



ASX/MEDIA RELEASE

4 July 2014

AC/P 32 – Vulcan Graben Timor Sea - Renewed

Bounty Oil & Gas NL (“Bounty”) is pleased to announce that petroleum exploration permit AC/P 32 located in the Ashmore Cartier Territory; Timor Sea has been renewed by the National Offshore Petroleum Authority for a further period of five years from 24 June, 2014 (see Fig 1 below for Location). The renewed area of 342 km² covers the 100 MMbbls recoverable potential Azalea Stratigraphic prospect.

Bounty has 100% equity in AC/P 32 and the Azalea Prospect which is:

- Located in a prolific hydrocarbon province
- Surrounded by oil fields
- One of the largest untested potential oil pools in the Timor Sea
- Up dip from proven oil in Birch 1 and Swallow Oil Field 14 km. to the west
- Outlined by seismic amplitude and AVO anomalies
- Associated with direct hydrocarbon indicators in the form of gas chimneys, diagenetic and shallow gas zones overlying the up dip edge.
- Drill ready in water depths suitable for a jack up rig – ie 120 metres

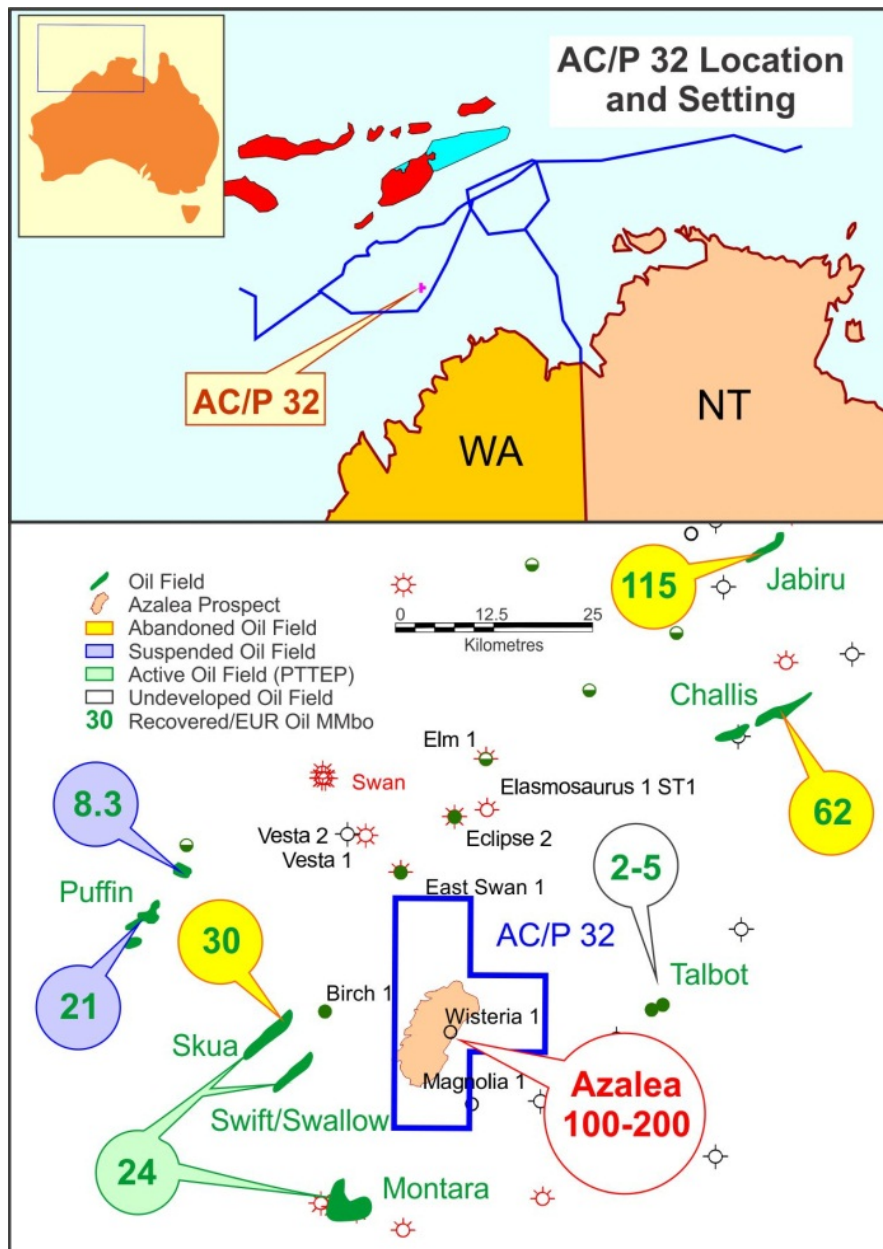
Commenting Mr Philip Kelso –Bounty Oil’s CEO - said:

“This project is a significant opportunity for Bounty shareholders. Our work to date has substantially de-risked the Azalea Prospect, which has several positive indicators pointing to a hydrocarbon charge. Bounty is actively seeking partners to join with us to drill this prospect in 2015/16, and will be shortly mounting a global marketing campaign.

The Australian sector of the Timor Sea is a proven oil province with significant infrastructure and access to Singapore refineries in a very low sovereign risk petroleum title regime.

The potential value growth for Bounty’s shareholders with a successful well on this prospect cannot be overestimated”

Fig 1



ASX LISTING RULES 5.25 – 5.45

All Bounty Oil & Gas NL (Bounty) petroleum Reserves and Resources assessments follow guidelines set forth by the Society of Petroleum Engineers – Petroleum Resource Management System (SPE-PRMS). Bounty is compliant with recent listing rule changes for reporting of estimates as defined in Chapter 5 of the ASX Listing Rules.

THIS ASX RELEASE

For the purposes of Chapter 5 estimates of oil volumes presented in this release are:

- Reported at the date of this release
- Determined as an estimate of recoverable resources in place unadjusted for risk
- Best Estimate Prospective Resources
- Estimated using probabilistic methods
- Reported at 100% net to Bounty
- The estimated quantities of petroleum that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk

of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

QUALIFIED PERSON'S STATEMENT

The petroleum Reserve and Resources estimates used in this report and ;the information in this report that relates to or refers to petroleum or hydrocarbon production, development and exploration; Is based on information and reports prepared by, reviewed and/or compiled by the CEO of Bounty, Mr Philip F Kelso. Mr Kelso is a Bachelor of Science (Geology) and has practised geology and petroleum geology for in excess of 25 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.

ABBREVIATIONS

AC/P:	Ashmore Cartier offshore petroleum exploration permit
AVO:	Specialised processing of seismic amplitude data compared to offset (distance along seismic lines).
BBLs:	Barrels of oil
MDRT	Measured Depth below drilling rig Rotary Table
MMbbls:	Million barrels of oil.
Contingent Resources:	Discovered resources, not yet fully commercial
Prospective Resources:	Undiscovered resources