

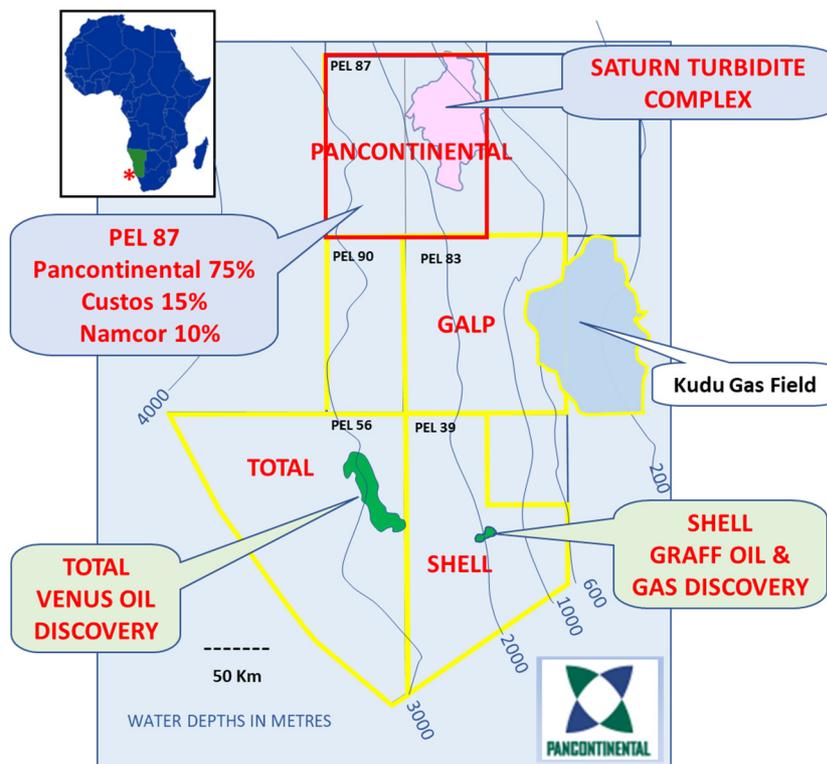
PLACEMENT

Pancontinental Energy NL ("Pancontinental" "the Company") (ASX Code: PCL) is pleased to advise that it has completed a bookbuild to raise \$2 million through a Placement of up to 400,000,000 shares at an issue price of \$0.005 per share to sophisticated and professional investors ("**the Placement**"). The Placement received strong support from existing and new sophisticated and professional investors. Further information in relation to the Placement is outlined in the Details of the Placement section below.

The funds raised will be used in conjunction with existing cash for exploration activities (focused offshore Namibia), also applied towards securing farmout agreements and business development, and for general working capital purposes.

Directors Comment- Pancontinental's Technical Director, Mr Barry Rushworth, commented-

"We are pleased to have completed this placement and appreciate the support shown by investors. The Company is now in a good financial position to continue the work on our high-impact PEL 87 Project offshore Namibia."



PROJECT UPDATE

Namibia Offshore PEL 87

Location:	Orange Basin	
Project Size:	10,947 square kilometres	
JV Partners:	Pancontinental (Operator)	75.00%
	Custos Investments (Pty) Ltd	15.00%
	NAMCOR*	10.00%
	*National Petroleum Corporation of Namibia	

The joint venture consists of Pancontinental with a 75% interest, local company Custos Investments (Pty) Ltd; 15% and the National Petroleum Corporation of Namibia holding 10%. The PEL 87 Orange Basin joint venture commenced in 2017 when the joint venture partners signed the Petroleum Agreement. This marked Pancontinental's second licence award offshore Namibia after PEL 37 Walvis Basin.

The joint venture has acquired over 2,800 line kms of good quality 2D seismic as well as numerous other reports and studies. This technical data has assisted the joint venture in identifying a number of leads within a vast, 2,400km² Turbidite Fan complex ("Saturn") of Aptian Age that, based on Pancontinental's interpretation is encased in sealing shales. The Saturn Turbidite Fan complex covers a core area of more than 2,400 square kilometres with an overall area of about 4,000 square kilometres and holds significant oil potential.

The Company has been exploring in Namibia for over a decade and in that time has built up a database of information to support its theories on the prospectivity of offshore Namibia. Pancontinental's theories have been substantiated with two high profile discoveries announced by both Shell and TotalEnergies with their Graff-1 and Venus-1X wells respectively. The wells received worldwide recognition as two of the most important oil exploration wells to be drilled this year. Both of these discoveries are on trend to Pancontinental's PEL 87 Orange Basin area.

In June 2022, Pancontinental received an extension of one year for the Initial Exploration Period of the licence. The current Initial Exploration Period, as extended, can be followed by three additional two-year Periods, subject to certain conditions.

PEL 37

Location: Walvis Basin

Following the withdrawal of Tullow, Pancontinental, on behalf of the joint venture, made an application for a one year extension of the licence to enable an assessment of the prospectivity of the Block and also to seek a farminee. The Company has not been able to reach agreement with the remaining joint venture partner on a way forward and the application for an extension will not be considered by the Ministry until the partners are in alignment. The Company continues efforts to resolve this matter.

DETAILS OF THE PLACEMENT

The Placement consists of up to 400 million new fully paid ordinary shares to be issued at a price of \$0.005 per share to raise a total of \$2.0 million before costs utilising the Company's existing placement capacity under Listing Rules 7.1 (300 million Placement Options) and 7.1A (400 million Placement Shares). Settlement of the Placement is scheduled to occur on Friday 15 July 2022.

The Issue Price of \$0.005 a share represents a 16.7% discount to the Company's last traded price on 5 July 2022 (A\$0.006).

New shares issued under the Placement will rank equally with existing ordinary shares on issue. Investors in the Placement will be offered one free attaching option for every two Placement shares issued (with the options exercisable at \$0.012 each and an expiry date three years from issue). The Placement Options are to be issued under a Prospectus.

Euroz Hartleys Limited acted as Lead Manager to the Placement and will be issued 100 million broker options with an exercise price of \$0.012 each and with an expiry date 3 years from the date of issue.

This announcement is authorised for release by the Board of Pancontinental Energy NL.

Pancontinental Energy NL
Ernie Myers
CEO and Executive Director

PANCONTINENTAL ENERGY

ASX CODE: PCL

www.pancon.com.au

Head Office – Level 2, 30 Richardson Street, West Perth,
Western Australia 6005

Postal Address - PO Box 1154, West Perth, Western
Australia 6872

Telephone +61 8 6363 7090 Facsimile +61 8 6363 7099

ACN 003 029 543