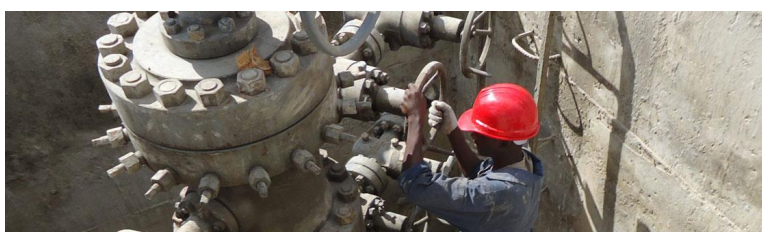




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ASX / MEDIA RELEASE

Kiliwani North – Gas Project Update



Bounty Oil & Gas NL (Bounty) is pleased to announce an update on the Kiliwani North Gas project; Tanzania. The operator of the project is Aminex PLC (Aminex) and in country operations are conducted by its wholly owned subsidiary Ndovu Resources Limited ('Ndovu').

Aminex has advised that the final well integrity testing of the Kiliwani North-1 well ("KN-1") has been concluded, recording a high tubing pressure reading relative to the other producing wells on Songo Songo Island. A wellhead control panel has been installed and all work required by the operator prior to gas production will shortly be complete.

Tanzania Petroleum Development Corporation ("TPDC") has provided a revised work schedule and informed the operator that the commissioning of the Songo Songo Island gas plant is expected to commence in early April. During the commissioning programme, the initial production rates will be managed to allow for testing of the new gas processing facility and related pipelines.

All KN-1 gas will be sold to the TPDC at wellhead for an agreed price of \$3.00 mmBTU (approximately US\$3.07 per mscf), payable in US dollars, and will ultimately be transported by pipeline to Dar es Salaam, where it will be on sold by TPDC into the local Tanzanian market.

Commenting; Bounty's CEO, Philip Kelso said:

"Bounty as a joint venture participant is now very close to becoming a Tanzania gas producer. The successful conclusion of the well integrity tests and installation of the wellhead control panel finalises the joint ventures' preparations prior to the commissioning of the new Songo Songo Island processing facilities. Bounty looks forward to the commencement of gas production and revenues. In 2016 Bounty anticipates it will start to receive gross annual revenue of around A \$ 2.5 million from this project and have its first bookable gas reserves in Tanzania."

For further information, please contact:

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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. It also holds oil exploration interests in Western 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 holds AC/P32 in the Timor Sea with the 500 mmbbl OOIP Azalea Prospect as its first drill target.

Bounty has gas development permits in Tanzania where it is a participant in the Kiliwani North Gas Field development and the Nyuni Exploration Licence.

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

ABBREVIATIONS

mmBTU	Million British Thermal Units
MSCF/mscf, MMCFG/mmcf, MMCFGD/mmcfgd	Thousand standard cubic feet, million cubic feet of gas, million cubic feet of gas per day
TPDC	Tanzania Petroleum Development Corporation

[The information in this report that relates to or refers to petroleum or hydrocarbon production, development and exploration 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 40 years. He is a member of the Petroleum Exploration Society of Australia and a Member of the Australasian Institute of Mining and Metallurgy. 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.]