



Notice of Annual General Meeting

10:00am (AWST), Wednesday, 30 November 2016

The Park Business Centre
45 Ventnor Avenue
West Perth, Western Australia 6005

Pancontinental Oil & Gas NL

ABN 95 003 029 543

Directors

Henry David Kennedy
Roy Barry Rushworth
Ernest Anthony Myers
John Edward Leach

Non-Executive Chairman
Executive Director & Chief Executive Officer
Executive Finance Director
Non-Executive Director

Registered Office

Level One, 10 Ord Street,
West Perth WA 6005
Telephone: +61 8 6363 7090
Facsimile: +61 8 6363 7099

Company Secretary

Vesna Petrovic

Internet Address & Contact

www.pancon.com.au
info@pancon.com.au

Pancontinental Oil & Gas NL

NOTICE OF MEETING 2016



Items of business	Type of resolution	Voting restrictions and further information
ORDINARY BUSINESS		
1. Discussion of financial statements and reports	Not applicable	Page 5
2. Adoption of Remuneration Report	Non-binding Resolution	Page 5
3. Re-election of Director Roy Barry Rushworth	Ordinary Resolution	Page 6
4. Election of Director John Edward Leach	Ordinary Resolution	Page 6

SPECIAL BUSINESS

5.	Ratification of Share Placements	That, for the purposes of Listing Rule 7.4, and for all other purposes, the allotment and issue of 185,500,000 Shares at an issue price of 0.4 cents per Share on the terms and conditions set out in the Explanatory Notes be ratified.	Ordinary Resolution	Page 6
6.	Approval of 10% placement capacity	That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities in the Company totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Notes.	Special Resolution	Page 7
7.	Conditional spill resolution	<p>That, subject to and conditional on at least 25% of the votes cast on Item 2 (Adoption of Remuneration Report) above being against the adoption of the Remuneration Report, as required by the Corporations Act:</p> <p>(a) an extraordinary general meeting of the Company (Spill Meeting) be held within 90 days after passing this resolution;</p> <p>(b) all of the Directors of the Company in office at the time when the resolution to make the Directors' Report for the financial year ended 30 June 2016 was passed, other than the Managing Director, cease to hold office immediately before the end of the Spill Meeting; and</p> <p>(c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.</p> <p>Important Note: <i>The Company is required to, and will only put, this Item 7 to the AGM if 25% or more of the votes cast on Item 2 (Adoption of Remuneration Report) are voted against that Item.</i></p>	Conditional, Ordinary Resolution	Page 8

0 Terms used in this Notice and the Explanatory Notes are defined in the glossary on page 10.

Pancontinental Oil & Gas NL

NOTICE OF MEETING 2016

VOTING

Voting Record Date

Shareholders recorded on the Company's register of members at 4:00pm (AWST) on Monday, 28 November 2016 will be entitled to vote at the AGM.

Becoming a Shareholder

Shareholders who become registered Shareholders after the date of dispatch of this Notice and who wish to vote at the AGM by proxy should call +61 8 6363 7090 to request a Proxy Form.

Shareholders who become beneficial shareholders of Shares by acquiring Shares after the date of dispatch of this Notice and who wish to vote at the AGM by proxy should contact their broker or intermediary for instructions on how to do so.

How to vote

Shareholders can vote in one of two ways:

- by attending the AGM and voting; or
- by appointing a proxy to attend and vote on their behalf.

The voting prohibitions and exclusions for each Item are set out in the Explanatory Notes to this Notice.

Shareholders are asked to arrive at the venue 30 minutes prior to the time designated for the AGM, if possible, so that the Company may check their shareholding against the Company's share register and note attendances.

PROXY FORMS

Proxy Form

Enclosed with this Notice is a personalised Proxy Form. The Proxy Form allows Shareholders not attending the AGM to either lodge their vote directly or appoint a proxy to vote on their behalf.

If you hold Shares in more than one capacity, please be sure to complete the Proxy Form relevant to each holding.

Appointing proxies

Shareholders who are entitled to attend and vote at the AGM may appoint a proxy to act generally at the AGM on their behalf, and to vote.

To appoint a proxy, the attached Proxy Form should be completed and lodged in accordance with the instructions on that form. A proxy or nominee need not be a Shareholder of the Company.

A Shareholder entitled to cast two or more votes can appoint up to two proxies, and should specify the proportion or number of votes each proxy or nominee is appointed to exercise.

If no proportion or number is specified, each proxy or nominee may exercise half of the Shareholder's votes, with any fractional entitlements disregarded. If you wish to appoint two proxies or two nominees, please call +61 8 6363 7090 and request an additional Proxy Form.

Any directed proxies that are not voted on a poll at the AGM will automatically default to the Chair, who is required to vote proxies as directed.

A corporate Shareholder or proxy must appoint a person as its corporate representative.

Appointing the Chair as your proxy

Any proxy given to:

- a member of the Company's Key Management Personnel **other than the Chair**; or
- their Closely Related Parties (including a spouse, dependent, and other close family members, as well as any companies they control),

for Item 2 or Item 7 will not be counted unless the Shareholder directs how the proxy is to vote.

Any undirected proxy given to the Chair for Item 2 or Item 7 by a Shareholder entitled to vote on that Item will be voted by the Chair in favour of Item 2 and against Item 7 in accordance with the express authorisation on the Proxy Form.

The Chair intends to vote all valid undirected proxies for all other Items in favour of those Items, subject to the voting prohibitions and exclusions set out in this Notice.

Power of attorney and corporate representatives

If the Proxy Form is signed by an attorney, the power of attorney or a certified copy must be sent with the Proxy Form.

A body corporate member or proxy may elect to appoint a representative, rather than a proxy. In such circumstances, written proof of the representative's appointment must be lodged with, or presented to, the Company before the AGM.

A body corporate appointed as a proxy must also lodge a "Certificate of Appointment of a Corporate Representative".

LODGING PROXY FORMS

Deadline

Proxy Forms must be received by 10:00am (AWST) on Monday, 28 November 2016.

How to lodge Proxy Forms

You can lodge your Proxy Forms:

Mail: to the Company at PO Box 1154, West Perth, WA 6872.

Facsimile: to the Company on +61 8 6363 7099.

Further details on how to lodge your Proxy Form can be found on the Proxy Form.

ENQUIRIES

Shareholders are invited to contact the Company Secretary by email at info@pancon.com.au or by telephone on +61 8 6363 7090 if they have any queries in respect of the matters set out in these documents.

By order of the Board of Directors

Vesna Petrovic

Company Secretary

28 October 2016

Pancontinental Oil & Gas NL

EXPLANATORY NOTES

ITEM 1 – DISCUSSION OF FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, Shareholders will have a reasonable opportunity to ask questions concerning the Company's Annual Report, which includes the Company's Financial Report, Directors' Report and Auditor's Report, for the year ended 30 June 2016.

A copy of the Company's Annual Report is available on its website at www.pancon.com.au or through ASX at www.asx.com.au.

The Company's auditor, Rothsay Chartered Accountants, will be present at the AGM and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the Auditor's Report, the Company's accounting policies, and the independence of the auditor.

The auditor will also respond to any written questions provided these are submitted to the Company no later than five business days prior to the AGM.

There is no requirement for Shareholders to approve the Company's Annual Report.

ITEM 2 – ADOPTION OF REMUNERATION REPORT

Background

The Remuneration Report for the financial year ended 30 June 2016 is set out in the Company's Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for Directors, including the Chief Executive Officer / Executive Director and executive staff.

The Chair will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the AGM. Shareholders will then be asked to vote on the Remuneration Report.

The vote is advisory only and does not bind the Company or its Directors. The Company's Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the AGM when reviewing the Company's remuneration policies.

Spill resolution

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders must vote at the second of those annual general meetings on a resolution to

hold another meeting within 90 days, at which all of the Directors (other than the Managing Director and Directors appointed since the approval of the remuneration report) must stand for re-election.

The Company notes that while the resolution adopting the 2015 remuneration report (**2015 Remuneration Report**) was passed on a show of hands at the Company's 2015 annual general meeting (**2015 AGM**), the number of proxy votes received by the Company against the adoption of the 2015 Remuneration Report totalled 28%. The total number of holders that cast proxies voting against the 2015 Remuneration Report were 7, from a potential 3,905 holders eligible to vote. One of the holders who voted against the resolution by proxy held 36,606,136 Shares, which accounted for 95% of the votes cast by proxy against the adoption of the 2015 Remuneration Report.

The Board takes Shareholder concerns about executive remuneration seriously. In light of the percentage of proxy votes received by the Company voting against the adoption of the 2015 Remuneration Report (albeit representing a very small number of Shareholders) the Board has put in place measures to reduce the remuneration expenditure of the Company and has reduced all non-core expenditure. In particular, Director remuneration for the 2016 financial year has been reduced by \$351,000 when compared to the 2015 financial year, representing a reduction of approximately 36%.

The Board believes that the changes made to Director remuneration since the 2015 AGM address any concerns that Shareholders may have had in relation to the Company's remuneration practices prior to the 2015 AGM. Full details of all the changes are set out in the 2016 Remuneration Report.

If 25% or more of the votes cast on Item 2 are against the adoption of the Remuneration Report, the Company will receive a "second strike" and Item 7 will be required to be put to the AGM. The Board considers that this would significantly disrupt the AGM and risks the Company being required to hold a further extraordinary general meeting. Accordingly, the Board unanimously recommends that Shareholders vote in favour of Item 2.

Board recommendation

The Board unanimously recommends that Shareholders vote **in favour** of the adoption of the Remuneration Report.

The Chair intends to vote undirected proxies in favour of Item 2.

Voting prohibitions

In accordance with the Corporations Act, a vote on Item 2 must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties.

However, a person described above may cast a vote on Item 2 as a proxy if the vote is not cast on behalf of a person described above and either:

- the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- the person is the Chair and the appointment of the Chair as proxy:
 - does not specify the way the proxy is to vote on the resolution; and
 - expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Accordingly, if you appoint the Chair as your proxy, you should direct the Chair how to vote on Item 2. If you do not direct the Chair how to vote in respect of Item 2, then by marking the box appointing the Chair as your proxy, you will be deemed to have directed and expressly authorised the Chair to vote your proxy in favour of Item 2. This express authorisation acknowledges that the Chairman may vote your proxy even though:

- (a) Item 2 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) the Chair has an interest in the outcome of Item 2 and that votes cast by the Chair for this resolution, other than as your authorised proxy holder, will be disregarded because of that interest.

ITEM 3 – RE-ELECTION OF DIRECTOR

The Constitution provides that no Director, other than a Managing Director, may retain office (without re-election) for more than three years or past the third annual general meeting following the Director's appointment, whichever is longer. In accordance with the Constitution, Mr Roy Barry Rushworth will retire in accordance with rule 11.7 of the Constitution and, being eligible, offers himself for re-election as a Director. Mr Rushworth's relevant skills and experience are summarised in this section.

Mr Roy Barry Rushworth



Term of office

Appointed as Director in 2005

Independent

No

Skills and experience

Mr Rushworth is a Geologist with international petroleum exploration experience. With roles such as Chief Geologist and Exploration Manager, Mr Rushworth helped guide an Australian listed company to a number of oil and gas finds during his tenure. Since his appointment with Pancontinental, Mr Rushworth has been responsible for identifying, negotiating and acquiring international new venture opportunities particularly in Kenya and Namibia. In addition, he has a trusted contact base which has assisted him to attract international major companies as joint venture partners to Pancontinental's projects.

Mr Rushworth has been a Director of Pancontinental since August 2005 and Chief Executive Officer since November 2008.

Interests in the Company

Mr Rushworth's interests in the Company are as follows:
36,836,610 shares; and
1,000,000 options

Board recommendation

The Board (other than Mr Rushworth) recommends that Shareholders vote **in favour** of the re-election of Mr Rushworth.

The Chair intends to vote undirected proxies in favour Item 3.

ITEM 4 – ELECTION OF DIRECTOR

The Constitution provides that if a person is appointed as a Director by the other Directors, the Company must confirm the appointment at the Company's next annual general meeting. Mr John Edward Leach was appointed as a non-executive Director in February 2016 and, in accordance with rule 11.3 of the Constitution, seeks confirmation of his appointment as a Director. Mr Leach's relevant skills and experience are summarised in this section.

Mr John Edward Leach



Term of office

Appointed as Director in 2016

Independent

Yes

Skills and experience

Mr Leach has completed a degree in Economics, is a Chartered Accountant and holds a Master of Business Administration. Experience in the mining industry along with senior management and director positions have provided Mr Leach with extensive experience in financial management, fundraising and strategic planning. Mr Leach joined Pancontinental's board in February 2016.

Mr Leach held the position of Executive Finance Director for Cyprus based Atalaya Mining from 2007 to July 2015 and is currently a Director of Kefi Minerals plc (since 2007). Kefi Minerals plc is an exploration and development company which is also based in Cyprus.

Interests in the Company

Nil

Board recommendation

The Board (other than Mr Leach) recommends that Shareholders vote **in favour** of the election of Mr Leach.

The Chair intends to vote undirected proxies in favour Item 4.

ITEM 5 – RATIFICATION OF SHARE PLACEMENTS

Background

Item 5 seeks the approval of Shareholders under Listing Rule 7.4 to ratify the issue of 185,500,000 Shares at an issue price of 0.4 cents per Share to sophisticated and professional investor clients of London based Peel Hunt LLP (**Placement**). The Placement occurred in April 2016 and was made to fund costs associated with the potential sale of a part interest in Namibia PEL 37, farm-out costs for Kenya L6 and for general working capital requirements and other payables. The Placement was made without Shareholder approval pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1.

Requirement for Shareholder approval

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period calculated in accordance with the formula prescribed by Listing Rule 7.1.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1.

The Company confirms that the issue and allotment of Shares did not breach ASX Listing Rule 7.1. The Company also confirms that the sophisticated and professional investors who participated in the Placement are not related parties of the Company.

The Board would like the flexibility to issue further securities over the next 12 months without taking into account the 185,500,000 Shares described above for the purposes of Listing Rule 7.1. Item 5 therefore seeks ratification under Listing Rule 7.4 of the issue of the Shares under the Placement so that these securities are not counted in determining the Company's capacity under Listing Rule 7.1.

Specific information required by ASX Listing Rule 7.5

For the purposes of Listing Rule 7.5, information regarding the Placement which is the subject of Item 5 is provided as follows:

- (a) 185,500,000 Shares were issued;
- (b) the Shares were issued at a price of 0.4 cents per Share;
- (c) the Shares were issued as fully paid ordinary Shares which rank equally with the existing Shares on issue;

- (d) the Shares were issued to sophisticated and professional investor clients of London based Peel Hunt LLP; and
- (e) the funds raised will be used to further fund the exploration activities on the Company's existing exploration projects in Kenya and Namibia, namely:
 - a. costs associated with the potential sale of a part interest in Namibia PEL 37;
 - b. other farmout costs;
 - c. business development; and
 - d. general working capital and other payables.

Board recommendation

The Board unanimously recommends Shareholders vote in favour of Item 5.

The Chair intends to vote undirected proxies in favour of Item 5.

Voting exclusions

The Company will disregard any votes cast on Item 5 by a person (or any associates of such a person) who participated in the Placement.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form as the proxy decides.

ITEM 6 – APPROVAL OF 10% PLACEMENT CAPACITY

The Company seeks Shareholder approval under Listing Rule 7.1A to increase the Company's capacity to issue Equity Securities equivalent to 10% of the Company's ordinary securities (calculated at the time of issue) in accordance with the formula prescribed by Listing Rule 7.1A.2 (10% Capacity).

The 10% Capacity would be in addition to the existing capacity to issue Equity Securities equivalent to 15% of the Company's ordinary securities under Listing Rule 7.1.

To seek approval under Listing Rule 7.1A, a company must be an eligible entity. The Company is an eligible entity for the purposes of Listing Rule 7.1A as the Company is an entity that is not included in the S&P ASX 300 Index and has a market capitalisation of \$300 million or less.

Purpose of approval

Shareholder approval is being sought to provide the Company with the maximum flexibility to raise funds by

issuing Equity Securities without the need for further Shareholder approval.

If the 10% Capacity is not approved, the Company may be required to obtain Shareholder approval at the time of an issue of securities, which may limit the Company's ability to take advantage of opportunities to raise equity capital.

Under Listing Rule 7.1A, the Company must obtain Shareholder approval at the AGM to issue Equity Securities equivalent to 10% of the Company's ordinary securities in the 10% Placement Period.

The 10% Capacity must be approved by a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The number of Equity Securities that the Company will have the capacity to issue under the 10% Capacity will be calculated at the date of issue of the Equity Securities in accordance with the formula set out in Listing Rule 7.1A.2.

Any Equity Securities issued under the 10% Capacity must be in the same class as an existing quoted class of Equity Security of the Company.

Details of the 10% Capacity

Minimum issue price The Company will not issue securities under the 10% Capacity at a price less than 75% of the VWAP for the securities in the same class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within five trading days of the date in the paragraph above, the date on which the securities are issued.

Date of issue The 10% Capacity will expire on the earlier of:

- the date that is 12 months after the date of the AGM; or
- the date Shareholders approve a significant change to the nature or scale of the Company's activities under Listing Rule 11.1.2 or a disposal of the Company's main undertaking under Listing Rule 11.2, (10% Placement Period).

Purpose of issue Shares may be issued for:

- cash consideration, in which case the Company intends to use the funds raised for exploration activities on the Company's African projects, the acquisition of new permits and for general working capital

purposes; or

- non-cash consideration for the acquisition of new assets or resources. In such circumstances the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 and will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with its disclosure obligations under Listing Rules 3.10.5A and 7.1A.4 in relation to any issue of securities under the 10% Capacity.

Allocation policy The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Capacity. The identity of allottees will be determined on a case-by-case basis having regard to factors which may include, but are not limited to:

- the methods of raising funds which are available to the Company, including the time and market exposure associated with the various methods of raising capital applicable at the time of the raising;
- the effect of an issue on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers.

As at the date of this Notice, the allottees have not been determined. They may, however, include substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Previous approval At the Company's annual general meetings on 30 November 2015, 28 November 2014 and 22 November 2013, Shareholders approved the Company's capacity to issue Equity Securities equivalent to 10% of the Company's ordinary securities.

The approval given at the 2015 annual general meeting will expire on 30 November 2016.

For the purposes of ASX Listing Rule 7.3A.6, the Company had 1,153,744,096 Equity Securities on issue on 30 November 2015, being the date that is 12 months preceding the date of the AGM. The Company has issued 566,500,000 Equity Securities in the 12 months preceding the date of the AGM which represents 49% of the Equity Securities on issue at the start of the 12 months preceding

the date of the AGM. Please refer to Schedule 1 of these Explanatory Notes for details of the Equity Securities issued by the Company in the 12 months preceding the date of the AGM.

Is there a risk of economic and voting dilution to you?

There is a risk of economic and voting dilution to the ordinary security holders of the Company if Item 6 is approved. There is a specific risk that:

- the market price for the Company's Equity Securities may be significantly lower on the date of the issue than on the date of the AGM; and
- the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Based on the 1,717,494,096 Shares on issue as at the date of this Notice, subject to Shareholder approval being obtained under Item 6, 171,749,409 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

The table below shows the dilution of existing Shareholders upon the issue of the maximum number of Equity Securities under the 10% Capacity, using different variables for the number of ordinary securities for variable "A" (as defined in Listing Rule 7.1A) and the market price of Shares. The table shows:

- examples where variable "A" is at its current level and where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- examples of where the issue price of ordinary securities is at the current market price as at close of trading on 17 October 2016, being \$0.004, and where the issue price has decreased by 50% and increased by 100%.

The dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the 10% Capacity are issued.

Variable "A" in Listing Rule 7.1A.2	Dilution	50% decrease in issue price	Issue Price	100% increase in issue price
		\$0.002	\$0.004	\$0.008
Current Variable "A"	10%	171,749,409	171,749,409	171,749,409
1,717,494,096 Shares	Funds raised	\$343,499	\$686,998	\$1,373,995
50% increase in Current Variable "A"	10%	257,624,114	257,624,114	257,624,114
2,576,241,144 Shares	Funds raised	\$515,248	\$1,030,496	\$2,060,993
100% increase in Current Variable "A"	10%	343,498,819	343,498,819	343,498,819
3,434,988,192 Shares	Funds raised	\$686,998	\$1,373,995	\$2,747,991

Assumptions and explanations

- The Company issues the maximum number of Equity Securities available under the 10% Capacity.
- No options of other securities are exercised into Shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table does not show an example of dilution that may be caused to a particular Shareholder (taking into account that Shareholder's holding at the date of the AGM).
- The table does not show the effect of issues under the 15% share issue capacity under the Listing Rule 7.1.
- The issue of securities under the 10% Capacity consists only of Shares.
- The issue price of the 10% Capacity used in the table does not take into account discount to market price (if any).

Voting exclusions

The Company will disregard any votes cast on Item 6 by a person who might participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares) if Item 6 is passed, and any associates of those persons.

However, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

- it is cast by the Chair in accordance with a direction on the Proxy Form to vote as the proxy decides.

The persons eligible to participate in a proposed issue (if any) are not known by the Company as at the date of the Notice. Accordingly, no Shareholders are currently excluded from voting on Item 6.

ITEM 7 – CONDITIONAL SPILL RESOLUTION

For the reasons outlined in relation to Item 2 above, namely that 28% of the proxy votes received by the Company prior to the 2015 AGM were against the adoption of the 2015 Remuneration Report, the Board has decided to treat the Company as having received a "first strike" at the Company's 2015 AGM for the purposes of the Corporations Act.

Accordingly, if at least 25% of the votes cast on Item 2 are voted against the adoption of the 2016 Remuneration Report, the Company will receive a "second strike" and Item 7 (**Spill Resolution**) will be put to the AGM.

However, if less than 25% of the votes cast on Item 2 are against adopting the Remuneration Report, then there will be no "second strike" and accordingly Item 7 will not be put to the AGM.

If the Spill Resolution is put to the AGM and passed, a further extraordinary general meeting (**Spill Meeting**) must be held within 90 days after the AGM. In such circumstances, each of the Directors (except the Managing Director) who were in office when the Board approved the last Directors' Report (**Relevant Directors**) will automatically cease to hold office immediately before the end of the Spill Meeting, unless they are willing to stand for re-election and are re-elected at the Spill Meeting (and subject to the Company maintaining the minimum number of Directors required by the Corporations Act).

Each of the Relevant Directors would be eligible to seek re-election at the Spill Meeting, however there is no assurance that any of them would do so.

Board recommendation

The Board unanimously recommends Shareholders vote **in favour** of granting the Company the additional equity raising capacity equivalent to 10% of the Company's ordinary securities.

The Chair intends to vote undirected proxies in favour of Item 6.

Board recommendation

Noting that each Relevant Director would have a personal interest in Item 7 if it were put to the AGM, and that each of them (and their Closely Related Parties) would be excluded from voting on Item 7, the Directors unanimously recommend that Shareholders **vote against** the Spill Resolution if it is put to the AGM. This is on the basis that the Board considers that it would be extremely disruptive to the Company and that it would be inappropriate to remove all of the Relevant Directors in the circumstances.

The Chair intends to vote all available undirected proxies against Item 7 if it is put to the AGM.

Voting prohibitions

In accordance with the Corporations Act, a vote on Item 7 must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties.

However, a person described above may cast a vote on Item 7 as a proxy if the vote is not cast on behalf of a person described above and either:

- the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- the person is the Chair and the appointment of the Chair as proxy
 - does not specify the way the proxy is to vote on the resolution; and
 - expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Accordingly, if you appoint the Chair as your proxy, you should direct the Chair how to vote on Item 7. If you do not direct the Chair how to vote in respect of Item 7, then by marking the box appointing the Chair as your proxy, you will be deemed to have directed and expressly authorised the Chair to vote your proxy in favour of Item 7. This express authorisation acknowledges that the Chair may vote your proxy even though:

- (a) Item 7 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) the Chair has an interest in the outcome of Item 7 and that votes cast by the Chair for this resolution, other than as your authorised proxy holder, will be disregarded because of that interest.

Pancontinental Oil & Gas NL

GLOSSARY

10% Capacity	Has the meaning given to that term in the Explanatory Notes to Item 6.	Company or Pancontinental	Pancontinental Oil & Gas NL (ABN 95 003 029 543).	Ordinary Resolution	A resolution that must be passed by at least 50% of the votes cast by Shareholders being in favour of the resolution.
10% Placement Period	Has the meaning given to that term in the Explanatory Notes to Item 6.	Constitution	The Company's constitution.	Placement	Has the meaning given to that term in the Explanatory Notes to Item 5.
A\$ or \$	Australian dollars.	Corporations Act	<i>Corporations Act 2001</i> (Cth).	Proxy Form	The proxy form included with this Notice.
Annual Report	The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2016.	Director	A director of the Company.	Remuneration Report	The remuneration report forming part of the Directors' Report in the Annual Report.
AGM or Annual General Meeting	The Annual General Meeting of Shareholders of the Company to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia 6005 on Wednesday, 30 November 2016 at 10:00am (AWST), or any adjournment thereof.	Directors' Report	The directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities for the year ended 30 June 2016.	Share	A fully paid ordinary share in the capital of the Company.
ASX	ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.	Equity Security	Has the meaning given to that term in the Listing Rules.	Shareholder	Any person holding a Share in the Company's share register.
Auditor's Report	The auditor's report on the Financial Report.	Explanatory Notes	The Explanatory Notes attached to the Notice of Meeting.	Special Resolution	A resolution that must be passed by at least 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) being in favour of the resolution.
AWST	Australian Western Standard Time.	Financial Report	The financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities for the year ended 30 June 2016.	Voting Record Date	4:00pm (AWST) on Monday, 28 November 2016.
Board	The board of Directors of the Company.	Item	Each resolution set out in the Notice of Meeting or item of business.	VWAP	Volume Weighted Average Price.
Chair	The chair of the Annual General Meeting.	Key Management Personnel	Has the meaning given to that term in the Corporations Act and means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.		
Closely Related Party	Has the meaning given to that term in the Corporations Act, under which a Closely Related Party of a member of the Key Management Personnel refers to a company the member controls, the member's spouse, child or dependent (or a child or dependent of the member's spouse), or anyone else who is one of the member's family and may be expected to influence or be influenced by the member in the member's dealing with the entity.	Listing Rules	The listing rules of the ASX.		
		Managing Director	The managing director of the Company (if any) from time to time.		
		Notice or Notice of Meeting	The Notice of Meeting and the Explanatory Notes.		

SCHEDULE 1

Date of issue	Number of securities issued	Class of Equity Security	Summary of the terms of the class of Equity Security	Names of persons who received securities or basis on which those persons were determined	Price	Cash/Non-cash consideration	Current value of non-cash consideration
11 Dec 2015	184,500,000	Shares	Same as existing Shares ¹	Professional and sophisticated investors under the Placement	\$0.004	\$738,000 The Company has spent all of this amount to further fund the Company's exploration activities and projects, costs associated with the potential sale of a part interest in Namibia PEL 37, other farm-out costs, business development and for general working capital purposes.	N/A
8 Feb 2016	125,000,000	Shares	Same as existing Shares ¹	A company associated with Director H D Kennedy under a placement approved by Shareholders	\$0.004	\$500,000 The Company has spent all of this amount to further fund the Company's exploration activities and projects, costs associated with the potential sale of a part interest in Namibia PEL 37, other farm-out costs, business development and for general working capital purposes.	N/A
8 Feb 2016	71,500,000	Shares	Same as existing Shares ¹	Various eligible shareholders under the Company's share purchase plan	\$0.004	\$286,000 The Company has spent all of this amount to further fund the Company's exploration	N/A

¹ The terms of fully paid ordinary shares are set out in the Constitution. This includes the right to share in the surplus assets of the Company on a winding up and the right to attend and vote at general meetings.

						activities and projects, costs associated with the potential sale of a part interest in Namibia PEL 37, other farm-out costs, business development and for general working capital purposes.	
7 April 2016	175,000,000	Shares	Same as existing Shares ¹	Professional and sophisticated investors under a placement	\$0.004	\$700,000 The Company has spent \$585,000 of this amount to further fund the Company's exploration activities and projects, costs associated with the potential sale of a part interest in Namibia PEL 37, other farm-out costs, business development and for general working capital purposes. The Company intends to spend the remaining \$115,000 for similar purposes.	N/A
7 April 2016	10,500,000	Shares	Same as existing Shares ¹	Peel Hunt LLP	Nil	Non-cash. Issued as consideration for brokerage on a placement.	\$42,000 ²

² Based on the Company's share price at close of trading on 17 October 2016 of \$0.004.

PROXY FORM

I/We being a member/s of **Pancontinental Oil & Gas NL** and entitled to attend and vote hereby appoint

	the Chair of the AGM (mark with an 'X')	OR	
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If you are not appointing the Chair of the AGM as your proxy please write here the full name of the individual or body corporate (excluding the registered securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the AGM, as my/our proxy at the **Annual General Meeting of Shareholders of Pancontinental Oil & Gas NL ABN 95 003 029 543 to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia 6005 on 30 November 2016 at 10:00am (AWST)** and at any adjournment or postponement of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair authorised to exercise proxies on remuneration related resolutions (Items 2 and 7): Where I/we have appointed the Chair as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy in respect of Item 2 and Item 7 (except where I/we have indicated a different voting intention below) and acknowledge that the Chair may exercise my/our proxy even though Item 2 and Item 7 are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Important information for Items 2 and 7 – If the Chair of the AGM is your proxy or is appointed as your proxy by default: If you wish to give the Chair specific voting directions on Item 2 and/or Item 7, you should mark the appropriate box opposite Item 2 and/or Item 7 (directing your proxy to vote 'for', 'against' or to 'abstain' from voting). If you have appointed the Chair as your proxy (or the Chair becomes your proxy by default), and you do not mark the boxes above, you are expressly authorising the Chair to vote in favour of Item 2 and against Item 7, as appropriate (see above).

The Chair of the AGM intends to vote all available proxies in favour of Items 2, 3, 4, 5 and 6. The Chair intends to vote all available proxies against Item 7.

ITEM	RESOLUTIONS	FOR	AGAINST	ABSTAIN
2	Adoption of Remuneration Report			
3	Re-election of Mr RB Rushworth as Director			
4	Election of Mr JE Leach as Director			
5	Ratification of share placements			
6	Approval of 10% placement capacity			
7	Conditional Spill Resolution * *The directors recommend voting AGAINST this item			

Dated this.....day of.....2016

Please sign on the reverse of this form. If the member is a company, it must sign in accordance with its constitution.

Proxy Forms (and power of attorney, if any, under which the Proxy Form is signed) must be sent by mail to PO Box 1154, West Perth WA 6872 or delivered to Level 1, 10 Ord Street, West Perth, WA 6005 or by fax to +61 8 6363 7099 and must be received no later than 10:00am (AWST), Monday 28 November 2016.

If the member is a company:

EXECUTED by)
)
ACN)
in accordance with section 127 of the Corporations)
Act 2001 (Cth))

Director/Company Secretary*

Director/Sole Director and Sole Company Secretary*

Name of Director/Company Secretary*
(BLOCK LETTERS)

Name of Director/Sole Director and Sole Company
Secretary* (BLOCK LETTERS)

*Delete whichever is not applicable

or

Signature

(Insert capacity in which duly authorised officer is
signing for a member which is a company)

If the member is an individual or joint holders:

Signature

Signature

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A Shareholder entitled to attend and vote at the Annual General Meeting convened by the above Notice is entitled to appoint not more than two proxies to vote on the Shareholder's behalf.
2. Where two proxies are appointed and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the Shareholder's voting rights.
3. A proxy need not be a Shareholder.
4. Proxy Forms (and the power of attorney, if any, under which the Proxy Form is signed) must be received by mail at PO Box 1154, West Perth WA 6872 or delivered to Level 1, 10 Ord Street, West Perth, WA 6005, or by fax to +61 8 6363 7099 no later than 10:00am (AWST), Monday 28 November 2016.
5. Appointment of a proxy by a Shareholder being a natural person must be under the hand of the Shareholder or of an attorney appointed in writing by the Shareholder.
6. Appointment of a proxy by a Shareholder being a body corporate must be under the common seal of the body corporate or under the hand of an attorney appointed in writing by the body corporate.
7. If signing under a power of attorney, the power of attorney must be deposited at the Company's registered office for inspection and return, when the proxy is lodged.
8. The proxy appointment may be a standing appointment for all general meetings until it is revoked.

As permitted by the Corporations Act, the Company has determined that all securities of the Company registered as at 4:00pm (AWST) on 28 November 2016 will be taken for purposes of the AGM, to be held by the persons who are the registered holders. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM. Proxy Forms (and power of attorney, if any, under which the Proxy Form is signed) must be sent by mail at PO Box 1154, West Perth WA 6872 or delivered to Level 1, 10 Ord Street, West Perth, WA 6005, or by fax to +61 8 6363 7099.
