

LVL 8, 16 SPRING STREET
SYDNEY, NEW SOUTH WALES
AUSTRALIA 2000

ASX: BUY
ABN 82 090 625 353

TEL 61 (2) 9247.4777
FAX 61 (2) 9241.4404
EMAIL admin@bountyoil.com



31st January, 2007

The Manager
Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000.

FOR PUBLIC RELEASE

Dear Sirs,

Re: **Bounty Oil & Gas NL ("Bounty")**
Quarterly Report and Appendix 5B for the Period Ended 31st December, 2007

We wish to advise that there was an error in our previous release insofar as the total revenue from sale of crude was wrong.

Please see attached amended release.

Yours faithfully,
BOUNTY OIL & GAS N.L.

MICHAEL L. HUTT
COMPANY SECRETARY

LVL 8, 16 SPRING STREET
SYDNEY, NEW SOUTH WALES
AUSTRALIA 2000

ASX: BUY
ABN 82 090 625 353

TEL 61 (2) 9247.4777
FAX 61 (2) 9241.4404
EMAIL admin@bountyoil.com

31st January, 2007

The Manager
Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000.

FOR PUBLIC RELEASE



Dear Sirs,

Re: **Bounty Oil & Gas NL ("Bounty")**
Quarterly Report and Appendix 5B for the Period Ended 31st December, 2007

REVIEW OF OPERATIONS

PRODUCTION

Utopia Oil Field, PL 412, Queensland *Bounty Interest - 40.0%*

The four operating wells at Utopia in Western Queensland produced 5,458 barrels (bbls) for the quarter. Crude was trucked to the Eromanga refinery where it was sold. Total revenue from sale of crude for the quarter was A\$259,139.28 (Bounty share A\$103,655.71).

Average daily production from the field was 59.33 bbls. Production enhancement operations were being planned.

EXPLORATION

Vulcan Sub-Basin, AC/P32, Western Australia *Bounty Interest – 16.0%*

Work is continuing on mapping the newly acquired 3D seismic data. Negotiations are at an advanced stage with a new prospective JV partner.

Offshore Sydney Basin, PEP-11, New South Wales *Bounty Interest – 75%*

Bounty has obtained a suspension and a 12 month extension to its PEP 11 permit term. With the extension, the company has until August 2007 to drill one well in the permit.

Asset Energy Pty Ltd funded all costs outstanding to Fugro Inc for the 2004 seismic survey and obtained delivery of the data. Asset thereby earned a 25% interest in the Permit. Interpretation of the seismic data has confirmed the size and location of the Biggus prospect. In addition, another lead has been identified to the North of Biggus in an area which previously had no seismic. The Biggus prospect has the potential to contain over 1.2 Tcf of recoverable gas.

Additional farm-in partners are being considered for this project.

Carnarvon Basin, EP 412, Western Australia

Bounty Interest – 65.0%

Work is continuing on identifying a drill location. Rough Range Oil Pty Limited has an obligation under its farm in agreement with Bounty to drill a commitment well in 2007.

Rough Range, EP 435, Western Australia

Bounty Interest – 5.0%

Preparations are in hand for the JV partners to drill the Parrot Hill 2 exploration well. Drilling should commence in February 2007. Bounty is earning an additional 5.0% in EP 435 by contributing 7.5% of the cost of Parrot Hill 2.

Nyuni Block, Tanzania, East Africa

Bounty Interest – 6.0%

Work is continuing on preparation for the “transition zone” seismic survey. This survey will involve the use of special equipment designed to work in shallow marine environments. The survey is expected to commence early in 2007.

Bonaparte Basin, WA-324-P, Western Australia

Bounty Interest – 100.0%

Work is continuing on mapping the 340 km Dolphin seismic survey data, and integrating the results with previous seismic data.

Yours faithfully,

BOUNTY OIL & GAS NL

**MICHAEL L. HUTT
COMPANY SECRETARY**

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

BOUNTY OIL & GAS NL

ABN

090 625 353

Quarter ended ("current quarter")

31 December 2006

Consolidated statement of cash flows

	Current quarter \$A	Year to date (6months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	103,656	255,304
1.2 Payments for		
(a) exploration and evaluation	(229,894)	(429,143)
(b) development	(1,839)	(2,025)
(c) production	(44,078)	(108,085)
(d) administration	(216,095)	(418,225)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	6,386	12,958
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(381,864)	(689,216)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments	(318,408)	(486,115)
(c) other fixed assets		
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	396,417	396,417
1.12 Other (provide details if material)	-	-
Net investing cash flows	78,009	(89,698)
1.13 Total operating and investing cash flows (carried forward)	(303,855)	(778,914)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(303,855)	(778,914)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held			
1.20	Cash at beginning of quarter/year to date	635,160	1,110,219
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	331,305	331,305

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	46,100
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors Fees \$19,168 Consulting Fees to director related entities \$26,932
--

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

A

--

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

--

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	200,000
4.2 Development	-
Total	

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A	Previous quarter \$A
5.1 Cash on hand and at bank	322,689	155,000
5.2 Deposits at call	8,614	480,160
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	331,303	635,160

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Pep 11 (NSW)	Participating	100%	75%
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	162,853,743	162,853,743		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	3,400,000	-	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 1 September 2008
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 31st January, 2007
(Company secretary)

Print name: Michael L Hutt..

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==