



BOUNTY OIL & GAS NL

(ABN: 82 090 625 353)

FULL YEAR REPORT

For the year ended 30 June 2021

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Bounty Oil & Gas NL
ACN: 090 625 353
ABN: 82 090 625 353

DIRECTORS' REPORT

Your directors present their report on the consolidated entity Bounty Oil & Gas NL ("Bounty", "company" or "the group") being the company and its controlled entities for the financial year ended 30 June 2021.

Directors

The names of the directors in office at any time during or since the end of the financial year are:-

- G. C. Reveleigh (Chairman)
- C. Ross (Non-executive Director)
- R. Payne (Non-executive Director)

Company Secretary

The following persons held the position of company secretary and chief financial officer of the group during the financial year:

- S. Saraf

Principal Activities

The principal activity of the company and the group during the financial year was that of exploration for, development, production and marketing of oil and gas (petroleum). Investment in listed entities is treated as a secondary activity and business segment.

There were no significant changes in the nature of the company's principal activities during the financial year.

Operating Results

Consolidated loss of the group attributable to equity holders after providing for income tax amounted to \$2.9 million (see comparative details below).

	Consolidated 2021	Consolidated 2020
	\$ million	\$ million
Profit/(loss) from ordinary activities before income tax	(2.9)	(3.1)
Income tax attributable to loss	-	-
Net profit/(loss) after income tax	(2.9)	(3.1)

Revenue from continuing operations for the period was \$1.47 million down 49% on the previous year (2020: \$2.9 million) primarily due to a sharp decline in crude oil prices as a result of the Covid-19 induced economic slowdown.

The operating loss was determined after taking into account the following material items:

- Petroleum revenue; (primarily from crude oil sales) of \$1.47 million
- Direct petroleum operating expenses of \$0.94 million
- Employee benefits expense of \$0.68 million
- Non-cash expenses for:
 - Impairment charge to oil and gas assets of \$2.0 million
 - Amortisation and depreciation expenses of \$0.45 million

Details of drilling activity, exploration and development operations and cash flows for the year ended 30 June 2021 have been reported by the company to the Australian Securities Exchange in the Quarterly Activity Report and Appendix 5B for each of the quarters during the year and in additional announcements on particular items.

A summary of revenues and results of significant business and geographical segments is set out in Note 4 to the Financial Statements. Brief details are set out below:

Review of Operations

Production & Sales:

During the year ended 30 June 2021, the company produced oil as a joint venture participant from several oil fields and leases operated by Santos Limited in ATP 1189P, Naccowlah Block, SW Queensland.

Petroleum revenue and production in barrels of oil equivalent (boe) are summarised below:-

Naccowlah Block Bounty Share (2% interest)	2021	2020
Totals		
Revenue \$	\$1.47 million	\$2.91 million
Production boe	18,585	27,286

Exploration and Development

Significant exploration and development operations during the year under review were:

Australia

Onshore

Cooper Basin, South-western Queensland

ATP 1189P Naccowlah Block; SW Queensland and Petroleum Leases:

Bounty's Naccowlah Block reserves and resources at 31 December 2020 were:

- 2P developed reserves (producing and contingent): 3.513 mmbbls or Bounty at 2%: 70,200 bbls. Additional volumes are waiting for tie in.
- Naccowlah Block held Bounty's oil revenue to \$1.47 million for the full-year.
- Bounty's 3P developed reserves at Naccowlah were 113,000 bbls.

Bounty has continued to invest in Naccowlah Block in the year ended 30 June 2021 with no new drills but an emphasis on production optimisation, infrastructure and compliance. Development drilling was delayed in 2021 due to Covid 19 related delays and lower crude prices however Bounty expects to drill one well later this year. Although oil volumes have been lower we await tie in of new reserves and oil price increases to USD\$70/bbl (A\$ 102) have provided confidence for new drills.

Several new oil wells drilled and cased in prior periods were either tied-in or remained cased pending completions.

Additional Later Development and Environmental Authority Plans for the Naccowlah Block were lodged with the Queensland regulators and a number of lease applications and renewals are pending.

Surat Basin; Eastern Queensland***Petroleum Lease 2 Alton***

- During the period Bounty completed a comprehensive Well Integrity Management System and undertook compliance monitoring. This required “historic” research and scan of voluminous paper records to build the system for the Alton wells. In terms of oil reserves and resources PL 2 Alton is considered to be valued far in excess of the net value.
- Further planning was continued to develop the PL 2 Alton oil reserves in 2020/2021 initially by producing oil from Alton Oilfield.
- At Alton Oilfield Bounty group holds; development reserves of 167,000 bbls of recoverable oil in the early Triassic age Basal Evergreen sand reservoir plus a potential 1.136 million bbls of 2P reserves located in the three sands of the Boxvale/Evergreen Formations.
- There is an estimated recoverable resource of 186,000 bbls from P50 OOIP of 625,000 bbls in the Middle Triassic age Showgrounds Sandstone reservoir at the Eluanbrook Prospect within that part of PL2 known as the Kooroon JV.
- Low oil prices curtailed commencement of production in 2021 however in 2021/2022 Bounty will continue development of these resources as much stronger oil prices are evident.

Petroleum Lease 441 Downlands

- PL 441 (formerly PL 119) covering shut in gas reserves and oil prospects was renewed on 5 June 2019.
- Bounty completed certain compliance audits and facilities studies on its gas processing plant and developed an optimal plan for re-commencing gas production.

ATP 2028P (formerly ATP 754P):

- ATP 2028P covered the southern section of former ATP 754P.
- Applications to convert ATP 2028 to four potential commercial area titles were declined and the group fully impaired ATP 2028 incurring a permanent impairment expense of \$2.0 million.

Carnarvon Basin, Western Australia***Petroleum Licence L 16 Rough Range***

- During the period the group continued well integrity monitoring on the Rough Range 1B well in Petroleum Licence L 16 onshore Carnarvon Basin and other remediation at the Rough Range Oilfield.
- Bounty continued a full seismic and geological review at L16 aimed at further refinement of the structure and reservoir to prepare for:-
 - Further seismic surveys and/or
 - An exploration well.

Offshore***PEP 11; New South Wales: Bounty 15% interest:***

The operator Asset Energy Pty Limited and Bounty have co-operated to advance to a drill test of the previously well-defined Baleen Prospect. The well will be named Seablue 1. With major gas supply issues developing in eastern Australia; the operator has identified a new target at Baleen Prospect using AVO analysis of seismic data.

At the end of the period a decision on permit extension and variation by NOPTA was pending.

Other Properties

During the period, Bounty continued to fund exploration and development expenditure in connection with its other operated and joint venture interests located in Queensland, South Australia and Western Australia. Bounty is actively seeking additional material projects.

Corporate – Share Issues

During the year ended 30 June 2021 on 23 September 2020 the company issued 143 million fully paid ordinary shares at \$0.01 per share to raise \$1.43 million before issue expenses. No other share issues were completed during the period.

Dividends Paid or Recommended

No dividends have been paid or declared for payment for the year ended 30 June 2021 and no dividend is recommended.

Financial Position

At 30 June 2021 current assets were \$1.75 million including cash of \$1.4 million.

During the financial year the company invested:-

- \$ 0.34 million on petroleum development drilling, property acquisitions and in completions and surface production facility upgrades mainly in ATP 1189P Naccowlah Block; Queensland to further exploit its existing proved producing oil reserves and to increase its 2P oil reserves.
- \$ 0.10 million in petroleum exploration projects and acquisitions in Australia as summarised in the Review of Operations above.

The net assets of the group reduced by \$1.49 million in the year ended to 30 June 2021 as a result of non-cash impairments on petroleum properties. The significant underlying movements resulted from the following items:

○ Impairment of oil and gas assets of	\$2.010 million.
○ Amortisation of production assets	\$0.356 million.
○ Exploration write offs	\$ nil

The directors believe the company is in a stable financial position to expand and grow its current operations.

Significant Changes in State of Affairs

There have been no significant changes in the state of affairs of the company during the financial year.

Contingent liabilities and Contingent Assets

As at the date of this report, there were no contingent assets or liabilities except that a local government authority claimed \$458,511 rates and levies for prior and current periods from one controlled entity of the group. That amount has been recognised in current liabilities.

There was no litigation against or involving the parent entity Bounty Oil & Gas N.L.

Events after the Reporting Period

No other matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Future Developments, Prospects and Business Strategies

Subject to the amount of its ongoing oil revenues and the availability of new capital; consistent with that income and the available cash reserves of the group, Bounty will continue:

- Production, development and exploration for oil and natural gas (petroleum).
- Expand in the business of the exploration for, development of and production of petroleum.
- To conduct such operations principally in Australia.

In the coming year the group will focus on the:-

- Development of its existing oil and gas reserves in the Cooper Basin and in the Surat Basin, Queensland aimed at increasing group oil and gas revenue;
- Financing and preparation to fund its 15% participating interest share and to drill its major offshore gas target in PEP 11, Sydney Basin;
- Acquisition of additional petroleum properties with existing petroleum production or reserves and resources considered to have potential to develop and/or produce petroleum within an acceptable time frame;
- Development of new business opportunities focused on material Australian drill opportunities and projects.

Environmental regulations or Issues

The company's operations are subject to significant environmental regulation under the laws of the Commonwealth of Australia and its States and Territories in respect of its operated and non-operated interests in petroleum exploration, development and production. Its oil and gas production interests in the State of Queensland are operated by Bounty group companies, AGL Energy Limited, Armour Energy (Surat Basin) Pty Ltd and Santos Limited who comply with all relevant environmental legislation. Its non-operated offshore exploration operations in PEP 11, NSW are conducted by Asset Energy Pty Ltd a competent operator. Asset conducts operations in full compliance with all relevant environmental legislation of the Commonwealth of Australia. Bounty otherwise complies with all relevant environmental legislation.

Information on Directors

The names and particulars of the directors of the company during or since the end of the financial year ended 30 June 2021, are:-

Graham Reveleigh	—	<i>Non-Executive Director</i>
Qualifications	—	BSc. MSc, Fellow Aus IMM.
Experience	—	Mr Reveleigh is a professional geologist and has over 50 years' experience in the resources industry both in Australia and overseas. Early in his career, he worked in the oil industry, then spent most of his career in exploration, mine management and construction in the mineral industry. Mr Reveleigh has had extensive experience in petroleum in recent years as a director of Drillsearch Energy Limited and its Canadian subsidiary. He is a Fellow of the Australasian Institute of Mining and Metallurgy. He was appointed a director and chairman in 2005.
Special responsibilities:		Chairman of the company; geotechnical advice.
Charles Ross	—	<i>Non-Executive Director</i>
Qualifications	—	BSc.
Experience		Mr Ross has had extensive experience in the private and public equity and corporate finance market in Canada, USA and Europe of over 25years. He has operated extensively in corporate asset acquisition and divestiture, review and development of corporate financing strategies, administration, compliance procedures and investor relations in North America and the Euro zone. He was a director of a subsidiary of ASX Listed Drillsearch Energy Limited from 1992 until 2008 involved in most aspects of petroleum exploration, development and production operations in the Western Canada Basin and Australian areas. He was appointed a director in 2005.
Special responsibilities:		Audit reviews; corporate strategy.
Roy Payne	—	<i>Non-Executive Director</i>
Qualifications	—	Solicitor Queensland.
Experience		Mr Payne is a commercial lawyer with over 35 years' experience. Prior to working in private practice as a lawyer he worked for the Department of Justice, Queensland for 15 years. Mr Payne has many years of experience in the corporate world. He has been the chairman of a listed mining exploration company. He was until recently chairman of the board of two limited liability, not for profit companies that operate a public art gallery and a gallery foundation. He has a wealth of knowledge and experience with corporate governance and mining exploration.
Special responsibilities:		Commercial law and Queensland statutory compliance.

Directorships of other listed companies

Directorships of other listed companies currently held by the directors or held in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
Mr G. Reveleigh	Peak Minerals Limited (formerly Pure Alumina Ltd)	1 July 2018 to 23 October 2018
Mr C. Ross	TSX Listed Companies; Canada: Goldex Resources Corporation, Norzan Enterprises Ltd., Halio Energy Inc; Tearlach Resources Limited; Schwabo Capital Corporation; Four Nines Gold Inc. and Norsement Mining Inc.	1 July 2018 to present
Mr R. Payne	Nil	NA

Directors shareholdings

The following table sets out each Directors interest in shares and options over shares of the Company or a related body corporate as at the date of this report:-

	Bounty Oil & Gas NL	
	Fully paid ordinary shares	Share options
	Number	Number
Mr G. Reveleigh	21,377,928	-
Mr C. Ross	3,200,000	-
Mr R. Payne	-	-

Meetings of Directors/Committees

During the financial year, ten (10) meetings of directors were held. Attendances by each director during the year were as follows:-

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr G. Reveleigh	10	10
Mr C. Ross	10	10
Mr R. Payne	10	10

The company does not have separate audit or remuneration committees.

Indemnifying Officers or Auditor

During the financial year ended 30 June 2021 the company has not entered indemnity and access deeds with any of the directors indemnifying them against liabilities incurred as directors, including costs and expenses in successfully defending legal proceedings. The company has not, during or since the financial year, in respect of any person who is or has been an auditor of the company or a related body corporate indemnified or made any agreement for indemnifying against a liability incurred as an auditor, including costs and expenses in successfully defending legal proceedings.

Share Options

No options were issued during the year ending 30 June 2021 or have since been issued up to the date of this report.

Accordingly at balance date on 30 June 2021 and at the date of this report, no unissued ordinary shares or securities of Bounty Oil & Gas NL or any other entity comprising the consolidated entity were under option. No ordinary shares of the company were issued pursuant to exercise of options during the year ending 30 June 2021.

Legal Matters or Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the reporting period.

Remuneration of Directors and Management

Information on the remuneration of directors and other key management personnel is contained in the Remuneration Report which forms part of this Directors Report (see in the following pages).

Non-Audit Services

The independent auditor to the company; Mr William Moyes has not provided non-audit services to the company during or after the end of the financial year.

Extension of Auditors Tenure

The Directors advise that under the provisions of Sec 324DAA of the Corporations Act 2001, approval was given for William Murray Moyes, auditor of the company and partner of Moyes Yong & Co, Chartered Accountants, to be granted an extension on the term of his appointment for a further two years. The directors are satisfied that the approved extension is consistent with maintaining the quality of the audit provided to the company and will not give rise to any conflict of interest situation as defined in Sec 324CD of the Corporations Act 2001. The Directors have been satisfied with the quality of the audit services provided to date and have no reason to believe that the quality of service to be provided in the next two years will be impaired as a result of approving this extension. The Directors also believe that the introduction of a new service provider at this time would cause unnecessary disruption and would not provide any additional benefit to the company.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on Page 15.

Signed in accordance with a resolution of the Board of Directors made pursuant to s. 298(2) of the Corporations Act 2001.

On behalf of the Directors.



GRAHAM REVELEIGH
Chairman

Dated: 30 September 2021

REMUNERATION REPORT

This remuneration report forms part of the Directors Report for the year ended 30 June 2021 and details the nature and amount of remuneration for the Bounty Oil & Gas NL non-executive directors and other key management personnel of the group.

The prescribed details for each person covered by this report are detailed below under the following headings:

- Director and senior management details
- Remuneration policy
- Non-executive directors policy
- Senior management personnel policy
- Remuneration of directors and key management
- Key terms and employment contracts

Directors and Key Management details

The term “key management” as used in this remuneration report to refers to the following directors and executives.

Directors

The following persons acted as directors of the company during or since the end of the financial year:-

- Mr G. C. Reveleigh (Chairman)
- Mr C. Ross (Non-Executive Director)
- Mr R. Payne (Non-Executive Director)

Executives

The following persons acted as senior management of the company during or since the end of the financial year:

- Mr P. F. Kelso (Chief Executive Officer)

The company does not consider other employees and consultants to be Key Management Personnel.

Remuneration policy

The remuneration policy of Bounty Oil & Gas NL has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and bonuses issued at the discretion of the board of the company. The board of Bounty Oil & Gas NL believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the company, as well as create goal congruence between directors, executives and shareholders.

All remuneration paid to key management personnel (directors and others) is valued at the cost to the company and expensed or where appropriate transferred to capital items. Shares issued to key management personnel are valued as the difference between the market price of those shares and the amount paid by the key management person. Share options are valued using the Black- Scholes methodology. Shares and options granted to key management personnel (directors and others) are subject to any necessary approvals required by the ASX Listing Rules.

Performance-based remuneration

Given the long-term nature of and risk variables involved in exploration and development of petroleum resource projects as compared to other sectors e.g. retail revenues; remuneration of directors or other key management personnel is not performance based.

Non-executive directors' policy

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The maximum aggregate amount of fees that can be paid to non-executive directors is within the maximum amount specified in the company's Constitution. Any increase of that amount is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the company.

Remuneration of non-executive directors is determined by the Board exclusive of the director under consideration after considering the individual time commitment, duties and function of the subject Director. Further considerations of the amount of remuneration are made by referral to amounts paid to Directors, both executive and non-executive, by other listed entities of comparable size to the Company in the oil and gas exploration industry.

The board of directors as a whole determines the proportion of any fixed and variable compensation for each other key management person.

Any consulting fees payable to Directors as to specific projects outside the normal day to day duties of the Directors are agreed upon prior to commencement of work on the specific projects.

The company makes cash bonus payments to key directors from time to time. Bonus payments by way of share-based payments are made from time to time subject to any necessary shareholder approval. All such payments are expensed at the time of issue at the prevailing market price.

Each director is paid in cash. Shares and share options have on occasions been granted to directors as part of their remuneration.

Senior management personnel policy

The board's policy for determining the nature and amount of remuneration of key management personnel who are senior management executives of the company is as follows:-

The remuneration structure comprises a combination of, short term benefits including base fees and long-term incentives and is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the company. The contracts for service between the company and key executive management personnel are for fixed terms which may continue at the end of the term. There were no provisions for retirement benefits in contracts with senior management executives of the company made or continued during the year ended 30 June 2021.

The company may make cash bonus payments to senior management executives and to selected employees from time to time. Bonus payments and long-term incentives by way of share-based payments are classed as long-term incentives and are made from time to time subject to any necessary shareholder approval. All such payments are expensed at the time of issue at the prevailing market price.

Key management personnel who are employees receive a superannuation guarantee contribution required by the government and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

The chief executive officer, Mr P. F. Kelso, is engaged through a fixed term service agreement with a personally related entity containing the following material conditions:

- Management fees of \$320,000 per annum payable by equal monthly instalments.
- Payment of lease fees for a motor vehicle and parking.
- Bonuses at the discretion of the board of directors and there are no retirement or other fixed benefits.
- The personally related entity is responsible for all statutory entitlements.
- Services: To include non-exclusive executive management, capital raising, communication, management strategy, budgets, investment policy and all other duties normally incidental to the position of chief executive officer.

Other than the directors and the chief executive officer, at the date of this Report all other personnel are permanent or part time employees of the company and not classified as key management personnel.

Key Management Remuneration

Details of the remuneration of directors and the other key management personnel of the group (as defined in AASB 124 Related Party Disclosures) and the one highest paid executive of Bounty Oil & Gas N.L. are set out in the following tables.

Key Management Remuneration						
2021	\$					
Key Management Person	Short-term Benefits			Post-employment Benefits	Share based payment	Total
	Cash, salary and commissions	Cash bonus and Non-cash benefits (2)	Consulting Fees + Other	Super-annuation	Options	
Non-Executive Directors						
Mr G. Reveleigh (1)	55,000	-	-	-	-	55,000
Mr C. Ross (1)	10,804	-	-	-	-	10,804
Mr R. Payne	14,666	-	-	3,000	-	17,666
Other Key Management Personnel – Chief Executive officer						
Mr P.F. Kelso (1)	320,000	-	8,400	-	-	328,400

1. Paid to a personally related entity of the director/executive.

Key Management Remuneration						
2020	\$					
Key Management Person	Short-term Benefits			Post-employment Benefits	Share based payment	Total
	Cash, salary and commissions	Cash bonus and Non-cash benefits (2)	Consulting Fees + Other	Super-annuation	Options	
Non-Executive Directors						
Mr G. Reveleigh (1)	52,500	-	-	-	-	52,500
Mr C. Ross (1)	10,754	-	-	-	-	10,754
Mr R. Payne	7,333	-	-	16,825	-	24,158
Other Key Management Personnel – Chief Executive officer						
Mr P.F. Kelso (1)	398,000	-	4,200	-	-	402,200

1. Paid to a personally related entity of the director/executive.

No director or senior management person appointed during the above periods received a payment as part of his consideration for agreeing to be appointed to that position.

Share-based payments

During the financial year ended 30 June 2021 no share-based payments were made to Key Management Persons.

Fully paid ordinary shares

No fully paid ordinary shares were issued to Key Management Persons during the period.

Share Options

1. No share options were issued to directors or other key management persons or executives as part of their remuneration during the year ended 30 June 2021 or since that date.
2. During the year, no directors or senior management held or exercised options that were granted to them as part of their compensation in previous periods.

Loan transaction with directors and executives

No loans were made to key management personnel including their personally related entities during the financial year ended 30 June 2021 and no loans were outstanding at the end of the prior period. During the year the Company repaid \$106,000 (net), being part of short-term interest free loan advanced by related entities of the CEO in previous years. At 30 June 2021 loans outstanding to related entities of the CEO were approximately \$162,000 inclusive of accrued interest charge at 10% p.a. on a \$62,000 portion of the advance, for the financial year.

Other Key Management Personnel Disclosures:

Further information on disclosure in connection with Key Management Personnel and Share Base Payments are set out in the following Notes to the Financial Statements:-

1. Note 19: Share Based Payments
2. Note 20: Key Management Personnel Disclosures
3. Note 22: Related Party Transactions.

Performance income as a proportion of total remuneration

The percentage of remuneration paid to directors and key management personnel during the financial year ended 30 June 2021 which was performance based was: Nil.

Employee Share Scheme

Bounty Oil & Gas N.L. does not have a current Employee Share Plan (the Plan) approved by shareholders.



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AUDITOR'S INDEPENDENCE DECLARATION

To the directors of Bounty Oil & Gas NL

In accordance with section 307C of the Corporations Act 2001, as lead auditor for the audit of the financial report of Bounty Oil & Gas NL and its controlled entities for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

William M Moyes – Partner



Moyes Yong & Co Partnership
Dated: 30 September 2021

**Consolidated statement of profit and loss and other comprehensive income
for the year ended 30 June 2021**

	Notes	Year-ended	
		30-Jun-21 \$	30-Jun-20 \$
Petroleum revenue	5	1,470,219	2,906,461
Net Investment income	5	12,786	(32,009)
Other income	5	106,697	50,848
Direct petroleum operating expense	5	(937,896)	(1,507,931)
Changes in inventory		(11,543)	(7,682)
Employee benefits and contractor expense	6	(676,176)	(747,588)
Depreciation expense		(92,872)	(81,380)
Amortisation of oil producing assets		(356,343)	(542,127)
Occupancy expense		(91,318)	(99,064)
Corporate activity costs		(128,803)	(44,202)
Rehabilitation finance costs		(27,516)	(27,645)
Foreign exchange gain/(loss)	5	(52,478)	26,073
Impairment of oil and gas assets	14	(2,010,904)	(2,904,523)
General legal and professional costs		(81,430)	(55,200)
Other expenses		(29,998)	(36,623)
Loss before Tax		(2,907,575)	(3,102,592)
Income tax expense	7	-	-
Loss for the period from continuing operations		(2,907,575)	(3,102,592)
Loss for the year		(2,907,575)	(3,102,592)
Other comprehensive income for the year, net of income tax		-	-
Total Comprehensive loss for the period		(2,907,575)	(3,102,592)
Total comprehensive income/(loss) attributable to owners of the parent		(2,907,575)	(3,102,592)
Earnings/(loss) per share			
Basic (cents per share)		(0.28)	(0.33)
Diluted (cents per share)		(0.28)	(0.33)

The above consolidated statement of comprehensive income should to be read in conjunction with the accompanying notes.

Consolidated statement of financial position
as at 30 June 2021

	Notes	30-Jun-21 \$	30-Jun-20 \$
Assets			
Current assets			
Cash and cash equivalents	9	1,410,397	1,096,605
Trade and other receivables	10	258,792	273,125
Inventories	11	36,188	69,508
Other current financial assets	12	45,139	32,353
Total current assets		1,750,516	1,471,591
Non-current assets			
Other receivables	10	25,850	40,850
Exploration and evaluation assets	14 (b)	3,062,158	4,999,553
Production and development assets	14(a)	5,604,161	5,243,330
Property, plant and equipment	13	892,097	878,923
Total non-current assets		9,584,266	11,162,656
Total assets		11,334,782	12,634,247
Liabilities			
Current liabilities			
Trade and other payables	15	1,421,438	1,275,814
Provisions	16	88,043	61,335
Total current liabilities		1,509,481	1,337,149
Non-current liabilities			
Provisions	16	1,369,963	1,354,185
Total non-current liabilities		1,369,963	1,354,185
Total liabilities		2,879,444	2,691,334
Net assets		8,455,338	9,942,913
Equity			
Issued capital	17	44,860,163	43,440,163
Reserves		201,600	201,600
Retained losses		(36,606,425)	(33,698,850)
Equity attributable to owners of the parent		8,455,338	9,942,913
Total equity		8,455,338	9,942,913

The above consolidated statement of financial position should to be read in conjunction with the accompanying notes.

**Consolidated statement of changes in equity
for the year ended 30 June 2021**

		Ordinary share capital	Option reserve	Retained earnings/ (Accumulated losses)	Total
	Notes	\$	\$	\$	\$
Balance at 1 July 2019		43,440,163	201,600	(30,596,258)	13,045,505
(Loss) for the year		-	-	(3,102,592)	(3,102,592)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-	-	(3,102,592)	(3,102,592)
Shares issued during the period	17	-	-	-	-
Balance at 30 June 2020		43,440,163	201,600	(33,698,850)	9,942,913
Balance at 1 July 2020		43,440,163	201,600	(33,698,850)	9,942,913
Loss for the period		-	-	(2,907,575)	(2,907,575)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-	-	(2,907,575)	(2,907,575)
Share issue transaction costs		(10,000)	-	-	(10,000)
Shares issued during the period	17	1,430,000	-	-	1,430,000
Balance at 30 June 2021		44,860,163	201,600	(36,606,425)	8,455,338

The above consolidated statement of changes in equity should to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows
for the year ended 30 June 2021

	Notes	Year-ended	
		30-Jun-21	30-Jun-20
		\$	\$
Cash flows from operating activities			
Receipts from petroleum operations		1,643,043	3,475,484
Payments to suppliers and employees		(2,160,124)	(2,483,305)
Interest and dividend received		1,837	25,812
Net cash generated by/(used in) operating activities	18	(515,244)	1,017,991
Cash flows from investing activities			
Payments for exploration and evaluation assets		(103,139)	(60,808)
Payments for oil production & development assets		(335,915)	(839,325)
Payments for property plant and equipment		(49,327)	(14,877)
Other deposits		(150,000)	170,000
Payment for available for sale financial assets		-	(20,782)
Net cash (used in) investing activities		(638,381)	(765,792)
Cash flows from financing activities			
Proceeds from issue of shares		1,430,000	-
Costs associated with issue of shares		(10,000)	-
Net cash generated by/(used in) financing activities		1,420,000	-
Net increase in cash and cash equivalents		266,375	252,199
Cash and cash equivalents at the beginning of the period		1,096,605	813,870
Effects of exchange rate changes on the balance of cash held in foreign currencies		47,417	30,536
Cash and cash equivalents at the end of the period	9	1,410,397	1,096,605

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

Contents of the notes to the consolidated financial statements

1. Statement of compliance
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9. Cash and cash equivalents
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Notes to the consolidated financial statements for the year ended 30 June 2021

1. Statement of compliance

Bounty Oil and Gas N.L. is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

This financial report includes the consolidated financial statements and notes of Bounty Oil & Gas NL ("parent entity") and controlled entities ("consolidated group" or "group") and the Group's interest in jointly controlled assets for the financial year ended 30 June 2021. Supplementary financial information about the parent entity is disclosed in Note 26. The Financial Statements are presented in Australian currency.

The group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report was authorised for issue by the directors on 30 September 2021.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and the *Corporations Act 2001*.

Compliance with AASB 101 ensures compliance with International Financial Reporting Standard IAS 1 Presentation of Financial Statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

2. Summary of significant accounting policies

a. Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The financial report is presented in Australian dollars and under the option available to the Group under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, all values are rounded to the nearest dollar unless otherwise stated.

b. Adoption of new and amended Accounting Standards

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. The consolidated entity has adopted all the new, revised or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period beginning 1 July 2021.

The Directors have reviewed new accounting standards and interpretations that have been published that are not mandatory for 30 June 2021 reporting periods. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is likely to company accounting policies.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

c. Basis of consolidation

(i) Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Bounty Oil & Gas NL at the end of the reporting period. A controlled entity is any entity over which Bounty Oil & Gas NL has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 24 to the financial statements.

Notes to the consolidated financial statements for the year ended 30 June 2021

c. Basis of consolidation (continued)

In preparing the consolidated financial statements all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

For the reporting period the only controlled entities that Bounty Oil & Gas NL had were Ausam Resources Pty Limited (100%), Interstate Energy Pty Limited (100%), and Rough Range Pty Limited (100%).

(ii) Joint arrangements

Under AASB 11 'Joint Arrangements' investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement. Bounty Oil & Gas NL has assessed the nature of its joint arrangements and determined them to be joint

Bounty Oil & Gas NL has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate headings. Details of the joint operations are set out in note 25.

(iii) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of: (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e., gain on a bargain purchase) is recognised in profit or loss immediately.

d. Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses. When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

e. Income tax

The income tax expense / (income) for the year comprises current income tax expense / (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Notes to the consolidated financial statements for the year ended 30 June 2021

e. Income tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Current and deferred income tax expense / (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation - Bounty Oil & Gas NL and its wholly owned Australian subsidiary have not formed an income tax consolidation group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand alone taxpayer' approach to allocation.

f. Fair value measurement

AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets and liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. Consequential amendments were also made to other standards.

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that a significant input to the measurement can be categorised into as follows:

- level 1: Measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

-level 2: Measurements based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

-level 3: Measurements based on unobservable inputs for the asset or liability.

The carrying values of financial assets and liabilities recorded in the financial statements approximates their respective fair values, determined in accordance with the accounting policies described above and adjusted for capitalised transaction costs, if any.

Notes to the consolidated financial statements for the year ended 30 June 2021

g. Going concern basis

The directors have prepared the financial report on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the period ended 30 June 2021, the Group realised a net loss after tax of \$2,907,575 (2020: \$3,102,592). This was primarily due to non-cash impairment of \$2 million to oil and gas assets. The net cash spent on operating activities for the period ended 30 June 2021 was \$515,244 (2020: net cash generated \$1,017,991). The Group's net asset position at 30 June 2021 was \$8,455,338 (30 June 2020: \$9,942,913) and a cash balance of \$1,410,397 (30 June 2020: \$1,096,605).

The directors' cash flow forecasts project that the group will continue to be able to meet its liabilities and obligations (including those exploration commitments as disclosed in Note 21) as and when they fall due for a period of at least 12 months from the date of signing of this financial report. The cash flow forecasts are dependent upon the generation of sufficient cash flows from operating activities to meet working capital requirements; contemplating issue of equity by the Group; the ability of the Group to manage discretionary exploration and evaluation expenditure on non-core assets via farmout or disposal of certain interests and or a reduction in its future work programmes. The directors are of the opinion that the use of the going concern basis of accounting is appropriate as they are satisfied as to the ability of the Group to implement the above.

h. Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days.

Collection of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount for the provision is recognised in the income statement.

i. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

j. Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful

Notes to the consolidated financial statements for the year ended 30 June 2021

j. Depreciation (continued)

Depreciation on assets is calculated over their estimated useful life as follows:

Class of fixed asset	Estimated useful life
Office furniture and fittings	5 years
Computer equipment	4 years
Plant and equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

k. Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and,
- at least one of the following conditions is also met:
 - i) the exploration and evaluation expenditures are expected to be recouped through successful exploration, development and commercial exploitation of the area of interest, or alternatively, by its sale; or,
 - ii) exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable petroleum reserves or resources and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, geophysical surveys, studies, exploratory drilling, sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then re-classified to development.

l. Production and development assets

The group follows the full cost method of accounting for production and development assets whereby all costs, less any incentives related to the acquisition, exploration and development of oil and gas reserves are capitalised. These costs include land acquisition costs, geological and geophysical expenses, the costs of drilling both productive and non productive wells, non producing lease rentals and directly related general and administrative expenses. Proceeds received from the disposal of properties are normally credited against accumulated costs.

When a significant portion of the properties is sold, a gain or loss is recorded and reflected in profit or loss.

With respect to production assets, depletion of production and development assets and amortisation of production facilities and equipment are calculated using the unit of production method based on estimated proven oil and gas reserves. For the purposes of depletion calculation proved oil and gas reserves before royalties are converted to a common unit measure. The estimated costs for developing proved underdeveloped reserves, future decommissioning and abandonments, net of estimated salvage values, are provided for on the unit of production method included in the provision for depletion and amortisation.

Notes to the consolidated financial statements for the year ended 30 June 2021

l. Production and development assets (continued)

In applying the full cost method of accounting, the capitalised costs less accumulated depletion are restricted from exceeding an amount equal to the estimated discounted future net revenues, based on year end prices and costs, less the aggregate estimate future operating and capital costs derived from proven and probable reserves.

Development expenditure is recognised at cost less accumulated amortisation and any impairment losses. Where commercial production in an area of interest has commenced, the associated costs together with any forecast future capital expenditure necessary to develop proved and probable reserves are amortised over the estimated economic life of the field on a units-of-production basis.

Changes in factors such as estimates of proved and probable reserves that affect unit of production calculations are dealt with on a prospective basis.

m. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

n. Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less any estimated selling costs. The cost of petroleum products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads.

o. Leases

When a contract is entered into, the Group assesses whether the contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group separates the lease and non-lease components of the contract and accounts for these separately.

The Group allocates the consideration in the contract to each component on the basis of their relative stand-alone prices.

Leases as a lessee

Right-of-use assets and lease liabilities are recognised at commencement date of the lease when the asset is available for use.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated using the straight-line method over the shorter of their useful life and the lease term.

Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses, assessed in accordance with the Group's impairment policies.

Lease liabilities are initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease payments are fixed payments or index-based variable payments incorporating Group's expectations of extension options and do not include non-lease components of a contract. A portfolio approach was taken when determining the implicit discount rate for the office premise and office car bay lease.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the right-of-use assets, with any excess recognised in the consolidated income statement.

Short-term leases and lease of low value assets

Short term leases (lease term of 12 month or less) and leases of low value assets are recognised as incurred as an expense in the consolidated income statement.

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

p. Financial instruments

i) Financial assets at fair value through profit or loss

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date (the date that the Group commits to purchase or sell the asset).

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- (i) Financial assets at amortised cost (debt instruments)
- (ii) Financial assets at fair value through profit or loss
- (iii) derecognition (equity instruments)

(i) Financial assets at amortised cost (debt instruments):

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes other receivables.

(ii) Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

(iii) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Notes to the consolidated financial statements for the year ended 30 June 2021

p. Financial instruments (continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

Expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss will be recognised through an allowance. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Impairment of assets

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

r. Foreign currency

Functional and presentation currency

The functional currency is measured using the currency of the primary economic environment in which the Group operates (the "functional" currency). The financial statements are presented in Australian dollars which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate at balance date. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Notes to the consolidated financial statements for the year ended 30 June 2021

s. Employee benefits

Wages, salaries, and other entitlements

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Employee benefits payable later than one year include Statutory Long Service Leave only.

Share based payments – employee share plan

Share based compensation has from time to time been provided to eligible persons via the Bounty Oil & Gas N.L. Employee Share Plan ("Plan"). Under AASB 2 "Share-based Payments", the Employee Share Plan shares are deemed to be equity-settled share-based remuneration.

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of the quoted market price or binomial pricing model. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

t. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

u. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

v. Rehabilitation obligations

Provisions for future environmental restoration are recognised where there is a present obligation as a result of exploration, development, production or storage activities having been undertaken and it is probable that an outflow of economic benefits will be required to settle the obligation. The estimated future obligations include the costs of removing facilities, abandoning wells and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at reporting date, with a corresponding charge in the cost of the associated asset.

The amount of the provision for future restoration costs relating to exploration, development and production facilities is capitalised and depleted as a component of the cost of those activities.

The unwinding of the effect of discounting on the provision is recognised as a finance cost.

w. Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

x. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the consolidated financial statements for the year ended 30 June 2021

y. Earnings per share

The Group presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted number of shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential ordinary shares, which comprises any share options issued.

z. Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

aa. Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

3. Critical accounting estimates and judgments

In the application of the group's accounting policies, which are described in Note 1, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical and industry experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments that management has made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Business combination

Management uses valuation techniques in determining the fair values of the various elements of a business combination. See Note 2(c)(iii).

Exploration and evaluation assets

The group's policy is discussed in Note 2(k). The application of these policies requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploitation, then the relevant capitalised amount will be written off through profit or loss.

Covid-19

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or

Estimate of reserve quantities

The estimated quantities of proven and probably hydrocarbon reserves and resources reported by the group are integral to the calculation of amortisation (depletion) and depreciation expense and to assessments of possible impairment of assets.

Estimated reserve quantities are based upon data from exploration and development drilling, interpretations of geological and geophysical models and assessment of the technical feasibility and commercial viability of producing the reserves.

Management prepares reserve estimates which conform to guidelines prepared by the Society of Petroleum Engineers, USA. Where appropriate these estimates are then verified by independent technical experts.

These assessments require assumptions to be made regarding future development and production costs, commodity prices, exchange rates and fiscal regimes. The estimates of reserves may change from period to period as the economic assumptions used to estimate the reserves can change from period to period, and as additional geological or reservoir data is generated during the course of operations.

Provision for rehabilitation and decommissioning

The group estimates the future removal and decommissioning costs of oil and gas production facilities, wells, pipelines and related assets at the time of installation of the assets. In most instances the removal of these assets will occur many years in the future. The estimates of future removal costs therefore requires management to make adjustments regarding the removal date, future environmental legislation, the extent of decommissioning activities and future removal technologies.

Notes to the consolidated financial statements for the year ended 30 June 2021

Impairment of production and development assets

The group assesses whether oil and gas assets are tested for impairment on a semi-annual basis. This requires an estimation of the recoverable amount from the cash generating unit to which each asset belongs. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and or subsequent disposal. The expected net cash flows are discounted to their present values in determining the recoverable amount. Its policy for production and development assets is discussed in Note 1(l).

During the year, the group carried out a review of its petroleum exploration properties. The review led to the recognition of an impairment loss of \$2 million on ATP 2028P Queensland Onshore. Further commentary on impairment is included in the Directors' Report. This non-cash loss has been recognised in the Group's profit or loss statement. These properties are reported as in the core oil and gas segment (See note 4).

4. Segment Information

Information reported to the Chief Operating Decision Maker, being the CEO, for the purposes of resource allocation and assessment of the performance is more specifically focused on the category of business units. The Group's reportable segments under AASB 8 Operating Segments are therefore as follows:

Core Petroleum Segment - Oil and gas exploration, development and production

Secondary Segment - Investment in listed shares and securities.

Segment revenue and results

	Segment revenue		Segment profit/(loss)	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	\$	\$	\$	\$
Core Oil & Gas Segment				
Production projects	1,470,219	2,906,461	101,777	801,713
Exploration projects	-	-	(2,010,904)	(2,904,523)
Secondary Segment				
Listed securities	12,786	(32,009)	12,786	(32,009)
Total from continuing operations	1,483,005	2,874,452	(1,896,341)	(2,134,819)
Other revenue			54,219	76,921
Central admin costs and directors remuneration			(1,065,453)	(1,044,694)
Loss before tax			(2,907,575)	(3,102,592)

Segment revenue

Revenue reported above represents revenue/income generated from external sources. There were no intersegment sales during the period (2019: nil).

Accounting policies of reportable segments

The accounting policies of the reportable segments are the same as the group's accounting policies described in Note 1.

Segment profit/(loss) in this Note represents the profit/(loss) earned by each segment without allocation of central administration costs and directors remuneration, other investment revenue such as interest earned, finance costs and income tax expense. This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

Information about major customers

Included in the revenue arising from direct sales of oil and gas of \$1.47 million (2020: \$2.90 million) are revenues of approximately \$0.98 million (2020: \$1.93 million) which arose from sales to the Group's largest customer. The revenue from the Group's second largest customer was approximately \$0.49 million (2020: \$0.97 million). No other single customer contributed 10% or more to the Groups revenue for both 2021 and 2020.

Other segment information

	Amortisation, depreciation & depletion		Additions to non-current assets	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	\$	\$	\$	\$
Core Oil & Gas Segment				
Production projects	441,102	619,520	660,146	731,285
Development projects	-	-	112,131	112,733
Exploration projects	-	-	73,509	32,795
Other	8,113	3,987	49,327	1,203
Total	449,215	623,507	895,113	878,016

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

4. Segment Information (continued)

	Impairment losses (expenses)	
	30-Jun-21	30-Jun-20
	\$	\$
Core Oil & Gas Segment		
Exploration projects	2,010,904	2,904,523
Total	2,010,904	2,904,523

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Segment liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables and provisions.

The unallocated items include items that are not considered part of the core operations of any segment.

	Segment assets		Segment liabilities	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	\$	\$	\$	\$
Core Oil & Gas Segment				
Production projects	4,954,629	4,649,336	2,075,596	2,055,104
Development projects	1,769,690	1,657,559	71,171	68,163
Exploration projects	3,062,158	4,999,553	88,531	76,855
Secondary Segment				
Listed securities	45,139	32,353	-	-
Unallocated	1,503,166	1,295,446	644,146	491,212
Total	11,334,782	12,634,247	2,879,444	2,691,334

Geographical Segment information

The following table details the group's geographical segment reporting of revenue and carrying amount of assets in each geographical region where operations are conducted.

	Revenue		Carrying amounts of non current assets	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	\$	\$	\$	\$
Australia	1,537,224	2,951,373	9,584,266	11,162,656
Total	1,537,224	2,951,373	9,584,266	11,162,656

5. Revenue and other income

	30-Jun-21	30-Jun-20
	\$	\$
Sales revenue:		
Oil and gas sales	1,446,058	2,879,482
Revenue from tariffs	24,161	26,979
Total sales revenue	1,470,219	2,906,461
Investment income:		
Investment income from financial assets at fair value through Profit and loss (held for trading listed shares)		
Unrealised gain/(loss)	12,786	(32,009)
Total investment income	12,786	(32,009)
Other income:		
Interest and dividend income	2,265	5,497
Gains/(losses) on foreign currency	(52,478)	26,073
Government Assistance – COVID-19 related (i)	104,432	45,351
Total other revenue	54,219	76,921
Total revenue	1,537,224	2,951,373

(i) The Company was eligible for, applied for and received COVID-19 related grants from the Commonwealth of Australia due to a significant reduction in petroleum revenues during the financial year.

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

6. Employee benefit expense

	30-Jun-21	30-Jun-20
	\$	\$
Directors fees	83,471	87,412
Consultancy fees - Internal	320,000	398,000
Wages & salaries	219,817	215,867
Other employee benefit expenses	52,888	46,309
Total Employee benefit expense	676,176	747,588

Recharge and recoveries

The Group has the policy to allocate a portion of employee benefit expense to production, development, exploration and evaluation assets based on employee time committed to various projects.

7. Income tax expense

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax payable on profit/(income tax benefit) from continuing operations before income tax at 26% (2020 27.5%)

Consolidated group

Add: tax effect of non deductible expenses

Less: tax effect of expenditure claimed as deduction

Tax effect of Unused tax losses not recognised as deferred tax asset

Income tax expense attributable to loss from ordinary activities

	\$	\$
	(755,970)	(853,213)
	725,116	988,980
	(156,613)	(109,605)
	(187,467)	26,162
	-	-

The potential future income tax benefit arising from tax losses and timing differences has not been recognised as an asset because recovery of tax losses is not probable and recovery of timing differences is not assured beyond reasonable doubt.

The potential future income tax benefit will be obtained if:

- 1) the relevant company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised, or the benefit can be realised by another company in the Group in accordance with Division 170 of the Income Tax Assessment Act 1997;
- 2) the relevant company and/or group continues to comply with the conditions for deductibility imposed by the Act; and
- 3) no changes in tax legislation adversely affect the Company and/or the group in realizing the benefit.

Bounty Oil and Gas NL and its wholly-owned subsidiaries have not formed a tax consolidation group.

8. Earnings/(loss) per share

Basic earnings/(loss) per share (cents per share)	(0.28)	(0.33)
Diluted earnings/(loss) per share (cents per share)	(0.28)	(0.33)
Net (loss)/profit used in the calculation of basic and diluted earnings/(loss) per share	(2,907,575)	(3,102,592)

Weighted average number of ordinary shares for the purposes of basic and diluted EPS

No. of Shares	No. of Shares
1,096,400,982	953,400,982

9. Cash and cash equivalents

	\$	\$
Deposits on call	66,112	65,323
Cash at bank	1,344,285	1,031,282
Total Cash and cash equivalents	1,410,397	1,096,605

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

10. Trade and other receivables

	30-Jun-21	30-Jun-20
	\$	\$
Current		
Trade and other receivables	244,000	269,199
Prepayments	14,792	3,926
Non-current		
Other receivables	25,850	40,850
Total trade and other receivables	284,642	313,975

11. Inventories

	\$	\$
Oil and other inventory	36,188	69,508
	36,188	69,508

12. Other current financial assets

	Note	\$	\$
Financial assets at fair value through profit and loss - shares in listed corporations	23(d)	45,139	32,353
Total current financial assets		45,139	32,353

13. Property, plant and equipment

Plant and Equipment

	\$	\$
Plant and equipment – at cost	1,397,572	1,291,525
Less accumulated depreciation	(505,475)	(412,602)
Total Property, plant and equipment	892,097	878,923

Movement in carrying amounts:

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the financial year.

	\$	\$
Opening Balance	878,923	848,607
Additions	106,047	111,698
Depreciation	(92,872)	(81,380)
Carrying amount at the end of the year	892,097	878,923

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

14. Non current assets	Note	30-Jun-21	30-Jun-20
(a): Production and development assets		\$	\$
SW Queensland			
Joint operation interest in ATP1189 Naccowlah Block – at cost	25	3,688,794	3,602,977
Less: Amortisation		(2,325,277)	(2,003,868)
East Queensland - PL 441 (ex-PL119) Downlands – at cost		4,389,846	3,872,238
Less: Depletion and amortisation		(2,518,608)	(2,518,609)
Rehabilitation costs – all petroleum properties		599,716	633,033
All other development assets		1,769,690	1,657,559
Total production and development assets		5,604,161	5,243,330

Movement in carrying amounts of production & development assets:

	\$	\$
Opening balance at the beginning of the year	5,243,330	5,041,992
Additions	715,557	733,523
Movement in rehabilitation	(33,317)	(33,317)
Impairment of production and development assets (see i below)	-	-
Amortisation of production assets	(321,409)	(498,868)
Carrying amount at the end of the year	5,604,161	5,243,330

(i) In accordance with the Group's accounting policies and procedures, the Group performs its impairment testing at the end of each reporting period. A number of factors represented indicators of impairment. As at 30 June 2021, ATP 2028 Onshore Queensland permit was relinquished and the investment was fully impaired. Refer to table in note 14(c) below. Further commentary on impairment is included in the Directors' Report. No other impairments were recognised for this reporting period.

Key assumptions used:	2021-22	2023+
Crude oil price (US\$)	\$65.00	\$60.00
Average AUD:USD exchange rate	\$0.720	\$0.70
CPI (%)	2.0%	2.0%
Post-tax real discount rate (%)	7.0%	7.0%

(b): Exploration and evaluation assets		\$	\$
Exploration assets	25	3,062,158	4,999,553
Total exploration and evaluation assets		3,062,158	4,999,553

Movement in carrying amounts of exploration and evaluation assets:

	\$	\$
Opening balance at the beginning of the year	4,999,553	7,871,281
Additions	73,509	32,795
Impairment of Exploration and evaluation asset (see i above)	(2,010,904)	(2,904,523)
Carrying amount at the end of the year	3,062,158	4,999,553

(c): Impairment of oil and gas properties	\$	\$
AC/P 32 Ashmore Cartier	-	2,904,523
ATP 2028	2,010,904	-

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

15. Trade and other payables

Current

Trade payables

Amounts owing to Joint Operations

GST, FBT, PAYG & superannuation liability

Total trade and other payables

16. Provisions

Current - Provision for employee entitlement

Non-current - Provision for employee entitlement

Non-current - Rehabilitation costs – petroleum properties

Movement in provisions

Opening balance

Unwinding of discount on provision

Net provisions recognised/(expensed)

Balance at the end of the period

The provision for rehabilitation costs represents the present value of best estimate of the future sacrifice of economic benefits that will be required to remove the facilities and restore the affected areas at the Group's operation sites. The rehabilitation of the petroleum properties is expected to be undertaken between 1 to 20 years. The discount rate used in the calculation of the provision as at 30 June 2021 was 2%, broadly equivalent to the Australian Government 10 year bond rate. Long service leave is measured at the present value of benefits accumulated at the end of financial year. The liability is discounted using an appropriate discount rate. The measurement requires judgement to determine key assumptions used in the calculation including futures pay increases and settlement dates of employee's departure.

17. Issued capital

A reconciliation of the movement in capital for the Company can be found in the

Consolidated Statement of Changes in Equity

1,096,400,982 fully paid ordinary shares (2020: 953,400,982)

Nil options transferred to share option reserve on expiry (2020: Nil)

(a) Movement in fully paid ordinary shares

Balance at beginning of period

Balance at end of period

18. Reconciliation of cash flow from continuing operations

Reconciliation of Cash Flow from continuing operations with profit/(loss) after income tax.

Profit/(Loss) from continuing operations after income tax

Non-cash flows in profit/(loss) from continuing operations:

Depreciation and amortisation

Fair value movement in marketable financial assets

Foreign exchange differences

Movement in employee benefit obligation

Impairment and Write-off of exploration assets

Impairment of oil and gas assets

Accrued interest expense

Change in trade and other receivables

Change in inventory

Change in rehabilitation obligation

Change in trade & other payables

Net Cash from continuing operations

	30-Jun-21	30-Jun-20
	\$	\$
Trade payables	915,869	393,646
Amounts owing to Joint Operations	464,366	843,104
GST, FBT, PAYG & superannuation liability	41,203	39,064
Total trade and other payables	1,421,438	1,275,814
16. Provisions	\$	\$
Current - Provision for employee entitlement	88,043	61,335
Non-current - Provision for employee entitlement	31,817	28,424
Non-current - Rehabilitation costs – petroleum properties	1,338,146	1,325,761
	1,369,963	1,354,185
Movement in provisions		
Opening balance	1,354,185	1,332,305
Unwinding of discount on provision	27,516	27,645
Net provisions recognised/(expensed)	(11,738)	(5,765)
Balance at the end of the period	1,369,963	1,354,185
	\$	\$
	44,860,163	43,440,163
	201,600	201,600
	45,061,763	43,641,763
No. of Shares	No. of Shares	
Balance at beginning of period	1,096,400,982	953,400,982
Balance at end of period	1,096,400,982	953,400,982
	\$	\$
Profit/(Loss) from continuing operations after income tax	(2,907,575)	(3,102,592)
Non-cash flows in profit/(loss) from continuing operations:		
Depreciation and amortisation	423,316	580,248
Fair value movement in marketable financial assets	(12,786)	32,009
Foreign exchange differences	(58,886)	(20,315)
Movement in employee benefit obligation	42,486	21,289
Impairment and Write-off of exploration assets	2,010,904	-
Impairment of oil and gas assets	-	2,904,523
Accrued interest expense	5,795	6,087
Change in trade and other receivables	40,802	278,377
Change in inventory	33,320	(15,219)
Change in rehabilitation obligation	27,516	70,904
Change in trade & other payables	(120,136)	262,680
Net Cash from continuing operations	(515,244)	1,017,991

Notes to the consolidated financial statements for the year ended 30 June 2021

19. Share based payments

No share based payment compensation was granted to directors or senior management during the financial year ended 30th June 2021 and there was Nil expensed (2020: Nil). During the year, no directors or senior management exercised options that were granted to them as part of their compensation in prior periods.

20. Key management personnel

a) Key Management Personnel Compensation

The aggregate remuneration made to Key Management Personnel of the group is set out below:

	30-Jun-21	30-Jun-20
	\$	\$
Short term employee benefits	403,535	470,460
Share based payments	-	-
Total	403,535	470,460

Apart from the details disclosed in this note, no director or key management person has entered into a material contract with the consolidated entity since the end of the previous financial year and there were no material contracts involving directors' or executives' interests existing at year-end.

Information regarding individual directors' and executives' compensation and some equity instrument disclosures as permitted by the Corporations Regulations 2M.3.03 is provided in the Remuneration Report section of the Directors' Report.

b) Equity Instrument Disclosures Relating to Key Management Personnel

i) Options provided as remuneration and shares issued on exercise of such options: Nil

ii) Share holdings

The movement during the reporting period in the number of ordinary shares in Bounty Oil and Gas N.L. held, directly, indirectly or beneficially, by each key management person, including related parties, is as follows:

2021	Balance at Start of the Year	Purchases	Received on exercise of Options	Received other	Sales	Held at the end of Year
Directors						
G Reveleigh	21,377,928	1,000,000	-	-	1,000,000	21,377,928
R Payne	-	-	-	-	-	-
C Ross	3,200,000	-	-	-	-	3,200,000
Executives						
P Kelso	37,987,492	300,000	-	-	4,000,000	34,287,492
2020						
Directors						
G Reveleigh	23,377,928	-	-	-	2,000,000	21,377,928
R Payne	-	-	-	-	-	-
C Ross	3,200,000	-	-	-	-	3,200,000
Executives						
P Kelso	56,135,175	1,352,317	-	-	19,500,000	37,987,492

No shares were granted to key management personnel during the financial year or during the previous financial year.

c) Key Management Personnel - other loans and advances

No loans were made to key management personnel including their personally related entities during the financial year ended 30 June 2021 and no loans were outstanding at the end of the prior period. During the year the Company repaid \$106,000 (net), being part of short term interest free loan advanced by related entities of the CEO in previous years. At 30 June 2021 loans outstanding to related entities of the CEO were approximately \$162,000 inclusive of accrued interest charge at 10% p.a. on a \$62,000 portion of the advance, for the financial year.

Notes to the consolidated financial statements for the year ended 30 June 2021

20. Key management personnel (continued)

d) Other transactions with key management personnel

Other than the transactions disclosed in the Remuneration Report contained in the Directors' Report, during the financial year, \$8,400 liability was recognised for site management services, and \$17,137 was paid for office rent to firms in which Mr. P. Kelso is a director.

Aggregate amounts of each of the above types of other transactions with entities associated with key management personnel of Bounty Oil & Gas NL:

	30-Jun-21 \$	30-Jun-20 \$
Payment for acquisition of Rough Range Oil Pty Ltd.	-	19,000
Site management services for PL2	8,400	4,200
Rent of office	17,137	-
	25,537	23,200

21. Commitments

In order to maintain current rights of tenure to its licences and permits, the company has certain obligations to perform work in accordance with the work programmes, as approved by the relevant statutory body, when the permits are granted. These work programs form the capital commitment which may be renegotiated, varied between permits, or reduced due to farm-out, sale, reduction of permit/licence area and/or relinquishment of non-prospective permits. Work in excess of the work programs may also be undertaken.

The following capital expenditure requirements have not been provided for in the accounts:

Payable	\$	\$
Not longer than 1 year	842,000	1,037,000
Longer than 1 year and not longer than 5 years	1,852,400	2,851,750
	2,694,400	3,888,750

There are no lease commitments at the balance date.

22. Related party transactions

a. The Group's main related parties are as follows:

Key Management Personnel

Any person(s) having authority or responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group are considered as key management personnel.

Disclosures relating to key management personnel are set out in Note 20 and in the Directors Report.

Controlled entities

Details of the percentage of ordinary shares held in controlled entities are disclosed in Note 24.

All inter-company loans and receivables are eliminated on consolidation and are interest free with no set repayment terms.

b. Transactions with other related parties:

The Group has a related party relationship with its joint ventures/joint operations (note 25) and with its key management personnel. The Company and its controlled entities engage in a variety of related party transactions in the ordinary course of business. These transactions are generally conducted on normal terms and conditions.

There were no transactions with related parties other than as disclosed in Note 20 and this Note 22.

23. Financial instruments

a) Capital management:

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders. The Group's overall strategy remains unchanged from last financial year. The Group's capital structure consists of equity (comprising issued capital, reserves and retained earnings as detailed in Consolidated Statement of Changes in Equity) and no debt. The Group is not subject to any externally imposed capital requirements.

The Board reviews the capital structure of the Group on an on-going basis. As part of this review, the Board considers the cost of capital and associated risks.

The gearing ratio at the end of the reporting period was nil (2020: nil).

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

23. Financial instruments (continued)

b) Categories of financial instruments:	Note	30-Jun-21	30-Jun-20
		\$	\$
Financial assets			
Cash and cash equivalents		1,410,397	1,096,605
Loans deposits and receivables		284,642	313,975
Available for sale financial assets designated as at FVTPL	12	45,139	32,353
Total financial assets		1,740,178	1,442,933
Financial liabilities			
Other amortised cost - trade creditors		(1,421,438)	(1,275,814)
Total financial liabilities		(1,421,438)	(1,275,814)

c) Financial risk management objectives:

The main risks the company is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk.

Foreign currency risk:

Foreign currency risk is managed by retaining majority of its cash and payables in Australian currency. Petroleum sales are received in USD with short term credit terms. The Group does not currently use derivative financial instruments to hedge foreign currency risk and therefore is exposed to daily movements in exchange rates. However, the Group intends to maintain sufficient USD cash balances to meet its USD obligations.

Liquidity risk:

The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Credit risk:

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in a financial loss to the Group and arises principally from the Group's receivables from customers and cash deposits. The Group's 2020 trade receivables are deposits and amounts due from State government departments and major Oil & Gas companies in Australia. The Group exited the joint operations during the year and these receivables have now been adjusted against related payables, and balance fully impaired.

The Company does not have any material credit risk exposure to any single debtor or company of debtors under financial instruments or collateral securities entered into by the Company.

Exposure to credit risk is monitored on an ongoing basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	30-Jun-21	30-Jun-20
	\$	\$
Carrying amount:		
Cash and cash equivalents	1,410,397	1,096,605
Trade and other receivables	284,642	313,975
	1,695,039	1,410,580

All cash held by the Group is deposited with investment grade banks and any expected credit loss is immaterial.

The aging of the Group's trade receivables at reporting date was:

	30-Jun-21		30-Jun-20	
	Gross \$	Impairment \$	Gross \$	Impairment \$
Past due	-	-	-	-
Not past due	258,792	-	273,125	-

Commodity risk:

The sales revenue of the company is derived from sales of oil at the prevailing \$US TAPIS or Dated Brent oil price on the Singapore market. The Group does not trade in derivative contracts to manage price and exchange risk.

d) Fair value of financial instruments:

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Notes to the consolidated financial statements for the year ended 30 June 2021

d) Fair value of financial instruments (continued):

The fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices. The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

Consolidated	Fair value hierarchy	30-Jun-21 \$	30-Jun-20 \$
Financial assets at fair value through profit or loss (see note 12)	Quoted bid prices in an active market		
	Level 1	45,139	32,353

e) Sensitivity analysis

The company does not perform sensitivity analysis with respect to interest rate risk, foreign currency risk, liquidity risk, credit risk or price risk.

24 . Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note 2 (c)(i).

Name of entity	Country of Incorporation	Class of shares	30-Jun-21 Equity holding % (1)	30-Jun-20
Ausam Resources Pty Ltd.	Australia	Ordinary	100	100
Interstate Energy Pty Ltd.	Australia	Ordinary	100	100
Rough Range Oil Pty Ltd.	Australia	Ordinary	100	100
Lansvale Oil & Gas Pty Ltd. (2)	Australia	Ordinary	-	100

(1) The proportion of ownership interest is equal to the proportion of voting power held.

(2) Voluntary deregistration of dormant subsidiary.

25. Interest in joint operations

Set out below are the joint arrangements of the Group as at 30 June 2021, which in the opinion of the directors are material to the Group:

Name of the joint arrangement	Principal activity	Measurement Method	Principal place of business	Ownership interest (%) (*approx)	
ATP 1189P Naccowlah block	Production	Proportionate	Adelaide, Australia	2%	2%
ATP 2028P	Exploration	Proportionate	Brisbane, Australia	-	50%
PEP11	Exploration	Proportionate	Perth, Australia	15%	15%

The company holds 2% interest in various Petroleum Leases and part of ATP 1189P, Queensland and associated oil production tangibles and pipelines referred to as the Naccowlah Block.

Details of the total revenue and expenses derived from or incurred in ATP 1189P joint operations and the company's share of the assets and liabilities employed in these joint operations are as follows:

	30-Jun-21 \$	30-Jun-20 \$
Revenue from petroleum	1,470,219	2,906,461
Petroleum and all other expenses	(1,368,442)	(2,104,748)
Net Profit/(Loss) from joint operations	101,777	801,713
Current assets		
Trade receivables	244,040	266,317
Inventories	36,188	69,508
Non current assets		
Property, plant & equipment (net of accumulated depreciation)	582,294	579,520
Other non-current assets	1,963,233	2,232,142
Total assets in joint operations	2,825,755	3,147,487
Current liabilities - Trade and other payables	464,366	843,104
Non current liabilities - Provisions	1,042,381	1,047,089
Total liabilities in joint operations	1,506,747	1,890,193
Net interest in joint operations	1,319,008	1,257,294

**Notes to the consolidated financial statements
for the year ended 30 June 2021**

25. Interest in joint operations (continued)

The Group's joint operations agreements require majority consent from all parties for all relevant activities. The joint participants own the assets of the joint operations as tenants in common and are jointly and severally liable for the liabilities incurred by the joint operations. These entities are therefore classified as joint operations and the group recognises its direct right to the jointly held assets, liabilities, revenues and expenses as described in note 2(c)(ii) & 2(d).

The accounting policies adopted for the group's joint operations are consistent with those in previous financial year.

The company's share of revenue and expenses from joint operations are included in the Consolidated Statement of Comprehensive Income. The company's share of the assets and liabilities held in joint operations are included in the Consolidated Statement of Financial Position.

Interests in other joint operation entities

Also included in the Consolidated Financial Statements as at 30 June 2021, the group held interests in joint operations whose principal activities were exploration, evaluation and development of oil and gas but not accruing material revenue.

The company contributes cash funds to the joint operations by way of cash calls for a specified percentage of total exploration and development activities. Other than the ATP1189P Naccowlah Block production Joint Operations none of the joint operations hold any material assets and accordingly the Company's share of exploration, evaluation and development expenditure is accounted for in accordance with the policy set out in Note 1.

26. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are same as those applied in the consolidated financial statements. Refer to Note 1 for a summary of the significant accounting policies relating to the Group. After review of policies, the Board resolved to reclassify the intercompany loans to controlled entities as non current assets.

The individual financial statements for the parent entity Bounty Oil & Gas NL show the following aggregate amounts:

Statement of Financial Position

	30-Jun-21	30-Jun-20
	\$	\$
Assets		
Current assets	1,670,459	1,376,654
Non-current assets	12,311,115	12,315,706
Total Assets	13,981,574	13,692,360
Liabilities		
Current liabilities	938,756	1,230,577
Non-current liabilities	1,123,893	1,121,182
Total Liabilities	2,062,649	2,351,759
Net Assets	11,918,925	11,340,601
Equity		
Issued capital	44,860,163	43,440,163
Reserves	201,600	201,600
Retained earnings/Accumulated losses	(33,142,837)	(32,301,162)
Total Equity	11,918,926	11,340,601

Statement of Profit and Loss and other Comprehensive Income

Loss for the year	(841,675)	(3,050,349)
Other comprehensive income/(loss)	-	-
Total Comprehensive loss for the year	(841,675)	(3,050,349)

Commitments for Capital Expenditure

No longer than 1 year	730,000	894,000
Longer than 1 year and not longer than 5 years	1,606,000	2,458,500
Total	2,336,000	3,352,500

There are no operating lease commitments at the balance date.

Notes to the consolidated financial statements for the year ended 30 June 2021

27. Contingent liabilities and contingent assets

As at the date of this report, there were no contingent assets or liabilities except that a local government authority claimed \$458,511 rates and levies for prior and current periods from one controlled entity of the group. That amount has been recognised in current liabilities.

There was no litigation against or involving the parent entity Bounty Oil & Gas N.L.

28. Events occurring after the reporting period

No other matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years, other than those referred to in note 27 above.

29. Auditors remuneration

Remuneration of the auditors of the Company for:
- Auditing or reviewing the financial reports for year
Total

30-Jun-21	30-Jun-20
\$	\$
32,010	30,000
32,010	30,000

The auditor to Bounty Oil & Gas NL is William M Moyes, Suite 1301, Level 13, 115 Pitt Street, Sydney NSW 2000.

30. Company details

Bounty Oil & Gas NL's registered office and its principal place of business are as follows:

Registered Office

Level 7, 283 George Street
Sydney, NSW, 2000, Australia
Tel: (02) 9299 7200

Principal place of business

Level 7, 283 George Street
Sydney, NSW, 2000, Australia
Tel: (02) 9299 7200

DIRECTORS' DECLARATION

a) The directors of Bounty Oil and Gas NL ("the Company") declare that the financial statements and notes, as set out on pages 16 to 42 are in accordance with the Corporations Act 2001:


- (i) comply with Accounting Standards and the Corporations Regulations 2001; and
- (ii) give a true and fair view of the financial position as at 30th June 2021 and of the performance for the year ended on that date of the Company;

b) The Chief Executive Officer and the Chief Financial Officer have each declared that:

- (i) The financial records of the company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001.
- (ii) The financial statements and notes for the financial year comply in all material respects with the Accounting Standards;
- (iii) The financial statements and notes give a true and fair view.

c) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Graham Reveleigh
Director

Dated: 30 September 2021

INDEPENDENT AUDITOR'S REPORT

To the members of Bounty Oil and Gas NL

Report on the audit of the financial report

Opinion

We have audited the financial report of Bounty Oil and Gas NL (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the financial position of the Group as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial report.

Carrying value of exploration and evaluation & production and development assets

Why Significant	How our audit addressed the key audit matter:
<p>At 30 June 2021, the Group owned exploration and evaluation assets with a carrying value of approximately \$3 million and production and development assets with a carrying value of approximately \$5.6 million. Australian Accounting Standards require the Group to assess throughout the reporting period whether there is any indication that an asset may either be impaired, or a previous impairment reversed. If any indication exists, the Group must estimate the recoverable amount of the asset.</p> <p>During the year to 30 June 2021 the ATP 2028P was not renewed and four Potential Commercial Area applications to replace the ATP 2028 were not granted. Consequently, the Group made the decision to expense as a permanent impairment the whole investment in the value of almost \$2 million.</p> <p>No other impairment of any other exploration and evaluation or production and development assets was performed during the year.</p> <p>The assessment of indicators of impairment and reversal of impairment is complex and highly judgemental. It includes modelling a range of assumptions and estimates that are impacted on by the expected future performance and market conditions. Accordingly, this matter was considered to be a key audit matter.</p>	<p>Our audit procedures comprised of mainly but not limited to the following:</p> <ul style="list-style-type: none"> Reviewed the Group's accounting policy to ensure it met the requirements of AASB 6 – Exploration for and Evaluation of Mineral Resources and AASB 136 – Impairment of Assets. Assessing the currency of holding for all the Group's tenements and licences and review of documentation to substantiate the renewal of expired licences. Evaluation of the valuation methodology and other relevant factors applied in determining the recoverable amount, the appropriate level of impairment and relevant impairment indicators. Review of the criteria and assumptions applied by management in assessing the valuation and challenging the director's assumptions that supported the evaluation of impairment indicators. Assessing the level of amortisation applied to production and development assets.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report.

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, the matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standard Board website at:

www.auasb.gov.au/auditors_files/ar2.pdf. This description forms part of our audit report.

Report on the audit of the remuneration report

Opinion on the remuneration report

We have audited the remuneration report included on pages 11 to 14 of the directors' report for the year ended 30 June 2021. In our opinion, the remuneration report of Bounty Oil and Gas NL for the year ended 30 June 2021 complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

William M Moyes – Partner



Moyes Yong & Co Partnership



Dated: 30 September 2021

CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

Liability limited by a scheme approved under Professional Standards Legislation

→ Accounting + Taxation

→ Auditing

→ Business Process Improvement

→ Business Strategic Planning

→ Business Succession Planning

→ Wealth Management + Superannuation

1. Additional Information Required by ASX Listing Rules

The following is additional information provided in accordance with the Listing Rules of the Australian Securities Exchange Limited.

Analysis of equity security holders as at 23 September 2021:

- a) Analysis of numbers of holders of fully paid ordinary shares:

No. of Securities	No. of Shareholders
1 – 1,000	228
1,001 – 5,000	115
5,001 – 10,000	386
10,001 – 100,000	2,340
100,001 and above	1,283
	<u>4,352</u>

- b) Twenty largest holders of quoted equity securities at **23 September 2021**:

	Ordinary Shareholders	Fully paid number	%
1	Robert A Hutchfield	39,098,909	3.57%
2	Comadvance Pty Ltd.	29,348,155	2.68%
3	David Alan McSeveny	29,300,687	2.67%
4	Barry Sheedy & Associates Pty Ltd.	27,893,700	2.54%
5	Red Kite Capital Inc.	27,022,000	2.46%
6	Bang Vi Khanh	21,600,000	1.97%
7	Zanamere Pty Ltd.	21,377,928	1.95%
8	Tri-Ex Holdings Pty Ltd.	19,177,778	1.75%
9	WH Ave LLC	18,000,000	1.64%
10	Kestrel Petroleum Pty Ltd.	15,175,000	1.38%
11	Jordan Vujic	12,095,572	1.10%
12	GH Corporate Services Pty Ltd	11,283,061	1.03%
13	Citicorp Nominees Pty Ltd.	9,776,282	0.89%
14	Airen Youhanna	8,930,000	0.81%
15	Milica Vujic	7,642,888	0.70%
16	BNP Paribas Nominees Pty Ltd.	7,504,591	0.68%
17	George Stilianos	7,460,000	0.68%
18	William John Tyler & Sybil Tyler	7,000,000	0.64%
19	Robert Cameron Galbraith	6,300,000	0.57%
20	Christa Baiano	6,171,548	0.56%
	Total Top 20 Holders	<u>332,158,099</u>	<u>30.30%</u>

- c) Options as at **23 September 2021**:

- i) there were no listed and quoted options over ordinary shares.
- ii) there were no unlisted options over ordinary shares.

2. Substantial Shareholders

As at 23 September 2021 there were no substantial shareholders as disclosed in substantial shareholders notices given to the company.

3. Issued Shares and Distribution

- a) The total number of fully paid ordinary shares on issue on 23 September 2021 was 1,096,400,982.
- b) There were 1,912 holders of less than a marketable parcel of ordinary shares, totalling 28,375,269 shares being 2.59% of number of fully paid ordinary shares on issue.
- c) The percentage of the total holding of the 20 largest shareholders of ordinary shares was 30.30% of issued capital.

4. Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on the Australian Securities Exchange (ASX) under the code BUY.

5. Income Tax

The company is taxed as a public company.

6. Voting Rights

The voting rights attaching to ordinary shares are governed by the Constitution. At a meeting of members every person present who is a member or representative of a member shall on a show of hands have one vote and on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. No options have any voting rights.

7. Additional Information

Information in these financial statements (or in the annual report) that relates to or refers to petroleum exploration and prospectivity or petroleum or hydrocarbon reserves or resources is based on information compiled and/or written by Mr Philip F Kelso the CEO of Bounty Oil & Gas NL. 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. 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 in this report.

The company continues to comply with the ASX Listing Rules disclosure requirements. The company reports to ASX which makes available all reports to those who wish to access them. All ASX releases and other background information are posted regularly on the company's website. The company intends to post on its website its annual report and all other required notices to its shareholders.

The board reviews and receives advice on areas of operational and financial risks. Business risk management strategies are developed as appropriate to mitigate all identified risks of the business. The directors are aware of the guidelines for the content of a code of conduct to guide compliance with legal and other obligations to shareholders but have not formally established such a code. Where applicable to its activities, the directors ensure that the company is responsible to its shareholders, employees, contractors, advisers, individuals and the community.

8. Secretary

The name of the Secretary of the company is Mr. Sachin Saraf.

9. Share Buy Back

There is no current on market share buy-back.

Schedule of Petroleum Tenements – 23 September 2021

Permit	Operator	Basin	Expires	Status	Interest	Gross Km ²	Net Km ²
Offshore Australia							
PEP-11	Asset ²	Sydney	12/02/2021	Suspended	15%	4576.4	686.5
Onshore Western Australia							
L 16	Rough Range ³	Carnarvon	23/09/2031	Granted	10%	79.5	8.0
Onshore SW Queensland							
ATP 1189 N	Santos ⁴	Cooper	31/12/2022	Granted	2%	314.3	6.3
PL 1026	Santos ⁴	Cooper	8/07/2024	Granted	2%	18.3	0.4
PL 1047	Santos ⁴	Eromanga		Under Application	2%	31.8	0.6
PL 1060	Santos ⁴	Eromanga		Under Application	2%	127.8	2.6
PL 1093	Santos ⁴	Cooper		Under Application	2%	45.8	0.9
PL 133/PL 1085	Santos ⁴	Eromanga	15/12/2019	Renewing	2%	12.2	0.2
PL 149	Santos ⁴	Eromanga	23/06/2049	Granted	2%	12.2	0.2
PL 175	Santos ⁴	Eromanga	19/04/2025	Granted	2%	27.5	0.6
PL 181	Santos ⁴	Eromanga	12/09/2024	Granted	2%	18.3	0.4
PL 182	Santos ⁴	Eromanga	12/09/2024	Granted	2%	27.5	0.6
PL 23	Santos ⁴	Eromanga	31/08/2028	Granted	2%	234.6	4.7
PL 24	Santos ⁴	Eromanga	31/08/2028	Granted	2%	200.9	4.0
PL 25	Santos ⁴	Eromanga	29/02/2020	Renewing	2%	256	5.1
PL 26	Santos ⁴	Eromanga	29/02/2020	Renewing	2%	256	5.1
PL 287	Santos ⁴	Eromanga	11/10/2027	Granted	2%	12.2	0.2
PL 302	Santos ⁴	Eromanga	31/07/2031	Granted	2%	12.2	0.2
PL 35	Santos ⁴	Eromanga	10/07/2028	Granted	2%	136.5	2.7
PL 36	Santos ⁴	Eromanga	7/04/2023	Granted	2%	60.9	1.2
PL 495	Santos ⁴	Eromanga	29/09/2024	Granted	2%	9.2	0.2
PL 496	Santos ⁴	Eromanga	29/09/2024	Granted	2%	12.2	0.2
PL 62	Santos ⁴	Eromanga	15/04/2022	Granted	2%	64.7	1.3
PL 76	Santos ⁴	Eromanga	23/11/2022	Granted	2%	39.5	0.8
PL 77	Santos ⁴	Eromanga	23/11/2028	Granted	2%	12.2	0.2
PL 78	Santos ⁴	Eromanga	23/11/2022	Granted	2%	12.1	0.2
PL 79/PL 1078	Santos ⁴	Eromanga	6/09/2020	Renewing	2%	9.2	0.2
PL 82/PL 1079	Santos ⁴	Eromanga	6/09/2020	Renewing	2%	18.3	0.4
PL 87/PL 1080	Santos ⁴	Eromanga	6/09/2020	Renewing	2%	27.5	0.6
Onshore Surat Basin Queensland							
PL 2	Bounty ¹	Surat	31/12/2032	Granted	100%	9.4	9.4
PL 2A	Bounty ¹	Surat	31/12/2032	Granted	81.75%	42.5	34.7
PL 2 B	Bounty ¹	Surat	31/12/2032	Granted	81.75%	45.6	37.3
PL 2 C	Bounty ¹	Surat	31/12/2032	Granted	100%	36.1	36.1
PCA 159	AGL ⁶	Surat	17/12/2022	Granted	24.748%	15.3	3.8
ATP 1190 SG	AGL ⁶	Surat	28/02/2023	Granted	24.748%	15.3	3.8
PL 441	Ausam ⁵	Surat	4/06/2031	Granted	100%	21.4	21.4

Onshore South Australia (Supra Permian JV)							
PRL 35 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	90.2	21.0
PRL 37 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	97.5	22.7
PRL 38 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	99.5	23.2
PRL 41 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	91.3	21.3
PRL 43 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	96.9	22.6
PRL 44 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	99.1	23.1
PRL 45 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	90.2	21.0
PRL 48 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	96.9	22.6
PRL 49 FO	Beach ⁷	Cooper	28/04/2024	Granted	23.28%	97.4	22.7
Total						7505.0	1077.0
PPL58 ⁸	Bounty	Surat			100%		

Operators / Notes
1. Bounty Oil & Gas NL
2. Asset Energy Pty Ltd is a wholly owned subsidiary of Advent Energy Ltd.
3. Rough Range Oil Pty Ltd. - is a wholly owned subsidiary of Bounty Oil & Gas NL
4. Santos Limited group companies
5. Ausam Resources Pty Ltd - is a wholly owned subsidiary of Bounty Oil & Gas
6. AGL Gas Storage PL
7. Beach Energy Limited
8. Petroleum Pipeline Licence 58

ABBREVIATIONS

The following definitions are provided for readers who are unfamiliar with industry terminology:

AVO	Specialised analysis of seismic data comparing amplitude of sound waves versus collection point offsets
Barrel (bbl/BBL)	A unit of volume of oil production, one barrel equals 42 US gallons, 35 imperial gallons or approximately 159 litres
Basin	A segment of the earth's crust which has down warped and in which sediments have accumulated, such areas may contain hydrocarbons
BCF/Bcf	Billion cubic feet, i.e. 1,000 million cubic feet (equivalent to approximately 28.3 million cubic metres) of gas
BOPD/BPD	Barrels of oil per day; barrels per day
Contingent Resources	Discovered resources, not yet fully commercial
CSG	Coal seam gas
GIIP	Gas initially in place
Lead	A structural or stratigraphic feature which has the potential to contain hydrocarbons
License	An agreement in which a national or state government gives an oil Company the rights to explore for and produce oil and/or gas in a designated area
MCF/Mcf	Thousand cubic feet – the standard measure for natural gas
MDRT	Measured depth below Rotary Table
MMB/mmb, MMBO/mmbo	Million barrels, million barrels of oil
MMCF/mmcf, MMCFG/mmcf, MMCFGPD/mmcf _{gpd}	Million cubic feet, million cubic feet of gas, million cubic feet of gas per day
NOPTA	National Offshore Petroleum Authority (Australia)
P10	10% probability of occurrence
P90	90% probability of occurrence
PCA	Potential Commercial Area (State of Queensland)
Permeability	The degree to which fluids such as oil, gas and water can move through the pore spaces of a reservoir rock
Permit	A petroleum tenement, lease, licence or block
Play	A geological concept which, if proved correct, could result in the discovery of hydrocarbons
Plug and Abandon (P&A)	The process of terminating operations in a well. Cement plugs are set in the borehole and the rig moves off the location. The borehole is thus left in a safe condition. In some cases, where the Operator considers it possible that the well may be re-entered at a later date, the well may be only temporarily plugged and abandoned
P _{mean}	The average (mean) probability of occurrence
Porosity	The void space in a rock created by cavities between the constituent mineral grains. Liquids are contained in the void space
Prospect (petroleum)	A geological or geophysical anomaly that has been surveyed and defined, usually by seismic data, to the degree that its configuration is fairly well established and on which further exploration such as drilling can be recommended
Prospective Resources	Undisclosed resources
PSA	Production Sharing Agreement
PSC	Production Sharing Contract
PRL	Petroleum Retention Lease (South Australia)
Reserves	Quantities of economically recoverable hydrocarbons estimated to be present within a trap, classified as prove, probably or possible
Reservoir	A subsurface volume of rock of sufficient porosity and permeability to permit the accumulation of crude oil and natural gas under adequate trap conditions

Seal, Sealing Formation	A geological formation that does not permit the passage of fluids. Refer also to Cap Rock
Seismic Survey	A type of geophysical survey where the travel times of artificially created seismic waves are measured as they are reflected in a near vertical sense back to the surface from subsurface boundaries. This data is typically used to determine the depths to the tops of stratigraphic units and in making subsurface structural contour maps and ultimately in delineating prospective structures
Spud	To start the actual drilling of a well
Stratigraphic Trap	A type of petroleum trap which results from variations in the lithology of the reservoir rock, which cause a termination of the reservoir, usually on the up dip extension
Structure	A discrete area of deformed sedimentary rocks, in which the resultant bed configuration is such as to form a potential trap for migrating hydrocarbons
Sub-basin	A localised depression within a basin
TCF/Tcf	Trillion cubic feet
TVDS	Total vertical depth below Sea Level
Up-dip	At a structurally higher elevation within dipping strata

CORPORATE DIRECTORY**Board of Directors**

Graham C. Reveleigh (Chairman)
Charles Ross
Roy Payne

Chief Executive Officer

Philip F. Kelso

Company Secretary

Sachin Saraf

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