

Management Changes and Near Term Strategy

- Pancontinental (“ Company”) CEO John Begg will step down from the role in mid-November after a highly active 12 month’s for the Company, including participation in three wells.
- Director Ernie Myers takes up the responsibility for overall management, supported by the existing technical and financial team.
- Mr Begg, due to personal reasons, has restrictions on his ability to continue to fulfil his current role. He will remain a Director and will provide specialist consulting services focussing on the Company’s projects.
- The Company will continue to work on key exploration projects and to plan future growth, including:
 - Ongoing evaluation and farmout of its highly prospective, 75% held PEL 87 block offshore Namibia.
 - Appraising the Walyering Conventional Gas Field in the onshore Perth Basin, where the Company is earning 70% and operatorship.
 - Seeking out substantial new projects.
- The Company is well positioned to fund its projects and to seek out high quality new ventures, with over \$6.6 million cash (net of future convertible note repayments) at 30 September 2018.

Commenting on the Management Changes and the Company’s plans, Chairman David Kennedy said:

“We are very well resourced and we continue to advance our existing high potential assets, while continuing to look for top quality new opportunities; this is our past and future strength.

We expect to see 3D seismic and drilling in Walyering next year, and our PEL 87 project is showing potential on a world-class scale. We will report on these projects as activities proceed.

We respect John’s need to step aside. In a restructured role he will be able to provide more focussed assistance to the Pancontinental team. Director Ernie Myers will now head-up company management, Barry Rushworth will continue to progress our African projects and Marie Malaxos will take forward the Walyering Conventional Gas Field project in the Perth Basin, all very ably supported by Vesna Petrovic”.

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Pancontinental Oil & Gas NL (ASX: PCL) ("Company") is pleased to provide the following update on forward plans and management restructuring.

Company status

Over the past 12 months the Company has, amongst other activity:

- Participated in three high impact wells, culminating in the recent, high profile but ultimately unsuccessful Cormorant-1 exploration well in PEL 37 Namibia.
- Raised over \$10 million via a partial asset sale of PEL 37.
- Secured the high potential Block PEL 87 in Namibia as operator with a 75% position and has identified and mapped the high potential new Saturn Superfan target.
- Advanced preparations for a 3D seismic survey over the Walyering Conventional Gas Field project, successfully dealing with a complicated land, heritage and environmental permitting process. The Company will have 70% and operatorship of that project.
- Evaluated numerous new venture opportunities.

The Board continues to advance its existing high-potential assets and to ensure it is well positioned for future growth.

The analysis of the giant-scale oil potential in PEL 87 Namibia (refer ASX release 11 September 2018) is well underway and a farmout program has been launched and expected to attract the interest of major oil and gas companies.

In discussion with the PEL 37 joint venture, the Company is assessing the implications of the Cormorant-1 well for the overall oil potential of that very large Block.

The Company is preparing for a 3D seismic survey over the Walyering Conventional Gas Field in the onshore Perth Basin (refer ASX release 16 May 2018), for completion before the end of H1 2019. Consideration is being given to introducing a farmin partner.

The Company is undertaking a rationalisation of its investment in the Sacramento Gas Basin, California.

The Company continues to identify suitable new venture opportunities that could add value and activity during 2019.

Management Re-structure

Mr John Begg will step down as CEO effective 15 November 2018 and will remain on the Board while providing specialist consulting services to the Company.

Mr Ernie Myers, who is conversant with all aspects of the Company's activities, will be responsible for overall management of the Company, supported by the existing team.

For and on behalf of

Pancontinental Oil & Gas NL

Vesna Petrovic

Executive Director and Company Secretary

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