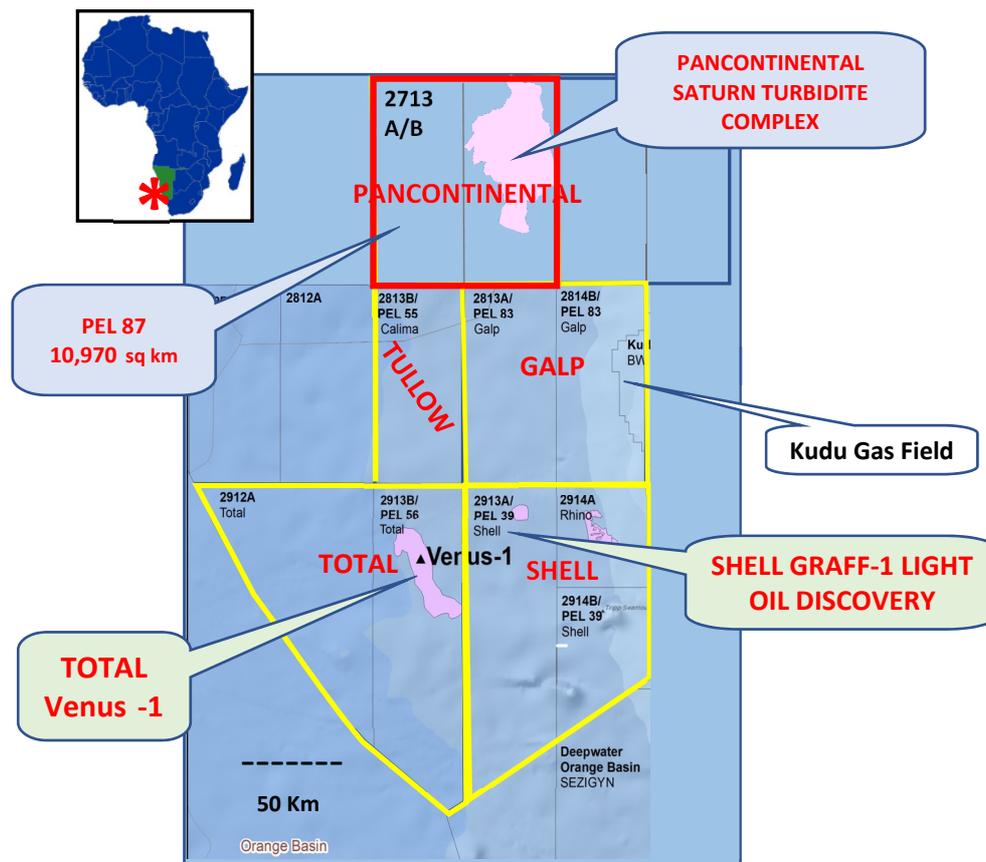


SHELL OIL DISCOVERY OFFSHORE NAMIBIA ON-TREND TO PANCONTINENTAL'S PEL 87

- The National Petroleum Corporation of Namibia (NAMCOR) and Qatar Energy confirm that they have hit oil with their operating partner Shell in the high-profile Graff-1 wildcat well offshore Namibia
- Analysis of well data is ongoing
- Graff-1 is in the Orange Basin, on trend to Pancontinental's PEL 87 licence area
- French giant Total is continuing to drill the Venus-1 ultra-deep exploration well, also on-trend to PEL 87



Recent reports by the National Petroleum Corporation of Namibia (NAMCOR) and Qatar Energy have confirmed previous press reports of a light oil discovery operated by their partner Shell Namibia in the Graff-1 exploration well in the Orange Basin offshore Namibia. This is the first oil discovery ever declared offshore Namibia.

Pancontinental estimates that a minimum economic field size would be 200 Million Barrels recoverable oil at the Graff location.

The Graff-1 well has been drilled in approximately 2,000m water depth, with a total drilling depth of 5,376m below the sea surface.

Pancontinental's PEL 87 licence area covers approximately 10,970 sq Km with water depths from 400m to 3,000m.

Pancontinental Technical Director Mr Barry Rushworth commented:

"The highly significant Graff-1 oil discovery is hugely important to Pancontinental's efforts offshore Namibia, and to oil exploration offshore Namibia in general.

It opens a new chapter in international oil exploration and development. Pancontinental's very large Saturn turbidite complex in PEL 87 is on-trend to the Graff discovery".

"Shell's and its partners' success in finding light oil in Graff-1 is a major step forward and we continue to await the outcome of Total's Venus-1, which is also currently drilling".

"Pancontinental's Saturn turbidite complex in PEL 87 is geologically similar in many ways, particularly to the Venus Prospect, and Pancontinental has a 75% interest and is Operator of the PEL 87 project".

"These turbidite plays are like very large oil fields elsewhere in Africa, triggering significant interest in offshore Namibia from major oil companies and Africa specialists".

*"Pancontinental is the **only** listed junior energy company with a strategic position in this exciting new play alongside Shell, Total and Qatar Energy, and is the second largest net acreage holder in the region, just behind Qatar Energy".*

PEL 87 Joint Venture

The participants in the PEL 87 joint venture are:

Pancontinental Orange Pty Ltd (Operator)	75%
Custos Investments (Pty) Ltd	15%
National Petroleum Corporation of Namibia (NAMCOR)	10%

".....we are sitting at the mouth of the Orange basin, it is a major delta system with all the plays that you typically can expect in a delta system".

"This looks exactly like (some) huge discoveries that have been made (elsewhere)".

"I think we are on to a world-class, prolific mixed turbidite-contourite system that should soon be drilled". *

*Source- SHELL STATEMENT 5 December 2019

This announcement is authorised for release by the Board of Pancontinental Energy NL

Pancontinental Energy NL
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