



PANCONTINENTAL

PANCONTINENTAL OIL & GAS NL

ACN 003 029 543 ASX : PCL

Ground Floor  
288 Stirling Street, Perth  
Western Australia 6000

P O Box 8260  
Perth Business Centre  
Western Australia 6849

Tel: (61 8) 9227 3220  
Fax: (61 8) 9227 3211  
Email: [info@pancon.com.au](mailto:info@pancon.com.au)  
Web: [www.pancon.com.au](http://www.pancon.com.au)

## ASX Announcement

28 April 2014

# 2D seismic survey completed in EL 0037 offshore Namibia

### Key Points:

- *1,000km 2D survey completed in EL 0037 in the Walvis Basin, offshore Namibia, southwest Africa*
- *The 2D survey follows the recent completion of a 3,000km<sup>2</sup> 3D survey*
- *2D survey provides additional infill coverage to the south of the 3D area*
- *Drilling on a major prospect has commenced in an adjacent permit*

Further to its announcement of 11 April, Pancontinental Oil & Gas NL (ASX: PCL) is pleased to advise that a second seismic survey acquisition of 1,000km of 2D data has now been completed within its highly prospective offshore acreage in licence area EL 0037 offshore Namibia, southwest Africa.

The 2D acquisition extends to the south beyond a recently completed 3D survey of approximately 3,000km<sup>2</sup> and provides infill to existing 2D seismic coverage.

The 2D seismic coverage is intended to provide data to define new "leads" on-trend to the 3D area while the 3D survey is designed to prove-up a number of previously defined leads to drillable "prospect" status.

EL 0037 covers an area of 17,295km<sup>2</sup> in the Walvis Basin. Offshore Namibia is considered highly prospective for oil and gas, lying south of the prolific producing areas offshore Angola, with which it shares some geological characteristics.

The 2D and 3D surveys were both managed by the EL0037 Joint Venture operator Tullow Oil, using the seismic acquisition vessel Polarcus Asima.

Tullow Oil farmed-in to EL 0037 in October 2013 and subsequently identified a number of geological Leads for coverage by the 3D survey. Pancontinental

retains a 30% free-carried interest through the surveys and one optional well to be drilled by Tullow.

### **Ongoing Activity**

The 2D and 3D data will now be processed. Fast-track processed 3D data are expected within approximately 10 weeks allowing detailed mapping of the prospects and leads to commence.

Final processed data are expected in approximately five months.

### **Regional Activity**

An oil recovery and reports of high quality oil-mature source rocks in the Wingat-1 well, drilled in 2013, have given considerable encouragement for exploration in the Walvis Basin.

Wingat-1 is directly on-trend to the south in an "Oil Mature Fairway" interpreted by Pancontinental in EL0037.

The joint venture participants in Block EL 0010, neighbouring Pancontinental's EL 0037, report that the commencement of the Welswitchia-1 exploration well is imminent. The Welswitchia-1 drilling site is approximately 75km from the north-west boundary of EL 0037.

Industry interest in offshore Namibia is continuing to grow. The recent farm-in-entries of Shell, OMV and Murphy Oil have followed earlier entries by Repsol and Tullow. Other large industry entrants are expected in the future.

### **Further Namibia Background**

Namibia is under-explored with only seven onshore and 14 offshore wells drilled over a coastline of some 1,300km.

Active oil & gas systems are demonstrated by oil recovery from the Wingat-1 well in the Walvis Basin in May 2013 and the significant Kudu gas discovery offshore southern Namibia.

Offshore Namibia and Angola form the tectonic conjugate of offshore Brazil, which contains some highly oil-productive basins.

Pancontinental's CEO, Mr Barry Rushworth said:

"Namibia is entering a very exciting phase for oil exploration. The offshore margin covers a vast prospective area and is significantly under-explored".

"Pancontinental has a very large, highly prospective licence area, as evidenced by the farm-in of Tullow last year. Pancontinental is free-carried by Tullow for seismic and potential drilling".

"The recovery of oil and the verification of high quality source rocks adjacent our licence area has added to the high level of industry interest, which was reinforced at a recent industry conference in Namibia attended by some of the world's largest oil companies."

"Namibia has an encouraging oil & gas regulatory regime and is economically and politically stable. Exploration activity, including drilling, is expected to continue to be high in coming years".

The Namibia EL 0037 consortium consists of:

Tullow Kudu Limited <sup>1</sup> (Operator)	65%
<b>Pancontinental Namibia (Pty) Ltd<sup>2</sup></b>	<b>30%</b>
Paragon Oil & Gas (Pty) Ltd <sup>3</sup>	5%

1 Tullow Kudu Limited is a wholly owned subsidiary of Tullow Oil plc

2 Pancontinental Namibia (Pty) Ltd is a wholly owned subsidiary of Pancontinental Oil & Gas NL

3 Paragon Oil & Gas (Pty) Ltd is a wholly owned subsidiary of Paragon Investment Holding's (Pty) Ltd

## Media Enquiries

Nicholas Read / Paul Armstrong  
Read Corporate  
Tel: +61 89 388 1474

Yours sincerely for and on behalf of  
**Pancontinental Oil & Gas NL**



**Barry Rushworth, CEO and Director**

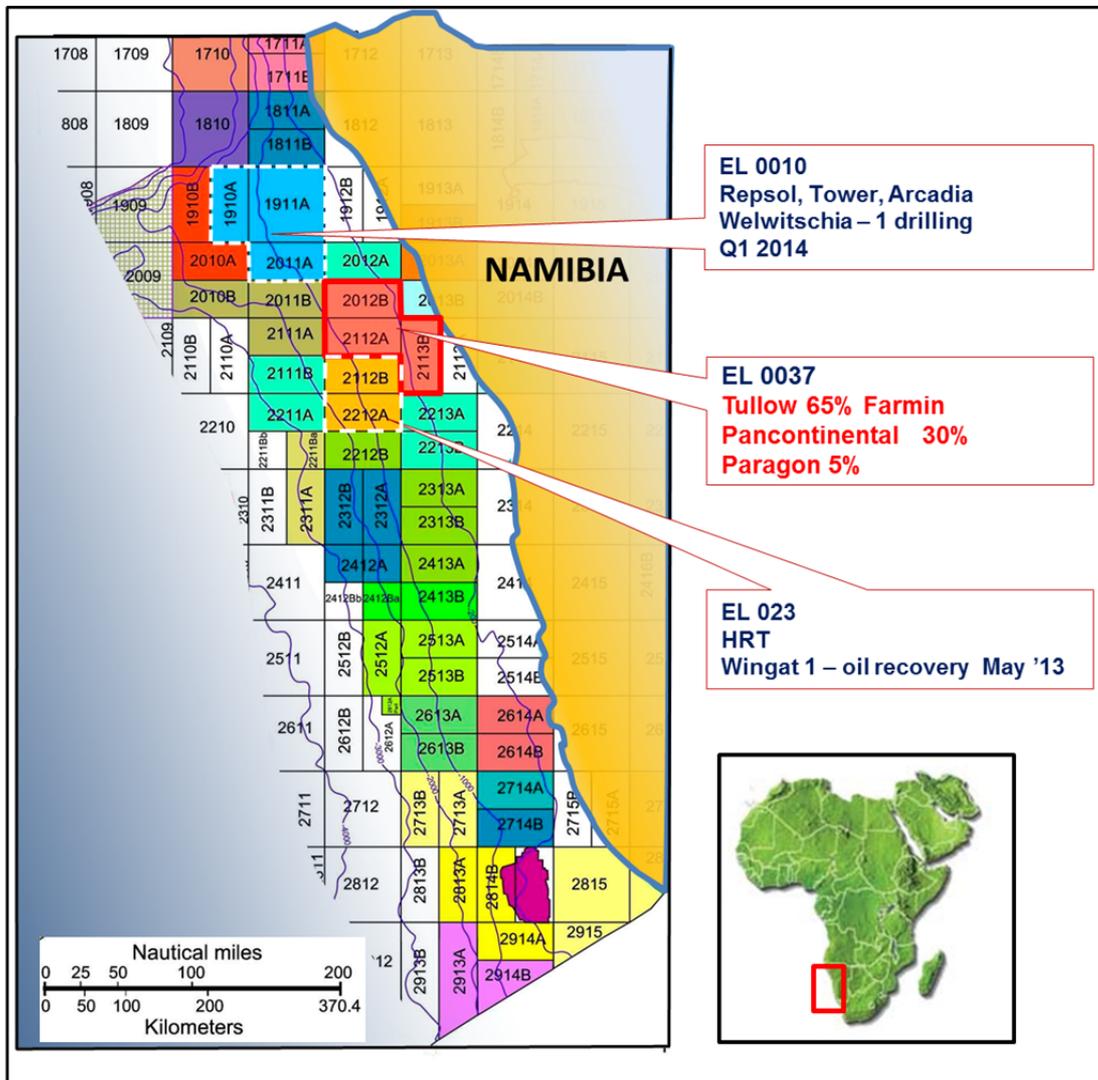
*The summary report on the oil and gas projects is based on information compiled by Mr R B Rushworth, BSc, MAAPG, MPESGB, MPESA, Chief Executive Officer of Pancontinental Oil & Gas NL. Mr Rushworth has the relevant degree in geology and has been practising petroleum geology for more than 30 years.*

*Mr Rushworth is a Director of Pancontinental Oil & Gas NL and has consented in writing to the inclusion of the information stated in the form and context in which it appears.*

## Disclaimers

Any estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

This document may include forward looking statements. Forward looking statements include, and are not necessarily limited to, statements concerning Pancontinental's planned operation programme and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Pancontinental believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements.



**Figure 1 – Licence areas offshore Namibia**