

**PANCONTINENTAL OIL & GAS NL**  
**ACN 003 029 543**

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**PROSPECTUS**

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This Prospectus contains an offer of up to 1,753,211,226 Shares to the Vendors in consideration for the Acquisition (**Offer**).

The Offer is scheduled to close at 5:00pm (WST) on 9 July 2017 unless extended or withdrawn. Applications must be received before that time to be valid.

**IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered under this Prospectus should be considered speculative.

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## 1. CORPORATE DIRECTORY

### Current Directors

Mr John Edward Leach  
*Chairman*

Mr Henry David Kennedy  
*Non-Executive Director*

Mr Roy Barry Rushworth  
*CEO, Executive Director*

Mr Ernest Anthony Myers  
*Executive Director*

Ms Vesna Petrovic  
*Executive Director*

### Proposed Directors

Mr John Douglas Begg  
*Executive Director*

Ms Marie Michele Malaxos  
*Non-Executive Director*

*As well as existing Pancontinental directors*

Mr Henry David Kennedy  
*Non-Executive Director*

Mr Roy Barry Rushworth  
*Non-Executive Director*

Mr Ernest Anthony Myers  
*Non-Executive Director*

### Company Secretary

Ms Vesna Petrovic

### Registered Office

Level 1, 10 Ord Street  
West Perth WA 6005

Telephone: +61 8 6363 7090

Facsimile: +61 8 6363 7099

Website: [www.pancon.com.au](http://www.pancon.com.au)

### Share Registry\*

Advanced Share Registry Services  
110 Stirling Highway  
Nedlands WA 6009

Telephone: +61 8 9389 8033

\* This entity has been included for information purposes only. It has not been involved in the preparation of this Prospectus.

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## 2. TIMETABLE AND IMPORTANT NOTES

### 2.1 Timetable

Event	Date
Lodgement of Prospectus with the ASIC and ASX	22 June 2017
Opening Date of the Offer	23 June 2017
Date of the General Meeting	10 July 2017
Closing Date of the Offer*	5:00pm WST on 9 July 2017
Completion of the Acquisition	12 July 2017
Issue of Shares under the Offer	12 July 2017
Expected date of Official Quotation of the Shares	13 July 2017

*\* The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Shares to Applicants.*

### 2.2 Important Notes

This Prospectus is dated 22 June 2017 and was lodged with the ASIC on that date. Neither the ASIC and its officers nor ASX and its officers take responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### 2.3 Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company a [www.pancon.com.au](http://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 resident and must only access this Prospectus from within Australia.

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. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

## **2.4 Website**

No document or information included on the Company's website is incorporated by reference into this Prospectus.

## **2.5 Conditional Offer**

The Offer is conditional on satisfaction of the Conditions detailed in Section 3.4 of this Prospectus.

In the event that the Condition is not satisfied, the Offer will not proceed and no Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be reimbursed their application monies (without interest).

## **2.6 Risk Factors**

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

## **2.7 Overseas Investors**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

## **2.8 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 past and 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, its Directors, proposed Directors and management.

Although the Company believes that the expectations reflected in the forward looking statements included in this Prospectus are reasonable, none of the Company, its Directors, the Proposed Directors, or any person named in this

Prospectus, can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will prove to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, 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.

The forward-looking statements contained in this Prospectus are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. The key risk factors of investing in the Company are set out in Section 7 of this Prospectus.

## **2.9 Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

## **2.10 Enquiries**

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult your broker or legal, financial or other professional adviser without delay.

Should you have any questions about how to apply for Shares under the Offer, please call the company secretary on +61 8 6363 7090.

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### 3. TRANSACTION OVERVIEW

#### 3.1 Acquisition of Bombora Natural Energy Pty Ltd

On 7 June 2017, the Company announced to ASX that it had executed a binding heads of agreement (the **Acquisition Agreement**) under which it agreed to acquire Bombora Natural Energy Pty Ltd (**Bombora**), an oil and gas explorer focused on the onshore Sacramento Gas Basin and the Perth Basin (the **Acquisition**). Further details of Bombora, its project interests and the terms of the Acquisition are set out in the announcement by the Company dated 7 June 2017.

#### 3.2 Purpose of Offer

In consideration for the Acquisition, the Company has agreed to issue to the Bombora shareholders (**Vendors**) up to 1,753,211,226 Shares (in aggregate), based on a ratio of 26 Shares for each Bombora share on issue at completion of the Acquisition (**Consideration Shares**). However, if by 31 July 2017, Bombora, for whatever reason, loses the right to earn its interests in the Tulainyo Project and that project has not been replaced with a transaction deemed by Pancontinental to be of equivalent value, then the number of Pancontinental Shares to be issued to the Vendors will reduce from 26 to 22 per Bombora share (**Tulainyo Reduction**). This will mean that the Vendors will initially receive 22 Shares for every one Bombora share held by them and the remaining 4 Shares will be issued after 31 July 2017 provided the Tulainyo Reduction is not triggered. If it is triggered then the Vendors will not receive the remaining 4 Shares per Bombora shareholding.

The purpose of the Offer under this Prospectus is to make the offer of the Consideration Shares to the Vendors to complete the Acquisition. The Offer is subject to and conditional on the following outstanding conditions precedent being satisfied or waived:

- (a) Resolutions 1 to 5 inclusive and 7 contained in the Notice of Meeting all passing at the General Meeting;
- (b) Bombora providing evidence that at least 90% of the Vendors have accepted the Offer and have delivered instruments of transfer for those shares;
- (c) Bombora satisfying Pancontinental immediately prior to the completion of the Acquisition that it retains the right to earn at least a 10% working interest in the Dempsey Gas Project, the Sacramento Gas AMI and the Alvares Discovery and that it has paid all monies it was obliged to pay under the agreement by which it is earning its interest; and
- (d) Pancontinental having received by 10 July 2017 binding commitments for the A\$550,000 as part of the Capital Raising.

If any of these conditions is not satisfied or waived then the Offer will not proceed and the Acquisition will not be capable of completion. The consequence will be that which is set out in Section 3.4.

In connection with the Acquisition, the Company intends to conduct the Capital Raising.

### 3.3 General Meeting

On 12 June 2017, the Company despatched to Shareholders a notice of meeting (**Notice of Meeting**) to convene a general meeting for the purpose of, among other things, obtaining the approval of Shareholders to a number of resolutions required to complete the Acquisition and complete the Capital Raising (**General Meeting**). The General Meeting will be held on 10 July 2017. The Notice of Meeting contains further information in respect of the Acquisition and the matters for which Shareholder approval is sought by the Company.

### 3.4 Conditional Offer

The Offer is conditional upon completion of the Acquisition including the satisfaction or waiver of the conditions precedent set out in Section 3.2 (the **Condition**). In the event that the Acquisition is not completed in accordance with the terms of the Acquisition Agreement, the Offer will not proceed and no Shares will be issued under this Prospectus.

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## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

This Prospectus contains the Offer which is an offer of up to 1,753,211,226 Shares to the Vendors in consideration for the Acquisition. This number is ultimately dependent on the results of the Bombora Capital Raising and whether the Tulainyo Reduction is triggered as referred to in section 3.2 of this Prospectus. For example if the Tulainyo Reduction is not triggered and Bombora does not issue any more shares by completion of the Acquisition, then Pancontinental will be obliged to issue 1,493,211,226 shares to the Vendors. If the Tulainyo Reduction is triggered in this scenario then Pancontinental will be obliged to issue 1,263,486,422 shares to the Vendors. If Bombora raises \$500,000 prior to completion of the Acquisition by the issue of a further 10 million Bombora shares, then, the number of Pancontinental Shares to be issued will increase to 1,753,211,226 if the Tulainyo Reduction is not triggered and 1,483,486,422 if the Tulainyo Reduction is triggered.

Only the Vendors may accept the Offer. A personalised Application Form in relation to the Offer and an instrument of transfer for each Vendor's Bombora shares will be issued to the Vendors together with a copy of this Prospectus.

All of the Shares issued under the Offer will rank equally with Shares on issue at the date of this Prospectus. A summary of the material rights and liabilities attaching to Shares is set out in Section 6.

### **4.2 Opening and Closing Dates of the Offer**

The Opening Date of the Offer is 23 June 2017 and the Closing Date is 9 July 2017. The Directors reserve the right to close the Offer early or extend the Closing Dates (as the case may be) in their absolute discretion.

### **4.3 Issue of Shares**

Subject to satisfaction of the Condition to the Offer described in Sections 3.2 and 3.4, the issue of Shares under the Offer (except for the Tulainyo Reduction Shares) will take place as soon as practicable after the Closing Date. The Tulainyo Reduction Shares will be issued as soon as practicable after 31 July 2017 provided the Tulainyo Reduction has not been triggered. If triggered, the Tulainyo Reduction Shares will not be issued at all.

### **4.4 ASX listing**

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

### **4.5 Restrictions on the distribution of the Prospectus**

This Prospectus does not, and is not intended to, constitute an offer of, or invitation to apply for, Shares in any place or jurisdiction, or to any person to whom, it would

not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed in order to participate in the Offer.

If you are outside Australia it is your responsibility to ensure compliance with all laws of any country relevant to, and obtain all necessary approvals for, the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that there has been no breach of any such laws and all relevant approvals have been obtained.

#### **4.6 Withdrawal of Offer**

The Offer may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

#### **4.7 Taxation Implications of the Offer**

The Company is unable to provide investors with advice on the taxation implications (if any) of applying for Shares under the Offer because each investor's circumstances are different. Investors should seek advice from a professional taxation advisor before deciding to invest. To the maximum extent permitted by law, the Company and its Directors do not accept any responsibility or liability for any taxation consequences for Applicants resulting from an investment in the Offer.

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## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The purpose of the Offer is to complete the acquisition of Bombora by the Company.

No funds will be raised under the Offer as the Consideration Shares are being issued in consideration for the Acquisition.

### 5.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is as follows:

Shares	Number
Shares on issue as at the date of this Prospectus	2,450,077,442
Shares to be issued under the Capital Raising <sup>1</sup>	2,000,000,000
Shares to be issued under the Offer <sup>2</sup>	1,753,211,226
Other Shares to be issued to Directors <sup>3</sup>	162,500,000
<b>Shares on issue on completion of the Offer<sup>4</sup></b>	<b>6,365,788,668</b>

**Notes:**

1. This assumes the Capital Raising is fully subscribed.
2. This assumes the maximum number of Shares are issued under the Offer.
3. Subject to approval of Shareholders at the General Meeting, the Company proposes to issue 75,000,000 Shares to David Kennedy and 87,500,000 Shares to Barry Rushworth. Refer to the Notice of Meeting for further details.
4. This assumes no Options are exercised.

The Offer will not directly affect the number of Options on issue in the Company. As at the date of this Prospectus, the Company has 100,000,000 Options on issue. Under the terms of the Acquisition Agreement, the Company has agreed to issue up to a maximum of 477,434,150 Options to John Begg and Marie Malaxos and to Hartleys Limited, subject to Shareholder approval at the General Meeting. Shareholders should refer to the Notice of Meeting for further details in respect of the proposed Options issue in connection with the Acquisition.

### 5.3 Financial effect of the Offer

The reviewed extract of Pancontinental's financials as at 31 December 2016 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position as a consequence of the Offer.

The financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Particulars	Prior to Proposed Transaction – Position of Company as stated in latest audited, consolidated financial statements	Projected increase due to Proposed Transaction	Post Proposed Transaction – Pro forma	Percentage increase due to Proposed Transaction
Total Consolidated Assets (\$)	10,577,150	555,339	11,132,489	5%
Total Equity (\$)	10,285,591	449,641	10,735,232	4%
Annual Revenue	N/A	N/A	N/A	N/A
Annual Profit (before tax and extraordinary items)	N/A	N/A	N/A	N/A

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## **6. RIGHTS AND LIABILITIES ATTACHING TO SHARES**

The following is a summary of the more significant rights and liabilities attaching to Shares being 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.

### **6.1 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.

### **6.2 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:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) 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
- (c) 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 such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

### **6.3 Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. 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 think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

#### **6.4 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 for that purpose set such value as he considers fair upon any property to be so divided, 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 in trustees upon such trusts for the benefit of the contributories 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.

#### **6.5 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.

#### **6.6 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.

#### **6.7 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.

#### **6.8 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.

## **6.9 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.

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## **7. RISK FACTORS**

### **7.1 Introduction**

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### **7.2 Company specific risks**

#### **(a) Contract and farm-in risk**

The Company and Bombora are party to various contracts, including farm-in and joint venture agreements under which the Company holds its project interests and under which Bombora holds its rights to acquire its proposed project interests. While the Company and Bombora (as applicable) will have various contractual rights in the event of non-compliance by a contracting party, no assurance can be given that all contracts to which the Company or Bombora is a party will be fully performed by all contracting parties, including the Company or Bombora. Additionally, no assurance can be given that if a contracting party does not comply with any contractual provisions, the Company or Bombora will be successful in securing compliance. Any failure in the ability of the Company or Bombora to secure compliance of a contracting party could have a negative effect on the Company's ability to carry out its objectives and may have a detrimental financial effect on the Company.

In addition, if Bombora does not comply with its obligations under the farm-in and joint venture agreements under which it holds the rights to acquire its proposed project interests, there is a risk that Bombora may not earn those interests, may forfeit its project interests or rights to acquire its proposed project interests and/or may be liable to pay damages to the counterparties to those agreements. Any failure in the ability of Bombora to comply with the farm-in and joint venture agreements to which it is party could have a negative effect on the Company's ability to carry out its objectives and may have a detrimental financial effect on the Company.

#### **(b) Funding of commitments**

Other than in relation to the Tulainyo Project (as detailed below), the funds raised pursuant to the Capital Raising are expected to provide funding necessary to meet various planned expenditures associated with the Company's oil and gas portfolio and general working capital in the near term. If the Company does not raise sufficient funds pursuant to the

Capital Raising the Company may not be in a position to adequately fund these planned activities.

As announced by the Company on 7 June 2017, a wholly owned subsidiary of Bombora is party to a farm-in agreement in respect of the Tulainyo Project under which the subsidiary has the right to earn an interest in the project of up to 33.33% by funding the drilling of wells on the project. The first well is expected to cost \$4,000,000 and must commence by 1 September 2017. The subsidiary of Bombora has entered into a letter agreement with Magnum Gas & Power Limited (ASX:MPE) to provide the majority of funding required to meet the initial well commitments under the farm-in agreement in consideration for Magnum acquiring shares representing 60% of Bombora's subsidiary. If Magnum does not comply with its obligations under the letter agreement, the Company and Bombora will not have sufficient funds to meet the commitments under the farm-in agreement and it is likely that the subsidiary of Bombora will forfeit its right to earn an interest in the Tulainyo Project.

(c) **PCL project specific risks**

The Company's African projects are subject to renewal, of the exploration licence under which the project is governed, by the relevant Government of the country in which the project is located. To renew such a licence each joint venture party must agree to the renewal, so that if any joint venturer does not agree to the renewal, the relevant licence will be lost, unless the parties agree to the contrary.

(d) **Exploration and development risk**

Oil and gas exploration and development involves significant risk and there is no assurance that exploration within the Company's portfolio of project interests (including projects in which the Company will acquire an interest by its acquisition of Bombora), 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 profit on the investment.

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.

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.

(e) **Hydrocarbon product price and volatility**

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.

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.

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.

(f) **Hydrocarbon reserve and resource estimates**

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.

(g) **Drilling risks**

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.

(h) **Operating risks**

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, 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.

(i) **Contractors**

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.

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.

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.

(j) **Environmental and other regulatory requirements and approvals**

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.

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.

(k) **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.

**7.3 General risks**

(a) **Foreign exchange risk**

The Company is headquartered in Australia and the key projects in which the Company has an interest, or will upon completion of the Acquisition have an interest, are located in Namibia, Kenya, USA and Australia. As a result, revenues, cash flows, expenses, capital expenditure and commitments may be denominated in Australian dollars, Namibian dollars, Kenyan shillings or United States dollars.

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.

(b) **Potential for dilution**

Upon completion of the Offer, assuming all Shares are issued under the Offer and the Capital Raising and no Options are exercised prior to the issue date, the number of Shares in the Company will increase by 3,915,711,226 Shares. This means that each Share will represent a lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer and the Capital Raising and the Directors do not make any representation as to such matters.

(c) **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.

(d) **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 affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;

- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

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.

(e) **Competition risk**

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.

(f) **Sovereign risk**

The Company has an interest in projects in Namibia and Kenya, and will, upon completion of the Acquisition, have an interest in projects in the USA (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.

(g) **Additional requirements for capital**

The funds to be raised under the Capital Raising are considered to be sufficient to meet the immediate needs of the Company (except as disclosed in Section 7.2(b)), but will be insufficient to execute Company's longer-term plans and strategies. Additional funding will be required to fund these plans and strategies. Additionally, expenditures may arise that have not been taken into account in the preparation of this Prospectus and although the Company is not currently aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

Additional funding may be sourced from one or a combination of equity, debt, industry financing, 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.

(h) **Reliance on key personnel**

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.

**7.4 Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

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## **8. ADDITIONAL INFORMATION**

### **8.1 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.

### **8.2 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 Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the 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.

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 3 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.

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 or an ASIC office during normal office hours.

Details of documents lodged 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	Description of Announcement
14/06/2017	Appendix 3Y
13/06/2017	Notice of General Meeting/Proxy Form
07/06/2017	Pancontinental to Acquire Bombora Natural Energy
26/05/2017	Substantial Shareholder Notice
26/05/2017	Appendix 3B
26/05/2017	Appendix 3Y
26/05/2017	Appendix 3Y
19/05/2017	Share Purchase Plan Results
01/05/2017	Share Purchase Plan Extension
28/04/2017	Quarterly Activities Report
28/04/2017	Quarterly Cashflow Report
21/04/2017	Appendix 3B
18/04/2017	Security Purchase Plan & Application Form
10/04/2017	Pancontinental to raise up to \$1.83 million
06/04/2017	Trading Halt
04/04/2017	Namibia PEL 37
31/03/2017	Namibia PEL 37
15/03/2017	Half Yearly Report and Accounts
15/03/2017	Results of Meeting
09/02/2017	Notice of General Meeting/Proxy Form
31/01/2017	Appendix 3B
31/01/2017	Notice under s708A of the Corporations Act 2001
31/01/2017	Update on Pancontinental's \$1.0 Million Fundraising
31/01/2017	Quarterly Cashflow Report
31/01/2017	Quarterly Activities Report
18/01/2017	Appendix 3B
18/01/2017	Appendix 3B

Date	Description of Announcement
18/01/2017	Notice under s708A of the Corporations Act 2001
18/01/2017	Pancontinental to raise \$1.0 million
17/01/2017	Namibia PEL 37
16/01/2017	Trading Halt
05/01/2017	Namibia PEL 37
19/12/2016	Namibia PEL 37
12/12/2016	Initial Director's Interest Notice
09/12/2016	Director Appointment
02/12/2016	Change of Director's Interest Notice EAM
02/12/2016	Change of Director's Interest Notice RBR
02/12/2016	Change of Director's Interest Notice HDK
01/12/2016	Changes to the Board of Pancontinental
30/11/2016	Results of Meeting
30/11/2016	Annual General Meeting Presentation
30/11/2016	Chairman's Address to Shareholders
30/11/2016	Africa Energy Corp. Farms-In to Namibia PEL 37
29/11/2016	Expiry of Unlisted Options
21/11/2016	Investor Presentation
31/10/2016	Quarterly Cashflow Report
31/10/2016	Quarterly Activities Report
28/10/2016	Appendix 4G
28/10/2016	Notice of Annual General Meeting/Proxy Form
28/10/2016	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.

### 8.3 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 most recent dates of those sales were:

	Price	Date
Highest	\$0.004	21 March 2017
Lowest	\$0.001	16 June 2017
Last	\$0.001	21 June 2017

## 8.4 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	%
Sundowner International	336,768,269	13.74
Tattersfield Group	125,492,865	5.12

## 8.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor Proposed Director nor any firm in which such a Director or Proposed Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or any Proposed Director or to any firm in which any such Director or Proposed Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

### *Security holdings*

The relevant interest of each of the Directors and Proposed Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

#### Current Directors

Name	Shares	Options
John Edward Leach	Nil	Nil
Henry David Kennedy	336,768,268	Nil
Roy Barry Rushworth	46,835,610	Nil
Ernest Anthony Myers	2,900,715	Nil
Vesna Petrovic	Nil	Nil

#### Proposed Directors

Neither of the Proposed Directors, John Begg and Marie Malaxos, holds any Shares or Options in the Company, directly or indirectly, as at the date of this Prospectus; however, under the terms of the Acquisition Agreement, upon completion of the

Acquisition the Company will issue the following Shares and Options to the Proposed Directors in consideration of the transfer of their shares in Bombora:

Name	Shares	Options
John Begg	187,200,026 <sup>1</sup>	190,973,660 <sup>2</sup>
Marie Malaxos	39,000,000 <sup>3</sup>	95,486,830 <sup>4</sup>

**Notes:**

1. Consideration Shares to be issued to Rock Doc Pty Ltd as trustee for the Begg Discretionary Trust, an entity of which Mr Begg is a controller (based on 26 Pancontinental shares for each Bombora share).
2. 95,486,830 Options to be issued under "Class A" and 95,486,830 Options to be issued under "Class D" to Mr Begg or his nominee. Refer to the Notice of Meeting for full terms of the proposed issue of Options.
3. Consideration Shares to be issued to Vincelle Pty Ltd as trustee for the Woodmont Super Fund, an entity of which Ms Malaxos is a controller (based on 26 Pancontinental shares for each Bombora share).
4. 47,743,415 Options to be issued under "Class A" and 47,743,415 Options to be issued under "Class D" to Ms Malaxos or her nominee. Refer to the Notice of Meeting for full terms of the proposed issue of Options.

**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. The current amount has been set at an amount not to exceed \$400,000 per annum.

A Director may be paid fees or other amounts (ie 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 tables show the total (and proposed) annual remuneration paid to Directors and Proposed Directors:

Current Directors

Name	FY 2015/16	FY 2016/17	FY 2017/18 (Proposed)
John Edward Leach (Non-Executive)	\$16,000	\$24,000	Nil
Henry David Kennedy (Non-Executive)	\$50,000	\$25,000	\$50,000
Roy Barry Rushworth (Executive)	\$343,750	\$93,750	\$50,000

Ernest Anthony Myers (Executive)	\$200,000	\$150,000	\$50,000
Vesna Petrovic (Executive)	Nil	\$138,151	\$112,500

#### Proposed Directors

Name	FY 2015/16	FY 2016/17	FY 2017/18 (Proposed)
John Douglas Begg (Executive)	Nil	Nil	\$265,000
Marie Michele Malaxos (Non-Executive)	Nil	Nil	\$50,000

### 8.6 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 Offer; or
- (f) the Offer,

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 Offer.

### 8.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), 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; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes 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.

## 8.8 Estimated expenses of Offer

The total expenses of the Offer are estimated to be approximately \$67,350 as follows:

Expense	(\$)
ASIC Fees	2,350
ASX Fees	10,000
Legal Fees	40,000
Miscellaneous, printing and other expenses	15,000
<b>Total</b>	<b>67,350</b>

## 8.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 6363 7090 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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 Prospectus or any of those documents were incomplete or altered.

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

The Company will not be issuing Share certificates. The Company is a participant 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. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares 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 CHESS and issuer sponsorship.

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.

## **8.11 Privacy Act**

If you complete an application for Shares, 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, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers 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 Shares, the Company may not be able to accept or process your application.

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**9. 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.

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**Ernest Anthony Myers**  
**Director**  
**For and on behalf of**  
**Pancontinental Oil & Gas NL**

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## 10. DEFINITIONS

**\$** means Australian dollars.

**Acquisition** means the acquisition of shares in Bombora by the Company, as further described in Section 3.1 of this Prospectus.

**Acquisition Agreement** means the binding heads of agreement under which the Company has agreed to complete the Acquisition.

**Applicant** means a person who applies for Shares under the Offer.

**Application Form** means an application form attached to or accompanying this Prospectus in respect of the Offer together with a transfer form for the Bombora shares the subject of the Offer.

**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 CHES.

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

**Bombora** means Bombora Natural Energy Pty Ltd (ACN 611 581 778).

**Bombora Capital Raising** means the capital raising referred to in the 2<sup>nd</sup> paragraph of section 1.2(a) of the Notice of Meeting.

**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.

**Capital Raising** means the capital raising to be conducted by the Company by the offer of up to 2,000,000,000 Shares at an issue price of \$0.002 per Share to raise up to \$4,000,000.

**Closing Date** means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

**Company** means Pancontinental Oil & Gas NL (ACN 003 029 543).

**Condition** means the condition to the Offer described in Sections 3.2 and 3.4 of this Prospectus.

**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.

**General Meeting** means the general meeting of the Company to be held on 10 July 2017.

**Notice of Meeting** means the notice of meeting to convene the General Meeting.

**Offer** means the offer of Shares to the Vendors in consideration for the Acquisition, as further described in Sections 3.2 and 4.1 of this Prospectus.

**Official Quotation** means official quotation on ASX.

**Opening Date** means the opening date of the Offer as specified in the timetable set out in Section 2.1 of this Prospectus (unless varied).

**Option** means an option to acquire a Share.

**Proposed Directors** means John Begg and Marie Malaxos who are proposed to be appointed as directors of the Company upon completion of the Acquisition.

**Prospectus** means this prospectus.

**Section** means a section of this Prospectus.

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

**Shareholder** means a shareholder of the Company.

**Tulainyo Project** means the project referred to as such in the Company's ASX announcement made on 7 June 2017.

**Tulainyo Reduction** has the meaning given in section 3.2 of this Prospectus.

**Tulainyo Reduction Shares** means that number of Shares in Pancontinental calculated by multiplying by 4 the number of issued shares in Bombora after the Bombora Capital Raising and immediately before the completion of the Acquisition.

**Vendors** means the holders of shares in Bombora immediately prior to completion of the Acquisition.

**WST** means western standard time as observed in Perth, Western Australia.

# OFF MARKET TRANSFER FORM

**SELLER A/C:**

**BUYER A/C:**

**Use a black pen. Print in CAPITALS letters**

Note: Any alteration must be initialled by the seller/s and the buyer/s

Any increase to the quantity of securities being transferred is not acceptable even if it is initialled.

**Correction fluid or tape must not be used.**

FULL NAME OF COMPANY OR ELIGIBLE BODY <sup>1</sup>		State of Incorporation <sup>2</sup>
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FULL DESCRIPTION OF SECURITIES <sup>3</sup>	Class	If not full paid, paid to	Register <sup>4</sup>
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QUANTITY <sup>5</sup>	Words	Figures
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FULL NAME(S) OF TRANSFEROR/S (Seller/s) <small><sup>6</sup></small>	PLEASE USE BLOCK LETTERS	For Company Use
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TRANSFEROR/S (Seller/s) Identification <sup>7</sup>	PID 	HIN/SRN	ACCOUNT/REFERENCE NUMBER 
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CONSIDERATION <sup>8</sup>	<b>A\$</b>	Date of Purchase <sup>9</sup> / /20
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FULL NAME(S) OF TRANSFEREE/S (Buyer/s) <small><sup>10</sup></small>	PLEASE USE BLOCK LETTERS	
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FULL POSTAL ADDRESS OF TRANSFEREE/S (Buyer/s) <small><sup>11</sup></small>	Postcode	
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TRANSFEREE/S (Buyer/s) Identification <sup>12</sup>	PID 	HIN/SRN	ACCOUNT/REFERENCE NUMBER 
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I / We the registered holder/s and undersigned seller/s for the above consideration do hereby transfer to the above name/s hereinafter called the Buyer/s the securities as specified above standing in my/our name/s in the books of the above named Company, subject to the several conditions on which I/We held the same at the time of signing hereof and I/We the Buyer/s do hereby agree to accept the said securities subject to the same conditions. I/We have not received any notice of revocation of the Power of Attorney by death of the grantor or otherwise, under which this transfer is signed (if applicable). To sign as power of attorney you must have already lodged it with the registry or your broker as appropriate or enclose a certified copy with this transfer

<b>SELLER(S)</b> SIGN HERE <sup>13</sup>	<b>Securityholder/ Sole Director/ Director/ Company Secretary</b> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<b>Securityholder/ Director/ Company Secretary</b> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<b>Securityholder/ Director/ Company Secretary</b> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>
<small>Day Month Year</small> <sup>14</sup> / /20			

<b>BUYERS(S)</b> SIGN HERE <sup>15</sup>	<b>Securityholder/ Sole Director/ Director/ Company Secretary</b> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<b>Securityholder/ Director/ Company Secretary</b> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<b>Securityholder/ Director/ Company Secretary</b> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>
<small>Day Month Year</small> <sup>16</sup> / /20			