



ASX/MEDIA RELEASE

29 October 2021

Quarterly Activities Report – End September 2021

▪ *Highlights*

- Bounty has farmed into the Cerberus Project Carnarvon Basin offshore WA, to acquire a 25% interest in shallow water targets with over 600 million barrels of oil potential.
- PEP 11, planning for Sea Blue 1 well targeting the Baleen gas prospect ongoing with contractors selected and letters of intent issued.
- Oil prices have increased in Australian Dollar terms by 73% this year, bringing prices to levels not seen since the peaks of 2013/14

▪ *Oil Development – Naccowlah Block*

- Naccowlah Block oil delineation and development drilling has been pushed out to 2022
- With oil prices at over \$100 per bbl Naccowlah production to continue Bounty oil revenue

▪ *Oil/Gas Exploration*

- Preparations for oil production continuing at Alton area in Surat Basin

Oil Business - Production:

Bounty produces oil from the Naccowlah Block in SW Queensland.

Average realised oil price for the quarter was AUD 105/bbl.

Bounty expects to commence oil production from the Alton area, Surat Basin, SE Queensland in late 2022.

Bounty's unaudited petroleum revenue, production and sales for the quarter ended 30 September 2021 are summarised below.

Revenue:

		\$
Q1	1 July to 30 September 2021	
ATP 1189P ⁽²⁾	Bounty Share (2% Interest) - Oil	387,340
	Total Revenue ⁽¹⁾	387,340

(1) GST exclusive (2) Naccowlah Block

Production:

		Bbls/Unit
Q1	1 July to 30 September 2021	
ATP 1189P	Bounty Share (2% Interest) bbls	3,469
	Total Production bbls	3,469

Sales:

		Bbls/Unit
Q1	1 July to 30 September 2021	
ATP 1189P	Bounty Share (2% Interest) bbls	3,641
	Total Sales bbls	3,641

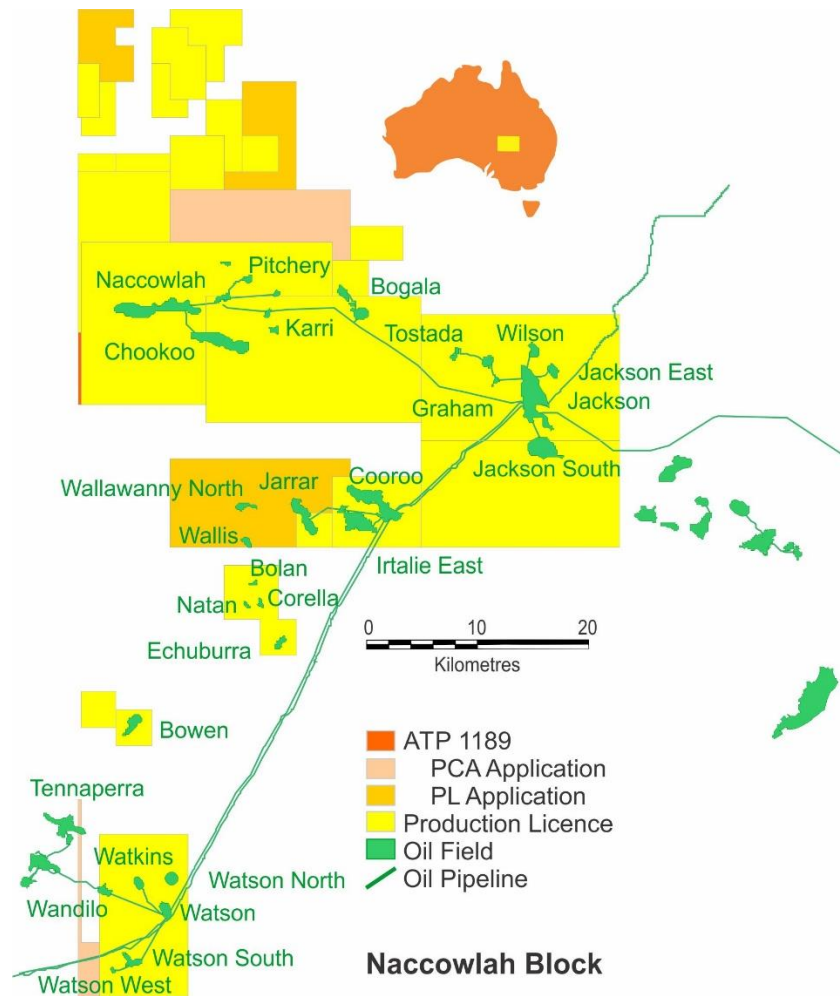
Oil Business – Production and Development:**SW Queensland****ATP 1189P Naccowlah Block and Associated PL's - Bounty 2%**

Location: Surrounding Jackson, Naccowlah and Watson Oilfields

Background - Summary

The Naccowlah Block comprises 1,804.5 km² approximately 6% of which is covered by ATP 1189 (N) and Potential Commercial Area (PCA) application and the remainder in 23 petroleum production leases (PL's) and 3 PL applications.

NACCOWLAH BLOCK, COOPER BASIN, SW QUEENSLAND



Activities during the Quarter

Principal activities during the quarter were recompletions and stimulation of zones in existing wells and ongoing production optimisation.

Significant Activities Next Quarter - 2021

The operator is preparing to build additional pipelines in the greater Cooroo/Natan-Bolan-Corella area of Naccowlah Block to transport additional developed oil from the recent successful drilling campaigns. Bounty anticipates additional appraisal drilling in 2022.

Oil Business – Development:

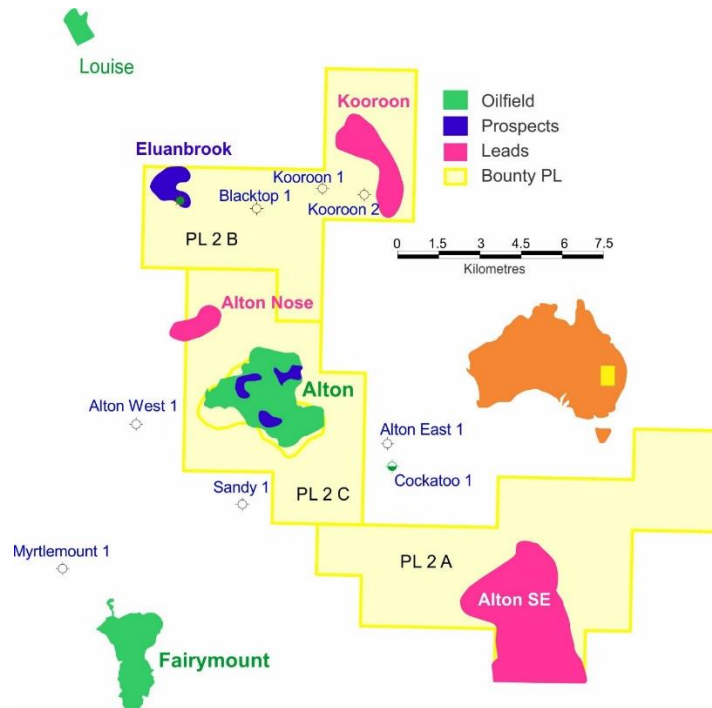
Southern Surat Basin Onshore Queensland

PL 2 Alton Oilfield Bounty - 100%;

Location: 70 km northeast of St. George and 440 km west of Brisbane, SE Queensland.

Background

The location of Bounty group Southern Surat Basin interests is shown below. Alton has had historical production of over 2 million barrels from the early Jurassic age Evergreen Formation.



Bounty’s oil resources in the Southern Surat Basin are light oils (high API) derived from Permian coals (Cooper Basin equivalent) and offer 360,000 bbl 2C recoverable oil in proven pools for development.

Activities during the Quarter and Next Quarter

Bounty focused on data digitisation, compliance and development planning for 2022 oil production.

The oil prices improved during the quarter and Bounty is proceeding with expenditure and plans to re-commence oil production at Alton.

2021 Plans

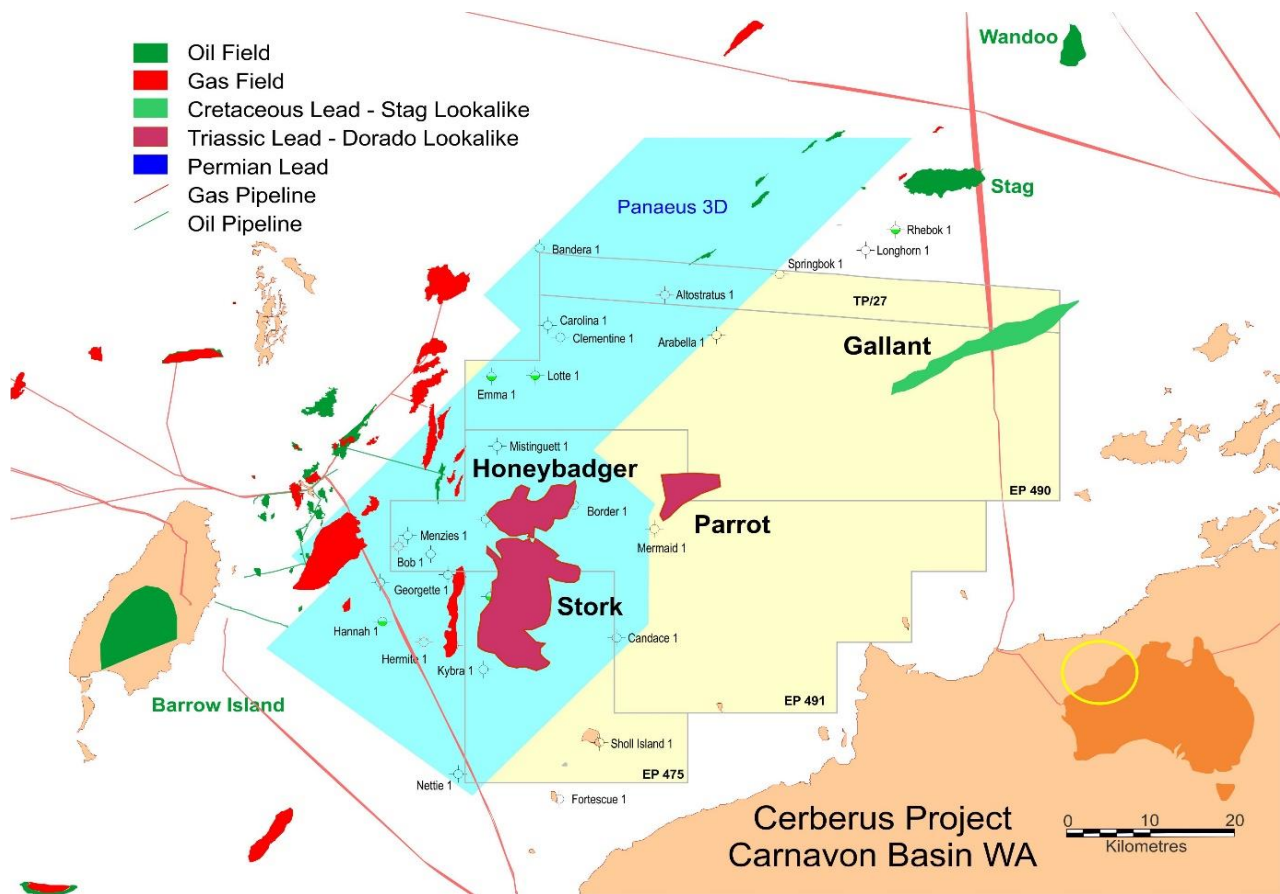
Bounty is actively planning to work over 2-3 wells at Alton in 2022 and commence oil production while it generates a full field development plan aimed at producing 167,000 bbls of potential recoverable oil of from the Evergreen Formation. Further development will include drilling an up-dip appraisal well at Eluanbrook in the northwest section of PL 2 B and up to 3 attic oil locations within Block 2 C - the Alton Pool. Initial production of 100 bopd is expected from the Evergreen Formation and then moving to develop attic oil.

Surat Delineation/Exploration

Applications for PCA’s covering ATP 2028 were declined and Bounty fully impaired its investment expensed as at 30 June 2021.

Major Growth Projects

Cerberus Project Offshore Carnarvon Basin WA – Bounty Earning 25%



Background

On 7 October 2021 Bounty entered a farmin agreement to earn a 25% interest in this 600 mmbbl potential oil project, offshore Carnarvon Basin, West Australia.

The Cerberus Project incorporates 3,759 km² in four permits - EP 475, 490, 491 and TP 27 offshore Carnarvon Basin and lies 70 km. east of Barrow Island. It is right in the heart of Australia's most active oil production area and offers a large number of prospects and leads, many drill ready, with prospective resources of over 600 million barrels.

Bounty is farming in to earn 25% by paying A\$6 million towards the cost of drilling 3 wells and retains an option for six months to earn two additional tranches of 25% each by pro rata contributions to the well costs or finding farmin partners. The project is principally targeting oil in a lower Triassic source rock and reservoir sequence at the base of the Locker Shale, in lookalikes to the highly successful Dorado Project (2C reserves of 344 MMboe) being developed by Santos Limited and Carnarvon Petroleum Ltd in the Browse Basin to the northeast.

Bounty reviewed this project in the later part of FY 2020/21 and finalised the agreement in October 2021. Bounty simultaneously announced on 15 October 2021 the farmin, a \$2.74 million capital raising to finance the farmin, and the appointment of Mr Kane Marshall as Chief Operating Officer to head up the new WA office and manage the project as it moves to drilling.

The attraction of this area is twofold, excellent prospective volumes offering reserves greater than Bounty's onshore projects, and shallow water jack up drilling with abundant opportunities to achieve economies of scale by participating in drilling groups, resulting in costs only a few times more than onshore but with huge rewards.

Targets

Bounty is targeting three plays:

- Dorado discovery lookalikes in the same Lower Triassic sequence as the hugely successful Dorado (344 MMboe 2C), Phoenix South and ROC (78 MMboe 2C) discoveries in the Browse Basin to the northeast
- Sand bodies entirely sealed within clay filled subsea channels in the Triassic age Locker Shale similar to those providing the top seal to the Dorado discovery
- Stag (85 MMbo) and Wandoo (100 MMbo) look alikes in identical pinchouts in the same Lower Cretaceous sand package

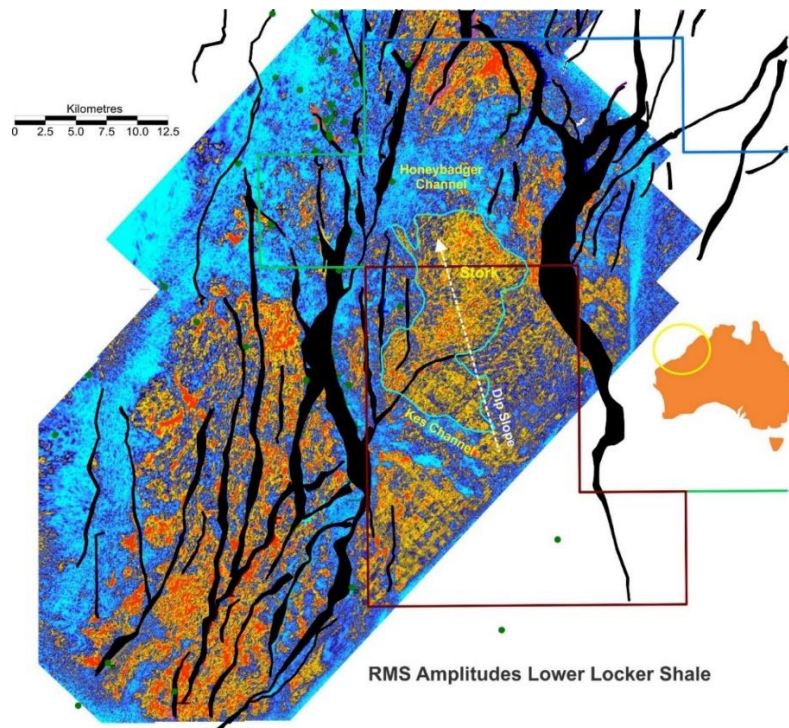
Active gas seepage from around the edges of the Triassic prospects is a prominent feature, providing additional evidence of mobile hydrocarbons and minimising the risk of charge.

The main focus is on four targets with the best chance of success with Prospective Resources as follows:

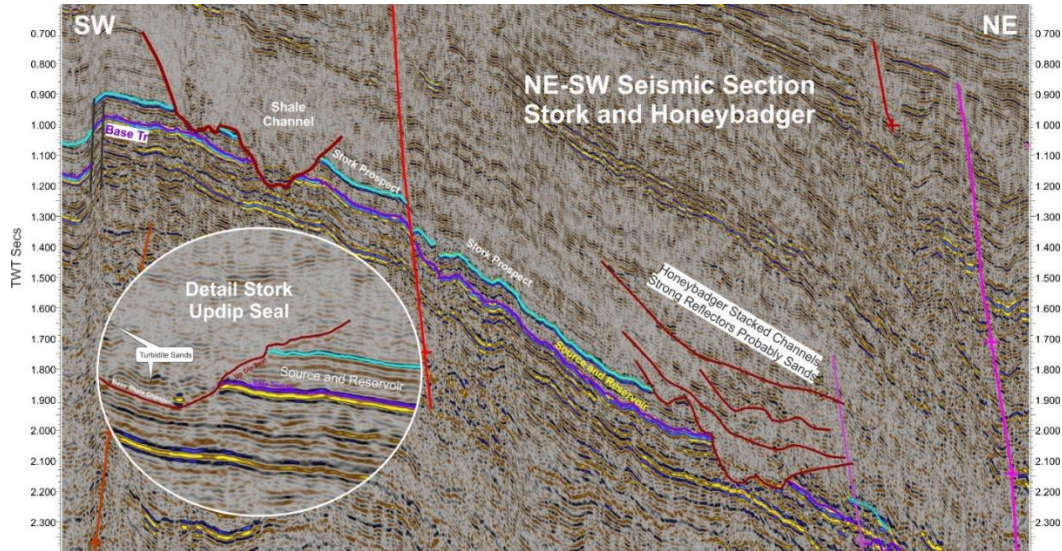
Prospective Resource MMbo	Mean	1U Low	2U Best	3U High	Reservoir Age
Honeybadger Prospect - EP 491	294	13	102	814	Triassic
Stork Prospect - EP 475	228	14	94	620	Triassic
Parrot - EP 491	105	14	61	262	Triassic
Gallant - EP 490	44	6	26	108	Cretaceous

Three of those targets are described below (see Carnarvon Project Location Map above).

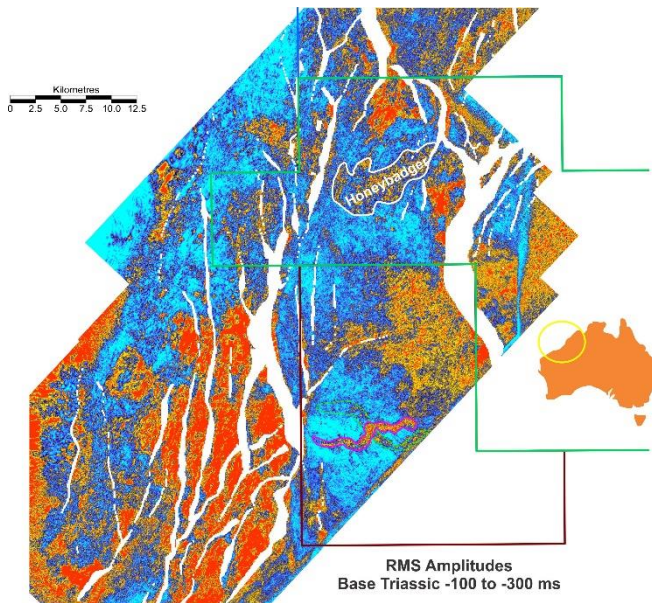
Stork Prospect



Higher seismic amplitudes (warm colours) define the deltaic sands in the Lower part of the Locker Shale which form the reservoir at Dorado; the clay seals (cold colours) by the Kes Canyon and the erosion of the sand package by the Honeybadger canyon clearly define the prospect.



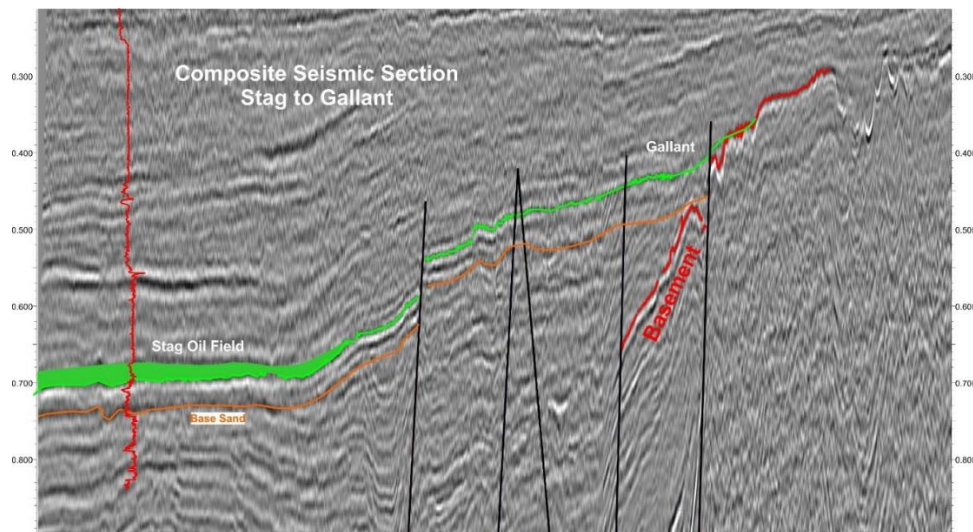
The seismic section shows the details of the updip seal against the clay-filled channels within the Triassic Locker Formation, identical to Dorado, and the extent of the Honeybadger Canyon in cross-section. The higher amplitude reflectors within the canyon are most likely due to turbidite sands formed in sub-sea channels cutting into the shale. World-wide these are very attractive targets because the sand bodies are usually completely contained within shale providing an all-round seal. In this case they directly over lie the source interval, which is mature downdip, feeding directly into the reservoirs.



Honeybadger

Amplitude extraction clearly reveals the turbidite sands in the Honeybadger Canyon (orange and red), showing good all-round lateral and top seal by clay (blue) and seal to the northeast against clay and a fault. Migration from a mature source is postulated up the fault immediately to the west of the sands, where the Basal Locker shales are mature.

Gallant



The Stag field to the north of the Cerberus Project permits is trapped in a pinchout of the *M. Australis* Sand, the upper sand in a package of Lower Cretaceous sands including the Mardie Greensand and The Birdrong Sandstone, both of which host commercial oilfields. At Gallant these sands abut and pinchout against impermeable Carboniferous Limestone. This structure persists along the edge of the basement with two other similar stratigraphic targets. They are all very shallow, and studies indicate that due to the nature of the oil at Stag the oil should flow to surface even from shallow depths.

Future Potential

In addition to the four main prospects (above) there are at least 16 leads and prospects in the Cerberus project which are being evaluated. To assist in de-risking the drilling program reprocessing of the older seismic data is being considered. Planning for the 3 well program is already underway with the selection of specialist contractors to plan and manage the program. The wells are planned for 2022/23.

Nappamerri Trough Eromanga Basin, NE South Australia – Bounty 23.28% in section above the Permian

Location: 50 km northeast of Moomba, South Australia.

There was no material joint venture activity in the quarter.

Rough Range Project Onshore Carnarvon Basin – WA

L 16 – Bounty 100%

Location: Exmouth Gulf – WA

Background The principal undrilled prospect is the 3 million bbl potential Bee Eater prospect in the southern section of L 16.

Activities during the Quarter and next Quarter

Bounty is re-mapping regional seismic data sets and analysing the geological database attempting to image the principal structures in the region. This is challenging due to poor surface statics. The targets are relatively shallow

at around 1100 metre depth to target. Seismic re-processing for L 16 is planned for early 2022 with a potential drill test contingent on seismic imaging.

Gas/Condensate Business (incl. associated Oil development)

Downlands PL 441; PPL 58 (Bounty 100%) and PCA 159 (Spring Grove) Bounty 24.748%

Surat Basin, Queensland

Location: 2 km north of the town of Surat

Activities during the Quarter

Downlands

During the quarter Bounty continued to refine a development plan to produce sales gas to be delivered through its 100% owned Downlands gas compression plant and pipeline and into the SE Queensland market. Bounty continued a full facilities and environmental review of the project.

PCA 159 (Spring Grove JV)

This oil discovery adjoins PL 441 to the southeast and the Potential Commercial Area application over the Spring Grove oil discovery awaits DNRME approval.

Gas Growth Projects:

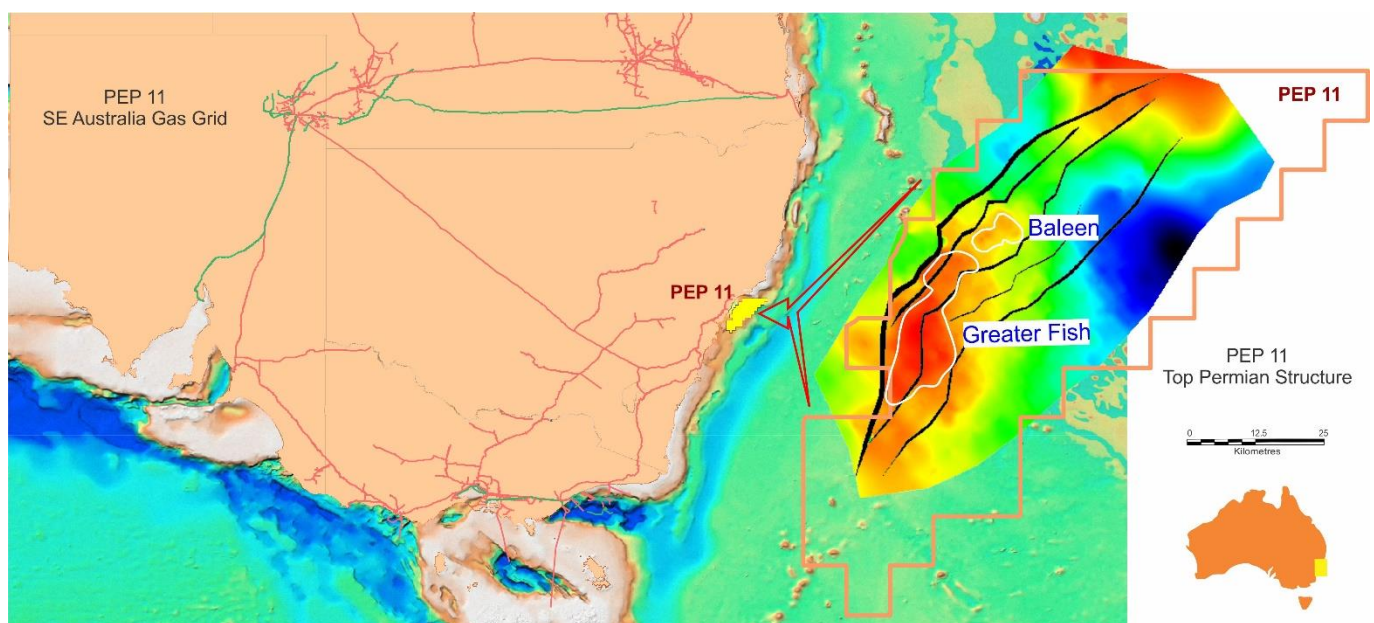
PEP 11 - Offshore Sydney Basin, New South Wales – Bounty 15%

Major Gas Growth Projects:

PEP 11 - Offshore Sydney Basin, New South Wales – Bounty 15%

Background and Petroleum Setting

PEP 11 covers 4,576 sq. km immediately adjacent to the largest gas market in Australia and is a high impact exploration project (see Location below). PEP 11 remains one of the most significant untested gas plays in Australia. The PEP 11 JV has demonstrated considerable gas generation and migration in the offshore Sydney Basin, with the previously observed mapped prospects and leads being highly prospective for gas. In 2010 it drilled New Seaclem 1 and demonstrated capacity to drill in this permit.



A 200km 2D seismic survey was completed in March 2018 in the area of the Baleen prospect and with AVO analysis further refined the Baleen target located 30 km southeast of Newcastle.

Joint Venture focus now is a drill test of Baleen where AVO (Amplitude versus Offset) analysis has defined an anomaly in the prospective Early to Mid-Permian sequence. The marine sands of the sequence are the targets especially further seawards where the sands can be expected to have good reservoir characteristics.

Activities during the Quarter – Baleen Drill Test – Sea Blue 1

Preliminary

Preparations are under way to drill an exploration well for gas – Sea Blue 1.

The joint venture also proposes to use the drilling program at Baleen to investigate CCS - Carbon Capture and Storage (geo-sequestration of CO₂ emissions) - opportunities in PEP 11. Up to 34% of the total national emissions are from this part of east Australia and independent Government research has indicated at least 2 TCF (Trillion Cubic Ft) of CO₂ storage may be feasible in the offshore Sydney Basin.

Advent has been actively preparing for the drilling program by securing the services of well management and environmental services to design the well program and carry out environmental impact assessments of the proposed operations. A Proposal to assess the possibilities of geosequestration of CO₂ in the Sydney Basin are also being considered.

Sea Blue 1 Well Preparations

On 8 March 2021 the operator appointed a Drilling Manager under a Preliminary Well Services Agreement with Add Energy relating to the preparation for drilling of the Sea Blue 1 well to undertake a phased approach to provide 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 of work included review of existing data and 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 Sea Blue 1 well. Add Energy delivered its report during the period ended 30 June 2021 including Basis of Well Design (BOWD) and rationale for design of the well, the well cost compilation and the project schedule.

Advent subsequently appointed Xodus under a lump sum contract to prepare the Environmental Plan for first submission to NOPSEMA. Xodus's appointment was based on their high quality of engagement, willingness to provide a staged lump sum proposal, and recent experience with NOPSEMA requirements.

The operator followed this report with:

1. Issue of a call for tender for the provision of subsea wellhead equipment, materials and associated services for the Baleen drilling program.
2. A call for tender for the provision of drilling rig services to multiple drilling contractors who have semi-submersible drilling units in the Australasian region.

2022 Operations

Planning and financing the proposed Sea Blue 1 well will be ongoing, however the permit operations are suspended under the governments COVID-19 provisions.

Payments to Related Parties during the quarter

\$20,375 was paid to an entity related to the CEO towards office rent and \$13,000 was paid to directors as remuneration.

Loans of \$83,000 (net) were repaid to entities related to the CEO and directors.

Current Assets (unaudited) – 30 September 2021

At the end of the quarter cash, receivables and held for sale investments were around \$ 1.73 million.

Appendix 5B is attached.

Bounty's schedule of permits: See table on Bounty's website: www.bountyoil.com

For further information, please contact:

Philip F Kelso Chief Executive Officer Tel: +612 9299 7200 Email: corporate@bountyoil.com

Website: www.bountyoil.com

ABBREVIATIONS

AVO:	Amplitude versus offset analysis of seismic data
ATP:	Authority to Prospect for petroleum
BCF:	Billion cubic feet (of natural gas)
BBLS:	Barrels of oil
Bopd; boepd	barrels of oil per day; barrels of oil equivalent per day
DST	Drill stem test with a drill rig to test if hydrocarbons flow to the surface from a reservoir.
DNRME	Department of Natural Resources, Mines and Energy (Queensland)
EOR	Enhanced oil recovery
JOA	Joint operating agreement
JV	joint venture
MDRT	Measured Depth below drilling rig Rotary Table
MMbbls:	Million barrels of oil.
MMBOE:	Million barrels of oil equivalent.
MMcf/d	Millions of cubic feet per day of natural gas
Mscf	Thousand standard cubic feet of gas
NOPSEMA:	National Offshore Petroleum Safety and Environmental Management Authority
NOPTA	National Offshore Petroleum Titles Authority
P&A	Petroleum well plugged and abandoned
PCA	Potential Commercial Area application Queensland
PL:	Petroleum production lease
P _{mean}	The average (mean) probability of occurrence
P90	90% probability of occurrence
P10	10% probability of occurrence
PSA:	Production Sharing Agreement
TCF:	Trillion cubic feet (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 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 Statements

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 45 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

BOUNTY OIL & GAS NL

ABN

82 090 625 353

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	438	438
1.2	Payments for		
	(a) exploration & evaluation	(18)	(18)
	(b) development	(70)	(70)
	(c) production	(118)	(118)
	(d) staff costs	(116)	(116)
	(e) administration and corporate costs	(113)	(113)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	30	30
1.8	Other (provide details if material)	5	5
1.9	Net cash from / (used in) operating activities	38	38
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	(2)	(2)
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(83)	(83)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(85)	(85)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,411	1,411
4.2	Net cash from / (used in) operating activities (item 1.9 above)	39	39
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(85)	(85)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	44	44
4.6	Cash and cash equivalents at end of period	1,409	1,409

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,343	1,345
5.2	Call deposits	66	66
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,409	1,411

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(86)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(83)

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
n/a		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	38
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	38
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,409
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,409
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:29/10/2021.....

Authorised by: "By the Board"
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.