

Option Prospectus

During July 2022, Pancontinental Energy NL (ASX Code: PCL) advised that it had 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.

Investors in the Placement are 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 will be issued under the attached Prospectus.

Approved for release by the Board of Pancontinental Energy NL

**For and on behalf of
Pancontinental Energy NL**

**Vesna Petrovic
Executive Director & Company Secretary**

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

PANCONTINENTAL ENERGY NL

ACN 003 029 543

OPTION PROSPECTUS

For the offer of 299,999,998 Options, comprising:

- (a) 199,999,998 Options to sophisticated and professional investors who participated in the placement announced by the Company on 8 July 2022, exercisable at \$0.012 each on or before the date that is three (3) years from the date of issue (**Placement Offer**); and
- (b) 100,000,000 Options to the Lead Manager, exercisable at \$0.012 each on or before the date that is three (3) years from the date of issue (**Lead Manager Offer**),

(together, the **Offers**).

No funds will be raised under the Offers.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Options being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Options offered under this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 29 July 2022 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Options offered by this Prospectus should be considered as highly speculative.

Applications for Options offered pursuant to this Prospectus can only be made by an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives,

financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not

be lawful to make such an offer or to issue this Prospectus.

The Offers are not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

For further information on overseas Shareholders please refer to Section 2.8.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Options.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website

(www.pancon.com.au). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.pancon.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6363 7090 during office hours or by emailing the Company at info@pancon.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have,

a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Options issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal

information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 6363 7090.

CORPORATE DIRECTORY

Directors

Henry David Kennedy
Non-Executive Chairman

Ernest Anthony Myers
Executive Director & Chief Executive Officer

Vesna Petrovic
Executive Director

Roy Barry Rushworth
Executive Director

Company Secretary

Vesna Petrovic

Registered Office

Level 2, 30 Richardson Street
WEST PERTH WA 6005

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

Email: info@pancon.com.au
Website: www.pancon.com.au

Auditor*

Rothsay Chartered Accountants
Level 1, Lincoln House
4 Ventnor Avenue
WEST PERTH WA 6005

Share Registry*

Advanced Share Registry Services
PO Box 1156
NEDLANDS WA 6909

Telephone: +61 8 9389 8033

Legal Advisers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager

Euroz Hartleys Limited
AFSL 230052
Level 18, 58 Mounts Bay Road
PERTH WA 6000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

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1. KEY OFFER INFORMATION

1.1 Timetable

Lodgement of Prospectus with the ASIC	29 July 2022
Lodgement of Prospectus and with ASX	29 July 2022
Opening Date of the Offers	29 July 2022
Closing Date of the Offers	5 August 2022
Issue of Options	8 August 2022
Quotation of Options issued under the Offers**	11 August 2022

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Options are expected to commence trading on ASX may vary with any change in the Closing Date.

1.2 Background to the Offers

On 8 July 2022, the Company announced that it had received firm commitments in respect of a placement to sophisticated and professional investors to raise \$2 million (before costs) through the issue of up to 400,000,000 Shares at an issue price of \$0.005 per Share (**Placement**). The Company also agreed to issue the participants in the Placement (**Placement Participants**) one (1) Option for every two (2) Shares subscribed for and issued, exercisable at \$0.012 each on or before the date that is three (3) years from the date of issue (**Placement Options**).

The Shares under the Placement were issued on 18 July 2022.

Further information in relation to the Placement is set out in the ASX announcement released on 8 July 2022.

The Company engaged the services of Euroz Hartleys, to lead manage the Placement and provide corporate advisory services to the Company pursuant to a capital raising and corporate advisory mandate dated 5 July 2022 (**Euroz Mandate**). Pursuant to the Euroz Mandate, the Company has agreed to issue 100,000,000 Options to the Lead Manager on the same terms as the Options included in the Placement (**Lead Manager Options**).

Further information in relation to the Euroz Mandate is set out in Section 2.2.

The Placement Options and the Lead Manager Options are proposed to be offered under this Prospectus.

2. DETAILS OF THE OFFER

2.1 The Offers

2.1.1 Placement Offer

The Placement Offer is an offer of one (1) Option for every two (2) Shares subscribed for and issued under the Placement. Based on the number of Shares issued under the Placement, 199,999,998 Placement Options may be issued under the Placement Offer. No funds will be raised from the issue of the Placement Options.

The Placement Options will be exercisable at \$0.012 each on or before the date that is three (3) years from the date of issue and otherwise on the terms and conditions set out in Section 4.1.

Shares issued upon exercise of the Placement Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

2.1.2 Lead Manager Offer

The Lead Manager Offer is an offer of 100,000,000 Options to the Lead Manager (or its nominee) in consideration for services provided in connection with the Placement. No funds will be raised from the issue of the Lead Manager Options.

The Lead Manager Options will be exercisable at \$0.012 each on or before the date that is three (3) years from the date of issue and otherwise on the terms and conditions set out in Section 4.1.

Shares issued upon exercise of the Lead Manager Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

2.2 Lead Manager

As set out in Section 1.2, Euroz Hartleys acted as the lead manager to the Placement. The material terms and conditions of the Euroz Mandate are summarised below:

(a) Term

The Euroz Hartley's engagement under the Euroz Mandate ends on 5 January 2024, unless extended in accordance with the terms and conditions of the Euroz Mandate (**Term**).

(b) Fees

In consideration for the services provided by Euroz Hartleys pursuant to the Euroz Mandate, the Company has agreed to:

- (i) pay Euroz Hartleys an advisory fee of \$5,000 per month for the period of the Term;

- (ii) pay Euroz Hartleys a capital raising fee of 6% (plus GST) of the total amount raised from any capital raising undertaken during the Term (including the Placement); and
- (iii) issue Euroz Hartleys the Lead Manager Options.

(c) M&A Transaction Fee

If during the Term, the Company or any of its related bodies corporate is the subject of an offer or a party to an M&A transaction (**M&A Transaction**), Euroz Hartleys will act as a corporate advisor in respect of that M&A Transaction, and the Company agrees to pay Euroz Hartleys a cash M&A Transaction fee equal to 3.25% of the value of the M&A Transaction, unless the M&A Transaction value is in excess of \$100 million where Euroz Hartleys will reduce the fee in respect to the portion exceeding \$100 million to 2.75%.

The Euroz Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnity provisions and confidentiality provisions).

2.3 Application for Offers

Placement Offer

The Placement Offer will only be extended to the Placement Participants. Personalised Application Forms will only be provided to these Placement Participants.

No subscription monies are payable for the Placement Options offered under the Placement Offer as the Placement Options are being issued on the basis of one (1) Option for every two (2) Shares subscribed for and issued under the Placement.

Lead Manager Offer

The Lead Manager Offer will only be extended to the Lead Manager (or its nominees). An Application Form for the Lead Manager Offer will only be provided to the Lead Manager (or its nominees).

No subscription monies are payable for the Lead Manager Options offered under the Lead Manager Offer as the Lead Manager Options are being issued in consideration for services provided in connection with the Placement.

2.4 Implications of Completing an Application Form

By completing an Application Form, applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of this Prospectus.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than 5.00pm (WST) on the Closing Date, which is currently scheduled to occur on 5 August 2022.

If you require assistance in completing an Application Form, please contact the Share Registry on +61 8 9389 8033 or the Company on +61 8 6363 7090.

2.5 Minimum subscription

There is no minimum subscription for the Offers.

2.6 ASX listing

Application for Official Quotation of the Options offered pursuant to this Prospectus will be made within 14 days after the date of this Prospectus. If the Options are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Options under the Offers.

The fact that ASX may grant Official Quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the Options now offered for subscription.

2.7 Issue of Options

The Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.1.

Holding statements for the Options issued under the Offers will be mailed as soon as practicable after the issue of the Options.

2.8 Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of the Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The Options are not being offered to the public within New Zealand other than those shareholders of the Company who subscribed for and were issued Shares under the Placement with registered addresses in New Zealand, to whom the offer of these Options is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand). This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Nominees and custodians

Nominees and custodians may not submit an Application Form on behalf of any Shareholder resident outside Australia or New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return

of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The Offers are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Placement Offer as the Options are being issued on the basis of one Option for every two Shares subscribed for and issued under the Placement. Similarly, no funds will be raised under the Lead Manager Offer as the Options are being issued to the Lead Manager in consideration for services provided.

3.2 Effect of the Offers

The principal effect of the Offers, (assuming that all Options offered under this Prospectus are issued and no other Securities are issued or exercised or converted) will be to:

- (a) increase the number of Options on issue from nil as at the date of this Prospectus to 299,999,998 Options; and
- (b) remove any trading restrictions for 12 months attaching to Shares issued on exercise of the Options issued under this Prospectus.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Options offered under this Prospectus are issued, is set out below.

Shares

	Number
Shares currently on issue	7,554,222,823
Shares offered pursuant to the Offers	Nil
Total Shares on issue on completion of the Offers	7,554,222,823

Options

	Number
Options currently on issue	Nil
Options to be issued pursuant to the Placement Offer	199,999,998
Options to be issued pursuant to the Lead Manager Offer	100,000,000
Total Options on issue after completion of the Offer	299,999,998

The capital structure on a fully diluted basis as at the date of this Prospectus would be 7,554,222,823 Shares and on completion of the Offers (assuming all Options offered under this Prospectus are issued) would be 7,854,222,821 Shares.

3.4 Financial effect of the Offers

After expenses of the Offers of approximately \$25,555, there will be no proceeds from the Offers. The expenses of the Offers will be met from the Company's existing cash reserves.

3.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Henry David Kennedy	643,824,491	8.52%
Perth Select Seafoods Pty Ltd	442,000,000	5.85%

There will be no change to the substantial holders on completion of the Offers.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Terms of Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.012 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three (3) years from the date of issue (**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 five Business Days after the Exercise Date, the Company will:

- (i) 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) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **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.

(k) **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.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

4.2 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares that will be issued on the exercise of the Options offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share.

(c) **Dividend rights**

Subject to the Corporations Act, the Listing Rules and the Constitution, the Directors may determine or declare that a dividend (whether interim, final or otherwise) is payable.

No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors decide, under which, the whole or any part of any dividend or interest due to Shareholders or holders of any convertible shares of the Company who participate in the plan on their Shares or any class of shares or any convertible shares or any other amount payable to Shareholders, may be applied in subscribing for or purchasing securities of the Company.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. RISK FACTORS

5.1 Introduction

The Options offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Options and Shares issued upon the exercise of the Options may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Options. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Category of Risk	Risk
PCL project specific risks	<p>The Company's African projects are subject to the renewal of the exploration licences by the relevant Government of the country in which the projects are located. To renew such a licence each joint venture party must agree to the renewal. If any joint venturer does not agree to the renewal, the relevant licence will be lost, unless the parties agree to the contrary.</p> <p>As disclosed in the Company's ASX announcements, following the withdrawal of Tullow Namibia Limited from the joint venture relating to the Company's PEL 37 Walvis Basin project (PEL 37 JV), the Company, on behalf of PEL 37 JV, made an application for a two year extension of PEL 37. The Company has not been able to reach agreement with the remaining PEL 37 JV partner, Paragon Oil & Gas (Pty) Ltd, on a way forward and the application for an extension will not be considered by the Ministry of Mines and Energy in Namibia (Ministry) until the partners are in alignment.</p> <p>Accordingly, there remains a risk that the licence will not be extended by the Ministry.</p>
Exploration and development risk	<p>Oil and gas exploration and development involves significant risk and there is no assurance that exploration within the Company's portfolio of project interests or any other projects that may be acquired in the future, will result in a hydrocarbon discovery. Even if an apparently viable hydrocarbon deposit is discovered or identified there can be no guarantee that the discovery will be sufficiently productive to justify commercial development or assure a</p>

Category of Risk	Risk
	<p>profit on the investment.</p> <p>Further, oil and gas exploration may involve drilling operations and exploration activities which do not generate a positive return on investment. This may arise from dry wells, but also from wells that are productive but do not produce sufficient revenues to return a profit after accounting for drilling, operating and other associated costs. The production from successful wells may also be impacted by various operating conditions, including insufficient storage or transportation capacity, or other geological and mechanical conditions. In addition, managing drilling hazards or environmental damage and pollution caused by exploration and development operations could greatly increase the associated cost and profitability of individual wells.</p> <p>The ultimate success of exploration and development activities of the Company is influenced by many factors, such as access to capital, costs, regulatory conditions, sentiments towards oil and gas activities, actual hydrocarbons and formations encountered by wells, flow consistency and reliability as well as access to appropriately skilled personnel and other risks such as those outlined in this section.</p>
Drilling risks	<p>The Company's drilling operations may be curtailed, delayed or cancelled due to several factors including weather conditions, mechanical difficulties, security issues, shortage or delays in the delivery of rigs and/or other equipment and specialist service providers as well as compliance with governmental requirements. Hazards incident to the exploration and development of oil and gas properties such as unusual or unexpected formations, pressure, temperatures and/or other factors are inherent in drilling and operating wells and may be encountered by the Company.</p>
Ukraine Conflict	<p>The current conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.</p> <p>The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and</p>

Category of Risk	Risk
	financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.
Environmental and other regulatory requirements and approvals	<p>Before exploration and production activity can commence on any property, the Company must obtain environmental and other regulatory approvals and there is no assurance that such approvals will be obtained or granted in a timely manner. Delays in the regulatory process and granting of environmental and other necessary approvals could hinder the Company's ability to pursue operational activities which in some cases could materially impact the outcome.</p> <p>The Company's operations will be subject to environmental laws, including but not limited to, those governing the management of waste, the protection of water and air quality, the discharge of materials into the environment, and the preservation of natural resources which may impact and influence the Company's operations. If the Company fails to comply with environmental laws regarding the discharge of oil, gas, or other materials into the air, soil or water it may be subject to liabilities to the government and third parties, including civil and criminal penalties. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. The Company may from time to time in the future agree to indemnify sellers or lessors of producing properties against some liabilities for environmental claims associated with these properties.</p>
Land tenure	Exploration and petroleum licences held by the Company are subject to the approval of the relevant government bodies. Government regulatory authorities generally require the licence holder(s) to undertake certain obligations, including work program commitments, and failure to meet those obligations could result in forfeiture. Exploration licences may also be subject to partial or full relinquishment after certain tenure periods outlined in the licence agreements if no alternative licence arrangements (e.g. production licence after declaration of commerciality) are applied for and approved. In an event of forfeiture or relinquishment, the Company's overall land position would be reduced.
Sovereign risk	The Company has an interest in projects in Namibia (in addition to assets in Australia). Possible sovereign risks include, without limitation, changes in relevant legislation or government policy, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Further, no assurance can be given regarding the future stability in any country in which the Company has, or may have, an interest. Any of these factors may, in the future, adversely affect the financial performance of the Company.
Foreign exchange risk	The Company is headquartered in Australia and the key projects in which the Company has an interest, are located in Namibia and Australia. As a result, revenues, cash flows, expenses, capital expenditure and commitments may be

Category of Risk	Risk
	<p>denominated in Australian dollars or Namibian dollars.</p> <p>The Company's share price and its consolidated accounts are currently denominated in Australian dollars which results in the Company being exposed to the fluctuations and volatility of these currencies' exchange rates upon translation or repatriation to Australian dollars.</p>

5.3 Industry specific

Category of Risk	Risk
Hydrocarbon product price and volatility	<p>The demand for, and price of, oil and natural gas is dependent on a variety of external factors, including local and global supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments.</p> <p>Oil and gas prices lie wholly outside of the Company's control, have fluctuated wildly in recent years and may continue to fluctuate. If the price of hydrocarbons should drop significantly and remain depressed it may have a material adverse effect on the Company's business, financial condition and operational results.</p> <p>The marketability of hydrocarbons can also be affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production and importing and exporting of oil and gas and petroleum products, the effect of which cannot be accurately predicted.</p>
Hydrocarbon reserve and resource estimates	<p>Hydrocarbon reserve and resource estimates are subjective expressions of judgment based on geological, technical, contractual and economic information and supported by knowledge, experience and industry practice. While industry recommendations such as the international PRMS (Petroleum Resource Management System) are applied it is not an exact calculation and estimates that were valid interpretations of available data when made may prove inaccurate and/or change significantly when new information becomes available. Should the Company encounter oil and/or gas deposits or formations different from those predicted by the interpretation of past drilling, sampling and similar examinations, then estimates may have to be adjusted and production plans may have to be altered in a way which could adversely affect the Company's operations. Where appropriate, the Company will seek to have any such estimates verified or produced by an independent party with sufficient expertise in their chosen field.</p>
Operating risk	<p>Industry operating risks include the risk of fire, explosions, blow-outs, pipe failure, weather conditions, industrial disputes, unexpected equipment shortages or cost increases, mechanical failure or breakdown, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks,</p>

Category of Risk	Risk
	ruptures or discharges of toxic gases. The occurrence of any of these risks could result in substantial losses to the Company due to injury or loss of life, severe damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation and penalties and suspension of operations or claims against the Company resulting from damages especially where such risks are not covered or not fully covered by its insurances.
Contractors	<p>Oil and gas ventures are typically operated under Joint Operating Agreements (JOAs), which include provisions that require certain decisions to be voted upon by each participant. A decision will be approved under the JOA when the operator has received sufficient positive votes; the approval threshold for which varies with each JOA and for different activity types within a particular JOA.</p> <p>The Company is unable to control the decisions and activities of its joint venture partners and as a result there exists a risk that the Company may have the value of its interest in such properties reduced by votes or actions undertaken by other venture participants. The Company cannot guarantee that joint ventures will be operated or managed in accordance with the Company's preferred direction or strategy or guarantee that joint ventures will be operated in accordance with work program commitments in respect of the relevant projects. This may result in projects being delayed, losing value, being forfeited or not renewed or fines imposed on the joint venture parties.</p> <p>Further, the Directors are unable to predict the risk of financial failure, non-compliance with obligations or default by a participant in any venture to which the Company is, or may become, a party.</p>

5.4 General risks

Category of Risk	Risk
Coronavirus (COVID-19)	The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Market conditions	Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are

Category of Risk	Risk
	<p>affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Competition risk	<p>The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p> <p>Additional funding may be sourced from one or a combination of equity, debt, industry farmin, or other financing methods as determined on a case by case basis when those funds are needed. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its strategy, plans or operations.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Options.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Options or Shares issued on the exercise of the Options offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Options under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Title
26 July 2022	Notification of Cessation of Securities
25 July 2022	Expiry of Options
18 July 2022	Appendix 2A

Date	Title
18 July 2022	Notice under section 708A of the Corporations Act 2001 (Cth)
8 July 2022	Appendix 3B (Proposed issue of securities)
8 July 2022	Placement Announcement
6 July 2022	Trading Halt Announcement
14 June 2022	ASX Announcement - Namibian Ministry Sign Off on PEL 87 Licence Extension
29 April 2022	Quarterly Activities Report
29 April 2022	Appendix 5B (Mining exploration entity and oil and gas exploration entity quarterly report)
16 March 2022	Half Yearly Report and Accounts
25 February 2022	ASX Announcement - Total Oil Discovery Offshore Namibia On-Trend to PCL PEL87
21 February 2022	Appendix 3Z (Final Directors Interest Notice)
21 February 2022	ASX Announcement - Non-Executive Director Resignation
10 February 2022	ASX Announcement - Shell Oil Discovery Offshore Namibia On-Trend to PCL PEL 87
7 February 2022	ASX Announcement - Shell Oil Discovery Offshore Namibia On-Trend to PCL PEL 87
31 January 2022	Quarterly Activities Report
31 January 2022	Appendix 5B (Mining exploration entity and oil and gas exploration entity quarterly report)
24 December 2021	Appendix 3Y (Change of Directors Interest Notice)
24 December 2021	Appendix 3Y (Change of Directors Interest Notice)
24 December 2021	Appendix 3Y (Change of Directors Interest Notice)
24 December 2021	Appendix 3Y (Change of Directors Interest Notice)
24 December 2021	Appendix 3Y (Change of Directors Interest Notice)
24 December 2021	Change in substantial share holding notice
24 December 2021	ASX Announcement - Expiry of Unlisted Options
24 December 2021	Cleansing Notice
24 December 2021	Appendix 2A (Application for quotation of securities)
14 December 2021	ASX Announcement - Second Well Spuds Offshore Namibia On-Trend to PCL's PEL 87
3 December 2021	ASX Announcement - Significant Well Spuds On-Trend to PCL's Namibia PEL87
29 November 2021	Results of Annual General Meeting

Date	Title
29 November 2021	Presentation to Annual General Meeting
29 November 2021	Chairman's Address to Shareholders
29 October 2021	Quarterly Activities Report
29 October 2021	Appendix 5B (Mining exploration entity and oil and gas exploration entity quarterly report)
29 October 2021	Notice of Annual General Meeting/Proxy Form
29 October 2021	Appendix 4G (Key to Disclosures)
29 October 2021	Annual Report to Shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.pancon.com.au.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	\$	Date
Highest	0.013	2,3 and 5 May 2022
Lowest	0.005	10, 14 – 17, 20 – 24 and 27 June, 15, 18 – 22 and 25 - 26 July 2022
Last	0.005	28 July 2022

The Options offered under this Prospectus are not currently quoted and therefore no trading in those Options has occurred.

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or

- (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (i) the Offers.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Henry David Kennedy ¹	643,824,491	Nil
Roy Barry Rushworth ²	144,335,610	Nil
Ernest Anthony Myers ³	2,900,715	Nil
Vesna Petrovic ⁴	Nil	Nil

Notes:

1. Held directly by Mr Kennedy.
2. Held directly by Mr Rushworth.
3. Held indirectly through Pinegold Enterprises Pty Ltd (ACN 084 676 639) (an entity in which Mr Myers is a director and shareholder).
4. Held directly by Mrs Petrovic.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e., non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2021 and 2020 Annual Reports.

Director	30 June 2022	30 June 2021	30 June 2020
Henry David Kennedy	\$25,000	\$25,000 ¹	\$43,750 ¹
Roy Barry Rushworth	\$89,081	\$44,700 ²	\$81,978 ³
Ernest Anthony Myers	\$100,002	\$100,002 ¹	\$175,006 ¹
Vesna Petrovic	\$134,375	\$112,500 ¹	\$140,625 ¹

Notes:

1. Comprising amounts paid to the Director in salary and fees.
2. Comprising \$15,000 in salary and fees and \$29,700 in consultancy fees paid primarily in relation to farmout endeavours on the Company's African projects.
3. Comprising \$35,000 in salary and fees and \$46,978 in consultancy fees paid primarily in relation to farmout endeavours on the Company's African projects.

6.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000

(excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$7,270.01 (excluding GST and disbursements) for legal services provided to the Company.

Euroz Hartleys will be paid a capital raising fee of \$120,000 in respect of the Placement and will receive 100,000,000 Options under the Lead Manager Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, Euroz Hartleys has received \$149,600 (including GST) in fees from the Company.

6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Options), the Directors, the persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

Euroz Hartleys has given its written consent to being named as the lead manager to the Company in this Prospectus.

6.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$25,555 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	12,349
Legal fees	10,000
Total	\$25,555

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Henry David Kennedy
Non-Executive Chairman
For and on behalf of
Pancontinental Energy NL

8. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Application Form means the application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

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.

Closing Date means the date specified in the timetable set out at Section 1.1 (unless extended).

Company means Pancontinental Energy NL (ACN 003 029 543).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

Euroz Hartleys means Euroz Hartleys Limited (ACN 104 195 057) (AFSL 230052).

Euroz Mandate has the meaning given in Section 1.2.

Lead Manager Offer means the offer of 100,000,000 Options exercisable at \$0.012 each on or before the date that is three (3) years from the date of issue to the Lead Manager (or its nominee).

Lead Manager means Euroz Hartleys.

Offers means the Placement Offer and the Lead Manager Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the placement to sophisticated and professional investors announced by the Company on 8 July 2022 to raise \$2 million (before costs) through the issue of up to 400,000,000 Shares at an issue price of \$0.005 per Share together with one (1) Option for every two (2) Shares subscribed for and issued under the Placement as set out in Section 1.2.

Placement Offer means the offer of 199,999,998 Options exercisable at \$0.012 each on or before the date that is three (3) years from the date of issue to participants in the Placement pursuant to this Prospectus.

Prospectus means this prospectus.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

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

Shareholder means a holder of a Share.

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