



ASX/MEDIA RELEASE

6 April 2009

Non Renounceable 1:3 Rights Issue

1:3 Rights Issue:

Bounty Oil & Gas NL ("Bounty") announced today that the company will make a non renounceable rights issue ("Issue" or "Offer") of one (1) share ("New Share") for every three (3) shares held by holders of shares in Bounty at 5 pm. (Western standard time (WST)) on 16 April 2009 ("Record Date").

The Issue Price is \$0.015 (one and a half cents) per share.

Bounty will issue a maximum of 106,280,200 New Shares at the Issue Price of \$0.015 (one and a half cents) per share. If fully subscribed the issue will raise approximately \$1.59 million before expenses.

The rights to subscribe for the New Shares shares are non –renounceable. The New Shares will be fully paid ordinary shares and will rank equally with Bounty's existing shares. The company has applied to the ASX for quotation of the New Shares to be issued to shareholders. The application for quotation - Appendix 3B accompanies this announcement.

Lead Manager – Handling Fees:

The issue lead manager is Claymore Capital, Sydney Phone: +612 9233 2063.

Ten percent of the issue (10.6 million New Shares) will be underwritten and directors intend to apply for their full entitlement.

The directors have decided to encourage support for the issue by paying a 4% stamping fee to brokers and licensed advisors who assist clients to participate in the issue. The directors reserve the right to place the issue shortfall to shareholders who apply for excess allocations and/or sophisticated investors.

At \$0.015 the offer price represents a 48 % discount to the closing price of Bounty shares on the ASX on the business day before this announcement and a 46% discount to the volume weighted average price (VWAP) of Bounty shares over the five (5) day period up to and including the ASX business day before this announcement of the rights issue.

Use of Funds:

Bounty will primarily use funds from the issue to:

- participate in oil drilling on its existing production and exploration permits in the Cooper Basin, South Australia and Queensland (Q) and Surat Basin, Q.
- participate in developing its proved petroleum reserves in Tanzania.
- minor expenditure to advance its free carried participation in exploration of PEP 11 gas prospects offshore Sydney Basin, and
- for working capital.

Key Dates for the Rights Issue :

Issue announced, first 708AA Notice and Appendix 3B	6 April 2009
Notice of Rights Issue sent to shareholders. Offer Document lodged at ASX	7 April 2009
Shares quoted on an "Ex" basis - the Ex date (date from which shares commence trading without the entitlement to participate in the Rights Issue	9 April 2009
Record Date (date for determining entitlements of eligible shareholders to participate in the rights issue)	16 April 2009 (5pm WST)
Second 708AA Notice lodged at ASX	17 April 2009
Despatch of Offer Document, Entitlement and Acceptance Forms to eligible shareholders (Despatch Date)	17 April 2009
Opening Date of Rights Issue	17 April 2009
Closing Date of Rights Issue	8 May 2009 5pm WST
ASX notified of under subscriptions	13 May 2009
Allotment date for New Shares and dispatch of Holding Statements	14 May 2009
Cleansing statement under section 708A lodged with ASX	14 May 2009

*The directors may vary the key dates subject to the ASX Listing Rules.

Full details of the terms of the offer will be contained in the Offer Document to be released to ASX on 7 April 2009. First notice under section 708AA Corporations Act 2001 accompanies this announcement.

Further details of the Company's exploration activities, current operations and projects are contained in the Company's market announcements to the ASX and corporate updates all of which are posted on its website – www.bountyoil.com

For further information in respect of the rights issue please contact:

Anton Rosenberg Claymore Capital Tel: +612 9223 2063 Email: anton@claymorecapital.com	Michael L Hutt Company Secretary Tel: +612 9299 7200 Email: michael@bountyoil.com
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Bounty is an Australian ASX listed oil producer and explorer. 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 is a participant in PEP 11, Sydney Basin with up to 5 trillion cubic feet (TCF) gas potential and in other permits. In Tanzania it is a participant in the recent Kiliwani North gas discovery and is exploring additional gas pools with up to 1TCF potential. Bounty has reserves approaching 3 million barrels of oil equivalent.

Notice Under Section 708AA - Corporations Act 2001

The company gives notice to ASX Limited pursuant to the provisions of section 708AA(2)(f) of the Corporations Act 2001("the Act") that:

1. The relevant securities are being offered by the company without disclosure under Part 6D.2 of the Act.
2. This notice is being given under section 708AA(2)(f) 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, and;
4. At the date of this notice, there is no excluded information, as defined under the definitions in sections 708AA(8) and 708AA(9) of the Act.
5. The issue of the relevant securities is not expected to have any material effect on control of the company.

Bounty Oil & Gas NL

Michael L. Hutt
Company Secretary
6 April 2009

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

BOUNTY OIL & GAS N.L.

ABN

82 090 625 353

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to maximum one hundred and six million, two hundred and eighty thousand T (106,280,200) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares ranking equally with all existing fully paid ordinary shares. |

+ See chapter 19 for defined terms.

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4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, with existing fully paid ordinary shares.</p>				
5	Issue price or consideration	\$0.015 each.				
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Petroleum production, development and exploration in Australia and Tanzania and for working capital purposes.</p>				
7	<p>Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>11 May 2009 or as otherwise advised</p>				
8	<p>Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">318,840,655</td> <td style="padding: 2px;">Ordinary shares fully paid</td> </tr> </tbody> </table>	Number	+Class	318,840,655	Ordinary shares fully paid
Number	+Class					
318,840,655	Ordinary shares fully paid					

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)		
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same as for existing fully paid ordinary shares. New shares will rank parri passu with existing shares.	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	Non - renounceable
13 Ratio in which the +securities will be offered	One new share for each three shares held
14 +Class of +securities to which the offer relates	Ordinary shares fully paid
15 +Record date to determine entitlements	16 April 2009
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable (N/A)
17 Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest number
18 Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19 Closing date for receipt of acceptances or renunciations	8 May 2009

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20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	Lead Manager: Claymore Capital ,Sydney, NSW,Australia Tel: +612 9233 2063
23	Fee or commission payable to the broker to the issue	6% on funds other than under para 24 below
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	4%
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	17 April 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

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32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	11 May 2009

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

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Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

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39 Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 6 April, 2009
(Company Secretary)

Print name: MICHAEL L. HUTT

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