

Summary

Namibia - Offshore

PEL 87

- The Company has continued to work up the oil potential of PEL 87, offshore Namibia.
- Exploration finding to date have uncovered a Cretaceous (Late Aptian) turbidite fan system known as the "Saturn Superfan". This fan system is interpreted to contain a number of individual Leads whilst also having the potential to be one, vast, single oil trap due to the structure being overlaid by sealing shale.
- The oil potential in the licence area has been independently assessed and Pancontinental is currently seeking farminees for the project.

PEL 37

- A number of regional wells are planned offshore Namibia in the near future. The PEL 37 joint venture is keeping a close eye on developments and will use regional information as well as Cormorant-1 well results to re-evaluate the other Prospects in the Blocks.
- Pancontinental and its joint venture partners have satisfied all the work programme commitments which form part of the exploration licence for the period ending March 2020.

Queensland – Onshore

ATP 920 & 924 – Cooper Basin

- During the quarter, Pancontinental announced that it had executed a binding term sheet over two exploration permits onshore Queensland. ATP 920 and the Ace Area of ATP 924 are located in the Cooper Basin and are prospective for both oil and gas. Initial drilling is due to commence in the near term.
- Pancontinental is pleased to have been able to expand its portfolio with local assets.

Corporate

- Cash balance of AUD \$1.4 million as at 30 September 2019.

ASX Code – PCL

Issued shares – 5,406 million

Market Capitalisation - @ 0.02cps - \$10.8 m

Cash at End of Quarter - \$1.4 million

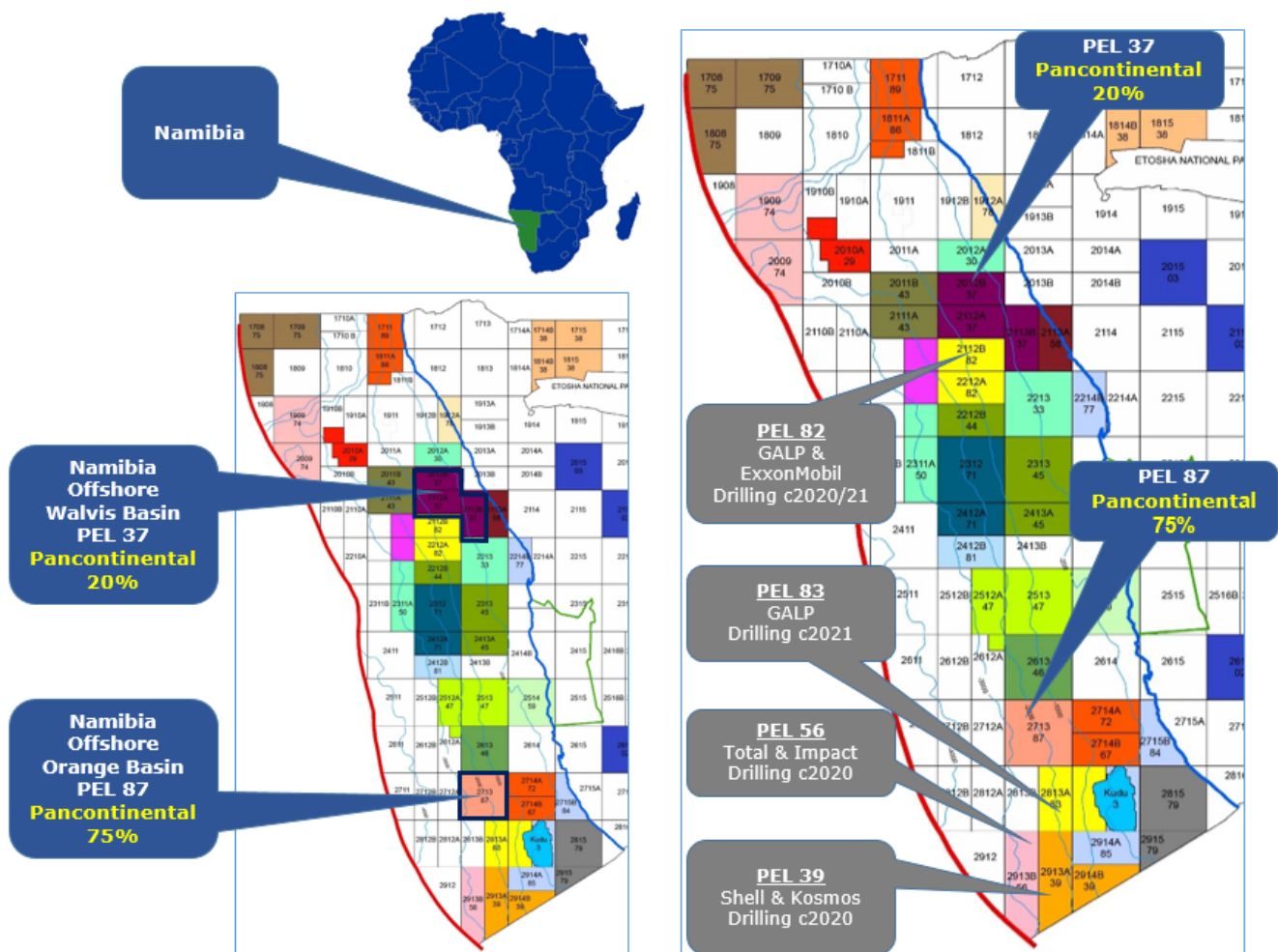
Projects

Namibia Offshore PEL 87

Location:	Orange Basin	
Project Size:	10,947 square kilometres	
JV Partners:	Pancontinental (Operator)	75.00%
	Custos Investments (Pty) Ltd	15.00%
	NAMCOR*	10.00%
*National Petroleum Corporation of Namibia		

Pancontinental is the Operator and a Joint Venture Partner in Petroleum Exploration Licence [PEL] 87. The licence which covers almost 11,000 square kilometres is located in the Orange Basin, offshore Namibia. Pancontinental holds a strong 75% interest with the remaining 25% represented by local Namibian partners; Custos Investments (Pty) Ltd and the National Petroleum Corporation of Namibia.

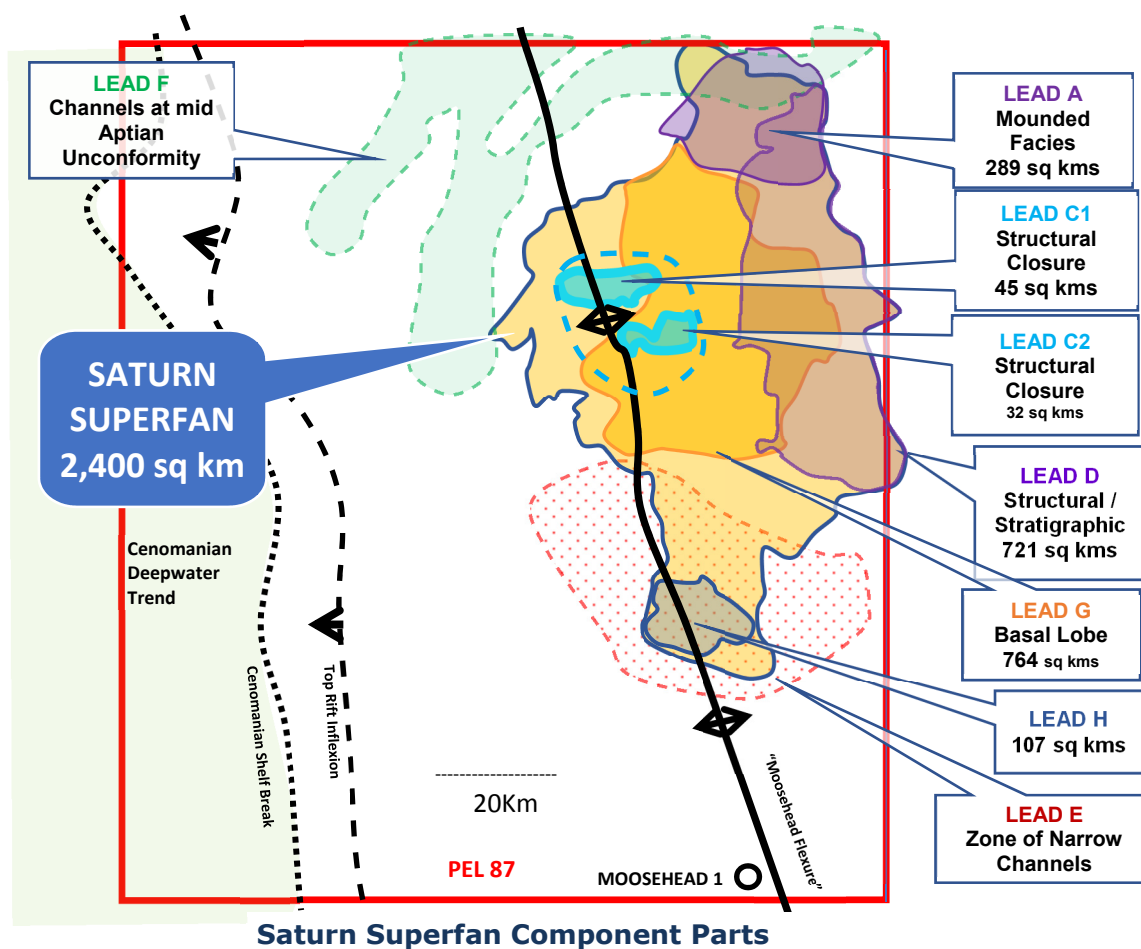
Although relatively unexplored compared to other regions in the world, offshore Namibia is set for a number of drilling campaigns within the next 12 months. The results of these offshore drilling programmes will have an impact on the work being carried out in Pancontinental's PEL 87 licence area as well as its PEL 37 licence area further to the north in the Walvis Basin.



Pancontinental's interests offshore Namibia in proximity to potential near-term drilling

The above map shows the location of Pancontinental's PEL 87 and PEL 37 offshore Namibia. The map also shows the PELs for which there is the possibility of near term drilling. As the drilling is planned for both the Walvis and the Orange Basins where Pancontinental holds assets, any success case regionally would reduce the play risk and have significance for deepwater exploration in the area.

PEL 87 was granted to the joint venture partners for an initial period of 4 years. Since the grant, the joint venture has acquired over 2,800 line kms of good quality 2D seismic as well as numerous reports and studies which have assisted the joint venture in identifying a number of leads within a vast, 2,400km² Turbidite Fan complex ("Saturn Superfan") of Aptian Age that, based on Pancontinental's interpretation is encased in sealing shales.



In addition to the leads and fan complex identified, the joint venture has completed an assessment of source rock maturity, seismic stratigraphy interpretation and mapping, and volumetric assessment of Prospective resources. The joint venture has been able to tick off a number of the licence conditions for the initial exploration period due to the work carried out to date.

All of the information gathered thus far has been used to provide a farmout package to prospective farminees which has been the primary focus of management during the quarter.

Prospective Resources

Independently assessed potential for giant scale (over 500MMBbls* recoverable) oil resources is indicated with a range of large sub leads of this play.

The “Saturn” Superfan is made up of a number of discrete internal geological Play types but could itself be a vast single oil trap on a global scale.

This is an exploration project that holds true world class potential.

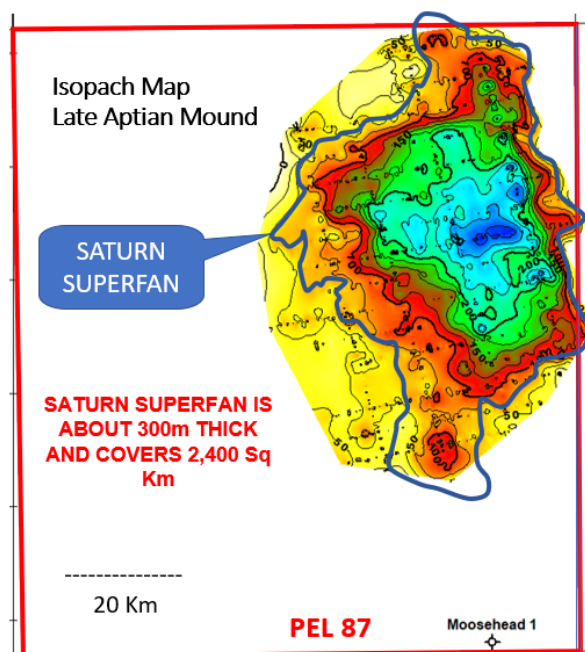


TABLE OF UNRISKED BEST ESTIMATE RECOVERABLE OIL VOLUMES

PLAY TYPE	GROSS BEST ESTIMATE PROSPECTIVE RESOURCES POTENTIAL*	LEAD
Aptian Depositional Wedge	1.3 Billion Bbls	Saturn Superfan**
Mounded Facies	152 Million Bbls	A
Structural (4 way rollover)	73 Million Bbls	C1
Structural / Stratigraphic	345 Million Bbls	D
First Turbidite lobe/Sheet sand	349 Million Bbls	G
Structural/Mound (4 way rollover)	40 Million Bbls	H

The oil volumes shown are gross volumes.

*A Giant field has at least 500 MMBOE recoverable potential

** The overall Saturn Superfan incorporates all of the other Leads, but with different risk inputs

*Cautionary Statement

The potential recoverable oil resources, classified as Prospective Resources, have been estimated probabilistically on an unrisked, Best Estimate basis.

These were announced on 11 September, 2018.

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

The company confirms that it is not aware of any new information or data that, in its opinion, materially affects the information included in the relevant market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

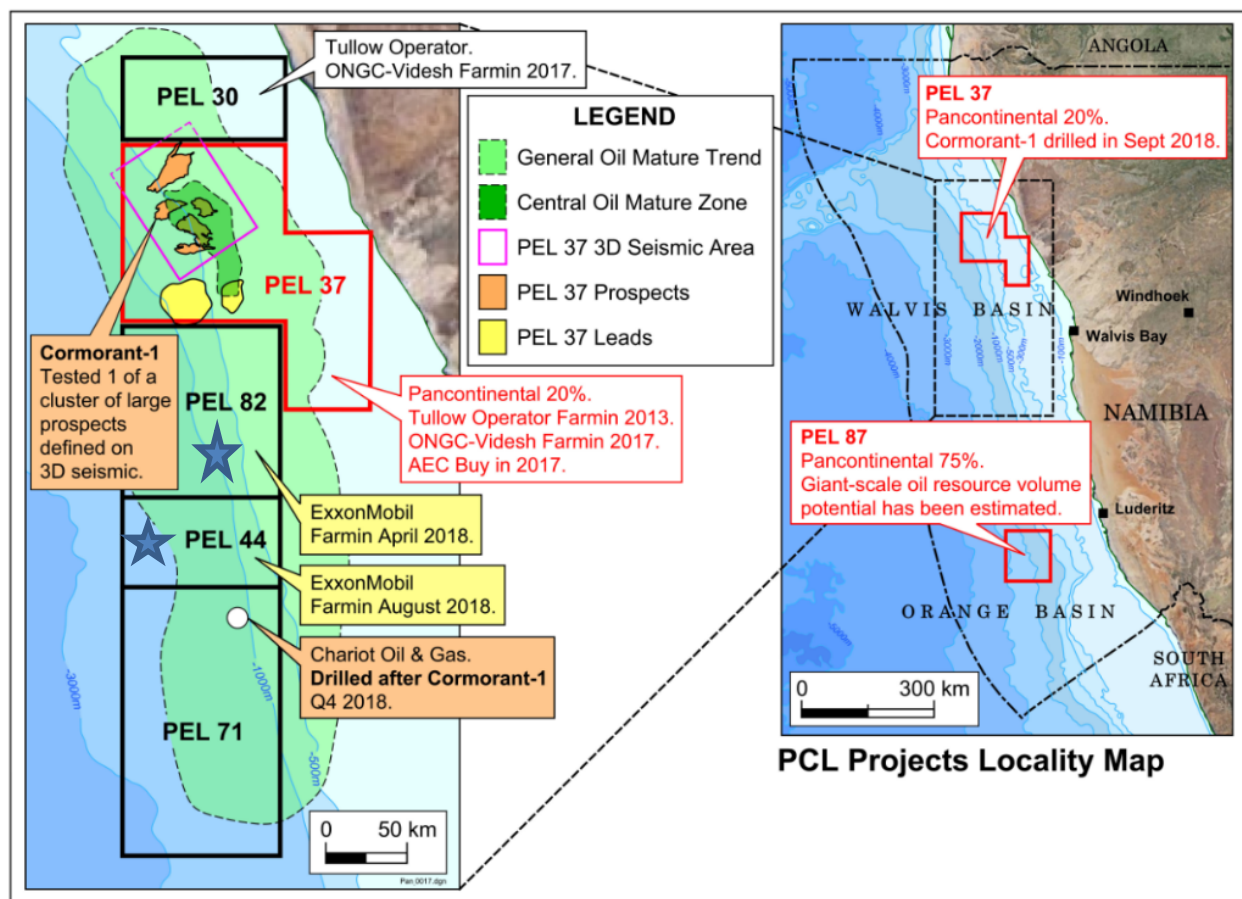
Namibia Offshore PEL 37

Location:	Walvis Basin		
Project Size:	17,295 square kilometres		
JV Partners:	Tullow Namibia Limited (Operator)	35.00%	
	Pancontinental Namibia Pty Ltd	30.00% *	* Ownership of Pancontinental Namibia Pty Ltd:
	ONGC Videsh Limited	30.00%	Pancontinental Oil & Gas NL 66.67%
	Paragon Oil & Gas (Pty) Ltd	5.00%	Africa Energy Corp. 33.33%

Further north of PEL 87, Pancontinental also holds an interest in the PEL 37 joint venture. The Company has been involved in this project since inception right through to the drilling of the Cormorant-1 well a year ago. The completion of the Cormorant-1 well means that the joint venture has met all of the work commitments for the licence period ending March 2020.

The well has been plugged and abandoned, however the well results have provided a better understanding of the geological conditions within the licence and for the remaining Prospects previously identified. This information coupled with the regional activity planned in the near term for offshore Namibia will have an impact on the future exploration plans for Pancontinental's significant footprint offshore Namibia.

Offshore Namibia continues to attract the attention of international companies such as ExxonMobil, Shell and GALP. That the industry's top ranked companies view offshore Namibia so favourably provides Pancontinental with further confidence of its belief in the prospectivity of the area.



★ PEL 82 ExxonMobil & GALP drilling 2020 and PEL 44 ExxonMobil drilling ?2020?

Queensland, Australia Onshore ATP 920 & ATP 924 [Ace Area]

Location:	Cooper Eromanga Basin		
Project Size:	ATP 920 - 2,337 km ² ATP 924 - 2,220 km ²		
JV Partners:	ATP 920 Key Petroleum Limited (Operator)	80.00%	
	ATP 920 Pancontinental Oil & Gas NL	20.00%**	
	ATP 924* Key Petroleum Limited (Operator)	75.00%	
	ATP 924* Pancontinental Oil & Gas NL	25.00%**	
	* Ace Area		
	**earning		

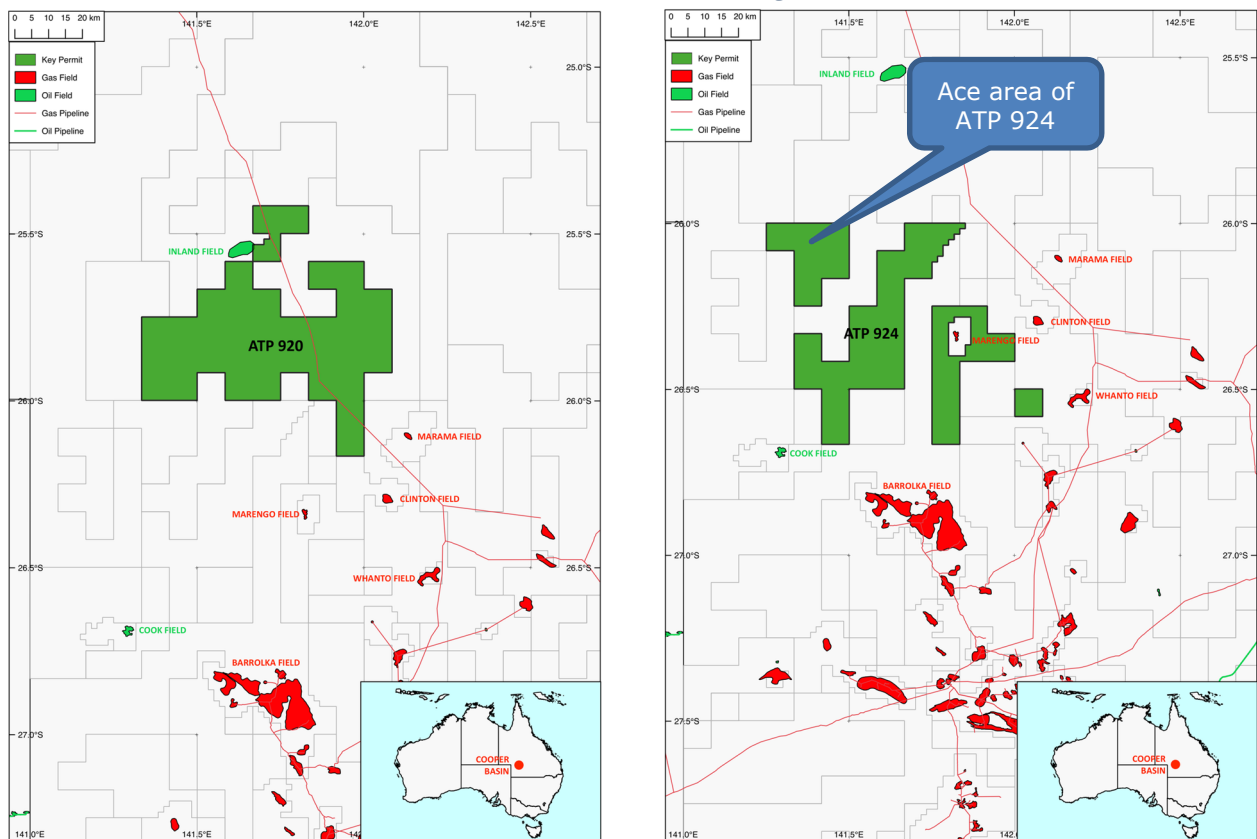
During the quarter Pancontinental finalised a binding term sheet over two large exploration permits, ATP 920 and ATP 924 (Ace area) in the Cooper Basin, Queensland. The agreement was executed with the Operator of the permits Key Petroleum Cooper Basin Pty Ltd, a wholly owned subsidiary of ASX listed Key Petroleum Limited.

Initial drilling is anticipated in the near-term which will focus on the oil prone acreage, although the farmin acreage contains conventional trends which are prospective for both oil and gas.

Terms of the proposed deal include Pancontinental acquiring a 20% interest and further 15% option in ATP 920 as well as a 25% interest in the Ace Area of ATP 924. In exchange for; a cash payment of \$150,000 (which has already been paid) and funding 26.67% of the total costs and expenses of drilling an exploration well to target depth including plugging and abandoning the well to a gross cap of \$3,000,000.

Pancontinental is pleased to have closed this deal as it has provided access to at least three, extensive multi prospect oil and gas trends, with upcoming drilling activity.

ATP 920 and ATP 924 onshore Queensland



Conferences



CEO and Executive Director Ernie Myers was invited to participate as a guest panellist at the Africa Oil Gas and Energy Australia Conference during the quarter. The conference connects professionals from the Australian oil and gas sector with African local oil, gas and energy experts, government officials, projects and investment opportunities.

New Ventures

Pancontinental is sourcing affordable, but prospective projects with near-term activity and fundraising capability to add to its exploration portfolio of assets.

Licence Schedule

Licence Location	Licence Reference	PCL (consolidated) interest at the beginning of the quarter	Movements for the current quarter	PCL (consolidated) interest at the end of the quarter
Namibia	PEL 87	75.00%	0.00%	75.00%
Namibia	PEL 37	20.00%	0.00%	20.00%
Kenya	L6 offshore	40.00%	0.00%	40.00%
Kenya	L6 onshore	16.00%	0.00%	16.00%
Australia	ATP 920	0.00%	*20.00%	*20.00%
Australia	ATP 924 - Ace	0.00%	*25.00%	*25.00%

*earning

DISCLAIMERS & NOTES

Prospective Resource Estimates Cautionary Statement

The estimated quantities of petroleum in this report that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Prospective Resources

Prospective Resource estimates in this report have been prepared as at the date disclosed under the prospective resource numbers. The estimates have been prepared in accordance with the definitions and guidelines set forth in the Petroleum Resource Management System 2007 approved by the Society of Petroleum Engineers and have been prepared using deterministic methods and probabilistic methods depending on the project and this is disclosed under the prospective resource numbers. Unless otherwise stated the estimates provided in this report are Best Estimates. The estimates are unrisked and have not been adjusted for an associated risk of discovery and risk of development. The 100% basis refers to the total resource while the Net to Pancontinental basis is adjusted for Pancontinental's percentage entitlement under Joint Venture contracts and adjusted for applicable royalties.

Prospective Resources estimates in this report have been made by Pancontinental Oil & Gas NL and may be subject to revision if amendments to mapping or other factors necessitate such revision.

Prospects and Leads

The meanings of "Prospects" and "Leads" in this report are in accordance with the Petroleum Resource Management System 2007 approved by the Society of Petroleum Engineers. A Prospect is a project that is sufficiently well defined to represent a viable drilling target. A Lead is a project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and / or evaluation to be classified as a Prospect.

Competent Person Statement Information

The hydrocarbon resource estimates in this report have been compiled by Mr Brian Diamond and reviewed to the satisfaction of Mr Roy Barry Rushworth the Technical Director of Pancontinental Oil & Gas NL. Mr Rushworth has more than 30 years' experience in practising petroleum geology and exploration management. Mr Diamond holds a BSc Geology and an MSc in Geophysics and has over 20 years of experience in petroleum exploration, development and production. Mr Diamond consents to the inclusion in this report of information relating to the hydrocarbon Prospective Resources in the form and context in which it appears.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning Pancontinental Oil & Gas NL's planned operation programme and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Pancontinental believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements.

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