BASS OIL LIMITED

HALF-YEAR FINANCIAL REPORT

30 June 2026

CORPORATE DIRECTORY

ABN: 13 008 694 817

Directors

Hector M Gordon, Chairman
Giustino Guglielmo
Laura A Reed

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
Email admin@bassoil.com.au

Auditors

Grant Thornton Audit Pty Ltd
Level 3, 170 Frome Street
Adelaide, South Australia, 5000, Australia

Share Registry

MUFG Corporate Markets (AU) Limited
Tower 4, 727 Collins Street
Melbourne, Victoria, 3008, Australia
Telephone +61 1300 554 474

Stock Exchange Listing

ASX Ltd
525 Collins Street
Melbourne, Victoria, 3000, Australia

ASX Codes: BAS – Ordinary Shares and BASO & BASOD- Options

Web Site: www.bassoil.com.au

Contents

Forward Looking Statements

This Half Year Financial 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.

MANAGING DIRECTOR'S REPORT

Half-Year Ended 30 June 2026

The first half of 2026 has been a period of meaningful progress for Bass Oil. Building on the foundations laid in 2025, the Group has advanced several key initiatives that position us strongly for the next phase of growth as we transition toward becoming a gas producer supplying the Australian East Coast Gas Market ('ECGM'). Our strategy remains clear, our operational execution has been disciplined, and the momentum across our portfolio continues to build.

This half-year was defined by three major achievements:

- **Completion of the Vanessa gas field acquisition**, establishing Bass as a near-term gas producer.
- **Continued advancement of the Kiwi liquids-rich gas project**, supported by government funding and encouraging seismic interpretation.
- **Commencement of drilling at Bunian-6**, unlocking new oil production in Indonesia.

Together, these milestones represent tangible steps toward delivering new production, reserves, and revenue streams for shareholders.

Group Operational and Financial Performance

Operationally, the Group delivered a solid performance in the first half, with production and sales underpinned by our Indonesian operations and steady contribution from the Cooper Basin despite flood events. Our production base continues to demonstrate resilience, providing a stable platform for bringing new assets online.

Key Performance Metrics	HY26	HY25	Movement
Net Production (mbbl) [1]	39.33	42.49	-7.4%
Net Entitlement Oil (mbbl) [1]	26.71	31.71	-15.8%
Sales Revenue ($m)	3.79	3.71	2.2%
Cash ($m)	3.18	1.96	62.2%
Average Realised Oil Price (USD)	88.60	70.97	24.8%
EBITDA ($,000) [1 2]	1,031	571	80.6%
NPAT/ NLAT ($,000) [3]	281	-142	na

[1].These are Non-IFRS metrics and contain 55% Bass share of Indonesian results and 100% Australian results. Net production, Oil Sales and Entitlement Oil are all components of the Entitlement Calculation Statement that generates Sales revenue and reserves in the Group's Indonesian business.

[2]. The Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) has been calculated as earnings before tax ($464,379) plus interest ($107,423) and depreciation and amortisation expense ($459,015).

[3]. Net Profit After Tax

MANAGING DIRECTOR'S REPORT (cont'd)

In the first half of 2026, total sales revenue was $3.79 million net to Bass, reflecting continued strong oil prices and stable field performance.

- Cooper Basin oil production for the six month was 13,978 barrels, with 9,780 barrels sold at an average realised oil price of A$132.23 per barrel.
- Indonesian oil production was 25,348 barrels net to Bass, with 25,266 barrels sold at an average realised oil price of US$86.36 per barrel.
- Daily oil production for the Group averaged 217 bopd, down 7% on the first half 2025.

These figures demonstrate the resilience of our producing assets and provide a strong base from which to grow as new projects come online. This consistent operational performance provides confidence as we progress toward commissioning new sources of production later in the year.

Financial Position and Capital Management

Bass's liquidity position remained sound over the half-year, reflecting our continued focus on disciplined financial management. At 30 June 2026, the Group held $2.34 million in cash, alongside $0.84 million in restricted cash and $4.93 million in rehabilitation bond deposits for our South Australian operations.

Importantly, Bass carries no debt, giving us the financial strength and flexibility to progress key growth initiatives, including the Vanessa recommissioning and the Kiwi gas project. The $3 million capital raise completed in March further strengthened our balance sheet and positions us well for the next phase of growth. In February, Bass secured a $3.5 million SA Government grant to connect Kiwi to market, with $856,000 received in the first half of 2026 — a validation of the project's potential.

Our strong balance sheet provides the financial capacity required to execute multiple value-creating projects concurrently, without compromising operational discipline.

Vanessa Gas Field – Transformational Acquisition Completed

In June 2026, Bass successfully completed the acquisition of the Vanessa gas field, associated processing facility, and 5 km pipeline connection into the Cooper Basin gas gathering system. This transaction is a cornerstone of our strategy and marks Bass's transition from an oil-only producer to a diversified energy company with near-term gas production capability.

The Vanessa acquisition was completed for minor cash consideration, with Bass assuming the rehabilitation liability and the vendor contributing significantly to that liability, as outlined in Note 5 of the HY26 Financial Report. Detailed engineering work to recommission the facility and pipeline is now underway, following completion of the transaction in June.

Once operational, Vanessa is expected to deliver Bass's first gas sales into the ECGM under the binding three-year Gas Sales Agreement with Origin Energy for up to 12 PJ of gas. Bass continues to work through the recommissioning program and anticipates first gas following completion of these activities. While timing remains subject to weather conditions and facility readiness, the project is progressing in line with expectations.

MANAGING DIRECTOR'S REPORT (cont'd)

Importantly, the Vanessa well penetrated the entire Permian sequence, including the deep coals within PEL 182. This provides a unique, low-cost opportunity to appraise the deep coal prospective resource – assessed at 568 BCF of gas and 22.7 million barrels of condensate – without drilling a new well. Successful commercialisation of this resource has the potential to be transformative for the Group. The ability to appraise this large unconventional resource at minimal cost is a significant strategic advantage for Bass.

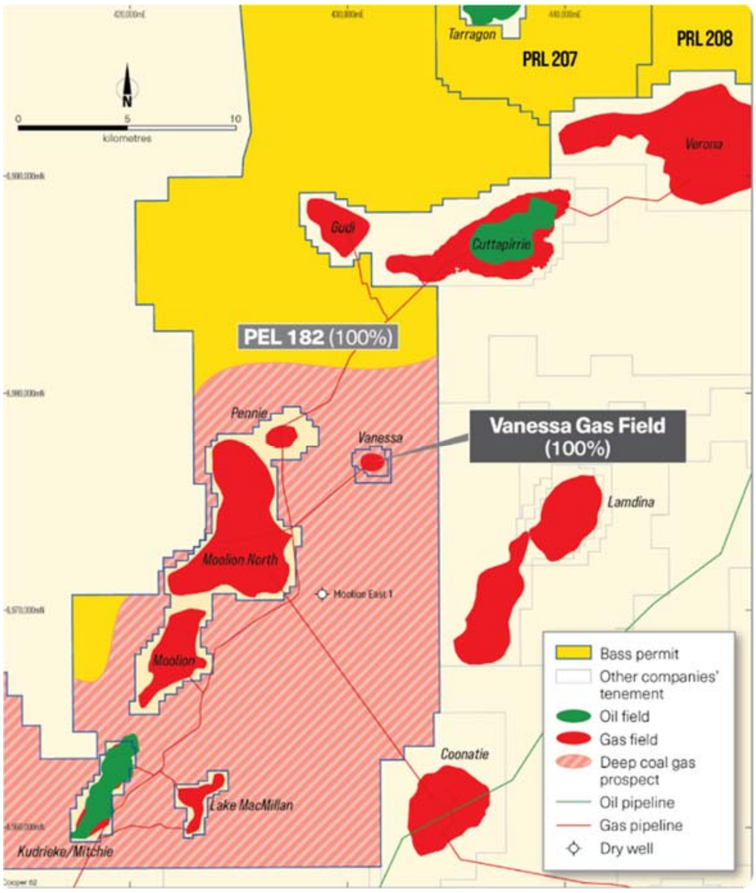

Figure 1: *Map of Bass permit PEL 182 displaying Vanessa gas field*

Kiwi Gas Project – Grant Funding and Seismic Interpretation

The liquids-rich Kiwi gas discovery continues to be one of Bass's most exciting assets. Following the successful 2024 flow test, which recorded 4.1 mmcfd of gas and 988 barrels of condensate per day, Bass has progressed the project toward development.

In February 2026, the South Australian Government awarded Bass $3.5 million in funding to support connection of Kiwi to the Cooper Basin gas network, and the grant deed was executed in May 2026.

During the half-year, Bass advanced technical work on Kiwi, including interpretation of the reprocessed Kiwi 3D seismic dataset. The results have been encouraging and continue to support the quality of the discovery and surrounding prospectivity.

MANAGING DIRECTOR'S REPORT (cont'd)

The Kiwi gas is extremely liquids-rich and low in impurities, with less than 5% CO_2 and over 200 barrels of condensate per million cubic feet of gas, as previously disclosed. These characteristics make Kiwi one of the most attractive undeveloped gas discoveries in the Basin. Kiwi's liquids yield positions it as a high-value development opportunity in a market where condensate-rich gas is increasingly sought after.

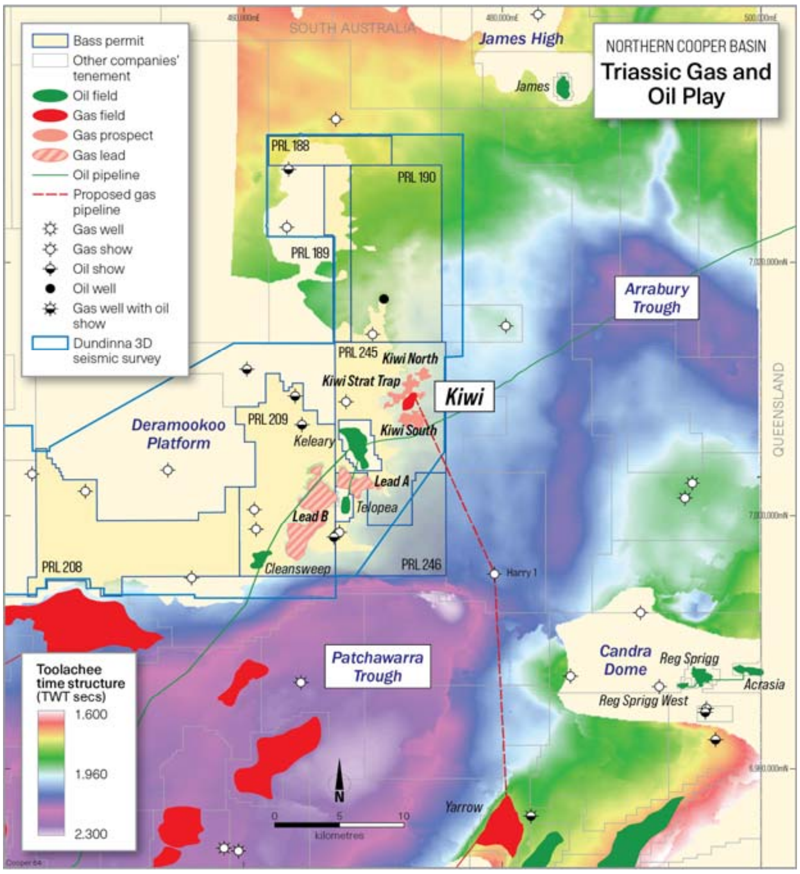

***Figure 2**: Map of Bass' Kiwi Gas Field – Northern Cooper Basin Triassic Gas and Oil Play*

Indonesian Operations – Bunian Field and Bunian-6 (Bass 55% and Operator)

The Bunian field in Indonesia remains a reliable contributor to Group production and cash flow. During the half-year, Bass advanced preparations for drilling the Bunian-6 development well, following the successful rig tender and submission of the contract award recommendation to Pertamina EP.

The Bunian-6 oil development well commenced drilling in June 2026 and is expected online in September, with weekly progress updates released throughout.

The well targets undrained oil in the southwest of the field and is expected to contribute additional production once completed. Bass anticipates first production following well completion and tie-in activities, with timing subject to operational conditions.

MANAGING DIRECTOR’S REPORT (cont’d)

***Figure 3**: Bunian 6 Wellsite*

PEL 182 – Deep Coal Commercialisation (Bass 100%)

Bass continues to advance the deep coal commercialisation program within PEL 182, leveraging the Vanessa acquisition as a cost-effective appraisal platform. In late 2024, Schlumberger completed Phase 1 of the geomechanical study, confirming the productive potential of the deep coals, and Phase 2 – focused on stimulation design – is planned to commence following recommissioning of the Vanessa facilities.

Industry activity continues to validate the play, with Santos progressing its own deep coal appraisal program in adjacent acreage. Bass is well positioned to benefit from this broader technical and commercial momentum.

Cooper Basin Oil Prospects – PRLs 231–233 (Bass 100%)

Bass continued its prospectivity review across all Cooper Basin permits. In PRLs 231-233, the geoscience team identified an oil trend along the Warra ridge with significant potential. The Tyrell and Flint prospects, identified using the Westeros 3D seismic survey, represent attractive future drilling opportunities, with Tyrell assessed at over 2 million barrels of prospective resource.

These prospects will be offered to potential farm-in partners as part of a future drilling program, consistent with our strategy of capital-efficient growth.

Outlook

Bass enters the second half of 2026 with multiple near-term catalysts, including progress on the Vanessa recommissioning, completion of Bunian-6, and continued advancement of Kiwi. With a diversified portfolio, exposure to high-value gas markets, and a clear pathway to new production, Bass is well positioned to deliver growth and build long-term shareholder value.

I would like to thank our shareholders, partners, and employees for their continued support as we execute our strategy and advance Bass Oil into its next phase of development.

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 half-year ended 30 June 2026.

DIRECTORS

The names and details of the Company's directors in office during the half-year and until the date of this report are set out below: Directors were in office for the entire period unless otherwise stated.

Hector M Gordon (Chairman)
Giustino (Tino) Guglielmo (Managing Director)
Mark L Lindh (resigned 31 March 2026)
Laura A Reed

PRINCIPAL ACTIVITY

The principal activities of the Group during the half year was oil production from owned oil producing assets in the Cooper Basin, South Australia and a 55% Operated interest in the Tangai-Sukananti license in the South Sumatra Basin, Indonesia. The Group also engaged in furthering the exploration and evaluation oil and gas assets held in the Cooper Basin, South Australia.

REVIEW AND RESULTS OF OPERATIONS

A review of Group's operations can be found in the Managing Directors Report.

The Group's operating profit for the half-year ended 30 June 2026 after income tax was $280,856 (30 June 2025: loss of $141,593).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The following significant changes in the state-of-affairs of the Group occurred during the financial half-year:

a) Issued Capital

   Net increase in issued capital to $48,597,813 (31 December 2025 $45,882,176) following the completion of a $3 million capital raise (before costs) undertaken in March 2026.

b) Vanessa acquisition

   Increase in exploration and evaluation assets of $329,853 after completing the acquisition of the Vanessa assets in the Cooper Basin, and correspondingly there is an increase of $718,316 to rehabilitation provision related to the same assets.

ENVIRONMENTAL REGULATIONS

The Group is subject to significant environmental regulations under laws in Australia and Indonesia. The Group has not been advised of any environmental breaches during the half year.

DIRECTORS’ REPORT (cont’d)

SIGNIFICANT EVENTS AFTER BALANCE DATE

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

We have obtained an independence declaration from our auditor, Grant Thornton Audit Pty Ltd, a copy of which is attached to this report.

Signed in accordance with a resolution of the Directors

Chairman
Melbourne, 10 September 2026

Grant Thornton Audit Pty Ltd
Grant Thornton House
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170 Frome Street
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GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

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 review of Bass Oil Limited for the half-year ended 30 June 2026, 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 review;and

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

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 10 09 2026

DIRECTORS' DECLARATION

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

a. The interim financial statements and notes of the Company and its subsidiaries (collectively the Group) are in accordance with the Corporations Act 2001, including:

i. Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and

ii. complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the 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.

Hector M Gordon
Chairman
Melbourne, 10 September 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 June 2026

		Consolidated	
	Note	6 months to 30 June 2026 A$	6 months to 30 June 2025 A$
Revenue			
Oil revenue		3,792,327	3,648,736
Condensate revenue		-	58,898
Cost of goods sold		(2,170,032)	(2,396,521)
Gross profit		1,622,295	1,311,113
Other income			
Interest received		73,930	82,486
Operator fees		51,423	59,332
Other income		58,308	36,116
Total net revenue and other income		1,805,956	1,489,047
Administrative expenses	3	(754,877)	(946,894)
Employee benefits expense		(480,965)	(522,800)
Finance costs		(105,735)	(96,736)
Profit/(Loss) before income tax		464,379	(77,383)
Income tax expense		(183,523)	(64,210)
Profit /(Loss) for the half year		280,856	(141,593)
Other comprehensive loss, net of income tax			
Items that may be reclassified to profit or loss			
Foreign currency translation		(95,110)	(240,325)
Total comprehensive profit/(loss) for the half year		185,746	(381,918)
		Cents	Cents
Basic earnings/(loss) per share - cents		0.08	(0.05)
Diluted earnings/(loss) per share - cents		0.08	(0.05)

This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	30 June 2026 $	Consolidated 31 December 2025 $
ASSETS			
Current Assets			
Cash and cash equivalents		2,336,156	921,884
Restricted cash		842,491	-
Trade and other receivables		2,002,139	1,307,944
Other current assets		106,094	230,165
Inventories		698,485	720,304
Other financial assets	4	5,500	5,500
Total current assets		5,990,865	3,185,797
Non-current assets			
Trade and other receivables		303,819	331,158
Other financial assets – term deposits	4	4,975,826	3,837,342
Property, plant, and equipment		119,301	135,637
Right of use assets		102,556	153,435
Exploration assets	5	3,486,327	2,902,837
Oil properties	6	7,527,335	7,030,480
Total non-current assets		16,515,164	14,390,889
TOTAL ASSETS		22,506,029	17,576,686
LIABILITIES			
Current Liabilities			
Trade and other payables		1,627,834	1,238,389
Contract liabilities – government funding		758,972	-
Provisions	7	134,567	114,660
Lease liabilities		48,701	71,363
Provision for income tax		299,061	334,809
Total current liabilities		2,869,135	1,759,221
Non-current liabilities			
Provisions	7	5,314,013	4,511,830
Lease liabilities		58,165	87,594
Total non-current liabilities		5,372,178	4,599,424
TOTAL LIABILITIES		8,241,313	6,358,645
NET ASSETS		14,264,716	11,218,041
EQUITY			
Contributed equity	8	48,597,813	45,882,178
Reserves		2,310,795	2,260,611
Accumulated losses		(36,643,892)	(36,924,748)
TOTAL EQUITY		14,264,716	11,218,041

This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2026

	Contributed equity $	Accumulated losses $	Currency translation reserve $	Share-based payments reserve $	Total $
At 1 January 2025	44,983,886	(36,362,677)	2,594,520	32,643	11,248,372
Net loss for the year	-	(660,161)	-	-	(660,161)
Foreign currency translation loss	-	-	(333,909)	-	(333,909)
Total comprehensive income for the year	-	(660,161)	(333,909)	-	(994,070)
Shares issued	925,180	-	-	-	925,180
Less transaction costs	(26,888)	-	-	-	(26,888)
Share-based payments	-	-	-	65,447	65,447
Transfer fair value of Employee performance Rights - lapsed	-	98,090	-	(98,090)	-
At 31 December 2025	**45,882,178**	**(36,924,748)**	**2,260,611**	**-**	**11,218,041**
At 1 January 2026	45,882,178	(36,924,748)	2,260,611	-	11,218,041
Net profit for the period	-	280,856	-	-	280,856
Foreign currency translation loss	-	-	(95,110)	-	(95,110)
Total comprehensive income for the period	-	280,856	(95,110)	-	185,746
Shares issued	3,000,000	-	-	-	3,000,000
Less transaction costs	(287,365)	-	-	124,708	(162,657)
Share-based payments	3,000	-	-	20,586	23,586
At 30 June 2026	**48,597,813**	**(36,643,892)**	**2,165,501**	**145,294**	**14,264,716**

This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the half year ended 30 June 2026

	Note	Consolidated 30 June 2026 $	Consolidated 30 June 2025 $
Cash flows from operating activities			
Receipts from customers		3,049,832	4,068,933
Payments to suppliers and employees		(2,735,989)	(2,986,576)
Income Tax paid		(223,465)	(32,251)
Interest paid		(7,543)	(7,360)
Interest received		73,930	84,255
South Australian Government Grant received		856,750	-
Net cash provided by operating activities		1,013,515	1,127,001
Cash flows from investing activities			
Deposit into rehabilitation bond		(688,484)	-
Transfer to restricted funds		(842,491)	-
Payments for Oil properties capital expenditure		(651,306)	(430,500)
Payments for Exploration expenditure		(123,730)	(566,036)
Net cash (used in) investing activities		(2,306,011)	(996,536)
Cash flows from financing activities			
Principal elements of lease payments		(51,355)	(46,739)
Proceeds from share issues		3,000,000	925,178
Payment share issue costs		(222,655)	-
Net cash provided by financing activities		2,725,992	878,439
Net increase in cash and cash equivalents		1,433,496	1,008,904
Foreign exchange movement		(19,224)	(37,837)
Cash and cash equivalents at the beginning of the year		921,884	991,176
Cash and cash equivalents at the end of the half year		**2,336,156**	**1,962,243**

This statement should be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 30 June 2026

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 half-year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 10 September 2026.

Bass Oil Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are oil production and oil and gas exploration.

Note 2. Summary of Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's 2025 annual financial report for the financial year ended 31 December 2025 other than the change in the groups presentation currency as outlined below.

The Groups accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

In the application of the Group's accounting policies, 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 financial half-year ended 30 June 2026 the Group reported a profit after tax of $280,856 and had a net cash outflow from operating and investing activities of $1,292,496.

The Directors have prepared a cash flow forecast through to September 2027 which indicates that the Group remains dependent on its ability to generate sufficient net cash inflows from operating and financing activities (which may be sourced as debt, equity, farm down or sale of assets) and manage the level of oil properties development, exploration and other expenditure within available cash resources.

The directors consider that the going concern basis of accounting is appropriate, as the company has the following options:

Note 2.Summary of Material Accounting Policy Information (cont'd)

Going concern (continued)

- The ability to issue share capital under the Corporations Act 2001, by a share purchase plan, share placement or rights issue;
- The option of farming out all or part of its assets;
- The option of selling interests in the company's assets; and
- The option of relinquishing or disposing of rights and interests in certain assets.

In the event that the Group is unsuccessful in implementing a sustained improvement in operating cashflow or more of the funding options listed above, such circumstances would indicate that a material uncertainty exists that may cast significant doubt as to whether the company will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in this interim financial report.

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 interim financial statements which have been prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the most recent annual report. 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 AASB 134 ensures compliance with IFRS Accounting Standard IAS 34 *Interim Financial Reporting.*

(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 2026.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and will not have a material impact on the financial statements.

(c) 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.

Note 2. Summary of Material Accounting Policy Information (cont'd)

(c) Critical accounting estimates and judgements (cont'd)

(i) Impairment of Oil Property Assets

At each reporting date, Oil properties are assessed for impairment triggers. If impairment triggers are present then impairment testing is required. Oil properties impairment testing requires an estimation of the value in use of the cash generating unit to which deferred costs have been allocated when impairment indicators have been identified. 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.

(ii) Useful life of Oil Property Assets

Oil properties are amortised on the Units of Production basis using the latest approved estimate of Proven (1P) Reserves and Proven and Probable (2P) 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. The estimated reserve quantities are used in the assessment of fair value of the oil properties.

(iv) 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.

Note 2. Summary of Material Accounting Policy Information (cont'd)

(c) Critical accounting estimates and judgements (cont'd)

(v) 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.

(vi) Capitalised exploration and evaluation

The Group has capitalised significant exploration and evaluation expenditure on the basis either that this is expected to be recouped through future successful development or alternatively sale of the areas of interest. If, ultimately, the areas of interest are abandoned or are not successfully commercialised, the carrying value of the capitalised exploration and evaluation expenditure would need to be written down to its recoverable amount.

(vii) Impairment of exploration and evaluation assets

The tests contained in AASB6.20 are applied to determine whether exploration and evaluation costs are assessed for impairment indicators:

i) The exploration and evaluation tenure rights has expired or are expected to expire in the near future and is not expected to be renewed.
ii) Substantive expenditure or further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
iii) Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
iv) Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or sale.

NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 30 June 2026

Note 3. Administrative Expenses

	Note	Consolidated 30 June 2026 $	 30 June 2025 $
Audit fees		60,055	55,077
Bank Fees		46,064	46,030
Consultants' fees		178,227	207,906
Corporate related costs		71,004	113,031
Depreciation		37,481	46,931
Directors' remuneration		87,231	100,350
Net foreign exchange loss		-	16,547
Insurance		87,743	116,914
Legal expenses		36,612	32,195
Permit fees		-	21,957
Rent		17,598	26,424
Share-based payments		21,586	32,542
Travel		2,002	26,718
Other administrative expenses		109,274	104,272
		754,877	946,894

Note 4. Other Financial Assets

	Note	Consolidated 30 June 2026 $	 31 December 2025 $
Current			
Security deposit		5,500	5,500
		5,500	5,500
Non-current			
Rehabilitation bonds		4,935,836	3,796,301
Security deposit		39,990	41,041
		4,975,826	3,837,342

The rehabilitation bonds represent a mixture of term deposits held in interest-bearing accounts and direct deposits with Department for Energy & Mining for the purposes of rehabilitating the land after wells, oil facilities, flowlines and roading/tracks have been abandoned. The establishment of these deposits was a requirement of the Department for Energy & Mining, before title in the production licenses and exploration permits in the Cooper Basin could be transferred to the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 30 June 2026

Note 5. Exploration and Evaluation Costs

	Note	Consolidated 30 June 2026 $	31 December 2025 $
Cooper Basin			
Movement in the carrying value of exploration and evaluation costs			
Balance at the beginning of year		2,902,837	2,444,650
Capitalised expenditure during the period		253,638	458,187
Asset acquisition - Vanessa Gas Field	(a)	329,853	-
Balance at the end of year		3,486,328	2,902,837

Oil and natural gas exploration and evaluation expenditures are accounted for using the 'successful efforts' method of accounting. Costs are accumulated on a field-by-field basis. Geological and geophysical costs are expensed as incurred. Costs directly associated with an exploration well, and exploration and property leasehold acquisition costs, are capitalised until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to expense.

Once commercial reserves are found, exploration and evaluation assets are tested for impairment and transferred to development tangible and intangible assets. No depreciation and/or amortisation is charged during the exploration and evaluation phase.

(a) Vanessa Gas Field acquisition

On 16 June 2026, Bass Oil Limited completed the acquisition of a 100% interest in the Vanessa Gas Field, comprising Production Licence PPL 268, adjoining PRL 135, and Associated Activities Licences AAL 273 and 274 in the Cooper Basin, from Beach Energy Limited. The acquired assets include a shut-in gas production well, a gas processing facility, and a 5 km pipeline connected to the Moolion North gas gathering network.

The transaction has been accounted for as an asset acquisition, rather than a business combination, in accordance with AASB 3 Business Combinations. This assessment was based on the fact that the assets acquired do not constitute a business, as defined by the standard, due to the absence of substantive processes and workforce.

The total cost of the acquisition, including directly attributable transaction costs, amounted to $779,853. This includes purchase price (including adjustment amount) of $8,122, directly attributable transaction costs of $53,415 and fair value of assumed decommissioning liability of $718,316.

On completion, Beach Energy Limited paid the Company $450,000 as a contribution towards the abandonment liability. This has been recognised as a reduction to the Exploration & evaluation asset.

As part of the acquisition, Bass Oil assumed responsibility for future site abandonment and rehabilitation obligations. A provision of $718,316 has been recognised under AASB 137 Provisions, Contingent Liabilities and Contingent Assets, representing the present value of the estimated future costs.

Management exercised judgement in classifying the acquisition as an asset acquisition, based on an analysis of the inputs and processes acquired. The valuation of decommissioning obligations involved estimating the timing, scope, and cost of rehabilitation activities and applying an appropriate discount rate.

NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 30 June 2026

Note 6. Oil Properties

	Note	Consolidated 30 June 2026 $	31 December 2025 $
Cooper Basin, Australia		4,221,560	4,424,760
Tangai-Sukananti KSO, Indonesia		3,305,775	2,605,720
		7,527,335	7,030,480
Cooper Basin			
Movement in the carrying value of oil properties			
Balance at the beginning of year		4,424,760	4,644,380
Write off capital inventory		(62,706)	-
Remeasurement of rehabilitation provision		-	94,946
Depreciation, depletion and amortisation		(140,494)	(314,566)
Balance at the end of the period		4,221,560	4,424,760
Tangai-Sukananti KSO			
Movement in the carrying value of oil properties			
Balance at the beginning of year		2,605,720	3,220,865
Capitalised expenditure during the period		982,243	113,932
Remeasurement of rehabilitation provision		28,483	-
Depreciation, depletion and amortisation		(259,261)	(518,930)
Foreign exchange movement		(51,410)	(210,147)
Balance at the end of the period		3,305,775	2,605,720

Note 7. Provisions

	Note	Consolidated 30 June 2026 $	31 December 2025 $
Current			
Employee benefits		134,567	114,660
		134,567	114,660
Non-current			
Employee benefits		124,536	141,058
Restoration obligations – Indonesia (a)		289,647	280,155
Rehabilitation obligations – Australia (b)		4,888,671	4,079,165
Other		11,159	11,452
		5,314,013	4,511,830

Note 7. Provisions (cont'd)

(a) Movement in the carrying value of Indonesian restoration provision

	Note	Consolidated 30 June 2026 $	 31 December 2025 $
Balance at the beginning of period		280,155	324,240
Re-measurement of rehabilitation provision for estimated extension of life of field		28,483	-
Expenditure during the period		(20,701)	(41,703)
Accretion interest		8,690	21,461
Foreign exchange movement		(6,980)	(23,843)
Balance at the end of period		289,647	280,155

The restoration provision is calculated by Pertamina EP 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.

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 six-monthly payments to Pertamina. The unwinding of the discount is recorded as an accretion charge within finance costs.

The provision has been re-estimated after the KSO extension to September 2035 was granted in July 2023, which has increased the amount of the provision. The provision will reduce as rehabilitation payments are made.

(b) Movement in the carrying value of Cooper Basin rehabilitation provision

	Note	Consolidated 30 June 2026 $	 31 December 2025 $
Balance at the beginning of period		4,079,165	3,825,334
Rehabilitation provision assumed through Vanessa acquisition	5(a)	718,316	-
Re-measurement of rehabilitation provision for estimated extension of life of field and changes in discount rate		-	94,946
Accretion interest		91,190	158,885
Balance at the end of period		4,888,671	4,079,165

The rehabilitation provision for the Cooper Basin assets is based on an agreed amount between Cooper Basin operators and the Department for Energy and Mining from historical costs to abandon and rehabilitate wells, oil facilities, flowlines and roading/tracks. Over time, the liability is increased for the change in the present value based on a risk-free discount rate. The unwinding of the discount is recorded as an accretion charge within finance costs.

Note 8. Contributed Equity

	30 June 2026 Shares	31 December 2025 Shares	30 June 2026 $	31 December 2025 $
Issued and paid up capital				
Ordinary share fully paid	367,110,705	319,444,039	48,597,813	45,882,176
Movements in ordinary shares on issue				
Ordinary shares on issue at beginning of period	319,444,039	290,532,159	45,882,178	44,983,886
Issue of ordinary shares	47,619,048	28,911,880	3,000,000	925,180
Issuance of employee shares	47,619	-	3,000	-
Less transaction costs	-	-	(287,365)	(26,888)
Ordinary shares on issue at end of period	367,110,706	319,444,039	48,597,813	45,882,178

Terms and Conditions of Contributed Equity

On 24 March 2026 the Company issued 47,619,048 ordinary shares in a private placement to institutional and sophisticated investors through the issue of new shares at A$0.063 per share. The placement included a 1 for 2 free attaching option exercisable at A$0.0945 on or before 23 June 2028. The placement raised $3,000,000 before costs.

On 26 March 2026 the Company issued 47,619 shares to employees for $3,000 as remuneration for services rendered. The fair value of the shares issued was determined by the trading price at grant date.

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 30 June 2026, the Company has 46,201,973 (31 December 2025: 14,450,940) share options on issue, exercisable on a 1:1 basis for 46,201,973 (31 December 2025: 14,455,940) ordinary shares of the Company.

This includes 14,455,940 (31 December 2025: 14,455,940) share options at an exercise price of A$0.05 and an expiry date of 31 May 2028 and 31,746,033 (31 December 2025: nil) share options at an exercise price of A$0.0945 and an expiry date of 23 June 2028.

	Note	Consolidated	
		30 June 2026 Options	31 December 2025 Options
Movements in options on issue			
Balance at the beginning of year		14,455,940	-
Options issued – free attaching options		31,746,033	14,455,940
Options exercised		-	-
Balance at the end of period		46,201,973	14,455,940

Note 8. Contributed Equity (cont'd)

Share Performance Rights

Performance Rights were granted under the Bass Oil Performance Rights Plan to employees for no consideration, and recipients receive no cash benefit at the time of receiving the rights. The cash benefit, if any, would be received following the sale of the resultant shares, but this can only be achieved after the rights have vested and the shares are issued.

	Note	Consolidated	
		30 June 2026 Performance Rights	31 December 2025 Performance Rights
Movements in options on issue			
Balance at the beginning of year		-	2,300,000
Performance rights granted		2,400,000	-
Performance rights lapsed		-	(2,300,000)
Balance at the end of period		2,400,000	-

Performance Rights granted under the Bass Oil Performance Rights Plan were valued by an independent consultant applying the Monte Carlo simulation model at the time of grant to determine the probability of achievement of the share price growth condition. The Performance Rights were eligible to vest to the extent that the Performance Conditions specified were satisfied. The conditions include that recipients remained as an employee until 30 June 2027 and the share price growth over the period 1 January 2026 to 30 June 2027 is as follows:

Share Price Growth Performance over Measurement Period	% of Rights eligible to vest
Share Price Growth less than 25%	0%
Share Price Growth 25%	50%
Share Price Growth 25-50%	Pro-rata between 50% and 100%
Share Price Growth 50% or greater	100%

The shares in the Company traded at $0.063 and $0.053 on the grant date.

Note 9. Share based payments

	Note	Consolidated 30 June 2026 $	 30 June 2025 $
Fair value of employee restricted shares	8	3,000	-
Fair value of employee share rights		20,586	32,542
Fair value of Lead Manager options		124,708	-
Total		148,294	32,542

Share Performance Rights

During the half year, the Company granted 2,400,000 employee performance rights to Group executives. The performance rights were granted for no consideration, and recipients received no cash benefit at the time of receiving the rights. The cash benefit, if any, would be received by the recipients following the sale of the resultant shares, but this can only be achieved after the rights have vested and the shares are issued.

The performance rights become eligible to vest to the extent that the Performance Conditions specified are satisfied. The conditions include that recipients remain as an employee at 30 June 2027 and there is growth in the share price over the period 1 January 2026 to 30 June 2027.

Set out below are summaries of employee performance rights granted to the Managing Director, which were approved by shareholders at a general meeting and to an employee under the plan:

30 June 2026

Grant date	Expiry date	Exercise price	Balance at the start of the half year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half year
27/3/2026	30/6/2027	$0.00	-	750,000	-	-	750,000
14/5/2026	30/6/2027	$0.00	-	1,650,000	-	-	1,650,000

30 June 2025

Grant date	Expiry date	Exercise price	Balance at the start of the half year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half year
1/7/2024	31/12/2025	$0.00	750,000	-	-	-	750,000
1/7/2024	31/12/2025	$0.00	1,650,000	-	-	-	1,650,000

A share-based payment expense of $20,586 was recognised in the period to 30 June 2026 (30 June 2025: $32,542) pertaining to the rights listed above.

Note 9. Share based payments (cont'd)

For the employee performance rights granted during the current financial half-year, the Monte Carlo valuation model inputs used to determine the fair value at the grant date are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
27/3/2026	30/6/2027	$0.06	$0.00	69.7%	$0.00	4.37%	0.0255
14/5/2026	30/6/2027	$0.05	$0.00	69.7%	$0.00	4.37%	0.0255

On 14 May 2026 the Company granted 7,936,508 BASOD Listed Options to PAC Partners, who were Lead Manager of the Placement. The listed options have an exercise price of $0.0945 and expire 23 June 2028. The options were valued using a Black Scholes model for $0.0157 per option

Note 10. Related Party Disclosures

Terms and conditions of transactions with related parties other than Key Management Personnel

During the period the Group paid corporate advisory and investor relations fees to Adelaide Equity Partners Limited (a director related entity of Mr M Lindh) of $nil (30 June 2025: $52,500) and capital raising success fees to Adelaide Equity Partners Limited of $nil (30 June 2025: $9,252) (both under a under a corporate advisory and investor relations mandate). The fees were provided under normal commercial terms and conditions. Amounts outstanding at balance date were $nil (31 December 2025: $24,750).

Note 11. Segment Information

For management purposes the group operated in two business segments (two geographical areas) – exploration, development and production of oil and gas – Australia and Indonesia.

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 and development activities the Board managed each activity through review and approval Authority for Expenditure (AFE's) and other operational information. For oil production (from both the Cooper Basin assets located in South Australia and the Tangai–Sukananti KSO located in South Sumatra Basin in Indonesia) the Board manages the activities through review of production details, internal reports and other operational information.

The consolidated assets and liabilities as at 30 June 2026 and 30 June 2025 relate to oil production.

	Australia	Indonesia	Corporate	Total
30 June 2026				
Revenue	1,444,819	2,347,508	-	3,792,327
Other income	68,822	40,161	74,677	183,660
Total revenue and other income	1,513,641	2,387,669	74,677	3,975,987
Segment profit before depletion, depreciation and amortisation	270,985	1,291,629	(639,219)	923,395
Depletion, depreciation & amortisation	(162,274)	(296,162)	(580)	(459,016)
Profit/(loss) before income tax	108,711	995,467	(639,799)	464,379
Assets				
Current assets	1,387,405	3,029,115	1,574,344	5,990,864
Non-current assets	12,782,738	3,728,369	4,058	16,515,165
Total assets	14,170,143	6,757,484	1,578,402	22,506,029
Liabilities				
Current liabilities	(1,579,581)	(1,087,910)	(201,644)	(2,869,135)
Non-current liabilities	(4,968,710)	(345,425)	(58,043)	(5,372,178)
Total liabilities	(6,548,291)	(1,433,335)	(259,687)	(8,241,313)

Note 11. Segment Information (cont'd)

	Australia	Indonesia	Corporate	Total
30 June 2025				
Revenue	1,638,812	2,068,822	-	3,707,634
Other income	123,297	-	54,637	177,934
Total revenue and other income	1,762,109	2,068,822	54,637	3,885,568
Segment profit before depletion, depreciation and amortisation	500,715	658,119	(686,865)	471,969
Depletion, depreciation & amortisation	(186,194)	(363,158)	-	(549,352)
Profit/(loss) before income tax	314,521	294,961	(686,865)	(77,383)
Assets				
Current assets	599,716	2,957,136	643,544	4,200,396
Non-current assets	10,979,744	3,038,192	-	14,017,936
Total assets	11,579,460	5,995,328	643,544	18,218,332
Liabilities				
Current liabilities	(533,207)	(1,052,440)	(445,285)	(2,030,932)
Non-current liabilities	(4,301,207)	(37,146)	(51,761)	(4,390,114)
Total liabilities	(4,834,414)	(1,089,586)	(497,046)	(6,421,046)

Note 12. Contingent Liabilities

As at 30 June 2026 the Group had no contingent liabilities (31 December 2025: $Nil).

Note 13. Subsequent Events

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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Independent Auditor's Review Report

To the Members of Bass Oil Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Bass Oil Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated/condensed statement of financial position as at 30 June 2026, and 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 half-year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Bass Oil Limited does not comply with the *Corporations Act 2001* including:

a giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which indicates that for the period ended 30 June 2026 the Group recognised a profit after tax of $280,856 and had net cash outflows from operating and investing activities of $1,292,496. 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 conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 10 09 2026