
PANCONTINENTAL OIL & GAS NL

ACN 003 029 543

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9:30 am

DATE: 10 July 2017

PLACE: The Park Business Centre
45 Ventnor Avenue,
West Perth WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5pm (WST) on 8 July 2017.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – ACQUISITION OF BOMBORA NATURAL ENERGY PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 2, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,753,211,226 Shares to the Bombora Shareholders on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – APPROVAL FOR SHARE PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 1, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 2,000,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – APPROVAL FOR ISSUE OF OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolutions 1 and 2, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 477,434,150 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – ELECTION OF DIRECTOR – JOHN BEGG

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 1, for the purposes of clause 11.3 of the Constitution and for all other purposes, John Begg, being eligible and having consented to act, be elected as a director of the Company, on and from completion of the Acquisition.”

5. RESOLUTION 5 – ELECTION OF DIRECTOR – MARIE MALAXOS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 1, for the purposes of clause 11.3 of the Constitution and for all other purposes, Marie Malaxos, being eligible and having consented to act, be elected as a director of the Company, on and from completion of the Acquisition.”

6. RESOLUTION 6 – APPROVAL FOR SHARE PLACEMENT TO DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 75,000,000 Shares to David Kennedy (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by David Kennedy (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – APPROVAL FOR ISSUE OF SHARES TO DIRECTOR IN LIEU OF FEES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 87,500,000 Shares to Barry Rushworth (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Barry Rushworth (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 200,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE – OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 100,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 12 June 2017

By order of the Board

**Vesna Petrovic
Company Secretary**

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6363 7090.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO RESOLUTIONS

1.1 General

As announced to ASX on 7 June 2017, the Company has entered into an agreement with certain of the Bombora Shareholders (the **Acquisition Agreement**) pursuant to which it has agreed to acquire 100% of the shares in Bombora (the **Acquisition**) in consideration for the issue of up to 1,753,211,226 Shares (the **Consideration Shares**) in aggregate to the Bombora Shareholders.

Further details of Bombora and its project interests are set out in the announcement to ASX dated 7 June 2017.

1.2 Acquisition Agreement

The material terms of the Acquisition Agreement are as follows:

- (a) **Acquisition:** The Company will acquire, on the basis of 26 Shares for each Bombora share, all of the issued capital in Bombora.

The maximum number of Consideration Shares is 1,753,211,226 which is based on the existing issued capital of Bombora (of 57,431,201 shares) plus up to a further 10,000,000 shares that may be issued by Bombora to raise up to \$500,000 prior to completion of the Acquisition. If the capital raising by Bombora is less than \$500,000, the number of Consideration Shares will be adjusted accordingly. Further, if one of the Bombora project interests is not completed, there is a provision in the Acquisition Agreement for an adjustment to the number of Consideration Shares.

- (b) **Board composition:** Upon completion of the Acquisition, John Begg and Marie Malaxos, current directors of Bombora, will, subject to Shareholder approval of Resolutions 4 and 5, be appointed as directors of the Company. All existing Directors will remain except for John Leach who will retire post-completion of the Acquisition and Vesna Petrovic who will step down from the Board but remain as company secretary.

- (c) **Placement:** The Company will conduct a capital raising to raise up to \$4,000,000 million by the issue of Shares at a price of not less than \$0.002 each. Approval for the issue of shares the subject of the capital raising is sought pursuant to Resolution 2.

- (d) **Conditions precedent:** Completion of the Acquisition Agreement is subject to a number of conditions precedent, including:

- (i) each of Bombora and the Company conducting and completing due diligence investigations on the other to its satisfaction;
- (ii) the Company obtaining Shareholder approval for:
- (A) the issue of the Consideration Shares under Resolution 1;
 - (B) the issue of Shares under Resolution 2;
 - (C) the issue of Options under Resolution 3; and
 - (D) the election of John Begg and Marie Malaxos as directors of the Company under Resolutions 4 and 5;

- (iii) the Company issuing that number of Options which equals 7.5% of the number of Shares on issue on completion of the Acquisition and Placement, to be issued to John Begg (or his nominee) as to 3%, Marie Malaxos (or her nominee) as to 1.5% and Hartleys Limited (or its nominee) as to 3%. The Options will be issued on the material terms as follows:
- (A) 50% of the number of Options to be issued to each of John Begg (or his nominee) and Marie Malaxos (or her nominee) will be exercisable at \$0.004 on or before three years from the date of issue (**Class A Options**);
- (B) 50% of the number of Options to be issued to Hartleys Limited (or its nominee) will be exercisable at \$0.004 on or before three years from the date of issue (**Class B Options**);
- (C) 50% of the number of Options to be issued to Hartleys Limited (or its nominee) will be exercisable at \$0.006 on or before five years from the date of issue subject to completion of the Placement (**Class C Options**); and
- (D) 50% of the number of Options to be issued to each of John Begg (or his nominee) and Marie Malaxos (or her nominee) will be exercisable at \$0.006 on or before five years from the date of issue, but in the first 2 years will not be capable of exercise unless there is discovery of gas or oil testing to surface at potential commercial rates from any of the Bombora projects (**Class D Options**);
- (iv) the Company receiving signed share transfers from Bombora Shareholder representing not less than 90% of the Bombora shares in aggregate;
- (v) the Company entering into an executive services agreement with John Begg (and his nominated consultancy entity) pursuant to which Mr Begg will be appointed as managing director of the Company;
- (vi) the Company entering into a consultancy services agreement with Barry Rushworth pursuant to which Mr Rushworth will be engaged as a consultant to the Company in respect of its African project;
- (vii) the Company lodging a prospectus for the offer of the Consideration Shares (if required); and
- (viii) the Company obtaining all necessary third party approvals or consents and regulatory approvals pursuant to the ASX Listing Rules or any other law to allow the parties to lawfully complete the Acquisition.

1.3 Capital Structure

The capital structure of the Company following completion of the Acquisition and issues of all Securities contemplated by this Notice is as follows:

Shares

| | Number |
|--|----------------------|
| Shares on issue as at the date of this Notice | 2,450,077,442 |
| Maximum number of Shares to be issued to the Bombora Shareholders (Resolution 1) | 1,753,211,226 |
| Maximum number of Shares to be issued under the Placement (Resolution 2) | 2,000,000,000 |
| Shares to be issued to David Kennedy (Resolution 6) | 75,000,000 |
| Shares to be issued to Barry Rushworth (Resolution 7) | 87,500,000 |
| Shares on issue on completion of the Acquisition and Placement | 6,365,788,668 |

Options

| | Number |
|--|--------------------|
| Options on issue as at the date of this Notice (\$0.005, 21 April 2010) | 100,000,000 |
| Maximum number of Options to be issued under the Acquisition Agreement (Resolution 3): | |
| - Class A Options (\$0.004, three years from date of issue) | 143,230,245 |
| - Class B Options (\$0.004, three years from date of issue) | 95,486,830 |
| - Class C Options (\$0.006, five years from date of issue) | 95,486,830 |
| - Class D Options (\$0.006, five years from date of issue) | 143,230,245 |
| Options on issue on completion of the Acquisition | 477,434,150 |

1.4 Director recommendation

All of the Directors are of the opinion that the transactions contemplated by the Acquisition Agreement are in the best interests of Shareholders and, accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 1 to 5 in this Notice of Meeting.

2. RESOLUTION 1 – ACQUISITION OF BOMBORA NATURAL ENERGY PTY LTD

2.1 General

Resolution 1 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 to permit the Company to issue the Consideration Shares to the Bombora Shareholders in consideration for the Acquisition.

ASX 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 the amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Company to issue the Consideration Shares to the Bombora Shareholders during the period of three months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

2.2 Related entities

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Chapter 2E of the Corporations Act provides that, for a public company to give a financial benefit to a related party of the public company, the public company or entity must obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Bombora Shareholders include entities controlled by or related to John Begg and Marie Malaxos who are proposed to be elected as directors of the Company under Resolutions 4 and 5. These entities (the **Related Entities**) are considered to be related parties of the Company for the purposes of the ASX Listing Rules and the Corporations Act.

It is the view of the Company, however, that:

- (a) exception 6 to ASX Listing Rule 10.12 applies to the proposed issue of Consideration Shares to the Related Entities; and

- (b) approval pursuant to Chapter 2E of the Corporations Act is not required for the issue of the Consideration Shares to the Related Entities as the Consideration Shares will be issued to the Related Entities on the same terms as Consideration Shares are issued to non-related Bombora Shareholders and as such the giving of the financial benefit is on arm's length terms.

Accordingly, the Company seeks approval for the issue of Consideration Shares to the Related Entities, together with all other Bombora Shareholders, under ASX Listing Rule 7.1 only.

2.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Shares:

- (a) the maximum number of Shares to be issued under Resolution 1 is 1,753,211,226;
- (b) the Consideration Shares will be issued no later than three months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same date;
- (c) the issue price will be nil as the Consideration Shares are being issued to the Bombora Shareholders in consideration for the acquisition of their shares in Bombora. Accordingly, no funds will be raised by the issue of the Consideration Shares;
- (d) the Consideration Shares are proposed to be issued to the Bombora Shareholders;
- (e) the Consideration Shares will be issued to the Bombora Shareholders. Other than as disclosed in Section 2.2, none of the Bombora Shareholders are related parties of the Company; and
- (f) the Consideration Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares on issue.

3. RESOLUTION 2 – APPROVAL FOR SHARE PLACEMENT

3.1 General

Resolution 2 seeks Shareholder approval for the issue of up to 2,000,000,000 Shares at an issue price of \$0.002 per Share to raise up to \$4,000,000 (**Placement**).

Shareholder approval for the Placement is required under ASX Listing Rule 7.1. A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 2 will be to allow the Company to issue the Shares under the Placement during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is 2,000,000,000;
- (b) the Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;

- (c) the issue price will be \$0.002 per Share;
- (d) the Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Placement towards meeting financial commitments at its Namibian projects, exploration and commitments of Bombora's project interests and for general working capital.

4. RESOLUTION 3 – APPROVAL FOR ISSUE OF OPTIONS

4.1 General

Resolution 3 seeks Shareholder approval for the issue of up to a total of 477,434,150 Options in accordance with the terms of the Acquisition Agreement.

Shareholder approval for the issue of Options is required under ASX Listing Rule 7.1. A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue the Options during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Related entities

A summary of the relevant related party provisions of the ASX Listing Rules and Corporations Act is set out in Section 2.2 above.

The recipients of the Options include John Begg and Marie Malaxos (or their respective nominees) who are proposed to be elected as directors of the Company under Resolutions 4 and 5. John Begg and Marie Malaxos (**Related Parties**) are considered to be related parties of the Company for the purposes of the ASX Listing Rules and the Corporations Act.

It is the view of the Company, however, that:

- (a) exception 6 to ASX Listing Rule 10.12 applies to the proposed issue of Options to the Related Parties; and
- (b) approval pursuant to Chapter 2E of the Corporations Act is not required for the issue of the Options to the Related Parties as the issue of the Options is a term of the Acquisition Agreement which was negotiated on an arm's length basis between the Company, Bombora and certain of its shareholders. As such the giving of the financial benefit (being the issue of the Options) is considered to be on arm's length terms.

Accordingly, the Company seeks approval for the issue of the Options to the Related Parties under ASX Listing Rule 7.1 only.

4.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Options to be issued is 477,434,150. The maximum number of Options to be issued under each class is as follows:
 - (i) Class A Options: 143,230,245;
 - (ii) Class B Options: 95,486,830;

- (iii) Class C Options: 95,486,830; and
 - (iv) Class D Options: 143,230,245;
- (b) the Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Options will occur on the same date;
- (c) the issue price will be nil as the Options are being issued under the terms of the Acquisition Agreement as part consideration for the acquisition of shares in Bombora. Accordingly, no funds will be raised by the issue of the Options;
- (d) the Options will be issued to:

| Name | Class A Options | Class B Options | Class C Options | Class D Options |
|-------------------------------|--------------------|-------------------|-------------------|--------------------|
| John Begg (or nominee) | 95,486,830 | - | - | 95,486,830 |
| Marie Malaxos (or nominee) | 47,743,415 | - | - | 47,743,415 |
| Hartleys Limited (or nominee) | - | 95,486,830 | 95,486,830 | - |
| Total | 143,230,245 | 95,486,830 | 95,486,830 | 143,230,245 |

- (e) the Class A Options will be issued on the terms and conditions set out in Schedule 1 to this Notice;
- (f) the Class B Options will be issued on the terms and conditions set out in Schedule 2 to this Notice;
- (g) the Class C Options will be issued on the terms and conditions set out in Schedule 3 to this Notice; and
- (h) the Class D Options will be issued on the terms and conditions set out in Schedule 4 to this Notice.

5. RESOLUTIONS 4 AND 5 – ELECTION OF DIRECTORS

5.1 General

In accordance with the terms of the Acquisition Agreement, the Company has agreed to appoint John Begg as executive director of the Company and Marie Malaxos as non-executive director of the Company. Their appointments will take effect subject to completion of the Acquisition.

Pursuant to Resolutions 4 and 5, John Begg and Marie Malaxos (the **Proposed Directors**) seek election from Shareholders to be appointed as directors of the Company upon completion of the Acquisition.

5.2 Qualifications

The qualifications and experience of the Proposed Directors are set out below:

(a) **John Begg**

Mr Begg has held executive roles in oil and gas companies operating in both onshore and offshore international jurisdictions in both mature and frontier regions. A geologist by training, Mr Begg has been involved in the discovery and development of oil and gas fields on three continents and is highly experienced in operating in remote regions and in company-to-government negotiations.

As general manager of international business development E&P for Todd Energy Ltd during 2013-2015, Mr Begg was responsible for detailed evaluations of hydrocarbon basins and projects throughout East and West Africa, including the regions of the Company's current activities in Namibia and Kenya.

(b) **Marie Malaxos**

Ms Malaxos has managed the development of oil and gas fields in the Perth and Canning Basins in Australia and is experienced in the negotiation of gas and oil sales contracts.

Ms Malaxos is expected to take a leading role in the Company as the combined project portfolio is matured to development and production.

5.3 Proposed remuneration

The remuneration proposed to be paid to the Proposed Directors on an annual basis following completion of the Acquisition is as follows:

| Proposed Director | Proposed remuneration on an annualised basis |
|--|--|
| John Begg (executive director) | \$265,000 |
| Marie Malaxos (non-executive director) | \$50,000 |

5.4 Board Recommendation

The Board supports the election of each of the Proposed Directors and recommends that Shareholders vote in favour of Resolutions 4 and 5.

6. RESOLUTION 6 – APPROVAL FOR SHARE PLACEMENT TO DIRECTOR

6.1 General

Resolution 6 seeks Shareholder approval for the issue of up to 75,000,000 Shares to David Kennedy (or his nominee) at an issue price of \$0.002 per Share (**Director Placement**). Reference to this placement was made in the company's ASX announcements dated 10 April 2017 and 19 May 2017.

6.2 Related party

The Director Placement will result in the issue of Shares which constitutes giving a financial benefit and David Kennedy is a related party of the Company by virtue of being a Director.

A summary of the relevant related party provisions of the ASX Listing Rules and Corporations Act is set out in Section 2.2 above.

The Directors (other than David Kennedy who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Placement because the Shares will be issued to David Kennedy (or his nominee) on the same terms as Shares are issued to non-related parties under the Placement (as contemplated by Resolution 2) and as such the giving of the financial benefit is on arm's length terms.

Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

6.3 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Director Placement:

- (a) the Shares will be issued to David Kennedy (or his nominee);
- (b) the maximum number of Shares to be issued is 75,000,000;
- (c) the Shares will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.002 per Share;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds raised will be used primarily for minimal costs associated with Licence Area PEL37 offshore Namibia, other new ventures and for general working capital purposes and other payables as stated in the Company's ASX announcement of 10 April 2017.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Director Placement as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to David Kennedy (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

7. RESOLUTION 7 – APPROVAL FOR ISSUE OF SHARES TO DIRECTOR IN LIEU OF FEES

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 87,500,000 Shares (**Related Party Shares**) to Barry Rushworth (or his nominee) at a deemed issue price of \$0.002 per Share in lieu of fees of \$175,000 payable to Mr Rushworth in respect of the period from 1 October 2016 to 30 June 2017. This reflects Mr Rushworth's confidence in the Company going forward and his desire to assist the Company conserve as much cash as possible.

Resolution 7 seeks Shareholder approval for the issue of the Related Party Shares.

7.2 Related party

The issue of the Related Party Shares constitutes giving a financial benefit and Barry Rushworth is a related party of the Company by virtue of being a Director.

A summary of the relevant related party provisions of the ASX Listing Rules and Corporations Act is set out in Section 2.2 above.

The Directors (other than Barry Rushworth who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Related Party Shares because the issue of the Shares will be made in lieu of fees and entitlements payable to Mr Rushworth in his capacity as chief executive officer of the Company for the period from 1 October 2016 to 30 June 2017. As such, the issue of the Related Party Shares is considered to be reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.3 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Director Placement:

- (a) the Shares will be issued to Barry Rushworth (or his nominee);
- (b) the maximum number of Shares to be issued is 87,500,000;
- (c) the Shares will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the Related Party Shares will be issued in lieu of fees of \$175,000 payable to Mr Rushworth for the period from 1 October 2016 to 30 June 2017. The deemed issue price is \$0.002 per Share. Accordingly no funds will be raised by the issue of the Related Party Shares; and
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Related Party Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Barry Rushworth (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE – SHARES

8.1 General

On 21 April 2017, the Company issued 200,000,000 Shares at an issue price of \$0.002 per Share to raise \$400,000.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 200,000,000 Shares were issued;
- (b) the issue price was \$0.002 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to professional and sophisticated investor clients of Hartleys Limited. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue will be used to fund costs associated with Namibia PEL 37 and for general working capital.

9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE – OPTIONS

9.1 General

On 21 April 2017, the Company issued 100,000,000 Options to Hartleys Limited in consideration for corporate advisory and lead manager services provided by Hartleys Limited.

Resolution 9 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Ratification**). A summary of ASX Listing Rule 7.4 is set out in Section 8.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

9.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 100,000,000 Options were issued;
- (b) the Options were issued for nil cash consideration in satisfaction of corporate advisory and lead manager services provided by Hartleys Limited;
- (c) the Options were issued on the terms and conditions set out in Schedule 4;
- (d) the Options were issued to Hartleys Limited, who is not a related party of the Company;
- (e) no funds were raised from this issue as the Options were issued in consideration for services provided by Hartleys Limited.

GLOSSARY

\$ means Australian dollars.

Acquisition means the acquisition of shares in Bombora by the Company pursuant to the Acquisition Agreement.

Acquisition Agreement means the heads of agreement between the Company, Bombora and certain of the Bombora Shareholders dated 6 June 2017 pursuant to which the Company agrees to acquire the shares in Bombora held by the Bombora Shareholders.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Bombora means Bombora Natural Energy Pty Ltd (ACN 611 581 778).

Bombora Shareholders means the shareholders of Bombora who have agreed to sell their shares in Bombora to the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Pancontinental Oil & Gas NL (ACN 003 029 543).

Consideration Shares means the Shares to be issued as consideration for the Acquisition as described in Sections 1.1 and 1.2.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Director Placement means the proposed placement of Shares by the Company which is the subject of Resolution 6.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Placement means the proposed placement of Shares by the Company which is the subject of Resolution 2.

Proxy Form means the proxy form accompanying the Notice.

Proposed Directors means John Begg and Marie Malaxos.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of this Explanatory Statement.

Security means a Share and/or Option in the Company.

Security Holder means a holder of a Security.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – CLASS A OPTION TERMS

- (a) **Entitlement**
Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price**
Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.004 (**Exercise Price**).
- (c) **Expiry Date**
Each Option will expire at 5:00 pm (WST) on the date that is the first to occur of (i) the date that is three years after the date of issue; and (ii) the date that is three (3) months after the service contracts of John Begg or Marie Malaxos, as applicable, are lawfully terminated within 2 years of the issue of the Options or either resigns from his or her position in the Company within 2 years of the issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period**
The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise**
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date**
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise**
Within 15 Business Days after the Exercise Date, the Company will:
(i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (h) **Shares issued on exercise**
Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) **Quotation of Shares issued on exercise**
If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (j) **Reconstruction of capital**
If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) **Participation in new issues**
There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) **Change in exercise price**
An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (m) **Unquoted**
The Company will not apply for quotation of the Options on ASX.
- (n) **Transferability**
The Options are non-transferable except to a related party as defined in Chapter 19 of the ASX Listing Rules and subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – CLASS B OPTION TERMS

- (a) **Entitlement**
Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price**
Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.006 (**Exercise Price**).
- (c) **Expiry Date**
Each Option will expire at 5:00 pm (WST) on 21 April 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period**
The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise**
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date**
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise**
Within 15 Business Days after the Exercise Date, the Company will:
- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (h) **Shares issued on exercise**
Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) **Quotation of Shares issued on exercise**
If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (j) **Reconstruction of capital**
If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) **Participation in new issues**
There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) **Change in exercise price**
An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (m) **Unquoted**
The Company will not apply for quotation of the Options on ASX.
- (n) **Transferability**
The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – CLASS C OPTION TERMS

- (a) **Entitlement**
Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price**
Subject to paragraph (k), the amount payable upon exercise of each Option will be \$0.006 (**Exercise Price**).
- (c) **Expiry Date**
Each Option will expire at 5:00 pm (WST) on the date that is five years after the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period**
Subject to paragraph (e), the Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Vesting Condition**
Notwithstanding any other term of the Options, the holder shall not be permitted to exercise any Options unless the Company has completed the capital raising contemplated by the terms of the agreement under which the Company agreed to acquire the shares in Bombora Natural Energy Pty Ltd. For the avoidance of doubt, there is no minimum amount of the capital raising.
- (f) **Notice of Exercise**
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (g) **Exercise Date**
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (h) **Timing of issue of Shares on exercise**
Within 15 Business Days after the Exercise Date, the Company will:
(i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
If a notice delivered under paragraph (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (i) **Shares issued on exercise**
Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (j) **Quotation of Shares issued on exercise**
If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (k) **Reconstruction of capital**
If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) **Participation in new issues**
There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (m) **Change in exercise price**
An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (n) **Unquoted**
The Company will not apply for quotation of the Options on ASX.
- (o) **Transferability**
The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 4 – CLASS D OPTION TERMS

- (a) **Entitlement**
Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price**
Subject to paragraph (k), the amount payable upon exercise of each Option will be \$0.006 (**Exercise Price**).
- (c) **Expiry Date**
Each Option will expire at 5:00 pm (WST) on the date that date that is the first to occur of (i) the date that is five years after the date of issue; and (ii) the date that is three (3) months after the service contracts of John Begg or Marie Malaxos, as applicable, are lawfully terminated within 2 years of the issue of the Options or either resigns from his or her position in the Company within 2 years of the issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period**
Subject to paragraph (e), the Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Vesting Condition**
Notwithstanding any other term of the Options, the holder shall not be permitted to exercise any Options until the Company is notified of the discovery of gas or oil testing to surface at potential commercial rates at any of the projects in which Bombora Natural Energy Pty Ltd (or any of its subsidiaries) holds an interest.
- (f) **Notice of Exercise**
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (g) **Exercise Date**
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (h) **Timing of issue of Shares on exercise**
Within 15 Business Days after the Exercise Date, the Company will:
(i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
If a notice delivered under paragraph (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (i) **Shares issued on exercise**
Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (j) **Quotation of Shares issued on exercise**
If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (k) **Reconstruction of capital**
If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) **Participation in new issues**
There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (m) **Change in exercise price**
An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (n) **Unquoted**
The Company will not apply for quotation of the Options on ASX.
- (o) **Transferability**
The Options are non-transferable except to a related party as defined in Chapter 19 of the ASX Listing Rules and subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Form of Proxy

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

PLEASE NOTE: This proxy is solicited on behalf of the management of Pancontinental Oil & Gas NL ACN 003 029 543 (the "Company") for use at the meeting of the shareholders of the Company to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on 10 July 2017 at 9:30 am or any adjournment thereof (the "Meeting").

I/We being a member/s of Pancontinental Oil & Gas NL hereby appoint

the Chairman of the meeting OR **PLEASE NOTE:** If you leave the section blank, the Chairman of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions at the Meeting and at any adjournment of that meeting.

If you have not appointed the Chairman of the Meeting as your proxy and you are appointing a second proxy please complete the following: Proxy 1 is appointed to represent _____ % of my voting right and Proxy 2 is appointed to represent _____ % of my total votes. My total voting right is _____ shares.
PLEASE NOTE: If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

STEP 2 Items of Business **PLEASE NOTE:** If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and your votes will not be counted in computing the required majority on that item.

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

| | | FOR | AGAINST | ABSTAIN |
|--------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Acquisition of Bombora Natural Energy Pty Ltd | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Approval for Share Placement | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Approval for Issue of Options | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Election of Director – John Begg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Election of Director – Marie Malaxos | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Approval for Share Placement to Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 | Approval for Issue of Shares to Director In Lieu of Fees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 8 | Ratification of Prior Issue – Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 9 | Ratification of Prior Issue – Options | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If no choice is specified, the shareholder is conferring discretionary authority on the proxy to vote at his or her discretion. The Chairman intends to vote FOR on all resolutions.

SIGN Signing by member

This section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Member 1 **Member 2 (if joint holding)** **Member 3 (if joint holding)** / /
Sole Director and Sole Secretary **Director/ Company Secretary** **Director** **Date**



Lodge your vote:

By Email:
info@pancon.com.au

By Mail:
PO Box 1154,
West Perth, WA 6872

In Person:
Level 1, 10 Ord Street,
West Perth, WA 6005

Alternatively you can fax your form to
Facsimile: +61 8 6363 7099

For all enquiries call:
Telephone: +61 8 9389 8033
Email: admin@advancedshare.com.au

Proxy Form

Instructions

1. Every shareholder has the right to appoint some other person or company of their choice, who need not be a shareholder, to attend and act on their behalf at the meeting. If you wish to appoint a person or company other than the Chairman, please insert the name of your proxyholder(s) in the space provided (see reverse).
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you may be required to provide documentation evidencing your power to sign this proxy with signing capacity stated.
3. This proxy should be signed in the exact manner as the name that appears on the proxy.
4. If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
5. Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
6. To be effective, proxies must be delivered by shareholders as follows:

Shareholders must deliver their proxies prior to 9:30am (WST) on 8 July 2017 by email to info@pancon.com.au, by mail to PO Box 1154, West Perth, WA 6872, by facsimile at +61 8 6363 7099 or deliver to Level 1, 10 Ord Street, West Perth, WA 6005.
7. For the purposes of the Corporations Act, the Company has determined that all securities of the Company recorded on the Company's register as at 5:00pm (WST) on the date 48 hours before the date of the General Meeting will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time.
8. The Chairman intends to vote in favour of all resolutions set out in the Notice of Meeting.
9. This proxy confers discretionary authority in respect of amendments to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting.
10. This proxy should be read in conjunction with the accompanying documentation provided by management of the Company.
11. The shares represented by this proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any poll that may be called for, and if the shareholder has specified a choice in respect of any matter to be acted upon, the shares will be voted accordingly.

Turn over to complete the form →



CHECK OUT OUR WEBSITE at
www.advancedshare.com.au

- Check all holdings by using HIN/SRN
- Update your holding details
- Reprint various documents online