

Half Year Report and Accounts
July 2019 to December 2019



PANCONTINENTAL



ABN 95 003 029 543

Directors

Henry David Kennedy	Non-Executive Chairman
Ernest Anthony Myers	Executive Director & Chief Executive Officer
Vesna Petrovic	Executive Director
Roy Barry Rushworth	Non-Executive Director
Marie Michele Malaxos	Non-Executive Director

Company Secretary

Vesna Petrovic

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Share Registry

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Telephone: +61 8 9389 8033

Auditors

Rothsay Auditing
Level 1, Lincoln House
4 Ventnor Avenue
West Perth WA 6005

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ASX Code

PCL

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2019 and any public announcements made by Pancontinental Oil & Gas NL during the Half Year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

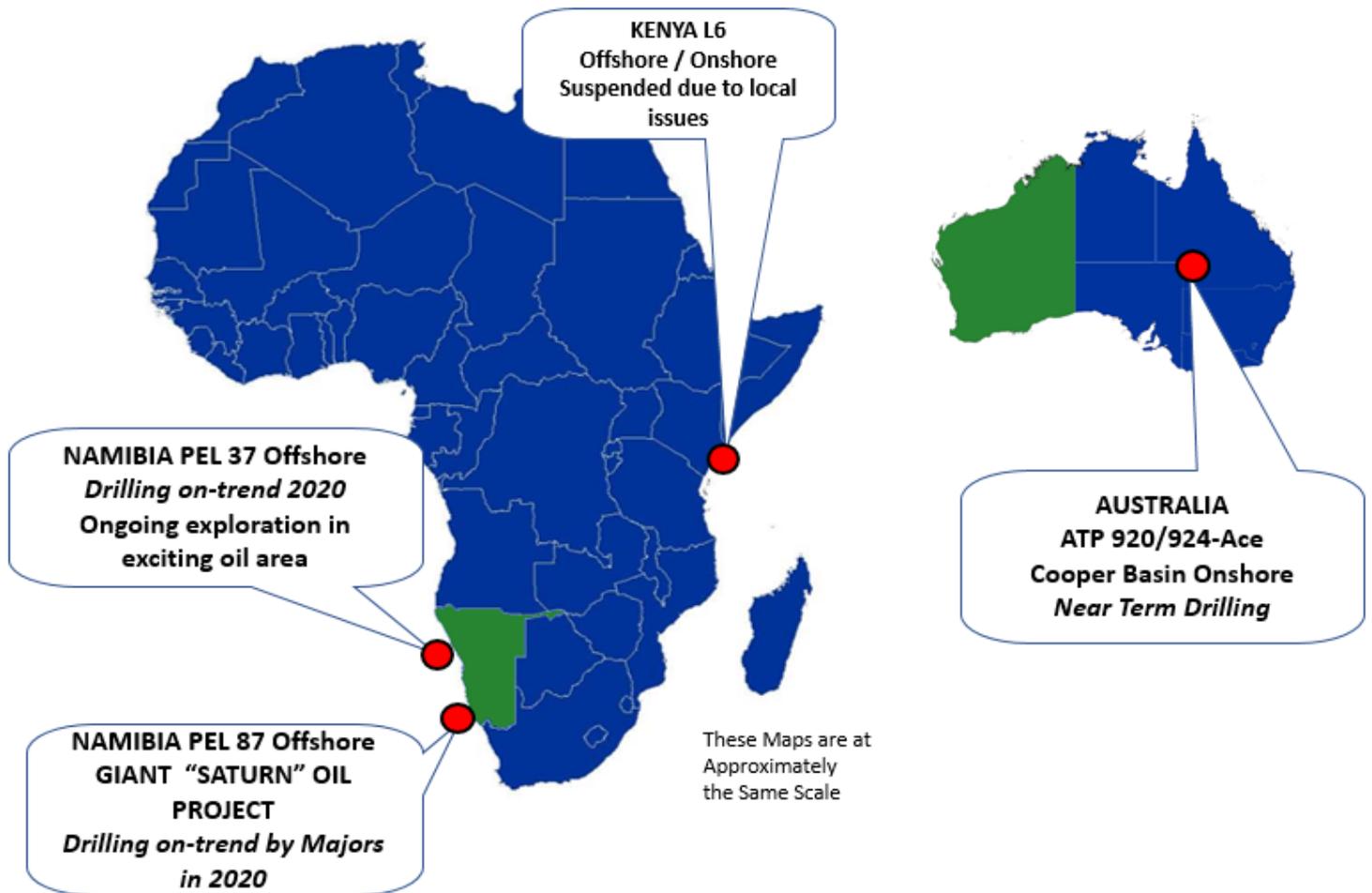
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Licence Location	Licence Reference	PCL Interest
Namibia	PEL 87	75.00%
Namibia	PEL 37	20.00%
Kenya	L6 offshore	40.00%
Kenya	L6 onshore	16.00%
Australia	ATP 920	*20.00%
Australia	ATP 924-Ace	*25.00%

*Earning



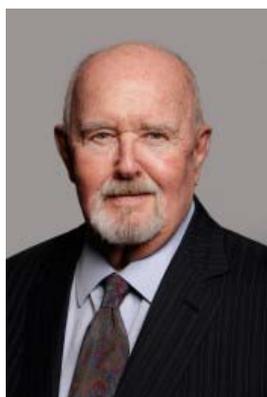


The Directors present their report on the consolidated entity consisting of Pancontinental Oil & Gas NL ("Pancontinental" or the "Company") and the entities it controlled at the end of or during the half year ended 31 December 2019.

DIRECTORS

The names and details of the company's Directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities



Henry David Kennedy MA (Geology), SEG (Non-Executive Chairman)

Mr Kennedy is a Geologist with a long history in Australian and New Zealand oil and gas companies. During his time as a technical director he was instrumental in the formation and development of a number of successful listed companies. These companies were involved in numerous discoveries in Western Australia and New Zealand. At Pancontinental, Mr Kennedy has used his wide knowledge base to assist with the strategic direction of the company. Mr Kennedy has been a director of Pancontinental since August 1999.

Mr Kennedy is currently a Non-Executive Director of Norwest Energy NL (since April 1997).



Ernest Anthony Myers CPA (Chief Executive Officer and Executive Director)

Mr Myers, an Accountant by profession, has held senior management and executive roles within a number of ASX listed companies. During his career he has been instrumental in the capital raisings and financial management of these companies. He has played a key role in managing the Group's African portfolio. Mr Myers joined Pancontinental in March 2004, was appointed Executive Director in January 2009 and Chief Executive Officer in November 2018.

Mr Myers is currently also Non-Executive Chairman of Norwest Energy NL (since November 2018).



Roy Barry Rushworth, BSc (Non-Executive Director)

Mr Rushworth is a Geologist who brings extensive experience in petroleum exploration to the Company. Commencing with positions in exploration operations, his career then extended to the role of Chief Geologist and Exploration Manager for an Australian listed company. A number of oil and gas discoveries were made by the company during that time. More recently, Mr Rushworth has been responsible for identifying, negotiating and acquiring international new venture opportunities in Malta, Kenya, Morocco and Namibia.

Mr Rushworth has been a director of Pancontinental since August 2005.



Marie Michele Malaxos BE, Dip Bus, GAICD (Non-Executive Director)

Ms Malaxos has been a professional executive in the resources sector for over 25 years, with involvement in all aspects of the development and operation of oil and gas fields including commercial and budget control, technical management and approval, stakeholder liaison, environmental management, health and safety management and assessment of assets for sale and purchase.

Ms Malaxos was appointed to the Board of Pancontinental Oil & Gas NL as a Non-Executive Director in July 2017.

COMPANY SECRETARY & EXECUTIVE DIRECTOR



Vesna Petrovic BComm, CPA (Company Secretary & Executive Director)

Mrs Petrovic is an Accountant who holds a Bachelor of Commerce, Major in Accounting and Business Law and has completed the Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia.

Roles in accounting and finance of numerous publicly listed entities, particularly those involved in Africa have provided Mrs Petrovic a base from which to contribute to the accounting and governance functions at Pancontinental.

Mrs Petrovic was appointed Company Secretary in April 2010, Executive Director in December 2016, Alternate for Mr Kennedy in July 2017 and reappointed Executive Director in September 2018.



REVIEW AND RESULTS OF OPERATIONS

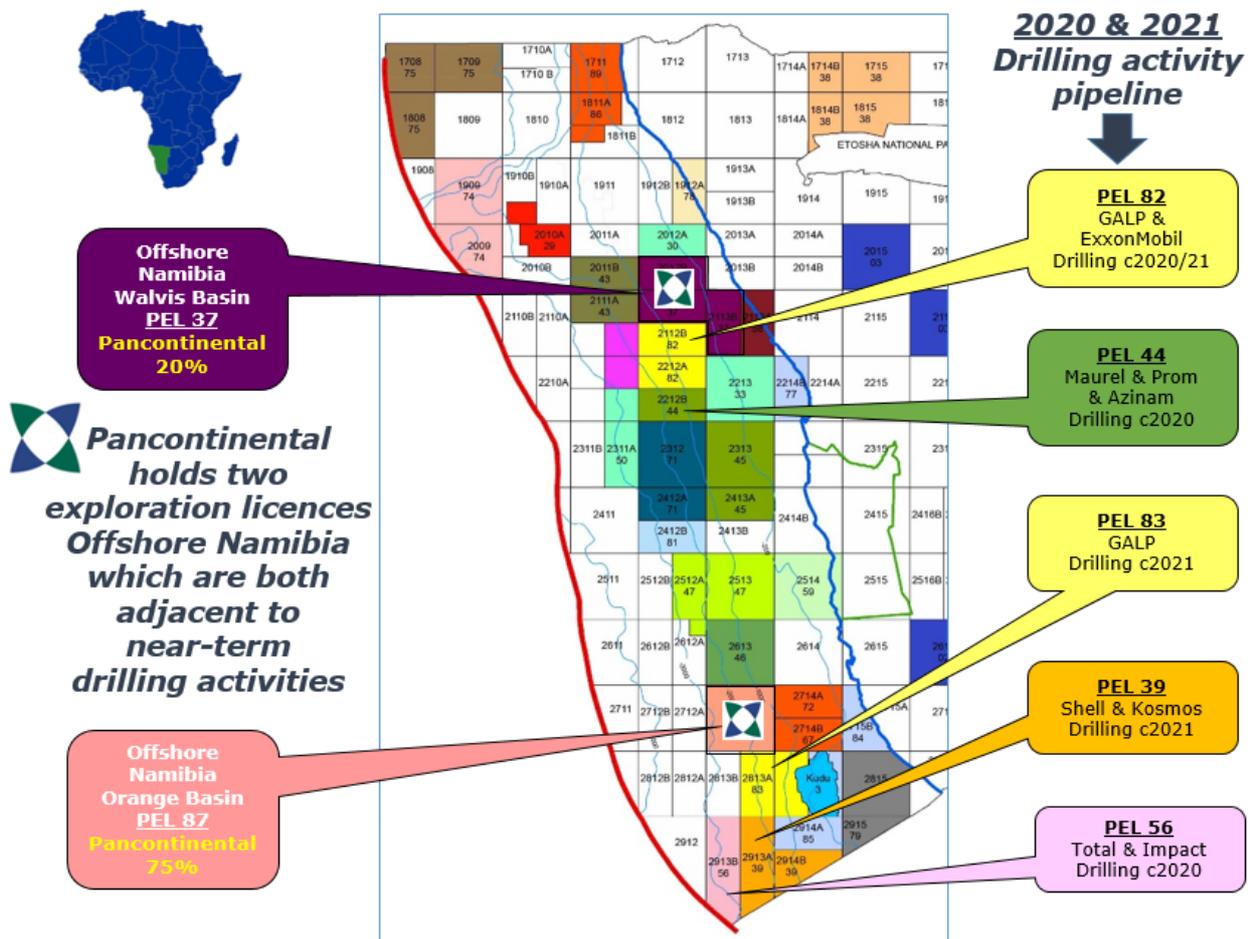
The review of the consolidated entity's operations during the half year ended 31 December 2019 is as follows:

Financial

	\$
Expenses	(3,749,307)
Operating Profit /(Loss)	(3,749,307)
Income Tax	-
Operating Profit /(Loss) for the half year	(3,749,307)

Review of Operations

NAMIBIA





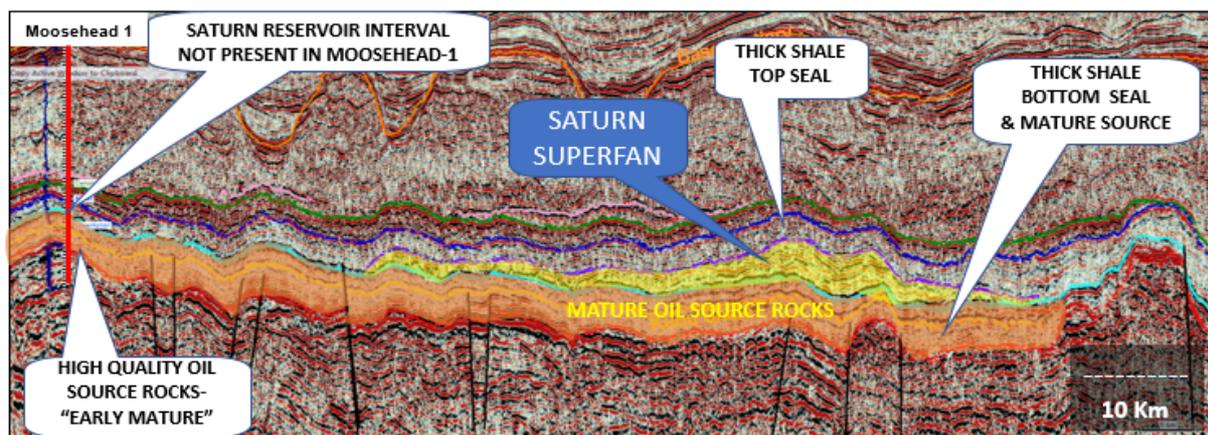
Namibia Offshore PEL 87

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 was granted Petroleum Exploration Licence 87 in December 2017, with the Company holding a solid 75% interest in the project. The work programme objectives completed to date have included acquisition of seismic and related reports, processing, interpretation and prospective resource assessment.

In the PEL 87 acreage, a Turbidite Fan complex of Aptian Age has been uncovered and within that a number of leads, which, based on Pancontinental's interpretation are encased in sealing shales. The fan complex has been named the Saturn Superfan, with highlights of the structure including:

- * 2,400 Km², c 300m thick
- * Located directly on Mature Oil Source
- * High Quality Seals
- * Independent Closures



PEL 87 - Seismic Section through the Saturn Superfan showing a large, closed anticlinal-drape Lead

As can be seen from the above Namibia country map, there are a number of wells in the pipeline for both the Walvis and Orange Basins. In addition, the wells are in close proximity to Pancontinental's properties offshore Namibia.

Namibia is still relatively underexplored with just 17 exploration wells drilled across the offshore basins including Pancontinental's Cormorant-1 well which was drilled in Petroleum Exploration Licence 37 during 2018. Despite the limited history of exploration in the country, well known exploration companies are building acreage positions and planning drilling campaigns for the next 12 to 18 months. The drilling which has been completed offshore Namibia has proven the existence of a working petroleum system and reservoirs, so these positives have been built into geological models which may unlock Namibia as a hydrocarbon producing province.

The Company has compiled all the relevant data and findings into a farmout package which continues to be the current focus of management.

Pancontinental along with the oil and gas industry will be watching the upcoming drilling activity closely as any drilling success could radically reappraise the value of the Company's projects. There are not many companies exploring in Namibia that find themselves in Pancontinental's position; largest acreage holder in the Orange Basin, Offshore Namibia and number twelve in the Offshore Walvis Basin. Should the near term drilling present dry wells, this will also be of benefit to the Company's joint ventures as drilling data will be incorporated into its models providing further understanding of the geological conditions present.



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%

Pancontinental formed the PEL 37 project in 2011 and has been involved since its inception right through to the drilling of the Cormorant-1 well in 2018. The Company has brought funding to the project by way of farmout. Pancontinental currently holds a 20% interest in the PEL 37 project through a shareholding (66.67%) in subsidiary Pancontinental Namibia Pty Ltd.

The work programme objective deadline set by the Ministry of Mines and Energy is March 2020. The PEL 37 Joint Venture has met all of the exploration objectives under the licence conditions by drilling the well, in advance of the deadline. In addition the Joint Venture applied for a one year extension which was duly granted. This additional time will allow the PEL 37 Joint Venture to continue to integrate any new data into understanding the basin and surrounding areas. As well as monitor upcoming exploration wells planned.

Pancontinental has believed in the prospectivity of Namibia over the past decade and now that the industry's top companies view the area so favourably provides the Company with further confidence of its modelling and geological theories.

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	

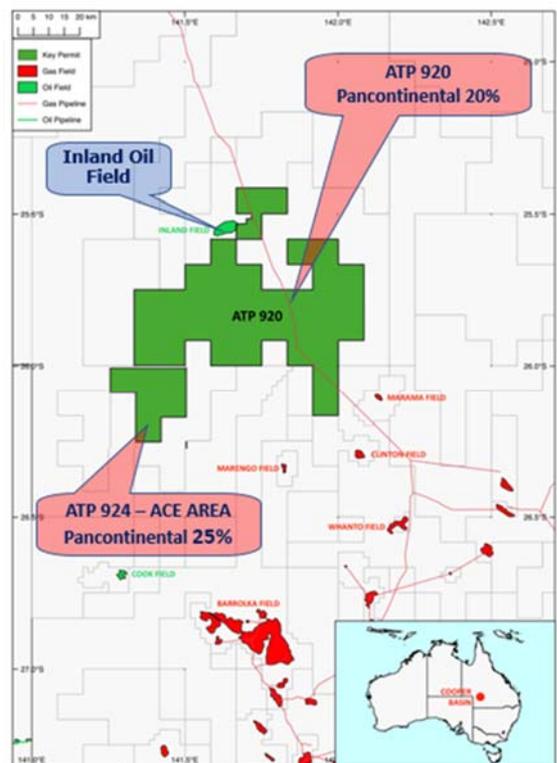
Pancontinental's most recent project acquisition is the Meeba Project, Onshore Queensland. The Company was pleased to secure a deal that would diversify the project portfolio and provide near term activity which complements the longer term African projects.

The interests that Pancontinental will hold include an undivided 20% participating interest in ATP 920 (together with an option to acquire an additional undivided 15% participating interest in ATP 920); and an undivided 25% participating interest in the Ace Area of ATP 924. In return, Pancontinental paid a deposit and will fund 26.67% of the total costs and expenses of drilling an exploration well to target depth with a gross cap of \$3,000,000.

Operator Key received formal confirmation from the Department of Natural Resources, Mines and Energy, Queensland that ATPs 920 and 924 have been renewed for four years to 2023.

Agreements and contracts have been signed in anticipation of the upcoming drilling, as well as the relevant department clearances. The well location for Ace-1 is in discussion with joint venture partners. Consideration must be given to the impact that the recent weather activity in the Eastern States has had on current and future operations in the area.

ATP 920 and ATP 924 onshore Queensland





New Ventures

Pancontinental continues to look at new projects to add value to its exploration portfolio of assets.

Annual Report and General Meeting

The Company's annual report was lodged during the quarter. A copy of the report can be found following the below link:

http://clients2.weblink.com.au/news/pdf_1%5C02164442.pdf

The Company also held its Annual General Meeting during the quarter where all resolutions put to the meeting were passed on a poll.

Results can be found following the below link:

http://clients2.weblink.com.au/news/pdf_1%5C02179421.pdf

CHANGES IN STATE OF AFFAIRS

During the half year ended 31 December 2019, there were no significant change in the entity's state of affairs other than that referred to in the Half Year Financial Statements of Notes thereto.

This report is made in accordance with a resolution of the Directors.

EA Myers
CEO and Executive Director
PERTH, 10 March 2020

AUDITOR INDEPENDENCE

The Directors received the following declaration from the auditor of Pancontinental Oil & Gas NL:

Auditor's Independence Declaration to the Directors of Pancontinental Oil & Gas NL

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 31 December 2019 half year financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Mr Graham Swan

Lead Auditor

Rothsay Chartered Accountants

10 March 2020



DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 31 DECEMBER 2019

The Directors declare that:

- (a) The attached Financial Statements and Notes thereto comply with Accounting Standards;
- (b) The attached Financial Statements and Notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- (c) In the Directors' opinion, the attached Financial Statements and Notes thereto are in accordance with the Corporations Act, 2001; and
- (d) In the Directors' opinion, there are reasonable grounds to believe that Pancontinental Oil & Gas NL will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a Resolution of the Directors pursuant to section 303(5) of the Corporations Act, 2001.

On behalf of the Directors

EA Myers
CEO and Executive Director
PERTH, 10 March 2020



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Phone (08) 9486 7094 www.rothsayresources.com.au

Independent Review Report to the Members of Pancontinental Oil & Gas NL

The financial report and directors' responsibility

The interim consolidated financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Pancontinental Oil & Gas NL for the half-year ended 31 December 2019.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim consolidated financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated financial position as at 31 December 2019 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Pancontinental Oil & Gas NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Independence

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim consolidated financial report of Pancontinental Oil & Gas NL is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position as at 31 December 2019 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Rothsay Auditing

Graham R Swan FCA
Partner

Dated 10th March 2020



Statement of Comprehensive Income



HALF YEAR ENDED 31 DECEMBER 2019

Notes **CONSOLIDATED**
Half Year to Half Year to
Dec 2019 Dec 2018

		\$	\$
OPERATING ACTIVITIES			
Depreciation		(5,635)	(7,833)
Salaries, fees & benefits (inc leave accruals & recoveries)		(337,418)	(413,077)
Audit fees		(21,500)	(9,308)
Exploration – generative & write offs	7	(3,114,966)	(4,622,372)
Annual report costs		(8,868)	(21,125)
ASX fees		(17,590)	(23,542)
Filing fees		(2,565)	(2,004)
Insurance		(53,458)	(31,536)
Legal fees		-	(61,380)
Share registry costs		(6,557)	(15,516)
Rent, outgoings and office		(87,956)	(87,728)
Travel		(9,429)	(24,496)
Other revenues and expenses		(78,797)	(152,770)
TOTAL OPERATING ACTIVITIES		(3,744,739)	(5,472,687)
FINANCING ACTIVITIES			
Financing income		-	58,332
Financing expense		(4,568)	-
TOTAL FINANCING ACTIVITIES		(4,568)	58,332
PROFIT/(LOSS) BEFORE INCOME TAX		(3,749,307)	(5,414,355)
Income tax expense		-	-
PROFIT/(LOSS) FOR THE PERIOD		(3,749,307)	(5,414,355)
OTHER COMPREHENSIVE INCOME/(LOSS)			
Sale of investments		-	7,026,805
Provision for loss on investment		-	(1,642,052)
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)	9	-	5,384,753
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		(3,749,307)	(29,602)
Comprehensive income / (loss) attributable to:			
Owners of the Company		(2,731,147)	1,311,081
Non-controlling interest	8	(1,018,160)	(1,340,683)
		(3,749,307)	(29,602)
Basic earnings per share (cents per share)	5	(0.07)	0.00
Diluted earnings per share (cents per share)		(0.07)	0.00

The Statement of Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.

Statement of Financial Position



AT 31 DECEMBER 2019	Notes	CONSOLIDATED	
		Dec 2019	Jun 2019
		\$	\$
CURRENT ASSETS			
Cash assets	3	1,484,076	2,014,369
Trade and other receivables		46,634	118,922
TOTAL CURRENT ASSETS		1,530,710	2,133,291
NON-CURRENT ASSETS			
Property, plant and equipment		31,346	39,434
Deferred exploration, evaluation and development costs	7	3,014,067	6,195,305
TOTAL NON-CURRENT ASSETS		3,045,413	6,234,739
TOTAL ASSETS		4,576,123	8,368,030
CURRENT LIABILITIES			
Trade and other payables		250,301	298,513
TOTAL CURRENT LIABILITIES		250,301	298,513
NON-CURRENT LIABILITIES			
Provision for employee entitlements		28,855	24,909
Non-controlling interest loan in subsidiary		673,933	672,267
TOTAL NON-CURRENT LIABILITIES		702,788	697,176
TOTAL LIABILITIES		953,089	995,689
NET ASSETS		3,623,034	7,372,341
EQUITY			
Contributed equity	2	110,534,109	110,534,109
Reserves	2	776,227	776,227
Accumulated losses	2	(107,687,302)	(103,937,995)
Total Equity		3,623,034	7,372,341
TOTAL EQUITY		3,623,034	7,372,341
Capital and reserves attributable to owners of PCL		5,128,006	7,859,153
Non-controlling interest	8	(1,504,972)	(486,812)
		3,623,034	7,372,341

The Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity



AT 31 DECEMBER 2019

Consolidated	Share Capital	Retained Earnings	Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2019	110,534,109	(103,937,995)	776,227	7,372,341
Profit or loss	-	(3,749,307)	-	(3,749,307)
Disposal of subsidiaries	-	-	-	-
Non-controlling interest	-	-	-	-
Shares issued (net of costs)	-	-	-	-
Share option & reserve movements	-	-	-	-
Balance at 31 December 2019	110,534,109	(107,687,302)	776,227	3,623,034
Balance at 1 July 2018	109,803,650	(103,168,266)	992,324	7,627,708
Profit or loss	-	(29,602)	-	(29,602)
Disposal of subsidiaries	155,036	647,908	-	802,944
Non-controlling interest	-	-	-	-
Shares issued (net of costs)	575,423	-	-	575,423
Share option & reserve movements	-	216,097	(216,097)	-
Balance at 31 December 2018	110,534,109	(102,333,863)	776,227	8,976,473

The above Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

Statement of Cashflows



HALF YEAR ENDED 31 DECEMBER 2019

CONSOLIDATED
 Half Year to Half Year to
 Dec 2019 Dec 2018
 \$ \$

CASH FLOWS FROM OPERATING ACTIVITIES

Payments to suppliers and employees	(585,512)	(884,045)
Refund of JV expenditure from PEL 37 Joint Venture	396,425	-
Expenditure on exploration interests	(356,806)	(3,174,117)

NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES

(545,893) (4,058,162)

CASH FLOWS FROM INVESTING ACTIVITIES

Sale of 33.33% interest in subsidiary – second tranche	8	-	7,650,477
Investment in Gasfields Limited		-	(160,000)

NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES

-

CASH FLOWS FROM FINANCING ACTIVITIES

Interest received	801	4,033
Proceeds from issues of ordinary shares	-	579,707
Share issue costs	-	(4,284)

NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES

801 579,456

NET INCREASE/(DECREASE) IN CASH HELD

(545,092) 4,011,771

Add opening cash brought forward	2,034,369	755,661
Effects of exchange rate changes	(5,201)	76,288

CLOSING CASH CARRIED FORWARD

1,484,076 4,843,720

The above Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.



Notes to the Financial Statements

For the Half Year ended 31 December 2019

1. Basis of Preparation of Half Year Financial Statements

This general purpose financial report for the Half Year ended 31 December 2019 has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting. This Half Year Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the Annual Report for the year ended 30 June 2019 and public announcements made by Pancontinental Oil & Gas NL during the Half Year in accordance with any continuous disclosure obligations arising under the Corporations Act, 2001.

The accounting policies have been consistently applied to all the periods presented, unless otherwise stated.

Principles of Consolidation

The consolidated financial statements are those of the consolidated entity, comprising Pancontinental Oil & Gas NL and the companies it controlled from time to time during the half year and at balance date.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for that part of the reporting period during which the company had control. All intercompany balances and transactions, including unrealised profits arising from intra group transactions, have been eliminated in full.

Cash

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Taxation

The Company has not brought to account the estimated future income tax benefits attributable to tax losses and temporary differences as a deferred tax asset, as it is not yet considered probable that future taxable profit will be available for utilisation.

Impairment of Assets

The recoverable amount of an asset is determined as the higher of net selling price and value in use.

Plant and equipment is carried at cost less accumulated depreciation and any accumulated impairment losses. The fair value of plant and equipment, as determined by reference to observable prices, is not materially different to the carrying amount.

Capitalisation of Exploration and Evaluation Costs

The Company complies with AASB 6 *Exploration for and Evaluation of Mineral Resources*. Costs arising from exploration and evaluation activities are carried forward provided such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at reporting date, reached a stage to allow reasonable assessment regarding the existence of economically recoverable reserves.

Costs carried forward in respect of an area that is abandoned are written off in the year which the decision to abandon is made.

Significant Accounting Policies

The accounting policies applied by the consolidated entity in this consolidated interim financial report are the same as those applied by the consolidated entity in its consolidated financial report as at and for the year ended 30 June 2019.



Notes to the Financial Statements

For the Half Year ended 31 December 2019

1. Basis of Preparation of Half Year Financial Statements Continued

New Standards, Interpretations and Amendments

In the half-year ended 31 December 2019, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2019.

As a result of this review, the Group has adopted AASB16 Leases from 1 July 2019.

AASB 16 replaces the existing guidance in AASB 117 Leases. For lessees, all leases other than short term leases and low value leases will be recognised on the balance sheet. The new standard is effective for annual reporting periods commencing on or after 1 January 2019. The standard will see all leases, held by a lessee, record obligations as a liability and a corresponding right of use asset, both current and non-current, for the term of the lease.

Whilst the office lease is > 12 months it has been determined to be a low value asset and is therefore exempt and no impact.

It has been determined that there is no material impact of the new and revised Standards and Interpretations on the financial position or performance of the Group.

Impact of standards issued but not yet applied by the Group

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2019. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

2. Equity

Accumulated Losses

For the Half Year Ended 31 December 2019	\$
Loss from ordinary activities after related income tax expense	(3,749,307)
Accumulated profits (losses) brought forward	(103,937,995)
Accumulated profits (losses) at end of Half Year	<u>(107,687,302)</u>

3. Reconciliation of Cash

Cash at the end of the Half Year as shown in the Statement of Cash Flows is reconciled to the related items in the Financial Statements as follows:	31-Dec-19	30-Jun-19
	\$	\$
Deposits – at call	30,000	30,000
Cash on hand and at bank	1,454,076	1,984,369
Cash and Equivalents at 31 December	<u>1,484,076</u>	<u>2,014,369</u>



4. Issued and Quoted Securities at end of current Half Year

Category of Securities	Number Issued	Number Quoted
Ordinary Shares at beginning of the Half Year	5,406,715,498	5,406,715,498
Issued during Half Year ended 31 December 2019	-	-
Shares at end of the Half Year	5,406,715,498	5,406,715,498
Options at beginning of the Half Year	422,207,319	-
Issued during Half Year ended 31 December 2019	-	-
Options at end of the Half Year	422,207,319	-

5. Earnings per Share

	Half Year Ended 31-Dec-19	Half Year Ended 31-Dec-18
Basic earnings per share - cents	(0.07)	0.00
Diluted earnings per share is not materially different from Basic earnings per share	(0.07)	0.00
The weighted average number of ordinary shares outstanding during the Half Year used in the calculation of basic earnings per share	5,406,715,498	5,303,082,888

6. Segmental Information

The Company operates in Australia and Africa, however internal reporting is conducted on an entity wide basis.

7. Exploration

	Half Year Ended 31-Dec-19
Opening Balance 30 June	6,195,305
Additions	330,153
Refund of joint venture expenditure	(396,425)
Exploration write offs	(3,103,985)
Generative exploration expenditure	(10,981)
Closing Balance 31 December	3,014,067

8. Subsidiaries

Part Disposal of Subsidiary

In September 2017, the Group disposed of 33.33% of the ownership interest in Pancontinental Namibia Pty Ltd to Africa Energy Corp. Following the disposal, the Group still controls the subsidiary and retains 66.67% of the ownership interest. The transaction has been accounted for as an equity transaction with a non-controlling interest ("NCI") resulting in the balances as shown in the financial statements.



9. Other Comprehensive Income /(Loss)

For the Half Year Ended 31 December 2019	\$
Comprehensive Income or Loss	-
Balance as at 31 December 2019	-
For the Half Year Ended 31 December 2018	\$
Africa Energy investment in Pancontinental Namibia Pty Ltd	7,650,477
Disposal of subsidiaries – Bombora group	(623,672)
Provision for loss on investment in Gasfields Limited	(1,642,052)
Balance as at 31 December 2018	5,384,753

10. Subsequent Events

No matters or circumstances have arisen since the end of the Half Year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of the Consolidated Entity, or the state of affairs of the Consolidated Entity as reported to the Half Year ended 31 December 2019.

11. Commitments for Expenditure (Contingent Liability) Oil Leases and Permits

The Company does not have any current commitments.