

Summary

Namibia - Offshore

PEL 87 & PEL 37

- Pancontinental views its PEL 87 project as a very exciting frontier project which is located alongside a number of international “Majors” in a very favourable country environment. The PEL 87 joint venture has worked on interpreting seismic lines during the quarter, in addition to continual in-house work programme objectives. The Venus-1 well by French major Total is scheduled to be drilled this year. Total’s Venus prospect is very similar in prospectivity and seismic character to Pancontinental’s Saturn feature and as such will provide valuable data to be integrated into the existing technical dataset.
- The PEL 37 joint venture has applied for a two year extension in the licence, which is currently being assessed. The extension being sought will be a two year, 3rd Renewal Period and will allow the joint venture to continue exploration work planned.

Queensland – Onshore

ATP 920 & 924 – Cooper Basin

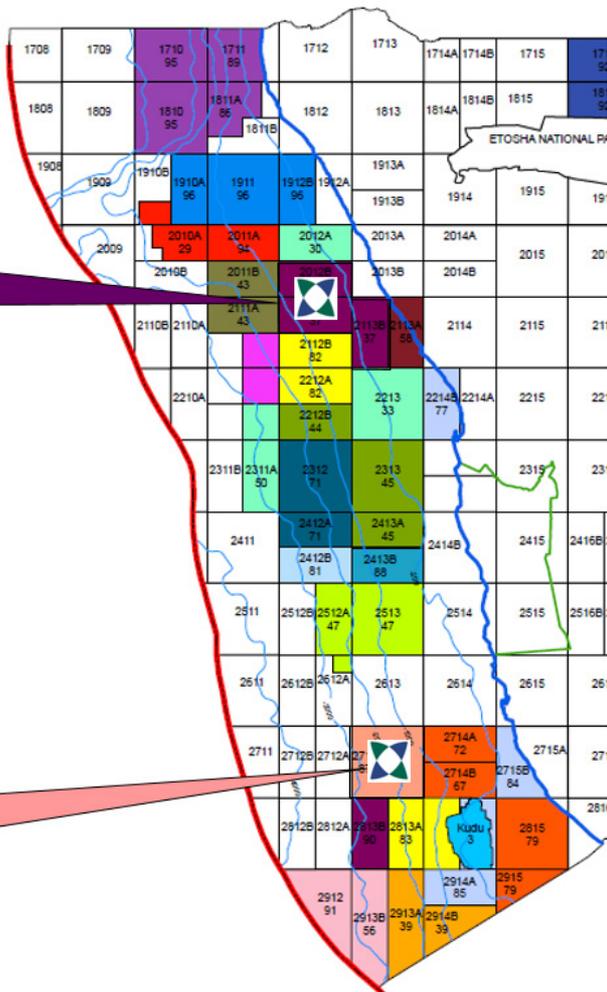
- With regard to Authorities to Prospect 920 and 924 in the Cooper Basin, the joint venture has made an application for Project Status which is currently being processed by the Queensland Department of Natural Resources, Mines and Energy. Should the application be successful, this would allow the joint venture to transfer commitments between the ATPs, thus being able to focus its efforts on the most prospective areas.
- The Operator continues to monitor the COVID-19 pandemic and associated restrictions with a view to revert to previously planned operational schedules once conditions stabilise.

Corporate

- Cash balance of AU \$394k as at the end of the quarter.
- During the previous quarter, the Company completed a bookbuild to raise \$710,000 through a Placement of 710,000,000 shares at an issue price of \$0.001 per share to sophisticated and professional investors, including directors. Resolutions for the Placement, Directors’ contributions to the placement of \$110,000 (110,000,000 shares) and the name change to Pancontinental Energy NL were put forward and approved at a General Meeting held on 29 July 2021. The Notice of Meeting for the General Meeting was lodged with the ASX during the quarter, although due to the recent Perth lockdown the meeting was postponed to 29 July 2021 from its original date which fell during the lockdown period.

Projects

Namibia



Offshore
 Namibia
 Walvis Basin
 PEL 37
 Pancontinental
 59.84%



Pancontinental
 holds two
 exploration licences
 Offshore Namibia

Offshore
 Namibia
 Orange Basin
 PEL 87
 Pancontinental
 75%

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	

Pancontinental holds 75% and Operatorship of PEL 87, Orange Basin, offshore Namibia. Pancontinental was a founding partner in the licence which the Company has had since 2017 alongside local company Custos Investments (Pty) Ltd and NAMCOR, the National Petroleum Corporation of Namibia. Block 2713 under Petroleum Exploration Licence 87 covers over 10,000 square kilometres.

The joint venture partners applied for the licence due to the encouraging initial technical studies conducted on Block 2713. Offshore Namibia, and that area in particular have been of interest to the Company's technical division for a number of years. Pancontinental has been present in Namibia for over ten years and during that time has built a solid foundation by working with the Government as well as local joint venture partners to further the exploration of Namibia's offshore areas.

Namibia has an encouraging oil and gas regime and it is economically and politically stable. This has assisted the Company to conduct successful business activities there over the past decade.

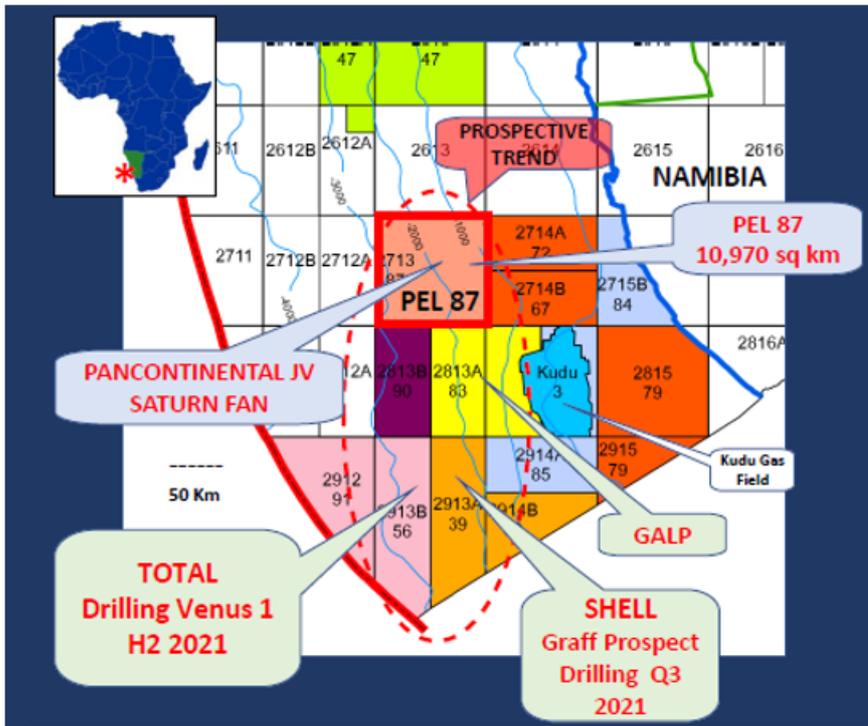
Once the licence was granted to the joint venture, work commenced on firming up the long held theories of Pancontinental's technical expertise. A prominent feature that was mapped was the very large Saturn turbidite complex. Saturn has a core area of 2,400 square kilometres and an overall area of about 4,000 square kilometres. It is about 280 metres thick and is almost wholly within PEL 87. It is located approximately 120 kilometres offshore.

An active petroleum system has four elements; petroleum source rocks, reservoir rocks, seal and trap. Encouragingly, PEL 87 exhibits features which would support the theory that there is an active petroleum system within the licence area. Using data from nearby Moosehead-1 and other regional wells, high quality Kudu Shale oil source can be inferred via seismic extension. Full Oil Maturity is confidently modelled at the Saturn location and more widely. Depositional characteristics have been used to infer good Reservoir quality and Saturn is likely to be sealed by the very critical slightly overpressured shale.

In addition to Saturn in PEL 87, other turbidite and channel features have been sighted and these will be mapped in more detail going forward.

Pancontinental and its PEL 87 joint venture partners have completed a number of the licence conditions for the initial exploration period with work continuing during the quarter on interpreting seismic lines.

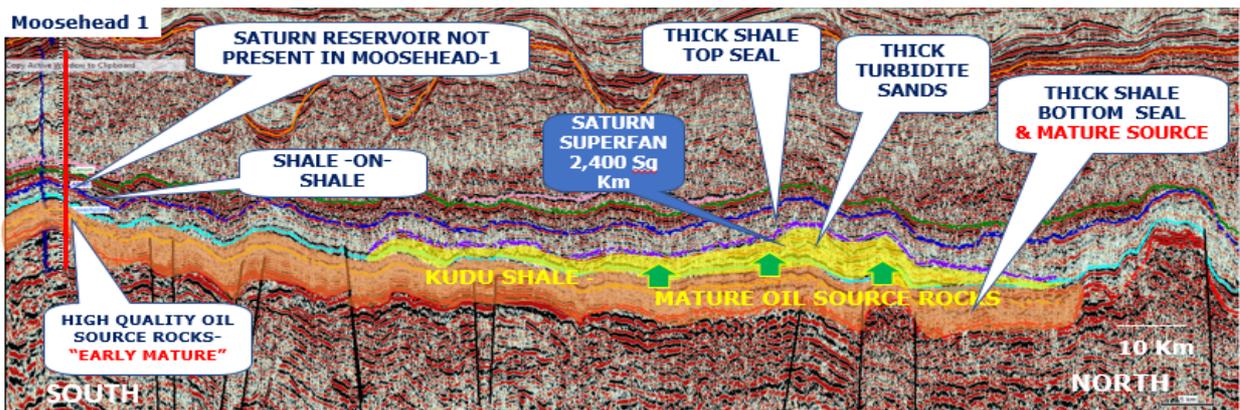
Upcoming regional activity scheduled this year, includes the drilling of French major Total's Venus-1 well. The well is on trend to PEL 87 and will be testing at the same stratigraphic level. Other wells are planned for Shell and GALP.



Activity on-trend includes the imminent drilling of Total's Venus-1 well and at least one well by Shell and GALP.

Drilling results will be of great interest to oil and gas companies present in the area, including Pancontinental.

Planned regional activity



Saturn Superfan – 2D Seismic Section

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.

Namibia Offshore PEL 37

Location: Walvis Basin

Project Size: 17,295 square kilometres

JV Partners: Pancontinental Namibia Pty Ltd
Paragon Oil & Gas (Pty) Ltd

89.76% *
10.24%

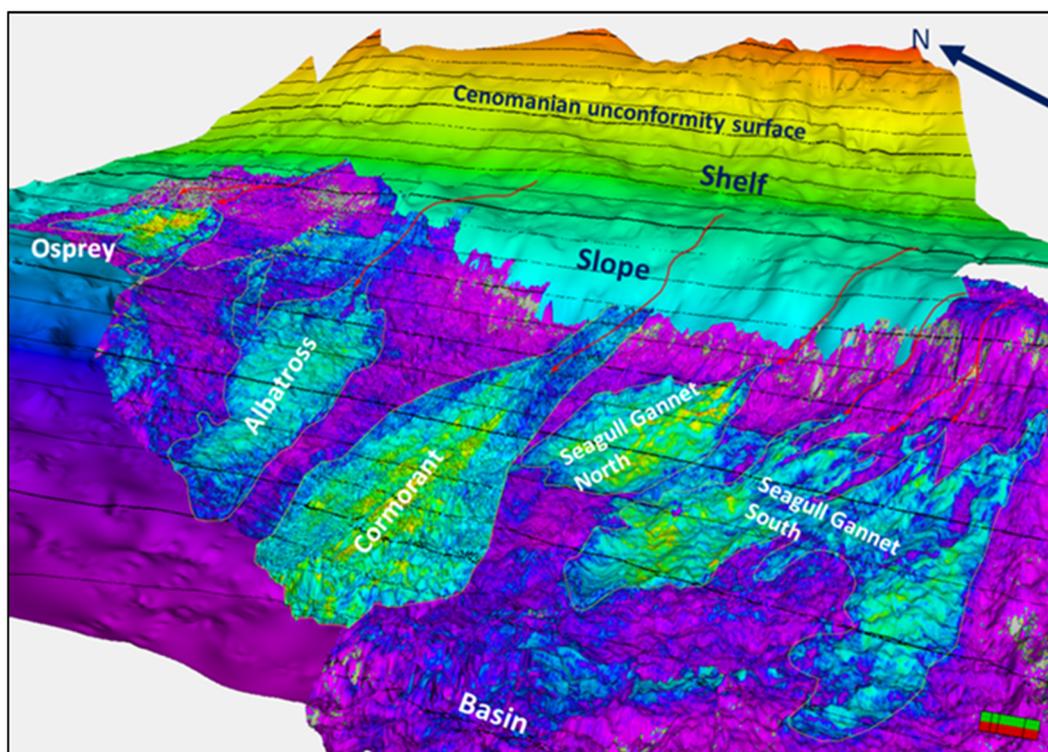
* Ownership of Pancontinental Namibia Pty Ltd:
Pancontinental Energy NL 66.67%
Africa Energy Corp. 33.33%

Panconcontinental was a founding joint venture partner in Petroleum Exploration Licence 37 and has been an active participant in the joint venture for over a decade.

Drilling of the Cormorant-1 well in recent years satisfied the last of the work programme licence conditions and a years' extension was duly granted to the joint venture by the Ministry of Mines and Energy.

Pancontinental and its joint venture partner Paragon Oil and Gas (Pty) Ltd have now applied to the Ministry of Mines and Energy in Namibia for a further extension. The extension is for 2 years in the 3rd renewal period.

Pancontinental is pleased to have retained an interest in the licence for so long and particularly now seeing as exploration activity is heating up offshore Namibia. A number of "Majors" have drilling programmes lined up within the next 12 to 18 months which will bring the excitement back to offshore drilling in frontier basins. Drilling planned in the Walvis Basin is on trend to Pancontinentals acreage and will have a significant impact on future exploration.



Prospects within PEL 37

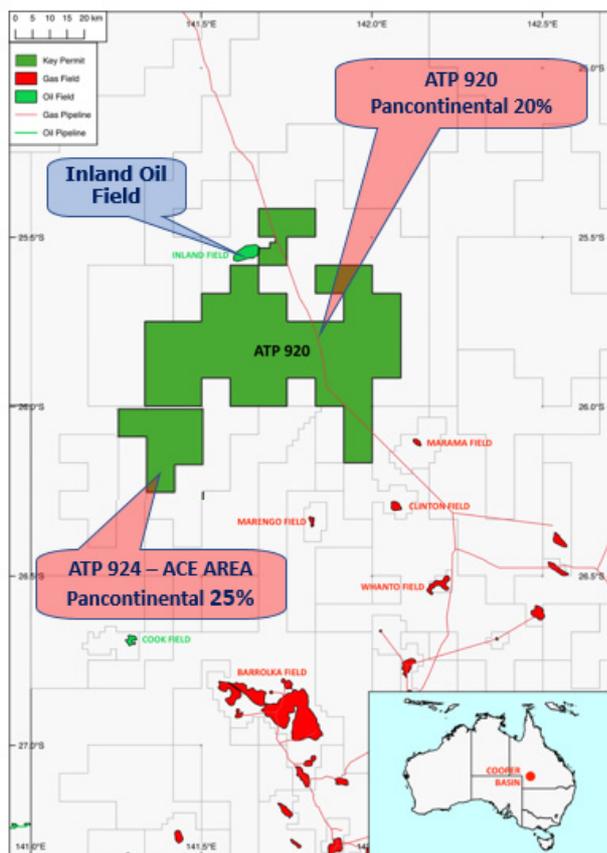
Pancontinental Namibia Pty Ltd's current interest in the joint venture is 89.76% which is split between the two investment partners; Pancontinental Energy NL 59.84% and Africa Energy Corp 29.92%. Africa Energy Corp. is a Canadian oil and gas company with interests offshore South Africa and Namibia. Pancontinental has found them to be an excellent investment partner with aligned interests.

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

Location:	Cooper Eromanga Basin		
Project Size:	ATP 920 - 2,337 km ² ATP 924 - 2,220 km ²		
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 Energy NL	25.00%**	
	* Ace Area		
	**earning		

Pancontinental acquired the Cooper Basin assets in recent years to diversify its portfolio of exploration assets. The idea was to seek shorter term projects with near term activity which would complement the Company's longer term assets in Namibia.

This was all before the COVID-19 pandemic hit the world. The pandemic as well as a number of natural disasters such as bushfires and flooding have made proceeding with planned activities very difficult.



ATPs 920 & 924, Cooper Basin, QLD

During the quarter, the joint venture lodged an application for Project Status, this means that the two Authorities to Prospect 920 and the Ace Area of 924 would be considered as one project and as such, the licence commitments could be transferred from one to the other enabling the joint venture to focus on the most prospective areas first. The application is currently with the Queensland Department of Natural Resources, Mines and Energy for processing.

Recently, the joint venture finalised remote sensing studies where approximately 31,300 kilometres of imagery data were classified in the permits. This work was a licence commitment and the main reason this was undertaken was to ascertain the environmental variability within the study area.

With a renewed, reduced work programme due to COVID-19 and restrictions of movement, the joint venture has met all of its commitments listed in the revised programme below.

Period 2	Minimum Authorised Activities	Estimated Expenditure (\$)
One year ending 29 February 2020	<ul style="list-style-type: none"> • Geological and geophysical review • Other studies • Other studies 	230 000
One (1) year ending 28 February 2021	<ul style="list-style-type: none"> • Other studies • Geological and geophysical review • Satellite imagery (Visible imagery) • Interpretation studies 	170 000
One year ending 28 February 2022	<ul style="list-style-type: none"> • 80 kilometres (km) Magnetic Survey • Geological and geophysical review • 80 km 2D seismic survey • Interpretation studies 	830 000
One year ending 28 February 2023	<ul style="list-style-type: none"> • Geological and geophysical review • Drill one well to 2400 metres minimum depth • Other studies • Interpretation studies 	2 860 000
Total Expenditure Commitment		4 090 000

Table 1: ATP 924 amended commitments for first renewal period

Pancontinental is led by Operator Key Petroleum Limited in the joint venture.

Prospective Resources

INLAND TREND			Probabilistic Prospective Resource OIL			Probabilistic 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	Inland Trend			
Teevee		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	Meeba Trend			
Macaron Sth		Hutton	0.36	1.09	2.93				
Malto		Hutton	1.52	4.01	11.02				
Malto Sth		Hutton	0.52	1.47	3.95				
Marie		Hutton	0.57	1.44	4.40				
Marie Nth		Hutton	0.35	1.10	2.92				
Meeba Sth		Hutton	0.14	0.39	1.37				
Ace Nth		Hutton	0.29	0.82	2.06				
Ace		924_1	Hutton	2.9	10.7		21.0		
		924_1	Arrabury					14.6	39.6
ATP-920 Sum Totals	920		8.4	23.0	62.8				
ATP 920 Total + Ace			11.3	33.7	83.7				

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.

Corporate

General Meeting

A General Meeting of shareholders was conducted on 29 July 2021 with all resolutions put to the meeting passed on poll results. All of the resolutions were passed with an approval percentage above 97%.

During the March 2021 quarter, the Company raised \$710,000 via a Placement of 710,000,000 shares at \$0.001. The shares were issued to sophisticated and professional investors as well as directors. Resolutions put to the meeting covered the placement and director participation as well as the name change to Pancontinental Energy NL.

The Notice of Meeting for the General Meeting was lodged during the quarter, although the meeting had to be postponed to 29 July 2021 due to the first meeting date falling in the period of Perth's most recent lockdown.

Cost Cutting

The Company is continuing with cost cutting measures brought in at the commencement of the COVID-19 pandemic. Directors and personnel remain on reduced salaries and fees. All possible discretionary costs have been reduced or eliminated and the Company is running on a very cost effective model.

New Ventures

Pancontinental has for some time expressed its interest in seeking new projects which will add value to the exploration portfolio. Namibia is a favoured location for new project entry due to the ease of business relations and Pancontinental's long standing association.

Representatives from Pancontinental were present for the APPEA Oil and Gas Conference held in Perth during the quarter. This was an opportunity for senior management to collaborate with peer companies and provide exposure to its assets as well as identifying potential projects which may fit into Pancontinental's future vision.

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	59.87%	0.00%	**59.87%
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 (which holds the PEL 37 asset):

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 \$76k relates to Chairman, CEO, Executive and Non-Executive Director salary and fees.

As announced to the ASX on 9 April 2020, the CEO and Non-Executive Directors reduced their salary and fees by 50% while the Executive Director and remaining Staff Member reduced their salaries by 25%. These measures have remained in place since April 2020.

Authorised for release by the Board of Pancontinental Energy NL

For further information please contact:

Ernie Myers
CEO & Executive Director
info@pancon.com.au

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 unrisks 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 Energy 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.

www.pancon.com.au

Head Office – Level 2, 30 Richardson Street, West Perth, Western Australia 6005

Postal Address - PO Box 1154, West Perth, Western Australia 6872

Telephone +61 8 6363 7090

Facsimile +61 8 6363 7099

ACN 003 029 543