

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Pancontinental Oil & Gas NL

ABN

95 003 029 543

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(224)	(315)
(b) development	-	-
(c) production	-	-
(d) administration	(390)	(679)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	12
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(606)	(982)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(3)	(3)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(3)	(3)
1.13 Total operating and investing cash flows (carried forward)	(609)	(985)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(609)	(985)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	738	738
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	(50)	(50)
	Net financing cash flows	688	688
	Net increase (decrease) in cash held	79	(297)
1.20	Cash at beginning of quarter/year to date	993	1,346
1.21	Exchange rate adjustments to item 1.20	(8)	15
1.22	Cash at end of quarter	1,064	1,064

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	196
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payments to directors and companies associated with directors as per 1.23 above:	
Technical consulting fees	125
Directors' fees	71

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	578
4.2 Development	-
4.3 Production	-
4.4 Administration	398
Total	976

**Note – Second Tranche Placement and Share Purchase Plan proceeds are expected in the following quarter*

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	142	73
5.2 Deposits at call	902	739
5.3 Bank overdraft	-	-
5.4 Other – Security deposits	20	181
Total: cash at end of quarter (item 1.22)	1,064	993

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	1,335,494,096	1,335,494,096		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(a) 184,500,000	(a) 184,500,000		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	<i>Number of Options</i> 2,750,000	<i>ASX Code</i> PCLAK	<i>Exercise price</i> \$0.1230	<i>Expiry date</i> 29 November 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

PANCONTINENTAL OIL & GAS NL – PETROLEUM PERMIT SCHEDULE
as at 31 December 2015

Project	Permit reference	Interest
Petroleum prospects		
Kenya	L6 Offshore	40%
	L6 Onshore	16%
Namibia	EL 0037	30%

+ See chapter 19 for defined terms.