



ASX/MEDIA RELEASE

29 April 2021

Quarterly Activities Report – End March 2021

- **Highlights**
 - Bounty completes 2020 Australian oil drilling campaign with 7 successful oil wells with 5 of the new wells on line this quarter
 - Cash and current assets at 31 March 2021 were \$1.9 million with nil debt
 - Unaudited revenue from oil sales for quarter ended 31 March 2021 was \$0.35 million

- **Oil Development – Naccowlah Block**
 - Naccowlah Block oil delineation and development drilling will be the 2021 focus
 - Operator has identified 12 additional development and NFE (near field exploration) targets with 3D seismic
 - 2021: Planning for 5 new appraisal and NFE oil wells advancing

- **Oil/Gas Exploration**
 - Gas exploration: PEP 11 joint venture supporting national gas strategy by actively advancing plans to drill, Offshore Sydney Basin
 - PEP 11 permit extension anticipated as Bounty continues preparations to drill the Baleen gas prospect
 - Preparations for oil production continuing at Alton area in Surat Basin

Oil Business - Production:

Bounty produces oil from the Naccowlah Block in SW Queensland.

Production was around 46 bopd. Oil revenue during the quarter was \$345,000. Average realised oil price for the quarter was AUD 83/bbl.

Bounty expects to commence oil production from the Alton area, Surat Basin, SE Queensland in 2021.

Bounty's unaudited petroleum revenue production and sales for the quarter ended 31 December 2020 are summarised below.

Revenue:

		\$
Q3	1 January to 31 March 2021	
ATP 1189P ⁽²⁾	Bounty Share (2% Interest) - Oil	345,000
	Total Revenue ⁽¹⁾	345,000

(1) GST exclusive

(2) Naccowlah Block

Production:

		Bbls/Unit
Q3	1 January to 31 March 2021	
ATP 1189P	Bounty Share (2% Interest) bbls	4,188
	Total Production bbls	4,188

Sales:

		Bbls/Unit
Q3	1 January to 31 March 2021	
ATP 1189P	Bounty Share (2% Interest) bbls	4,139
	Total Sales bbls	4,139

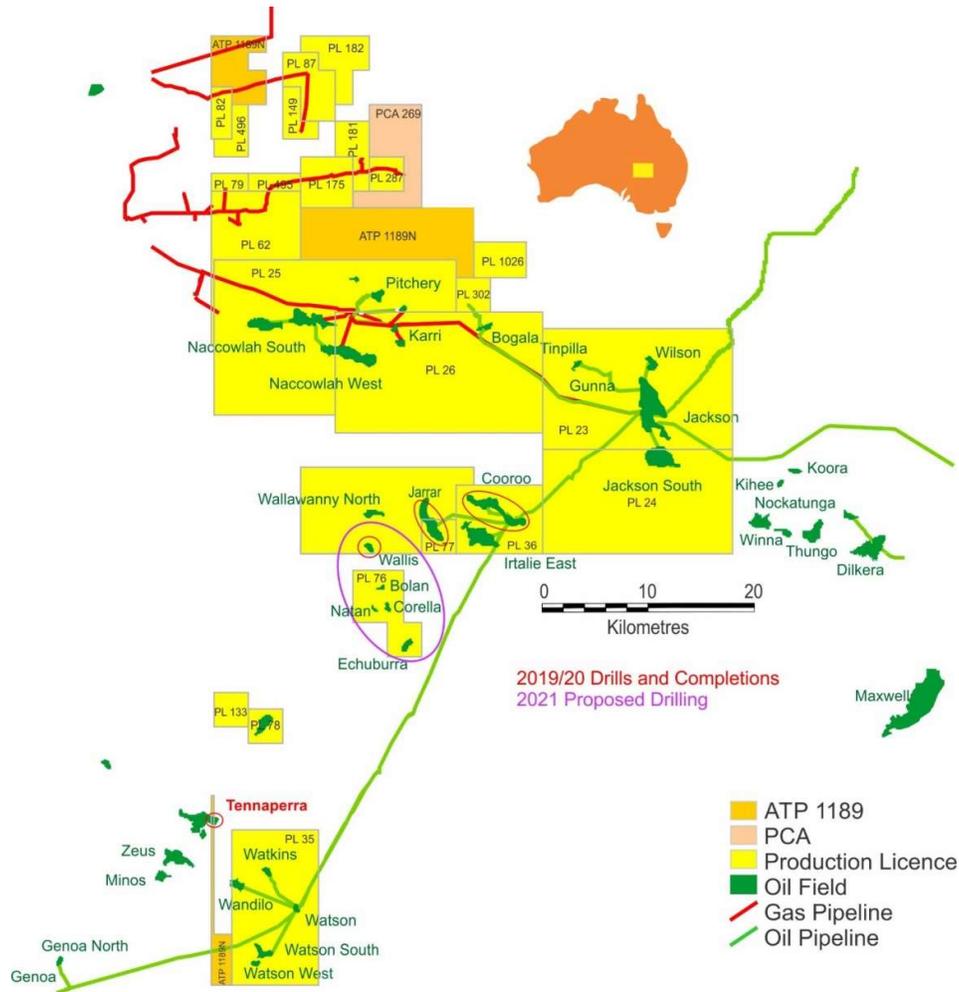
Oil Business – Production and Development:**SW Queensland****ATP 1189P Naccowlah Block and Associated PL's - Bounty 2%**

Location: Surrounding Jackson, Naccowlah and Watson Oilfields

Background - Summary

The Naccowlah Block comprises 1,793.9 km² approximately 17% of which is covered by ATP 1189 (N) and the remainder in 25 petroleum production leases (PL's).

NACCOLLAH BLOCK, COOPER BASIN, SW QUEENSLAND



Activities during the Quarter

Four wells are awaiting further studies prior to connection – Tennaperra 9, Watson North 2 and 3 drilled in 2019 and Cooroo NW 3 drilled and cased in the June 2020 quarter.

Significant Activities Next Quarter / 2021

Five wells, three appraisal and 2 NFE wells, are being planned for 2021. These wells will appraise the same Birkhead zone reservoir as the previous wells but further along trend in the Natan-Bolan-Corella area (see map above). The Watson-Watkins area in the south of the Block is the next area in which further development and appraisal drilling targets will be focussed.

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

Oil Business – Development:

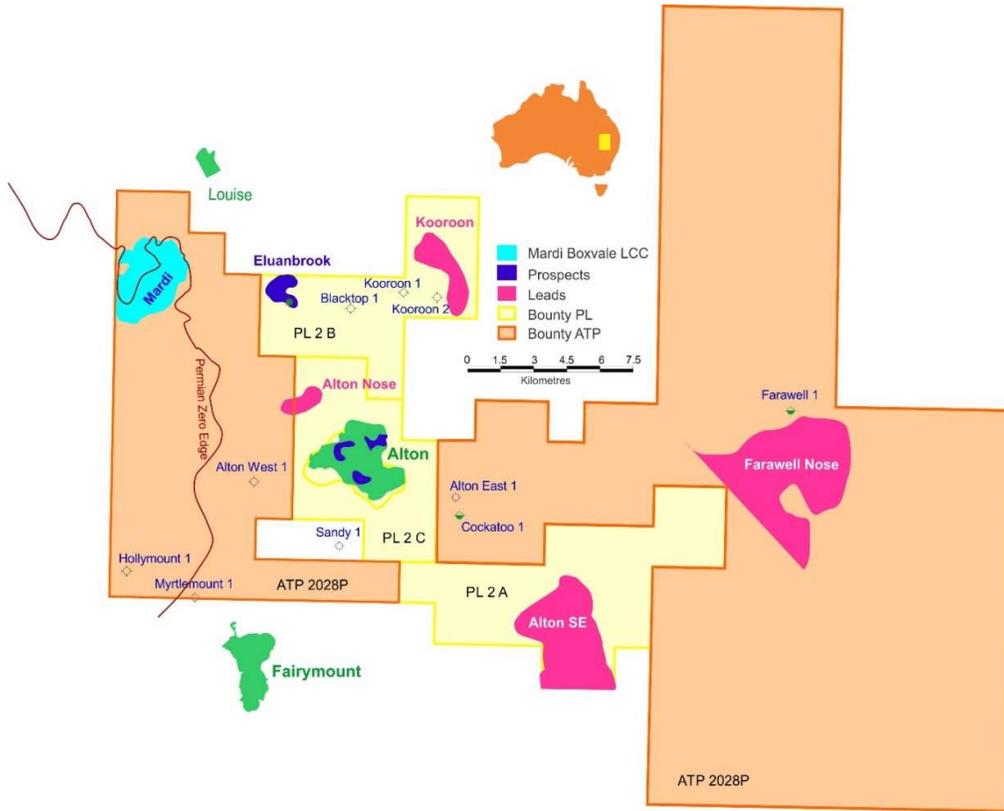
Southern Surat Basin Onshore Queensland

PL 2 Alton Oilfield Bounty - 100%; ATP 2028P – Bounty 50%.

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 estimates of its oil reserves and resources in the Southern Surat Basin are:-

Category	bbls
Development reserves – Alton Field	167,000
Exploration – Mardi Prospect (ATP 754P)	210,000 – 400,000
Delineation – Eluanbrook Prospect Updip	186,000 - 200,000
Total	563,000 - 600,000

Bounty’s oil resources in the Southern Surat Basin are light oils (high API) derived from Permian coals (Cooper Basin equivalent).

Activities during the Quarter and Next Quarter

Bounty focused on data digitisation, compliance and development planning for 2021 oil production.

Although oil prices remained subdued during the quarter 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 2021 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. Bounty is targeting 350,000 bbls of oil within known pools in PL 2.

Surat Delineation/Exploration

Further Programmes

PL 2 and ATP 2028P (PCA's)

Bounty has lodged applications for potential commercial areas (PCA's) on ATP 2028 the area which surrounds the Alton Field. There are two principal targets for exploration in ATP 2028; the 200,000 barrel Mardi lead to the west of Alton in the Jurassic age Boxvale Sandstone and the Triassic age Showgrounds Sandstone in channels up dip from oil in Farawell 1.

After commencement of oil production at Alton Field Bounty will pursue the drilling and development of these targets.

Summary

As operator of PL 2 Bounty sees potential for oil projects in the Southern Surat area to deliver 200 - 300 bopd (\$6 million pa gross revenue) as the oil price continues to recover.

Exploration:

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 2021 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.

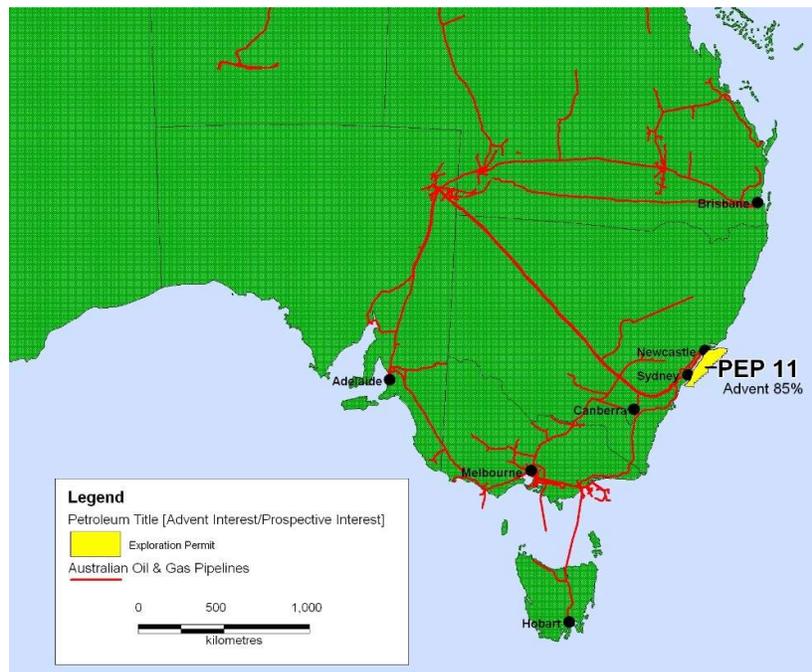
Gas Growth Projects:

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

Background

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.

PEP 11 LOCATION



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 south east 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

The operator, Advent Energy Ltd (Advent), has submitted to NOPTA an application to enable the drilling of the Baleen drill target in PEP 11. The PEP 11 Joint Venture has reviewed the work program and now proposes to proceed with the drilling of a well at Baleen subject to approvals from NOPTA and other regulatory authorities, and financing. It has made an application to NOPTA to change the current Permit conditions. The permit is in good standing and continues during this review period. The application to NOPTA includes the extension of the permit title for up to two years to enable drilling and includes an application for the removal of the requirement for a 500 sq. km 3D seismic program. NOPTA has confirmed that this application is now in the final decision phase.

On 5 February 2021, Advent, on behalf of the PEP 11 joint venture, also submitted an application to suspend and extend the PEP 11 permit. The application was made under the COVID-19 - Work Bid Exploration Permits announcement released by the Federal Government on 20 April 2020. In that release the Government recognised that the COVID-19 pandemic was having a significant impact on the offshore petroleum sector and that additional flexibility would be required to assist titleholders to manage the COVID-19 crisis. The Joint Authority confirmed in that release that it regarded the COVID-19 pandemic as a force majeure event. The application for a 24-month suspension of the Permit Year 4 work program commitments, with a corresponding 24-month extension of the permit term was accepted for processing by NOPTA. This application was lodged to ensure the company is not in breach of the Year 4 PEP 11 work program and expenditure commitments. Advent does not foresee this further application interfering with the NOPTA application to extend the permit terms for PEP 11.

Bounty and its joint venture partner Advent are proposing to use the gas drilling program at Baleen to also investigate the potential for CCS - Carbon Capture and Storage (geo-sequestration of CO₂ emissions) in PEP 11. CCS can capture CO₂ fossil fuel emissions. Both the International Energy Agency and the Intergovernmental Panel on Climate Change believe that CCS can play an important role in helping to meet global emission reduction targets. CCS is part of a suite of solutions with the potential to mitigate greenhouse gas emissions and help address climate change. The Sydney Basin area is a major contributor to Australia's greenhouse gas emissions. Up to 34% of the total national emissions are from this part of east Australia. Independent Government research has indicated at least 2 TCF (Trillion Cubic Ft) of CO₂ storage may be feasible in the offshore Sydney Basin.

The Joint Venture is a strong supporter of plans for Net Zero by 2050 and sees it playing a direct role in achieving that target, especially in New South Wales. It aims to do this in two ways. First, by finding gas closest to Australia's biggest domestic energy market, gas which can be used to provide reliable back-up for the increased uptake of renewable energy in NSW. Second, through its plans to explore for opportunities in offshore NSW for CCS, a key clean energy technology. 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 (A\$35) a tonne in November 2020 to Euro 41 (A\$62) in March 2021 as more ambitious (carbon) markets aligned with net zero emissions goals to drive prices higher."

Advent has signed a Preliminary Well Services Agreement (Agreement) with a major offshore drilling manager; Add Energy (<https://addenergy.no>). Under the Agreement Add Energy will initiate a review of rig availability and engagement terms for the Baleen well program. Add Energy will also develop a scope of supply for regulatory and environmental compliance and review the drilling campaign schedule including a review of the program for geo sequestration drilling research as part of the Baleen drill project. Add Energy provides drilling and well engineering specialized consultancy services and solutions to the energy industry on a global scale, including well design and

environmental services. Add Energy is headquartered in Stavanger, Norway and operates in every region of the world from 15 locations including Europe, the Middle East, the Americas and Australia.

Add Energy will deliver phased approach services to Advent for the preparation and drilling of the Baleen Well in PEP 11. In the first stage of the phased approach, Add Energy will provide technical support in the following areas:

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

The initial 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 2,150 metres on seismic data line B4-18. As advised Advent now intends, subject to approvals and funding, to undertake deeper drilling to also undertake evaluation of the Offshore Sydney Basin for carbon sequestration (storage). This has resulted in a revised specification for a well to target early Permian sandstones for both hydrocarbon and carbon sequestration potential with a revised total depth being set at 3,150 m.

Add Energy has commissioned the Xodus Group to undertake a preliminary environmental screening assessment of the proposed Baleen well activity. Xodus Group are a leading global energy environmental consultancy with a strong track record in the Australian offshore sector where they are experts in environmental impact assessment and regulatory approvals. This will be aided by the pre-existing environmental information which exists from the Environmental Plan accepted by NOPSEMA for the 2D Seismic survey carried out in 2018. The screening will identify the work required to undertake an environmental impact assessment to support the required approvals. The aims of the preliminary environmental impact assessment are to:

1. Produce a detailed summary of required technical inputs;
2. Produce a detailed summary of required environmental inputs;
3. Outline a proposed approach for stakeholder consultation; and
4. Identify key controls potentially required to manage the activity

Advent has appointed a Contracts Manager for its PEP 11 Baleen well project.

The late 2019 application to NOPTA by the operator Asset Energy Pty Limited and Bounty to change the current Permit conditions to proceed with the drilling of an exploration well and to extend the Permit term until March 2023 was still pending at the end of the quarter.

Geosequestration

The Offshore Sydney Basin offers the potential opportunity for NSW to make deep cuts in its CO₂ emissions through CCS-Carbon Capture and Storage (geosequestration of CO₂ emissions).

CCS is part of a suit of solutions with the potential to mitigate greenhouse gas emissions and help address climate change. The Joint Venture has engaged a leading expert to advise on the geosequestration potential of certain Permian age sands at the Baleen area in PEP 11.

Corporate

Current Assets (unaudited) – 31 March 2021

At the end of the quarter cash, net receivables and held for sale investments were around \$ 1.9 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.
MMcfd	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 STATEMENT

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 and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

BOUNTY OIL & GAS NL

ABN

82 090 625 353

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	330	981
1.2 Payments for		
(a) exploration & evaluation	(4)	(42)
(b) development	(40)	(101)
(c) production	(26)	(957)
(d) staff costs	(95)	(271)
(e) administration and corporate costs	(134)	(332)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government rebates and incentives	20	65
1.8 Other	(24)	(30)
1.9 Net cash from / (used in) operating activities	27	(686)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to/from other entities	(1)	(174)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1)	(174)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	1,430
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(35)
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	-	1,395

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,535	1,097
4.2	Net cash from / (used in) operating activities (item 1.9 above)	27	(686)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(174)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,395
4.5	Effect of movement in exchange rates on cash held	14	(57)
4.6	Cash and cash equivalents at end of period	1,575	1,575

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	1,409	1,369
5.2 Call deposits	166	166
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)	1,575	1,535

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(41)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	(1)
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors' fees and other fringe benefits are paid to related entities in accordance with service contracts.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	(28)
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Payments for Joint venture and development drilling operations under items 1.2 (a) to 1.2 (c) inclusive.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(20)
9.2 Development	(40)
9.3 Production	(250)
9.4 Staff costs	(100)
9.5 Administration and corporate costs	(40)
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	(450)

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced			-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.

Sign here:
(Company Secretary)

Date: 29 April 2021

Print name: SACHIN SARAF

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.