



4th January 2010

ASX/MEDIA RELEASE New Seaclem 1 – Final Report



21 Dec 2010 - Semi submersible rig "Ocean Patriot" on location at New Seaclem 1, PEP 11.

Bounty Oil & Gas NL ("Bounty") announces final report on the New Seaclem 1 exploration well in PEP 11, offshore New South Wales. MEC Resources (ASX:MMR) investee company Advent Energy Ltd (Advent) has reported:

Final Report

Since the last report on 29th December the well was drilled to final depth of 750 metres BRT in a pre Cainozoic age sequence possibly of Triassic age. The LWD data (logging data obtained while drilling) was reviewed and a full suite of wireline logging was completed. No hydrocarbons were encountered and the well has been completed.

Demobilisation of third party contractors and the "Ocean Patriot" is now reaching its final stages, with contractual handover of the rig to the next operator anticipated for Friday. The well was completed on time and without incident under the supervision of drilling engineering and project management group Du-El Drilling Services

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Well Data:

The New Seaclem-1 well, has acquired a significant volume of valuable and new information about the offshore Sydney Basin a previously unexplored area. Included in these initial findings is the identification of potential reservoir and seal pairs which consist of high porosity Tertiary sandstones along with several formational and intraformational seals. One such sandstone was interpreted to be 40 metres thick with an average porosity of 30%. The sand was interpreted to have potential to thicken up dip from the drill location.

Acquisition of additional seismic data will be required to determine the size and extent of these potential reservoirs.

The wireline logging data identified numerous sand bodies above total depth (750 metres BRT) that demonstrated porosity and permeability though indicative of bearing high salinity water. This log data indicates the presence in the Sydney Basin of potential reservoirs suitable for migration and trapping of moveable hydrocarbons in an area with proven gas generation and migration

This data will assist seismic acquisition and further interpretation of the deeper structural targets including the Fish and Baleen prospects. The data may also assist the identification of suitable geo-sequestration sites.

The Fish and Baleen prospects have been independently estimated to each have multi-trillion cubic feet (TCF) potential for the discovery of natural gas. A report prepared by an independent consultant for Advent gave a P50 estimate of 6 TCF of prospective recoverable gas resources for all the Permo-Triassic age prospects in the Fish - Baleen area.

The joint venture will carry out detailed micro-palaeontological studies to determine the exact ages of the sections penetrated by the well.

This age and other data will be integrated with the existing seismic data to plan a forward program of new seismic data acquisition

Commenting on the well result, Bounty's CEO, Philip Kelso said:

Although this first well in the offshore Sydney Basin has not made a gas discovery in the post Mesozoic age section there are many positives for Bounty.

Completion of what was a year 5 commitment well at no cost to Bounty has secured the permit going forward for at least 3 years with an appropriate exposure for Bounty as a 15% working interest holder.

Drilling in the apparent Triassic age section down to 750 metres is indicating porosity in a sequence different from the pre drill geological model.

The discovery of porosity and potential reservoir/seal couplets in this likely Triassic section has enhanced the probabilities of encountering hydrocarbons at other mapped prospects and leads like Fish – Baleen and has given encouragement to continue exploration in PEP 11 where gas generation and migration has been proved.

These seismically mapped deeper targets with major gas potential in the Permo-Triassic age sequences will be the subject of new seismic acquisition.

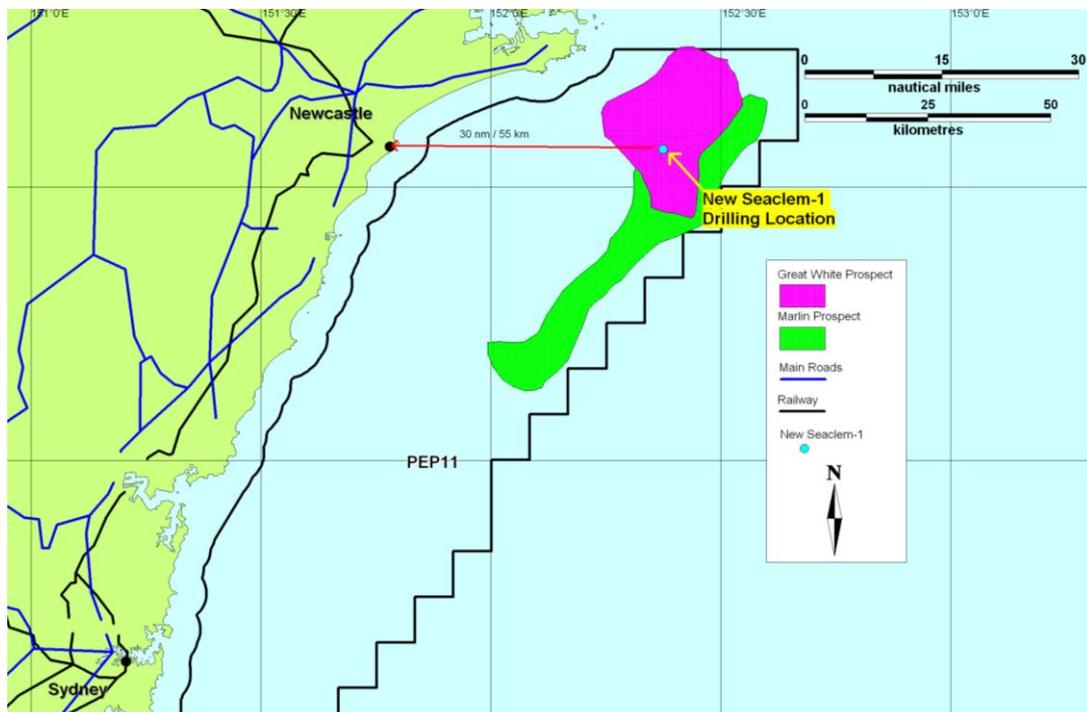
We look forward to progressing the exploration of PEP11 in joint venture with Advent. It is a very large 8,200 square kilometre permit and Bounty expects that the operator will plan 3D seismic acquisition after post well studies."

New Seaclem-1 Well Summary

Brief well details:

Name:	New Seaclem 1
Position:	Latitude: 32°55'49.7" Longitude: 152°22'25.07"
Actual Total Depth	750metres approx.
Abbreviations	BRT: measured distance in metres below rotary table of rig BOP's blow out preventers LWD tools: Logging while drilling – instruments in the bottom hole drilling assembly to conduct measurements while drilling.

Location Map



Bounty is an Australian ASX listed oil producer and explorer (ASX Code: BUY) Its core petroleum production and exploration assets are located in the Cooper/Eromanga Basins and in the Surat Basin in Queensland and South Australia. Its growth assets are spread over a number of high impact projects in Australia and Tanzania where it is exploring for oil and gas. In Australia it is a participant in PEP 11, Sydney Basin. There is up to a total 16 (TCF) gas potential in the whole permit.

Bounty has other permits including Tanzania where it is a participant in the Kiliwani North gas discovery and is exploring additional gas pools with up to 1 TCF potential.

Bounty has reserves and resources approaching 4 million barrels of oil equivalent.

[Information in this release that relates to or refers to petroleum or hydrocarbon reserves or resources is based on information compiled by Mr Philip F Kelso the CEO of Bounty Oil & Gas NL. Mr Kelso is a Bachelor of Science (Geology) and has practised geology and petroleum geology for in excess of 20 years. He is a member of the Petroleum Exploration Society of Australia and a Member of the Australasian Institute of Mining and Metallurgy. He has consented to the reporting of that information in the form and context in which it appears in this release.]