



ASX/MEDIA RELEASE

5 February 2015

Kiliwani North Update

Bounty Oil & Gas NL ("Bounty") is pleased to announce an update on the Kiliwani North Development Licence ("KNDL"), Tanzania. The KNDL contains the Kiliwani North 1 ("KN1") well, which the Aminex PLC led joint venture expect to produce at approximately 20 mmcf/d when on-stream. Production start-up and subsequent revenues will represent a significant milestone for Bounty in Tanzania as it holds a 10% interest in KN1 and the KNDL. Independently verified resources at Kiliwani North are estimated to be 45 billion cubic feet of gas in place. Construction of the 2 km pipeline from the KN1 wellhead to the new Songo Songo processing plant, at zero cost to the joint venture, is underway and expected to be completed shortly. The joint venture has been notified by the Tanzanian Petroleum Development Corporation ("TPDC") that pressure testing of the pipeline is expected to commence during Q 1 2015.

The joint venture continues to look forward to signing of the Gas Sales Agreement ("GSA"), which is largely complete but is experiencing delays in closing due to government authorities' approval processes. The joint venture expects the GSA to be signed prior to any gas being delivered for pressure testing or commissioning and Bounty will continue to keep the market informed on developments accordingly.

Bounty CEO, Philip Kelso, commenting said "Bounty endorses the remarks by Aminex CEO, Jay Bhattacharjee, in the Aminex PLC press release on 3 February 2015 referring to the KNDL. Mr Bhattacharjee, commented: "As Aminex steps closer towards first gas in Tanzania, the Board is pleased with progress particularly given the backdrop of a wider and challenging Oil & Gas sector. While the GSA remains subject to final approval, the construction of the main pipeline is on schedule with pressure testing and commissioning expected to begin shortly."

Bounty reaffirms to shareholders that Aminex as operator is doing everything within its power to progress the GSA and move towards first production in the first half of 2015."

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ABBREVIATIONS

| | |
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| BCF: | Billion cubic feet (of natural gas) |
| BBLs: | Barrels of oil |
| Bopd | Barrels of oil per day |
| MMbbls: | Million barrels of oil. |
| BOE: | Barrels of oil equivalent. |
| MMBOE: | Million barrels of oil equivalent. |
| MMcf/d | Millions of cubic feet per day of natural gas |
| Contingent Resources | Discovered resources, not yet fully commercial |
| Prospective Resources | Undiscovered resources |

INFORMATION REQUIRED UNDER CHAPTER 5 OF ASX LISTING RULES

Estimates of oil and gas volumes presented in this announcement are:

- Reported at the date of this release
- Determined as an estimate of recoverable resources in place unadjusted for risk
- Best Estimate Prospective Resources unless specified as 2C in which case they are Proved and Probable Contingent Resources
- Estimated using probabilistic methods unless indicated with an "*" in which case they are deterministic
- If specified as " boe" then they are converted from gas to oil equivalent at the rate of 182 bbls \equiv 1 million standard cu ft of gas
- Reported at 100% project equity unless specifically stated as net to Bounty

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

QUALIFIED PERSON'S STATEMENT

1. The petroleum Reserve and Resources estimates used in this report and;
2. The information in this report that relates to or refers to petroleum or hydrocarbon production, development and exploration;
3. Is based on information and reports prepared by, reviewed and/or compiled by the CEO of Bounty, Mr Philip F Kelso. Mr Kelso is a Bachelor of Science (Geology) and has practised geology and petroleum geology for in excess of 25 years. He is a member of the Petroleum Exploration Society of Australia and a Member of the Australasian Institute of Mining and Metallurgy.
4. Mr Kelso is a qualified person as defined in the ASX Listing Rules: Chapter 19 and consents to the reporting of that information in the form and context in which it appears.