

Namibia PEL 37

Under the Farmout Agreement between Tullow Kudu Limited, (now Tullow Namibia Limited) ("Tullow") and Pancontinental Namibia Pty Ltd ("Pancon") dated 5 September 2013, the drilling of the first exploration well was to commence no later than 27 March 2017 provided a drillable prospect had been identified from the 2D and 3D seismic surveys. Although Pancon considers that a drillable prospect has been identified within PEL-37, Tullow considers that further work is required to identify a drillable prospect.

Pancon has sought an update from Tullow on the current status of that ongoing work and will report on that update when it is received, which Tullow has informed Pancon will be, during the first half of 2017.

For and on behalf of
Pancontinental Oil & Gas NL

Barry Rushworth
CEO & Executive Director

Head Office – Level 1, 10 Ord Street, West Perth, Western Australia 6005

Postal Address - PO Box 1154, West Perth, Western Australia 6872

Telephone +61 8 6363 7090

Facsimile +61 8 6363 7099

ACN 003 029 543