

ASX Companies Announcement Office

KENYA BLOCK L10A

Pancontinental Oil & Gas NL (**ASX: PCL**) ("the Company") and its L10A joint venture partner PTTEP of Thailand ("PTTEP") have issued Operator BG Kenya L10A Limited ("BG") notices of withdrawal from Block L10A in the Lamu Basin offshore Kenya.

Subject to Ministerial consent, Pancontinental's 18.75% interest and PTTEP's 31.25% interest will be transferred to the Operator BG who will then be the only remaining participant and hold 100% of the L10A licence.

The Company is committed to the prudent deployment of its resources and as such it has decided to withdraw from the L10A project, given the project's cost and potential benefit profile with respect to the Company.

Pancontinental will advance and look to grow its African portfolio in the near term, consistent with its continued belief in the high prospectivity of parts of the continent and their future high potential to produce commercial oil and gas.

Pancontinental remains in a unique position, with its remaining asset portfolio in Namibia (EL0037 with Tullow Oil) and Kenya (Block L6 with FAR Limited, Milio International) fully funded for the next phase of exploration commitments.

For and on behalf of
Pancontinental Oil & Gas NL



Barry Rushworth
CEO and Executive Director