		12,186	132,172

Note 5. Administrative Expenses

	Note	Consolidated 2021 $	Consolidated 2020 $
Auditors Remuneration	9	59,263	67,543
Consultants fees other		96,833	72,725
Corporate related costs		83,923	37,401
Directors' remuneration		146,764	84,568
Employee benefits expense	7	783,332	630,045
Foreign exchange losses		12,289	-
Insurance		14,610	24,006
Legal expenses		59,021	38,841
Share-based payment		35,801	-
Travel		4,031	9,526
Other administrative expenses		191,359	235,468
		1,487,226	1,200,123

Note 6. Depreciation and Amortisation

Depreciation and amortisation included in the profit and loss is as follows:

	Note	Consolidated 2021 $	Consolidated 2020 $
Depreciation plant and equipment	16	407	1,365
Depreciation of right of use assets	17	59,535	86,485
Amortisation of oil properties	18	224,676	370,190
		284,618	458,040

Note 7. Employee Benefits Expense

	Note	Consolidated 2021 $	Consolidated 2020 $
Wages and salaries		582,022	506,791
Superannuation		27,686	19,285
Provision for annual leave		18,773	15,584
Medical expense		7,456	6,760
Termination benefits		102,356	80,198
Workers' compensation		1,752	1,427
Other		43,287	-
		783,332	630,045

Note 8. Finance Costs

	Note	Consolidated 2021 $	Consolidated 2020 $
Interest on leases		7,029	14,713
		7,029	14,713

Note 9. Auditor's Remuneration

	Note	Consolidated 2021 $	Consolidated 2020 $
Amounts received or due and receivable by Deloitte for:			
An audit or review of the financial report of the entity paid to:			
Grant Thornton Australia		46,263	46,890
Grant Thornton Indonesia		13,000	13,000
Deloitte Touche Tohmatsu Australia		-	7,653
Total		59,263	67,543

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

Note 10. Income Tax

		Note	Consolidated 2021 $	2020 $
(a)	**Income tax recognised in profit or loss**			
	Current tax			
	In respect of the current financial year		201,729	122,880
	Deferred tax			
	In respect of the current financial year		12,538	8,276
	Total income tax expenses recognised in profit or loss		214,267	131,156
	The income tax expense for the year can be reconciled to the accounting profit or loss as follows:			
	Profit/(loss) before tax		(387,344)	(368,670)
	Income tax calculated at 30% (2020: 30%)		(116,203)	(110,601)
	Difference in tax rates		50,432	30,720
	Cost recovery profit that is taxable in Indonesia		72,582	107,346
	Current financial year temporary differences not recognised		58,728	9,412
	Current year revenue tax losses not recognised		148,728	94,279
	Income tax expense recognised in the profit or loss		214,267	131,156
(b)	**Recognised deferred tax assets and (liabilities)**			
	Deferred tax assets and (liabilities) are attributable to the following:			
	Other assets		(6,611)	(2,054)
	Trade and other payables		44,972	7,596
	Provisions		4,144	1,507
	Share issue costs		35,748	14,707
			78,253	21,756
	Net deferred tax assets not recognised		(78,253)	(21,756)
	Net deferred tax assets and (liabilities)		-	-
(c)	**Unrecognised deferred tax assets**			
	Deferred tax assets have not been recognised in respect of the following items:			
	Temporary differences		78,253	21,756
	Revenue tax losses		5,436,655	5,287,927
	Capital tax losses		162,679	178,840
			5,677,587	5,488,523

Note 10. Income Tax (cont'd)

Deferred tax assets have not been recognised in respect to these items as it is not probable at this time that future taxable profits will be available against which the group can utilise the benefit.

		Note	Consolidated 2021 $	Consolidated 2020 $
(d)	**Movement in recognised net deferred tax assets**			
	Opening balance		-	-
	Recognised in equity		(12,538)	(8,276)
	Recognised in income		12,538	8,276
	Closing balance		-	-
(e)	**Movement in provision for tax**			
	Opening balance		589,023	715,359
	Current tax expense		201,729	122,880
	Less payments		(174,815)	(249,216)
	Closing balance		615,937	589,023

Income tax payable is an amount payable in Indonesia. The tax only becomes payable when there are no cost recoveries available to be carried forward at the end of the tax year in Indonesia (31 December). The tax balance includes $559,197 of tax from tax years ended between 2011 and 2017 when cost recoveries were available to be carried forward, so no current tax was payable. The timing of when and if this tax is due for payment is uncertain. Unrecognised tax losses are related to Australian operations.

Note 11. Cash and Cash Equivalents

	Note	Consolidated 2021 $	Consolidated 2020 $
Cash at bank and in hand		1,492,646	95,642
		1,492,646	95,642

Note 12. Trade and Other Receivables

	Note	Consolidated 2021 $	Consolidated 2020 $
Current			
Trade debtors (1)		513,953	740,981
Other receivables		110,903	14,992
Goods and services tax		5,156	454
Value-added tax		591,193	514,007
		1,221,205	1,270,434
Non-current			
Other receivables(ii)		298,195	300,900
		298,195	300,900

(i) Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Trade receivables are generally due for settlement within 60 days. There are no trade receivables which are impaired and therefore no expected credit loss has been recognised. All sales from the Tangai-Sukananti KSO are to Pertamina, the Indonesia State owned oil Company.

(ii) Other receivables are recognised at amortised cost. Other receivables is the amount due from Mega Adhyaksa Pratama Sukananti Ltd, the holder of the remaining 45% interest in Tangai-Sukananti KSO (Note 20). No allowance is required for any expected credit losses.

Note 13. Other Current Assets

	Note	Consolidated 2021 $	Consolidated 2020 $
Prepayments		29,008	10,889
Accrued revenue		4,039	1,578
		33,047	12,467

Note 14. Inventories

	Note	Consolidated 2021 $	Consolidated 2020 $
Oil inventories in tank (at cost)		6,490	42,655
Maintenance spares (at cost)		134,997	133,931
		141,487	176,586

Note 15. Other Financial Assets

	Note	Consolidated 2021 $	Consolidated 2020 $
Current			
Security deposit		3,991	4,236
		3,991	4,236
Non-current			
Security deposit		27,469	27,469
		27,469	27,469

Note 16. Plant and Equipment

	Note	Consolidated 2021 $	Consolidated 2020 $
Office equipment, furniture and fittings			
Opening balance, net of accumulated depreciation		423	1,769
Purchases		-	-
Disposals		-	-
Foreign exchange movement		(16)	19
Depreciation charge for the year	6	(407)	(1,365)
Closing balance, net of accumulated depreciation		-	423
Cost		33,144	35,181
Accumulated depreciation		(33,144)	(34,758)
Net carrying amount		-	423

Note 17. Leases

(a) Right of Use Assets

	31 December 2021 $			
	Office Premises	**Computers**	**Motor Vehicles**	**Total**
Opening balance	40,818	411	37,744	78,973
Depreciation	(21,378)	(414)	(37,743)	(59,535)
Foreign exchange movement	231	3	(1)	233
Closing balance, net of accumulated depreciation	19,671	-	-	19,671

Note 17. Leases (cont'd)

	31 December 2020 $			
	Office Premises	**Computers**	**Motor Vehicles**	**Total**
Opening balance	63,428	11,436	94,915	169,779
Depreciation	(21,096)	(10,702)	(54,687)	(86,485)
Foreign exchange movement	(1,514)	(323)	(2,484)	(4,321)
Closing balance, net of accumulated depreciation	40,818	411	37,744	78,973

The Group leases several assets including buildings, IT equipment and vehicles. The average lease term is 3 years (2020: 3 years).

Amounts recognised in profit and loss:

	Consolidated	
	2021 $	**2020 $**
Depreciation expenses on right-of-use assets	59,535	86,485
Interest expense on lease liabilities	7,029	14,713
Expense relating to short term leases	-	18,605

The total cash outflow for leases amounts to $86,587 (2020: $85,147).

(b) Lease Liabilities

	Note	Consolidated 2021 $	2020 $
Current		19,671	68,123
Non-current		-	13,950
		19,671	82,073
Maturity analysis:			
Year 1		19,671	68,123
Year 2		-	13,950
Year 3		-	-
Year 4		-	-
Year 5		-	-
Onwards		-	-
		19,671	82,073

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

Note 18. Oil Properties

	Note	Consolidated 2021 $	2020 $
Tangai-Sukananti KSO		1,795,403	1,935,331
		1,795,403	1,935,331
Movement in the carrying value of oil properties			
Balance at the beginning of year		1,935,331	1,945,213
Expenditure during the period		84,748	360,308
Disposals during the period		-	-
Depreciation, depletion and amortisation	6	(224,676)	(370,190)
Balance at the end of year		1,795,403	1,935,331

The Group has undertaken a detailed analysis and have concluded that there are no indicators of impairment present.

Note 19. Subsidiaries

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group 31 Dec 21	31 Dec 20
BSOC Business Services Pty Ltd	Non-operating	Australia	100%	100%
Bass Oil Sukananti Ltd	Oil Producer	British Virgin Islands	100%	100%

Note 20. Joint Arrangements

Name of Joint Arrangement	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group 31 Dec 21	31 Dec 20
Tangai-Sukananti KSO (i),(ii)	Oil Producer	Indonesia	55%	55%

(i) Joint arrangements in which Bass Oil Limited is the operator.
(ii) The accounting for the joint arrangement is in the proportion of 55% for all revenue, expenses, assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

Note 21. Trade and Other Payables

	Note	Consolidated 2021 $	2020 $
Current			
Trade payables(i)		235,371	292,551
Accruals and other payables		688,450	714,514
		923,821	1,007,065

(i) The Group settles trade payables on average within 30 days and no interest is charged.

Note 22. Provisions

	Note	Consolidated 2021 $	2020 $
Current			
Employee benefits		265,301	200,875
		265,301	200,875
Non-current			
Restoration		91,970	92,244
Make Good		7,665	7,665
		99,635	99,909

Movement in the carrying value of restoration provision

	Note	Consolidated 2021 $	2020 $
Balance at the beginning of year		92,244	92,519
Expenditure during the period		(274)	(275)
Balance at the end of year		91,970	92,244

The restoration provision is calculated by Pertamina EP and based upon the number of completed wells and production facilities. The restoration must be fully paid when the license expires in July 2025 and the joint venture parties will have no further obligations towards the site.

Note 23. Contributed Equity

	2021 Shares	2020 Shares	2021 $	2020 $
Issued and paid up capital				
Ordinary share fully paid	3,342,140,096	3,342,140,096	26,674,268	26,674,268
Movements in ordinary shares on issue				
Ordinary shares on issue at beginning of period	3,342,140,096	3,342,140,096	26,684,884	26,674,268
Issue of ordinary shares	1,270,541,362	-	1,850,322	-
Less transaction costs	-	-	(111,927)	2,340
Tax consequences of share issues costs	-	-	12,538	8,276
Ordinary shares on issue at end of period	4,612,681,458	3,342,140,096	28,435,817	26,684,884

On 3 August 2021 the Company issued 1,761,120 ordinary shares from the exercise of options. The options had an exercise price of A$0.004 and an expiry date of on or before 31 July 2021. The exercise of options raised $5,327.

On 30 August 2021 the Company issued 500,000,000 ordinary shares in a private placement to sophisticated and professional investors through the issue of New Shares at A$0.002 per share. The placement included a 1 for 2 free attaching option exercisable at A$0.004 on or before 30 September 2024. The placement raised $726,323 before costs.

On 4 October 2021 the Company issued 456,605,532 ordinary shares in a non-renounceable entitlement offer of new shares on a 1 for 2 basis, at an issue price of A$0.002 per share. The entitlement offer included a 1 for 2 free attaching option exercisable at A$0.004 on or before 30 September 2024. The entitlement raised $663,429 before costs.

On 12 October 2021 the Company issued 312,174,710 ordinary shares after placing the shortfall shares from the entitlement offer. The shortfall raised $455,243 before costs.

Terms and Conditions of Contributed Equity

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 31 December 2021, the Company has 759,390,150 (2020: 367,986,328) share options on issue, exercisable on a 1:1 basis for 759,390,150 (2020: 367,986,328) ordinary shares of the Company at an exercise price of A$0.004 and an expiry date of 30 September 2024.

In addition to the options issued on a 1 for 2 basis as part of the capital raising above, 125,000,000 options were issued to the Lead Manager for the Placement and capital raise.

On 31 July 2021, 1,761,120 options were exercised, and 366,225,208 options were cancelled.

Note 23. Contributed Equity (cont'd)

	Note	Consolidated 2021 Options	Consolidated 2020 Options
Movements in options on issue			
Balance at the beginning of year		367,986,328	367,986,328
Options issued		759,390,150	-
Options exercised		(1,761,120)	-
Options expired and cancelled		(366,225,208)	-
Balance at the end of year		759,390,150	367,986,328

Note 24. Accumulated Losses

	Note	Consolidated 2021 $	Consolidated 2020 $
Balance at the beginning of year		(27,891,364)	(27,391,538)
Net profit/(loss)		(601,611)	(499,826)
Balance at the end of year		(28,492,975)	(27,891,364)

Note 25. Earnings per Share

The following reflects the income used in the basic earnings per share computations.

	Note	Consolidated 2021 $	Consolidated 2020 $
Basic earnings/(loss) per share		0.000	0.000
Net profit/(loss) attributable to ordinary equity shareholders of the parent		(601,611)	(499,826)

	Note	2021 Shares	2020 Shares
Issued ordinary shares at 1 January		3,342,140,096	3,342,140,096
Effect of shares issued August 2021		205,865,884	-
Effect of shares issued October 2021		229,133,849	-
Weighted average number of ordinary shares at 31 December		3,777,139,829	3,342,140,096

There is no dilution effect on diluted EPS as the company was operating at a net loss for the year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

Note 26. Key Management Personnel Disclosures

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Note	Consolidated 2021 $	Consolidated 2020 $
Short-term employee benefits		411,526	250,197
Post-employment benefits		40,157	19,694
		451,683	269,891

Note 27. Parent Entity Disclosures

Information relating to Bass Oil Limited

	Parent 2021 $	Parent 2020 $
Current assets	1,441,253	84,084
Total assets	3,641,459	2,284,712
Current liabilities	(274,143)	(65,921)
Total liabilities	(3,093,443)	(2,861,166)
Net assets	548,016	(576,454)
Contributed equity	28,435,817	26,684,884
Foreign exchange reserve	3,129,996	3,129,996
Share-based payments reserve	35,801	-
Accumulated losses	(31,053,598)	(30,391,334)
Total shareholder's equity	548,016	(576,454)
Loss of the parent entity	(662,264)	(326,325)
Total comprehensive income/(loss) of the parent entity	(662,264)	(326,325)

The commitments and contingencies of the parent entity are the same as disclosures in Note 26 excluding the commitments relating to Tangai-Sukananti KSO.

Note 28. Related Party Disclosures

Terms and conditions of transactions with related parties other than KMP

During the year the Group paid corporate advisory and investor relations fees to Adelaide Equity Partners Limited (a director related entity of Mr M Lindh) of $44,041 (31 December 2020: $6,624) and capital raising success fees to Adelaide Equity Partners Limited of $20,483 (31 December 2020: $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 $7,982 (31 December 2020: $11,365).

The Group has a corporate advisory & investor relations mandate with Adelaide Equity Partners. The mandate has a monthly retainer of AUD $10,000 per month and commenced on 16 July 2021. The mandate can be terminated at any time by either party, by written notice to the other party.

During the year the Group paid rent to Adelaide Equity Partners Limited of $nil (31 December 2020: $2,430) (under a rental of premises mandate). The rental was provided under normal commercial terms and conditions. Amounts outstanding at balance date were $nil (31 December 2020: $nil). The rental arrangement ceased on 30 April 2020.

Note 29. Segment Information

For management purposes there is only one operating segment, which is oil production.

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 activities the Board managed each exploration activity of each permit through review and approval of joint venture cash calls, Authority for Expenditure (AFE’s) and other operational information. For oil production (from the Tangai–Sukananti KSO located in South Sumatra Basin in Indonesia) the Board manages the activity through review of production details, review and approval of the joint venture cash calls and other operational information.

The result for the year ended 31 December 2021 was from oil production.

The consolidated entity operates in the oil and gas industry in Indonesia.

The consolidated assets and liabilities as at 31 December 2021 and 2020 relate to oil production.

For the current financial year, the Group’s revenue of $3,150,396 was received from the sale of oil in Indonesia to Pertamina EP (the Indonesian State-owned oil Company).

		Australia	Indonesia	Total
31 December 2021				
Revenue	share fully paid	-	2,925,950	2,925,950
Other revenue		72,255	-	72,255
Total revenue		72,255	2,925,950	2,998,205
Segment assets		1,432,568	3,600,546	5,033,114
Segment liabilities		(274,143)	(1,650,332)	(1,924,475)

Note 29. Segment Information (cont'd)

		Australia	Indonesia	Total
31 December 2020				
Revenue	share fully paid	-	3,150,396	3,150,396
Other revenue		196,669	-	196,669
Total revenue		196,669	3,150,396	3,347,065
Segment assets		84,509	3,817,952	3,902,461
Segment liabilities		(65,921)	(1,913,024)	(1,978,945)

Note 30. Reconciliation of Cash Flows from Operating Activities

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank, and short term deposits at call.

Reconciliation of profit after income tax to net cash provided/used in operating activities

	Note	Consolidated 2021 $	Consolidated 2020 $
Net profit/(loss) after tax		(601,611)	(499,826)
Adjustments for:			
Depreciation	6	59,942	87,850
Amortisation		224,676	370,190
Accretion interest		6,916	14,713
Share-based payment		35,801	-
Foreign exchange adjustment		1,085	(2,401)
		(273,191)	(29,474)
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		51,934	175,236
Decrease/(increase) in other assets		(20,580)	20,227
(Increase) in inventories		35,099	100,770
Increase/(decrease) in provisions		64,152	55,678
Increase/(decrease) in trade and other payables		(66,922)	(297,415)
(Decrease)/increase in provision for tax		26,914	(126,336)
Increase in deferred tax		12,538	8,276
Net cash flows (used in)/provided by operating activities		(170,056)	(93,038)

Note 31. Reserves

	Note	Consolidated 2021 $	Consolidated 2020 $
Currency translation reserve (i)		3,129,996	3,129,996
Share based payments reserve		35,801	-
		3,165,797	3,129,996

(i) The Currency translation reserve was recognised at 31 December 2017 with the change in functional and presentational currency to USD. In order to derive US dollar opening balances, the Australian dollar functional currency assets and liabilities at 1 July 2017 were converted at the spot rate of US$1: A$0.77 on the reporting date; and the contributed equity, reserves and retained earnings were converted at applicable historical rates and the difference has given rise to the recognition of the Currency translation reserve.

Note 32. Contingent Liabilities

As at 31 December 2021 the Group had no contingent liabilities (2020: $Nil).

Note 33. Subsequent Events

On 2 March 2022 the Company announced that it had entered into a conditional Sale and Purchase Agreement ("SPA") with a subsidiary of Beach Energy Limited ("Beach") for its subsidiary to acquire a portfolio of Cooper Basin assets for cash consideration of A$650,000 and assumption of future restoration liabilities. In conjunction, Bass has successfully received irrevocable commitments to raise $1.2 million (before costs) from sophisticated and professional investors through the issue of 800 million new ordinary shares ("Shares") at $0.0015 per share ("Offer Price"), subject to shareholder approval (the "Placement"). Placement participants will receive one free attaching option for every three shares successfully subscribed for under the Placement, exercisable at $0.004 on or before 30 September 2024 ("Options") also subject to shareholder approval.

The Company is also undertaking two capital management initiatives, comprising:

- a minimum holding share buy-back in respect of ordinary shares for holders of less than a marketable parcel of shares ("Minimum Holding Buy-Back"); and
- a share consolidation at a ratio of 30-to-1, subject to shareholder approval ("Share Consolidation").

The Company will seek shareholder approval to issue the Placement Shares and Options and to undertake the Share Consolidation at an Extraordinary General Meeting, to be held on 8 April 2022.

The assets to be acquired include Beach's interest in the producing Worrior and Padulla oil fields and a number of properties that contain prospective appraisal and exploration opportunities. On completion, the Company will own a 74%-100% interest in eight Cooper Basin tenements, representing one of the largest acreage holdings in the core of the Cooper Basin. The Beach Transaction remains subject to a number of conditions precedent, including relevant regulatory approvals.

Relative to the proposed Cooper Energy Transaction (announced 12 July 2021), Bass will increase its interest in the producing Worrior oil field from 30% to 100% and add the producing Padulla oil field (100%) to its portfolio.

Note 33. Subsequent Events (cont'd)

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the entity in subsequent financial years.

Collins Square, Tower 5
Melbourne VIC 2008

Correspondence to:
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report

To the Members of Bass Oil Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Bass Oil Limited (the Company), and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the year ended on that date; and

b Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which indicates that the Group incurred a net loss of $601,611 during the year ended 31 December 2021, and incurred net cash outflows from operating and investing activities of $254,804. 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 doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Oil Properties – Notes 2(l), 2(t)(i) & 18	
At 31 December 2021, the carrying value of oil properties was $1,795,403. In accordance with AASB *136 Impairment of Assets*, the Group is required to assess at each reporting date if there are any indicators of impairment which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment indicators involves an element of management judgement. This area is a key audit matter due to the significant judgement involved in determining the existence of impairment indicators.	Our procedures included, amongst others: • Obtained and corroborated management's assessment of impairment indicators; • Assessed whether any potential impairment indicators exist; • Evaluated the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment indicators; • Obtained and reviewed internal reporting prepared by management to assess the performance of oil properties; • Understood and verified the key inputs and assumptions included in management's internal reporting; and • Assessed the appropriateness of the related financial statement disclosures.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the 31 December 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Group are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 31 December 2021.

In our opinion, the Remuneration Report of Bass Oil Limited, for the year ended 31 December 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 31 March 2022

SHAREHOLDER AND OTHER INFORMATION

Compiled as at 23 March 2022

DISTRIBUTION OF ORDINARY SHARES

Ordinary Shares	Number of Holders	Number of Shares
1 – 1,000	197	58,496
1,001 – 5,000	293	818,618
5,001 – 10,000	181	1,495,116
10,001 – 100,000	559	23,619,298
100,001 and over	1,734	4,586,689,930
Total on Issue	2,964	4,612,681,458

1,445 holders held less than a marketable parcel of ordinary shares. There is currently an unmarketable parcel buy-back offer for all eligible shareholders on 2 March 2022 holding less than 250,000 shares. The buy-back price is $0.002. The offer closes on 22 April 2022.

SUBSTANTIAL SHAREHOLDERS

As disclosed in notices given to the Company.

Name of substantial shareholder	Interest in number of shares *Beneficial and non-beneficial*	% of shares
Cooper Energy Ltd	353,361,294	7.66
Miller Anderson Pty Ltd	317,630,465	6.89

VOTING RIGHTS

At meetings of members or classes of members:

(a) each member entitled to vote may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has one vote; and

(c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:

  (i) for each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, one vote for the share;

  (ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited),

subject to any rights or restrictions attached to any shares or class or classes of shares.

SHAREHOLDER AND OTHER INFORMATION

Compiled as at 23 March 2022

THE 20 LARGEST SHAREHOLDERS OF ORDINARY SHARES

Holder	Ordinary shares	% of total issued
Somerton Energy Ltd	353,361,294	7.66
Miller Anderson Pty Ltd <Longhorn Ridge Super A/C>	317,630,465	6.89
Miss S Masalkovski	103,649,828	2.25
Mr M Saboundjian	100,000,000	2.17
Mark Lindh & Belinda Lindh <Belmar Super Fund>	89,262,000	1.94
Mr P Sciancalepore & Mrs P Sciancalepore	75,000,000	1.63
Tattersfield Securities Ltd	70,004,173	1.52
Wingmont Pty Ltd	70,000,000	1.52
Mr S H Bell & Mrs J K Berveling <Bell & Berveling Super A/C>	64,447,853	1.40
Small Business Finance Pty Ltd	62,999,999	1.37
Mr M A Brouesk & Mrs R J Brousek	60,000,000	1.30
Mr W C Wheelahan	54,000,000	1.17
Mr A Margos	50,000,000	1.08
The Cunnack Company Pty Ltd <Moranette Pty Ltd SF A/C>	50,000,000	1.08
Stephen Iredale Pty Ltd <Iredale& Employees SF A/C>	45,000,000	0.98
Bernard Jackson Super Co Pty Ltd <Bernard Paul Jackson SF A/C>	45,000,000	0.98
Emmett Enterprises Pty Ltd <Emmett Super Fund A/C>	39,000,000	0.85
Chesser Nominees Pty Ltd	38,931,964	0.84
Crescent Nominees Limited	36,215,155	0.79
Mr M K H Raabe	36,000,000	0.78

The 20 largest shareholders hold 1,760,502,731 shares, representing 38.17% of the issued share capital.

SHAREHOLDER AND OTHER INFORMATION

Compiled as at 23 March 2022

THE 20 LARGEST OPTIONHOLDERS OF LISTED OPTIONS

Holder	Ordinary shares	% of total issued
10 Bolvianos Pty Ltd	117,337,355	15.45
First Investment Partners Pty Ltd	47,100,000	6.20
Matthew Burford Super Pty Ltd <Burford Superfund A/C>	31,250,000	4.12
The Cunnack Company Pty Ltd <Moranette Pty Ltd SF A/C>	25,000,000	3.29
Mr R Mukhail	20,000,000	2.63
Small Business Finance Pty Ltd	17,606,905	2.32
Chetan Enterprises Pty Ltd<Hegde Super Fund A/C>	17,000,000	2.24
Miller Anderson Pty Ltd <Longhorn Ridge Super A/C>	16,000,000	2.11
Bernard Jackson Super Co Pty Ltd <Bernard Paul Jackson SF A/C>	15,000,000	1.98
Citicorp Nominees Pty Ltd	15,000,000	1.98
Kovi G Investments Pty Ltd <Kovi Gordon Family	13,750,000	1.81
Mt Barker Strawberries Pty Ltd <Mt Barker Strawberries A/C>	12,500,000	1.65
Mr C Daley	12,500,000	1.65
Mr A Margos	10,000,000	1.32
Paul Thomson Furniture Pty Ltd < Thomson S/F A/C>	10,000,000	1.32
Loftus Group Limited	10,000,000	1.32
Mr K D Leary & Mrs H P Leary <Kevin&Helen Leary Super A/c>	8,000,000	1.05
IAMSF Capital Pty Ltd	7,500,000	0.99
Mr R Gordon	7,500,000	0.99
Mr X W Li	7,444,444	0.98

The 20 largest optionholders hold 420,488,704 options, representing 55.37% of the issued listed options.