

BOUNTY OIL & GAS NL  
LVL 7, 283 GEORGE STREET  
SYDNEY, NSW, 2000  
AUSTRALIA

ASX: BUY  
ABN: 82 090 625 353

TEL: 61 (2) 9299.2007  
FAX: 61 (2) 9299.7300  
email: corporate@bountyoil.com



PO BOX H186  
AUSTRALIA SQUARE, NSW, 1215

## Bounty Oil & Gas NL

### Notice of Annual General Meeting, Explanatory Statement and Proxy Form

The Annual General Meeting of the company will be held as follows:

**Date/Time:** 28th November, 2011 at 11.00 a.m. EDT

**Place:** Amora Hotel Jamison Sydney, 11 Jamison Street, Sydney, NSW, 2000

Notice of Annual General Meeting, Explanatory Statement and Proxy Form is attached.

### **2011 Annual Report**

**Bounty's Annual Report 2011 is available on the Company's website: [www.bountyoil.com](http://www.bountyoil.com)**

Pursuant to the Corporations Act 2001 an Annual Report will be sent to all shareholders who have elected to receive a hard or an electronic copy by email.

Any shareholder or interested person can also obtain a copy by contacting the company (see contact details below).

For further information, please contact:  
Administration Assistant  
Telephone: (02) 9299.2007  
Email: [jannette@bountyoil.com](mailto:jannette@bountyoil.com)

# BOUNTY OIL & GAS N.L.

(ACN: 090 625 353)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN THAT THE ANNUAL GENERAL MEETING OF  
BOUNTY OIL & GAS N.L.  
("Bounty" or "the Company")

WILL BE HELD ON  
28th NOVEMBER 2011, AT 11.00 a.m. EDT

AT AMORA HOTEL JAMISON SYDNEY,  
11 JAMISON STREET, SYDNEY, NSW, 2000

### AGENDA

#### ORDINARY BUSINESS

**A. Receipt of the Company's Financial Report for the year ended 30<sup>th</sup> June 2011**

*To receive and consider the Company's Financial Report, the Directors' Report and the Independent Auditor's Report for the year ended 30<sup>th</sup> June 2011.*

Note: Neither the Constitution nor the Corporations Act 2001 ("Corporations Act") require shareholders to approve this item of business and no vote will taken.

**B. Resolutions:**

**1. Adoption of the Remuneration Report**

To consider and if thought fit, pass the following resolution as an ordinary resolution:

*That the Remuneration Report of the Company for the financial year ended 30<sup>th</sup> June, 2011 contained in the Directors Report, is adopted.*

Note: In accordance with Section 250R of the Corporations Act, the vote on Resolution 2 will be advisory only and will not bind the Directors or the Company.

The Board unanimously recommends that Shareholders vote in favour of this resolution.

**2. Re-election of a Director**

Re-Election of Mr. Gary Higginbotham

To consider and if thought fit, pass the following resolution as an ordinary resolution:

*That Mr. Gary Higginbotham, being a Director of the Company, retiring in accordance with the Company's Constitution, being eligible and offering himself for re-election, be appointed as a Director of the Company.*

Short Explanation: The Constitution requires that at the Annual General Meeting, one-third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election.

The Board (with Gary Higginbotham abstaining) unanimously recommends that Shareholders vote in favour of this resolution.

#### SPECIAL BUSINESS

**3. Ratification of Allotment of Shares and Options – 1<sup>st</sup> August, 2011**

To consider and if thought fit, pass the following resolution as an ordinary resolution:

*That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the prior issue and allotment by the Company of 20,000,000 fully paid ordinary shares at a price of 2.4 cents (\$0.024) each and*

20,000,000 free attaching options exercisable at 3.2 cents (\$0.032) each expiring 27<sup>th</sup> July, 2014 to the parties as listed in the Explanatory Statement accompanying this Notice of Meeting and otherwise on the basis set out therein is ratified and approved.

The Board unanimously recommends that Shareholders vote in favour of this resolution.

#### VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on the following resolutions by the following persons:

| RESOLUTION   | PERSONS EXCLUDED FROM VOTING   |
|--|--|
| <i>Resolution 1</i><br>Adoption of the Remuneration Report             | A member of the Key Management Personnel ("KMP") named in the Remuneration Report or that KMP's closely related party.   |
| <i>Resolution 3</i><br>Ratification of Allotment of Shares and Options | Any person who participated in the issue of ordinary shares and options over ordinary shares described in section 3 of the Explanatory Statement and any associate of any such person. |

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Dated at Sydney the 25th October, 2011

**By order of the Board**  
**J. G. Higginbotham**  
**Company Secretary**

#### **2011 Annual Report:**

**Bounty's Annual Report 2011 is available on the Company's website: [www.bountyoil.com](http://www.bountyoil.com)**

**Under the Tab: ASX Announcements**

#### **Explanatory Statement**

Attached to and forming part of this notice of meeting is an Explanatory Memorandum which provides shareholders with background information and further details of the resolutions to be considered at the meeting. The information provided is intended to assist shareholders in understanding the reasons for and effect of the resolutions, if passed.

#### **Proxies**

A Proxy Form accompanies this Notice of Meeting and contains additional information and notes on completion and lodgement of Proxies.

To be valid, duly completed proxy forms and any proxy appointment authorities under which a proxy form is signed, such as a power of attorney, must be received by the Company no later than 48 hours before the time in Sydney of the commencement of the meeting.

# **BOUNTY OIL & GAS N.L.**

(ACN: 090 625 353)

## **EXPLANATORY STATEMENT**

### **Important Notice**

This Explanatory Statement contains an explanation of, and information about, each of the items of business and resolutions to be considered at the Annual General Meeting. It is given to Bounty Oil & Gas NL's Shareholders to help them determine how to vote on the matters set out in the accompanying Notice of Meeting.

Shareholders should read this Explanatory Statement in full, because individual Sections may not give a comprehensive review of the proposals contemplated in this Explanatory Statement. This Explanatory Statement forms part of the accompanying Notice of Meeting and should be read with the Notice of Meeting. If you are in doubt about how you should vote, you should consult your financial or other professional adviser.

### **ORDINARY BUSINESS**

#### **A. Financial Report – Year ended 30 June 2011**

The Corporations Act 2001 (Cth) ("Corporations Act") requires the financial report (which includes the financial statements and the directors' declaration), the directors' report and the auditor's report to be laid before the Annual General Meeting. There is no requirement either in the Corporations Act or in the Constitution of the Company for Shareholders to approve the financial report, the directors' report or the auditor's report. Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the financial report.

The auditor will be attending the Annual General Meeting.

Shareholders are entitled to submit a written question to the auditor prior to the Annual General Meeting provided that the question relates to:

- the content of the Auditor's Report; or
- the conduct of the audit in relation to the Annual Financial Report. The auditor will answer written questions submitted prior to the Annual General Meeting. All written questions must be received by the Company no later than 16 November 2011. All questions must be sent to the Company and may not be sent direct to the auditor. The Company will then forward all questions to the auditor. The auditor will also answer questions at the meeting from shareholders relevant to:
  - the conduct of the audit;
  - the preparation and content of the Auditor's Report;
  - the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
  - the independence of the auditor in relation to the conduct of the audit.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.bountyoil.com](http://www.bountyoil.com) under the Tab: ASX Announcements

## **B. Resolutions to be considered at the Annual General Meeting**

### **1. Adoption of the Remuneration Report**

The Board unanimously recommends that Shareholders vote in favour of this resolution.

#### **1.1 General**

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (Spill Resolution).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (Spill Meeting) within 90 days of the Company's 2012 annual general meeting. In such event all of the Directors who were in office when the Company's 2012 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2011. A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

#### **1.2 Voting prohibition statement for Item 1**

A vote on item 1 must not be cast (in any capacity) by or on behalf of the following persons:

- a) A member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- b) A closely related part of such member.

However, a person described above may cast a vote on item 1 if:

- a) The person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and,
- b) The vote is not cast on behalf of a person described in sub paragraphs a) or b) above.

#### **1.3 Definitions**

**key management personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company

**closely related party** of a member of the key management personnel means:-

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or,
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

**remuneration report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2011.

## 2. **Re-election of Director**

Mr. Gary Higginbotham was elected by shareholders at the 2008 Annual General Meeting. In accordance with the Company's Constitution, Mr Higginbotham is required to stand for re-election and does offer himself for re-election.

A brief description of the director offering himself for re-election is set out below:

|  |   |   |
|--|---|---|
| <b>J. Gary Higginbotham</b>                        | — | <i>Non Executive Director.</i>  |
| <b>Qualifications</b>                              | — | <i>Bachelor of Economics (Sydney)</i>   |
| <b>Experience</b>                                  | — | <i>Mr Higginbotham has practised as an accountant for 35 years. He has held a number of positions as financial controller. He has had wide experience in commercial negotiations, taxation and corporate finance. He was appointed a director on 14 March 2008.</i> |
| <b>Special responsibilities:</b>                   |   | <i>Company secretary and chief financial officer.</i>   |
| <b>Directorships held in other listed entities</b> |   | <i>Nil</i>  |

The Board (with Gary Higginbotham abstaining) unanimously recommends that Shareholders vote in favour of this resolution.

## 3. **Ratification of Allotment of Shares and Options – 1<sup>st</sup> August, 2011**

Shareholder ratification is sought in accordance with ASX Listing Rule 7.4. The reason for seeking shareholder approval under ASX Listing Rule 7.4 is to re-instate the capacity of the Company to issue up to 15% of its securities without the approval of its shareholders. The Board believes it is in the interests of the Company to maintain the ability to issue up to its full placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval so the Company has the flexibility to raise capital for commercial opportunities that may arise.

The Board unanimously recommends that Shareholders vote in favour of this resolution.

The following information is provided to shareholders for the purposes of obtaining shareholder approval pursuant to the ASX Listing Rules.

| <b>Shares</b> |   |
|---------------|---|
| a             | The number of shares allotted were:<br>20,000,000 fully paid shares |
| b             | The shares were allotted at 2.4 cents (\$0.024) each fully paid.    |
| c             | The shares rank equally with the existing shares on issue.          |

|                |  |
|----------------|--|
| <b>Options</b> |  |
| d              | Each share had an attached free unlisted option to subscribe for a fully paid ordinary share details of which are as follows:  |
| e              | The number of options allotted were:   |
|                | 20,000,000 options   |
| f              | Expiry date: 27 July 2014  |
| g              | Exercise price: 3.2 cents (\$0.032)  |
| h              | Upon payment of the exercise price for each option the applicant will have allotted one fully paid ordinary share which will rank equally with the existing shares on issue. The option holder cannot participate in new issues by Bounty without exercising the option. |
| d              | The allottees were sophisticated investors and clients of Claymore Capital Pty Ltd, Sydney (AFSL: 261076) ("Claymore").  |
| e              | The funds raised from the share issue were \$480,000 before issue expenses and were for general working capital requirements. No funds were raised from the issue of options.  |
| f              | No director of Bounty Oil & Gas NL participated in these allotments  |

### Additional Information

#### Continuous Disclosure Obligations

The Company is a disclosing entity within the meaning of the Law and as such is subject to regular reporting and disclosure obligations pursuant to the Law and the Listing Rules.

### Glossary

In this Notice of Meeting and Explanatory Memorandum:

- **Annual General Meeting** or **Meeting** means the meeting convened by the Notice.
- **Associates** has the meaning given to that term in the Corporations Act
- **ASX** means ASX Limited.
- **ASX Listing Rules** means the Listing Rules of ASX.
- **Board** means the board of directors of the Company.
- **Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.
- **Constitution** means the Company's constitution.
- **Corporations Act** means the Corporations Act 2001 (Cth).
- **Directors** mean the directors of the Company.
- **Explanatory Statement** means the explanatory statement accompanying the Notice.
- **Notice** or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.
- **Proxy Form** means the proxy form accompanying the Notice.
- **Resolutions** means the resolutions set out in the Notice or any one of them, as the context requires.
- **Share** means a share in the Company.
- **Shareholder** means a shareholder in the Company.
- **EDT** means Eastern Daylight Time as observed in Sydney, New South Wales.

### Enquiries

Shareholders who have any queries in respect of the matters set out in these documents, may contact the Administration Assistant, Ms. J. Fletcher on +61 2 9299 2007 or email to: [jannette@bountyoil.com](mailto:jannette@bountyoil.com)

# BOUNTY OIL & GAS N.L.

(ACN: 090 625 353)

## APPOINTMENT OF PROXY

Annual General Meeting of Bounty Oil & Gas N.L. to be held at 11.00 a.m. on 28<sup>th</sup> November, 2011, at Amora Hotel Jamison Sydney, 11 Jamison Street, Sydney NSW 2000

being a member/members of Bounty Oil & Gas N.L. entitled to vote at the meeting hereby

appoint .....of ..... and \*\*\*

of ..... or failing him/her or in the absence of any such appointment, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the meeting to be held at 11.00 a.m. on 28<sup>th</sup> November, 2011, at Amora Hotel Jamison Sydney, 11 Jamison Street, Sydney, NSW, 2000 and at any adjournment thereof for the purpose of considering and if thought fit agreeing (with or without modification) to the proposals referred to in the Notice convening the meeting, and at that meeting and any adjournment thereof to vote for me/us in my/our name as indicated below with the mark "X" in the required square. The Chairman intends to vote undirected proxies in favour of the resolutions.

\*\*\* Refer to Note 4 (Attached)

| <b>Ordinary Resolutions</b> |  | <b>For</b> | <b>Against</b> | <b>Abstain</b> |
|-----------------------------|--|------------|----------------|----------------|
| <b>1</b>                    | <b>Adoption of the Remuneration Report.</b>                                  | [ ]        | [ ]            | [ ]            |
| <b>2</b>                    | <b>Re- election of director – Gary Higginbotham</b>                          | [ ]        | [ ]            | [ ]            |
| <b>3</b>                    | <b>Ratification of allotment of 20 million shares and 20 million options</b> | [ ]        | [ ]            | [ ]            |

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box. [ ]

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution/s and that votes cast by the Chairman of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.



**For use by Individuals (incl. joint holders)**

Signed by the said .....  
Name of Member Signature of Member

**For use by company/corporation members**

Executed by ..... ) Affix Common Seal  
(Shareholding company name) ) here if required by  
In accordance with its Constitution by: ) Constitution of Member

.....  
Director or Sole Director and  
Sole Company Secretary

.....  
Director or Secretary

Dated this ..... day of ....., 2011

**NOTES:**

1. Proxies and corporate appointment of representative forms may be returned to the company in any of the following ways:

**By post to Bounty's registered office:**  
Bounty Oil & Gas NL  
PO Box H186  
AUSTRALIA SQUARE, NSW, 1215

**By pdf/scan email to Bounty's registered office:**  
[corporate@bountyoil.com](mailto:corporate@bountyoil.com)

**By facsimile to Bounty's registered office:**  
Bounty Oil & Gas NL  
Level 7, 283 George Street  
Sydney, NSW, 2000  
Facsimile: Australia (02) 9299 7300  
International +612 9299 7300

**By hand delivery to Bounty's registered office:**  
Bounty Oil & Gas NL  
Level 7, 283 George Street  
Sydney, NSW, 2000

2. When all squares are marked "X" or there is a failure to mark any of the squares "X" the proxy may vote or abstain from voting as he or she thinks fit. An instruction appointing the proxy shall be in writing under the hand of the appointer or his attorney. Where the appointer is a corporation, the instrument appointing a proxy shall be in writing and under the hand of one of the corporation's duly authorised officers.
3. The Chairman (or another director acting as chairman for the purpose of resolution 3 intends to vote all undirected proxies in favour of all resolutions.
4. A shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy or not more than two proxies to attend and vote instead of the shareholder.

5. Where two proxies are appointed:
  - (i) a separate proxy Form, should be used to appoint each proxy;
  - (ii) the Proxy Form may specify the proportion, or the number, of votes that the proxy may exercise, and if it does not do so the proxy may exercise half of the votes.
6. A shareholder can appoint any other person to be their proxy. A proxy need not be a shareholder of the Company. The proxy appointed can be described in the Proxy Form by an office held eg “the Chair of the Meeting”.
7. In the case of shareholders who are individuals, the Proxy Form must be signed:
  - (i) if the shares are held by one individual, by that shareholder;
  - (ii) if the shares are held in joint names, by any one of them.
8. In the case of shareholders who are companies, the Proxy Form must be signed:
  - i) if it has a sole director who is also sole secretary, by that director (and stating the fact next to, or under the signature on the Proxy Form);
  - ii) in the case of any other company by either two directors or a director and secretary. The use of the common seal of the company, in addition to those required signatures, is optional.
9. If the person signing the Proxy Form is doing so under a power of attorney, or is an officer of a company outside those referred to above but authorised to sign the Proxy Form, the power of attorney or other authorisation (or a certified copy of it), as well as the Proxy form, must be received by the Company by the time and at the place specified below.
10. For the purpose of the meeting, shares in the Company will be taken to be held by those persons who are registered holders at the close of business on **Thursday, 24<sup>th</sup> November 2011**. Accordingly, transactions registered after that time will be disregarded in determining entitlement to attend and vote at the meeting.
11. The constitution of the Company provides that a quorum for a general meeting of the Company is two shareholders.

**If you have any enquiries as to the meeting or delivery of your proxy to Bounty please contact the company in any of the following ways:**

**Jannette Fletcher Administration Assistant**

**Telephone:   Australia                   (02) 9299.2007**  
**International               +612 9299.2007**

**Email:                                       jannette@bountyoil.com**

