



PANCONTINENTAL

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ASX Announcement

27 March 2013

Kenya L6 - Additional Acreage Secured

The Kenyan Government has confirmed a 60% expansion of Pancontinental Oil & Gas NL's (Pancontinental, ASX: PCL) L6 exploration permit off the coast of Kenya. The highly prospective permit area, that had previously been relinquished, has been re-instated and now encompasses an area of 5,010 km² (previously 3,134 km²).

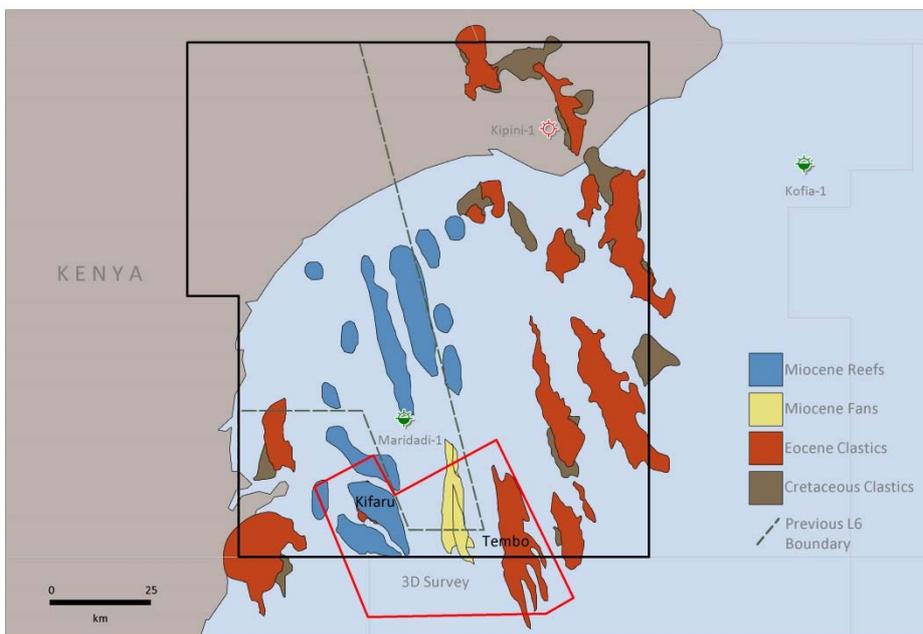
The respective interests in the Kenya L6 block are:

Pancontinental Oil & Gas	40%
FAR Limited (Operator)	60%

From recently acquired processed 3D seismic data and earlier 2D seismic data, both of which partially cover this new acreage, the Operator has identified a number of play types and prospects in the L6 permit. Significantly FAR has interpreted a new play type, the Miocene carbonate reef play, which extends into the newly awarded acreage.

The Operator estimates that the new acreage has prospective resources of 773 million barrels of oil or in a gas only success case, 2,141 billion cubic feet of gas (un-risked best estimate, 100% basis). This brings the prospective resource estimate for the total L6 permit to 3,962 million barrels oil or in a gas only success case, 10,689 billion cubic feet (unrisked, best estimate, 100% basis).

A map showing the previous and new L6 permit areas and leads and prospects is set out below.



Kenya L6

From the recently received processed 3D seismic data, combined with studies of existing 2D data, The Operator assessed combined prospective resources for the expanded L6 block (as set out in its release of 27 February 2013) of 3.7 billion barrels of oil or 10.2 trillion cubic feet of gas (un-risked, best estimate, 100% basis).

From the 3D data the Operator has matured three prospects (Tembo, Kifaru and Kifaru West) in the Kenya L6 block which have prospective resources of 327, 178 and 130 million barrels of oil (un-risked best estimate, 100% basis) respectively, or in a gas only success case, 807, 517 and 388 billion cubic feet of gas.

The first exploration well location on L6 will be selected shortly after the fully processed 3D data is received, which is expected in April 2013. Well planning activities for drilling have already commenced. The Joint Venture has started a farm in initiative to select a suitable partner to fund and potentially operate the exploration well.

About Pancontinental

Pancontinental is the longest standing oil and gas explorer offshore Kenya and it participated in originating the L6 and the L8 projects. In L8 the Mbawa gas discovery was made in 2012 by a joint venture led by operator Apache Corporation (Pancontinental 15%).

The L10A and L10B projects offshore southern Kenya (Pancontinental 15%) are operated by BG Group.

Pancontinental also holds a 95% interest in three exploration blocks offshore Namibia.

Pancontinental's website is www.pancon.com.au/

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 to the inclusion of the information stated in the form and context in which it appears.