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MEDIA RELEASE

PEP 11 - Baleen-Basis of Well Design Report

Bounty Oil & Gas NL (Bounty) (ASX: BUY) is pleased to report that the PEP 11 Joint Venture operator a subsidiary of BPH Energy Limited (ASX: BPH) (BPH) has now received a Basis of Well Design Report (Report) for the Baleen – 1 gas exploration well for offshore license PEP 11. Bounty has a 15% direct interest in PEP 11.

Location – Figure 1 below.

On 8 March 2021 BPH advised that it had appointed Add Energy a major offshore service and drilling manager under a Preliminary Well Services Agreement relating to preparation for drilling of the Baleen well. The scope was to undertake a phased approach to providing technical support in the following areas:

- Review of current well design documentation.
- Develop a suitable well design and cost estimates.
- Develop drilling schedule and define a ready to drill tentative window.

The scope included review of existing data and the latest geological prognoses for the well, documentation of the subsurface well design envelope and compilation of a preliminary well design, project costs and schedule to complete.

The Report received from Add Energy documents the Basis of Well Design (BOWD) and rationale for design of the well, the well cost compilation and the project schedule.

The Report addresses the revised drill target on the Baleen prospect initially announced with total depth of 2150 metres on seismic data line B4-18.

As advised the joint venture now intends, subject to approvals and funding, to undertake deeper drilling in Baleen – 1 to evaluate the Offshore Sydney Basin for carbon sequestration (storage).

This has resulted in a revised specification of a well to target early Permian sandstones for both hydrocarbon and carbon sequestration potential with a revised total depth of approximately 3150 m.

The significance of the carbon storage objective in addition to gas has been highlighted by the report from The Australian Financial Review (7 April 2021) "*Carbon prices tipped to surge*" which references dramatic action in Europe's carbon markets with "carbon prices almost doubling in the last four months from Euro 23 (\$35) a tonne in November 2020 to Euro 41 (\$62) in March 2021 as more ambitious (carbon) markets aligned with net zero emission goals to drive prices higher."

The Basis of Well Design report is now being assessed and further announcements will follow.

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 in SW Queensland and South Australia and in the Surat Basin; E Queensland. It also holds oil exploration interests in Western Australia. Its growth assets are spread over a number of high impact projects in Australia where it is exploring for oil and gas. In Australia it holds a 15% interest in PEP 11 offshore Sydney Basin.

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Figure 1 - Location of PEP 11 offshore Australia (above) and location of Baleen well site approximately 24 km offshore and approximately 30 km SSW of the city of Newcastle

