



**PANCONTINENTAL**

**PANCONTINENTAL OIL & GAS NL**

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## ASX Companies Announcement Office

1 December 2011

### **PANCONTINENTAL OIL & GAS TO RAISE \$15 MILLION FOR HIGH IMPACT AFRICAN EXPLORATION**

Pancontinental Oil & Gas NL ("Pancontinental" "the Company") (ASX Code: PCL) is pleased to advise that it has resolved to raise up to \$15 million through a placement of up to 200 million shares at an issue price of 7.5 cents per share to sophisticated and professional investors ("the Placement").

Pancontinental's corporate advisor, Hartleys Limited, is lead broker to the Placement.

Under the Placement the Company has agreed to place shares predominantly to Investment Funds in London, elsewhere overseas and in Australia.

The funds raised pursuant to the Placement will be used to fund the following-

- Seismic program over Kenya L10A & L10B;
- Seismic program over Kenya L6;
- Seismic program over Namibia EL37;
- Pursue further growth opportunities in the oil and gas sector; and
- General working capital.

Pancontinental's CEO Barry Rushworth commented-

"We are very pleased by the outstandingly strong support received for the Placement, which will see the entry of several of the world's largest and most well respected institutional investors onto the Pancontinental share register.

The strength of interest in the Placement will ensure Pancontinental is well funded for exploration activities in its African licences in what we believe will be a transformational year as we look forward to, amongst other activities, drilling on the giant Mbawa Prospect.

We have African joint ventures alongside some of the industry's most successful oil and gas companies and we now have an expression of support from some of the world's leading investment funds.

This is a powerful validation of Pancontinental's corporate oil and gas ambitions in Africa".

The Placement will be completed in two tranches with up to 99.1 million shares being issued in tranche one pursuant to the Company's 15% capacity under ASX Listing Rule 7.1 and the balance of up to 100.9 million shares being issued in tranche two, subject to shareholder approval at a General Meeting of shareholders currently scheduled for Monday, 9 January 2012. FirstEnergy Capital LLP acted as a sub-placement agent in relation to the Placement.

## ABOUT PANCONTINENTAL

Pancontinental Oil & Gas is listed on the Australian Securities Exchange (ASX: PCL). Pancontinental has oil and gas ventures in Africa, Australia and the Mediterranean.

Pancontinental has a 15% interest in offshore Kenya licence L8 (reduced from 25% by farmout to Tullow Kenya B.V.) and a 40% interest in the adjacent licence L6. Pancontinental originated the L8 and L6 projects.

The L8 area offshore Kenya holds the giant Mbawa Prospect, planned for drilling mid 2012 with operator Apache Corporation.

Also offshore Kenya, Pancontinental has a 15% interest in the recently awarded licences L10A and L10B with co-participants BG Group plc (operator), Premier Oil Limited and Cove Energy plc.

Offshore Namibia, Pancontinental holds the 17,000 sq km licence EL 0037. Pancontinental has an 85% interest and is operator of this licence.

Pancontinental's website is [www.pancon.com.au/](http://www.pancon.com.au/)

Yours sincerely for and on behalf of  
**Pancontinental Oil & Gas NL**



**Barry Rushworth, CEO and Director**

*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.*