

Summary

Namibia - Offshore

PEL 87 & PEL 37

- Pancontinental's in-house personnel have continued studies on the PEL 87 licence area. French major Total is scheduled to drill the Venus-1 well later this year. This well will be located in a block on-trend to the Company's PEL 87 licence and at the same stratigraphic level. Results of the well will provide valuable data for Pancontinental's modelling.
- Operator Tullow has now withdrawn from the PEL 37 Joint Operating Agreement and Pancontinental along with the remaining partners are in the process of applying for a two year extension in the licence. The extension being sought will be a two year, 3rd Renewal Period.

Queensland – Onshore

ATP 920 & 924 – Cooper Basin

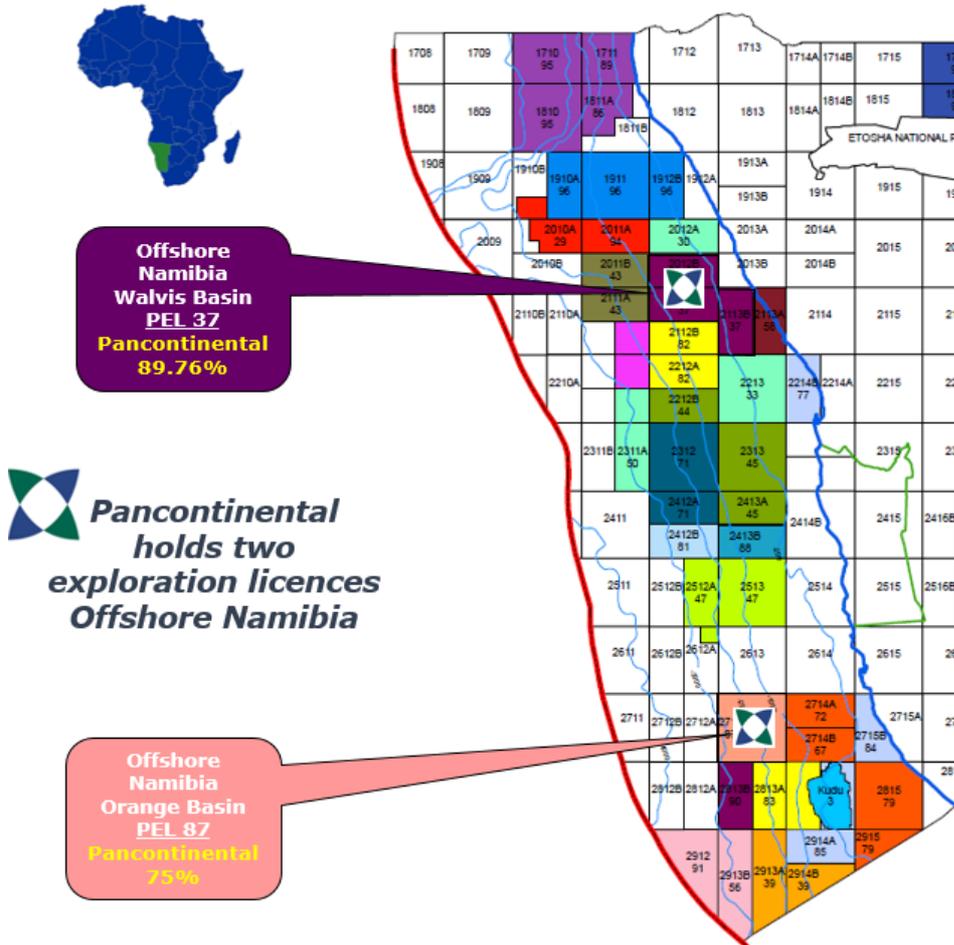
- Authorities to Prospect 920 and 924 in the Cooper Basin reached their second anniversary, with Operator Key Petroleum Limited advising that the joint venture is in full compliance with the revised work programme. The Operator on behalf of the joint venture submitted a report for remote sensing (satellite imagery), encompassing the permit areas and highlighting the effects of periodic water inundation within the region.
- During the quarter, the Operator received notification from the Department of Natural Resources, Mines and Energy that the joint venture had been granted a Special Amendment for the Renewal work program in ATP 924. This was due to an application submitted on the grounds of Force Majeure due to COVID-19 disruptions. The revised work program removes the Year 1 well and estimated \$2.6 million in associated costs.

Corporate

- Cash balance of AU \$781k as at the end of the quarter.
- During the quarter, the Company was pleased to advise that it has 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. The funds raised will be used in conjunction with existing cash for exploration activities, business development, payment of expenses and general working capital purposes.
- 12 months on from the response to the COVID-19 pandemic and Pancontinental continues with initial cost cutting measures. Administration and personnel costs for the 9 months July 2019 to March 2020 were \$820k, this financial year for the same period these costs are now \$453k.
- The Company relocated its office to 30 Richardson Street, West Perth during the reporting period. This move will bring further cost savings of approximately \$70k per annum to the Company.

Projects

Namibia



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	

Petroleum Exploration Licence (“PEL”) 87, which covers Block 2713 offshore Namibia was awarded to the Company and its Joint Venture Partners in 2017. PEL 87 covers over 10,000 square kilometres in Namibia’s sector of the Orange Basin. The Joint Venture Partners include; local company Custos Investments (Pty) Ltd with 25% and the National Petroleum Corporation of Namibia with 10%.

Pancontinental has mapped the very large Saturn turbidite complex on trend to Total's proposed Venus-1 well and Shell's Rhino and Gaff prospects. 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.

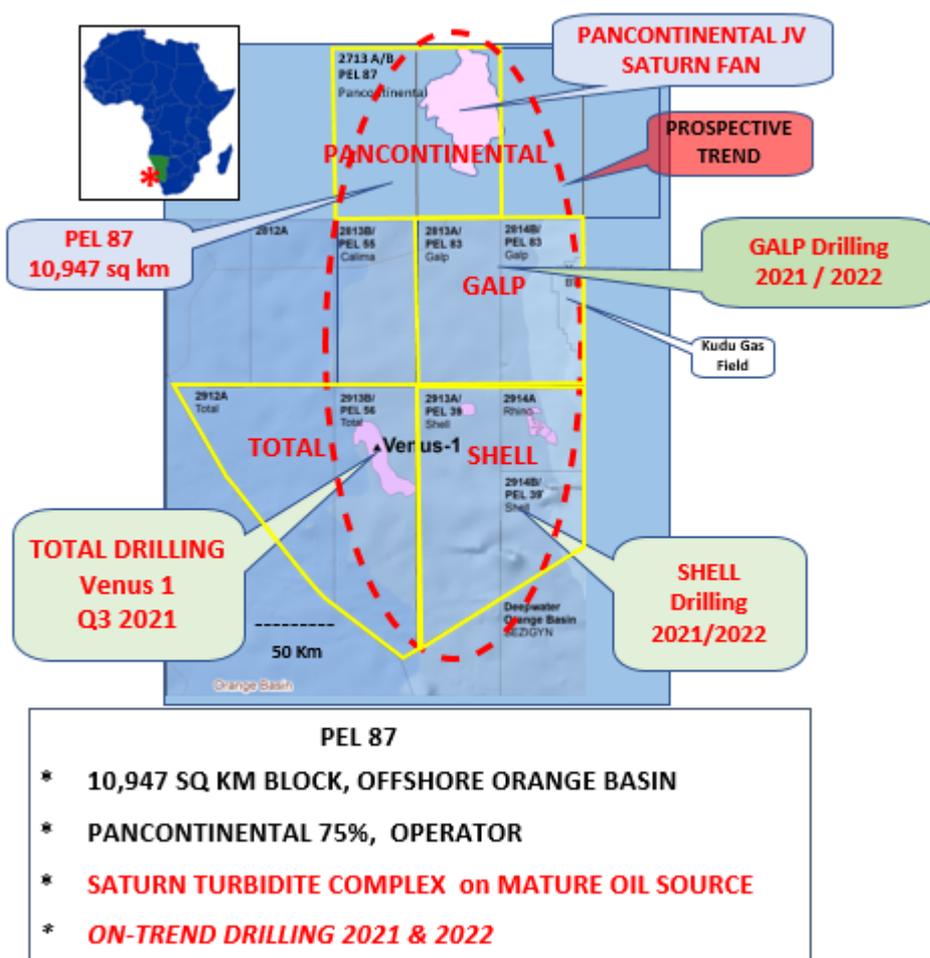
Saturn lies immediately on top of the regional source rock, the Barremian Kudu Shale. The widespread Barremian Kudu Shale is oil-prone with TOC's (Total Organic Carbon) reaching 10%. Pancontinental has mapped full oil maturity of the Kudu shale beneath and in the region of Saturn. Oil maturity is further supported by previous works of well-known geologists.

Saturn has a number of internal complex features due to its large size. A variety of stratigraphic and 4-way dip components have been mapped. Total's Venus-1 will be testing at the same stratigraphic level.

Exploration and evaluation work continued during the quarter with Pancontinental utilising the resources of existing personnel to contain outgoings.

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.

PEL 87 ON TREND TO MAJOR DRILLING CAMPAIGNS



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	89.76% *	* Ownership of Pancontinental Namibia Pty Ltd:
	Paragon Oil & Gas (Pty) Ltd	10.24%	Pancontinental Oil & Gas NL 66.67%
			Africa Energy Corp. 33.33%

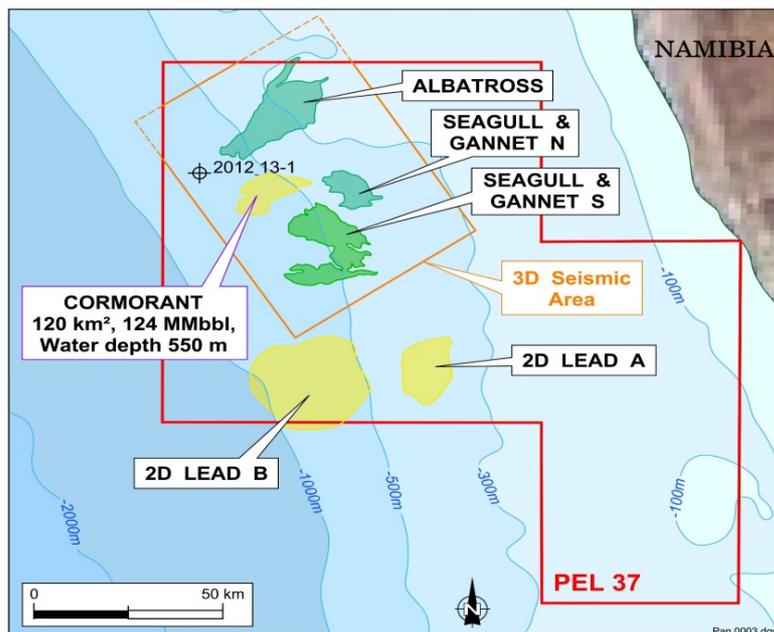
Pancontinental has held an interest in the PEL 37 licence for over 10 years. The last of the licence conditions was completed in 2020 and the joint venture was granted an additional year's extension. Operator Tullow has now withdrawn from the PEL 37 Joint Operating Agreement and Pancontinental along with the remaining partners are in the process of applying for a two year extension of the licence. The extension being sought will be a two year, 3rd Renewal Period. This additional period will enable the partners to further assess the dataset and decide what will be the most appropriate steps going forward.

If the two year extension in the licence is granted, Pancontinental will be armed with a majority interest in the licence which the Company believes has come at the right time, just when major activity is picking up in the region.

Near term drilling is planned in the Walvis Basin and is on trend to Pancontinental's acreage. Renewed interest in the area will be triggered by any positive result and will pave the way for future exploration programmes.

Pancontinental's investment partner in Pancontinental Namibia Pty Ltd is Africa Energy Corp, which is a Canadian oil and gas company with exploration assets offshore South Africa and Namibia. Pancontinental Namibia Pty Ltd is joined in the licence by local Namibian partner Paragon Oil & Gas (Pty) Ltd.

Offshore Namibia continues to attract the attention of international companies such as Shell and GALP. That the industry's top ranked companies view offshore Namibia so favourably provides Pancontinental with further confidence of its belief in the prospectivity of the area.



Prospects and Leads within seismic in PEL 37.

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 Oil & Gas NL	20.00%**
	ATP 924* Key Petroleum Limited (Operator)	75.00%
	ATP 924* Pancontinental Oil & Gas NL	25.00%**
	* Ace Area	
	**earning	

ATP 920 and ATP 924 onshore Queensland

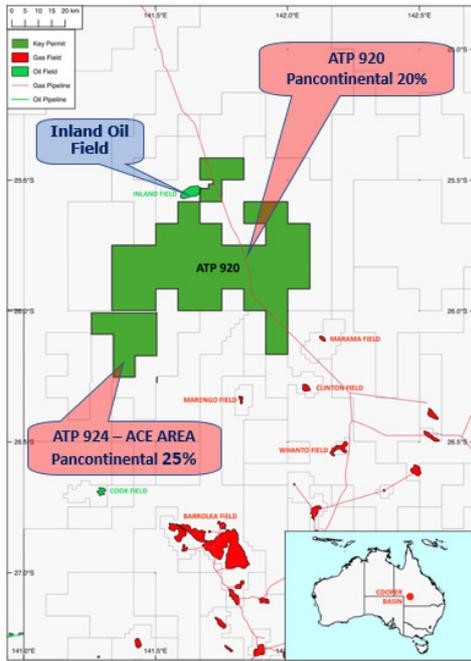
During the quarter, the joint venture concluded remote sensing studies over permits ATP 920 and ATP 924, located in the southwest Queensland portion of the Cooper Eromanga Basin. The studies were a licence commitment and approximately 31,300 kilometres of imagery data were classified. The primary objectives were to establish the environmental variability within the study area, particularly the effects of water inundation within the “Channel Country” during flood periods.

The Operator advised that the application lodged for a variation of the ATP 924 Renewal work programme was approved by the Department of Natural Resources, Mines and Energy (DNRME) on 26 February 2021. The grounds for seeking a variation was due to force majeure from the COVID-19 impact and restrictions of movement.

The revised work program removes the Year 1 well and estimated \$2.6 million in associated costs. The joint venture has met all of its commitments listed in the revised work program as detailed in the following table:

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

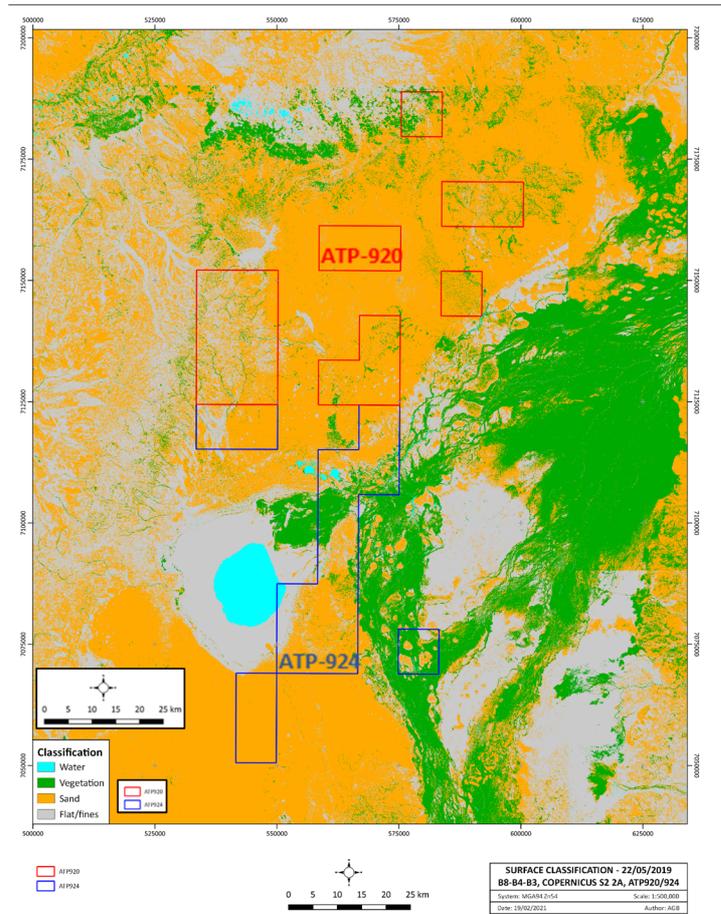
Table 1: ATP 924 amended commitments for first renewal period



ATPs 920 & 924, Cooper Basin, QLD

The Cooper Basin assets are the newest assets in Pancontinental's exploration portfolio. Authorities to Prospect 920 and the Ace Area of 924 were acquired during 2019 when the Company was looking to diversify its asset base.

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



ATPs 920 & 924 Remote sensing surface classification, period after water inundation

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

Placement

During February, the Company completed a bookbuild to raise \$710,000 via a Placement of 710,000,000 shares at an issue price of \$0.001 per share to sophisticated and professional investors. Directors' contributions to the placement of \$110,000 (110,000,000 shares) will be put forward for approval at a General Meeting to be held in June 2021. The Board acknowledges and thanks Mr Kennedy and Ms Malaxos for their support as well as all investors for their contribution.

Cost Cutting

At the commencement of the COVID-19 pandemic the Company's response was to reduce all non-essential expenditure and also reduce personnel costs by 25-50%. These measures are still in place today.

Administration and personnel costs have been reduced dramatically since this time last year as per below:

	9 months Jul-19 to Mar-20	9 months Jul-20 to Mar-21
Administration and personnel costs	\$820k	\$453k

This is for administration and personnel alone. Exploration costs have obviously also been reduced due to a lower level of activity due to COVID-19. Now that things are starting to pick up, the Company has utilised in-house expertise to maintain costs rather than engage external consultants. Administration costs will be further reduced by \$70k per annum after the Company's move to new premises during the quarter. The new premises better suit the Company's current situation as it adapts to the new business normal of increased digital communications and work from home arrangements.

The CEO and Non-Executive Directors are continuing with a 50% reduction in salary and fees as well as the Executive Director and Staff also continuing with a 25% reduction. Consultancy engagements continue to remain suspended apart from Technical Director Barry Rushworth who has responsibility for the Namibian Projects.

Change of Registered Office and Address

During the quarter, Pancontinental advised that its registered office and principal place of business changed to:

Office Address: Level 2, 30 Richardson Street,
West Perth WA 6005

Mailing Address: PO Box 1154, West Perth WA 6872

Telephone Number: (08) 6363 7090

Facsimile Number: (08) 6363 7099

Half Year Accounts

During the quarter, the Company released its Half Year Accounts. The accounts can be accessed using the following link:

http://clients2.weblink.com.au/news/pdf_2%5C02353734.pdf

New Ventures

Pancontinental is looking at new opportunities in non-conventional energy projects that are complimentary to its existing conventional oil and gas projects in Namibia. Pancontinental has a long association with Namibia and has built a deep knowledge base and excellent contacts.

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	20.00%	39.87%	**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 Oil & Gas 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 \$71k relates to Chairman, CEO, Executive and Non-Executive Director salary and fees.

As announced to the ASX on 9 April 2020 and referred to above, 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%. All Directors' remuneration for consulting as well as outside consulting has now ceased. These measures have remained in place since April 2020.

Authorised for release by the Board of Pancontinental Oil & Gas 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 Oil & Gas 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 Oil & Gas 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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