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ASX / MEDIA RELEASE

PEP 11 Offshore Sydney Basin Update

Bounty Oil & Gas NL (Bounty) is pleased to provide the following update on its 15% interest in PEP 11 Offshore Sydney Basin. The operator of the PEP 11 Joint Venture is Advent Energy Ltd ("Advent").

The PEP 11 Joint Venture is progressing its plans for a 2D seismic survey in PEP 11, as a work commitment for the petroleum title. This has included engaging acoustic modelling specialists, environmental consultants and geophysical expertise to complete the revisions to the Environmental Plan ("EP") following a request for modification and re-submission received from the offshore regulator; the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA).

Following approval from NOPSEMA, the PEP 11 Joint Venture will undertake the 2D survey at the earliest opportunity. An application for suspension and extension of the permit term is pending approval from the National Offshore Petroleum Title Administrator (NOPTA) to maintain the title in good standing. A response is anticipated soon.

Subsequent commitments in PEP 11 include 3D seismic acquisition and an exploration well. Potential discovery of commercial quantities of natural gas in PEP 11 provides an exciting future for the PEP 11 Joint Venture including Bounty considering the gas market demands emerging for the east coast of Australia.

To assist in achieving these objectives for the PEP 11 title, the operator has entered into an agreement with a specialist international firm to provide expert marketing, technical and project documentation services to facilitate participation in PEP 11 by major global oil and gas operators and investors.

Bounty continues discussions with a range of investment partners on PEP 11.

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 100% of AC/P32 in the Timor Sea with the 500mmbbl OOIP Azalea Prospect as its first drill target and a 15% interest in PEP 11 offshore Sydney Basin.

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

[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.]