



BOUNTY

Oil & Gas NL



**Annual General
Meeting
20 November,
2014**

**CEO's Presentation
Philip F Kelso**

This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: product price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, oil and gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

All references to dollars, cents or \$ in this document are Australian currency, unless otherwise stated

ASX Listing Rules – Chapter 5 Reserves and Resources

- ASX LISTING RULES 5.25 – 5.45
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- 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.
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- INFORMATION REQUIRED UNDER CHAPTER 5 OF ASX LISTING RULES - THIS ASX RELEASE
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- For the purposes of Chapter 5 estimates of petroleum oil volumes presented in this release are:
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- 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
- If specified as " boe" then they are converted from gas to oil equivalent at the rate of 182 bbls \equiv 1 million standard cubic feet of gas
- 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.
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- QUALIFIED PERSON'S STATEMENT
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- 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.

What are we going to look at?

- **Key Outcomes 2014**
- **Strategy**
- **Review of 2014 Performance**
- **Way Forward 2014 – 15**
- **Projects Overview**
- **SW Queensland Oil Production**
- **Kiliwani North Gas Commercialisation**
- **Nyuni PSA – Tanzania**
- **AC/P 32 Timor Sea 500 MMboip Azalea Prospect – Major Component of Bounty's Future**
- **Surat Basin Update**

- **Profit after tax of \$ 1.14 million**
- **Oil revenue reaches record of \$ 3.14 million**
- **Revenue and sale of listed securities generate \$ 4.12 million**
- **Oil Business strategy on track to provide further growth:-**
 - **AC/P32 renewed for 5 years and Bounty seismic work in AC/P32, Timor Sea firming up potential 500 million bbl oil in place target at Azalea ready for Farmout**
 - **Further appraisal drills and tie ins planned for growth in Queensland oil production**

- Major gas pipeline and plant construction now almost completed will provide sales line for Kiliwani North (KN) gas field to commence gas sales in early 2015
- Nyuni PSA – new 3D seismic planned to image deep water turbidite gas plays of up to 1.3 TCF potential



Oil

- Ongoing development and appraisal drilling at Naccowlah (SW Qld)
- Appraisal Drilling PL 2, Surat Basin Qld
- Working over oil leg at Downlands, Surat Basin Qld

Gas

- Produce at 2 MMcfg/d net to BUY initially for 6 years. Will lift BUY production from ~60 boepd to >400 boepd early-mid 2015

Growth

- Acquire 3D over deep water prospects in Nyuni Block to delineate leads > 1 Tcf gas potential 200 km from new gas plant.
- Farm down part of 100% interest in 500 MMbbl oil in place Azalea Prospect for drilling FY 2014/15, this project is very material to Bounty's future

Sector	Operations	Objective
Oil Business	Drill prospect inventory in Surat Basin, pursue further prospects with 3D seismic and continue development and near field exploration drilling in SW Queensland	Fiscal Stability
Gas Business	<ol style="list-style-type: none">1. Bring on stream 10% owned Kiliwani North (Tanzania) and continue with exploration drilling in this globally significant gas play2. Renew Surat Basin production from Downlands	Revenue Boost 2014/15
Growth	Pursue huge oil targets in AC/P 32 Timor Sea (BUY 100%), Nyuni PSA Tanzania and huge gas targets in PEP 11 Sydney Basin	Upside for Shareholders

Review of 2014 Performance

Oil

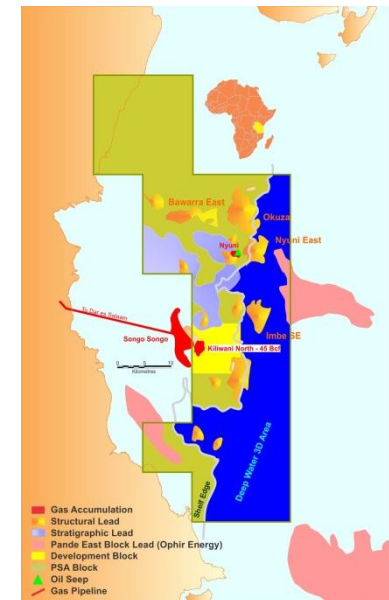
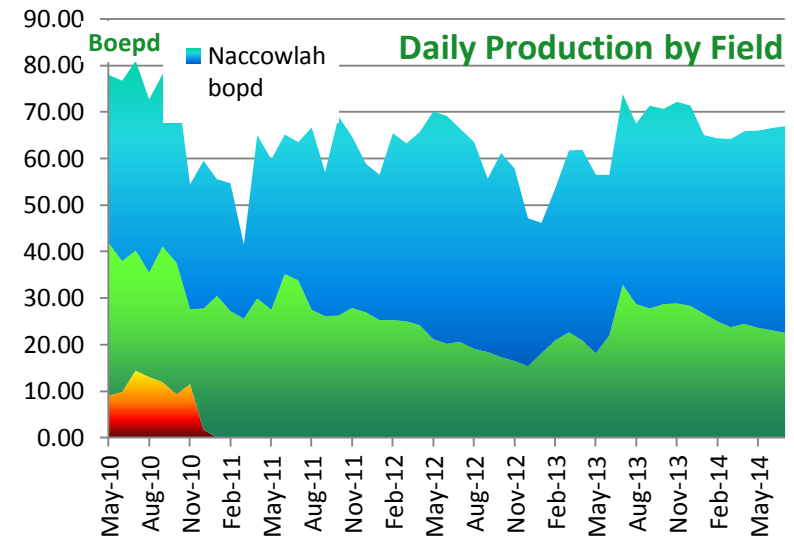
- Participated in three successful development wells at Naccowlah drilled in early 2013/14
- And in one development at Utopia
- Maintaining production levels

Gas

- Kiliwani North commercialisation imminent with new government owned gas plant scheduled to be onstream by early 2015
- Gas Sales Agreement awaiting Government sign off
- Bounty to net 2 MMcfg/d production (364 boepd) in 2015 from this 10% interest project

Growth

- Azalea Prospect AC/P 32 (BUY 100%) 500 MMbbl oil in place target established and farmout ongoing
- 3D seismic to delineate known seismic anomalies most likely due to gas in Nyuni PSA Tanzania (BUY 5%). Only 20 km. from new gas plant and pipeline.



Oil

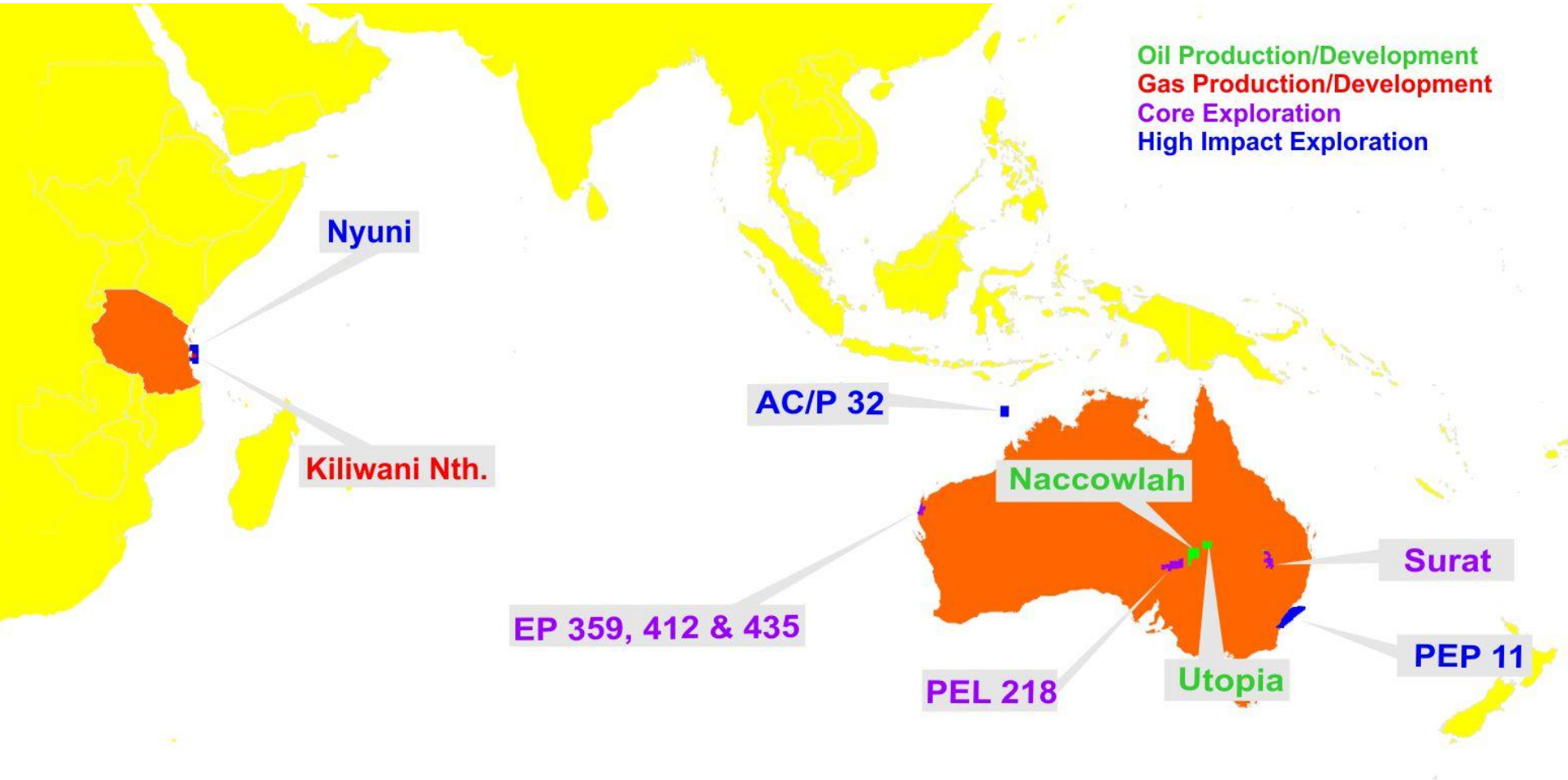
- Ongoing development and appraisal drilling at Naccowlah (SW Qld)
- Appraisal Drilling PL 2, Surat Basin Qld – Title Renewed
- Develop oil leg at Downlands, Surat Basin Qld, starting with Downlands 3

Gas

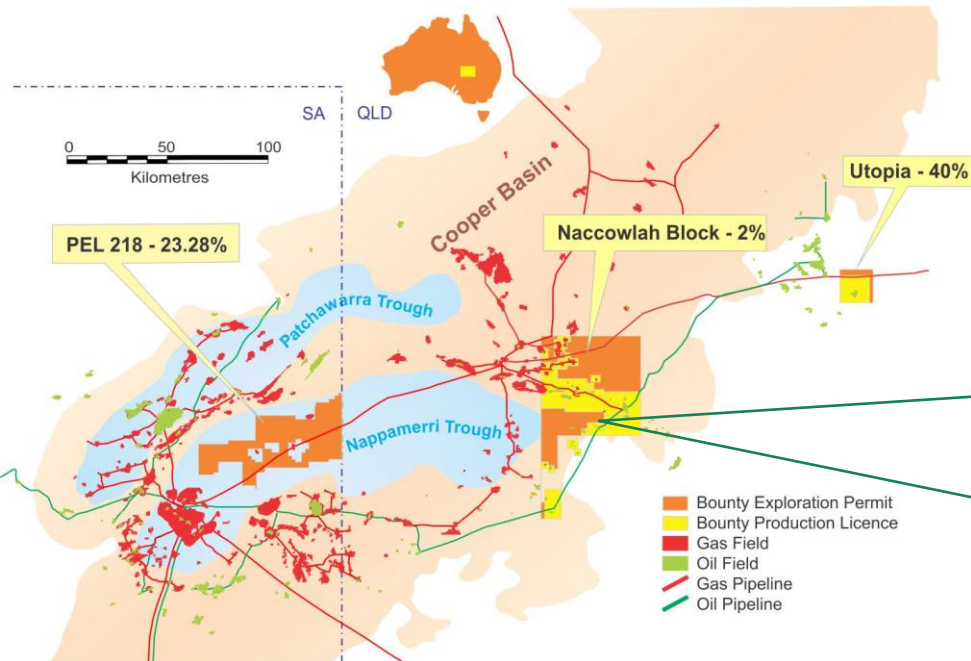
- Produce at 2 MMcfg/d net to BUY for 6 years. Will lift BUY production from ~60 boepd to >400 boepd early-mid 2015

Growth

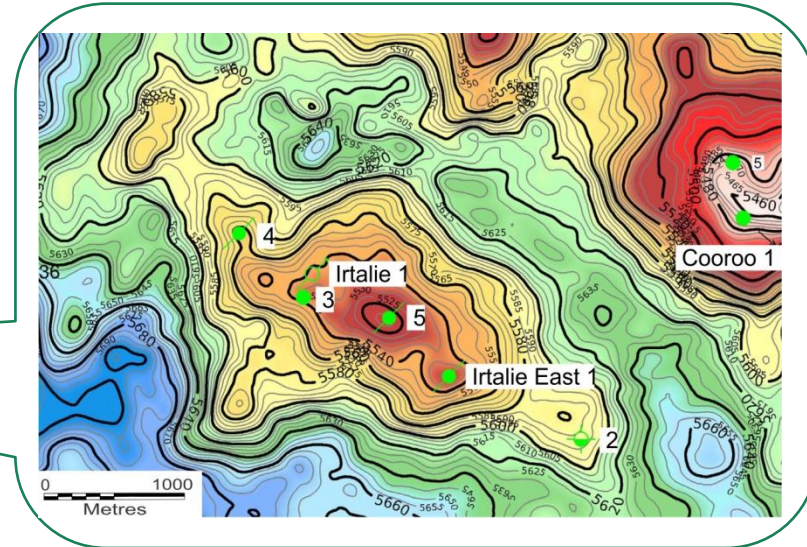
- Acquire 3D seismic over deep water prospects in Nyuni Block to delineate leads > 1 Tcf gas potential 200 km. from new gas plant.
- Farmdown part of 100% interest in 500 MMbbl oil in place Azalea Prospect for drilling FY 2014/15, this project; has capacity to lift Bounty to mid-sized operator



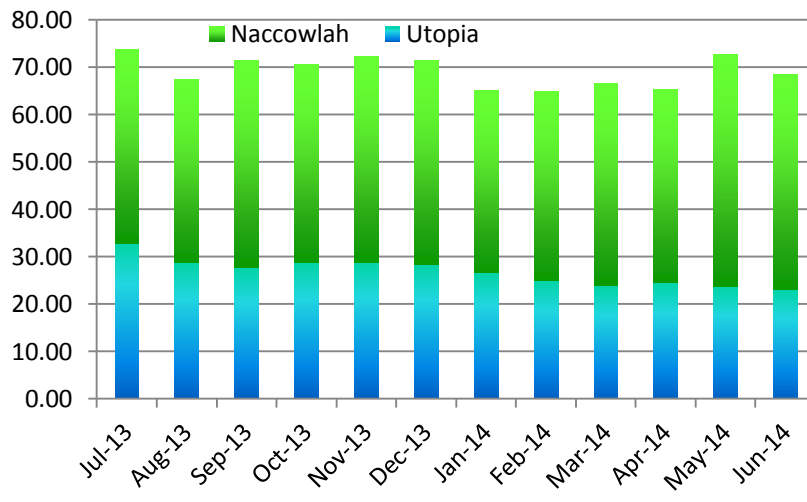
SW Queensland Production



Irtalie East Depth Structure

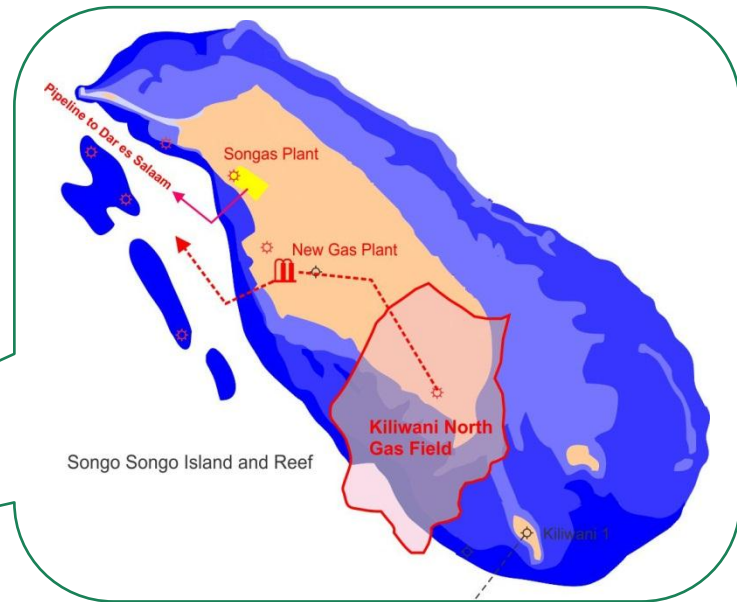
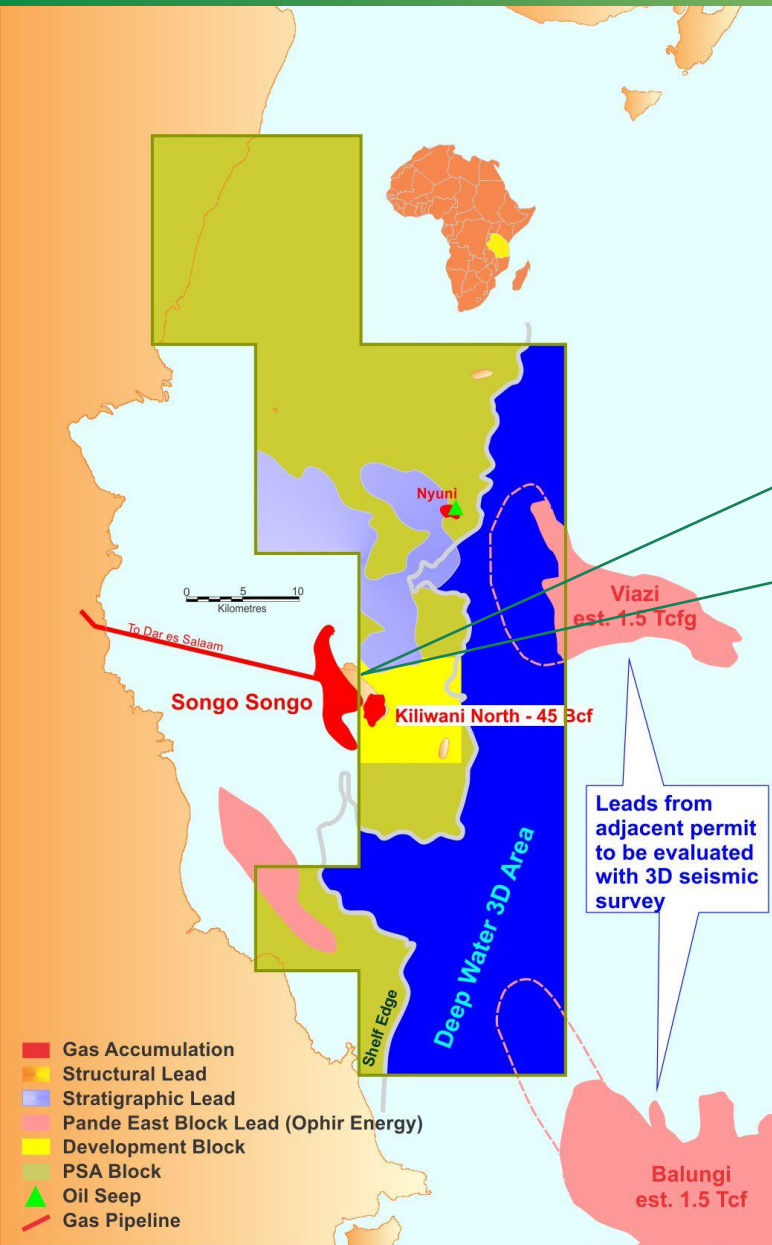


SW Qld Production 2013/14 bopd



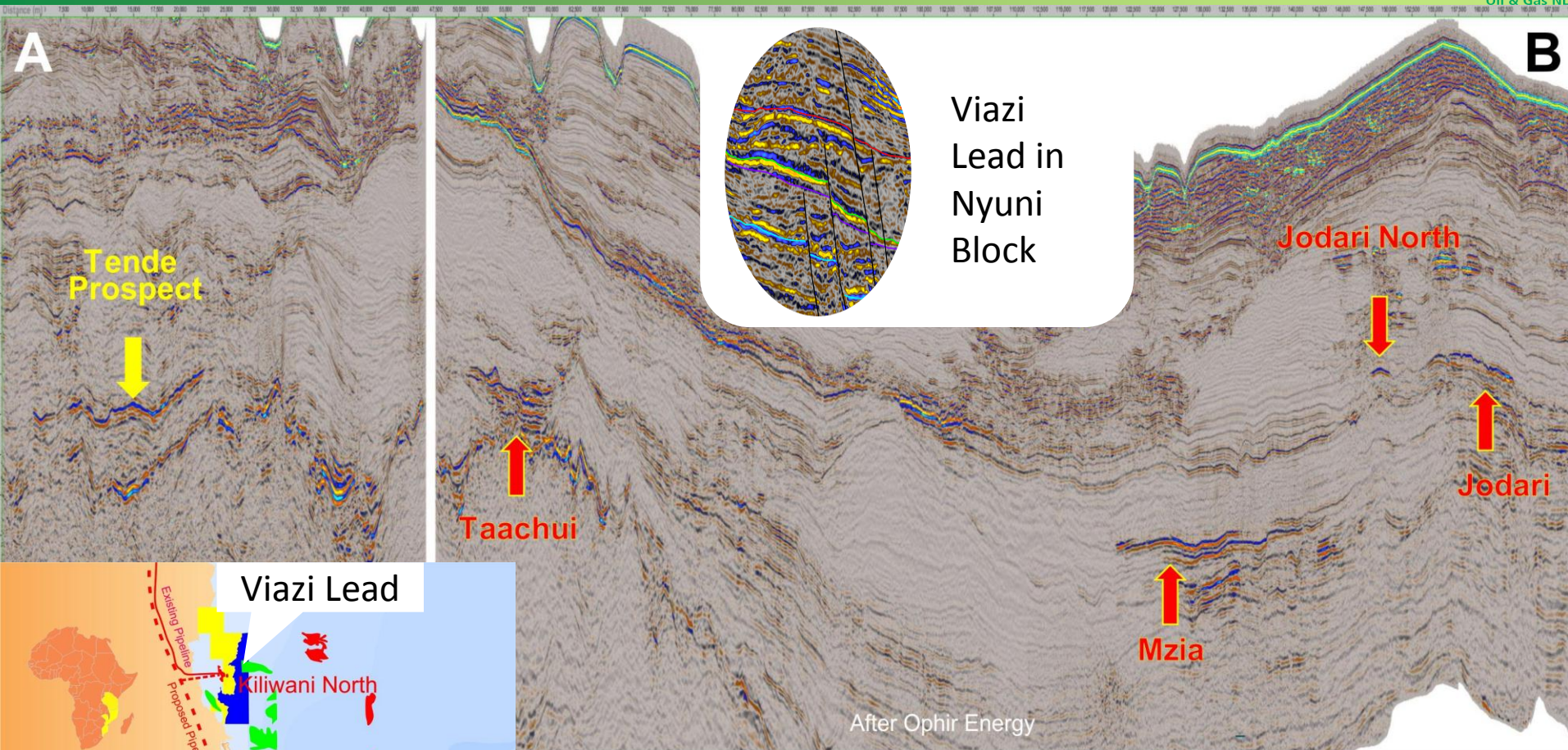
- Irtalie East Field and Corroo North West 1, the new drills, contributed 27% of Naccowlah Production
- This helped maintain Bounty's oil production during the year 2013/14
- Further drilling targets in the Naccowlah area are being defined, which combined with production optimisation will maintain production.
- New Utopia wells have had results below expectations on testing. Re-evaluation of development programme is underway.

Nyuni PSA (BUY 5%) and Kiliwani North Production (BUY 10%)



- Production infrastructure completed by end January 2015
- Tie in pipeline to KN-1 complete end December
- Production from Kiliwani North at a rate of 20 million cubic feet per day in early 2015 (2 MMcfg/d or 364 boepd net to BUY)
- Recent purchase of 13% interest in Kiliwani North places a value of USD\$ 5.3 million on Bounty's 10% interest
- JV to test up dip extensions of Viazi and Balungi leads determined by 3D seismic in adjacent permit. Estimates of 1.3 Tcf for the Nyuni Block share.
- First phase will be 3D seismic in early 2015
- Ophir Energy drilling in adjacent permit just to the south, along trend from proven gas
- Bounty's interest closest to gas plant at only 20 km.
- Well placed to quickly monetise by selling to local market.

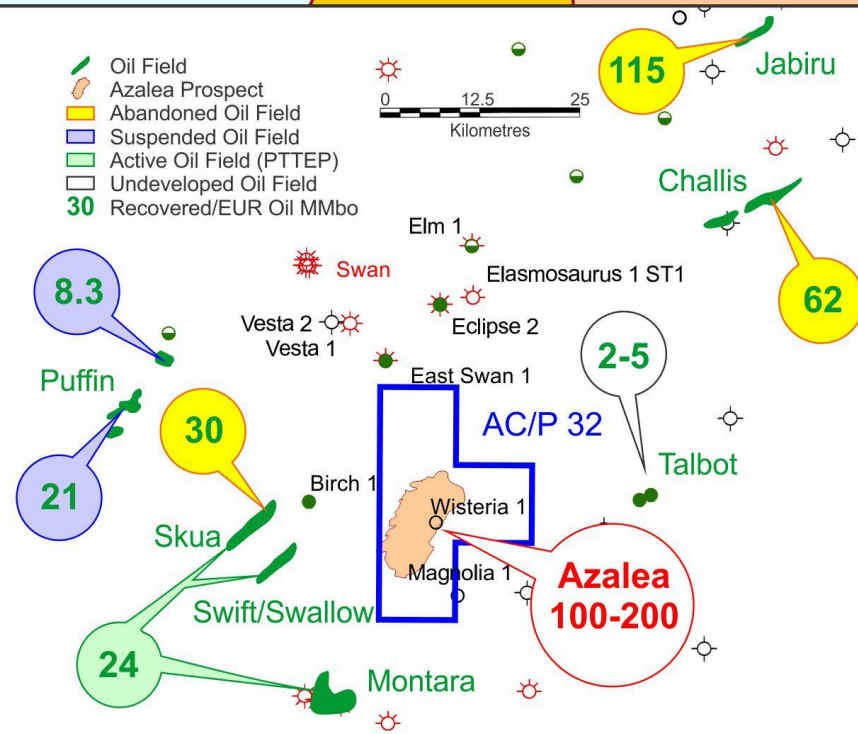
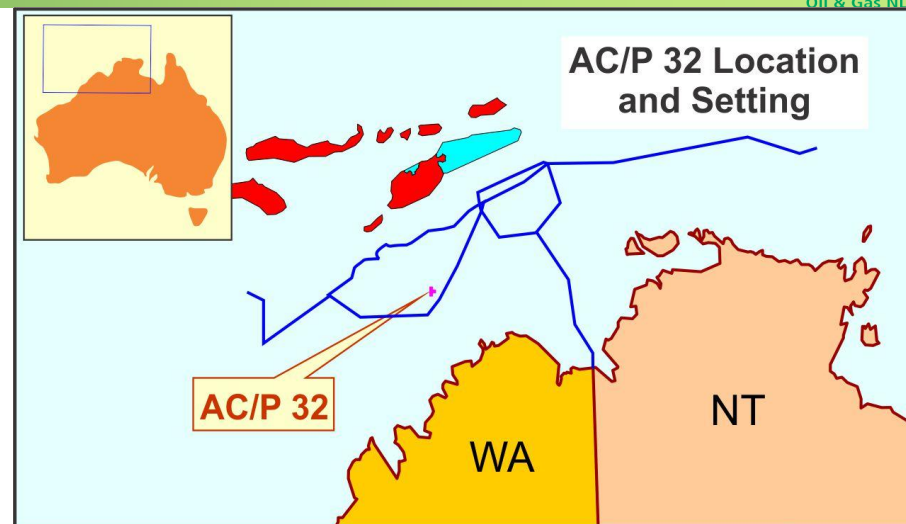
Nyuni Block Stratigraphic Gas Leads - Target Model



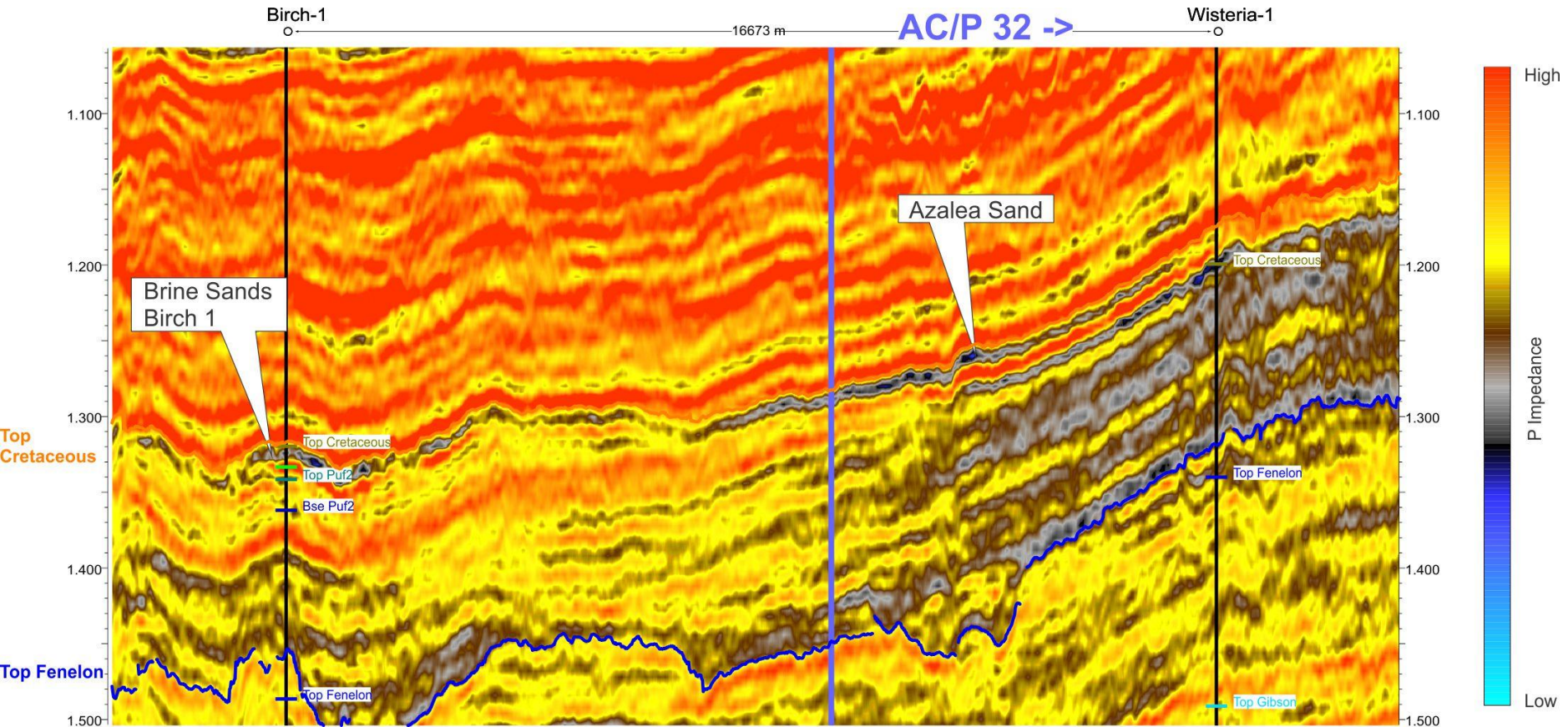
- Deep water exploration in Mozambique and Tanzania has resulted in > 150 Tcf of gas discoveries
- Targeting bright seismic amplitudes with AVO response detects gas (Ophir has yet to drill a dry well in Tanzania), and
- Moving inboard testing similar anomalies has recently been successful at Taachui and moving further inboard to Tende 55 km south of Nyuni PSA which is being drilled now and a similar setting to BUY's ground.

AC/P 32 High Impact Oil Exploration 500 MMboip – BUY 100%

- AC/P 32 is located in the Vulcan Sub-basin in Ashmore and Cartier Territory, Timor Sea
- The basin is oil prone and the permit is surrounded by oil fields with substantial production
- It is located only 25 km from the Montara/Skua/ Swallow project currently operated by PTTEP Australia
- The 500 MMboip Azalea Prospect lies in the Puffin Formation up dip from proven oil in Birch 1 to the west of the permit.
- Using very conservative parameters Bounty estimates that there could be 100 MMbo recoverable from this prospect. If recovery is similar to some nearby fields this could double
- Active farmout operations in progress
- The permit was renewed for a further 5 years from 24 June, 2014



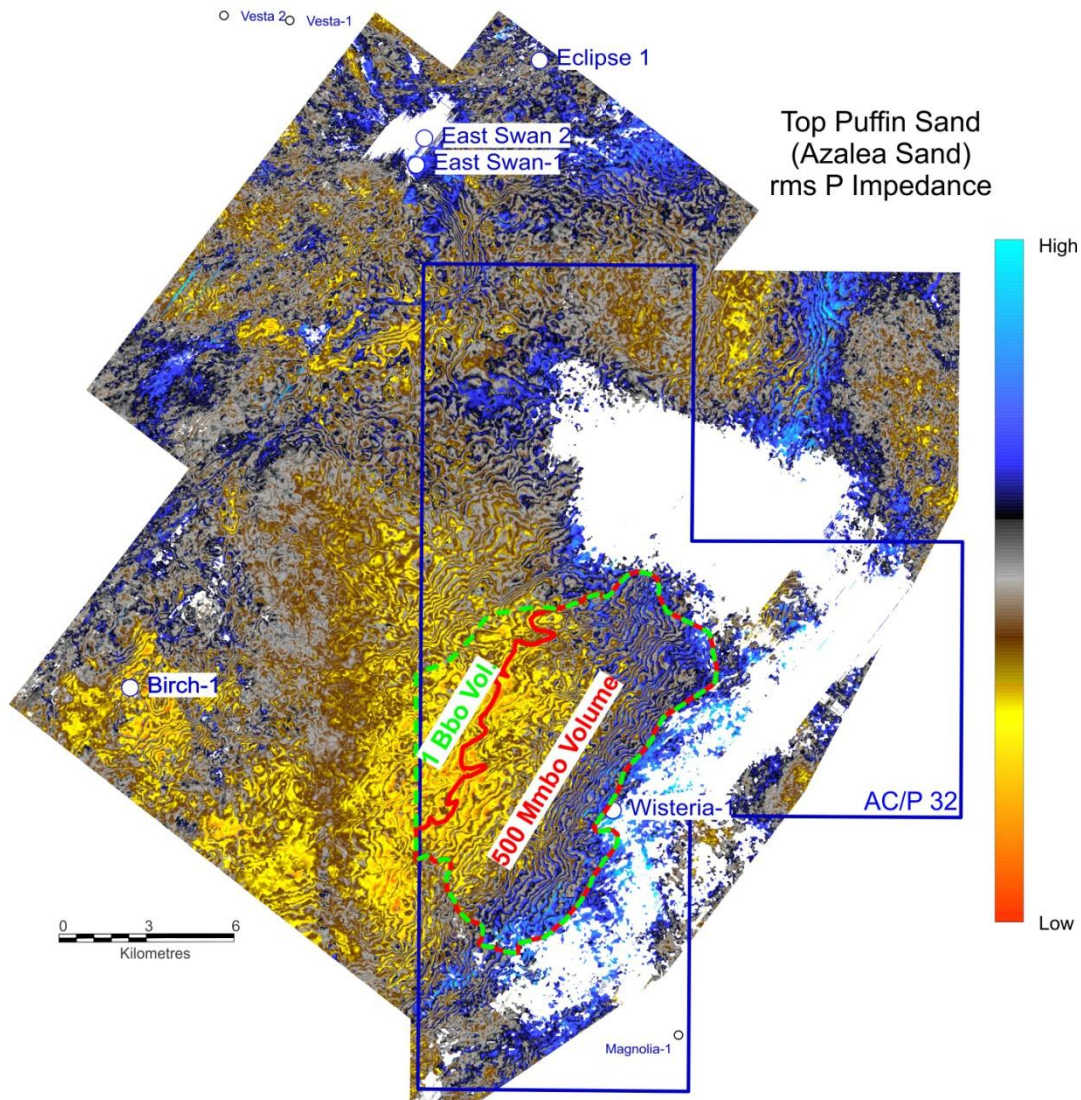
Azalea Prospect Fundamentals



- This Acoustic impedance view of the seismic clearly shows the Puffin Sands in the Azalea Prospect with identical low impedance to the excellent Upper sands encountered in Birch 1 (Av. Porosity 25%).
- The trap occurs where the sands pinchout just before Wisteria 1 and along strike where the sands deteriorate and become thinner and more shaly
- The stratigraphic nature of the trap and the proven oil in Birch 1 minimises the risks associated with the timing generation and migration of oil



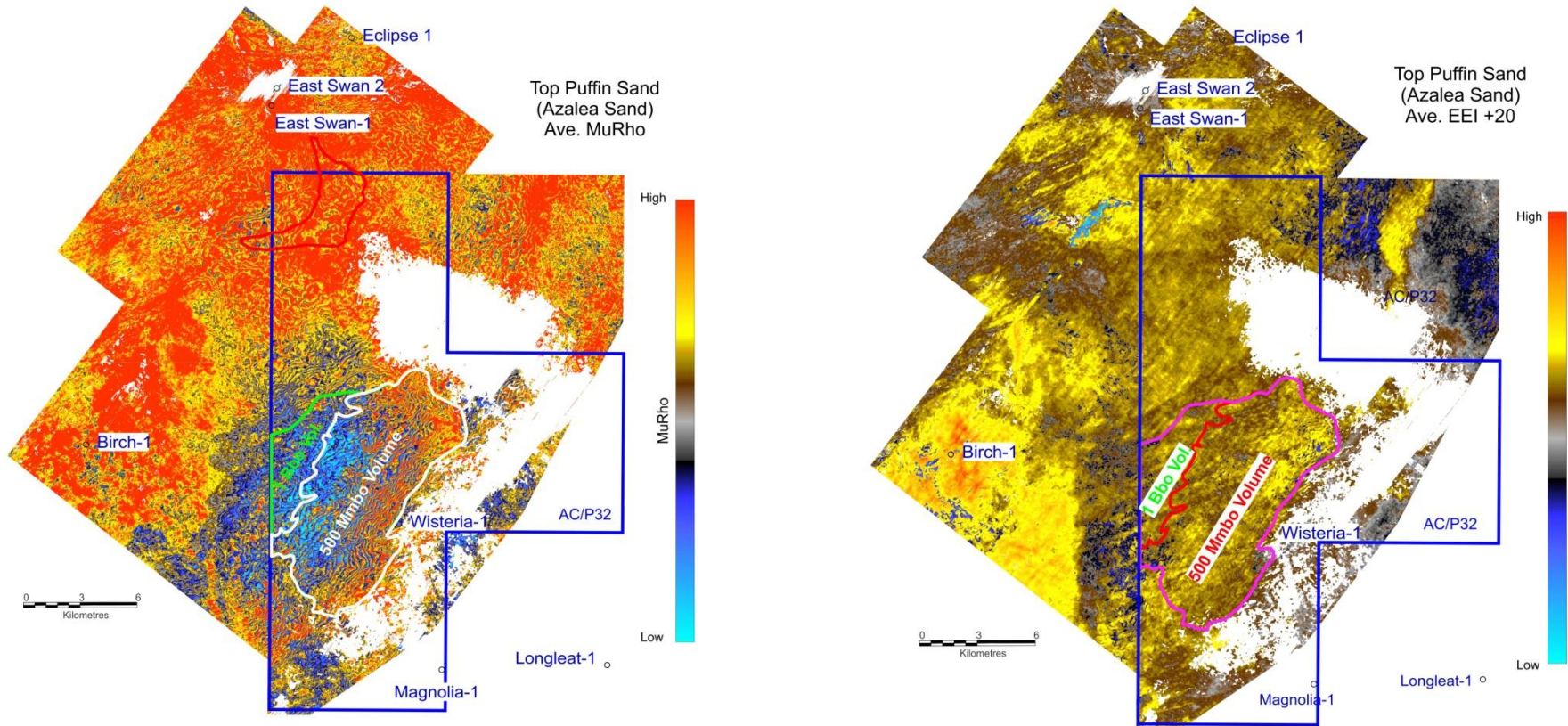
Azalea Prospect Sand Body



- This P Impedance view essentially shows the sand distribution in the horizon directly under the Top Cretaceous Unconformity. The sands are golden hues and the shalier sections are grey and blue.
- The white areas are where the sands are absent or the horizon is missing.
- Note that the sands at Azalea are almost identical in their impedance (in this case essentially porosity) to those at Birch 1 which are 24% porosity.
- There is an upside target of 1 Billion barrels of oil in place at Azalea which does not close within the bounds of the Permit but does seem to be constrained. It also contains the thickest and lowest impedance sands (essentially the best sands)

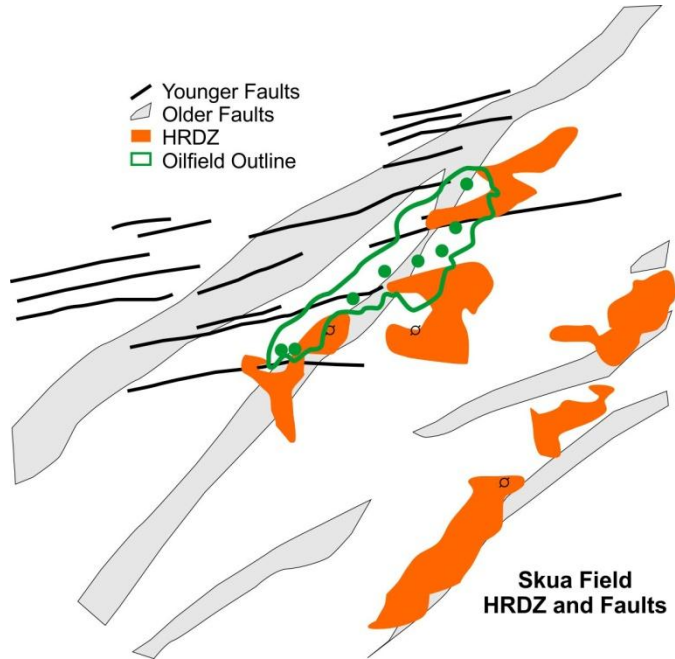


Seismic Inversion and AVO indicates Azalea sand different

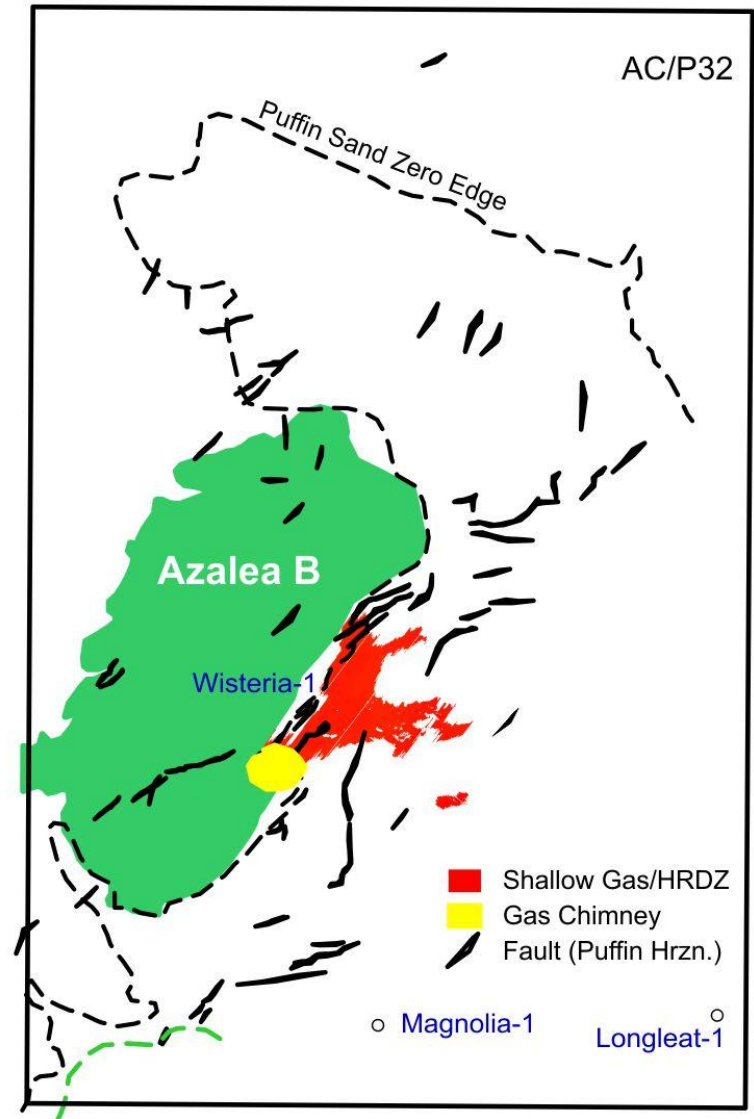


- Fluid substitution studies in the Puffin Formation sands suggest that the MuRho Lamé Parameter will be lower in Hydrocarbon-bearing sands than in brine sands, sands at Azalea demonstrate anomalously low MuRho compared with surrounding brine sands.
- Modelling also suggests that Extended Elastic Impedance at a Chi angle of +20 most clearly approximates Water Saturation. The sands at Birch 1 are high (\equiv high S_w) where as at Azalea the sands, although as porous as at Birch, demonstrate comparatively muted response suggesting a low S_w .
- This and other parameters derived from Inversion and AVO studies also suggest that the sands at Azalea are anomalous when compared with known brine sands at Birch 1 but not typical gas sands, suggesting a different fluid charge ie oil.

Azalea Prospect – Charge



- In this part of the Timor Sea Hydrocarbon Related Diagenetic Zones (HRDZ) caused by gas accumulating in shallow reservoirs is a common feature of commercial hydrocarbons, for example the 30 MMbbl Skua Field.
- The HRDZ at Skua are closely related to a younger set of faults and are of a similar area to the underlying oil field
- A similar feature is observed at the edge of the Azalea Prospect
- The Shallow Gas/HRDZ zone is controlled by a similar set of Faults to those at Skua, but not nearly as widespread
- This is strong evidence of a hydrocarbon charge at Azalea, and suggests that the top seal may be more efficient than at Skua, a proven commercial field



- **Bounty has considerably de-risked this prospect through its seismic reprocessing and inversion work, and is actively seeking partners to assist in drilling in 2015/16**
- **The 500 MMboip Prospect is anticipated to be in excellent, highly porous and permeable sands and is located at 1800 metres depth in shallow water suitable for a jack up rig**
- **This is a truly enormous project for Bounty, and has considerable science and analysis supporting it**
- **Drilling success at Azalea will be a a major growth event for Bounty**

Surat Basin

Downlands PL 441 (100%)

Native Title negotiations underway as part of the renewal.

Formosa Downs ATP 470P (100%)

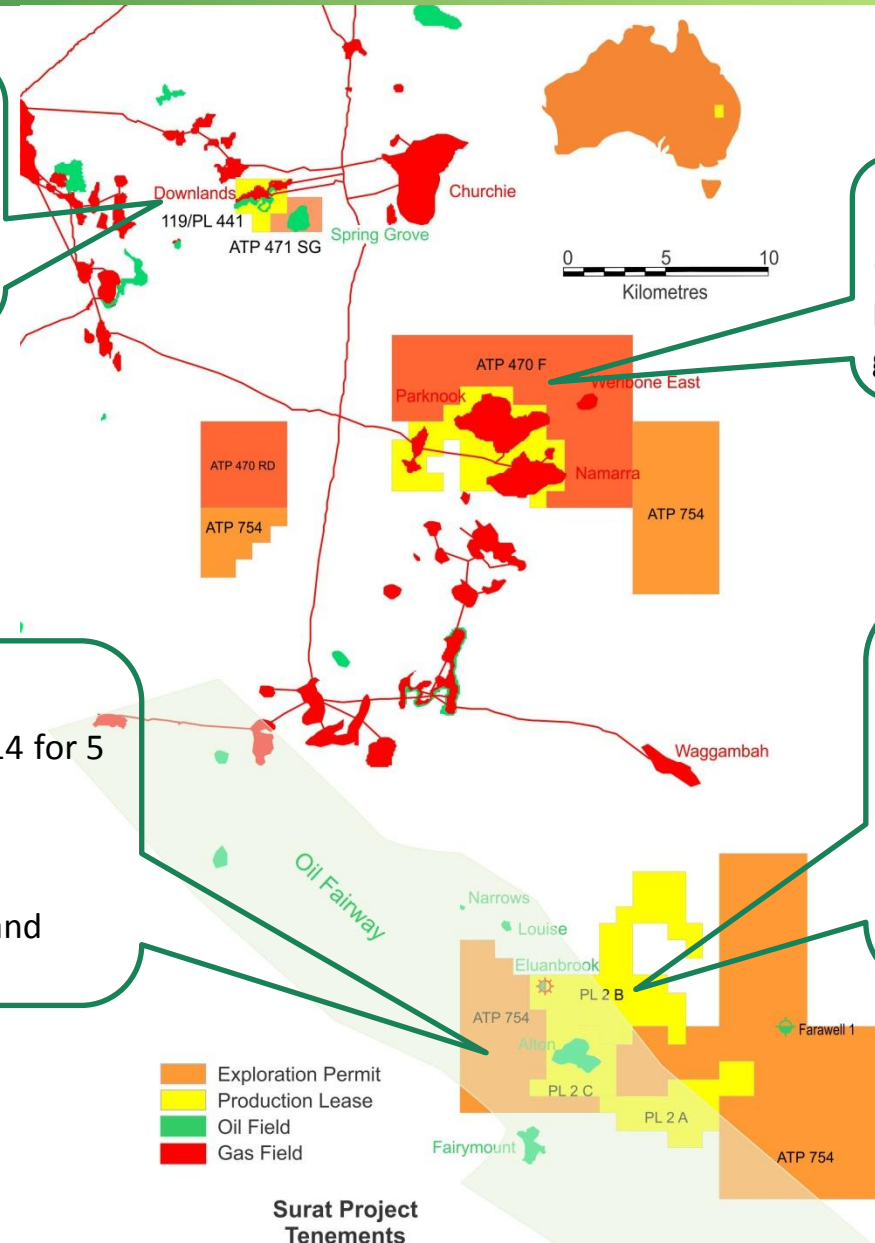
Renewed, targeting liquids rich gas in Tinowan Sands and Coals

ATP 754P

Renewed from 1 August 2014 for 5 years with revised work programme and substantial relinquishment.
Mardi Prospect (210 Mbo) and Farawell Lead

PL 2 Alton Area (24.24 and 36.%%)

Renewed, targeting the 100 Mbo 2C resources in Eluanbrook updip field. Santos interest currently in the process of being sold



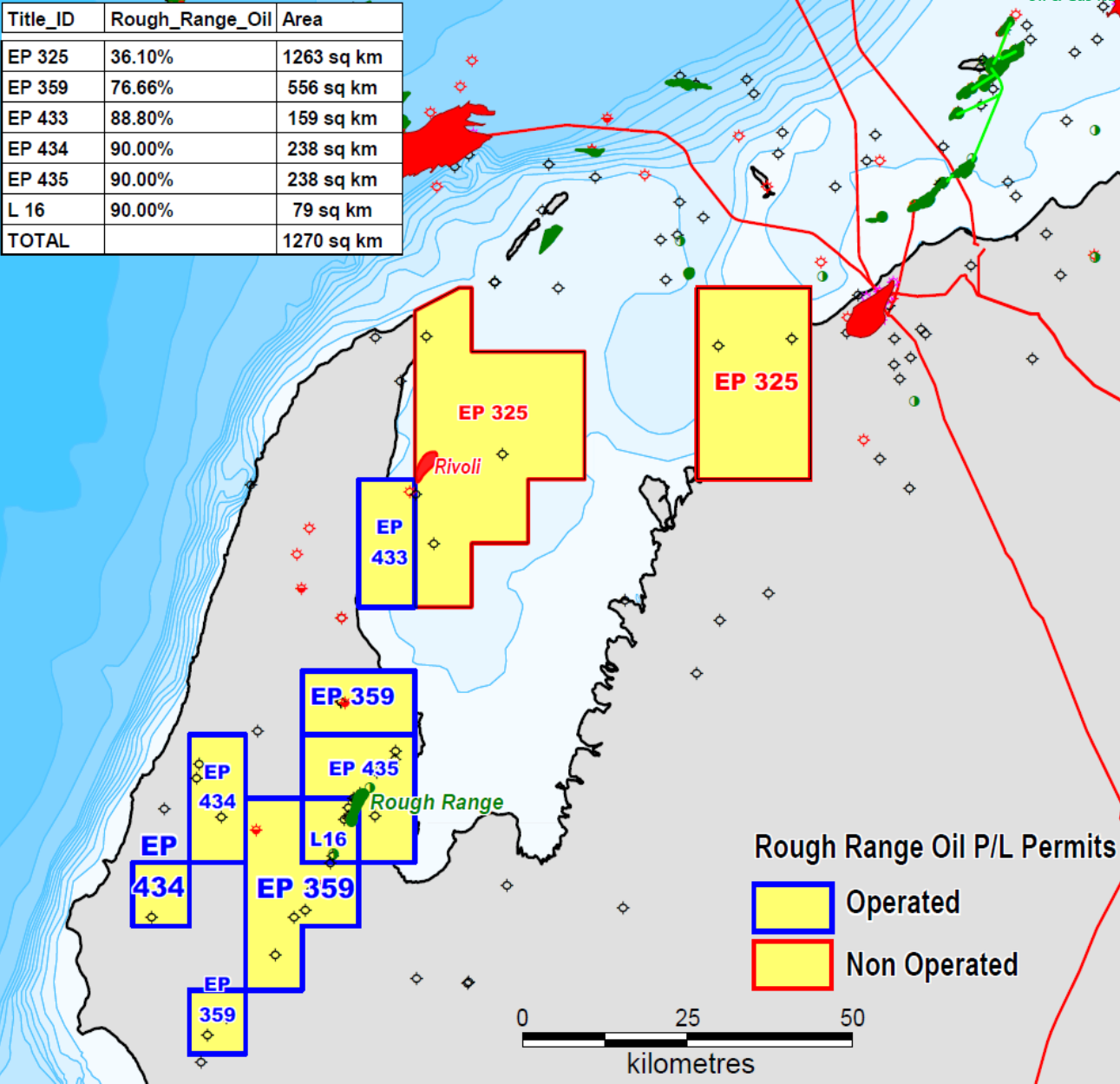
Rough Range Oil Field

- Bounty has entered into an indicative agreement with Empire Oil and Gas NL to purchase all of their interests in Carnarvon Basin onshore including Rough Range Oil Field



Carnarvon Basin Acquisition

Title_ID	Rough_Range_Oil	Area
EP 325	36.10%	1263 sq km
EP 359	76.66%	556 sq km
EP 433	88.80%	159 sq km
EP 434	90.00%	238 sq km
EP 435	90.00%	238 sq km
L 16	90.00%	79 sq km
TOTAL		1270 sq km



- Bounty has been a long term Joint Venture Partner with Empire in many of the permits.
- Bounty's now has substantial interests in these areas located onshore and offshore in WA State Territorial waters
- These areas have significant oil, shale oil and gas potential which is key to Bounty's long term strategy
- The opportunity arose as Empire seeks to rationalise its portfolio to focus on its production areas in the North Perth Basin.