

**PANCONTINENTAL****PANCONTINENTAL OIL & GAS NL**

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11 July 2012

Ms Tonia Oliveira  
ASX Limited  
2 The Esplanade  
Perth WA 6000

Dear Ms Oliveira

**Price and Volume Query**

In response to your query on the price and volume change, we advise as follows:

1. The Company is not aware of any information that has not been announced which could provide a reason for the recent trading.
2. Not applicable.
3. An article appeared in today's Australian newspaper titled "East Africa a threat to Aussie LNG future". The article highlighted the recent East African offshore gas discoveries in Mozambique and Tanzania by BG, Anadarko, Exxon, Statoil and ENI. It also pointed out that Pancontinental has interests in offshore Kenya, with targets linked to what has been found to the south, but concentrating on oil. There was also mention in the article that Apache is planning a well next month at the billion barrel Mbawa prospect in which Pancontinental has a 15% interest.

In addition, in Kenya block L6 in which Pancontinental has a 40% interest, a 3D offshore seismic survey is nearing completion. Whilst the completion of the survey is not price sensitive, it will give the Company valuable data once interpretation is completed in Q1 2013.

We believe that article in today's Australian may have raised awareness of the Company's activities and explain the price and volume change in the Company's securities.

4. We can confirm that the Company is in compliance with the listing rules, and in particular, listing rule 3.1.

For and on behalf of  
**Pancontinental Oil & Gas NL****Vesna Petrovic**  
Company Secretary



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11 July 2012

Ms Vesna Petrovic  
Company Secretary  
Pancontinental Oil & Gas NL

By Email: [vesna@pancon.com.au](mailto:vesna@pancon.com.au)

Dear Vesna

**Pancontinental Oil & Gas NL (the "Company")**

**PRICE AND VOLUME QUERY**

We have noted a change in the price of the Company's securities from a closing price of 16.5 cents on Wednesday 27 June 2012, to an intra day high of 21 cents today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email on [tonia.oliveira@asx.com.au](mailto:tonia.oliveira@asx.com.au) or by facsimile number (08) 9221 2020. It should not be sent to the Market Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 2:30pm (WST) today, Wednesday 11 July 2012.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please contact me.

Yours sincerely,

[sent electronically without signature]

Tonia Oliveira  
**Senior Adviser, Listings (Perth)**