# PEL 87 PROJECT PROSPECTIVE RESOURCES

Pancontinental Energy NL (ASX: PCL) ("**Pancontinental**" or "**Company**") is pleased to provide the following update in relation to its estimates of prospective resources for the Company's PEL 87 project, Orange Basin offshore Namibia.

## Highlights

- In addition to the previously reported Oryx and Hyrax targets, six further intra-Saturn Complex leads are identified and being advanced
- All leads exhibit Class II AVO anomalies, consistent with major discoveries on-trend to the south at the Mopane Complex and Venus/Mangetti
- Total High Case prospective resource+ estimated at 3.8 Billion barrels of oil (net to PCL, arithmetic sum of High Cases)
- Total High Case oil-in-place resource estimated at 12.7 Billion barrels of oil (net to PCL, arithmetic sum of High Cases)
- Farmout process underway to secure farmin partner for funding of exploration drilling

+***Cautionary Statement***: *Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.*

Further to Pancontinental's announcement to ASX of 31 January 2024 the Company has independently progressed interpretation of the PEL 87 intra-Saturn exploration inventory to include six additional leads, with the Oryx and Hyrax features now considered by Pancontinental as prospects.

Pancontinental Chief Executive Officer **Iain Smith commented** "*We are pleased to announce our estimates of prospective resources for the PEL 87 project, which we believe demonstrates giant potential with the figures comparing favourably to significant discoveries on-trend to the south. These results stand the Company in good stead as we progress our farmout program to secure a farminee for exploration drilling at the earliest opportunity.*"

Pancontinental Director **Barry Rushworth commented** "*These results verify the Saturn Complex as a highly attractive exploration play, particularly given the significant size of the targets and major discoveries that continue to be made to our south within a comparable geological setting. The PEL 87 Joint Venture is well placed and in a prominent position within the Namibian Orange Basin, with an extremely valuable, high quality and extensive 3D seismic dataset. PEL 87 is the only permit not held by a major oil and gas company that is adjacent and on trend to the giant Mopane discovery, which is believed to host some 10 Billion barrels of oil-in-place".*

### Prospectivity

A description of each prospect/lead follows, importantly with all targets exhibiting Type II AVO anomalies (refer Figure 1) and situated in an optimal position to receive hydrocarbon charge from the underlying world-class Kudu oil source kitchen.

**Oryx Prospect**
The Oryx Prospect is the older of the identified basin floor fans within the PEL 87 Saturn Complex and exhibits a clear Type II AVO amplitude anomaly (refer Figure 2). It also represents the largest connected sand body at up to 144 km$^2$ of the prospect's total area of over 500 km$^2$. The turbidite sands

appear to be affected by blue water currents, with associated winnowing expected to "wash out" finer grained sediments, potentially creating an extensive and high-quality reservoir system. The central area is draped over a structural high that contains other overlying AVO anomalies assigned to the Calypso and Addax leads.

### Hyrax Prospect

The Hyrax Prospect is located in the southern portion of the Saturn Complex and exhibits Type II AVO amplitude anomalies over a combined 400 km$^2$ area. The Hyrax reservoir target is slightly younger than at Oryx, and the turbiditic sands are believed to be more strongly affected by winnowing from blue water currents, with the redistributed coarse clastics displaying stacked geometries in a number of areas.

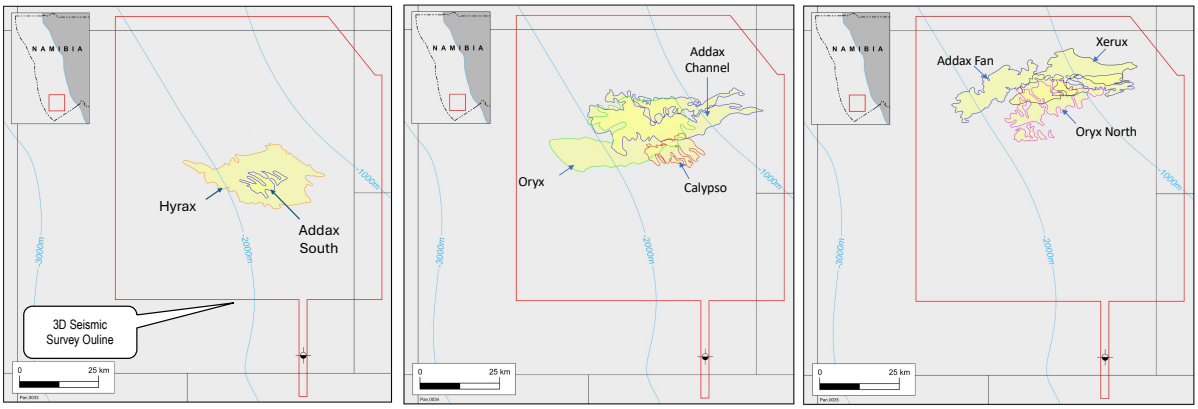


Figure 1: PEL 87 Prospect/Lead Location Maps

### Oryx North and Calypso Leads

The Oryx North (161 km$^2$) and Calypso (74 km$^2$) AVO amplitude anomalies are mapped within the middle sequences distributed throughout the Saturn Complex. The brightest anomalies are located over the structural crest of the Oryx prospect. There is evidence of scouring of the underlying substrate in the central areas, whereas in the south over Hyrax the sands appear to have been redistributed predominantly by blue water flows and currents.

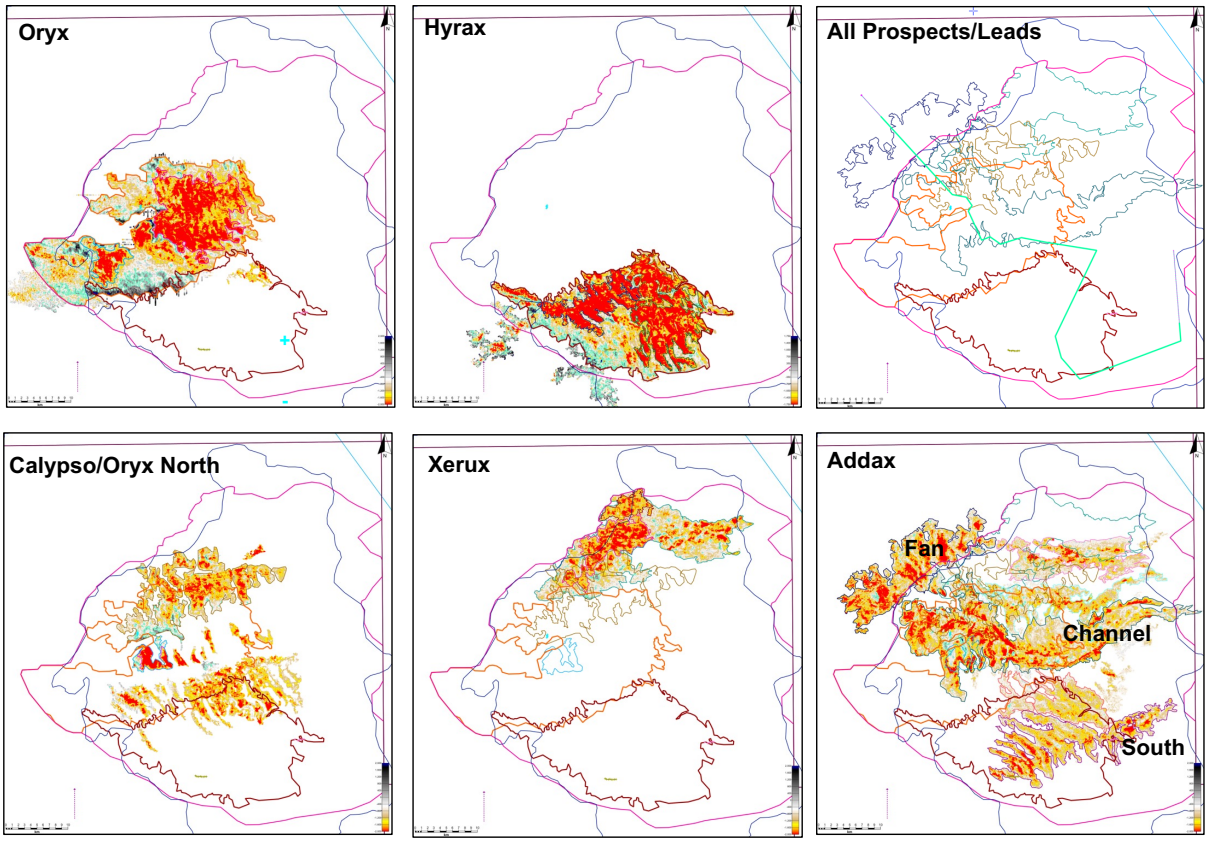


Figure 2: PEL 87 Prospect/Lead AVO Anomalies (Ultra Far Seismic Offset)

### Xerux Lead

Xerux is located in the central northern portion of the Saturn Complex over an area of 250 km$^2$. Type II AVO amplitude anomalies are evident within interpreted slope turbidites distributed throughout the middle sequences of Saturn, with scour and fill geometries that are strongly influenced by deep water currents.

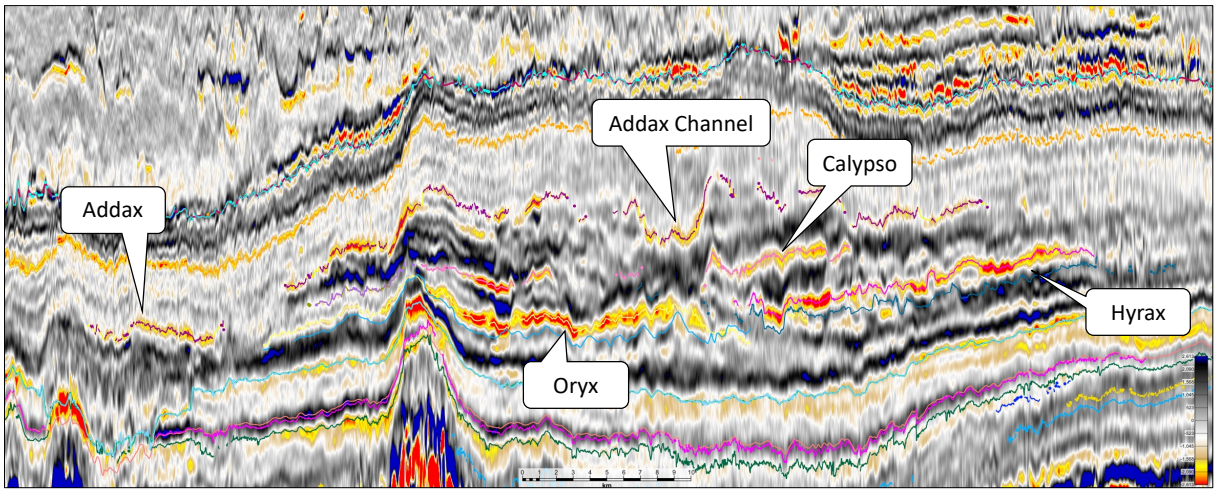


Figure 3: NW-SE Example Seismic Section (Ultrafar Offsets) showing prospects and leads

### Addax Leads

The Addax Channel and Addax Fan Leads are comprised of a number of AVO anomalies of between 85 to 330 km$^2$ in area, in the upper or latest stage of clastic reservoir deposition within the Saturn Complex. These deep water turbidite systems are interpreted to have been deposited in a channelised slope bypass system. Deep canyons scour the underlying substrate within the main depositional axis and large areas of overbank deposits are interpreted to have been deposited in the upper proximal areas. The main turbidite bodies are interpreted within a base of slope fan system to the immediate northwest of the Saturn Complex.

### Addax South

The Addax South lead is distributed over some 200 km$^2$ in the uppermost sequence of the Saturn Complex, with the interpreted sands heavily influenced by winnowing and redistributed into lobes that overlay the Hyrax Prospect.

## Prospective Resources

Tables 1 and 2 provide Pancontinental's estimates of Original Oil in Place (OOIP) and Prospective Resources (recoverable) on a 100% gross and 75% net basis, respectively. Also provided for each lead is the estimate of Geological Chance of Success (GCoS).

Importantly scope exists for multiple prospect/leads to be targeted by a single well - for example at Oryx/Calypso/Addax Channel, and exploration success at any of the defined prospects/leads is likely to result in an uplifted GCoS for subsequent exploration targets.

**Table 1: PEL 87 OOIP and Prospective Resources Estimates (100% gross)**

| Prospect/Lead | Original Oil in Place (OOIP), MMbbls | | | Prospective Resources (Recoverable), MMbbls | | | GCoS |
|---|---|---|---|---|---|---|---|
| | Low | Best | High | Low (1U) | Best (2U) | High (3U) | |
| Oryx | 673 | 1,781 | 5,136 | 168 | 534 | 1,541 | 22.5% |
| Hyrax | 490 | 1,780 | 4,725 | 122 | 534 | 1,417 | 19.7% |
| Xerux | 159 | 480 | 1,852 | 48 | 144 | 556 | 17.8% |
| Oryx North | 119 | 417 | 1,403 | 30 | 125 | 421 | 17.8% |
| Addax Channel | 103 | 409 | 1,950 | 26 | 102 | 487 | 16.3% |
| Addax Fan | 54 | 332 | 1,106 | 13 | 100 | 332 | 17.8% |
| Calypso | 14 | 112 | 447 | 4 | 34 | 134 | 19.4% |
| Addax South | 72 | 130 | 331 | 18 | 33 | 203 | 16.3% |
| **Total** | **1,684** | **5,440** | **16,950** | **429** | **1,605** | **5,092** | |

**Table 2: PEL 87 OOIP and Prospective Resources Estimates (75% net Pancontinental interest)**

| Prospect/Lead | Original Oil in Place (OOIP), MMbbls | | | Prospective Resources (Recoverable), MMbbls | | | GCoS |
|---|---|---|---|---|---|---|---|
| | Low | Best | High | Low (1U) | Best (2U) | High (3U) | |
| Oryx | 505 | 1,336 | 3,852 | 126 | 401 | 1,156 | 22.5% |
| Hyrax | 367 | 1,335 | 3,544 | 92 | 400 | 1,063 | 19.7% |
| Xerux | 119 | 360 | 1,389 | 36 | 108 | 417 | 17.8% |
| Oryx North | 89 | 313 | 1,052 | 22 | 94 | 316 | 17.8% |
| Addax Channel | 77 | 307 | 1,462 | 19 | 77 | 366 | 16.3% |
| Addax Fan | 40 | 249 | 830 | 10 | 75 | 249 | 17.8% |
| Calypso | 11 | 84 | 335 | 3 | 25 | 101 | 19.4% |
| Addax South | 54 | 98 | 249 | 13 | 24 | 153 | 16.3% |
| **Total** | **1,263** | **4,080** | **12,712** | **322** | **1,204** | **3,819** | |

***Cautionary Statement**: Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.*

While release of the Company's estimates of prospective resources represents the culmination of a very significant interpretation and analysis effort on the US$35 million+ seismic dataset, Pancontinental is continuing to refine its interpretation and is engaging a specialist consultant to perform a rock physics-based seismic inversion, the intent of which is to improve the Company's understanding of the nature of individual reservoir sands, and the potential fluid types there-in. This work may result in a future revision to the stated prospective resources and risking, and prospect/lead improved ranking.

## About PEL87

Petroleum Exploration Licence 87 (PEL 87) is located in the offshore Orange Basin, southern Namibia (refer Figure 2). The permit covers an area of 10,970 km$^2$ and is situated on-trend with a number of very significant hydrocarbon discoveries that have been made in recent times by Galp Energia, TotalEnergies, and Shell.

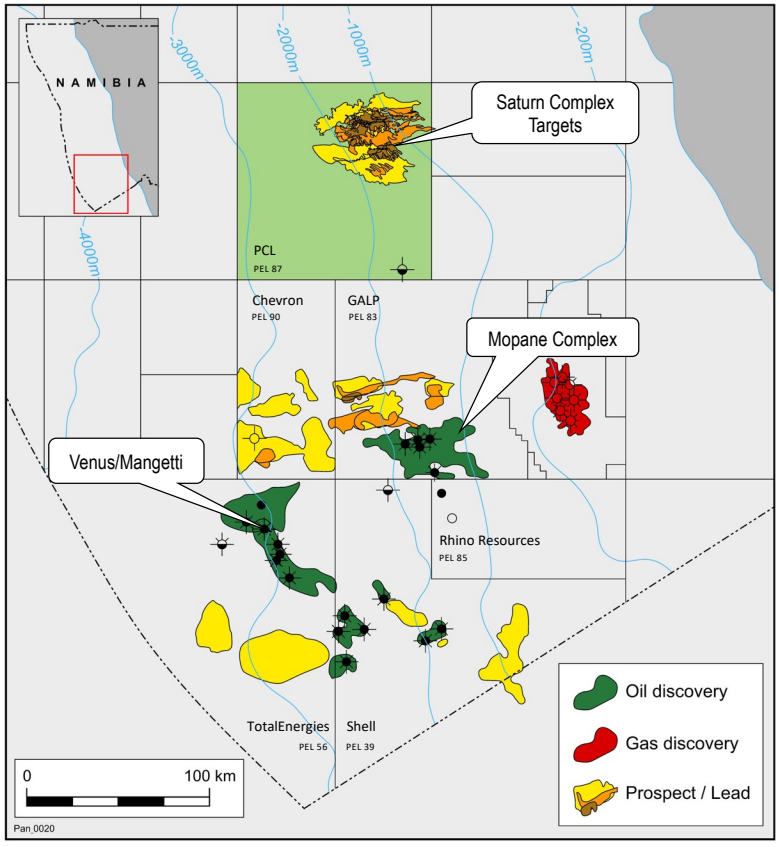


Figure 4: PEL 87 Location Map

PEL 87 was awarded to a joint venture led by Pancontinental in early 2018 for up to 3 terms over 8 years (plus subsequent extensions) and may be converted to a Production Licence under pre-agreed terms. PEL 87 is presently within the first renewal exploration period that commenced on 23 January 2024 and will end 22 January 2026. This period includes an associated work commitment to drill one exploration well or, if a drillable prospect is not identified, acquire either 500 $km^2$ of 3D seismic data or 1,000 line kms of 2D seismic data.

## Notes

1. Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a chance of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.
2. The estimates of Prospective Resources included in this announcement have been prepared in accordance with the definitions and guidelines set forth in the Society of Petroleum Resource Management System (PRMS).
3. The Prospective Resources (Recoverable) included within this announcement have been determined by applying recovery factors ranging between 25% to 30%, reflecting the relatively early stage of exploration and lack of drilling to date within the Saturn Complex. As exploration matures recovery factor estimates have the potential to increase, typically ranging from 30% to 45% in similar offshore oil fields.
4. The evaluation date for the Prospective Resources stated within this document is 17 March 2025
5. Gross Prospective Resources are 100% on-permit volumes estimated to be recoverable from a lead/prospect in the event that a discovery is made and subsequently developed. The estimates of Prospective Resources included in this announcement have been estimated deterministically.
6. The Company has considered the chance of discovering hydrocarbons and has stated the Geological Chance of Success (GCoS) for each prospect and lead to be. The chance of development has not been estimated. Quantifying the chance of development (COD) requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing.
7. The volumes reported are "unrisked" in the sense that the Geological Chance of Success (GCoS) factor has not been applied to the designated volumes.
8. The Prospective Resources included within this announcement have been estimated by Mr. Ric Jason, independent technical consultant to Pancontinental. This information is based on, and fairly represents, information and supporting documentation compiled by Mr Jason, who holds a Bachelor of Applied Geology (Hons) from the University of Technology (Sydney) and has 32 years' experience as a geoscientist within the oil and gas industry. Mr Jason is a member of the Petroleum Exploration Society of Australia, the American Association of Petroleum Geologists and the Southeast Asia Petroleum Exploration Society. Mr Jason has consented to the contents of this announcement being released to ASX in the form and context in which it appears.

## Investor Enquiries

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

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