



PANCONTINENTAL



Highly leveraged into two oil and gas regions on the cusp of game-changing drilling programmes

Investor Presentation – November 2012

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The summary report on the oil and gas projects is based on information compiled by Mr R B Rushworth, BSc, MAAPG, MPESGB, MPESA, Chief Executive Officer of Pancontinental Oil & Gas NL. Mr Rushworth has the relevant degree in geology and has been practising petroleum geology for more than 30 years. Mr Rushworth is a Director of Pancontinental Oil & Gas NL and has consented in writing to the inclusion of the information stated in the form and context in which it appears.

- ✦ **Pancontinental Oil & Gas NL (“PCL”)** is an ASX listed Oil & Gas Exploration Company
- ✦ ***Anomalous*** - best positioned of the few junior explorers left standing offshore East Africa, also holding a significant position offshore Namibia
- ✦ ***Early mover advantage*** has positioned PCL amongst much larger players — BG Group, Origin, Apache, Tullow, PTTEP, Total, Anadarko, BP, HRT, Repsol etc
- ✦ ***Mbawa 1*** Exploration Well – recent **first ever offshore Kenya discovery**
- ✦ ***Highly Leveraged*** into two oil and gas regions on the cusp of game-changing drilling programmes – East Africa (Kenya) and offshore Namibia (South West Africa)
- ✦ ***Experienced management team*** with long track record in Africa
- ✦ ***Multiple high-impact opportunities*** in growing African portfolio

Capital Structure

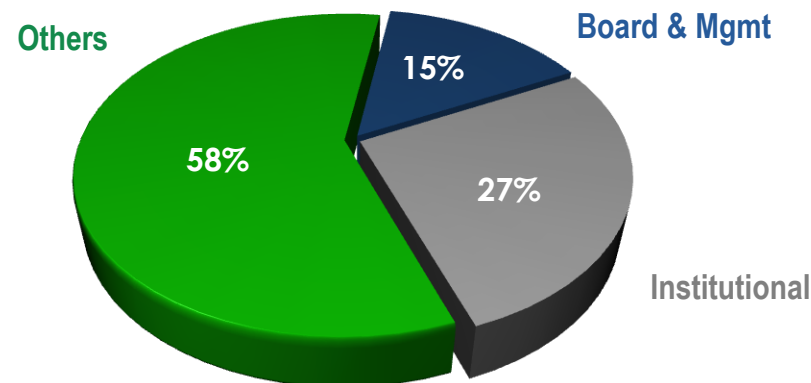
Shares on Issue	1,149 m
Options on Issue ¹	4.50 m
Market Cap. (at \$0.086)	\$99 m
Cash (September 2012)	\$39.2 m
Debt	Nil
Enterprise Value	\$60m

¹: 2.25m options (exercise price \$0.1225, expiry Nov 2014), 2.25m options (exercise price \$0.059, expiry Nov 2012)

Share Price History



Shareholder Split



Date

Key Event

Sep 2012	PCL announces first offshore Kenya gas discovery (Mbawa 1 – 52 net metres of gas pay)
Sep 2012	PCL inclusion in S&P/ASX300 Index
Aug 2012	PCL announces completion of its A\$50 million capital raising
Jul 2012	PCL announces acquisition of additional 10% in Namibia Licence EL 0037
May 2012	PTTEP ups bid to US\$1.92bn for Cove Energy (Recommended by Cove Directors)
May 2012	Tullow Oil PLC announces Kenya's first oil discovery (far better than expected)
Apr 2012	PCL announces contract awarded for Kifaru 3D Seismic Survey on Kenya Block L6 in Q2 2012
Apr 2012	PCL announces A\$45 million placement and A\$5 million share purchase plan
Apr 2012	Shell ups bid to US\$1.8bn for Cove Energy (Recommended by Cove Directors)
Feb 2012	Thailand's PTTEP overbids Shell With US\$1.8bn for Cove Energy
Feb 2012	Shell bids US\$1.6bn for Cove Energy (large East African acreage position)
Jan 2012	Completion of 3D & 2D seismic on L10A & L10B
Dec 2011	PCL announces share placement to raise A\$15m
Oct 2011	Ophir Energy announce intention to acquire Dominion Petroleum (substantial offshore Kenyan acreage holding). Deal valued at US\$186m
Aug 2011	> Ten strong leads for follow up 3D and 2D on Block L10A & L10B announced

Pancontinental's Project Interests



KENYA OFFSHORE

Asset	PCL%	Sq Km	Partner	Operator
Kenya L6	40%	3,134	FAR 60%	FAR
Kenya L8	15%*	5,115	Apache 50% Origin 20% Tullow 15%	Apache
Kenya L10A	15%	4,962	BG Group 40% PTTEP 25% Premier 20%	BG Group
Kenya L10B	15%	5,585	BG Group 45% PTTEP 15% Premier 25%	BG Group

* Tullow has an option to earn a further 5% interest from Pancontinental

AUSTRALIA OFFSHORE / ONSHORE

Asset	PCL%	Operator
Camraron Basin EP424 EP 110	38.5% 38.5%	Strike

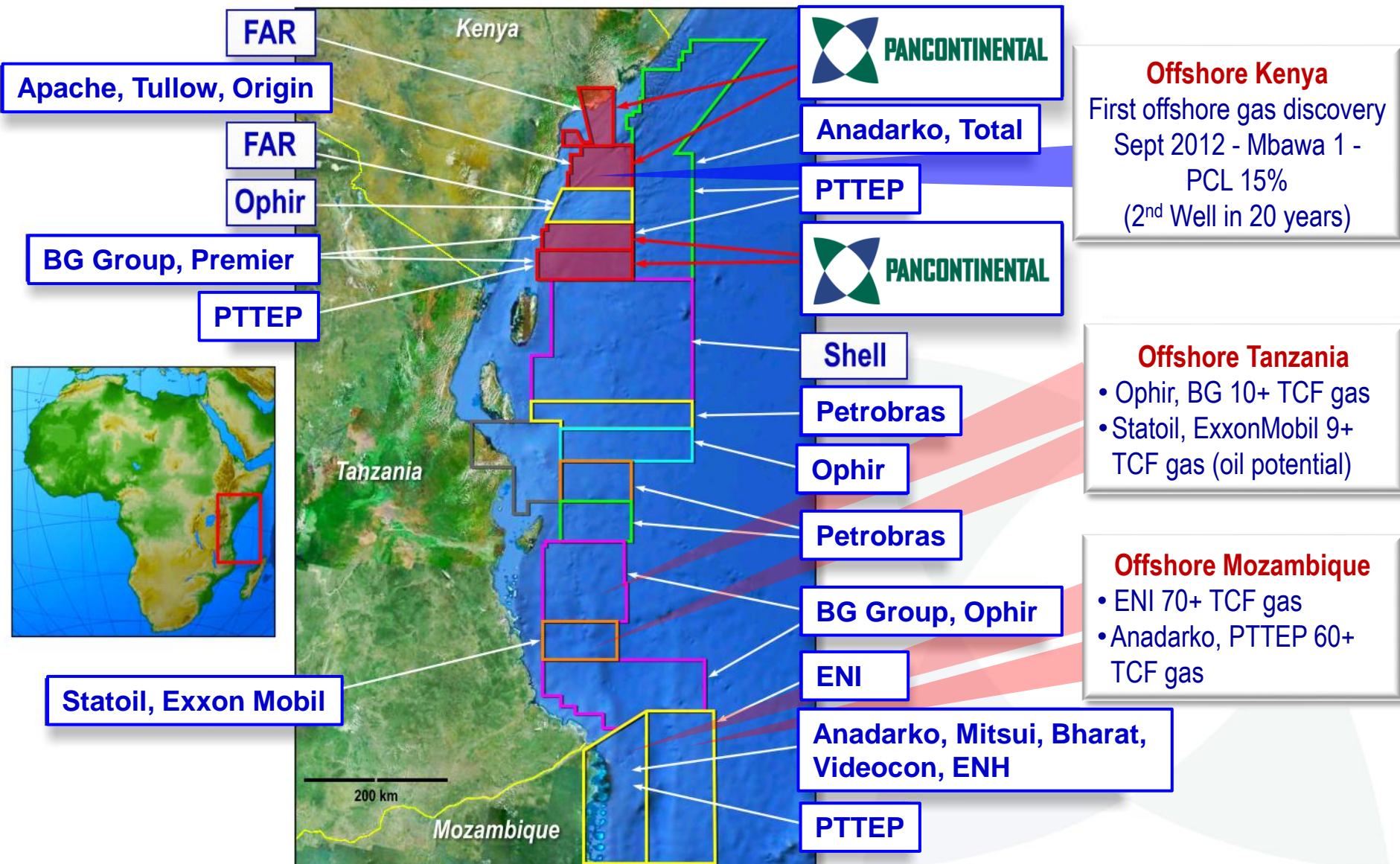
AUSTRALIA ONSHORE

Asset	PCL%	Operator
Canning Basin EP 104 / R1 L15	10% 12%	Strike

NAMIBIA OFFSHORE

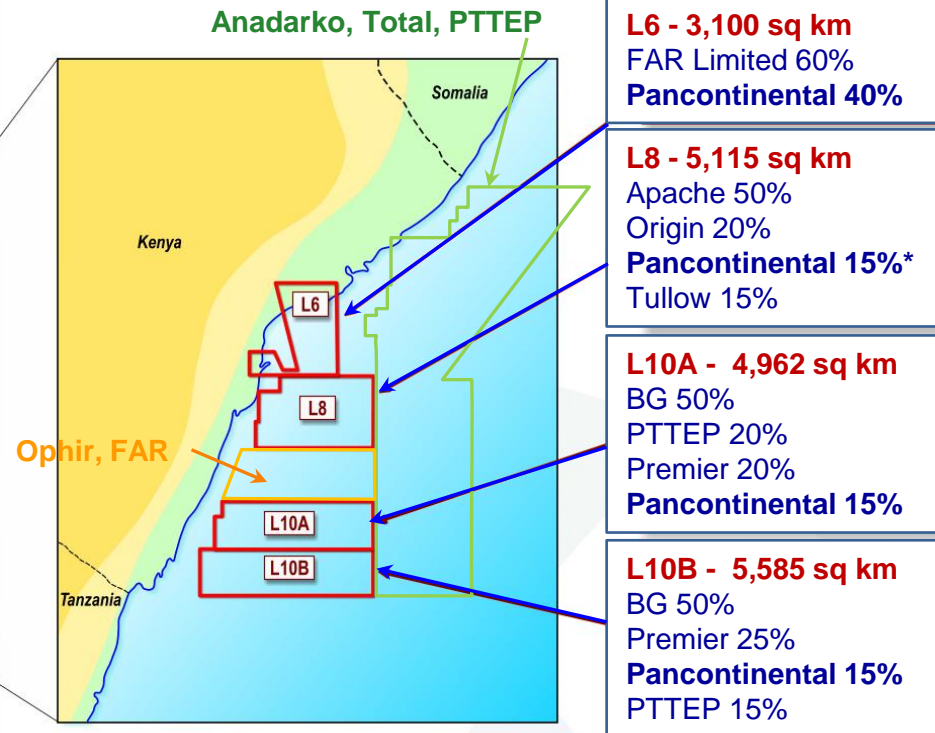
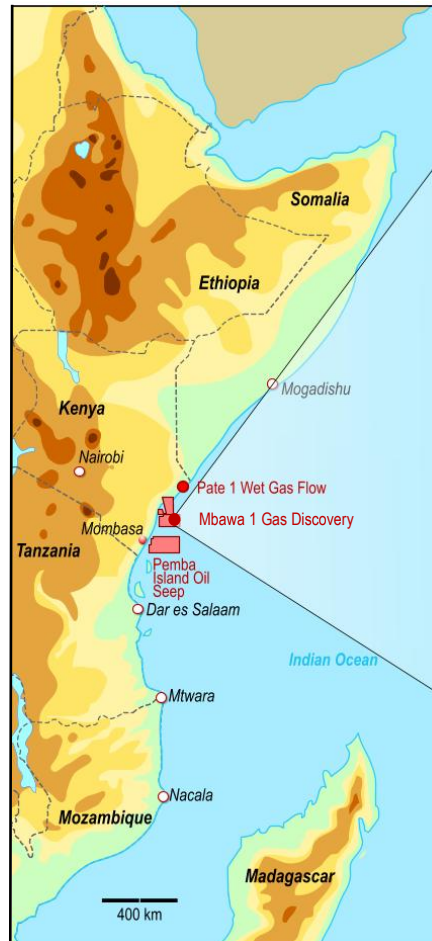
Asset	PCL%	Sq Km	Partner	Operator
Namibia EL 0037	95%	17,295	Paragon 5%	Pancontinental

East Africa – Main Offshore O&G Players



Offshore Kenya – Interest in 4 Key Blocks

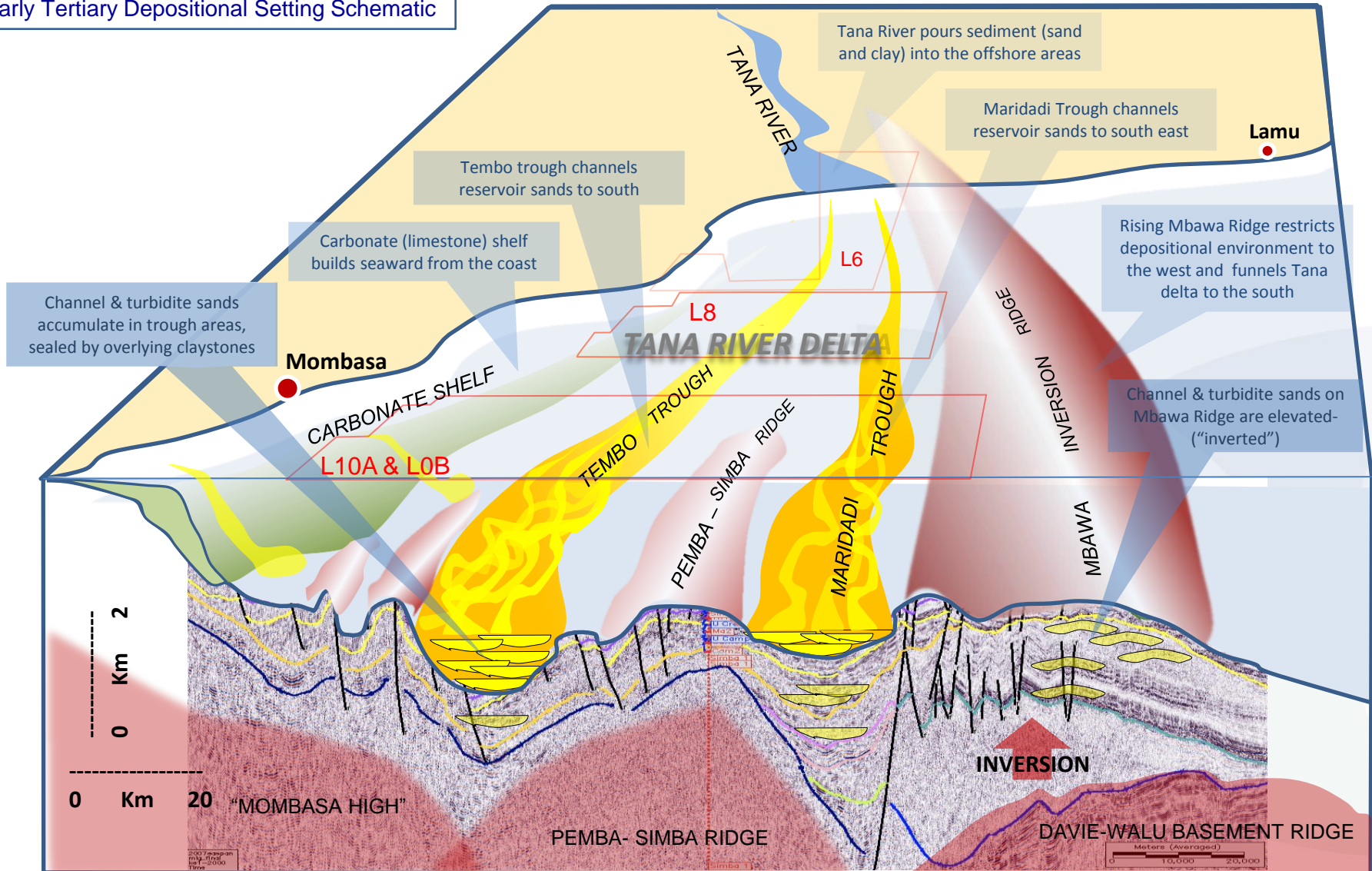
- ✦ Active in Kenya for over 10 years with an early mover advantage
- ✦ **Working petroleum system** offshore Kenya *now proven*
- ✦ **Mbawa Discovery** under evaluation
- ✦ Continue to explore with **oil as the main prize**
- ✦ **Under Explored** - only 3 wells offshore Kenya pre - 1985 (some with oil and gas shows), only 2 wells in the last 20 years (including Mbawa 1)
- ✦ PCL & JV partners to **drill up to 4 wells in the coming 12-18 months**
- ✦ Anadarko / Total / PTTEP drilling 2 deepwater wells offshore Kenya commencing December 2012



* Tullow has an option to earn a further 5% interest from Pancontinental

Offshore Kenya – Tana River Delta

Lamu Basin / Tana River Delta Offshore Early Tertiary Depositional Setting Schematic



Offshore Kenya – Prospects/Leads Maps



OFFSHORE KENYA L6, L8, L10A, L10B PROSPECTS AND LEADS MAP (Various Sources)

0 Km 50

KENYA

Kifaru
Prospect

Kifaru 3D
Survey

Melindi

Mbawa 3D
Survey Area

Mbawa
Prospect

Tai
Prospect

Nanaa 3D Survey
Area Under
Evaluation

Mombasa

Miocene
Reefs

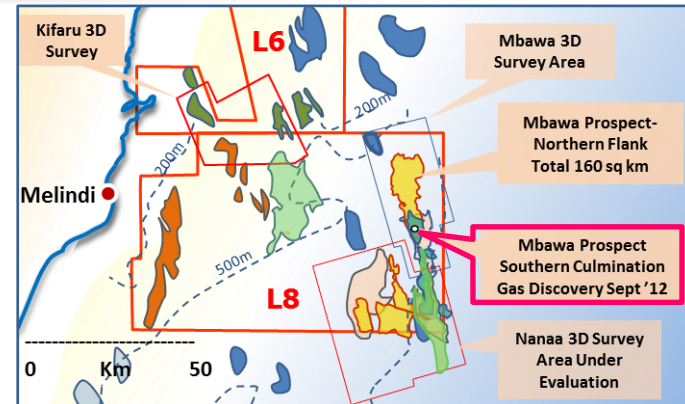
New 3D Area-
Acquisition Nov '12

L10A & L10B
3D Survey Area
Under Evaluation

- ❑ Interests in 4 Blocks offshore Kenya totaling ~ 19,000 sq km
- ❑ Participated in four 3D seismic surveys
- ❑ Will commence new 3D survey imminently (L10A / L10B)
- ❑ Mapped more than 40 Prospects and Leads
- ❑ Shown a **diversity of play types**-different depositional environments as well as geological ages

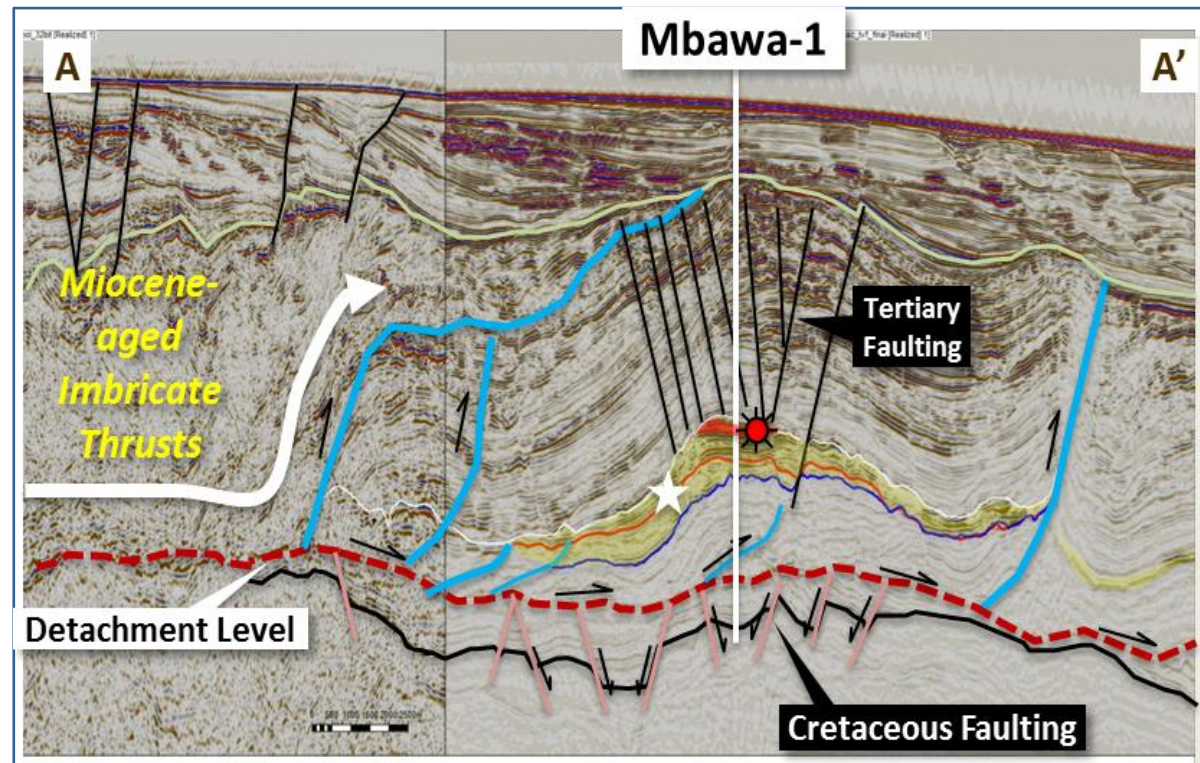
Kenya L8 - Mbawa Discovery

- ❑ Mbawa 1 drilled to 3,150m MD, on time and under budget (August/September 2012)
- ❑ First well on the Mbawa Prospect in block L8 offshore Kenya
- ❑ First hydrocarbon discovery offshore Kenya
- ❑ Reversed earlier perception from Woodside's 2007 Pombo 1 well of no source rock

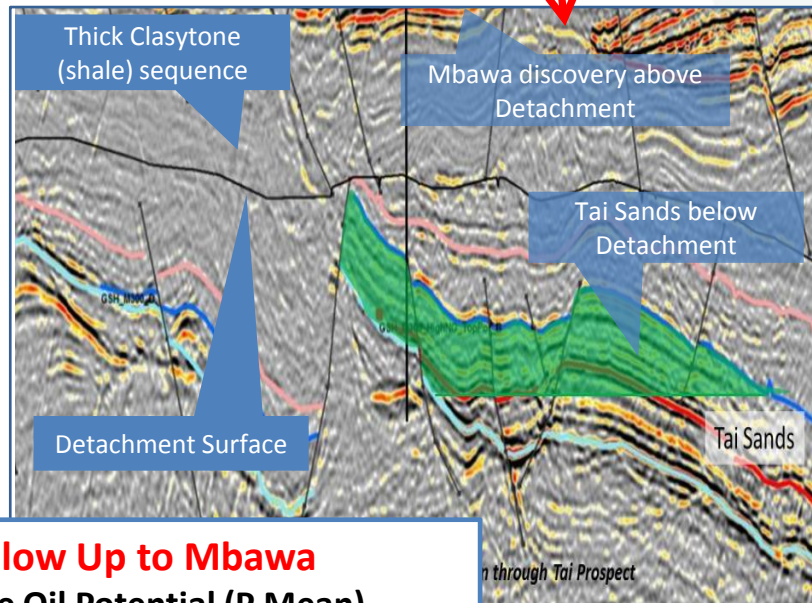
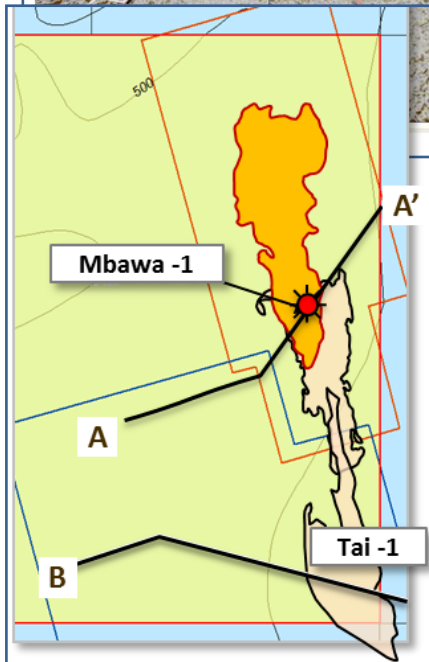
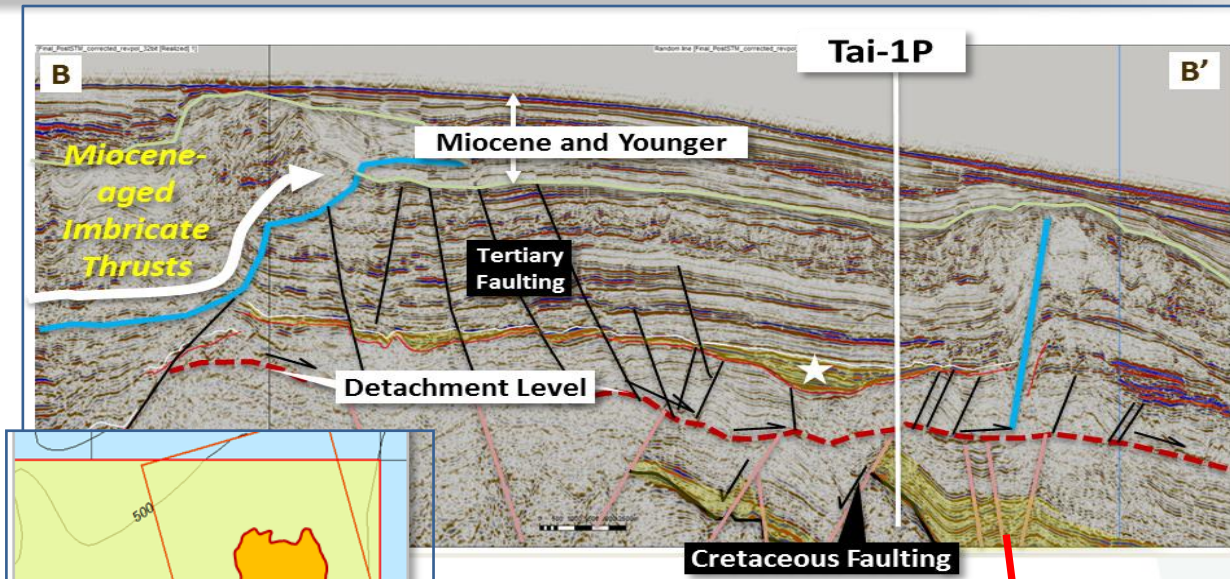


Preliminary Evaluation:

- ❑ Mbawa 1 discovered gas in the Upper Cretaceous – opens new play type
- ❑ High Quality Turbidite and Channel sandstones - Net Pay 51.8m over 3 sands, averaging 24% porosity
- ❑ Gas interpreted from Type II Source rock- Mixed Gas and Oil prone
- ❑ Thermogenic gas source - potential for much greater hydrocarbon volumes at depth
- ❑ Mbawa-1 successfully confirms a working Hydrocarbon System
- ❑ Volumetrics, Commerciality and Forward Programme under active review into 2013

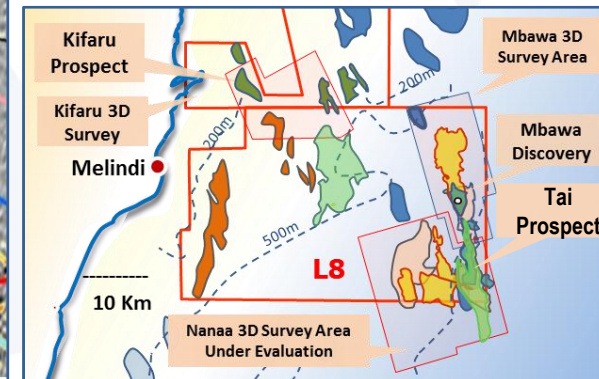


Kenya L8 – Mbawa Prospect Follow Up



Tai Prospect

- Multiple Prospects are available from the Mbawa and Nanaa 3D seismic surveys
- The Tai and Nanaa Prospects are two which are being considered for future drilling
- The Lower Cretaceous Tai Prospect is one opportunity for an Mbawa follow-up -
 - * Below Detachment
 - * Different pressure regime
 - * Better timing with respect to oil-generating Jurassic source rocks

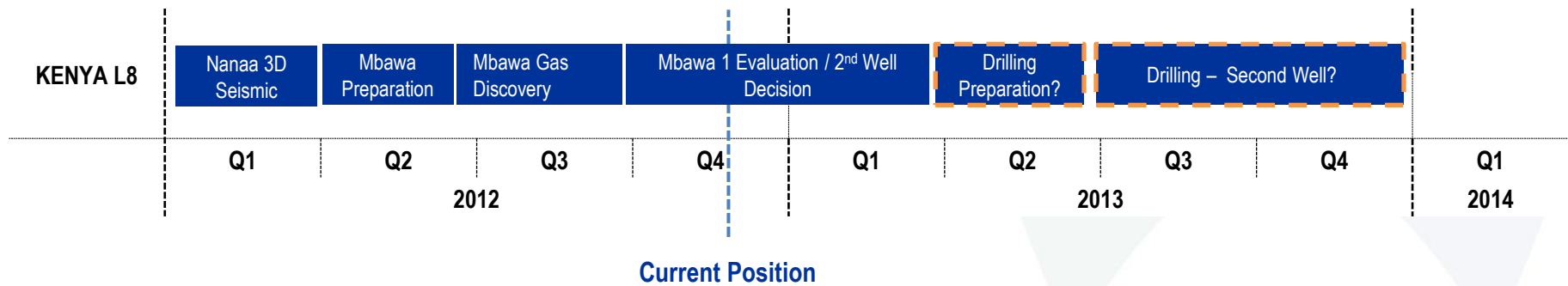


Tai Prospect- Possible Follow Up to Mbawa
220 Million Bbls Recoverable Oil Potential (P Mean)

Kenya L8 – Forward Exploration Programme



- ✦ Mbawa analysis is ongoing into 2013
- ✦ Nanaa 3D interpretation will be completed late 2012 - defining new Prospects
- ✦ Second well Joint Venture decision awaited
- ✦ Tai Prospect is one of the main candidates for a second well

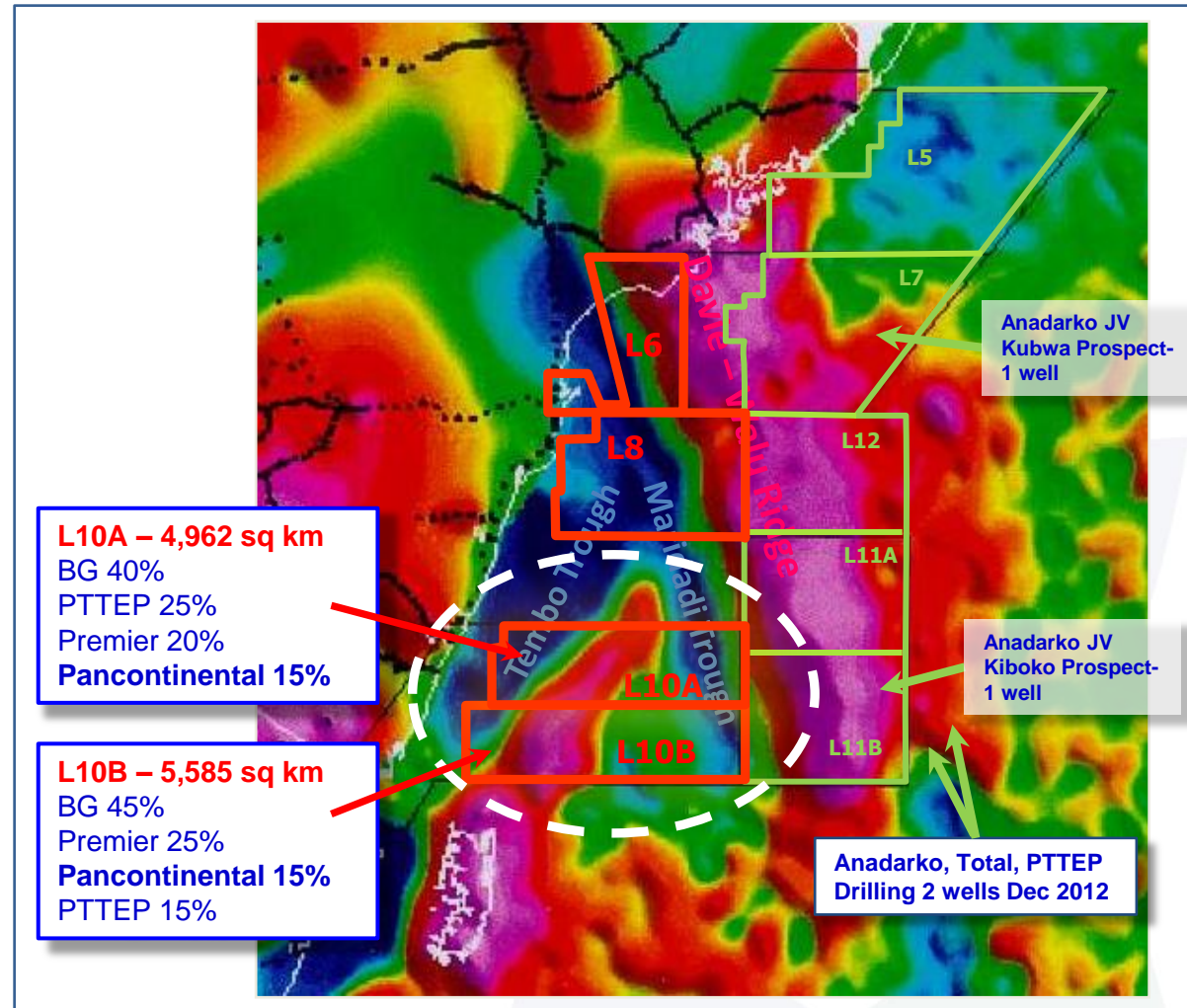


Final drilling decisions and timing have yet to be determined

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Regional activity has been estimated using company announcements and is not intended to provide a comprehensive review of all regional activity*

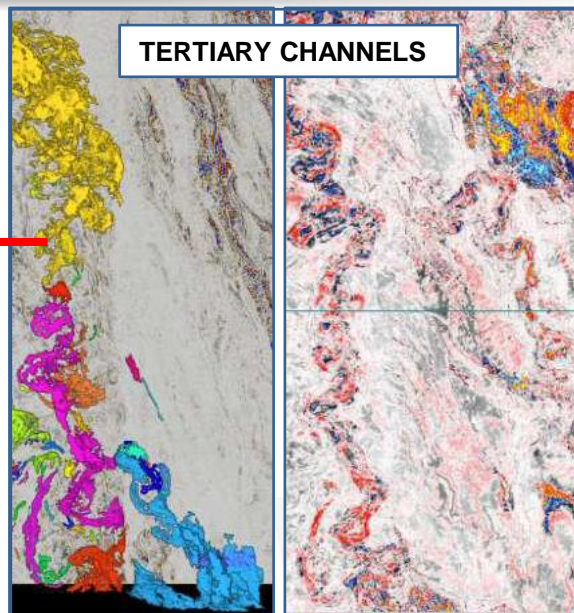
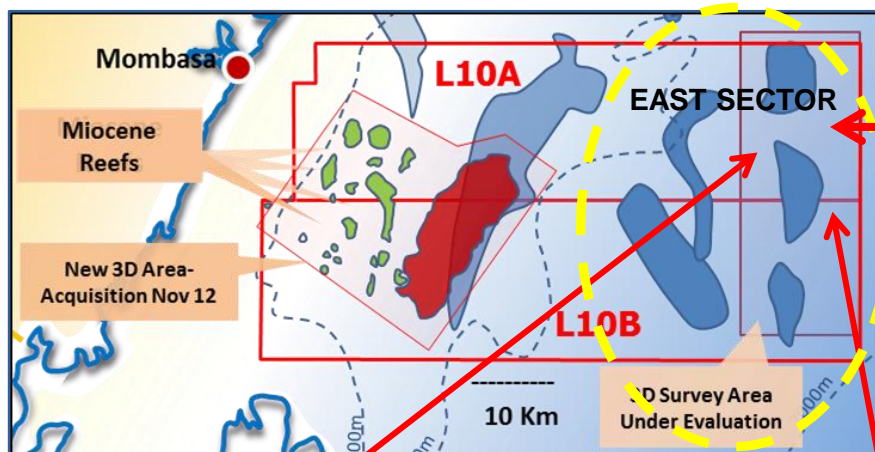
Kenya L10A & L10B

- ❏ Blocks awarded 2011
- ❏ Total ~10,000 km²
- ❏ Water depth 200m to 1,800m
- ❏ Interpreted oil “kitchen” troughs in East and West
- ❏ “Fast Track” exploration programme
- ❏ Large Number and geological variety of “Leads”
- ❏ Diverse exploration “Play” types, some similar to Mbawa Prospect
- ❏ 3D & 2D completed January 2012
- ❏ New 3D seismic late 2012
- ❏ Expected drilling targets to be identified Q4 2012
- ❏ 2 well programme to commence 2013

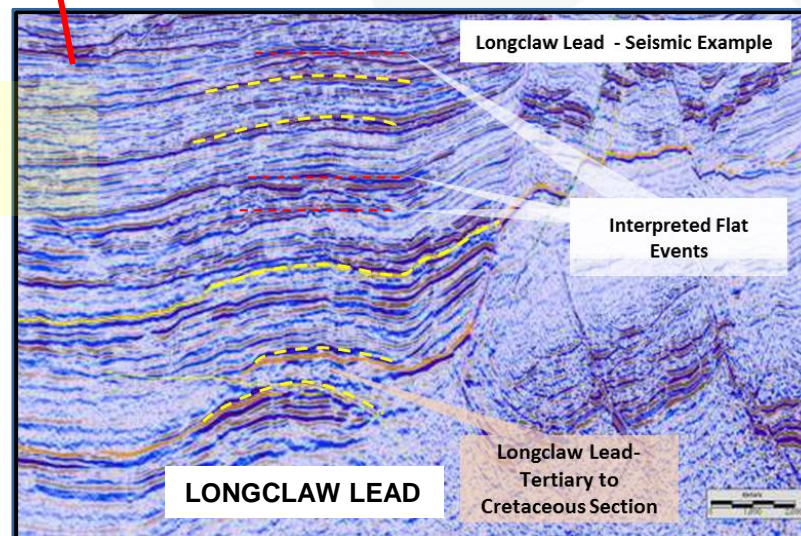
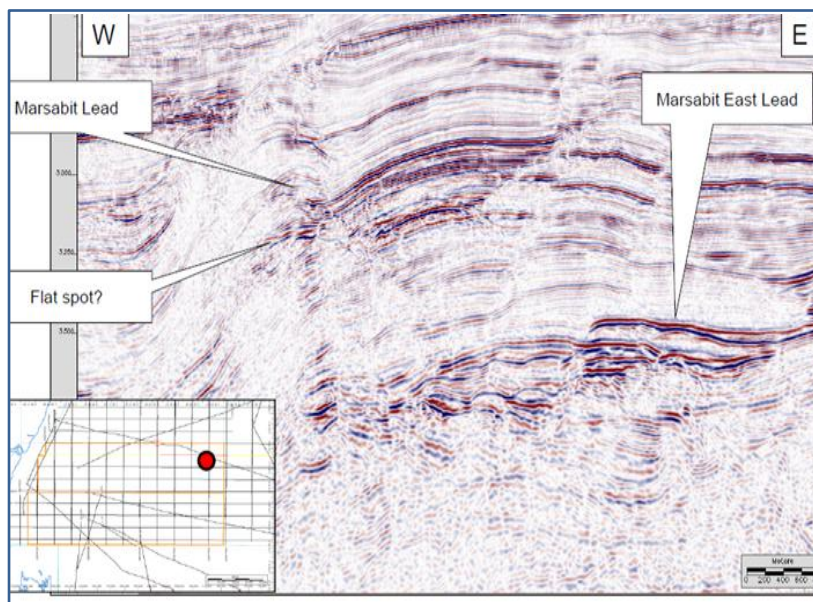


Kenya L10A/L10B – Variety of Opportunities

East Sector 3D Seismic



- ❖ Diverse “play” types
- ❖ Variety of “Leads”-
 - 4 way dip closed anticlines
 - Miocene Reefs
 - Jurassic Reefs
 - Tertiary Channels
 - Rollovers into Faults
 - Cretaceous Channels / Turbidites



Kenya L10A/L10B – Variety of Opportunities

West Sector 2D + New 3D planned

MIOCENE REEFS

Sunbird Reef

Turaco Reef

Miocene Reefs- Seismic Example

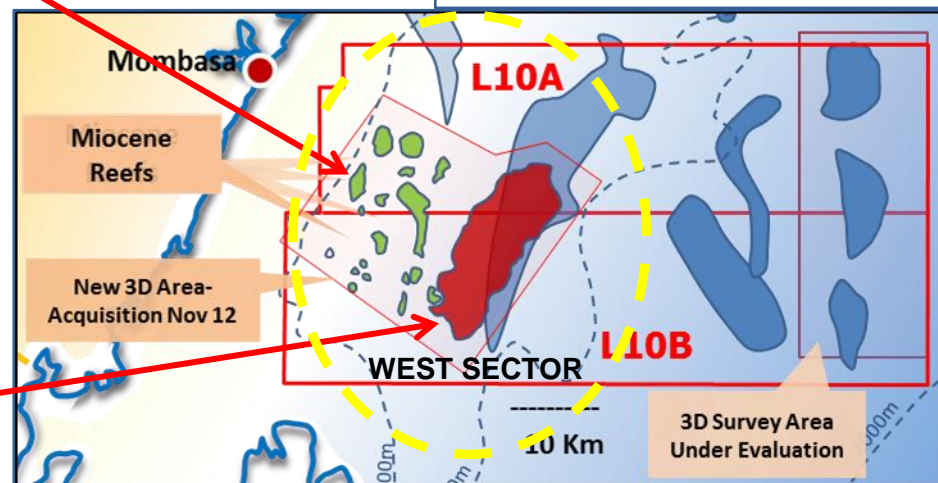
CROMBEC LEAD

Crombec Lead

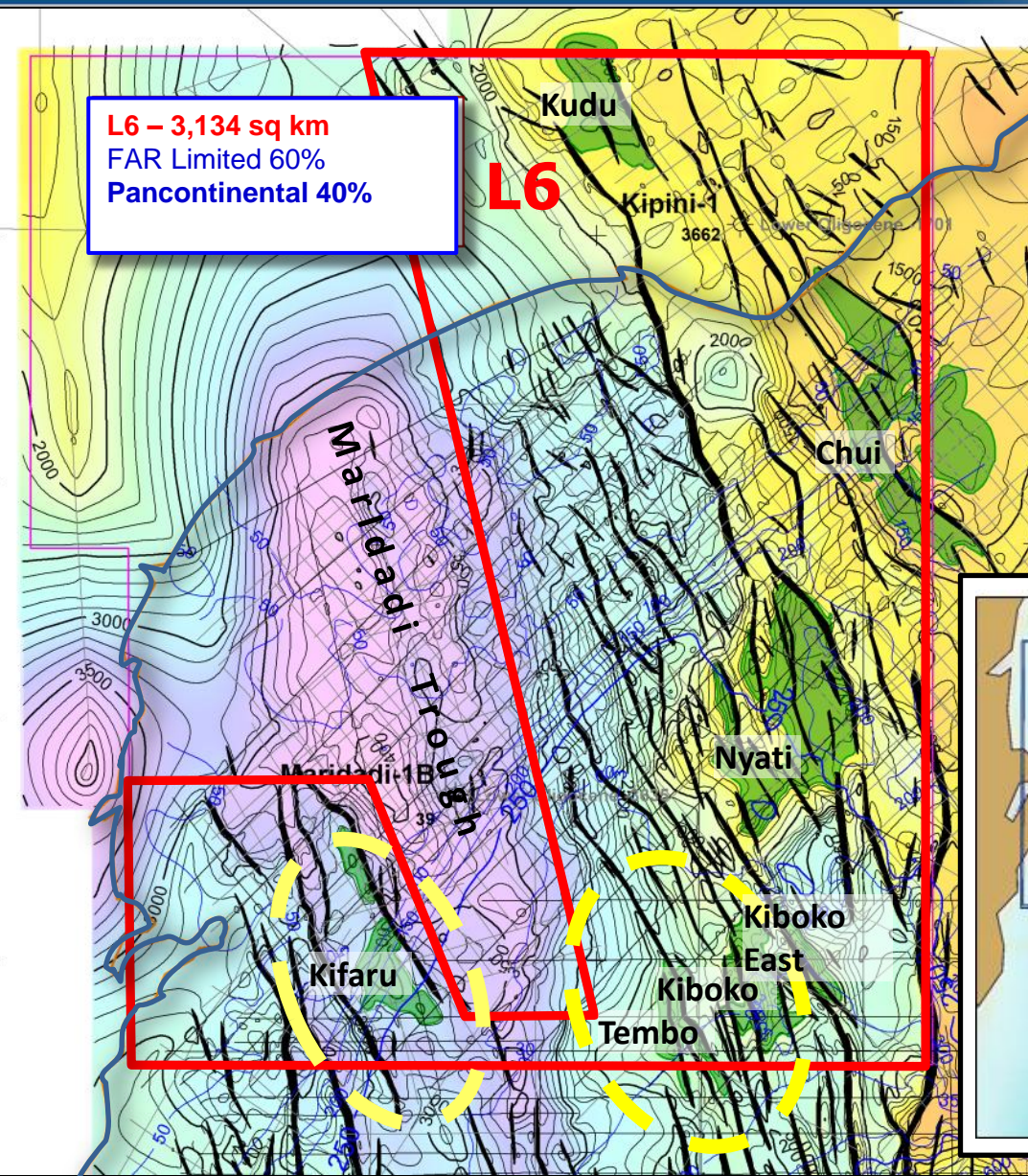
Crombec Lead- Seismic Example

**UPPER JURASSIC
“REEF”**

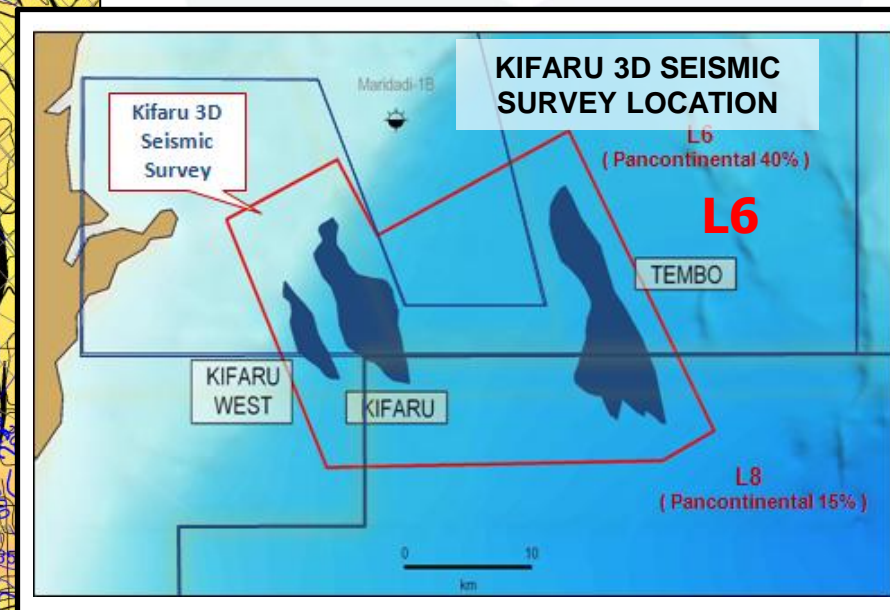
- ❑ Diverse “play” types
- ❑ Variety of “Leads” -
 - 4 way dip closed anticlines
 - Miocene Reefs
 - Jurassic Reefs
 - Tertiary Channels
 - Rollovers into Faults
 - Cretaceous Channels / Turbidites



Kenya L6 - Kifaru Prospect 3D

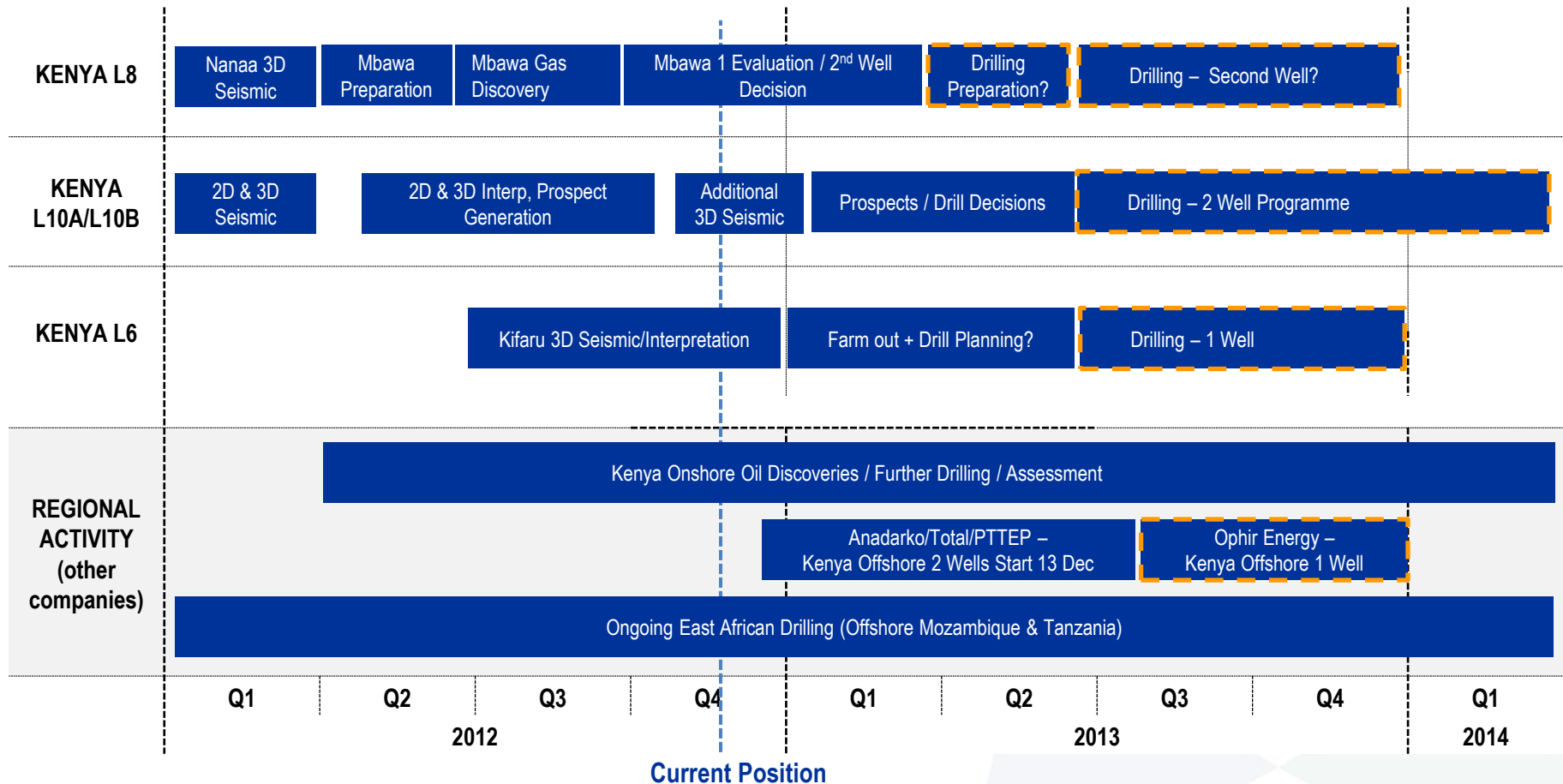


- ✦ Main Kifaru Prospect adjacent to interpreted hydrocarbon kitchen (Maridadi Trough)
- ✦ Kifaru 3D survey completed July 2012
- ✦ L6 - adjacent and geologically continuous to L8 (Mbawa)
- ✦ Total 3,134 km², Water depth 0 to 300m
- ✦ Farming out for drilling mid 2013



Expected Activity Timeline – Kenya

- ✦ Pancontinental is well positioned offshore Kenya with direct participation in **potentially 4 wells over the next 12-18 months**
- ✦ In addition, Pancontinental will have **indirect exposure to up to 3 wells** offshore Kenya in 2012/2013



Current Position

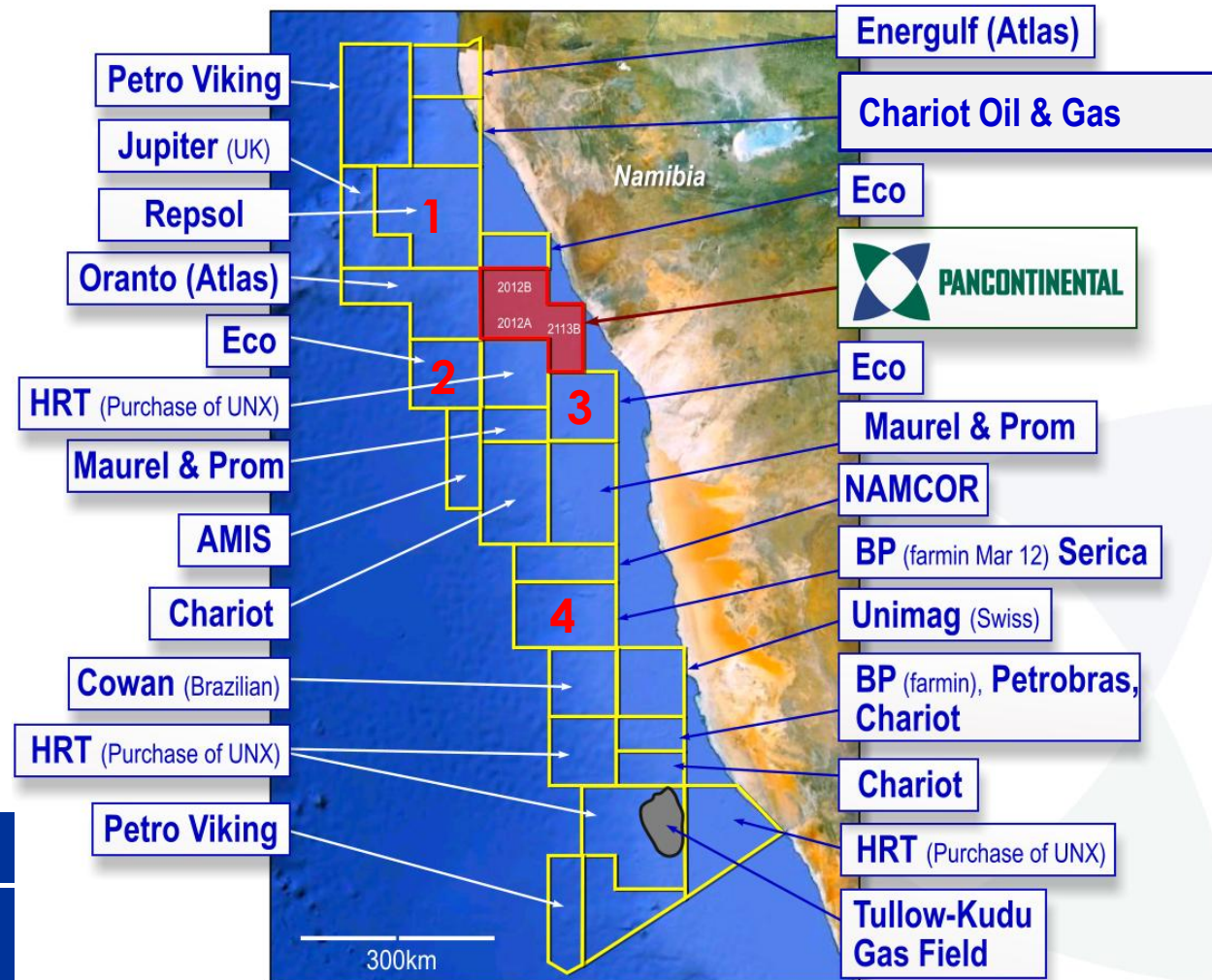
Final drilling decisions and timing have yet to be determined

The timetable above is indicative only. More accurate timing of activities will be determined when government approvals, availability of rigs and seismic vessels are confirmed (where necessary)

Regional activity has been estimated using company announcements and is not intended to provide a comprehensive review of all regional activity

Offshore Namibia EL 0037 – 3 Blocks

- ✦ Namibia EL 0037 covers blocks 2012B, 2112A and 2113B
- ✦ Pancontinental 95% & Operator
- ✦ 17,295 km² offshore
- ✦ Water Depth 0 – 1,500m
- ✦ Petroleum Agreement & Exploration Licence signed 28 June 2011
- ✦ Pancontinental considering early farmout and accelerated exploration programme
- ✦ High activity levels - 3D seismic and drilling along Namibian margin
- ✦ HRT - 4 wells planned for 2013
- ✦ Chariot - 2 wells planned for 2013



1 June 2012: Repsol farmin to Arcadia acreage for drilling

2 May 2012: Eco Atlantic reports blocks "2111B" and "2211A": (P50) Best Estimate of 9.2bn bbls of prospective oil

3 March 2012: Eco Atlantic reports blocks "2213A" and "2213B": (P50) Best Estimate of 7.79bn bbls of prospective oil

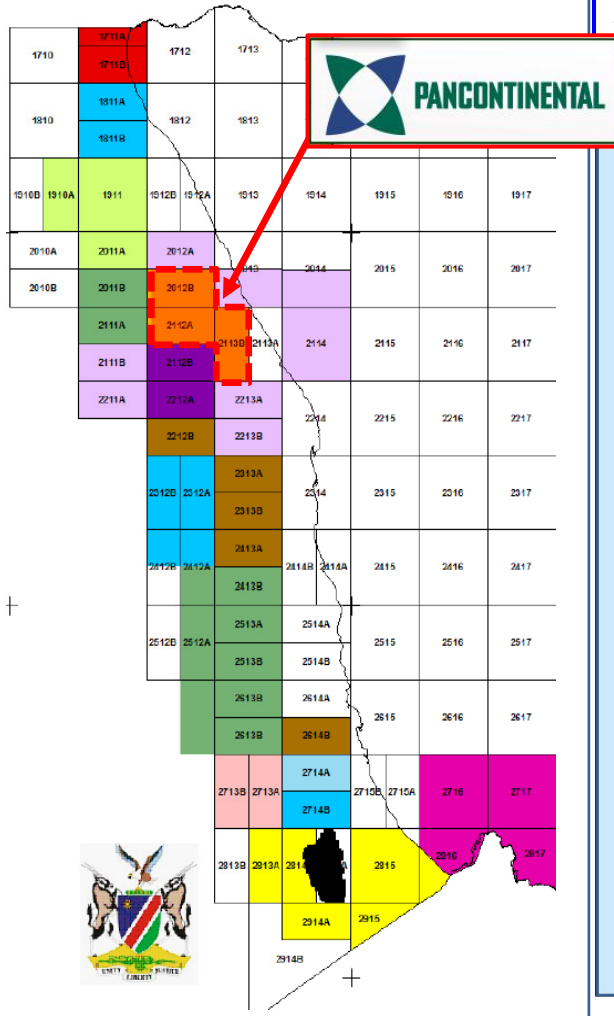
4 March 2012: BP farms into Serica Energy's Namibian licenses 2512A, 2513A, 2513B and part of 2612A

6+ wells offshore Namibia over next 12 to 18 months



Namibia EL 0037 – Oily Sweet Spot

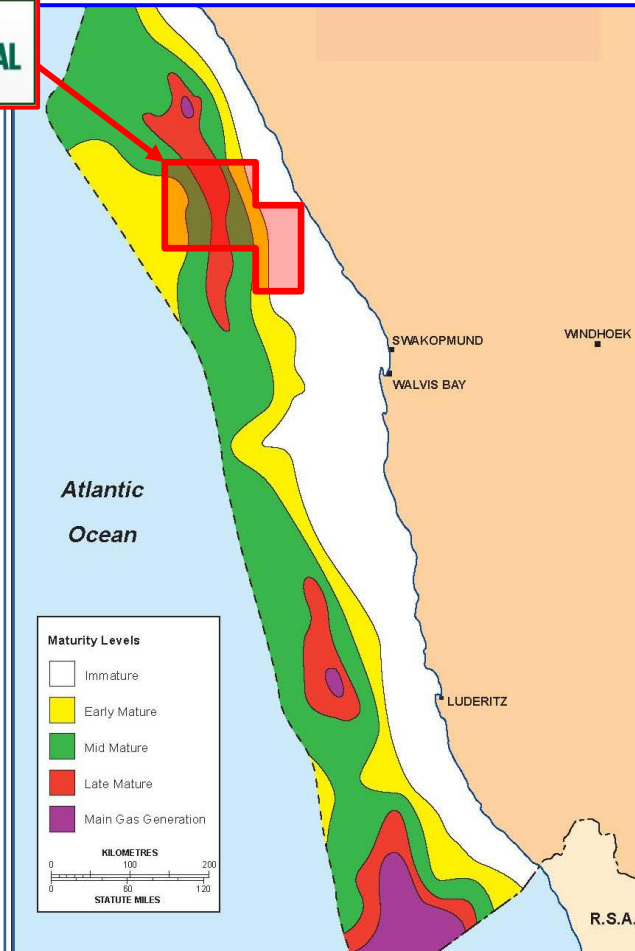
Pancontinental Acreage EL 0037 Offshore Namibia



Pancontinental Acreage

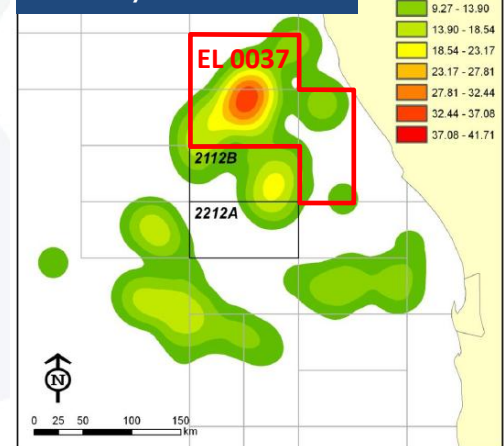
Fully Oil- Mature Source Rocks in “Inner Graben”

Predicted Present-Day Maturity for Early Aptian Source Rocks

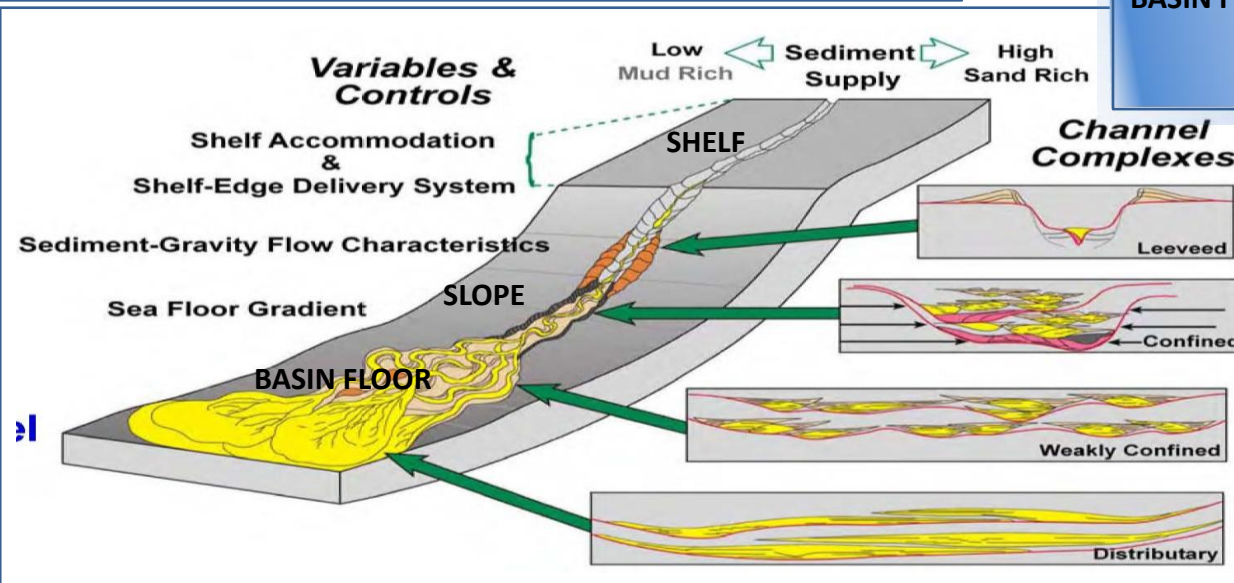
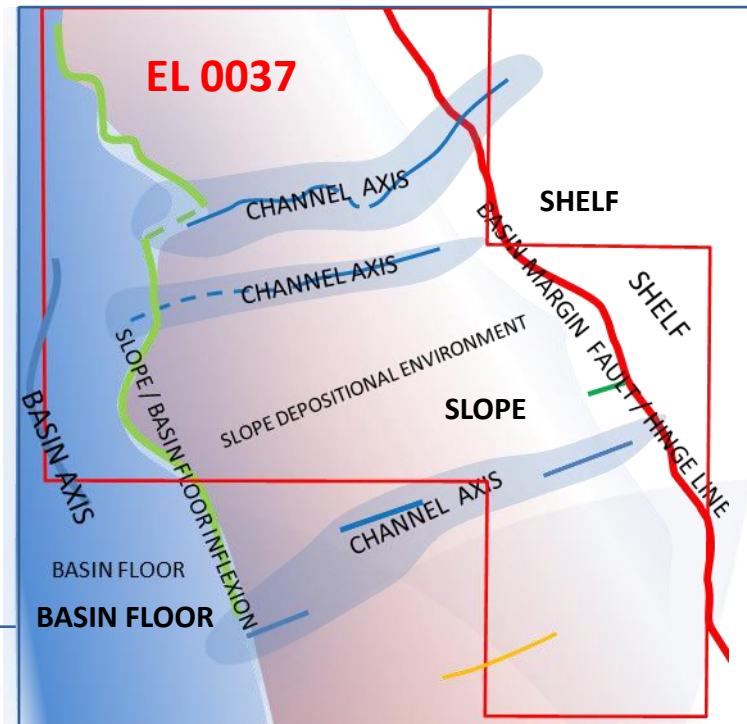
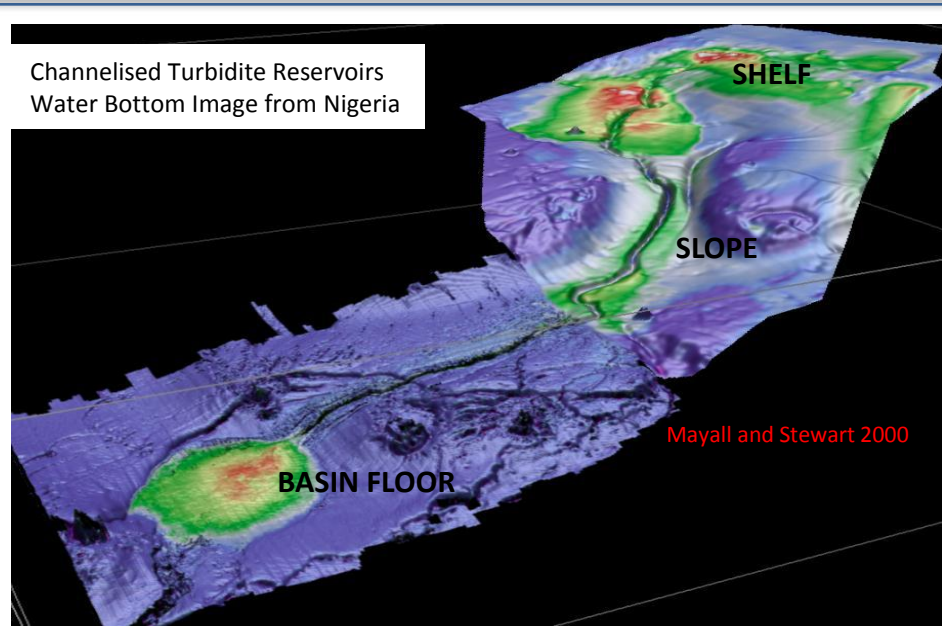


- Active in Namibia for over 5 years
- Recent acquisitions secured at considerable premiums with major oil and gas companies (BP, HRT, Chariot, Repsol)
- Recent resource estimates by the likes of Chariot and Eco Atlantic confirm world class prospectivity
- Oil “sweet spot” interpreted in “Inner Graben” in EL 0037
- Turbidites, ponded fans, slope channels etc
- Excellent source rocks, oil maturity, reservoir/seal

Main regional natural oil slick “Bullseye” in EL 0037- HRT study

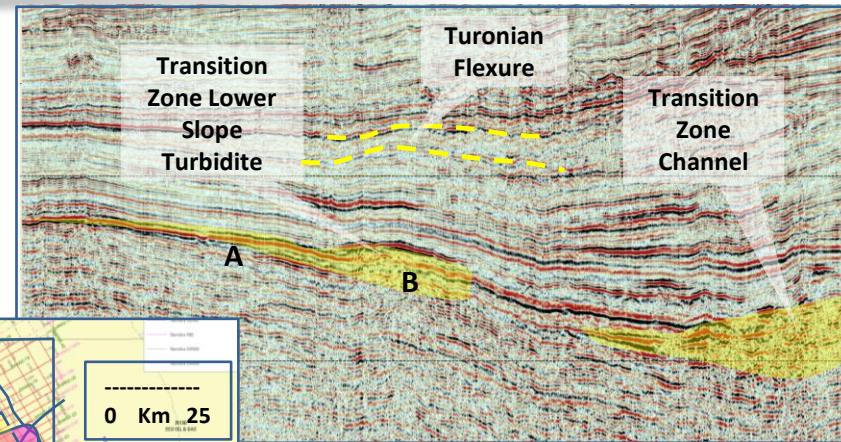
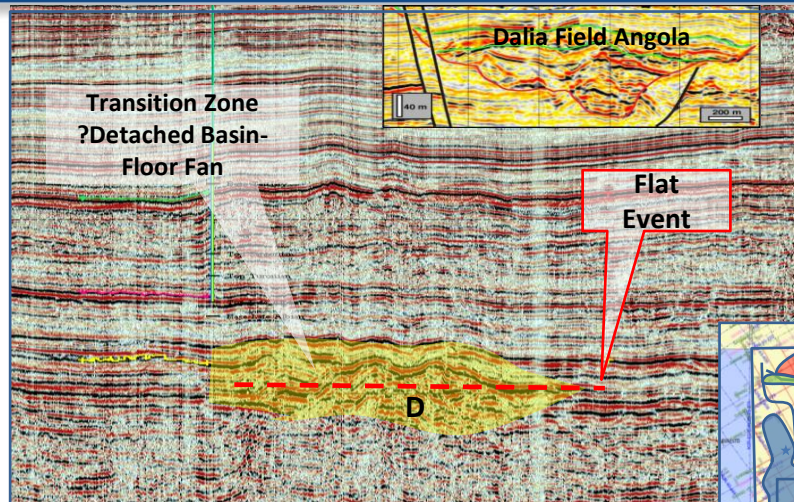


Namibia EL 0037 – Play Concepts

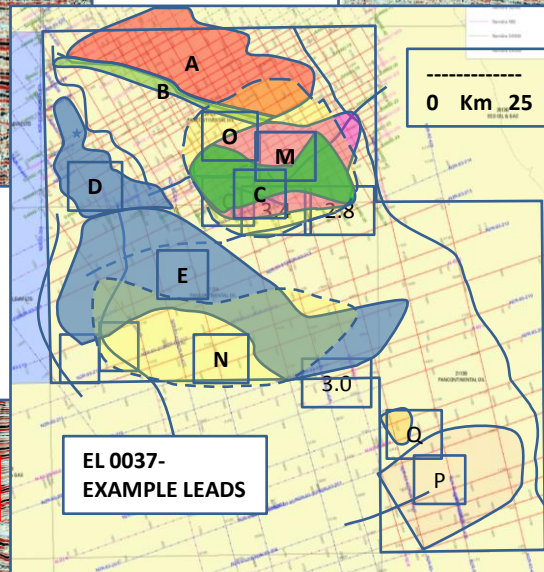


- ❖ “Classic” West African clastic setting
- ❖ EL 0037 covers extended depositional setting- shelf, slope and basin floor
- ❖ Incised slope Channels
- ❖ Basin Floor Turbidite Fans
- ❖ “Transition Zone” – main prospective sequence

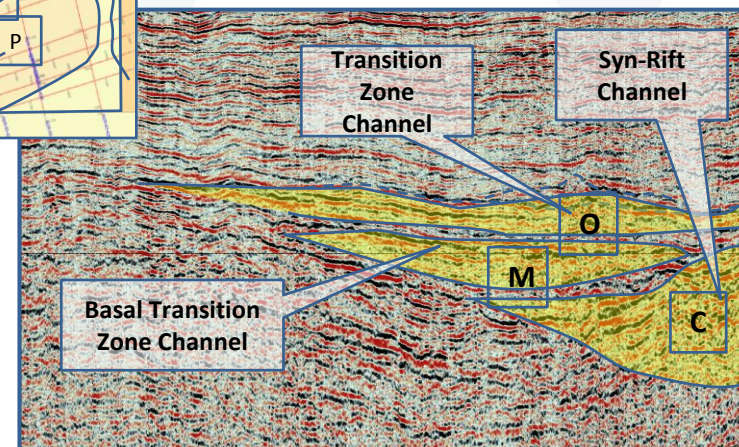
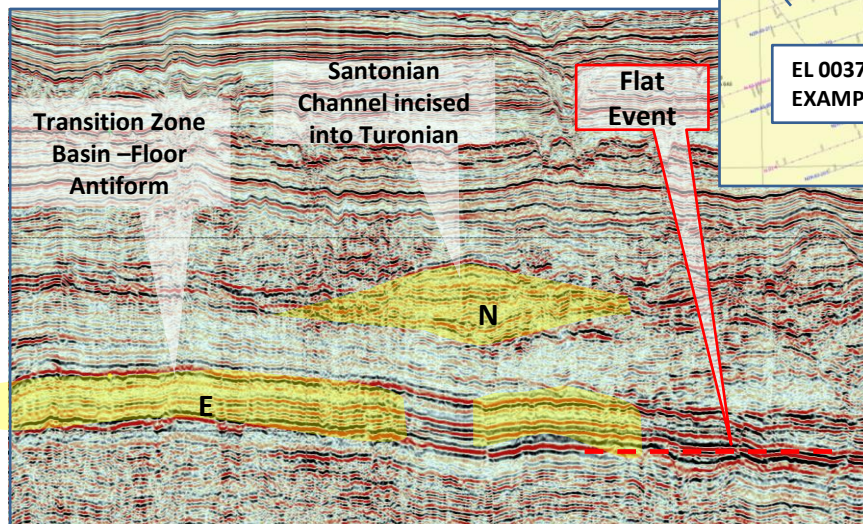
Namibia EL 0037 – Numerous Leads



- ✦ Varied Play types
- ✦ Predicted oil-mature fairway in “Inner Graben”
- ✦ Numerous large Leads - Basin Floor Turbidite Fans, Incised slope Channels etc
- ✦ High level of regional activity

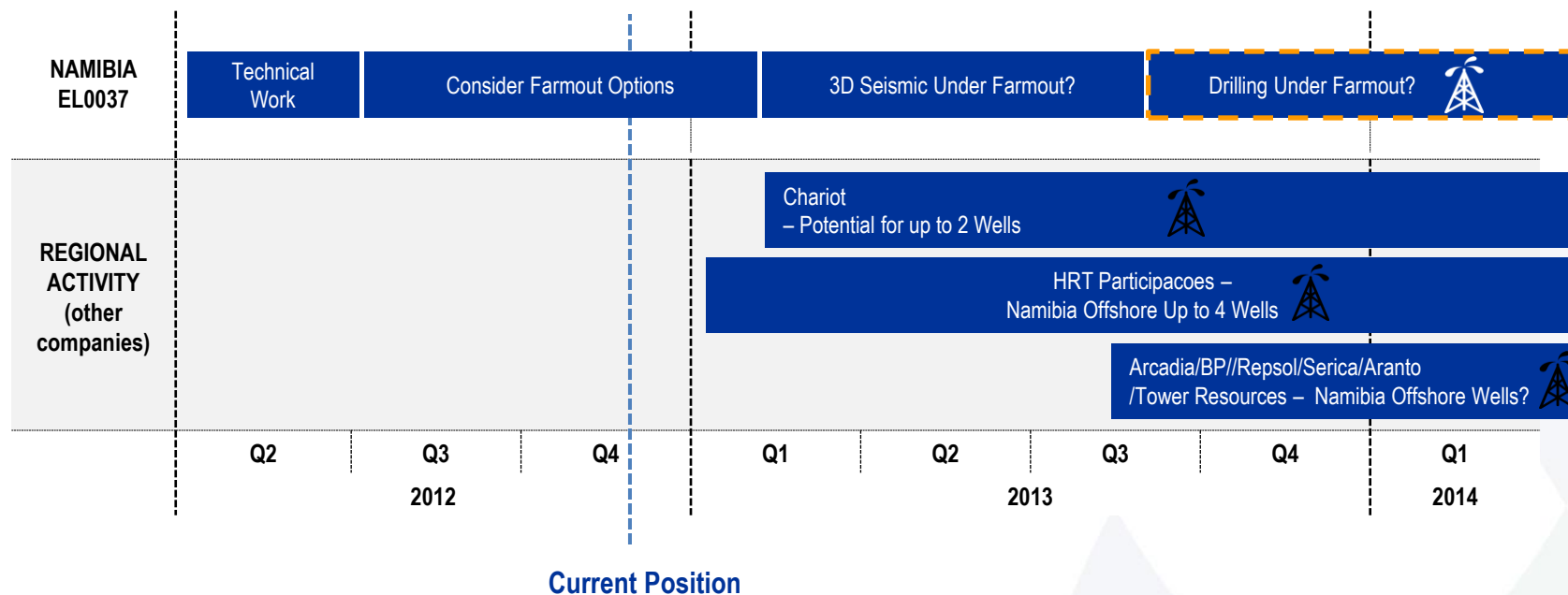


NAMIBIA EL 0037
NUMEROUS LARGE STRATIGRAPHIC PLAYS IN SLOPE AND BASIN SETTING



Expected Activity Timeline – Namibia

- ✦ PCL is well positioned offshore Namibia to secure a farm-in partner for drilling
- ✦ PCL has indirect exposure to potentially 6+ offshore Namibia wells over the next 12 – 18 months



Final drilling decisions and timing have yet to be determined

*The timetable above is indicative only. More accurate timing of activities will be determined when government approvals, availability of rigs and seismic vessels are confirmed (where necessary)
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Well Funded for Foreseeable Drilling Activity



- ✦ PCL is well funded for all foreseeable drilling activity (potentially 5 wells depending on farm out activity) with approximately \$40 million in cash

Interest	Activity	Est. Cost to PCL (A\$)	Est. Timing	Est. Total Cost to PCL ¹ (A\$)
Kenya L8	Mbawa Follow-up Well?	Not confirmed	Not confirmed (potentially 2H 2013)	Not confirmed (however, potential funding from Tullow up to a cap of US\$6m ²)
Kenya L10A & L10B	Additional 3D Seismic 2 Wells	\$5m \$30m	Q4 2012 Commencing 2013	\$5m \$30m
Kenya L6 ³	1 Well	Subject to farmout	2013	Subject to farmout
Namibia EL 0037 ³	3D Seismic & 1 Well	Subject to farmout	Subject to farmout	Subject to farmout

The timetable above is indicative only and all cost estimates may considerably change

1. Excludes activity items and estimated costs that have been represented above as 'not confirmed'

2. Dependent on Tullow's option to earn a further 5% by providing funding on PCL's behalf to a cap of US\$ 6 million in any second well. In Block L8

3. Subject to potential farmout

- ✦ **Significant offshore holdings** in East Africa (Kenya) and Namibia
- ✦ **Only junior** exposed to two of the most exciting oil plays of the decade
- ✦ Made the **first successful gas discovery** offshore Kenya with L8 JV partners
- ✦ **Well funded** for a continuous exploration programme, with plans to grow its African portfolio
- ✦ Believes the **Majors are positioning in East and South West Africa** for many years and many wells
- ✦ Direct exposure to potentially 4 wells offshore Kenya over the coming 12-18 months
- ✦ Indirect exposure to potentially 8 wells in adjacent areas 2013 - Kenya and Namibia
- ✦ Regional activities also have the potential to significantly upgrade PCL's asset values in the next 12-18 months



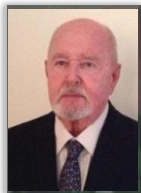
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Mr Henry David Kennedy, Chairman

Mr Kennedy has a long association with Australian and New Zealand resource companies. As a technical director he has been instrumental in the formation and/or development of a number of successful listed companies including Pan Pacific Petroleum NL, New Zealand Oil and Gas Limited (NZOG), Mineral Resources (NZ) Ltd and Otter Exploration NL. During his term as Executive Director of Pan Pacific, NZOG and Otter, these companies were involved in the discovery of a number of oil and gas fields. These included the Tubridgi gas field and South Pepper, North Herald and Chervil oil fields in Western Australia and the Kupe South and Rua oil/gas condensate fields in New Zealand. He is also a director of Norwest Energy NL.



Mr Roy Barry Rushworth, CEO

Mr Rushworth has more than thirty years experience in petroleum exploration. He is a graduate of Sydney University, with a Bachelor of Science Degree in Geology and Marine Sciences. Commencing with positions in exploration operations, his career extended to Chief Geologist and subsequently Exploration Manager of an Australian listed company. A number of oil and gas discoveries were made by the company during that time. More recently as the General Manager and Director of Afrex Limited he was responsible for acquiring international new venture projects for Afrex Limited and its then co-venturer Pancontinental Oil & Gas NL. In this position he identified and negotiated projects in Malta, Kenya, Morocco and Namibia. Following the merger of Afrex Limited with Pancontinental in August 2005, he accepted the position of Director - New Ventures for Pancontinental and he is now the Chief Executive Officer of the Company.



Mr Ernest Anthony Myers, Finance Director

Mr Myers has over 30 years experience in the resources industry. He is an accountant (CPA) who has held senior management and executive roles within a number of ASX listed companies. Mr Myers joined Pancontinental in March 2004 as Company Secretary and was appointed Finance Director in January 2009. He brings corporate and operational experience in a variety of fields including project development, feasibility studies and both equity and debt financing. Prior to his appointment with Pancontinental, he was CFO and Company Secretary of Dragon Mining Limited for a period of six years during its transition from explorer to gold producer in Sweden. Ernie has extensive experience in exploration activities and operations particularly in Kenya, Tanzania, Namibia and Eritrea.



Mr Anthony Robert Frederick Maslin, Non-Executive Director

Mr Maslin is a stockbroker with corporate experience in both management and promotion, along with an extensive understanding of financial markets. Mr Maslin has been instrumental in the capital raisings and promotion of several resource development companies.



Mrs Vesna Petrovic, Company Secretary

Mrs Petrovic has an accounting background with a Bachelor of Commerce, Major in Accounting & Business Law. She is a Certified Practising Accountant and has completed the Graduate Diploma in Applied Corporate Governance from Chartered Secretaries Australia Ltd. Mrs Petrovic has extensive experience in the resources sector, particularly with companies involved in Africa.

Asset Summary



Block	Area (km ²)	PCL Interest (%)	Operator (%)	Partners (%)
Kenya L6	3,134	40.0%	FAR Limited(60%)	FAR Limited (60%)
Kenya L8	5,115	15.0%*	Apache (50%)	Apache (50%) Origin Energy (20%), Tullow (15%)
Kenya L10A	4,962	15.0%	BG (40%)	BG (40%) PTTEP (25%), Premier (20%)
Kenya L10B	5,585	15.0%	BG (45%)	BG (45%) PTTEP (15%), Premier (25%)
Namibia EL 0037	17,295	95.0%	PCL (95%)	Paragon (Local Partner) (5%)
EP 424 (Australia)	79	38.5%	Strike Oil (61.5%)	Strike Oil (61.5%)
EP 110 (Australia)	750	38.5%	Strike Oil (61.5%)	Strike Oil (61.5%)
EP 104 / R1 (Australia)	736	10.0%	Buru Energy (38.95%)	Buru Energy (38.95%) Emerald Gas (12.75%), Gulliver (14.8%), Phoenix Resources (10%), FAR (8%), Indigo Oil (5.5%)
L15 (Australia)	150	12.0%	Buru Energy (15.5%)	Buru Energy (15.5%) Gulliver (49%), FAR (12%), Indigo Oil (11.5%)

* Tullow has an option to earn a further 5% interest from Pancontinental