



6 October 2015

ASX / MEDIA RELEASE

Kiliwani North – TPDC joins Joint Venture

Bounty Oil & Gas NL (Bounty) advises that the Tanzania Petroleum Development Corporation (“TPDC”) has notified Aminex PLC the joint venture operator of its intention to acquire a 5% working interest in the Kiliwani North Development Licence (“KNDL”) and will become a full working interest partner going forward.

Under the terms of the Nyuni East Songo-Songo Production Sharing Agreement which governs the KNDL, TPDC has the right to acquire a 5% interest and it is this right which is now being exercised. The assignment of this working interest will be subject to TPDC:

1. reimbursing the Joint Venture Partners including Bounty with TPDC’s proportionate share of development capital expenditure on the licence to date; and
2. becoming a party to the KNDL Joint Operating Agreement.

Once concluded, Bounty’s interest in the KNDL will become 9.5% (current interest 10.0%).

The KNDL contains the Kiliwani North gas field which the joint venture expects to produce initially at up to approximately 30 mmcf. Production from Kiliwani North will be a significant milestone for Bounty. The KN-1 well has now been tied into the main pipeline infrastructure and is awaiting completion of the adjacent Songo Songo processing plant. The Company has been advised that this will be completed shortly and commissioning gas is to be produced thereafter.

Bounty also is pleased to advise that progress has been made on completion of the Gas Sales Agreement (“GSA”), which will govern the sale of Kiliwani North gas to TPDC. The GSA has been largely completed for some time and is now in the concluding stage of finalisation and formal approval. Bounty will continue to keep shareholders informed on progress.

Commenting; Bounty’s CEO, Philip Kelso said:

“Bounty is very pleased that the TPDC is becoming a participant in the Kiliwani North Development Licence joint venture.

By exercising this option, TPDC has confirmed the importance to Tanzania of gas from the Kiliwani North project and aligned its interests with those of the joint venture partners including Bounty as we close on achieving first gas sales in Tanzania. After the TPDC buy in we still anticipate that in 2016 Bounty will receive gross annual revenue of around A\$ 3 million from this project.”

For further information, please contact:

Philip F. Kelso
 Chief Executive Officer
 Telephone: + 61 2 9299 7200
 Email: corporate@bountyoil.com
 Website: www.bountyoil.com

Bounty is an Australian ASX listed oil producer and explorer (ASX Code: BUY). Its core petroleum production and exploration assets are located in the Cooper/Eromanga Basins and in the Surat Basin in Queensland and South Australia. Its growth assets are spread over a number of high impact projects in Australia and Tanzania where it is exploring for oil and gas. In Australia it holds AC/P32 in the Timor Sea with the 500mmbbl OOIP Azalea Prospect as its first drill target.

Bounty has other permits in Tanzania where it is a participant in the Kiliwani North Gas Field development.

Bounty has reserves and resources approaching 4 million barrels of oil equivalent.

[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 30 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

MMCF/mmcf, MMCFG/mmcfg, MMCFGD/mmcfgd	Million cubic feet, million cubic feet of gas, million cubic feet of gas per day
Permit/Licence	A petroleum tenement, lease, licence or block.