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ASX/ MEDIA RELEASE

Bounty Oil & Gas NL (ASX: **BUY**, "**Bounty**", or "**the Company**") is pleased to provide a market update in relation to its various operations across its Australian assets. Bounty's main focus in 2022 will be on preparing for drilling at Cerberus, WA. to test several major oil targets while continuing its onshore oil programmes.

Cerberus Project

On 15th October 2021, Bounty entered into a binding farmin agreement with Coastal Oil and Gas Pty Ltd ("Coastal") to acquire a 25% interest in Carnarvon Basin oil exploration licenses EP 475, EP 490, EP 491 and TP 27 (collectively "Cerberus") by funding AUD \$6 million towards the costs of drilling three (3) exploration wells ("Drilling Programme").

Under the farmin Bounty Group will have options during the next six (6) months to earn two 25% tranches for additional participating interests by funding \$9 million and \$12 million respectively towards the Drilling Program.

Bounty is jointly operating the project with Coastal. The primary prospects of interest for drilling are the Triassic stratigraphic plays that are direct lookalikes to the Santos Limited operated Dorado, Phoenix South and Roc discoveries. Coastal and Bounty are aiming for the commencement of the Drilling Programme in late 2022 subject to regulatory approvals.

Since executing the Farmin agreement, and with these drilling plans in mind, Bounty and Coastal have:

- Engaged a Drilling Manager and procurement consultants for the Drilling Programme;
- Engaged Xodus and commenced preparation of the required Environment Plan for the Drilling Programme;
- Commenced drilling engineering designs for the three (3) wells;
- Commenced engaging with the regulators and stakeholders for the drilling and environmental approvals;
- Acquired recently reprocessed 3D seismic over the main areas of prospectivity to lock down the 3 target locations by the end of February 2022; and
- Closely reviewed the prospective resource volumes in light of new information in the area including publicly available information from Dorado and the newly acquired reprocessed 3D seismic. Any material updates will be released to the market in due course.

Drilling slots are available on both jackup rigs in the market being the Noble Tom Prosser and Valaris 107 in late 2022. In 2022 both of these rigs will be active on the North West shelf. Bounty and Coastal are in continuing discussions with both rig contractors.

Further information on progress on Cerberus drilling will be released to the market shortly.

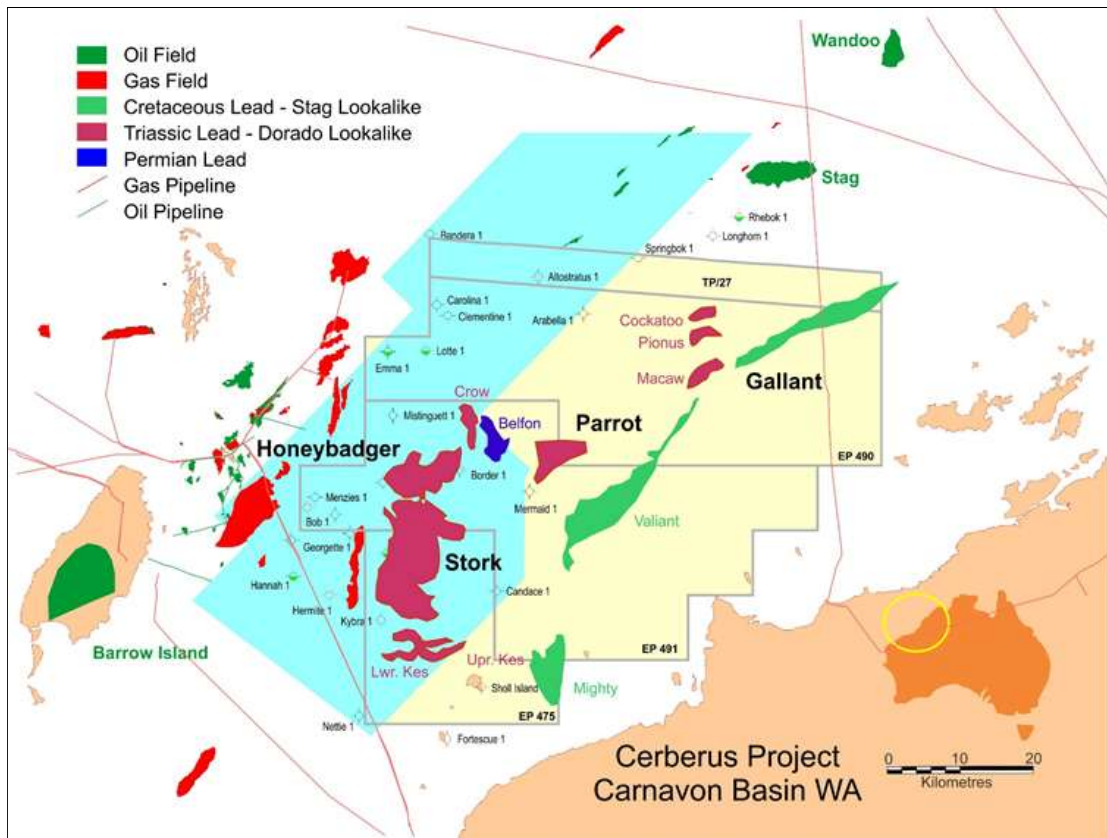


Figure 1 Location of Cerberus prospects

Naccowlah Block

Bounty completed the 2020/2021 Australian oil drilling campaign with 7 successful oil wells with 5 of the new wells now on line. Bounty has now approved the budget for the Cooroo Northwest Development well in PL36 in Southwest Queensland proposed by Operator Santos Limited.

Revenue from oil sales for full year ended 30 June 2021 was \$1.47 million and with a stronger US dollar and higher commodity prices and anticipated drilling in Naccowlah Block this revenue is expected to materially increase in financial year 2022.

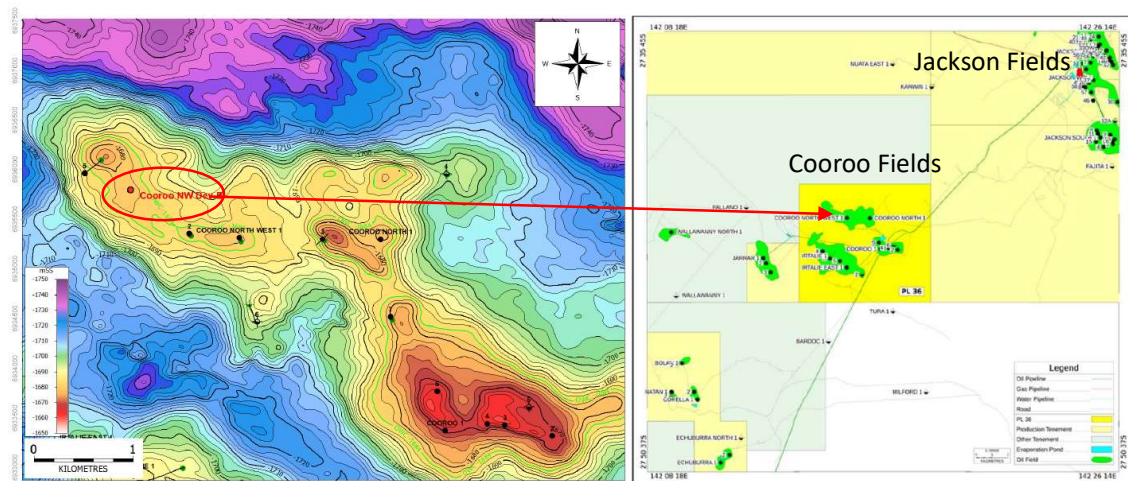


Figure 2 Proposed Cooroo Northwest Development well (left) and Cooroo Fields location (right)

Surat Basin Assets

Bounty has prepared compliance systems for each of the Downlands and Alton oil and gas fields and submitted these to the Queensland regulator for approval so that Bounty can commence production from the fields in light of higher oil prices.

Onshore Carnarvon Basin

Bounty is the Operator and 100% working interest holder in Production License L16 which contains the Rough Range Oil Field, which was Australia's first discovered onshore oil field by Ampolex in 1959. Bounty has been reviewing the Rough Range Field and the adjacent prospects in light of its farmin to Cerberus. Bounty personnel will be conducting field trips to look at options to re-exploit the Rough Range Oil Field and avenues for lifting oil to both local and international markets.

PEP 11

The Federal Government announced on 16 December 2021 its intention to reject an extension of the Petroleum Exploration Permit (PEP 11) for gas exploration in the offshore Sydney Basin. The Joint Venture is in the process of making submissions to NOPTA on this decision.

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About Bounty Oil & Gas

Bounty Oil & Gas NL is an independent Australian oil and gas explorer and producer in operation since 1999.

From its inception, it has pursued an active programme of land acquisition, exploration and oil development. The company has oil production at Naccowlah in SW Queensland and two undeveloped proved oil and gas discoveries in the Surat Basin and onshore Carnarvon Basin.

The management team and directors are experienced professionals well versed in the oil and gas business and cover all aspects from finance to technical operations management.