



# Investor Presentation

## November 2016



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**The summary report on the oil and gas projects is based on information compiled by Mr R B Rushworth, BSc, MAAPG, MPESGB, MPESA, Chief Executive Officer of Pancontinental Oil & Gas NL. Mr Rushworth has the relevant degree in geology and has been practising petroleum geology for more than 30 years. Mr Rushworth is a Director of Pancontinental Oil & Gas NL and has consented in writing to the inclusion of the information stated in the form and context in which it appears.**



## DISCLAIMERS & NOTES- NAMIBIA

### **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**

All Prospective Resource estimates in this report with regard to Namibian operations are prepared as of 28 September 2015. 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. 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 the Government Royalty of 5% under Production Sharing Contracts and Pancontinental's percentage entitlement under Joint Venture contracts.

Prospective Resources estimates in this report have been made by Pancontinental Oil & Gas 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 prepared by Mr Roy Barry Rushworth the Chief Executive Officer and Executive Director of Pancontinental Oil & Gas NL. Mr Rushworth has more than 30 years' experience in practising petroleum geology and exploration management.

Mr Rushworth 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'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.

# Corporate & Project Snapshot



## Corporate

*Oil & gas explorer*

- ASX Code: PCL
- Issued Shares: 1,717m
- Share Price: A \$0.004
- Market Cap: A \$6.9m

## Kenya Offshore

*Proven oil and gas systems*

- Block L6
- 40% Pancontinental
- 60% FAR Limited Operator & Partner

## Namibia Offshore

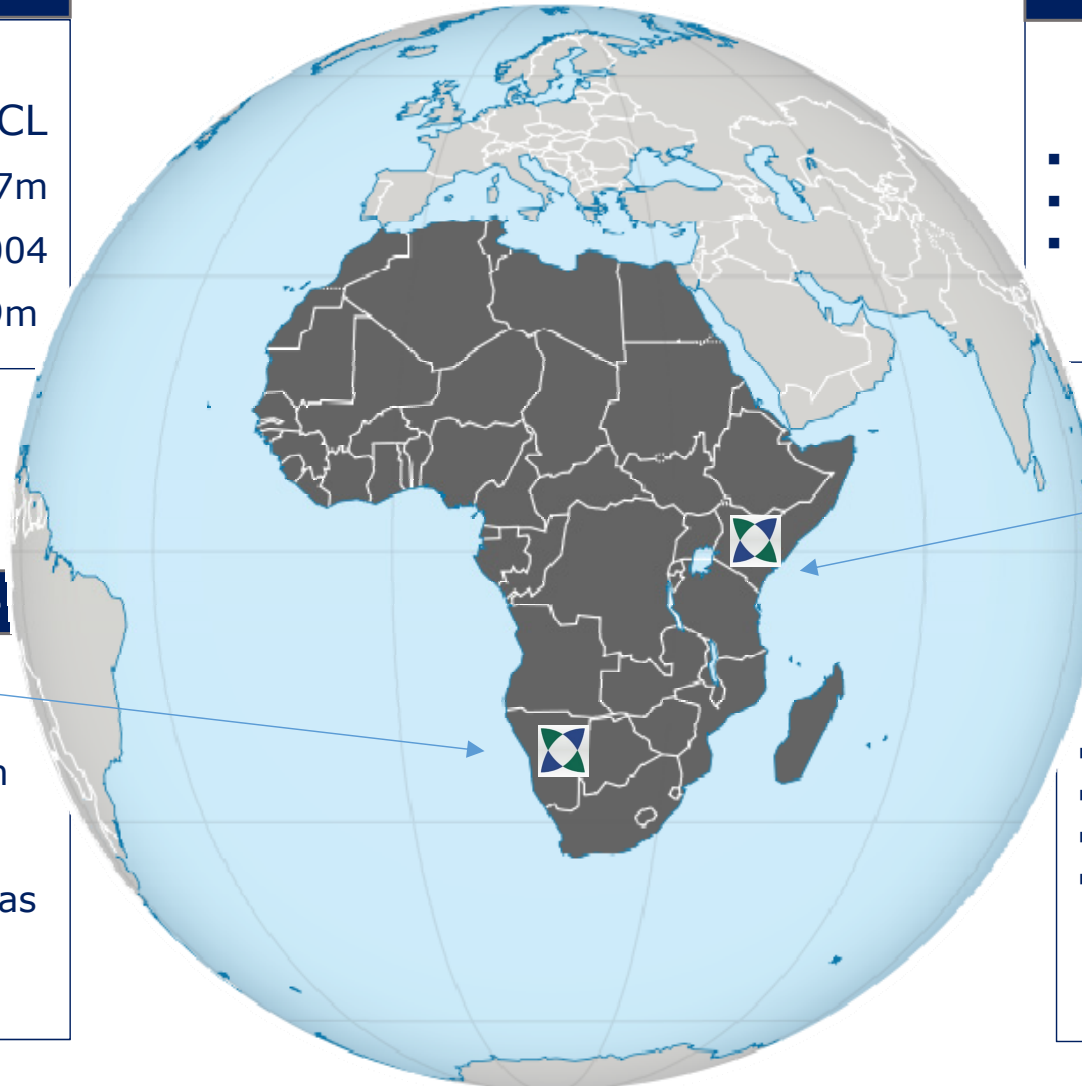
*Unexplored potential*

- Petroleum Exploration Licence 0037
- 30% Pancontinental
- 5% Paragon Oil & Gas
- 65% Tullow [Operator]

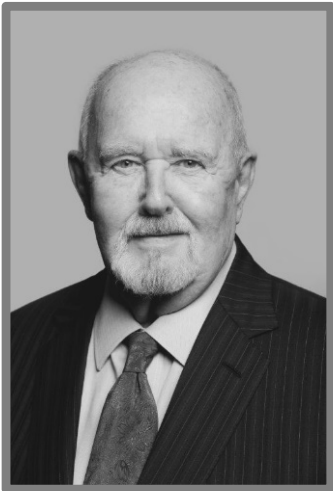
## Kenya Onshore

*Emerging oil and gas province*

- Block L6
- 16% Pancontinental
- 24% FAR Limited
- 60% Milio International [Operator]



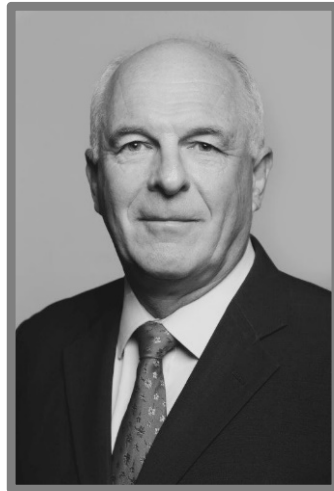
# Pancontinental Management Team



**David  
Kennedy**

MA (Geology)  
SEG

**Non-Executive  
Chairman**



**Barry  
Rushworth**

BSc (Geology &  
Marine Sc)

**Executive  
Director, CEO**



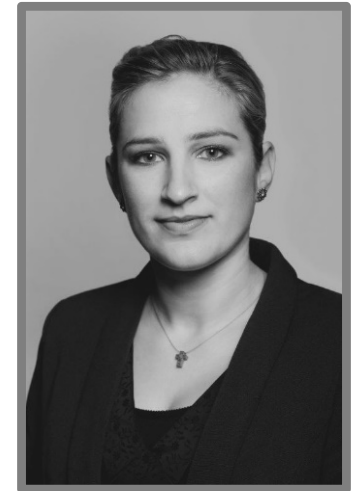
**Ernie  
Myers**

CPA  
**Executive  
Finance  
Director**



**John  
Leach**

BArts (Econ)  
CA MBA  
**Non-Executive  
Director [Ind]**



**Vesna  
Petrovic**

BComm  
CPA  
**Company  
Secretary**

The majority of Pancontinental's Board and Management have worked together for over a decade. The team members each contribute their area of expertise to the functioning of the company with notable success, particularly so far in Kenya.

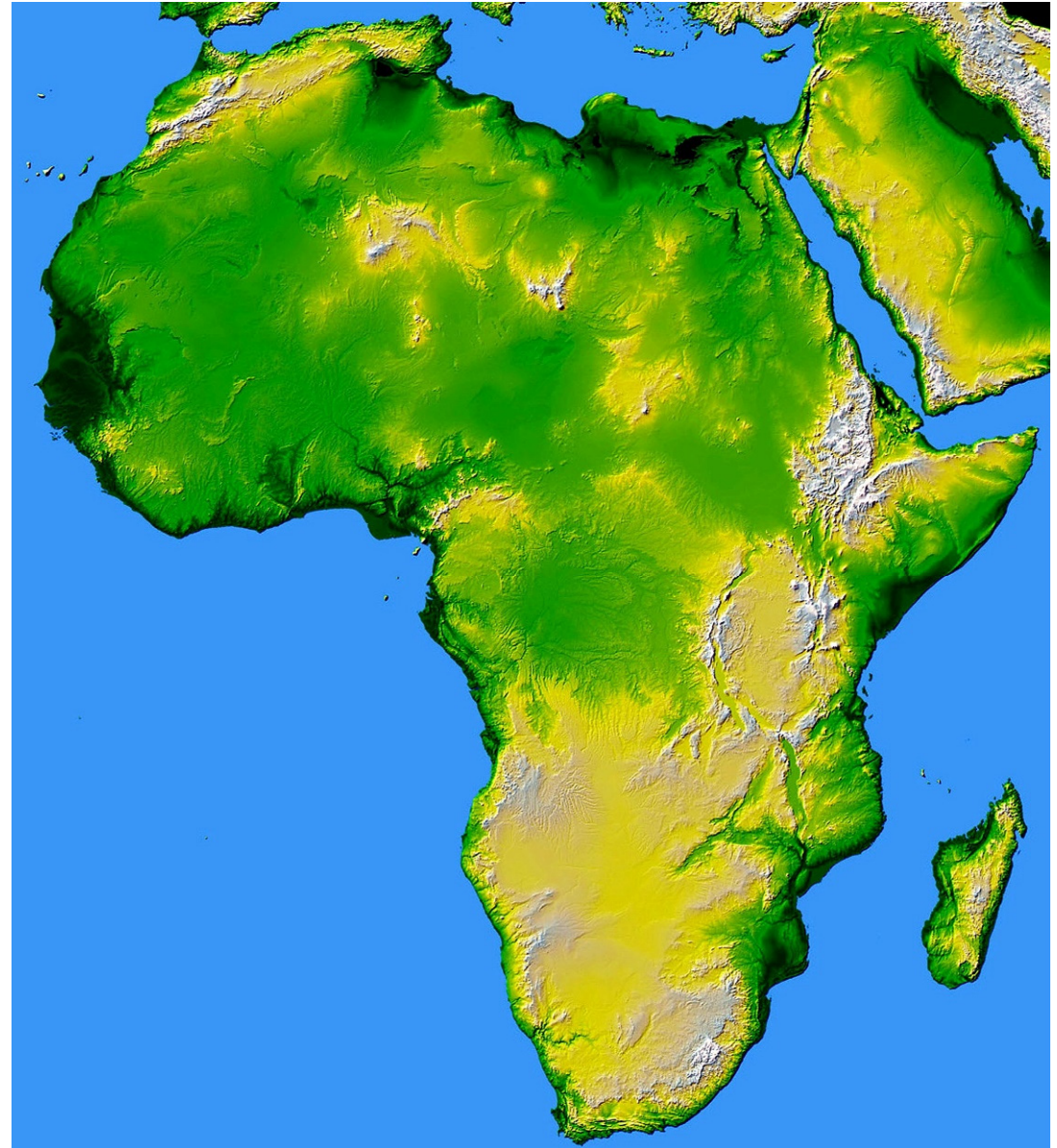
The company instigated the award of licences which were later proven to include the first and second hydrocarbon discoveries for Kenya. The Company is now focussing on its L6 project in Kenya and its PEL 0037 project in Namibia to bring similar success.



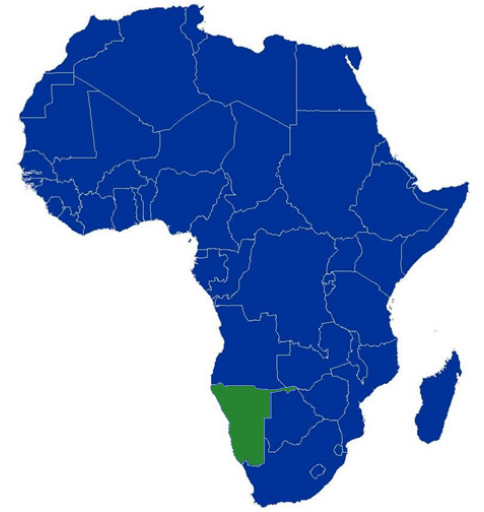


## Pancontinental Oil & Gas NL

- Australian public company listed on the Australian Securities Exchange
- Experienced Board and Management team
- Junior exploration company with interests in Kenya and Namibia
- African focus for the past 10 years
- Participated in two historic Kenyan discoveries:
  - 2012, Mbawa-1, Kenya L8
  - 2014, Sunbird-1 Kenya L10A



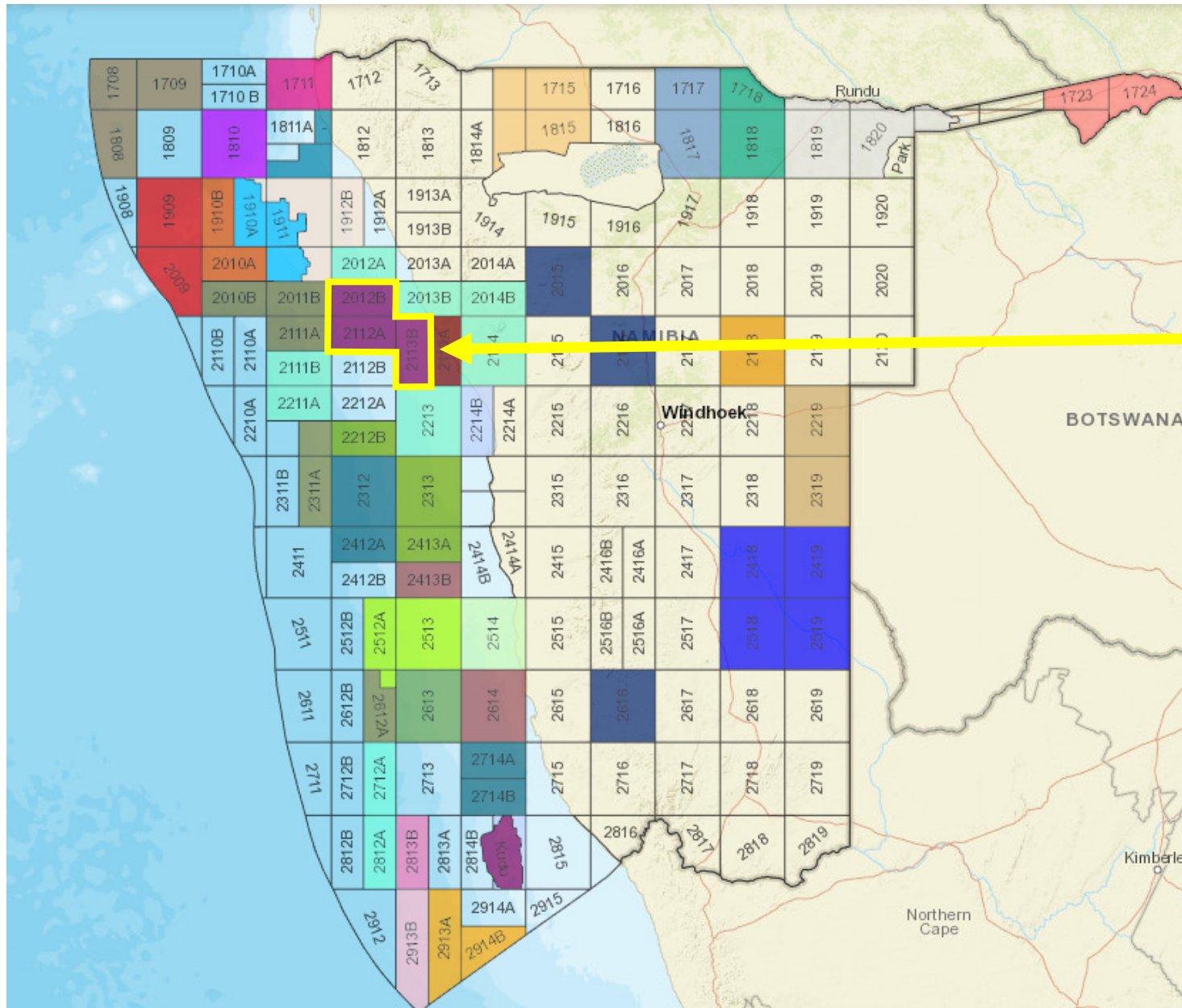
# Offshore Namibia



- 
- World map showing the global distribution of dengue fever risk levels. The map is color-coded: green for 'INSIGNIFICANT', yellow for 'LOW', orange for 'MEDIUM', red for 'HIGH', and dark red for 'EXTREME'. High and extreme risk areas are concentrated in tropical and subtropical regions, particularly in South America (e.g., Brazil, Colombia, Venezuela), Central America, the Caribbean, and parts of Africa, Asia (e.g., India, Southeast Asia), and the Pacific. A legend in the bottom left corner provides the key for the risk levels.

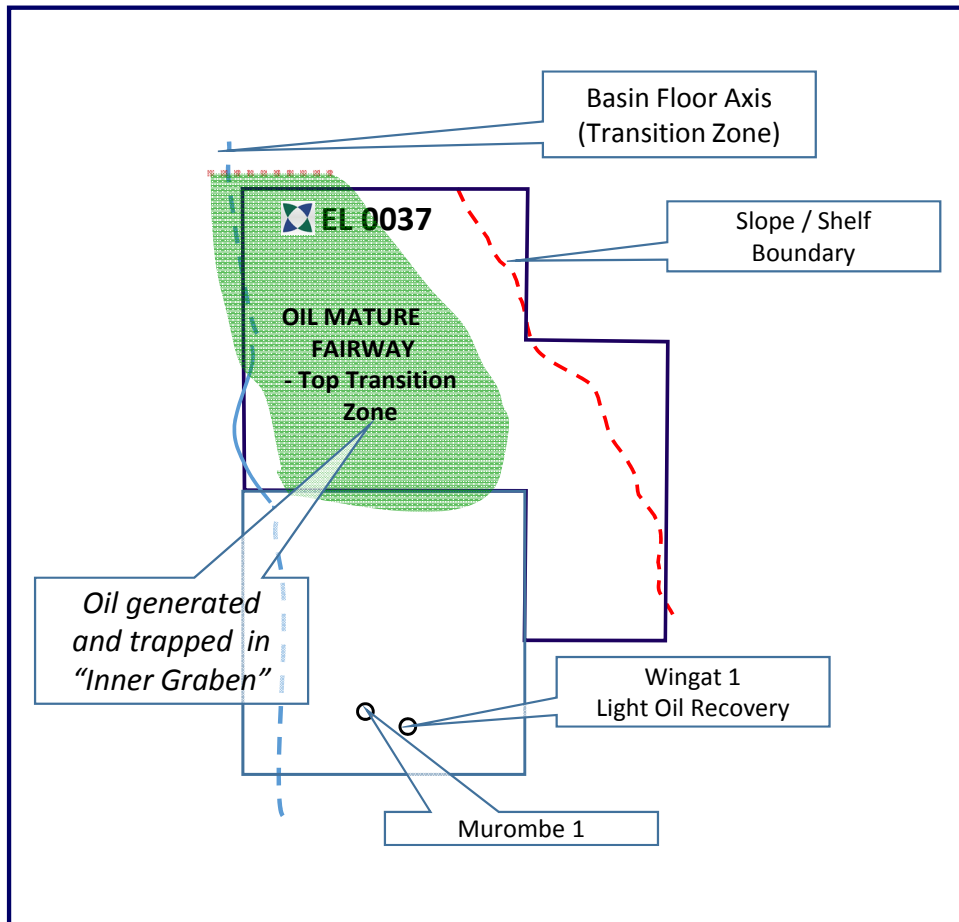


# Offshore Namibia - Overview

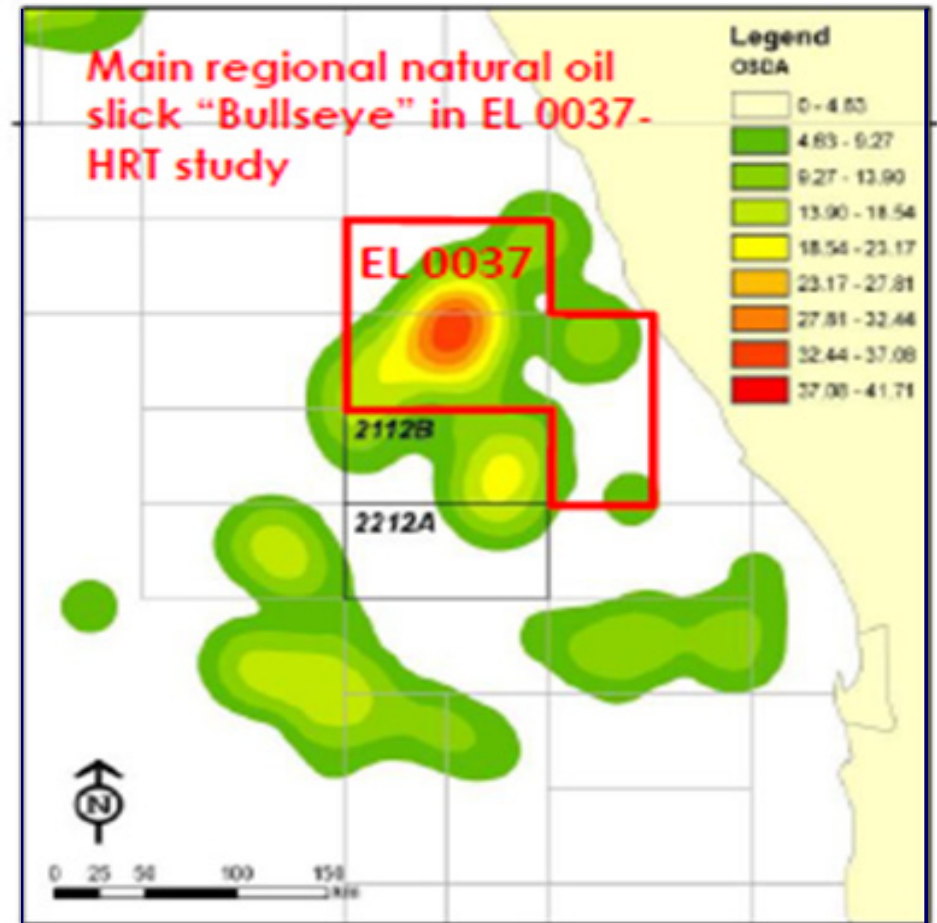


- Exploration blocks granted in 2011
- Located in the Walvis Basin, offshore Namibia
- Area 17,295 km<sup>2</sup>
- Renewal March 2018
- Only one well within PEL 0037, but good regional geological framework

# Offshore Namibia – Selection Criteria



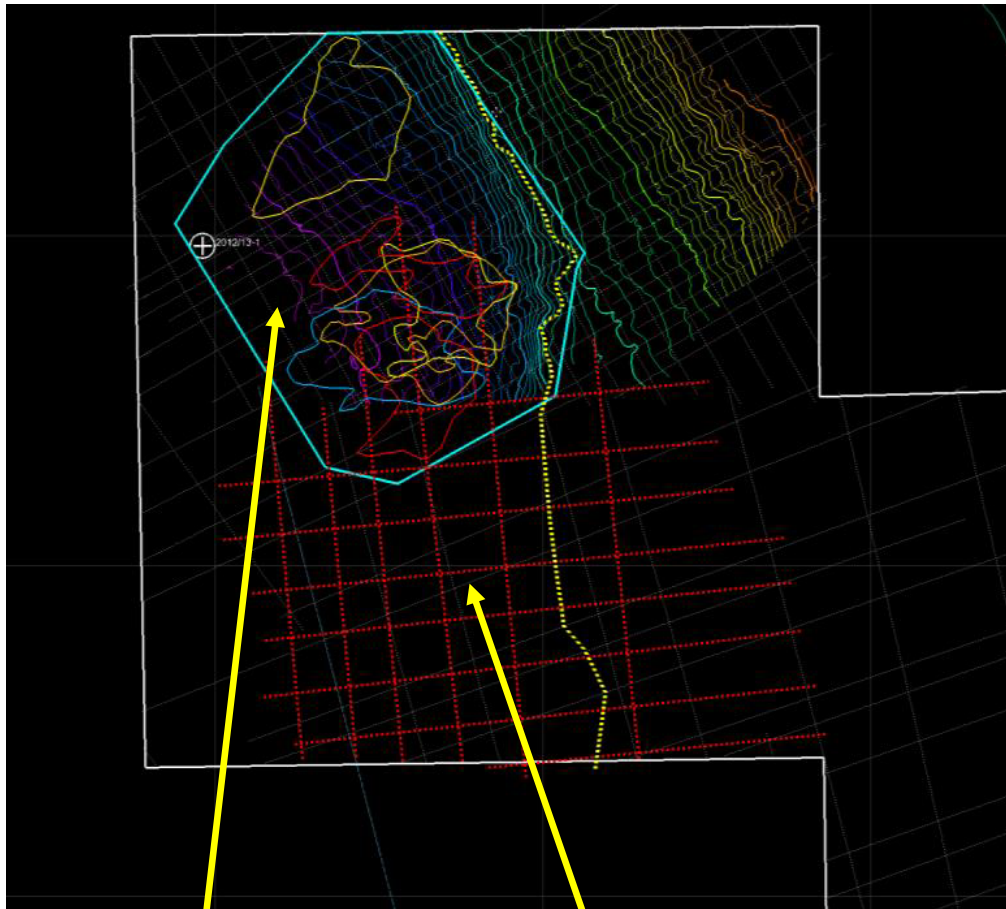
Pancontinental's modelling predicted a potential Oil generating fairway in the Walvis Basin. Wingat-1 drilled in 2013 to the south, intersected Oil in high quality source rocks, confirming Pancontinental's modelling.



Strong regional natural oil slick central to Pancontinental's PEL 0037.



- Tullow Farmed in during 2013
- **US\$100m+** Exploration Program agreed for Tullow to earn 65%
- **Pancontinental's Significant 30% Equity Free Carried**
- Free Carry includes **NO CAP** on 1st Exploration Well
- Tullow has to date spent ~US\$34m to define Targets
- In April 2016, Tullow committed to Drill Phase
- Under the Farmout Agreement Drilling of 1<sup>st</sup> Well by March 2017 (subject to identifying a drillable prospect)
- PEL 0037 Renewal March 2018

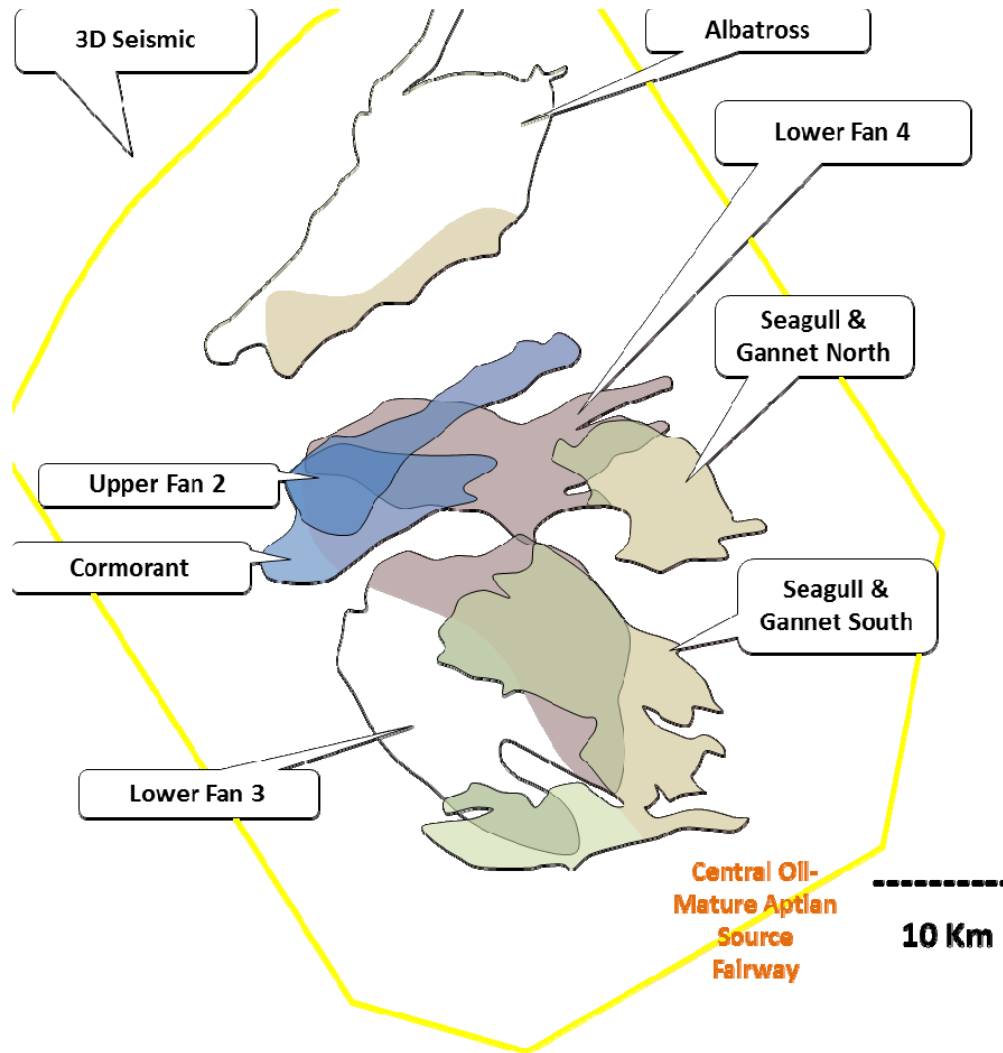


3D Seismic  
Survey

2D Seismic  
Survey

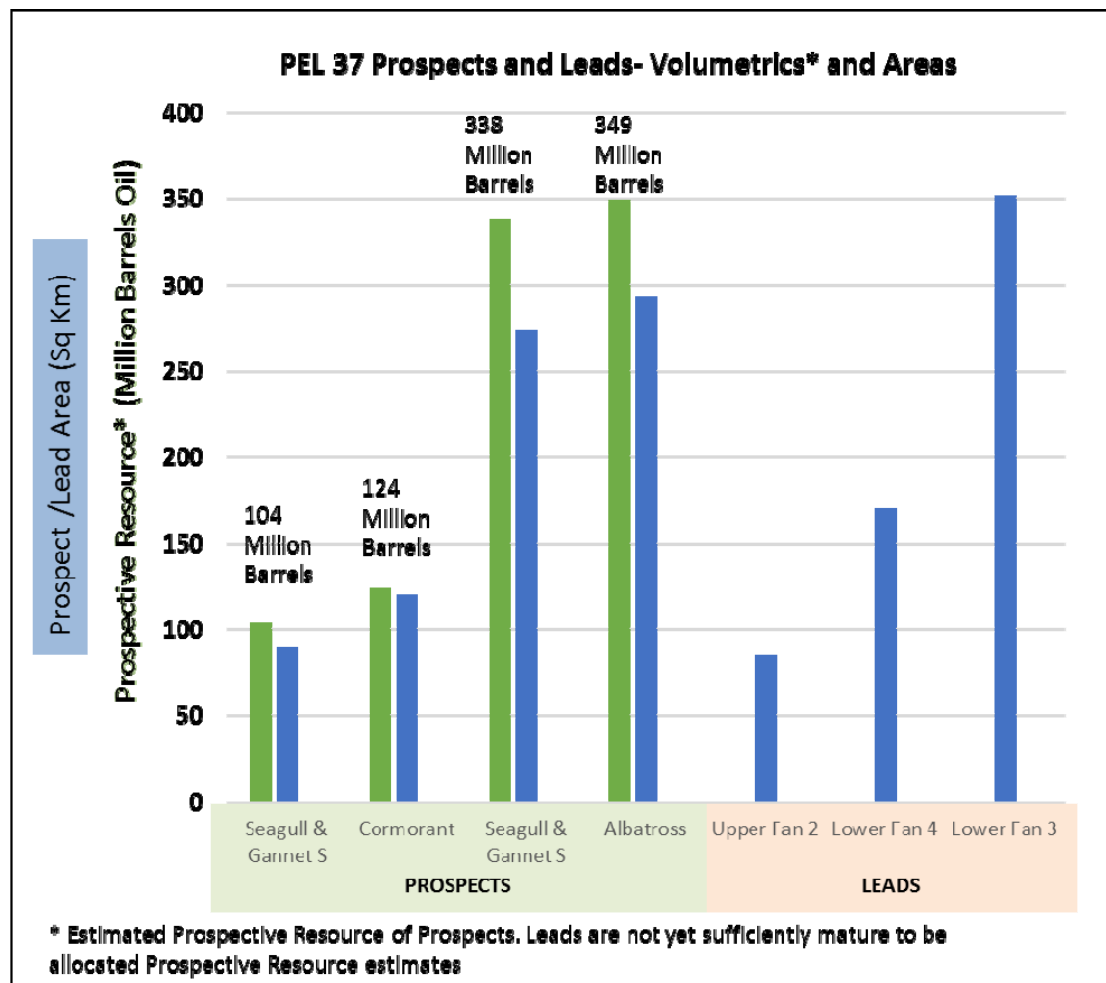
- 1,000km 2D seismic
- 3,000km<sup>2</sup> 3D seismic
- Processing, Interpretation & Mapping
- Cost ~ US \$34m
- 3D Survey Mainly Confined to North Sector of PEL 0037
- **4 Main Oil Prospects Defined**
- **3 Strong Oil Leads Defined**





- **4 Main Oil Prospects**
- Albatross
- Cormorant
- Seagull & Gannet Nth
- Seagull & Gannet Sth
- **Additional Oil Leads**
- Fans 2, 3, 4 etc

# Offshore Namibia - PEL 0037 Prospective Resources



## DISCLAIMERS AS REQUIRED BY ASX, IN CLOSE PROXIMITY AND WITH EQUAL PROMINENCE AS PROSPECTIVE RESOURCES ESTIMATES

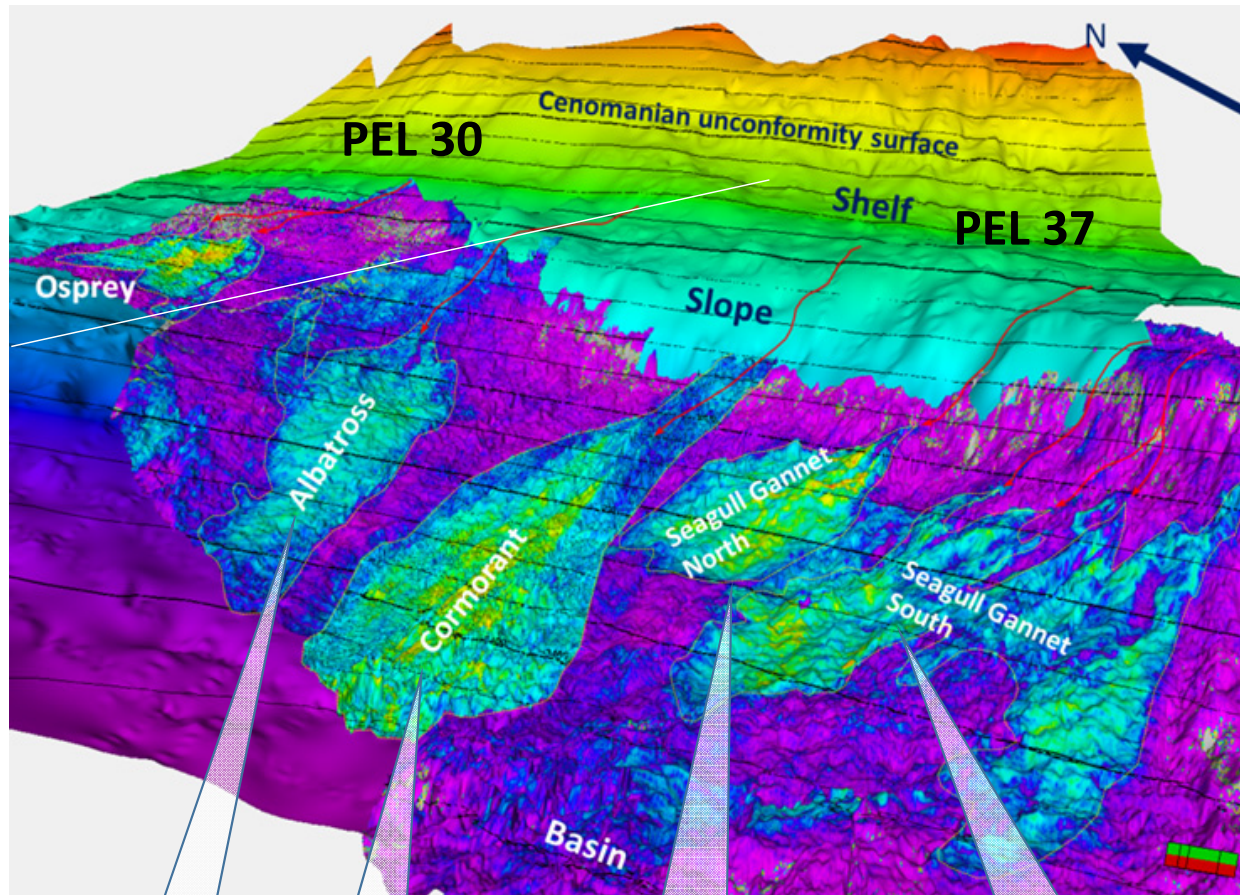
The resources referred to were announced 28 September 2015.

The company confirms that it is not aware of any new information or data that 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.

**Cautionary Statement** - 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. See Disclaimers and Notes for further details.

**915 million barrels of oil potential on Prospects alone**

# Namibia PEL 0037 - Prospects & Work Programme



## Albatross Prospect

293 km<sup>2</sup>

Albian base-of-slope turbidite fan

## Cormorant Prospect

120 km<sup>2</sup>

Albian base-of-slope turbidite fan

## Seagull Gannet North Prospect

90 km<sup>2</sup>

Stacked series of Albian base-of-slope turbidite fans

## Seagull Gannet South Prospect

273 km<sup>2</sup>

Stacked series of Albian base-of-slope turbidite fans

- Tullow Proceeds to Drill Phase of JV
- Tullow's African Discoveries in Ghana & Onshore Kenya show proven track record in Drill selection criteria
- Tullow in recent Half Year Results to June 2016 – "Predrilling & scoping activities under evaluation in Namibia"

Exploration Licence 0037 holds:

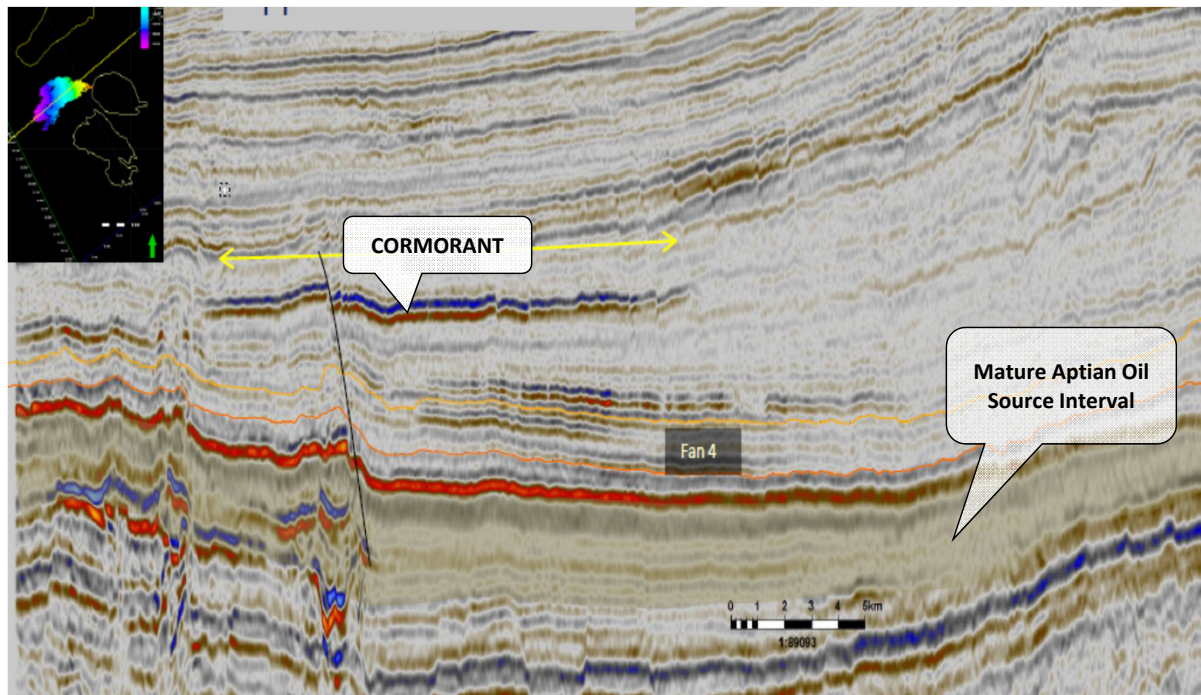
- **4 main prospects**, detailed to the left;
- **3 strong leads**, which have additional oil potential; plus
- extensive follow up opportunities.



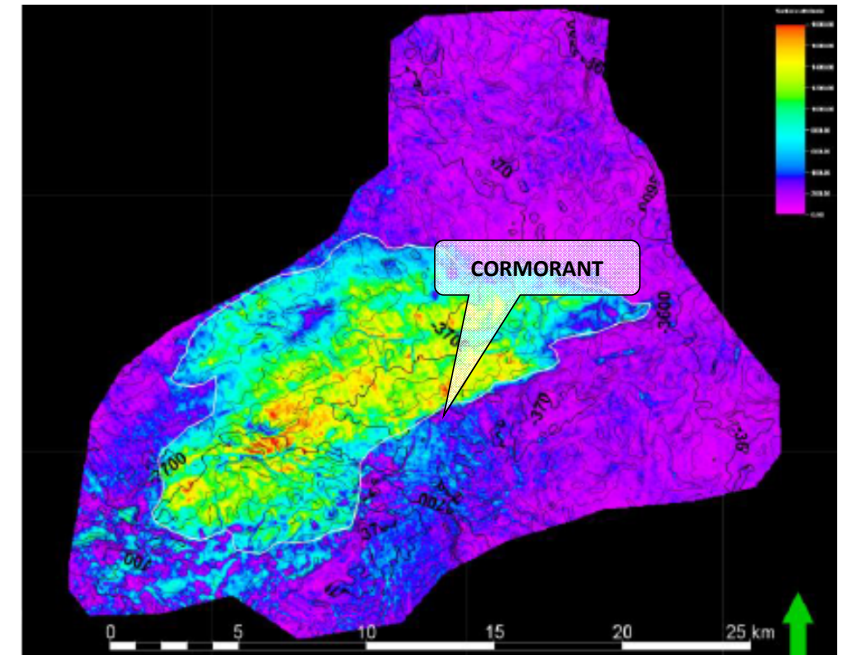


## Cormorant Prospect

Prospective Resource 124Mmbbls\*  
(100% over 120km<sup>2</sup> area)



Seismic Dip Line through Cormorant



Seismic Attribute Map of Cormorant Prospect

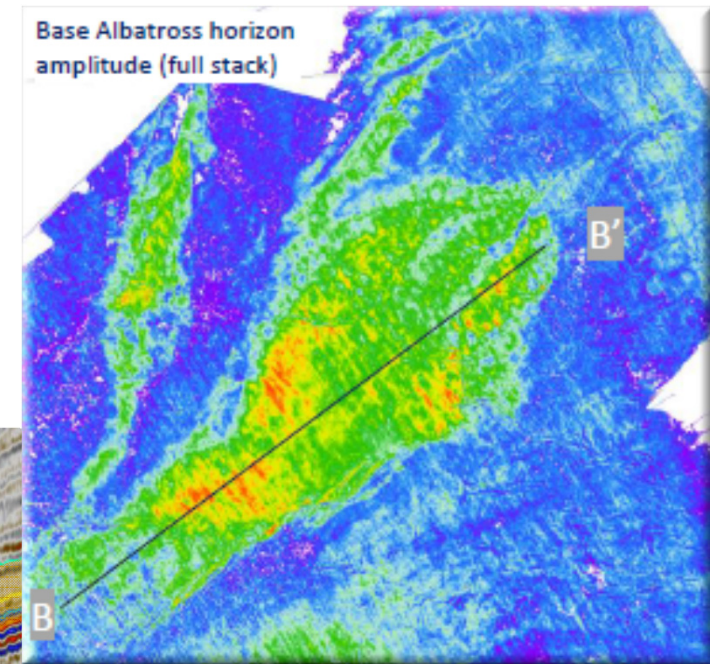
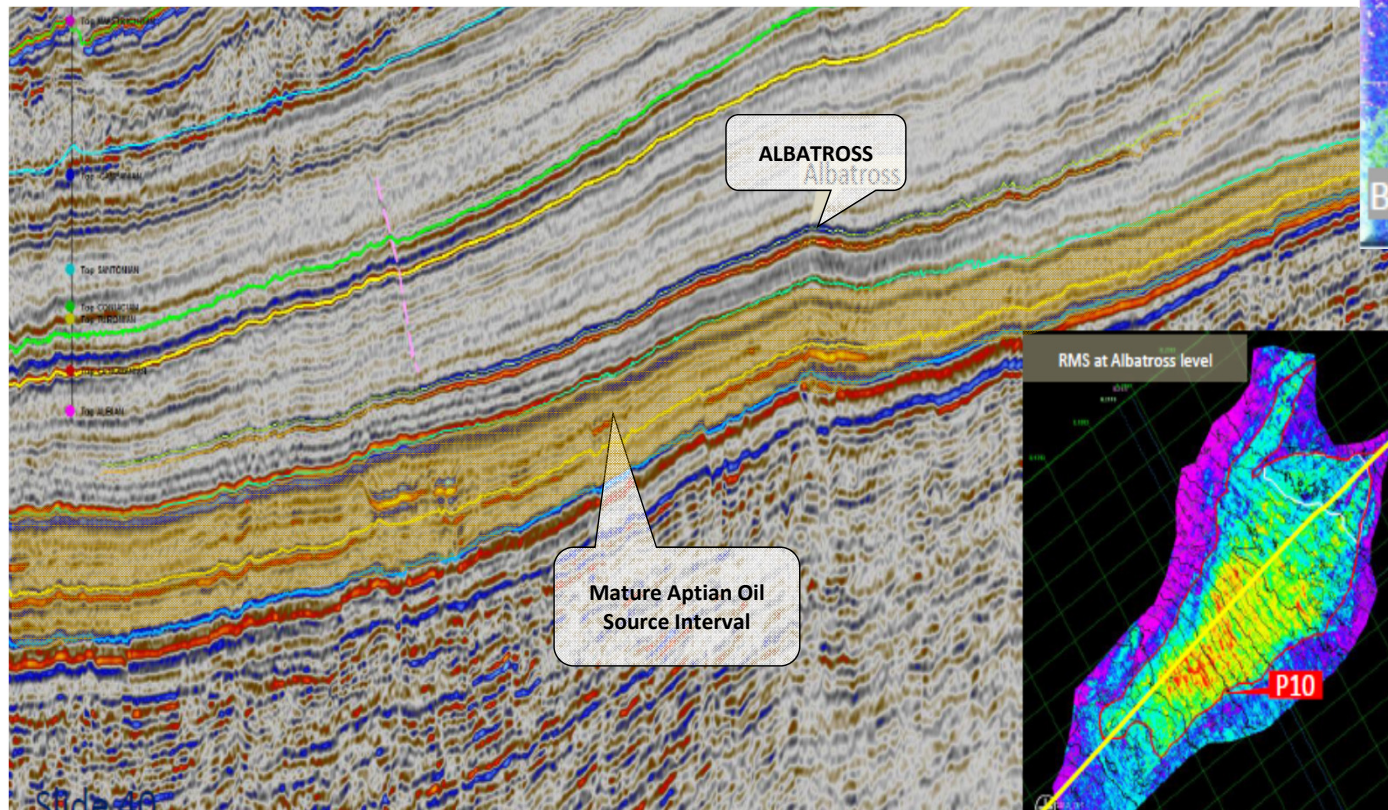
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## Albatross Prospect

Prospective Resource 349Mmbbls\*  
(100%) over 293km<sup>2</sup> area



Seismic Attribute Map of Albatross

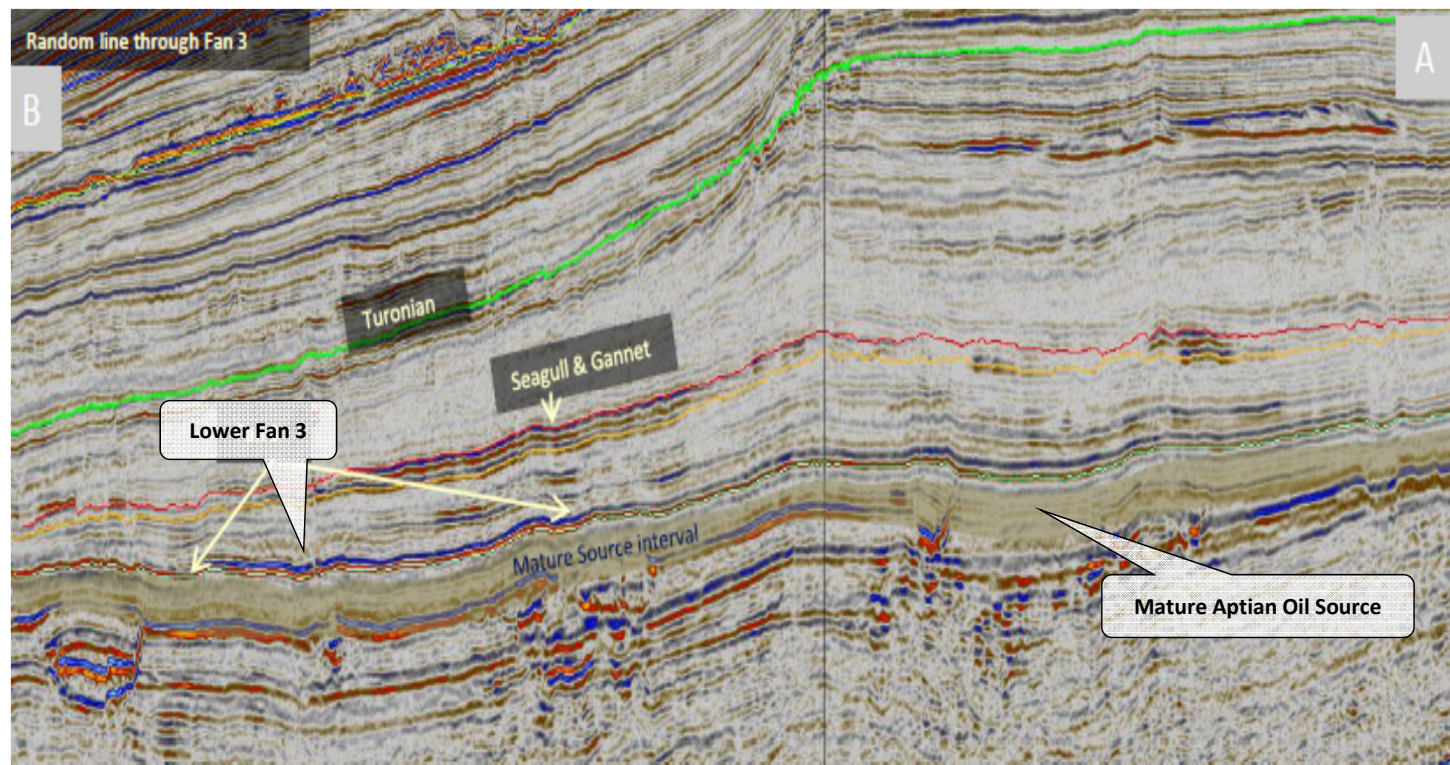
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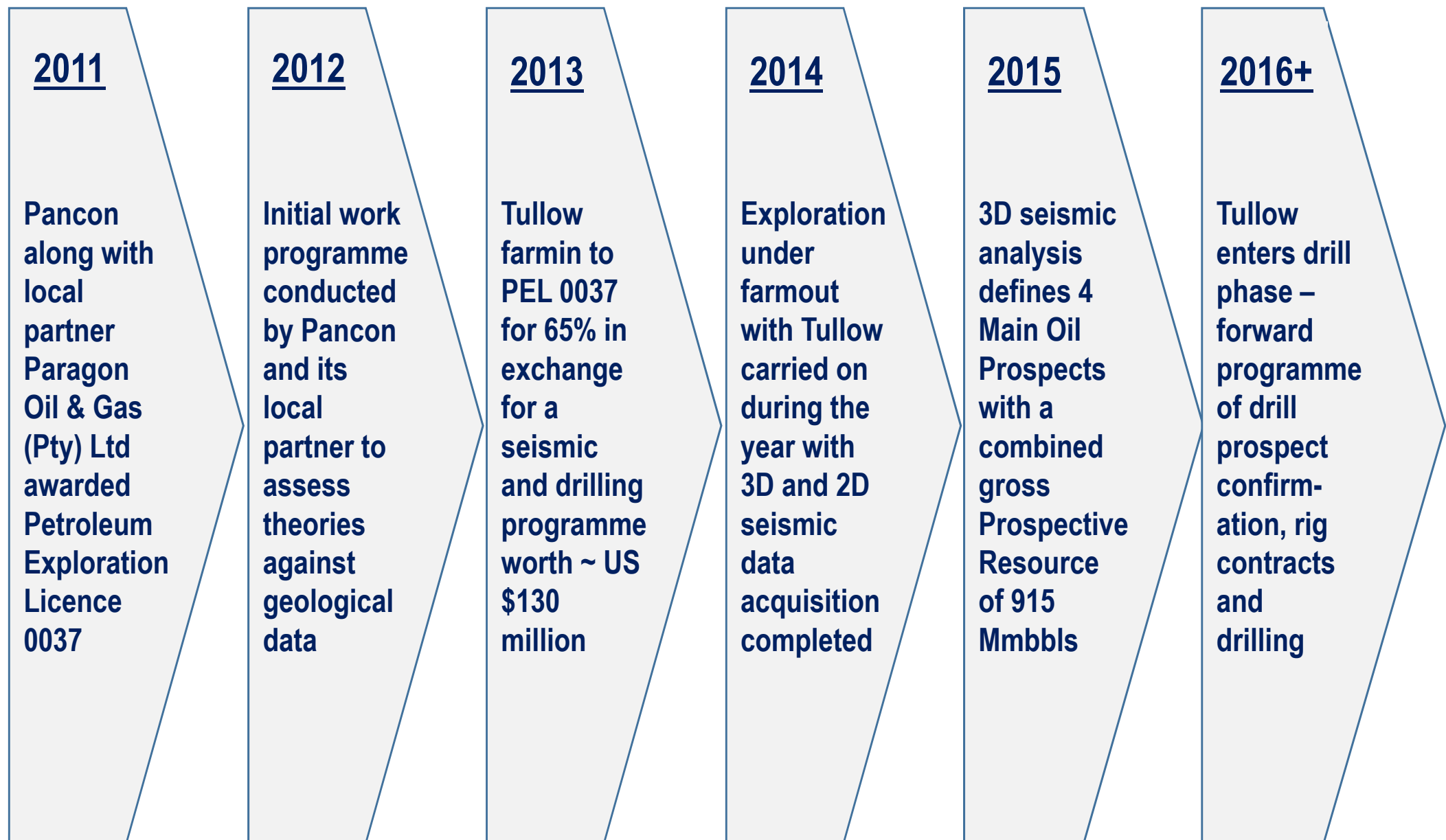
Lead Area 352 km<sup>2</sup>

Similar in Area to Albatross Prospect

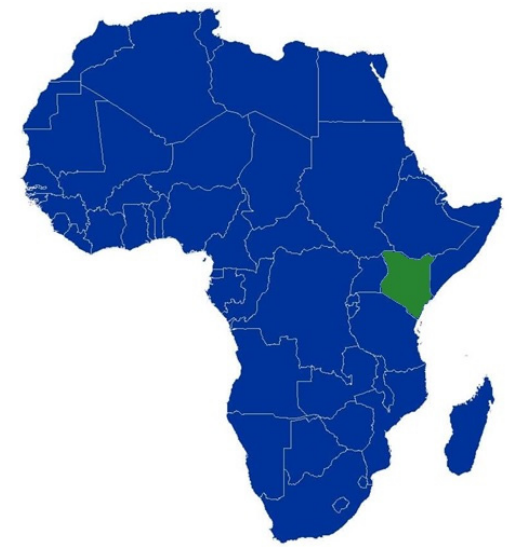


Seismic Cross-Section of Lower Fan 3 Lead

# Offshore Namibia – Timeline to Date



# Offshore Kenya







## Pancontinental in Kenya



- Present in-country for 15+ years
- Participant in numerous exploration programmes across mostly offshore licences
- Partnered with major international oil and gas companies (Apache Corporation, BG Group, Premier Oil, PTTEP and Tullow Oil) in joint venture work programmes
- Experienced success with two exploration wells:
  - 2012, Mbawa-1, Kenya L8
  - 2014, Sunbird-1 Kenya L10A
- The discoveries were Kenya's first and second offshore hydrocarbon discoveries
- Now continuing with L6 licence onshore/offshore

# Kenya L6 Summary



## Kenya L6

### LOCATION:

Lamu Basin, Onshore /Offshore Kenya

### PROJECT SIZE:

5,010 square kilometres

### JOINT VENTURE PARTNERS:

#### Offshore

FAR Limited (Operator)	60.00%
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Pancontinental Oil & Gas Group	40.00%
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#### Onshore

Milio International Group (Operator)*	60.00%
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Pancontinental Oil & Gas Group	16.00%
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FAR Limited	24.00%
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\*after earn-in

### GEOLOGY:

A deep central graben in this area is considered to be an oil and gas "source kitchen" and potential hydrocarbon trapping prospects have been identified adjacent to the area.

The Kifaru Prospect and Kifaru West Prospect are interpreted to be large stacked Miocene reefs, with interpreted good lateral and top seals and close proximity to mature Eocene source rocks.

The Tembo Prospect is a large tilted fault block trap, with interpreted sandstone reservoirs at a number of levels.



- **On-trend to play-opening Sunbird-1 oil discovery**
- **Onshore farmed - out for seismic and drilling**
- **3D over offshore Miocene Reefs (Kifaru and Kifaru W)**



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