



DECEMBER 2024 QUARTERLY ACTIVITY REPORT

Pancontinental Energy NL (**ASX: PCL**) ("**Pancontinental**" or "**Company**") is pleased to provide its Quarterly Activities Report for the period ended 31 December 2024.

Highlights

- Recent technical studies support case for presence of turbidite reservoir sands within AVO-supported intra-Saturn leads
- Resurgence of exploration and appraisal drilling operations in Namibian Orange Basin
- Continued drilling success at on-trend Mopane discovery
- Delivery of Seismic License to Woodside established Long Stop Date as 18 May 2025
- Quarter-end cash balance of \$3.6 mm

PEL 87 Project

During the reporting period additional technical studies have been completed on the 6,593 km² PEL 87 3D seismic dataset, focused on Albian-age leads present within the Saturn complex that exhibit Type II AVO anomalies (believed to be consistent with major discoveries on-trend to the south). An independent expert Sequence Stratigrapher has been engaged to analyse the 3D volume utilising the PaleoScan™ software package resulting in the generation of a chrono-stratigraphically consistent geological model, an example section from which is shown in Figure 1. The AI-generated geomodel provides an improved understanding of reservoir system provenance, distribution and geometries and increased confidence in interpreting discrete elements of the targeted turbidite reservoir systems.

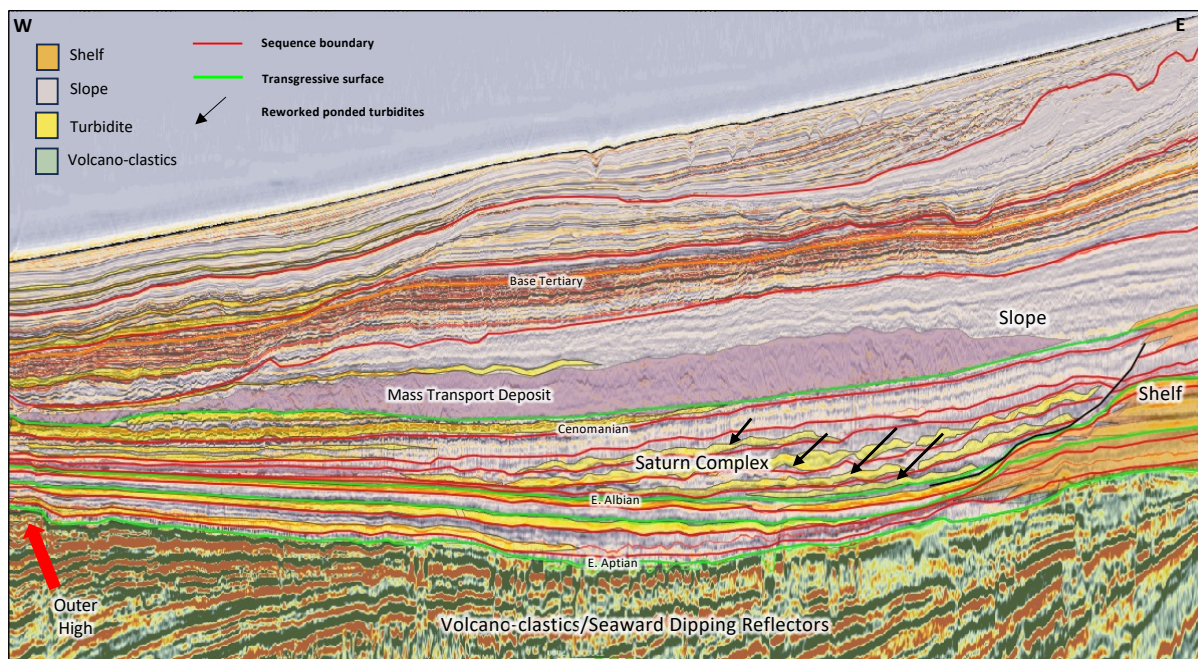


Figure 1: Cretaceous Tectono-Sequence Summary E-W Section

The example shown in Figure 2 displays the interpreted depositional systems across the full 3D survey area in the Late Aptian period, at the time of initial deposition of the Saturn Complex. The interpretation itself is based upon multiple different seismic attributes extracted at the Late Aptian horizon and reveals fluvial channels (shelfal) leading to multiple deepwater channels that run approximately east to west across PEL 87.

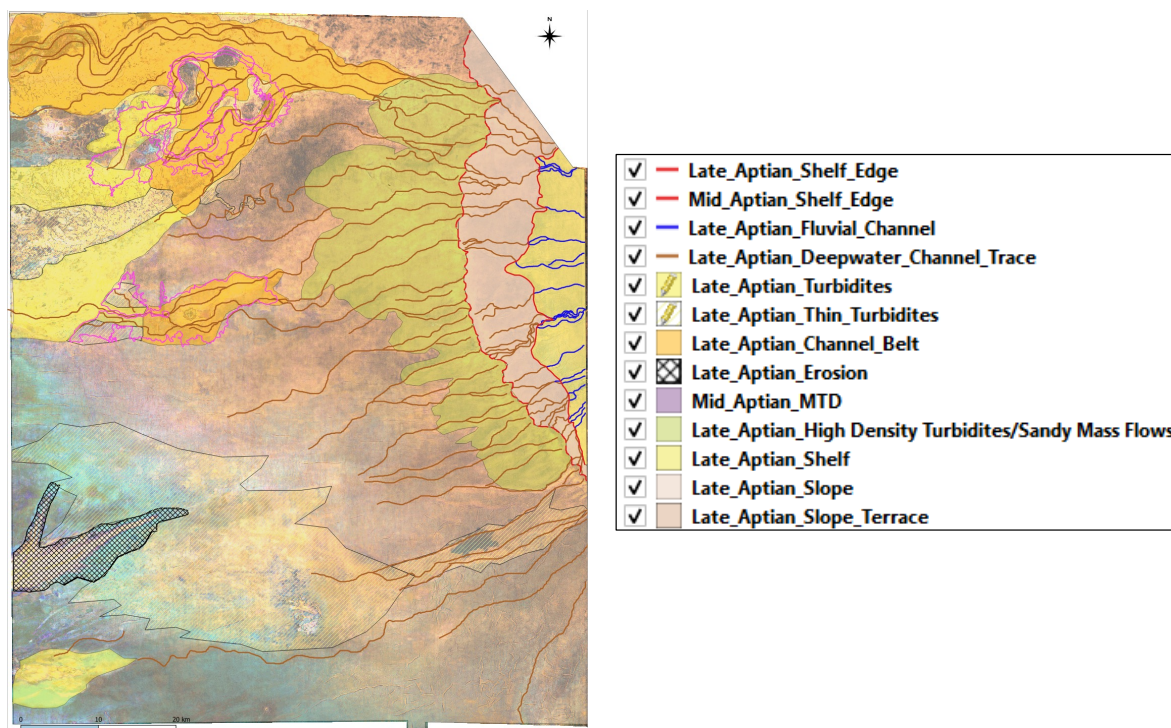


Figure 2: Geomodel Example: Interpreted Late Aptian Depositional System Across PEL 87 3D Survey Area

Interpretation across multiple such horizons within the Saturn Complex reveals repeated, cyclic depositional geometries originating from the shelf into a localised structural low, east of the Outer High. The wave-like appearance of these formations suggests that these sediments have ponded in the structural low and have then been reworked by ocean bottom currents, likely with associated winnowing. This winnowing process is well documented and results in removal of finer-grained clastic material, leaving coarser sands behind with the net result being a significant improvement in reservoir quality.

With the benefit of this new model Pancontinental regards the geological risk associated with reservoir presence as having been mitigated to a considerable degree. Of the various play types and leads present across PEL 87 the Company is now focused on two primary exploration leads within the Saturn Complex that cover a combined area of up to 1,385 km². Both leads are interpreted to have good reservoir potential within reworked ponded turbidite sandstones that exhibit Class II AVO anomalies and are optimally located to receive hydrocarbon charge from the underlying Kudu Shale source kitchen, which is interpreted to be within the oil maturity window within the vicinity of the Saturn Complex.

Figure 3 displays the ultra-far offset seismic amplitudes on two separate intra-Saturn horizons, showing the areas that exhibit a favourable AVO response for both the Oryx and Hyrax leads respectively. Both leads incorporate a predominantly stratigraphic trapping style, with Oryx exhibiting AVO anomalies at three levels and structural closure at one of the prospective levels. Hyrax exhibits an AVO anomaly at a single level and benefits from a degree of structural control with gentle dip to the north-west.

Having improved its understanding of reservoir potential for the Oryx and Hyrax leads Pancontinental will now progress to determining its estimates of prospective resources and geological chance of success.

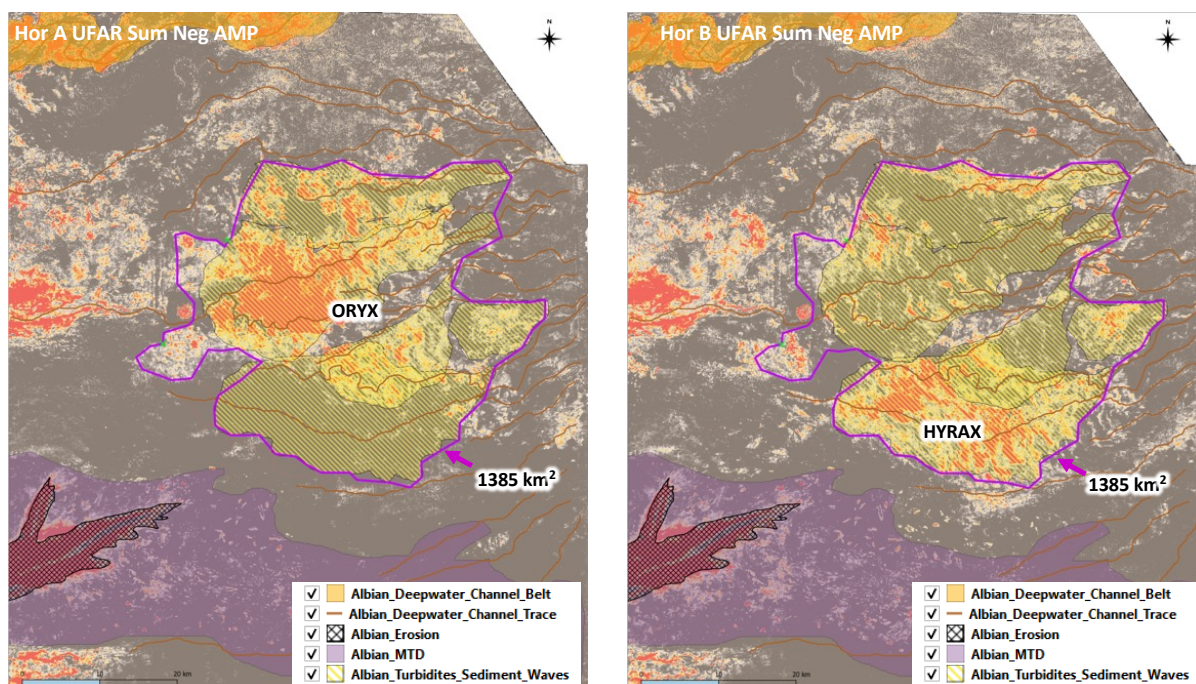


Figure 3: Oryx and Hyrax Leads showing Ultra-far Seismic Offset AVO Response

Woodside Agreement

As reported by the Company on 21 November 2024, during the reporting period Pancontinental delivered to Woodside Energy (**Woodside**) a Seismic License for the PEL 87 3D seismic data, approved by the relevant Namibian authority. As such the Long Stop Date by which Woodside must exercise its option to farm in to PEL 87 is established as 18 May 2025.

Orange Basin Update

After a brief hiatus in operational activity within the Namibian Orange Basin the reporting period saw a resurgence of exploration and drilling activity with at least eight wells completed, drilling or planned by the various operators. Galp Energia are currently drilling the Mopane-3X exploration well having successfully completed the Mopane-1A and Mopane-2X wells. Mopane-2X is reported to have encountered a significant column of light oil in high quality sandstone reservoirs. The AVO-3 exploration target and the AVO-1 appraisal target plus a deeper target encountered hydrocarbons, and the AVO-1 appraisal target shares the same pressure regime as the Mopane-1X discovery well located approximately 8 km to the east (confirming its lateral extension). Mopane-3X is reported to be targeting two stacked prospects, AVO-10 and AVO-13, with results expected to be available during February 2025. Galp Energia has not modified its predrill resource estimate of 10 Billion barrels of oil-in-place, suggesting that recent drilling results continue to support this figure.

Meanwhile TotalEnergies is drilling its Tamboti-1X exploration well in PEL 56, which is designed to test an eastern extension of a large fan complex that hosts the Mangetti-1X discovery. TotalEnergies are also reportedly progressing with commercialisation of its existing discoveries, targeting late 2025 to select a development concept for the Venus field.

Rhino Resources spudded the Sagittarius-1X exploration well in its PEL 85 permit in mid-December 2024, having farmed out to Azure Energy (as BP/ENI joint venture) in May 2024. While the Sagittarius prospect appears to be a possible extension of the Mopane Complex, Rhino Resources have stated that drilling is targeting multiple stacked potential pay zones within a distinct geological setting, suggesting that there may be separation from Mopane. Sagittarius-1X is expected to be followed up by the Volans-1X well, located to the south.

Chevron recently completed drilling of its maiden exploration well in PEL 90, with its Kapana-1X well failing to encounter commercial quantities of hydrocarbons. Little information is publicly available at this time.

Finally, as announced by Shell in January 2025 the company has written off US\$400 million of exploration and appraisal investment in its PEL 39 permit. While Shell's nine wells have clearly confirmed significant in-place hydrocarbon volumes, it is believed the presence of large volumes of

associated gas present a technical and economic challenge to development. Reservoir quality may also be a contributing factor, however Shell have stated that they will continue to pursue exploration opportunities within PEL 39 and within Namibia in general.

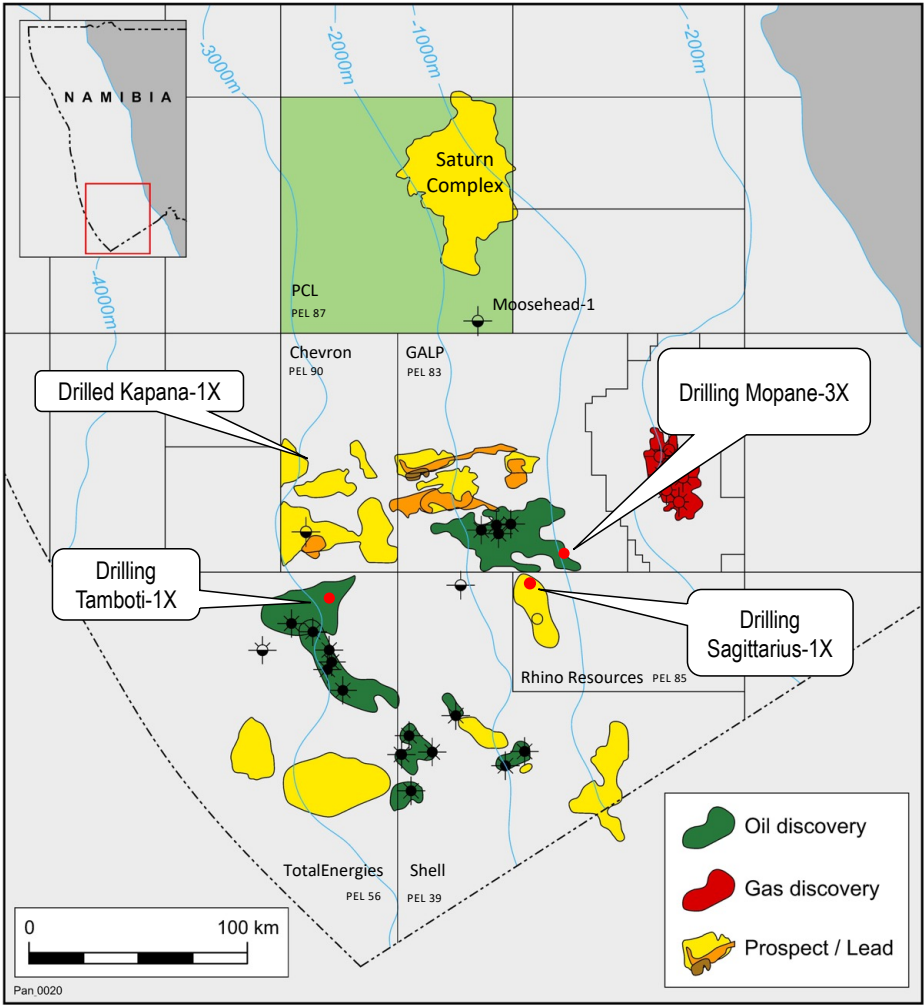


Figure: PEL 87 and Neighbouring Drilling Activity

Corporate

Financial

The Company had cash and cash equivalents at 31 December 2024 of \$3,610,000

Annual General Meeting

The Company's Annual General Meeting of Shareholders was held at 1pm on Friday 29 November 2024, with all resolutions put to the meeting being approved.

Notes Pertaining to Quarterly Cashflow Report (Appendix 5B)

Item 6.1: The aggregate amount of payments to related parties and their associates of \$140,000 relates to payments to directors.

ASX Listing Rule 5.4.3: Tenement Details

In accordance with ASX Listing Rule 5.4.3 the following table details Pancontinental’s interests in its oil and gas permits:

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%	0%	75%
Australia	ATP 920	**20%	0%	*20%
Australia	ATP 924 - Ace	**25%	0%	*25%

* Pancontinental has granted to Woodside an exclusive option to acquire a 56% participating interest from Pancontinental's interest in PEL 87 (refer to ASX announcement 2 March 2023); Pancontinental has an option to acquire an additional 1% participating interest from Custos Investments.

**earning

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

The participants in the PEL 87 Joint Venture are as follows:

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

1: Woodside has an exclusive option over a 56% Participating Interest to be derived from Pancontinental's 75%.

2: Pancontinental has an option over a 1% Participating Interest to be derived from Custos' Participating Interest.

END

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

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Vesna Petrovic
Company Secretary and Executive Director

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