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Summary

Namibia - Offshore

PEL 87 Orange Basin

- PEL 87 Orange Basin – PCL continues with the farmout process to advance the Project and drive value for shareholders and stakeholders.
- During the quarter, Pancontinental and joint ventures partners Custos and Namcor received an executed deed extending the Initial Exploration Period of Namibian offshore Petroleum Exploration Licence 87 by one year.
- The major oil discoveries offshore Namibia; firstly Shell with Graff-1 and secondly TotalEnergies with Venus-1X have focused industry attention on the Orange Basin. Both discoveries are on trend to Pancontinental's PEL 87 Orange Basin area.
- Pancontinental holds a significant 75% interest in PEL 87 Orange Basin.

PEL 37 Walvis Basin

- PEL 37 Walvis Basin – Following the withdrawal of Tullow, Pancontinental, on behalf of the joint venture, made an application for a one year extension of the licence to enable an assessment of the prospectivity of the Block and also to seek a farminee. The Company has not been able to reach agreement with the remaining joint venture partner on a way forward and the application for an extension will not be considered by the Ministry until the partners are in alignment. The Company continues efforts to resolve this matter.

Queensland – Onshore

ATP 920 & 924 – Cooper Basin

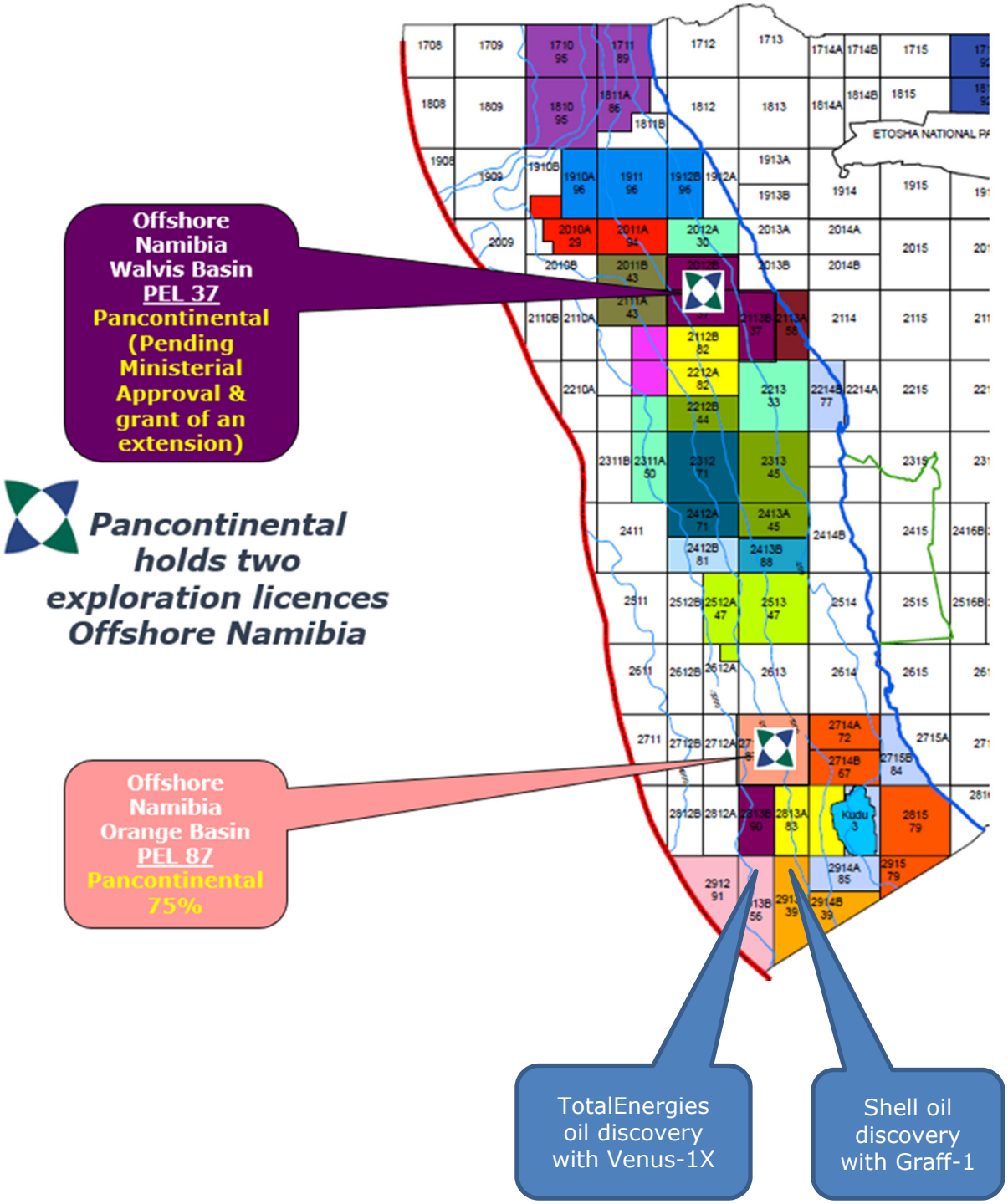
- A review of the projects is being conducted to ascertain the focus of future exploration work programmes.

Corporate

- Cash balance of $274k as at the end of the quarter.
- Post quarter end, the Company undertook a Placement to raise $2 million before costs.

Projects

Namibia



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Namibia Offshore PEL 87

Location:	Orange Basin	
Project Size:	10,947 square kilometres	
JV Partners:	Pancontinental (Operator)	75.00%
	Custos Investments (Pty) Ltd	15.00%
	NAMCOR*	10.00%
	*National Petroleum Corporation of Namibia	

The joint venture consists of Pancontinental with a 75% interest, local company Custos Investments (Pty) Ltd; 15% and the National Petroleum Corporation of Namibia holding 10%.

The joint venture has acquired over 2,800 line kms of good quality 2D seismic as well as numerous other reports and studies. This technical data has assisted the joint venture in identifying a number of leads within a vast, 2,400km² Turbidite Fan complex ("Saturn") of Aptian Age that, based on Pancontinental's interpretation is encased in sealing shales. The Saturn Turbidite Fan complex covers a core area of more than 2,400 square kilometres with an overall area of about 4,000 square kilometres and holds significant oil potential.

Pancontinental is seeking a farminee to advance exploration of the PEL Block. The farmout process is ongoing and in the meantime additional work is being undertaken to add value to the Project.

During the quarter, Pancontinental and joint ventures partners Custos and Namcor received an executed deed extending the Initial Exploration Period of Namibian offshore Petroleum Exploration Licence 87 by one year. The current Initial Exploration Period, as extended, can be followed by three additional two-year Periods, subject to certain conditions.

Pancontinental has been exploring in Namibia for over a decade and in that time has built up a database of information which indicates the prospectivity of offshore Namibia. Pancontinental's theories have been validated by the two high profile discoveries made by Shell and TotalEnergies with their Graff-1 and Venus-1X wells respectively. Both of these discoveries are on trend to Pancontinental's PEL 87 Orange Basin area.

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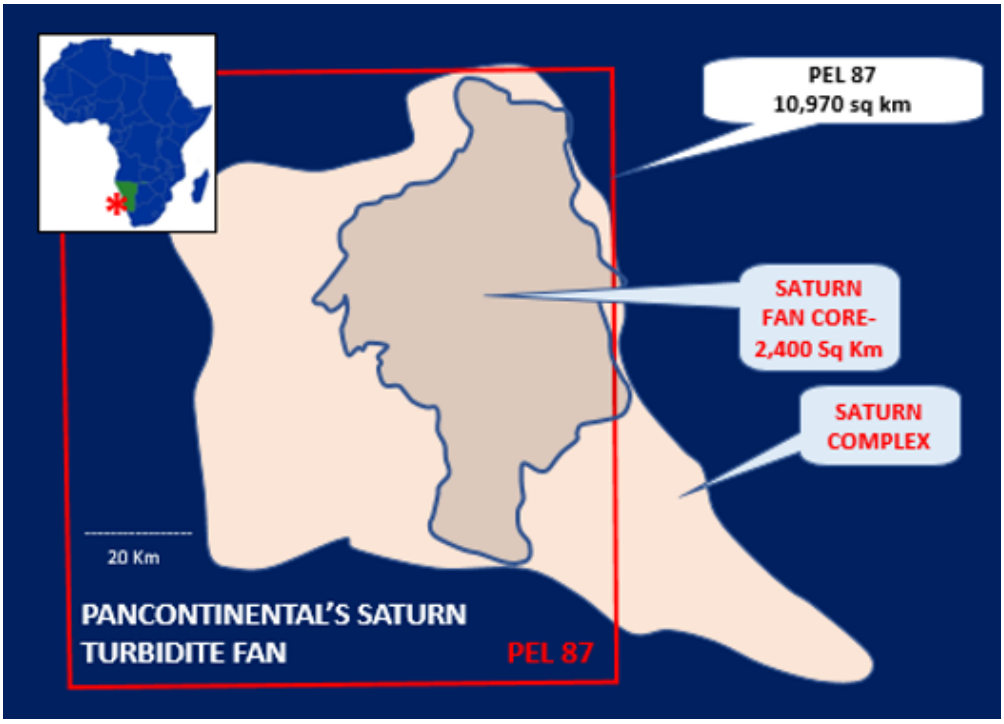
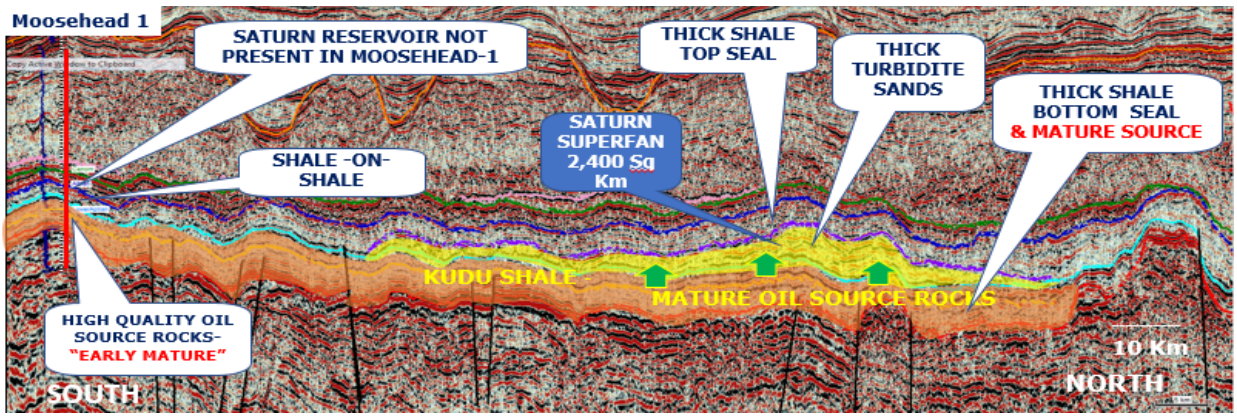
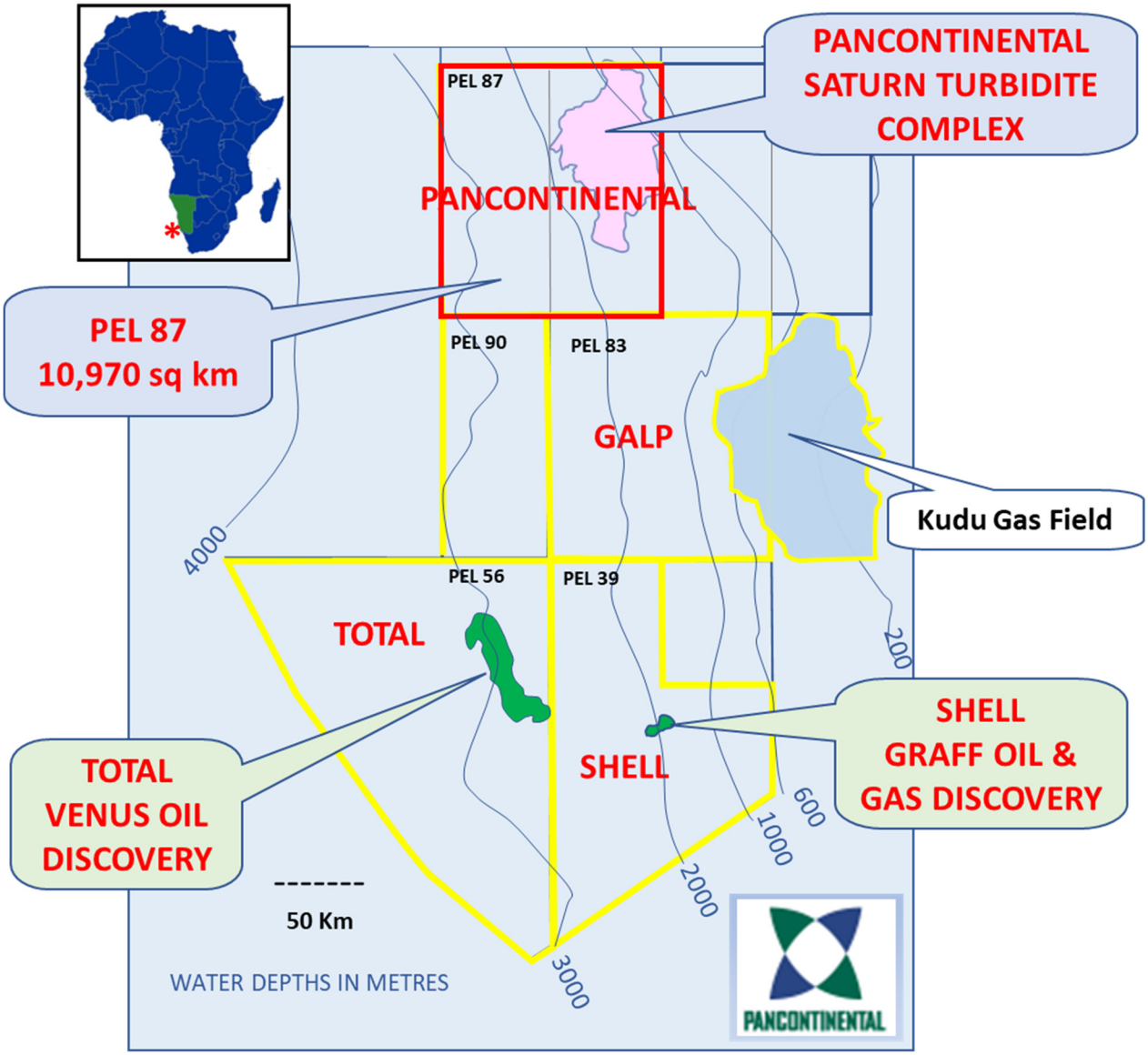


Saturn Turbidite Complex Map



Saturn Turbidite Complex – 2D Seismic Section



Regional activity offshore Namibia

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Prospective Resources

Independently assessed potential for giant scale (over 500MMBbls* recoverable) oil resources is indicated with a range of large sub leads of this play. The "Saturn" Superfan is made up of a number of discrete internal geological Play types but could itself be a vast single oil trap on a global scale.

TABLE OF UNRISKED BEST ESTIMATE RECOVERABLE OIL VOLUMES

PLAY TYPE	GROSS BEST ESTIMATE PROSPECTIVE RESOURCES POTENTIAL*	LEAD
Aptian Depositional Wedge	**1.3 Billion Bbls**	Saturn Superfan**
Mounded Facies	**152** Million Bbls	A
Structural (4 way rollover)	**73** Million Bbls	C1
Structural / Stratigraphic	**345** Million Bbls	D
First Turbidite lobe/Sheet sand	**349** Million Bbls	G
Structural/Mound (4 way rollover)	**40** Million Bbls	H

The oil volumes shown are gross volumes.
*A Giant field has at least 500 MMBOE recoverable potential
** The overall Saturn Superfan incorporates all of the other Leads, but with different risk inputs

***Cautionary Statement**

The potential recoverable oil resources, classified as Prospective Resources, have been estimated probabilistically on an unrisked, Best Estimate basis.

These were announced on 11 September, 2018.

The 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.

The company confirms that it is not aware of any new information or data that, in its opinion, materially affects the information included in the relevant market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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Namibia Offshore PEL 37

Location:	Walvis Basin
Project Size:	17,295 square kilometres
JV Partners:	Pancontinental Namibia Pty Ltd Paragon Oil & Gas (Pty) Ltd

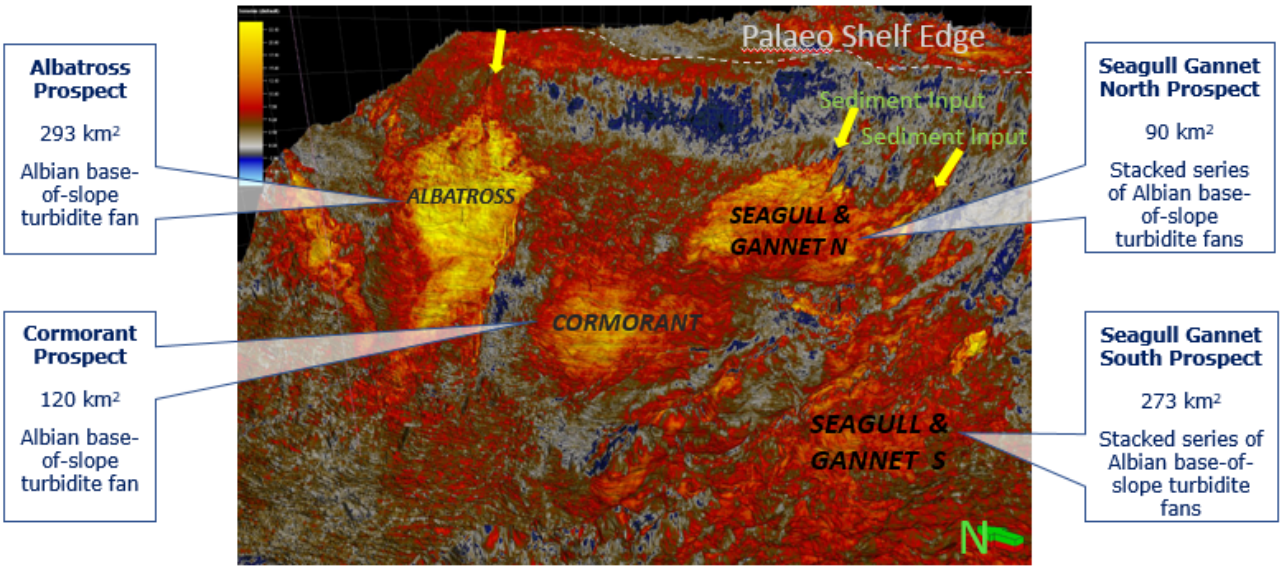
* Ownership of Pancontinental Namibia Pty Ltd:
Pancontinental Energy NL 66.67%
Africa Energy Corp. 33.33%

Pending Ministerial approval and grant of an extension.*

The Company has long held an interest in the PEL 37 Walvis Basin project. Pancontinental initiated the joint venture in 2011 and since then has completed a number of exploration programs including the drilling of the Cormorant-1 well in 2018 to satisfy the Ministry of Mines and Energy's licence requirements.

Following the withdrawal of Tullow, Pancontinental, on behalf of the joint venture, made an application for a one year extension of the licence to enable an assessment of the prospectivity of the Block and also to seek a farminee. The Company has not been able to reach agreement with the remaining joint venture partner on a way forward and the application for an extension will not be considered by the Ministry until the partners are in alignment. The Company continues efforts to resolve this matter.

Prospects within PEL 37



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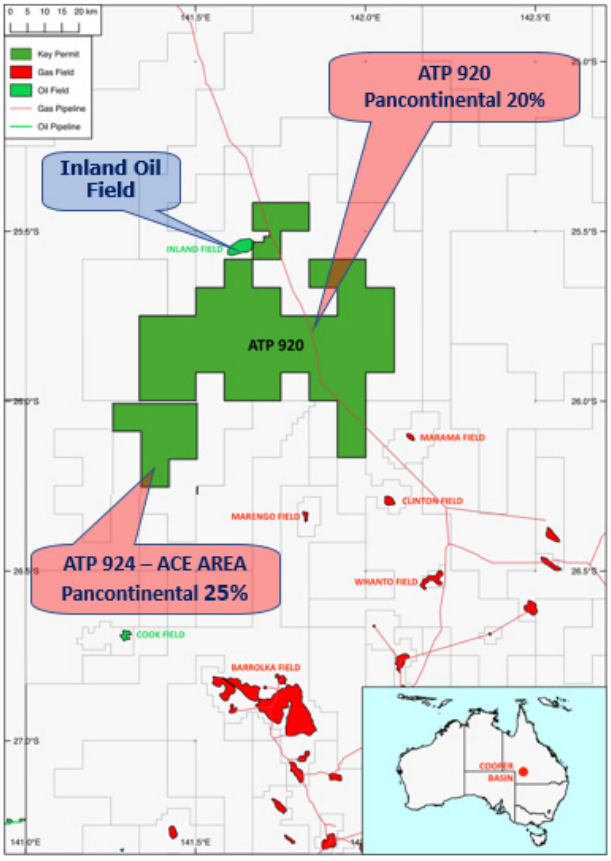
Queensland, Australia Onshore ATP 920 & ATP 924 [Ace Area]

Location:	Cooper Eromanga Basin	
Project Size:	ATP 920 - 2,337 km2 ATP 924 - 2,220 km2	
JV Partners:	ATP 920 Key Petroleum Limited (Operator)	80.00%
	ATP 920 Pancontinental Energy NL	20.00%**
	ATP 924* Key Petroleum Limited (Operator)	75.00%
	ATP 924* Pancontinental Oil & Gas NL	25.00%**

* Ace Area
**earning



*ATPs 920 & Ace Area of 924, Cooper Basin, QLD

The Company farmed in to the Meeba Project, Onshore Queensland in 2019. Entry into the two Authorities to Prospect – 920 and the Ace Area of 924 provides Pancontinental diversity in its portfolio of exploration assets.

Key Petroleum is operator of the licences.

The exploration licences have been renewed until 2023, giving the joint venture time to assess the prospectivity of the area.

COVID-19, as well as a number of natural disasters have had an effect on the exploration in the area.

A detailed review of the projects is ongoing to determine the focus areas for future exploration.

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Prospective Resources

INLAND TREND			Probablistic Prospective Resource OIL			Probablistic Prospective Resource OIL		
Prospect Name	Block	Levels	1U	2U	3U	1U	2U	3U
			mm bls	mm bls	mm bls	bcf	bcf	bcf
Teddy	920_2	Hutton	0.29	0.81	2.29			
Teevee	920_2	Hutton	0.05	0.19	0.71			
Delta	920	Hutton	0.47	1.35	3.58			
Cuddapan UD	920	Hutton	0.30	0.79	2.18			
Granita	920	Hutton	0.31	0.93	2.53			
Granita NE	920	Hutton	0.28	0.76	2.25			
Hobnob	920	Hutton	0.92	2.33	5.78			
Jaffa	920	Hutton	0.73	1.95	4.73			
Jumbles	920	Hutton	0.83	2.39	6.41			
Macaron	920	Hutton	0.45	1.19	3.67			
Macaron Sth	920	Hutton	0.36	1.09	2.93			
Malto	920	Hutton	1.52	4.01	11.02			
Malto Sth	920	Hutton	0.52	1.47	3.95			
Marie	920	Hutton	0.57	1.44	4.40			
Marie Nth	920	Hutton	0.35	1.10	2.92			
Meeba Sth	920	Hutton	0.14	0.39	1.37			
Ace Nth	920	Hutton	0.29	0.82	2.06			
Ace	924_1	Hutton	2.9	10.7	21.0			
	924_1	Arrabury				14.6	39.6	72.7
ATP-920 Sum Totals	**920**		**8.4**	**23.0**	**62.8**			
ATP 920 Total + Ace			**11.3**	**33.7**	**83.7**			

Inland Trend

Meeba Trend

Cautionary Statement: The estimates quoted here were announced to the ASX on 14 July 2019 (ATP 920 & ATP 924 conventional gas prospective resources) and 30 October 2019 (ATP 920 & ATP 924 oil prospective resources) by Operator Key Petroleum Limited.

The prospective resource parameters for the prospects were combined probabilistically.

The 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.

The company confirms that it is not aware of any new information or data that, in its opinion, materially affects the information included in the relevant market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

See Disclaimers for further information.

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Corporate

In July the Company undertook a Placement to raise $2 million before costs. The funds raised will be used in conjunction with existing cash for exploration activities (focused offshore Namibia), also applied towards securing farmout agreements and business development, and for general working capital purposes.

Licence Schedule

Licence Location	Licence Reference	PCL (consolidated) interest at the beginning of the quarter	Movements for the current quarter	PCL (consolidated) interest at the end of the quarter
Namibia	PEL 87	75.00%	0.00%	75.00%
Namibia	PEL 37	Pending Ministerial approval and grant of an extension.		
Australia	ATP 920	*20.00%	0.00%	*20.00%
Australia	ATP 924 - Ace	*25.00%	0.00%	*25.00%

*earning
** Ownership of Pancontinental Namibia Pty Ltd:
Pancontinental Energy NL 66.67%
Africa Energy Corp. 33.33%

Appendix 5B Commentary

As required by the 1 December 2019 amendments to the Appendix 5B, the Company advises that the amounts shown in Item 6 - Payments to related parties of the entity and their associates of $87k relates to Chairman, CEO, Executive and Non-Executive Director salary and fees.

Exploration expenditure on the Company's asset base during the quarter was $137k for consulting and licence fees.

There were no hydrocarbon production and development activities during the quarter.

Authorised for release by the Board of Pancontinental Energy NL

For further information please contact:
info@pancon.com.au

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DISCLAIMERS & NOTES
Prospective Resource Estimates Cautionary Statement

The estimated quantities of petroleum in this report 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.

Prospective Resources

Prospective Resource estimates in this report have been prepared as at the date disclosed under the prospective resource numbers. The estimates have been prepared in accordance with the definitions and guidelines set forth in the Petroleum Resource Management System 2007 approved by the Society of Petroleum Engineers and have been prepared using deterministic methods and probabilistic methods depending on the project and this is disclosed under the prospective resource numbers. Unless otherwise stated the estimates provided in this report are Best Estimates. The estimates are unrisked and have not been adjusted for an associated risk of discovery and risk of development. The 100% basis refers to the total resource while the Net to Pancontinental basis is adjusted for Pancontinental's percentage entitlement under Joint Venture contracts and adjusted for applicable royalties.

Prospective Resources estimates in this report have been made by Pancontinental Energy NL and may be subject to revision if amendments to mapping or other factors necessitate such revision.

Prospects and Leads

The meanings of "Prospects" and "Leads" in this report are in accordance with the Petroleum Resource Management System 2007 approved by the Society of Petroleum Engineers. A Prospect is a project that is sufficiently well defined to represent a viable drilling target. A Lead is a project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and / or evaluation to be classified as a Prospect.

Competent Person Statement Information

The hydrocarbon resource estimates in this report have been compiled by Mr Brian Diamond and reviewed to the satisfaction of Mr Roy Barry Rushworth the Technical Director of Pancontinental Energy NL. Mr Rushworth has more than 30 years' experience in practising petroleum geology and exploration management. Mr Diamond holds a BSc Geology and an MSc in Geophysics and has over 20 years of experience in petroleum exploration, development and production. Mr Diamond consents to the inclusion in this report of information relating to the hydrocarbon Prospective Resources in the form and context in which it appears.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning Pancontinental Oil & Gas NL'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.

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