



21 October 2021

ISSUE OF PLACEMENT SHARES

Bounty Oil & Gas NL (ASX: BUY) (Bounty or the Company) is pleased to advise that subsequent to the announcement on 15 October 2021, the Company has now issued a total of 274,100,000 fully paid ordinary shares (**New Shares**) at an issue price of \$0.01 (one cent) per share to raise \$2.471 million before issue expenses.

A total of 164,460,147 shares were issued under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1 and a total of 109,639,853 shares were issued under the Company's additional 10% placement capacity pursuant to ASX Listing Rule 7.1A.

Proceeds of the **New Share** Placement, together with Bounty's existing cash resources will be utilised to commence contributions to preparing for three (3) oil exploration wells in the offshore Carnarvon Basin, Western Australia; and for ongoing exploration and working capital requirements.

Attaching Options and Broker Options

As announced to ASX on 15 October 2021:

1. Bounty proposes to issue subject to and conditional on shareholder approval at the Annual General Meeting at end November 2021 one (1) attaching option for every two (2) of the New Shares ("Attaching Options") exercisable at \$0.025 at any time on or before 30 November 2025. If approved Bounty will issue 137,050,000 Attaching Options to the holders of New Shares and apply to ASX for quotation of these Attaching Options.
2. Bounty also proposes to issue subject to and conditional on shareholder approval at the Annual General Meeting at end November 2021; 20,000,000 options on the same terms as the said Attaching Options to Sanlam Private Wealth or Nominee ("Broker Options"). If approved Bounty will issue 20,000,000 Broker Options and apply to ASX for quotation of these Broker Options.

Notice pursuant to s708a(5)(e) of the Corporations Act 2001 is attached in respect of the Placement.

Bounty has made application for quotation of the 274,100,000 New Shares.

Loyalty Options - Existing Bounty Shareholders

In recognition of the continuing support received from our shareholder base, Bounty advises that it also intends to undertake a Loyalty Option issue to all Shareholders with a registered address for their shareholding in Australia or New Zealand (Eligible Shareholders) at 5:00 pm (Sydney time) on the Record Date which is anticipated to be on or around 30 October 2021. Bounty will also work with our legal and advisory teams to ensure this Loyalty Option offer is available to as many shareholders as possible outside of Australia and New Zealand subject to jurisdictional requirements.

For every ten (10) shares held at 5:00 pm (Sydney time) on the Record Date, Eligible Shareholders will be issued with one (1) free Loyalty Option.

The Loyalty Options will have an exercise price of \$0.025 each but no option premium will be charged. They will subject to ASX approval and will expire on 25 November 2025. If exercised, each will result in the allotment and issue of one (1) fully paid ordinary share in Bounty pari passu with existing shares.

Bounty will apply for quotation of the Loyalty Options on the ASX.

Holders of the 274,100,000 New Shares under the Placement referred to in this ASX Release will be eligible for the offer of Loyalty Options.

The dates for the issue of Loyalty Options are indicative only. The Company reserves the right to amend the timetable subject to the requirements of the Corporations Act 2001 and the ASX Listing Rules. The Loyalty Options will be issued under a Prospectus which will be available for download from the Company's website www.bountyoil.com.au as from the date of lodgement of the Prospectus with ASIC. A further announcement, including the timetable for the entitlement to and issue of Loyalty Options will be provided by the Company on lodgement of the Prospectus.

Eligible Shareholders are not obliged to take any action in relation to the issue of the Loyalty Options. Eligible Shareholders using a nominee should liaise with them in relation to their entitlement.

Additional disclosure under ASX listing Rule 3.10.5A

Bounty provides the following information pursuant to ASX Listing Rule 3.10.5A in respect of the shares issued under the Company's 10% placement capacity pursuant to Listing Rule 7.1A:

1. 109,639,853 of the shares issued under the Placement are being issued pursuant to the Company's ASX Listing Rule 7.1A placement capacity (7.1A Placement). The shares issued represent 8% of the issued capital of the Company immediately after the Placement. Pre-placement shareholders' overall interests will therefore be diluted by 8% following the 7.1A Placement (however some existing shareholders are participating in the placement so their particular interests may have increased or been diluted to a lesser extent).
2. The following table provides details of participation by existing shareholders and new investors who are participating in the component of the placement issued pursuant to the Company's ASX Listing Rule 7.1A capacity:

Shares held by pre-placement shareholders who are not participating in the ASX Listing Rule 7.1A component of the placement	77%
Shares held by pre-placement shareholders who are participating in the ASX Listing Rule 7.1A component of the placement	5%
Shares held by new shareholders who are participating in the ASX Listing Rule 7.1A component of the placement	18%
Shares held by new shareholders who are participating in the ASX Listing Rule 7.1 component of the placement but are not participating in the ASX Listing Rule 7.1A component of the placement	-
Total	100%

3. The Company has issued the 109,639,853 shares under ASX Listing Rule 7.1A as it considers this to be the quickest, most efficient and most certain method for raising working capital in the circumstances.
4. The placement was not underwritten.
5. The Company will pay to Sanlam Private Wealth a 6% capital raising fee on the funds raised pursuant to the Placement and subject to Bounty shareholders approval issue 20,000,000 Broker Options (see paragraph 2 Broker Options on the first page of this Release above) for details. These options will have the same terms as the Attaching Options (see paragraph 1 Attaching Options on the first page of this Release above) proposed to be issued with **New Shares**, and will be subject to approval at the next AGM. If approved Bounty will apply for quotation of these options on the ASX.
6. The Company has also incurred miscellaneous expenses including legal and listing fees in connection with the Placement.

DISCLAIMER

This announcement contains “forward-looking statements” and “forward-looking information”, including statements and forecasts relating to BUY. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of BUY and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Cleansing Notice under sections 708A(5)(e) and 708A(6) - Corporations Act 2001

The Company gives notice to ASX Limited pursuant to the provisions of Section 708A(5)(e) and Section 708A(6) of the Corporations Act 2001 ("the Act") that:

1. The relevant securities (namely 274,100,000 fully paid ordinary shares in the company) referred to in this ASX release have been issued by the company without disclosure under Part 6D.2 of the Act.
 2. This notice is being given under Sections 708A(5)(e) and 708A (6) of the Act.
 3. As at the date of this notice the company has complied with: -
 - a. The provisions of Chapter 2M of the Act as they apply to the company; and
 - b. Section 674 of the Act.
 4. At the date of this notice, there is no excluded information, as defined under the definitions in Sections 708A (7) and 708A (8) of the Act to be disclosed.
 5. The issue of the relevant securities is not expected to have any material effect on control of the company.
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