

Bounty Oil and Gas NL

Presentation to:

Energy, Oil and Gas Investor Summit

March 17 – 18, 2015

ASX Code: BUY



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Philip F Kelso - CEO

Gas Plant Songo Songo Island

Recent decline in oil prices impacting but achieved \$ 2.3 million in sales for 2014
Revenue to recover shortly by:

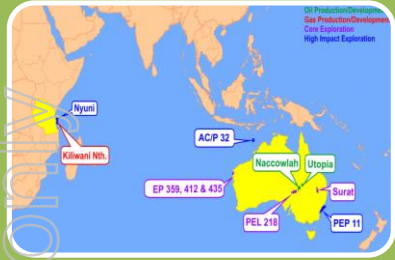
Onset of commercial gas production at Kiliwani North in Tanzania with,

Planned 700 km² 3D deep water seismic survey up dip from several TCF of proven gas and close to new gas distribution infrastructure providing serious upside.

Oil Growth Business strategy on track for potential spectacular Australian growth as BUY continues negotiation with potential farmin partners on 100 MMbo+ Azalea Prospect – Timor Sea.

Australian oil production base will continue but new developments will be subject to oil price

What we Aare going to discuss



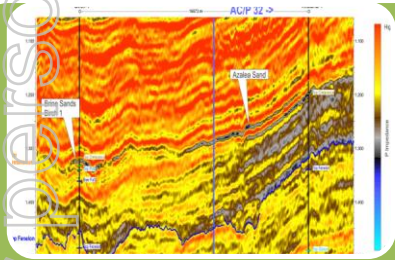
Bounty

- Financials
- Projects



Upside

- AC/P 32
- Tanzania



AC/P 32

- Azalea Prospect Overview
- Azalea Prospect Technical

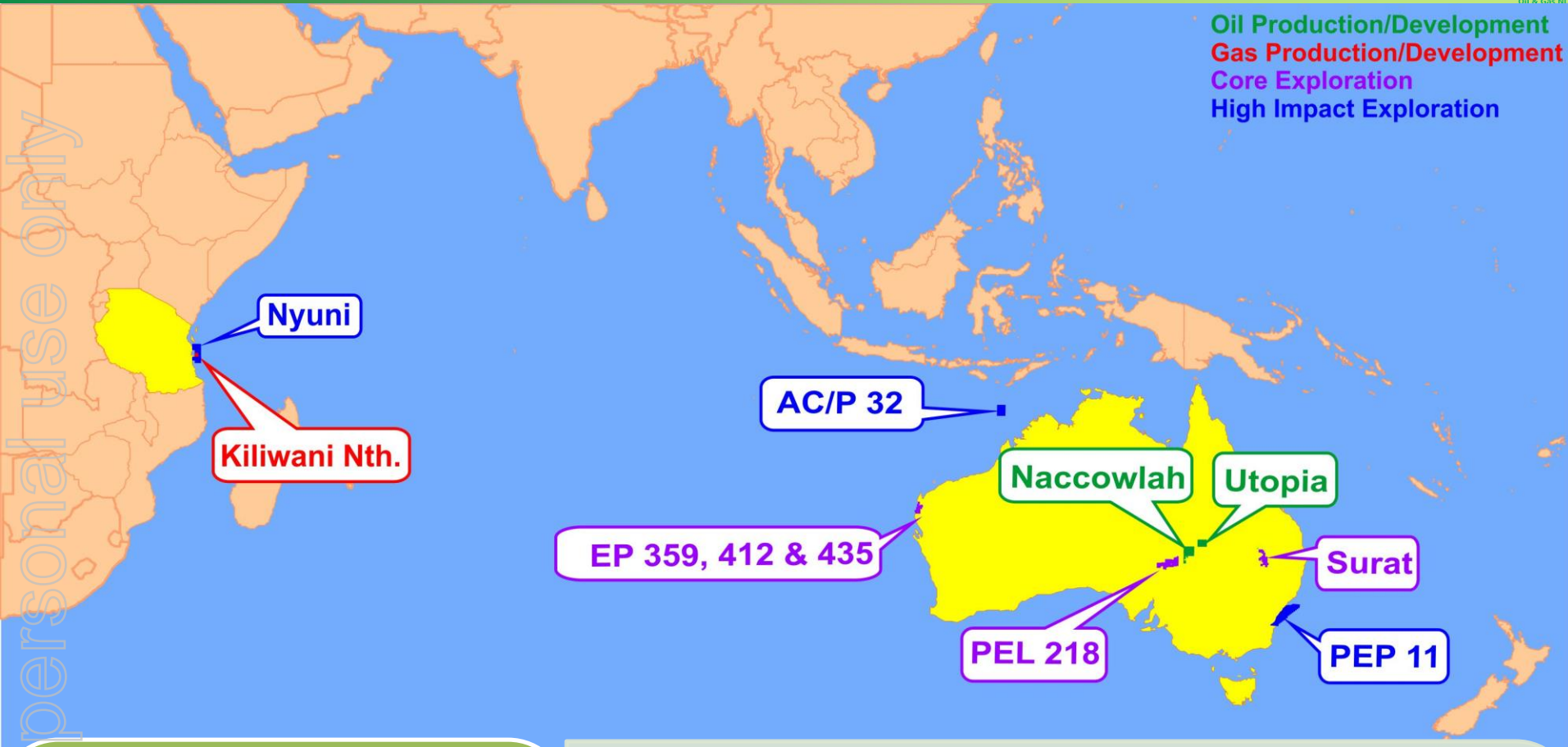


Tanzania

- Regional
- Kiliwani North Gas Development
- Nyuni Deepwater Exploration

- Revenue for 2014 totalled \$2.36 million
- Current assets: \$2.576 million
- Balance sheet underpinned by conservatively valued reserves/resources
- Many projects in the pipeline

ASX Code	BUY
As at	17- Mar-15
52 Week Price Range	\$0.010 to \$0.020
Shares Quoted	938,400,982
Options all series	Nil
ASX Closing Price	\$0.012
Market Capitalisation	\$11.26 million
Net Assets	\$29.97 million



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Bounty's Threefold Strategy

- Revenue: from Oil and Gas sales should stabilise at \$2 million pa and lift to +\$4 million pa later in 2015.
- Core Exploration: especially in Cooper and Surat Basin western oil fairway Bounty has a range of low risk near field and appraisal targets which will maintain production and reserves well into the future
- High Impact Exploration: targeting company-maker projects in Australia and Africa

□ **AC/P 32**

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AC/P 32
Timor Sea –
BUY 100%

- Azalea Prospect:– 100 – 200 MMbo target
24 km from Montana Field
- Active farmout discussions now underway



Kiliwani North

**Nyuni Block
Offshore
Tanzania – BUY
5% & 10%**

- Kiliwani North Tanzania gas production commencing 2015 at rate of 364 barrels of oil equivalent per day (boepd) net to Bounty, work on pipeline and plant commenced
- Nyuni Block Tanzania (BUY 5%) 2014 deep water 3D, to delineate 1-2 TCF gas
- Nyuni Block very close to Kiliwani gas infrastructure so success will feed a ready Tanzania domestic market

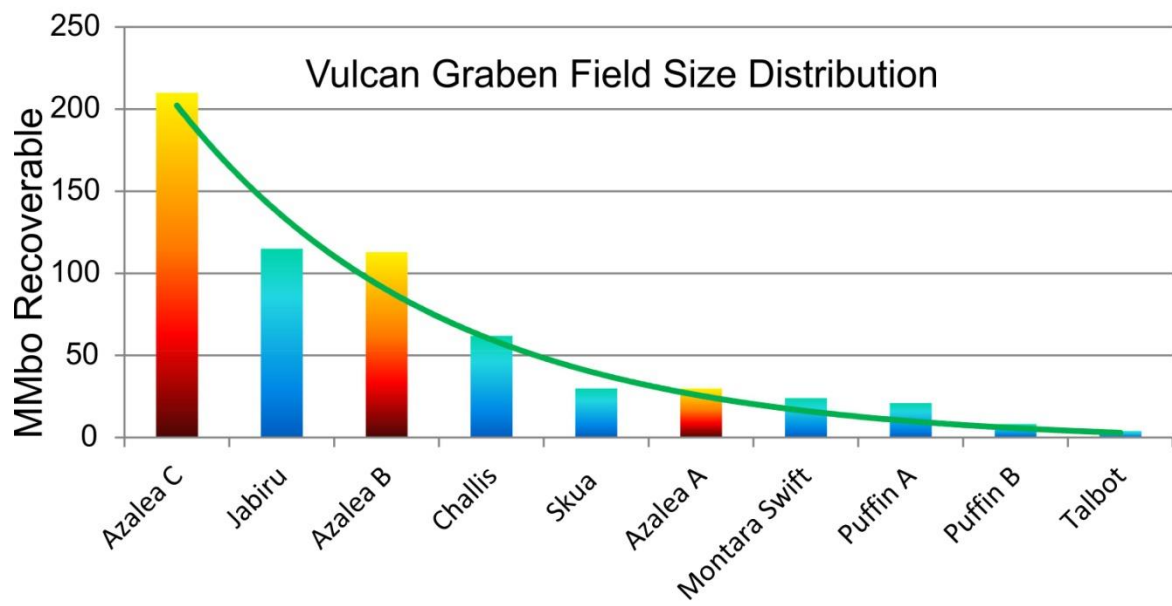
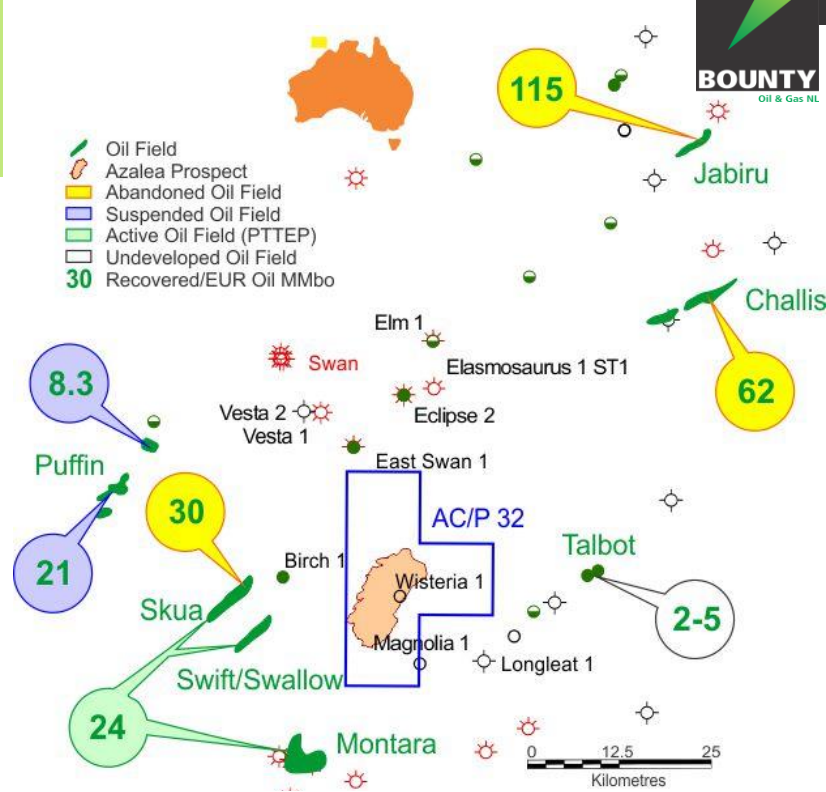
AC/P 32 (BUY 100%) Azalea Prospect Overview - Timor Sea Regional Setting

AC/P 32 is located in the Vulcan Graben, Ashmore and Cartier Territory

Surrounded by oil fields and numerous wells with good shows and Azalea volumes match province field size distribution

Puffin, Skua, Swallow and Swift all have oil in the Puffin Sand

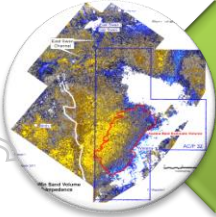
Azalea lies up dip from proven oil in Birch 1



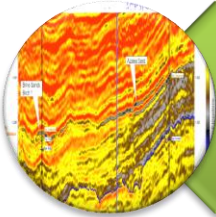
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AC/P 32 Timor Sea - Azalea Prospect Overview - Main Points

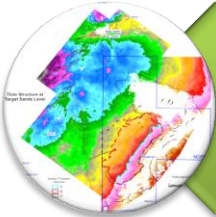
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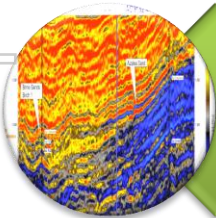
Bounty has successfully delineated and de-risked the Azalea Prospect, ready for farmout



Azalea contains potential 500 million barrels of oil (MMbo) in place in the Puffin Sand reservoir up dip from proven oil in the well Birch 1



Bounty conservatively estimates that 100 MMbo are recoverable, making this one of the largest undrilled potential oil pools in the Timor Sea

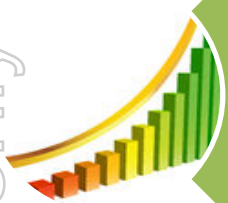


Azalea Prospect is anticipated to be in excellent, high porosity and permeability sands of Puffin Formation and is located at 1800 metres depth in shallow water suitable for a jack up type rig



This is a substantial project for Bounty, and well supported by leading edge science and analysis.

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Successful 100 plus million bbl oil discovery and appraisal via a two well farmout strategy of say 49% will provide a major multiplier to Bounty's current share price



Using a rule of thumb NPV of \$ 20/bbl of recoverable oil, with P50 risk, such a target at say 51% equity would place a value of 50 - 60 cents/share on Bounty



Excellent development infrastructure in Timor Sea region



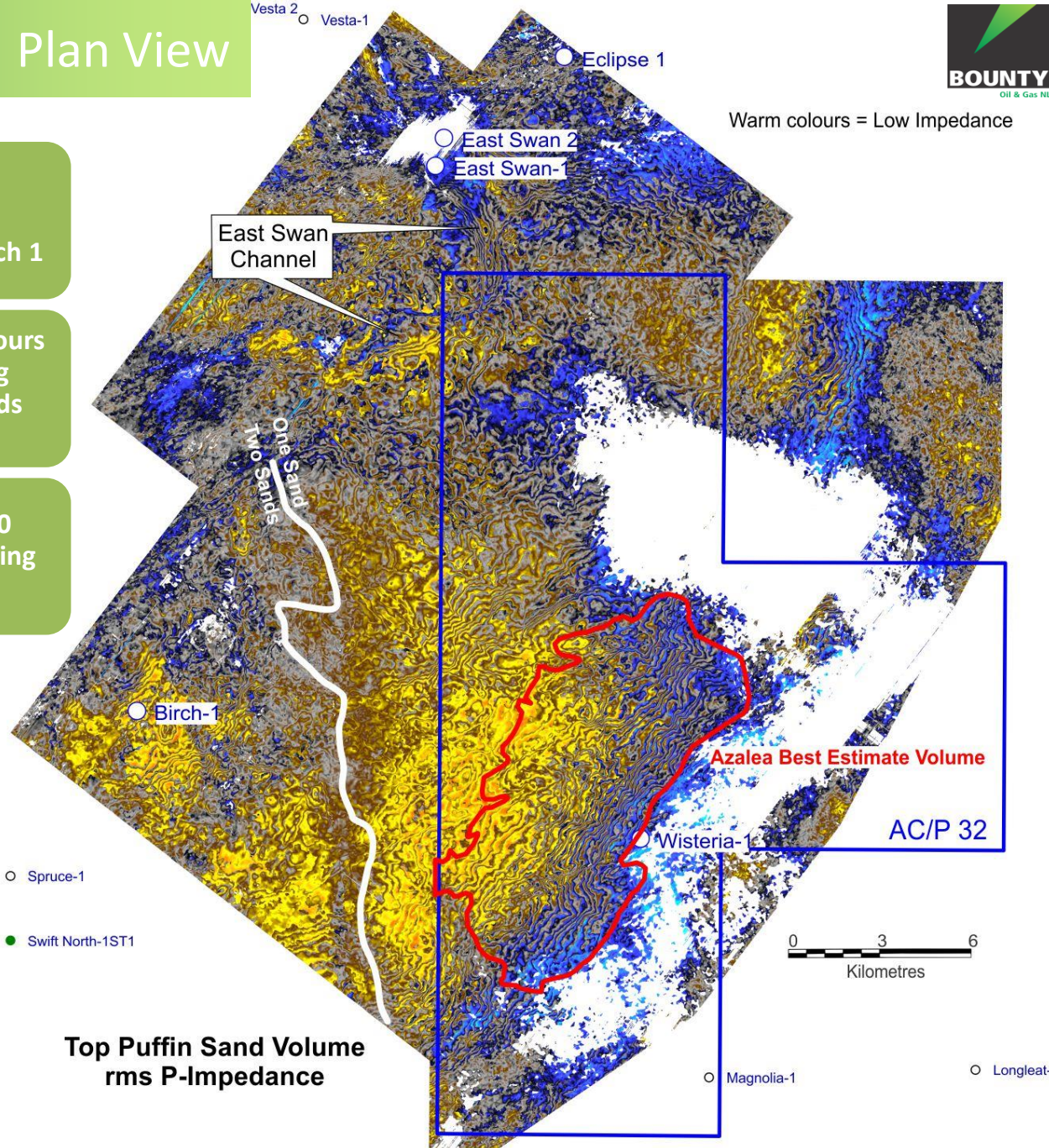
Standard FPSO development scenario and access to Singapore refineries

AC/P 32 Azalea Prospect Plan View

The high impedance (high porosity) sands (golden hues) at Azalea are much more widespread than similar sands around Birch 1

The lateral seals are shown where the colours change to grey then blue indicating shaling out of the sands and white where the sands are absent and have pinched out.

The edges of the best estimate volume (100 MMbo recoverable) is defined by the closing contour



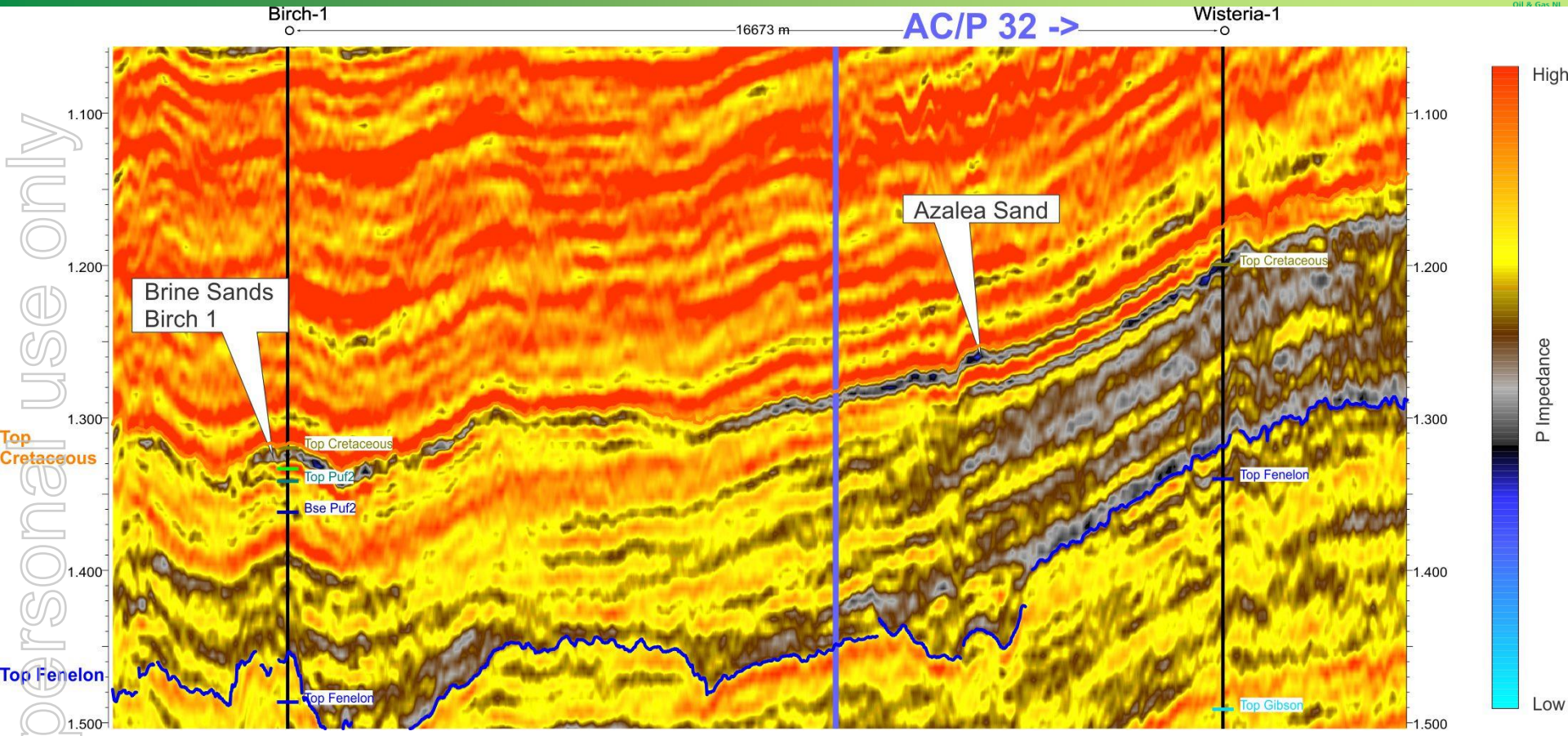
Warm colours = Low Impedance

Top Puffin Sand Volume
rms P-Impedance

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AC/P 32 Azalea Prospect Seismic Section

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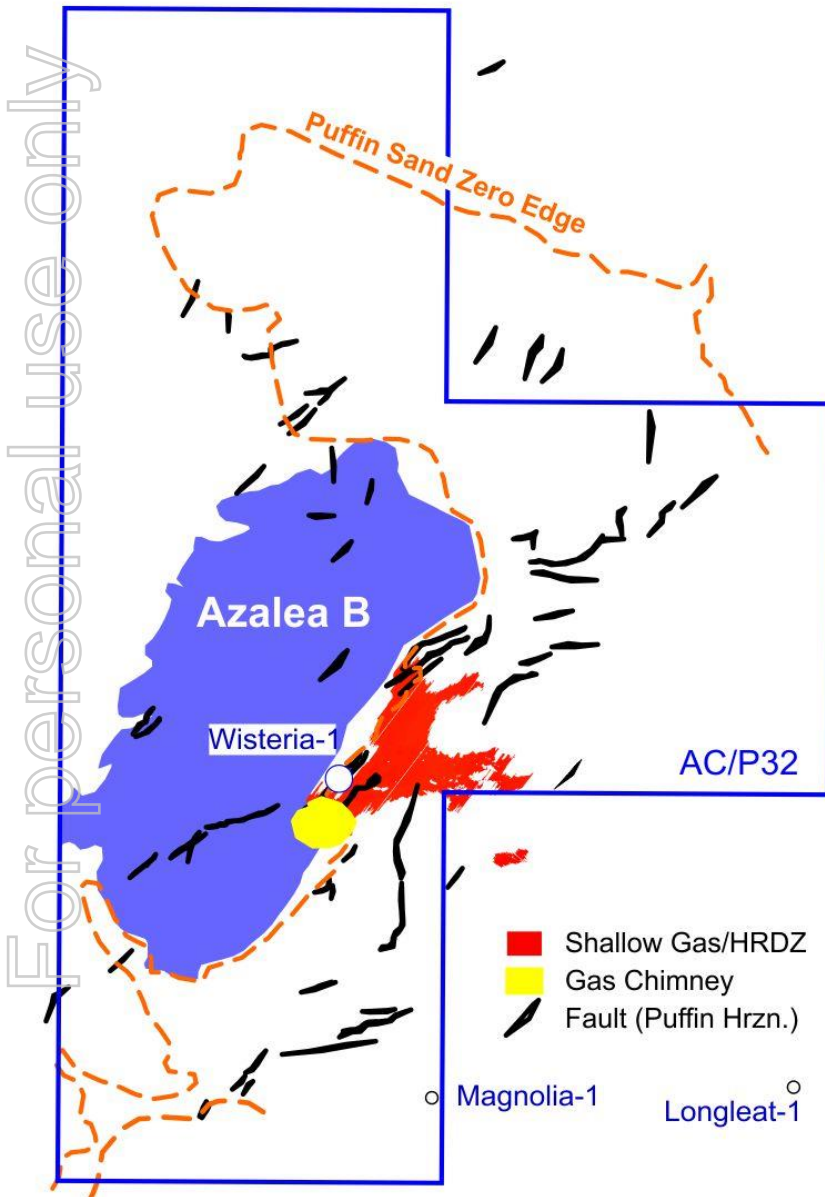


Acoustic Impedance essentially reflecting porosity in any given sand, shows that the sands at Azalea are very similar to known high porosity sands (24%) in the Puffin Formation at Birch 1

The up dip shale out which forms the lateral seal is shown very clearly

The shales in Wisteria 1 which narrowly missed the target sands have anomalous heavy gas shows, suggesting higher end hydrocarbons (oil) down dip in the sands

AC/P 32 Azalea Prospect Hydrocarbon Indicators



Many oil fields in the Timor Sea are associated with shallow diagenetic zones (HRDZ) and gas accumulations related to leakage of gas along late stage faults

There is a well developed zone immediately up dip of Azalea associated with one of the only fault zones which cut the sands at Azalea

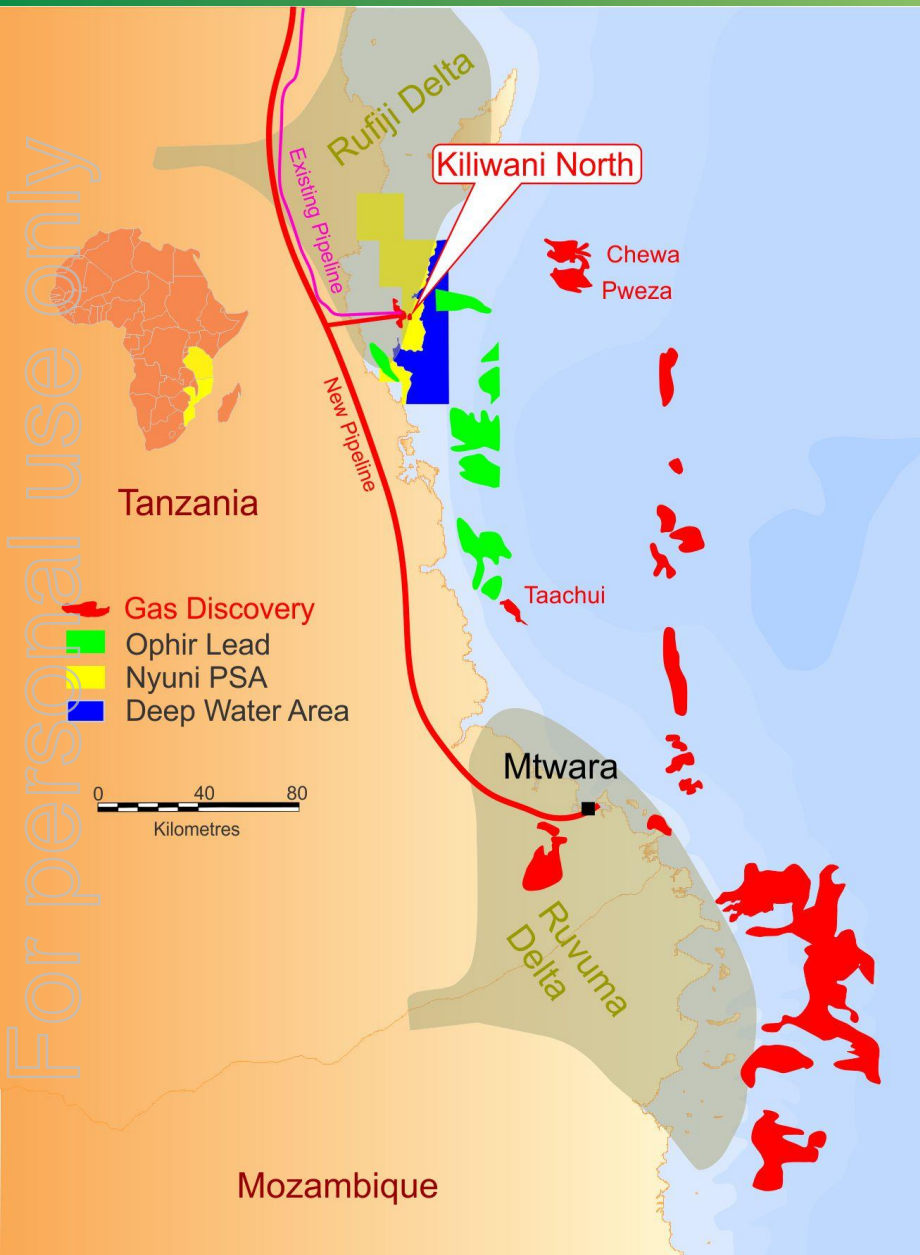
This zone is fed by a “gas chimney” a zone of seismic velocity pull up associated with an active gas charge in the fault zone

This is **particularly compelling** evidence of a hydrocarbon charge to the prospect

All factors point to a discrete sand body, up dip from proven oil, with good porosity and strong evidence of anomalous fluids within the sand body.

Bounty is actively discussing a farm in with interested parties to drill a well

Tanzania - Regional Setting



Deep water offshore Tanzania and Mozambique has seen over 170 TCF of gas discoveries in deep water channel/fan systems related to the Rufiji and Ruvuma Deltas

Major players such as Exxon Mobil, Statoil, BG, Anadarko and ENI all have major discoveries

Drilling strike rate very high, only one or two dry holes, due to relative ease of identifying gas with modern 3D seismic

3D seismic in the Ophir/RAKGas permit which adjoins Bounty's Nyuni PSA has identified several leads (green on the adjacent picture) some of which continue into the Nyuni PSA.

Having received Government consent the Nyuni JV Partners will be acquiring new 3D seismic in the deep water part of the PSA (dark blue on adjacent picture) in the coming year.

Targeting of over 2 TCF gas

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Kilwani North Gas Development (BUY 10%)

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Kiliwani North Gas Development



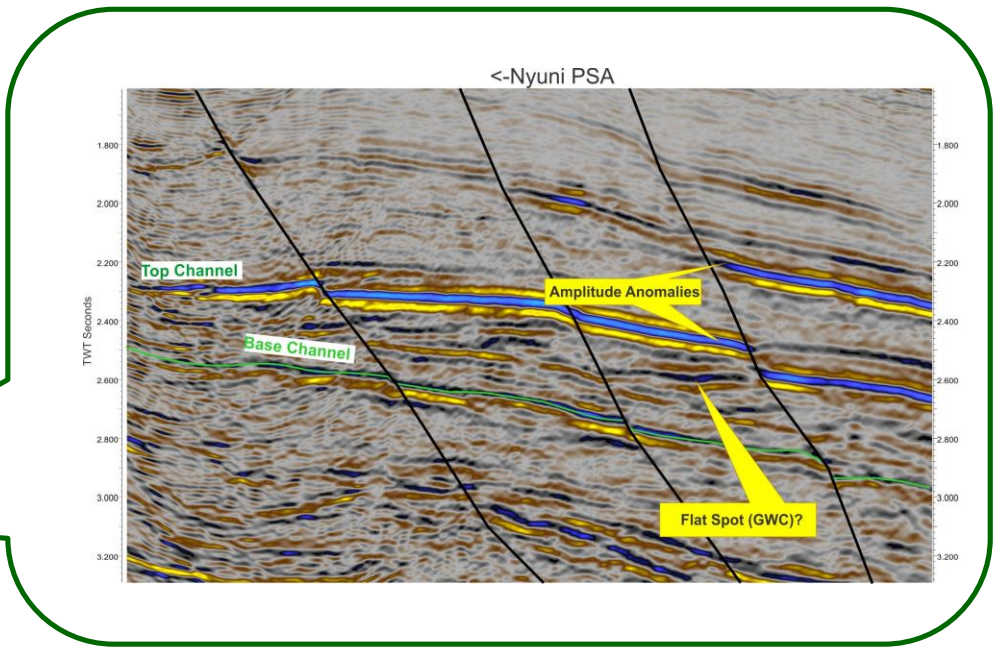
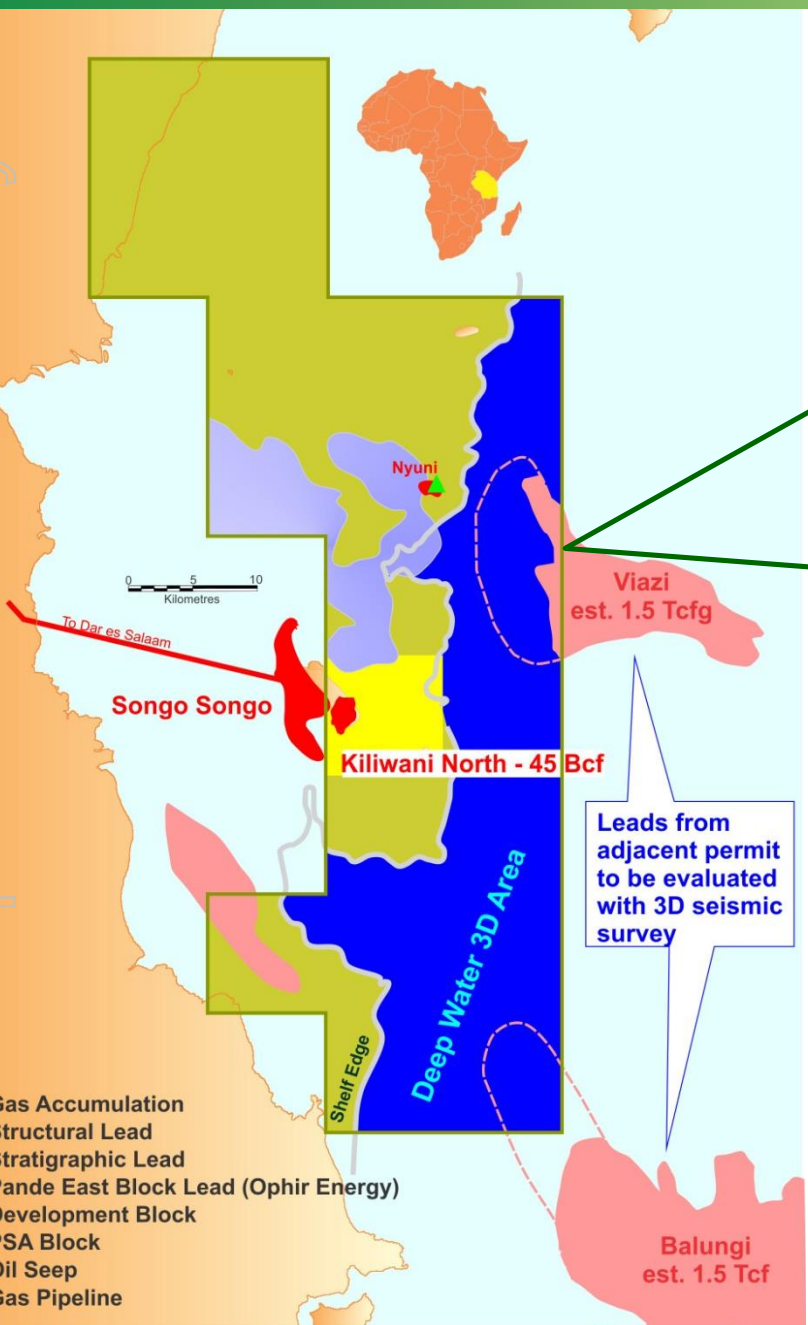
Main Pipeline, new Gas Plant and lateral to Kiliwani North Wellhead all complete

Gas Sales Agreement terms finalised, tie in to Kiliwani North well head authorised

First production very soon at 364 boepd net to Bounty

Nyuni Deep Water Exploration (BUY 5%)

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Early Cretaceous channels are clearly visible on legacy seismic with anomalous amplitudes and possible flat spots directly up dip from the Chewa and Preza gas fields.

Anomalous amplitudes are also observed in the overlying Eocene age rocks

The 3D seismic will investigate this anomaly and others identified from the current sparse seismic coverage

Targets in the 1-2.3 TCF range are indicated. Only 20km from the new gas Infrastructure on Songo Songo Island

- Gas Accumulation
- Structural Lead
- Stratigraphic Lead
- Pande East Block Lead (Ophir Energy)
- Development Block
- PSA Block
- ▲ Oil Seep
- Gas Pipeline

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Maintaining oil revenue but adding material revenues through new gas production in Tanzania



Pursuing 100 – 200 Mmbo recoverable oil play at Azalea Prospect (AC/P 32) in Timor Sea with several parties interested in farm-in



Commencing deepwater gas exploration for 1-2 TCF targets adjacent to new gas infrastructure in Nyuni (Tanzania) with possible direct hydrocarbon indications (seismic gas anomalies) in legacy seismic

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 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.
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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:
 - 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.

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.