BOUNTY OIL & GAS NL

(ABN 82 090 625 353)

INTERIM FINANCIAL REPORT

Interim Financial Report for the half-year ended 31 December 2021
(Including Directors' Report and Financial Report)

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DIRECTOR'S REPORT

For the Half Year Ended 31 December 2021

The directors of Bounty Oil & Gas NL ("Bounty" or "the company") submit the interim financial report of Bounty and its subsidiaries ("the Group") for the half year ended 31 December 2021. The attached Bounty Interim Financial Report forms part of this report. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follow:

Directors

The following persons were directors of the Company during the whole of the half-year and up to the date of this report:

Graham Charles Reveleigh	*(Non-Executive Chairman)*
Roy Payne	*(Non-Executive Director)*
Charles Ross	*(Non-Executive Director)*

Mr Graham C Reveleigh was re-elected as a director of the company at the Annual General Meeting on 26 November 2021.

Review of Operations

For Bounty's schedule of permits, interests and acreages (see Bounty's 2021 Annual Report and Bounty's website: www.bountyoil.com).

1. Highlights

Group Petroleum Sales

- Petroleum revenue (mainly crude oil) for the half year to 31 December 2021 was $0.82 million on sales of 7,254 barrels of crude oil.

- Petroleum revenue for 12 month calendar year to 31 December 2021 was: $1.59 million.

Oil development

- Bounty expects to increase its oil production volumes in 2022 and with stronger A$ oil prices resulting in $1.8 million sales for the year ended 30 June 2022.

- Naccowlah Block, South-west Queensland: Oil appraisal drilling was deferred in 2022 due to drilling schedules and COVID related delays. A further two (2) appraisal/development wells are programmed for 2022. Naccowlah drilling is expected to maintain Block oil reserves.

- Bounty is planning to resume oil production at PL2 in the Surat Basin now there is some clarity on crude oil marketing and with higher oil prices expected to continue will upgrade its oil resources at PL2.

Oil/Gas exploration

- Cerberus Project; Carnarvon Basin, West Australia: On 7 October 2021 Bounty entered a farmin agreement with Coastal oil Pty Ltd. (Coastal) to earn a 25% interest in the Cerberus Project a 600 mmbbl potential oil exploration project, in four offshore permits Carnarvon Basin, West Australia.

- Petroleum Exploration Permit 11 (PEP 11) Offshore Sydney Basin: At the end of the period Bounty maintained its 15% interest in PEP 11 and was waiting for clarification on continuation of the title from the National Offshore Petroleum Titles Administrator ("NOPTA"). A final decision on this application is anticipated in the next 3 months and there is material uncertainty on the investment (see para 5 below).

- There were no exploration impairments during the period.

2. Overview

The principal activity of the group during the 6 months to 31 December 2021 was oil production and oil and gas exploration and development. Bounty's secondary activity is investment in listed securities. No significant change in the nature of these activities occurred during the financial half year.

During the period the economic entity made a net loss after tax of $493,000 (31 December 2020 half year loss: $594,000).

The operating loss was determined after taking into account the following material items:

- Petroleum revenue of $816,000
- Direct petroleum operating expenses of $464,000
- All other general administration, expenses, share issue expenses and employee benefits of $739,000
- Group net loss before non-cash items of $294,000.
- Non cash amortisation, rehabilitation and depreciation expenses of $199,000.

Revenue from continuing operations for the period was $816,000 (December 2020 HY: $700,000).

Petroleum revenue for 12 month calendar year to 31 December 2021 was: $1.59 million.

In the half year to 31 December 2021 Bounty invested total capital expenditure of $332,000.

Details of exploration and development operations and cash flows for the half year ended 31 December, 2021 have been reported by the company to the Australian Securities Exchange in the Quarterly Activity Reports and Appendix 5B for each of the quarters ended 30 September and 31 December 2021 and in additional announcements on particular items.

3. Production Operations - ATP 1189P Naccowlah Block and Associated PL's; SW Queensland.

Revenue from production operations for the period was $ 0.82 million up 17% on the previous half year (HY: December 2020: $ 0.70 million). Revenue was derived only from crude oil produced from Bounty's production joint venture interest in ATP 1189 Naccowlah Block. At the end of the period Bounty's oil production averaged 38 bopd.

Oil Production

Revenue for the period was accrued from production of 6,886 bbls of oil and sales of 7,254 bbls.

Gas Production

There was no gas production in the period.

Production Facilities

During the period Bounty participated in installing pipelines and other production infrastructure in Naccowlah Block to lift oil from prior period discoveries and to move produced oil to the transportation system.

Production optimisation is ongoing and contributes significantly to maintaining production. The pace of further development drilling is reviewed in the light of oil price movements.

4. Oil Development Drilling Operations

Any drilling or production optimisation / well workover expenses have been classified under production operations. During the period, Bounty also expended $58,000 (December 2020 HY: $70,000) on other development operations.

Cased oil discovery wells from the financial year ended 30 June 2021 and prior periods were progressively placed on production during the period. In the period from July 2021 to the end of the reporting period Bounty had 1 well from prior period drilling awaiting tie-in.

Following recommendations from the Block operator; Santos Limited; Bounty will in 2022 participate in at least two (2) Birkhead Zone development and appraisal wells at Cooroo NW Field and installing new production infrastructure.

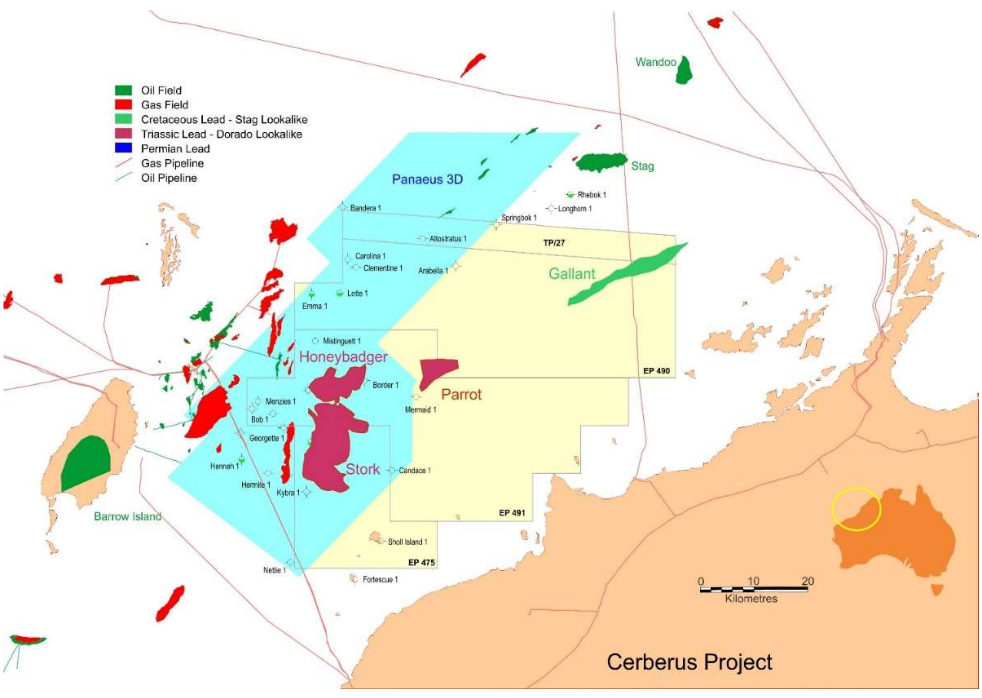
During the period Bounty held 100% of the Alton Block JV (including the Alton Oilfield) Surat Basin, SE Queensland and an 81.75% interest in the surrounding PL 2 Alton Kooroon JV Blocks A and B. It held other development permits in the Surat Basin and is undertaking reservoir studies and well integrity system work as a prelude to commencing oil production from PL 2 Alton in the 2022 period.

5. Exploration and Evaluation Operations

During the period, Bounty expended $29,000 on exploration and evaluation in connection with its other wholly owned and joint venture interests located in Queensland, New South Wales and Western Australia, both onshore and offshore.

Major Growth Project:

Cerberus Project Offshore Carnarvon Basin WA – Bounty earning 25%



Location: 70 km. East of Barrow Island WA

Titles: EP 475, 490 and 491, TP 27 totalling 3,759 km^2

Background:

On 7 October 2021 Bounty entered a farmin agreement with Coastal Oil Pty Ltd (Coastal) to earn a 25% interest in this 600 mmbbl potential oil project, offshore Carnarvon Basin, West Australia. The project is right in the heart of Australia's most active oil production area and offers a large number of prospects and leads, many drill ready, with prospective resources of over 600 million barrels.

Bounty is earning its 25% by paying A$6 million towards the cost of drilling 3 wells and retains an option for six months to earn two additional tranches of 25% each by pro rata contributions to the well costs or finding farmin partners. The project is principally targeting oil in a lower Triassic source rock and reservoir sequence at the base of the Locker Shale, in lookalikes to the highly successful Dorado Project (2C reserves of 344 MMboe) being developed by Santos Limited and Carnarvon Petroleum Ltd in the Browse Basin to the northeast.

The attraction of this area is twofold, excellent prospective volumes offering reserves greater than Bounty's onshore projects, and shallow water jack up drilling with abundant opportunities to achieve economies of scale by participating in drilling groups, resulting in costs only a few times more than onshore but with huge rewards.

The main focus is on four targets with the best chance of success with Prospective Resources as follows:

Prospective Resource MMbo (1)	Mean	1U Low	2U Best	3U High	Reservoir Age
Honey Badger Prospect - EP 491	294	13	102	814	Triassic
Stork Prospect - EP 475	228	14	94	620	Triassic
Parrot - EP 491	105	14	61	262	Triassic
Gallant - EP 490	44	6	26	108	Cretaceous
(1) Million bbls of oil					

Cerberus Activities - Early 2022

- Bounty is jointly operating the project with Coastal. The primary prospects of interest for drilling are the Triassic stratigraphic plays outlined above. Coastal and Bounty are aiming for the commencement of the Drilling Program in late 2022 subject to regulatory approvals. Since executing the farmout agreement, Bounty and Coastal have acquired recently reprocessed 3D seismic over the main areas of prospectivity to lock down 3 target locations by the end of March 2022.
- Drilling slots are available in late 2022 on two jackup offshore drill rigs which will be active in the area throughout 2022. Bounty and Coastal are in continuing discussions with both rig contractors.

PEP 11 Offshore Sydney Basin – Material matter

During the prior period the PEP 11 joint venture operator lodged two applications with NOPTA for suspension and extension of the PEP 11 permit offshore Sydney Basin. Advent has an 85% interest in the PEP 11 Joint Venture, the other 15% being held by Bounty Oil & Gas NL.

The first application was lodged in January 2020 and the second in February 2021. In December 2021 NOPTA served a notice of intention to refuse the January 2020 application which was lodged on the basis of Force Majeure. The NOPTA notice only referred to the first application.

The second application was made under a COVID application process and was accepted but not dealt with pending an outcome on the January 2020 application. NOPTA is seeking additional information from the operator in respect of the second application.

Under the provisions of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*, the existing permit will continue until final decisions are made.

The above conditions indicate a material uncertainty that may affect the ability of Bounty to realise the carrying value of $546,406 for it's interest in the PEP 11 exploration permit in the ordinary course of business.

Corporate and Equity Issues

On 25 October 2021, Bounty Oil & Gas NL issued a further 274,100,000 ordinary shares via placement at $0.01(1 cent). The shares were allotted pursuant to the Company's placement capacity under ASX listing rules 7.1 and 7.1A.

As at 31 December 2021 Bounty had current assets of $3.6 million including $ 3.25 million cash and no debt. At 31 December 2021 the value of Bounty's listed investments on a mark to market basis was $95,000.

In December 2021 Bounty appointed Mr Kane Marshall as Chief Operating Officer to head up a new WA office and manage the Cerberus Project as it moves to drilling.

Share Options

During the half year on 9 December 2021 Bounty Oil & Gas NL issued the following options over unissued ordinary shares of the entity:

1) 137,050,000 Options to subscribe for ordinary shares being options exercisable at $0.025 on or before 30 November 2025 free attaching to the allottees of the 274,100,000 ordinary shares via placement at $0.01(1 cent) referred to above; and

2) 20,000,000 Options to subscribe for ordinary shares to Sanlam Private Wealth or nominees as part issue expenses for acting as lead managers for the abovementioned placements being options exercisable at $0.025 on or before 30 November 2025.

At balance date on 31 December 2021 and at the date of this report, no unissued ordinary shares or securities of Bounty Oil & Gas NL or any other entity comprising the consolidated entity were under option other than the abovementioned options. No ordinary shares of the company were issued pursuant to exercise of options during the half year ending 31 December 2021.

Contingent liabilities and Contingent Assets

As at the date this report, there were no contingent assets or liabilities, other than those exploration commitments set out in Note 12 of the Financial Statements.

There was no litigation involving Bounty Oil & Gas NL during the half-year or subsequently.

Events occurring after the reporting period

No matters or circumstances have arisen since the end of the half year ended 31 December 2021 which have significantly affected or may significantly affect the operations of the company or its subsidiaries, the results of those operations, or the state of affairs of the company or its subsidiaries in future financial years.

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the review for the half year ended 31 December 2021 is attached.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to Section 306(3) of *Corporations Act 2001*.

On behalf of the Directors

Graham Reveleigh
Chairman

Dated: 16 March 2022

For further details of the activities of the Group, see the Bounty Oil & Gas N.L. website www.bountyoil.com.

For abbreviations of technical terms see the last page of the Interim Financial Report.

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AUDITOR'S INDEPENDENCE DECLARATION

To the directors of Bounty Oil & Gas NL

In accordance with section 307C of the Corporations Act 2001, as lead audit partner for the review of the financial statements of Bounty Oil & Gas NL and its controlled entities for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Moyes Yong & Co Partnership

William M Moyes – Partner

Dated: 16 March 2022

Consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2021

	Notes	Half-year ended 31-Dec-21 $	31-Dec-20 $
Revenue	4	**816,587**	700,164
Net Investment income	4	**12,437**	10,067
Other income	4	**33,740**	90,400
Direct petroleum operating expenses		**(464,121)**	(536,300)
Changes in inventories		**9,238**	(1,612)
Employee benefits and contractor expense		**(530,970)**	(312,068)
Depreciation expense		**(51,106)**	(45,548)
Amortisation of oil producing assets		**(134,094)**	(217,021)
Occupancy expense		**(71,139)**	(58,196)
Corporate activity costs		**(103,443)**	(93,168)
Rehabilitation expense		**(13,732)**	(13,784)
Foreign exchange gain/(loss)		**46,394**	(79,139)
General legal and professional costs		**(23,338)**	(24,210)
Other expenses		**(19,863)**	(13,333)
Loss before Tax		**(493,410)**	(593,748)
Income tax expense		**-**	-
Loss for the period from continuing operations		**(493,410)**	(593,748)
Loss for the period		**(493,410)**	(593,748)
Other comprehensive income for the year, net of income tax		**-**	-
Total comprehensive loss for the period		**(493,410)**	(593,748)
Total comprehensive loss attributable to owners of the parent		**(493,410)**	(593,748)
Earnings per share			
Basic (cents per share)		**(0.04)**	(0.05)
Diluted (cents per share)		**(0.04)**	(0.05)

The statement of comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position for the half-year ended 31 December 2021

	Notes	31-Dec-21 $	30-Jun-21 $
Assets			
Current assets			
Cash and cash equivalents		**3,251,587**	1,410,397
Trade and other receivables		**219,253**	258,792
Inventories		**45,426**	36,188
Other current financial assets	5	**94,749**	45,139
Total current assets		**3,611,015**	1,750,516
Non-current assets			
Other receivables		**25,850**	25,850
Exploration and evaluation assets	6	**3,299,653**	3,062,158
Production and development assets	6	**5,579,421**	5,604,161
Property, plant and equipment	7	**842,604**	892,097
Total non-current assets		**9,747,528**	9,584,266
Total assets		**13,358,543**	11,334,782
Liabilities			
Current liabilities			
Trade and other payables		**1,351,913**	1,421,438
Provisions		**104,995**	88,043
Total current liabilities		**1,456,908**	1,509,481
Non-current liabilities			
Unearned revenue		**-**	-
Provisions		**1,373,113**	1,369,963
Total non-current liabilities		**1,373,113**	1,369,963
Total liabilities		**2,830,021**	2,879,444
Net assets		**10,528,522**	8,455,338
Equity			
Issued capital	8	**47,426,757**	44,860,163
Reserves		**201,600**	201,600
Retained losses		**(37,099,835)**	(36,606,425)
Equity attributable to owners of the parent		**10,528,522**	8,455,338
Total equity		**10,528,522**	8,455,338

The statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity
for the half-year ended 31 December 2021

	Note	Ordinary share capital $	Option reserve $	Accumulated losses $	Total $
Balance at 1 July 2020		43,440,163	201,600	(33,698,850)	9,942,913
Loss for the period		-	-	(593,748)	(593,748)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period		-	-	(593,748)	(593,748)
Shares issued during the period	8	1,430,000	-	-	1,430,000
Share issue transaction costs		(10,000)	-	-	(10,000)
Balance at 31 December 2020		**44,860,163**	**201,600**	**(34,292,598)**	**10,769,165**
Balance at 1 July 2021		44,860,163	201,600	(36,606,425)	8,455,338
Loss for the period		-	-	(493,410)	(493,410)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period		-	-	(493,410)	(493,410)
Shares issued during the period	8	2,741,000	-	-	2,741,000
Share issue transaction costs		(174,406)	-	-	(174,406)
Balance at 31 December 2021		**47,426,757**	**201,600**	**(37,099,835)**	**10,528,522**

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows
for the half-year ended 31 December 2021

	Half-year ended	
	31-Dec-21	31-Dec-20
	$	$
Cash flows from operating activities		
Receipts from petroleum operations	934,324	796,536
Payments to suppliers and employees	(1,394,156)	(1,653,720)
Interest and dividend received	208	1,433
Net cash used in operating activities	(459,624)	(855,751)
Cash flows from investing activities		
Payments for exploration and evaluation assets	(193,495)	(42,728)
Payments for oil production & development assets	(83,354)	(143,085)
Payments for property plant and equipment	(1,613)	(12,653)
Payment for available for sale financial assets	(52,006)	-
Net cash used in investing activities	(315,635)	(198,466)
Cash flows from financing activities		
Proceeds from issue of shares	2,741,000	1,430,000
Costs associated with issue of shares	(174,406)	(10,000)
Net cash generated by financing activities	2,566,594	1,420,000
Net increase in cash and cash equivalents	**1,791,335**	**365,783**
Cash and cash equivalents at the beginning of the period	1,410,397	1,096,605
Effects of exchange rate changes on the balance of cash held in foreign currencies	49,855	72,370
Cash and cash equivalents at the end of the period	**3,251,587**	**1,534,758**

The statement of cash flow is to be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements for the half-year ended 31 December 2021

1. Corporate Information

The financial report of Bounty Oil and Gas NL and its controlled entities ("the Group") for the Half-Year ended 31 December 2021 was authorised for the issue in accordance with a resolution of the Directors.

Bounty Oil & Gas N.L. is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

2. Summary of significant accounting policies

The interim financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting.

The interim financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report. It is also recommended that this report be considered together with any public announcements made by the Group during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

a. Basis of preparation and accounting policies

The interim financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2021 and any public announcements made by the Group during the interim reporting period, in accordance with the continuous disclosure requirements of the Corporations Act 2001. The accounting policies adopted in this interim financial report are the same as those policies applied in the 2021 Annual Report, except for the adoption of new standards and interpretations as of 1 July 2021, noted below:

New accounting standards and interpretations:

The Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2021.

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. There may be some changes to the disclosures in the 2021 Annual Report as a consequence of these amendments.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2021. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business.

New accounting standards for application in subsequent period:

There are amendments and revisions to accounting standards that have not been early adopted, however these changes are not expected to result in any material changes to the Group's financial performance or financial position.

b. Basis of consolidation

The interim financial statements comprise the financial statements of Bounty Oil and Gas N.L. and its controlled subsidiaries ("the Group").

c. Interests in joint operations

The Group is involved in joint operations. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

• its assets, including its share of any assets held jointly;

• its liabilities, including its share of any liabilities incurred jointly;

Notes to the consolidated financial statements for the half-year ended 31 December 2021

c. Interests in joint operations (continued)

• its share of the revenue from the sale of the output by the joint operation; and
• its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses. When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

d. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the full year financial report as at and for the year ended 30 June 2021.

e. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation of uncertainty are the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2021.

During the prior period the PEP 11 joint venture operator lodged two applications with NOPTA for suspension and extension of the PEP 11 permit offshore Sydney Basin. Advent has an 85% interest in the PEP 11 Joint Venture, the other 15% being held by Bounty Oil & Gas NL.
The first application was lodged in January 2020 and the second in February 2021. In December 2021 NOPTA served a notice of intention to refuse the January 2020 application which was lodged on the basis of Force Majeure. The NOPTA notice only referred to the first application.
The second application was made under a COVID application process and was accepted but not dealt with pending an outcome on the January 2020 application. NOPTA is seeking additional information from the operator in respect of the second application. Under the provisions of the Offshore Petroleum and Greenhouse Gas Storage Act 2006, the existing permit will continue until final decisions are made.
The above conditions indicate a material uncertainty that may affect the ability of Bounty to realise the carrying value of $546,406 for it’s interest in the PEP 11 exploration permit in the ordinary course of business.

f. Fair value measurement

AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets and liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. Consequential amendments were also made to other standards.

AASB 13 requires the disclosure of fair value information by the level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that a significant input to the measurement can be categorised into as follows:

- level 1: Measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
-level 2: Measurements based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.
-level 3: Measurements based on unobservable inputs for the asset or liability.

The carrying values of financial assets and liabilities recorded in the financial statements approximates their respective fair values, determined in accordance with the accounting policies described above and adjusted for capitalised transaction costs, if any.

Notes to the consolidated financial statements for the half-year ended 31 December 2021

3. Operating segment Information

Identification of Reportable Segments

Information reported to the Chief Operating Decision Maker, being the CEO, for the purposes of resource allocation and assessment of the performance is more specifically focused on the category of business units. The Group's reportable segments under AASB 8 Operating Segments are therefore as follows:

Core Petroleum Segment - Oil and gas exploration, development and production
Secondary Segment - Investment in listed shares and securities.

Segment revenue and results	**Segment revenue**		**Segment profit/(loss)**	
	31-Dec-21	31-Dec-20	**31-Dec-21**	31-Dec-20
Core Oil & Gas Segment	**$**	$	**$**	$
Production projects	**816,587**	700,164	**190,552**	(89,148)
Development projects	**-**	-		
Exploration projects	**-**	-	**(14,000)**	(14,000)
Secondary Segment				
Listed securities	**12,437**	10,067	**12,437**	10,067
Total from continuing operations	**829,024**	710,231	**188,989**	(93,081)
Other revenue			**80,134**	11,261
Central admin costs and directors remuneration			**(762,533)**	(511,928)
Loss before tax			**(493,410)**	(593,748)

Revenue reported above represents revenue/income generated from external sources. There were no intersegment sales during the period (2020: nil).

The accounting policies of the reportable segments are the same as the group's accounting policies described in Note 1. Segment profit/(loss) in this Note represents the profit/(loss) earned by each segment without allocation of central administration costs and directors remuneration, other investment revenue such as interest earned, finance costs and income tax expense.

Information about major customers

Included in the revenue arising from direct sales of petroleum of $816,587 (2020: $700,164) is revenue of approximately $543,847 (2020: $466,309) which arose from sales to the Group's largest customer. Revenue from the Group's second largest customer was approximately $272,740 (2020: $233,855). No other single customer contributed 10% or more to the Groups revenue for both 2021 and 2020.

Other segment information	**Amortisation, depreciation & depletion**		**Additions to non-current assets**	
	31-Dec-21	31-Dec-20	**31-Dec-21**	31-Dec-20
Core Oil & Gas Segment	**$**	$	**$**	$
Production projects	**164,418**	245,401	**24,071**	76,170
Development projects	**-**	-	**70,238**	57,891
Exploration projects	**14,000**	14,000	**237,495**	28,679
Secondary Segment				
Other	**6,782**	3,168	-	26,327
Total	**185,200**	262,569	**331,804**	189,067

Notes to the consolidated financial statements for the half-year ended 31 December 2021

3. Segment Information (continued)

	Impairment losses(expenses)		Exploration write off	
	31-Dec-21	31-Dec-20	**31-Dec-21**	31-Dec-20
Core Oil & Gas Segment	**$**	$	**$**	$
Production projects		-	-	-
Development projects	-	-	-	-
Exploration projects	-	-	-	-
Secondary Segment				
Total	-	-	-	-

	Segment assets		Segment liabilities	
	31-Dec-21	30-Jun-21	**31-Dec-21**	30-Jun-21
Core Oil & Gas Segment	**$**	$	**$**	$
Production projects	**4,514,733**	4,954,629	**1,532,961**	2,075,596
Development projects	**1,839,928**	1,769,690	**252,601**	71,171
Exploration projects	**3,509,653**	3,062,158	**117,182**	88,531
Secondary Segment				
Listed securities	**94,749**	45,139	-	-
Unallocated	**3,399,480**	1,503,166	**927,276**	644,146
Total	**13,358,543**	11,334,782	**2,830,021**	2,879,444

Geographical Segment information

The following table details the group's geographical segment reporting of revenue and carrying amount of assets in each geographical region where operations are conducted.

	Revenue		Carrying amounts of non-current assets	
	31-Dec-21	31-Dec-20	**31-Dec-21**	30-Jun-21
	$	$	**$**	$
Australia	**862,764**	800,631	**9,747,528**	9,584,266
Total	**862,764**	800,631	**9,747,528**	9,584,266

4. Revenue and other income

	31-Dec-21	31-Dec-20
Sales revenue:	**$**	$
Oil and gas sales	**806,630**	688,488
Revenue from tariffs	**9,957**	11,676
Total sales revenue	**816,587**	700,164
Investment income:		
Investment income from financial assets at fair value through Profit and loss (held for trading listed shares)		
Net realised gain/(loss)	**9,773**	-
Net unrealised gain/(loss)	**2,664**	10,067
Total investment income	**12,437**	10,067
Other income:		
Interest and dividend received	**740**	1,439
Govt. assistance - Covid -19 related	**33,000**	88,961
Total other income	**33,740**	90,400
Total revenue	**862,764**	800,631

Notes to the consolidated financial statements
for the half-year ended 31 December 2021

5. Other non current financial assets	Note	31-Dec-21	30-Jun-21
		$	$
Financial assets at fair value through profit and loss - shares in listed corporations		**94,749**	45,139
Total non current financial assets		**94,749**	45,139

6. Non current assets

(a) Production and development assets

SW Queensland			
Joint operation interest in ATP1189 Naccowlah Block – at cost	13	**3,716,539**	3,688,794
Less: Amortisation		**(2,442,713)**	(2,325,277)
East Queensland			
PL 441 Downlands – at cost		**4,401,217**	4,389,846
Less: Depletion and amortisation		**(2,518,608)**	(2,518,608)
Rehabilitation costs – all petroleum properties		**583,058**	599,716
All other development assets		**1,839,928**	1,769,690
Total production and development assets		**5,579,421**	5,604,161

(b) Exploration and evaluation assets

Exploration assets	13	**3,299,653**	3,062,158
Total exploration assets		**3,299,653**	3,062,158

7. Plant property and equipment

Opening balance	**892,097**	878,923
Expenditure incurred during the period	**1,613**	106,047
Less: Depreciation expense	**(37,106)**	(92,873)
Balance carried forward	**842,604**	892,097

8. Issued capital

(a) Share Capital	**47,426,757**	44,860,163
(b) Movement in fully paid ordinary shares	**No. of Shares**	No. of Shares
Balance at beginning of period	**1,096,400,982**	1,096,400,982
Shares issued during the period	**274,100,000**	-
Balance at end of period	**1,370,500,982**	1,096,400,982
(c) Movement in listed options		
Balance at beginning of period	**-**	-
Options issued during the period	**290,565,681**	-
Lapsed during the period	**-**	-
Balance at end of period	**290,565,681**	-

9. Controlled entities

Set out below are the Group's subsidiaries at 31 December 2021. The controlled entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. Each entity's country of incorporation or registration is also its principal place of business.

Name of entity	Country of Incorporation	Class of shares	Equity holding %	
			31-Dec-21	30-Jun-21
Ausam Resources Pty Ltd.	Australia	Ordinary	**100%**	100%
Interstate Energy Pty Ltd.	Australia	Ordinary	**100%**	100%
Rough Range Oil Pty Ltd.	Australia	Ordinary	**100%**	100%

Notes to the consolidated financial statements for the half-year ended 31 December 2021

10. Financial instruments

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described in note 2(g) above, and based on the lowest level input that is significant to the fair value measurement as a whole.

For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The financial assets and liabilities of the Group are recognised in the consolidated statement of financial position in accordance with the accounting policies set out in Note 2 of the 2021 Annual Report.

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments:

Trade and other receivables
The carrying value is a reasonable approximation of fair value due to the short-term nature of trade receivables.

Available for sale investments
The fair value of available for sale investments is determined by reference to their quoted market price on a prescribed equity stock exchange at the reporting date, and hence is a Level 1 fair value measurement.

Trade and other payables
The carrying value is a reasonable approximation of fair value due to the short-term nature of trade payables.

11. Impairment of oil and gas properties

During the half year impairments, if any, were made as follows:	**31-Dec-21** **$**	31-Dec-20 $
	-	-

In accordance with the Group's accounting policies and procedures, the Group performs its impairment testing at the end of each reporting period. A number of factors represented indicators of impairment. As at 31 December 2021, no impairment was deemed necessary. Further commentary on impairment is included in the Directors' Report.

Key assumptions used for current period:	**2022-2023**	**2024+**
Crude oil price (US$)	$80.00	$70.00
Average AUD:USD exchange rate	$0.73	$0.73
CPI (%)	3.0%	3.0%
Pre-tax discount rate (%)	7.0%	6.0%

12. Contingencies and commitments

In order to maintain current rights of tenure to its licences and permits, the company has certain obligations to perform work in accordance with the work programmes, as approved by the relevant statutory body, when the permits are granted. These work programs form the capital commitment which may be renegotiated, varied between permits, or reduced due to farm-out, sale, reduction of permit/licence area and/or relinquishment of non-prospective permits. Work in excess of the work programs may also be undertaken.

The following capital expenditure requirements have not been provided for in the accounts:

Payable	**31-Dec-21** **$**	30-Jun-21 $
Not longer than 1 year	1,386,062	842,000
Longer than 1 year and not longer than 5 years	6,200,000	1,852,400
	7,586,062	2,694,400

There are no lease commitments at the balance date, except short term office lease.

Notes to the consolidated financial statements for the half-year ended 31 December 2021

13. Interest in joint operations

Set out below are the joint arrangements of the Group as at 31 December 2021, which in the opinion of the directors are material to the Group:

Name of the joint arrangement	Principal activity	Measurement Method	Principal place of business	Ownership interest (%)	
				31-Dec-21	30-Jun-21
ATP 1189P Naccowlah block	Production	Proportionate	Adelaide, Australia	**2%**	2%
ATP 2028P (ex-ATP 754P)	Exploration	Proportionate	Sydney, Australia	**0%**	50%
PEP11	Exploration	Proportionate	Perth, Australia	**15%**	15%
WA EP475, EP490, EP491 & TP27	Exploration	Proportionate	Perth, Australia	**25%**	0%

The company holds 2% interest in various Petroleum Leases and part of ATP 1189P, Queensland and associated oil production tangibles and pipelines referred to as the Naccowlah Block.

The accounting policies adopted for the group's joint operations are consistent with those of the previous financial year and corresponding interim reporting period.

14. Events occurring after the reporting period

No matters or circumstances have arisen since the end of the half year ended 31 December 2021 that in the opinion of the directors has significantly affected or may significantly affect the operations of the Group, the results of those operations, or the Group's state of affairs in future financial years .

15. Company details

Bounty Oil & Gas NL's registered office and its principal place of business are as follows:

Registered Office
Level 7 283 George Streey
Sydney, NSW 2000
Tel: (02) 9299 7200

Principal place of business
Level 7 283 George Streey
Sydney, NSW 2000
Tel: (02) 9299 7200

Abbreviations
Bbl(s): barrel(s) of oil
mmbo: million barrels of oil
Boe: barrels of oil equivalent
MMBOE: million barrels of oil equivalent
BCF: billions of cubic feet of natural gas
TCF: trillions of cubic feet of natural gas
MMcf/d: millions of cubic feet of natural gas (/d per day)
CSG: coal seam gas
PSA: Production Sharing Agreement
PSC: Production Sharing Contract
PL: Petroleum production lease
ATP: Authority to prospect for petroleum
TPDC: Tanzania Petroleum Development Corporation
Pmean: 50% probability of occurrence
P90: 90% probability of occurrence
P10: 10% probability of occurrence
OOIP/GIIP: Oil or Gas initially in place
Contingent Resources: discovered resources, not yet fully commercial
Prospective Resources: undiscovered resources
2D/3D: 2D seismic data creates a 2 dimensional cross section of data (either in time or depth) & 3D creates a 3 dimensional block of data
AVO: amplitude versus offset processing of seismic data to reveal possible hydrocarbons.

DIRECTORS' DECLARATION

The directors of Bounty Oil and Gas N.L. declare that:

a) The financial statements and accompanying notes are in accordance with the Corporations Act 2001 and:
(i) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
(ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date
b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Graham Reveleigh
Director

Dated: 16 March 2022

moyes yong + co
my business solutions

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Bounty Oil & Gas NL

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Bounty Oil & Gas NL and its controlled entities (the Consolidated Entity) which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bounty Oil & Gas NL and its controlled entities is not in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and

(i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – Material uncertainty related to the carrying value of the interest in the PEP 11 exploration permit included in Exploration and Evaluation assets

We draw attention to note 2.e) in the financial report, which indicates that a material uncertainty exists in relation to the Consolidated Entity's ability to realise the carrying value of the company's interest in the PEP 11 exploration permit in the ordinary course of business. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the financial report

The Directors of the Consolidated Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidate Entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Moyes Yong & Co Partnership

William M Moyes – Partner

Dated: 16 March 2022