

Pancontinental's Response to COVID-19

As the global Coronavirus (COVID-19) outbreak evolves, Pancontinental's management has aligned its work practices with the recommendations of the World Health Organisation as well as State and Federal Department of Health's requirements. The Company will continue to monitor global activity and take the advice of relevant government and global agencies.

Pancontinental acknowledges the extraordinary circumstances presented by COVID-19, and in line with market and economic conditions has responded with cost saving measures to ensure that the Company emerges from these uncertain times in the best possible position.

Pancontinental has set as its priorities the health and safety of its Staff and Directors as well as the conservation of its asset base and the continuation of its projects on a reduced basis.

The Company believes that the economic and social impact of COVID-19 will be felt for several years, and low oil prices may also continue for some time.

Key Responses

- 50% reduction- CEO salary and Non-Executive Director fees
- 25% reduction- Executive Director and Staff salaries
- Suspension of consultancy engagements
- Detailed budgetary review and where possible reduction of corporate and exploration expenditure

Personnel

Pancontinental has followed regulatory requirements concerning physical interactions in its workplace and the Company has eliminated all non-essential travel for its personnel. Personnel are encouraged to take advantage of digital communications and flexible work locations whenever possible.

The Company's CEO Ernie Myers and the Non-Executive Directors have volunteered a 50% reduction in their salary and fees, while the Executive Director (Company Secretary) and the additional staff member have taken a voluntary 25% reduction in their salaries.

The Company's Directors and Staff are continuing appropriately with their duties to maintain operation of the Company.

The ASX has advised that reporting requirements and timelines for listed entities should continue to be adhered to, as such the Company is ensuring that all of its regulatory obligations are met.

Exploration Activities

The Company is continuing to carry out the minimum reporting and work requirements in its exploration projects. Other non-essential activities and expenditure have been reduced.

The Company continues to gather information on possible high-value new-entry projects that it could commence in due course.

Corporate

To prepare and manage our business throughout this period and take the necessary steps to minimise the risk of exposure, the Company has undertaken a detailed corporate budgetary review and has ceased all discretionary and non-essential expenditure. The Company has also approached various service providers to negotiate terms which are appropriate in this economic climate.

Chairman's Message

Commenting on the current circumstances, Pancontinental's Chairman Dave Kennedy said-

"We face extraordinary times with the emergence of the Covid-19 virus, both personally and corporately. The virus, as well as low oil prices, are likely to affect businesses and industry, including Pancontinental's activities, for some time to come.

Adversity often brings new opportunities and your Company is, as always, looking for worthwhile new opportunities that could be brought to the fore when circumstances improve.

While oil prices are at a "low," and alternative technologies slowly take on the world's energy burden, we cannot escape the fact that oil and gas will remain an important part of the global energy supply for many years. Your Company will continue to seek out high-value oil and gas opportunities for its shareholders.

In the short term, I note with considerable enthusiasm that drilling is apparently still planned in the coming months on-trend to at least one of Pancontinental's offshore Namibian projects.

In summary, I can advise that Pancontinental has taken measures to see it through these extraordinary times and is already taking the first steps towards preparing for better times."

Approved for release by the Board of Pancontinental Oil & Gas NL

For and on behalf of
Pancontinental Oil & Gas NL

Ernie Myers
CEO & Executive Director

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