

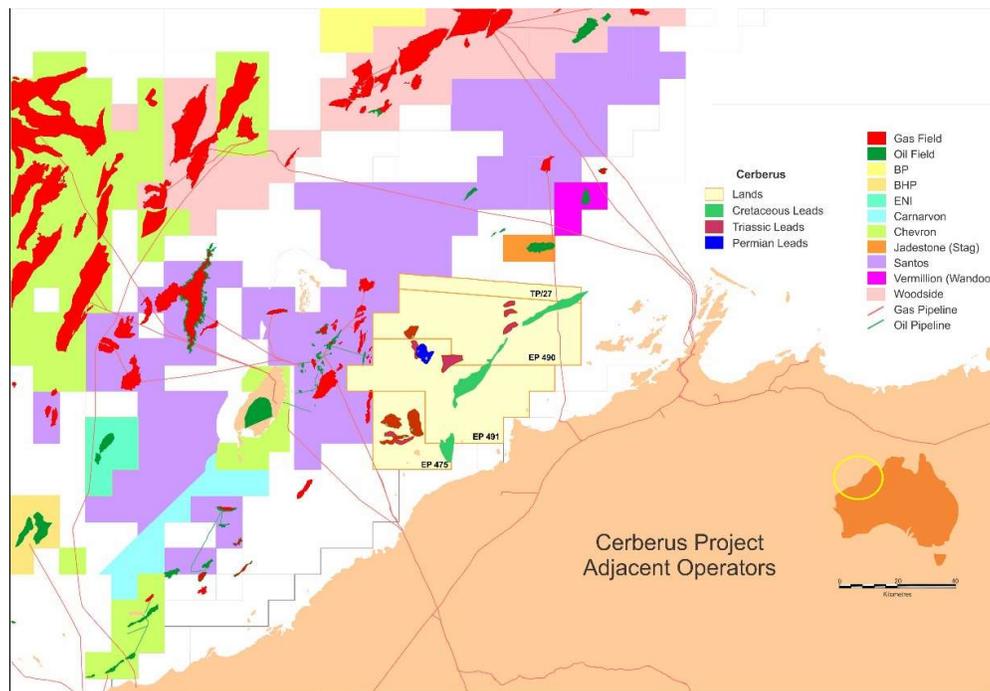
7 April 2022

ASX Announcement

Bounty Exercises Option to earn 50% of Cerberus and Letter of Intent Issued for Rig Contract

Key Highlights

- Bounty has exercised its option to earn 50% in Cerberus Project under the Farmin Agreement “(Agreement”) announced to ASX on 7 October 2021.
- Strong oil price environment and Seismic data inversion analysis has identified other material drill targets on trend from other discoveries and this work supports current drill target inventory
- Letter of Intent “LOI” issued to EnSCO Australia Pty Ltd by Coastal Oil and Gas Pty Ltd to contract the jackup rig *Valaris JU-107* subject to certain conditions for a drilling program;
- Pavo-1 discovery in Bedout Sub-Basin, WA has materially de-risked current inventory of Cerberus Triassic age drill targets;
- Bounty has made excess contributions to date and no material cash calls are envisaged in the short term; and
- Due to higher oil prices Bounty is fast tracking its planning for bringing on additional production in the Surat Basin in Queensland.



The Cerberus Project and other fields in relation to other Operators

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Bounty Oil & Gas NL (ASX: BUY, "Bounty") is pleased to announce that it has exercised its option under the Farmin Agreement ("Agreement") with Coastal Oil and Gas Pty Ltd ("Coastal") to earn 50% in Cerberus¹. Bounty has exercised its option in light of:

- Earning 50% of a potentially major oil project opens up attractive financing pathways for Bounty to enhance shareholder value where Bounty is also joint operator;
- Higher oil prices have meant increased interest in oil exploration and access to farmin partners;
- Bedout Sub-Basin, WA discoveries enhance Triassic age sequences and trap model to drive de-risking drill targets in Cerberus;
- Preliminary seismic data inversion analysis has confirmed several direct hydrocarbon anomalies over identified drill targets and other areas on trend from existing discoveries; and
- Rig availability on the North-West Shelf for Q4 2022/Q1 2023 has allowed issue of an LOI by Coastal with the intent to contract *Valaris JU-107* for a two firm and one contingent well programme ("Drilling Programme").

Bounty has made excess contributions to date and no material cash calls are envisaged in the short term; while Bounty is funding its contributions from oil revenue.

Bounty is planning to accelerate its Queensland oil production by lifting oil from its Surat Basin oil leases. Currently, Bounty is receiving in excess of \$220,000 per month from existing production and intends to materially increase this by bringing its operated Surat Basin assets back onto production.

Commenting on exercise of the option, **Chief Operating Officer Kane Marshall** stated

"We are seeing almost unprecedented levels of interest and investment in oil and gas exploration in Australia not seen since the last oil boom. This has been boosted by record oil prices and recent the successes of Melbana, Carnarvon and Norwest Energy. Bounty is an existing oil producer and by increasing our equity in Cerberus and fast-tracking plans to increase production in the Surat aims to be next cab off the rank. Preliminary seismic inversion work and discoveries in the Triassic in the Bedout are incredibly exciting for shareholders. By earning 50% of Cerberus and participating in 2-3 wells on major prospects we expand our financing options for the coming campaigns."

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About Bounty Oil and Gas

Bounty Oil and Gas NL (ASX Code: BUY) is an independent Australian oil and gas explorer and producer in operation since 1999. From its inception, it has pursued an active programme of land acquisition, exploration and oil development. The company has oil production at Naccowlah in SW Queensland and two undeveloped proved oil and gas discoveries in the Surat Basin and onshore Carnarvon Basin. The management team and directors are experienced professionals well versed in the oil and gas business and cover all aspects from finance to technical operations management.

¹ See October 15th Announcement

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