

Bounty Oil and Gas NL

Annual General Meeting

November 27, 2018

CEO Presentation

ASX Code: BUY



Philip Kelso - CEO



Drilling Jarrar 5, Naccowlah

This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: product price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, oil and gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

All references to dollars, cents or \$ in this document are Australian currency, unless otherwise stated

ASX Listing Rules – Chapter 5 Reserves and Resources

ASX LISTING RULES 5.25 – 5.45

- All Bounty Oil & Gas NL (Bounty) petroleum Reserves and Resources assessments follow guidelines set forth by the Society of Petroleum Engineers – Petroleum Resource Management System (SPE-PRMS). Bounty is compliant with recent listing rule changes for reporting of estimates as defined in Chapter 5 of the ASX Listing Rules.

INFORMATION REQUIRED UNDER CHAPTER 5 OF ASX LISTING RULES - THIS ASX RELEASE

For the purposes of Chapter 5 estimates of petroleum oil volumes presented in this release 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 otherwise stated estimated using probabilistic methods
- Reported at 100% net to Bounty
- If specified as "boe" then they are converted from gas to oil equivalent at the rate of 182 bbls \equiv 1 million standard cubic feet of gas
- 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.

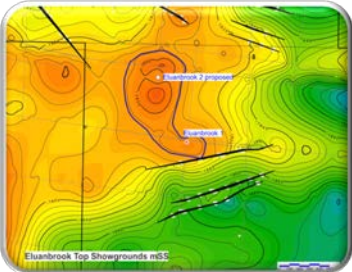
QUALIFIED PERSON'S STATEMENT

- The petroleum Reserve and Resources estimates used in this report and ;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 25 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.



Corporate

- Petroleum Revenue \$1.57 million (2017 \$2.39 million)
- 2019 Oil revenue anticipated to reach \$2.6 million as new Naccowlah Wells come online
- New pipelines to carry additional Naccowlah Oil to Jackson and Port Bonython
- Cash and current assets at 30 June 2018 - \$2.48 million with nil debt



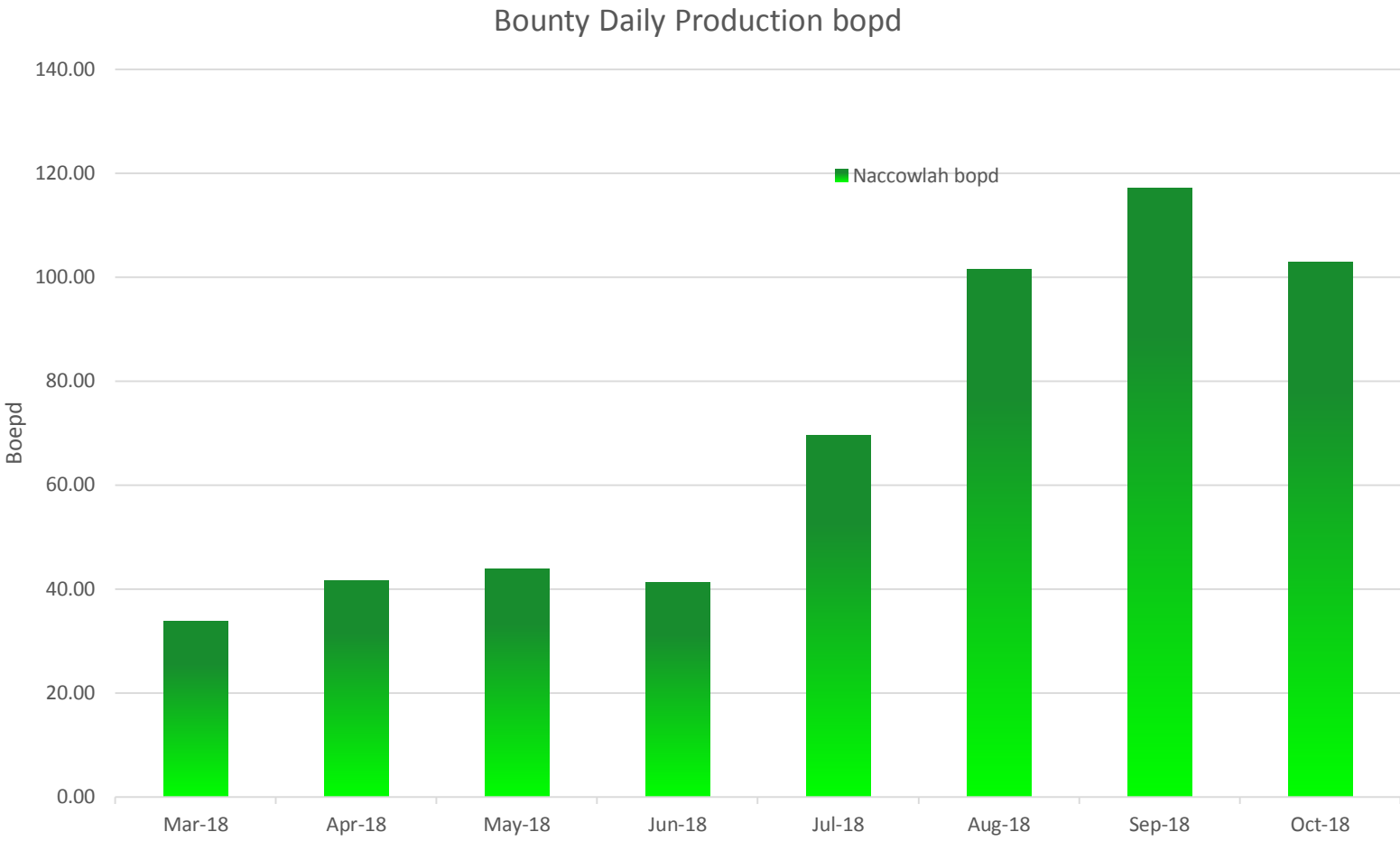
Production

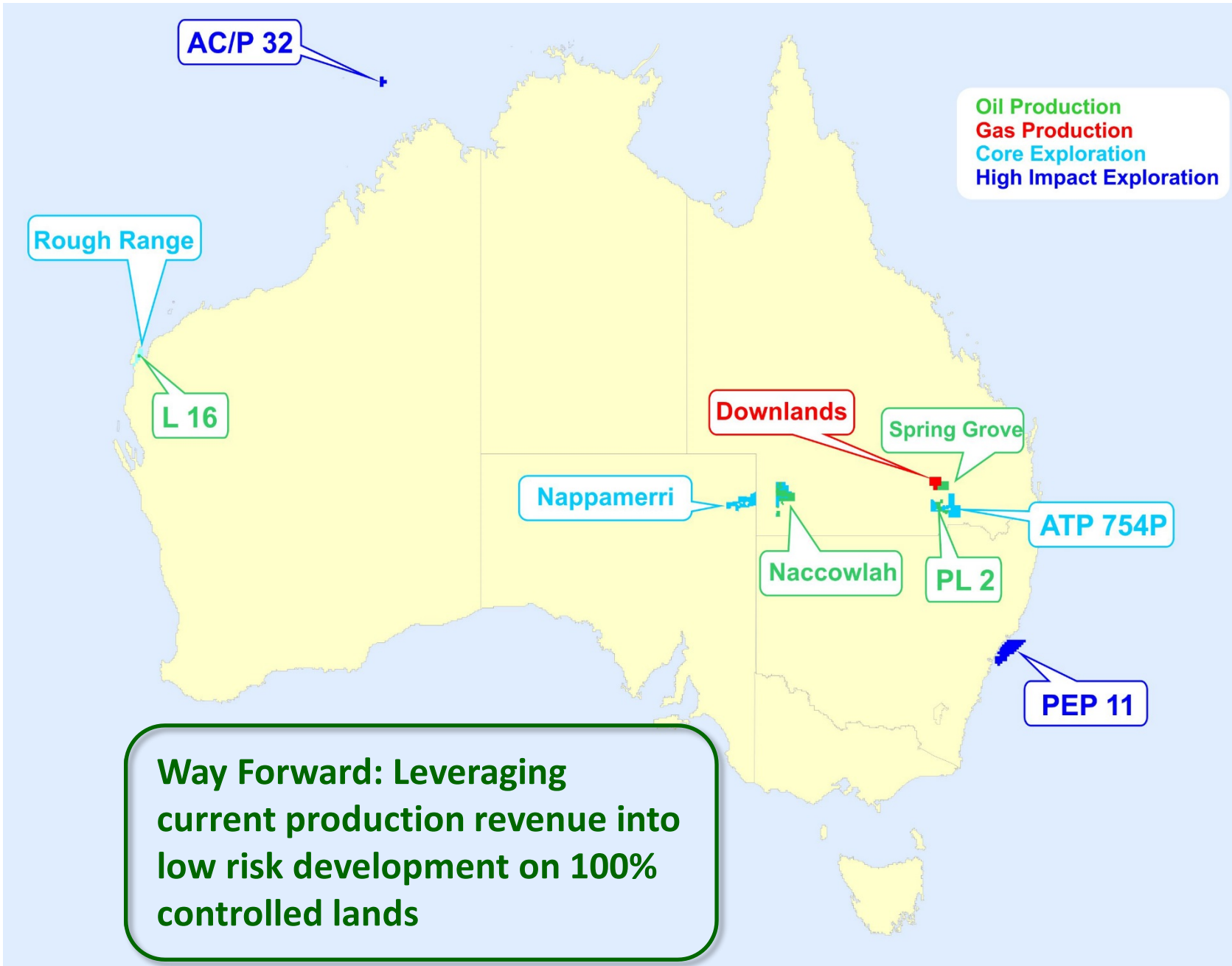
- Naccowlah - 13 well drilling program underway
- Current program to date has 5 successful wells out of 6, - 83%
- Naccowlah Reserves increasing
- Surat Project – PL441 Downlands gas renewal imminent



Appraisal, Development and NFE.

- Targeting over 1 million barrels in the Surat Basin in Bounty controlled lands



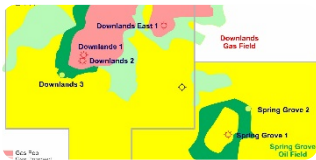


Way Forward: Leveraging current production revenue into low risk development on 100% controlled lands

Production and Development



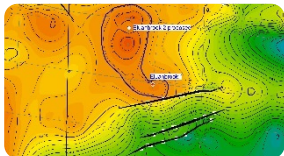
Naccowlah (2%) – Late 2018 – 2019 program totalling 13 wells, 83% success so far



Downlands (100%) – Native Title claim cleared, renewal being finalised, field was producing ~45 boepd at 2010 shut in

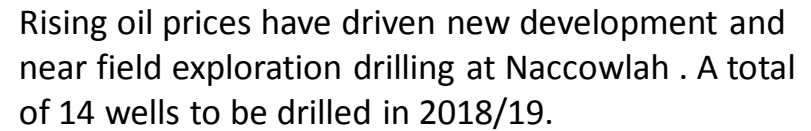


PL 2- Alton (100%) – 200,000 bbls of possible production from oil in attic and behind pipe pools, renewal underway.



PL 2B - Eluanbrook Up Dip (81.75%) – 200,000 bbls target up dip from proven oil.





Watkins 2 & 3 have been very good producing wells producing at up to 100 bopd net to BUY when bought on stream.

Pallano E NFE well was P&A

Cooroo NW 2 was cased pending completion as a producer

Wenda NFE now drilling and Wallis NFE is next in the queue

- 2019 Planning for three more development wells at Watkins and two appraisal wells at Watson North

2018/19 drilling has significantly exceeded both production volumes net to BUY and reserve additions net to BUY. Production target already exceeded by 100% by Watkins 2 &

Southern Surat Basin QLD - a focus area for oil/condensate and gas.

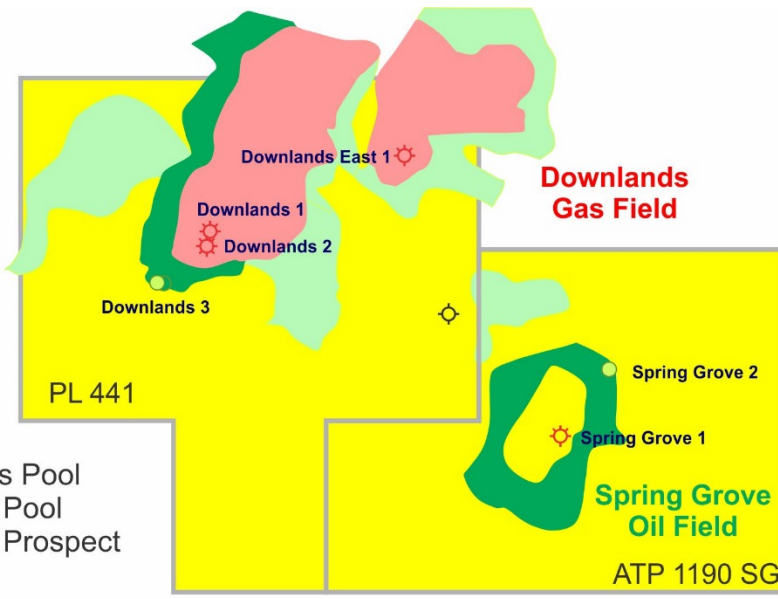
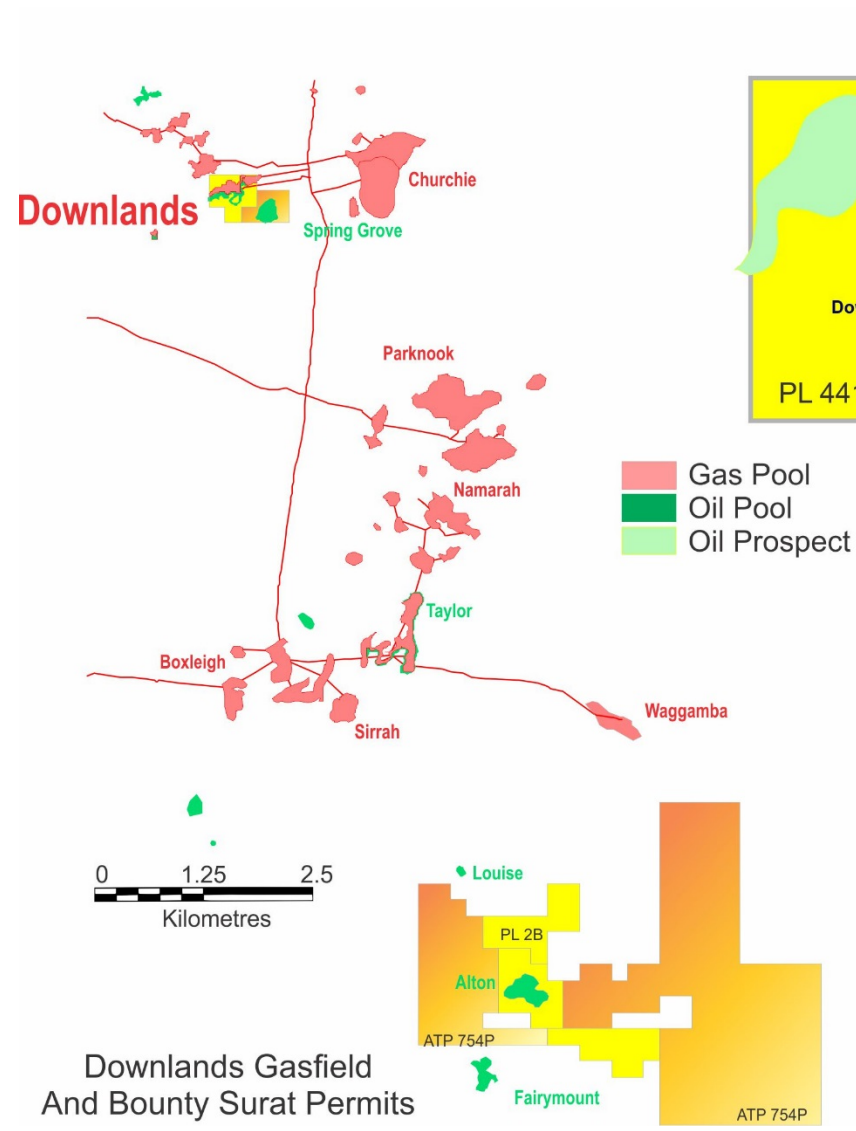
Bounty operator and has full control to contain costs and ensure profitability

Start small scale with proven reserves and work upward

Alton in PL2 ideal candidate, instant production available, significant upside in undeveloped oil

Downlands gas PL441 and oil behind perforations ready to produce. Gas with Oil upside

Downlands PL441 – Lease renewal imminent - Shut in Gasfield



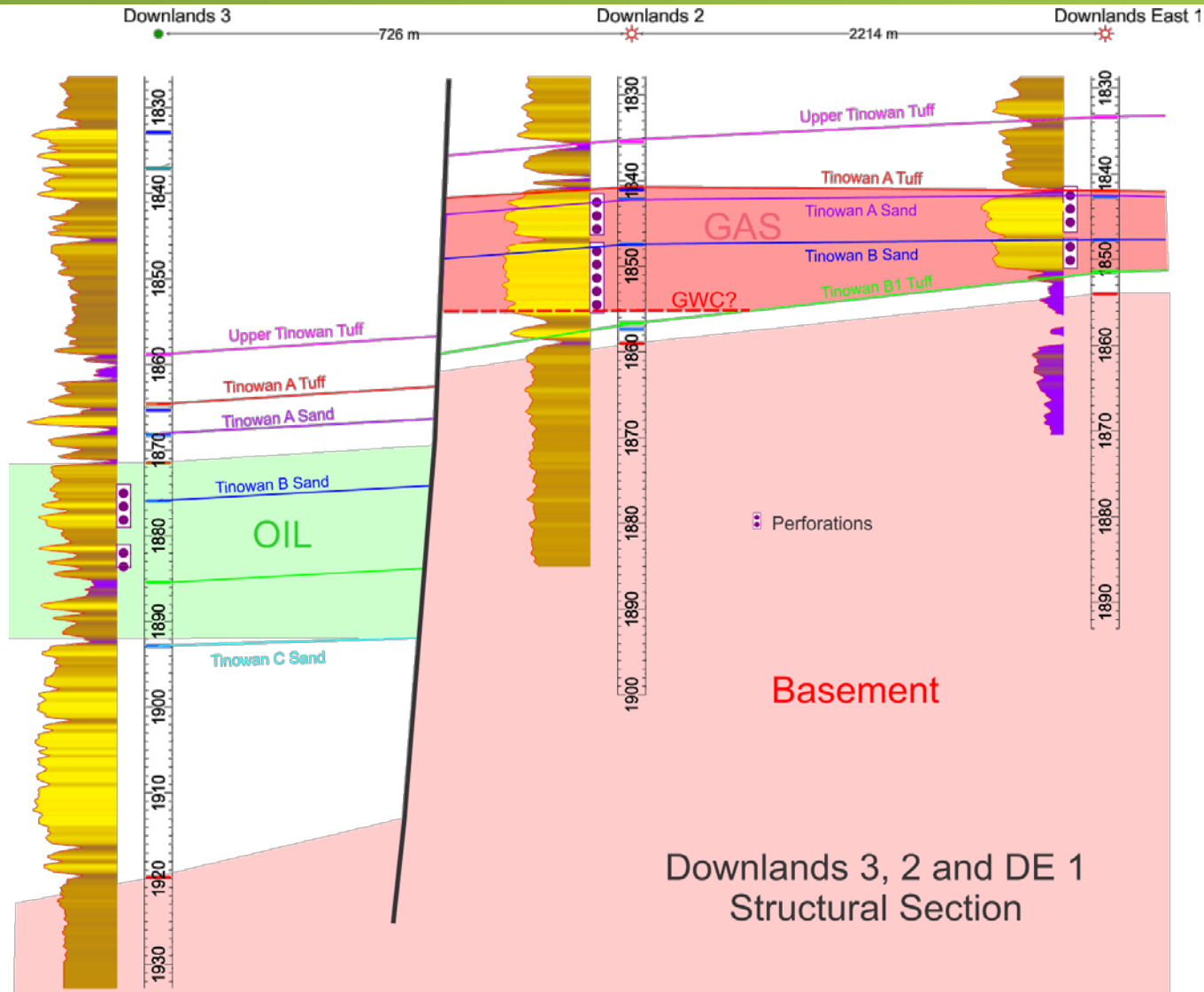
PL441 Native Title Claim cleared, lease renewal imminent

Field shut-in in December 2010 as production pipeline was repurposed. Downlands 2 was flowing 310,000 scfg/d at closure with no noticeable decline. Intermittent production of small volumes of oil.

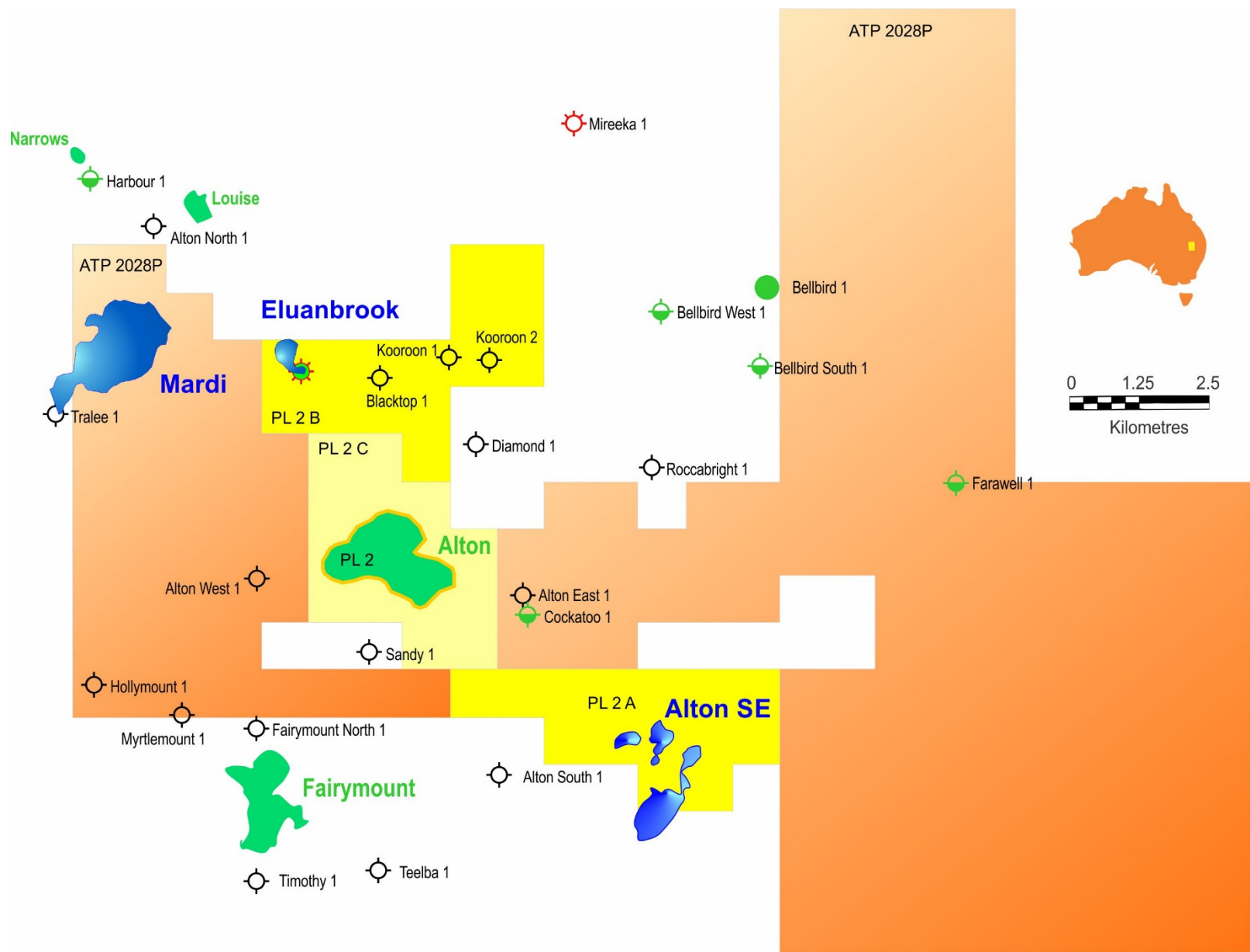
Previous operator estimated that over 1 Bcf of gas remained undeveloped at Downlands

Upon lease renewal restore production and appraise oil leg

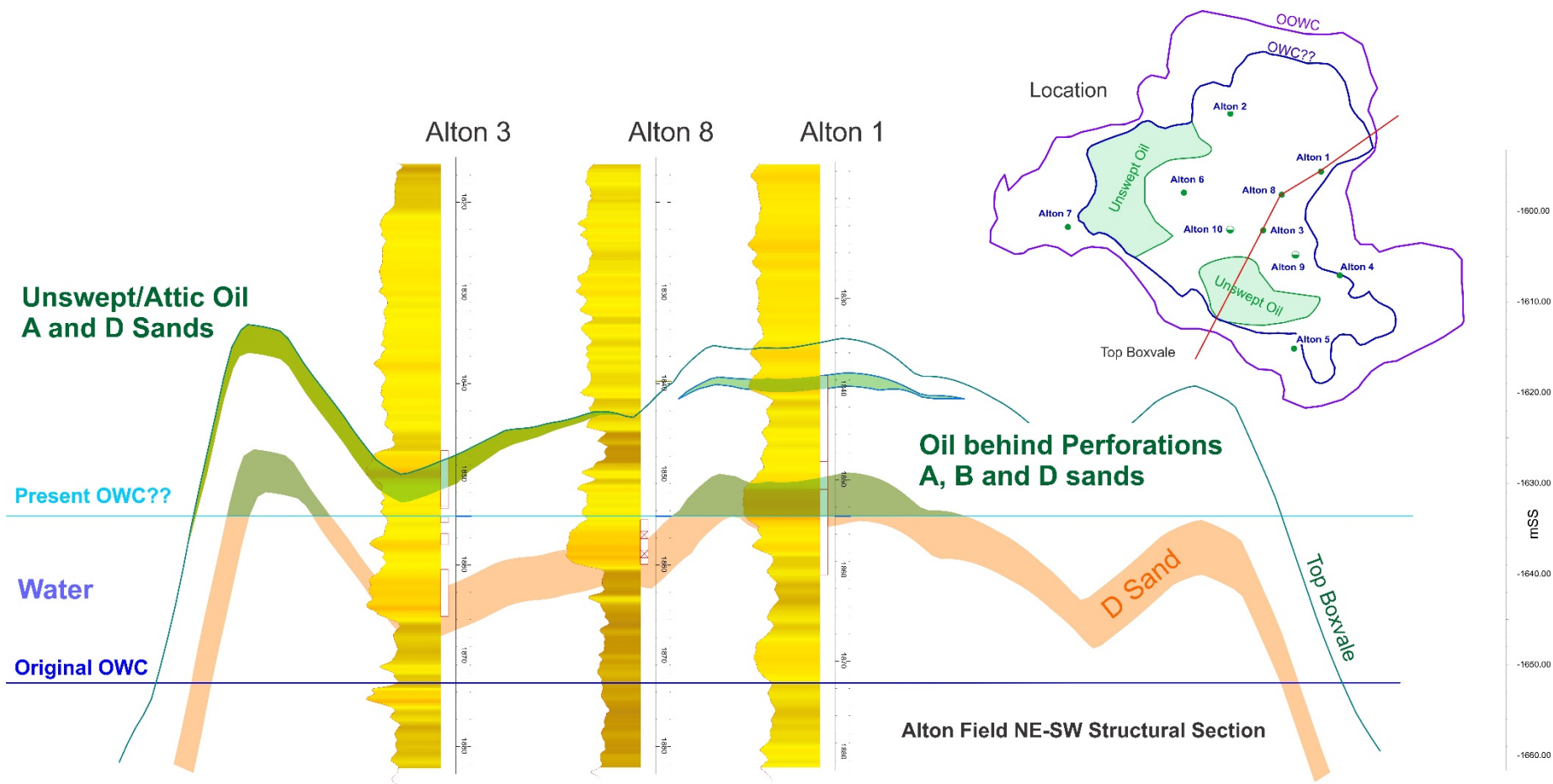
Downlands PL441 - Oil Leg



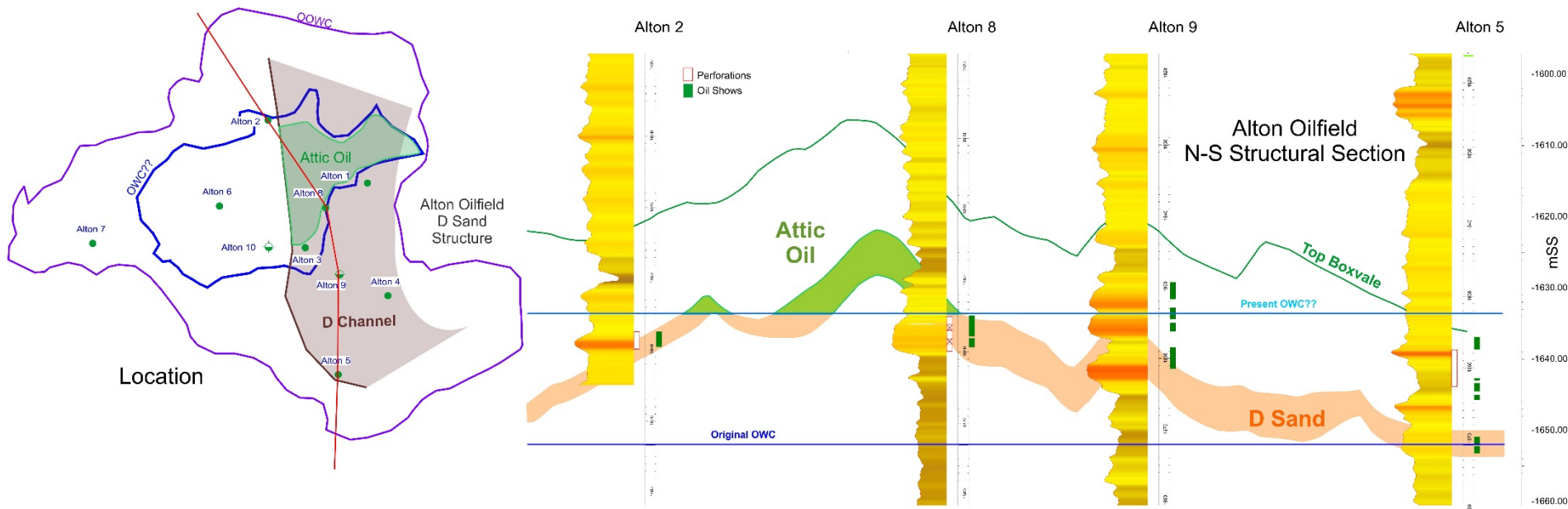
- Proposed to re-open Downlands 3 as part of a programme to re-develop the oil leg at Downlands which previous workers had estimated could contain as much as 300,000 bbls P50 recoverable oil.



PL2 Alton Oilfield - Recommence Production



- Alton 1 and 3 have oil above what is possibly the current OWC in the A, B and D sands, ready for immediate production
- The western part of the field has small areas of possible unswept oil in the A and B sands and attic oil in the D sand
- In excess of 100,000 bbls to be produced from these zones



- D sand is the best reservoir in the field and forms a channel striking NS along the eastern side of the structure
- North of Alton 1, 3 and 8 is a well developed attic in the D Sand which could contain 160,000 bbls recoverable oil
- This will be pursued from cash flow generated by ongoing production when the field is re-opened

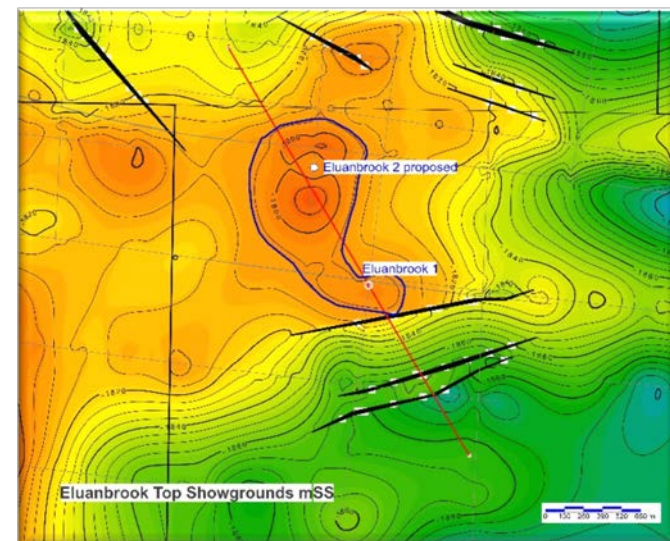
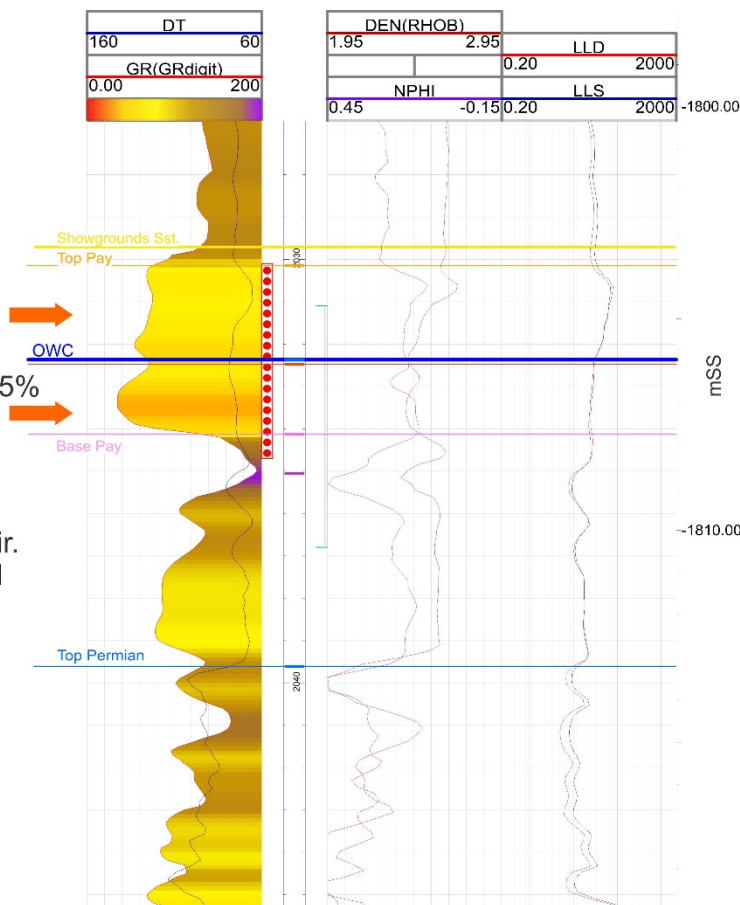
Eluanbrook 1

Perfs straddled OWC

Poor reservoir, porosity < 11% and permeability < 5 mD

Good reservoir, porosity av. 15% and permeability 28 mD

Eluanbrook 1 intersected the OWC above the best reservoir. Production started at 15 bopd with 65% water cut, after 3 months flowed 1.5 Bopd with 85% water cut



- Eluanbrook 1 intersected only poor reservoir above the OWC, but perforated across the OWC; on production the good porosity and high permeability sands produced, watering the well out.
- New 2D seismic has closely defined an updip low risk location - Propose to drill up dip, success contingent on reservoir

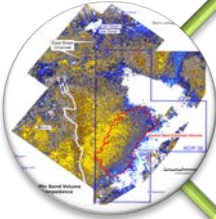
2P, 2C or P50 Resources mbbls

Project	Proven	Contingent	Prospective	Notes
Alton	48*	168		Contingent on Drilling
Eluanbrook Updip		186		Contingent on Reservoir
Mardi Boxvale			210	Exploration Prospect
Downlands Oil		340		Contingent on Engineering
Spring Grove		346		Contingent on Engineering
Total	48	1040	210	

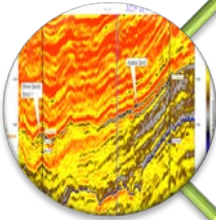
*Remaining Oil in proven developed pools

- **Engineering contingency is a dependence on reservoir stimulation to increase and maintain production**
- **Reservoir contingency is a dependency on the reservoir continuing or improving**

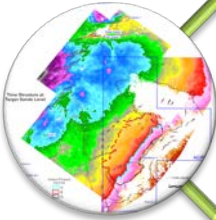
AC/P 32 Timor Sea - Azalea Prospect Overview - Main Points



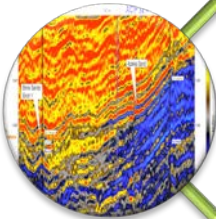
Bounty has successfully delineated and de-risked the Azalea Prospect , ready for farmout



Azalea contains potential 500 million barrels of oil (MMbo) in place in the Puffin Sand reservoir up dip from proven oil in the well Birch 1



Bounty conservatively estimates that 100 MMbo are recoverable, making this one of the largest undrilled potential oil pools in the Timor Sea



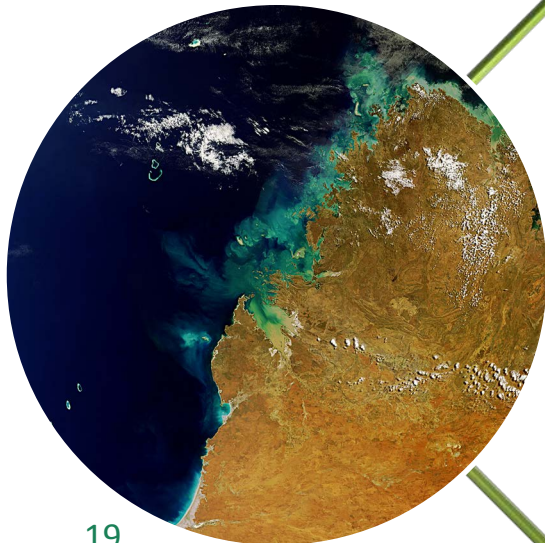
Azalea Prospect is anticipated to be in excellent, high porosity and permeability sands of Puffin Formation and is located at 1800 metres depth in shallow water suitable for a jack up type rig



This is a substantial project for Bounty, and well supported by leading edge science and analysis.



**2019 Gross Oil revenue to be leveraged
into 6-8 Naccowlah Wells and Surat Basin
low risk development and appraisal
opportunities, targeting ~1,000,000 bbl
Contingent Resources**



**Pursuing 100 – 200 Mmbo recoverable oil
play at Azalea Prospect (AC/P 32)**