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Giant Scale Oil Exploration Potential Spotlight on Namibia

John Begg CEO Good Oil Conference, September 2018

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The resources referred to in this presentation were announced on 28 September, 2015 (PEL 37) and 11 September, 2018 (PEL 87).

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.

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Statements made in this presentation on information compiled by Mr John Begg, BSc, MAAPG, MPESA, Chief Executive Officer of Pancontinental Oil & Gas NL. Mr Begg has the relevant degree in geology and has been practising petroleum geology for more than 30 years. Mr Begg is the Executive 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.

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❖ Key Statistics

➤ Issued Capital	5.26 billion
➤ Options	567 million
➤ Share Price	\$0.009
➤ Market cap	\$47.3 million
➤ Cash	\$7.8 million
➤ Convertible Notes*	\$1.6 million

*Exercisable @ \$0.008

❖ Current major activities

- Drilling the Cormorant-1 in PEL 37 Namibia, PCL free carried with 20%.
- Preparing to farmout giant oil potential of PEL 87 Namibia, PCL Operator and 75%.



The Ocean Rig Poseidon – now drilling Cormorant-1

❖ Board

➤ David Kennedy	Chairman
➤ John Begg	CEO (Exec Dir)
➤ Barry Rushworth	(Africa)
➤ Ernie Myers	
➤ Marie Malaxos	
➤ Vesna Petrovic	(Exec Dir & Coy Sec)

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❖ **Namibia at the forefront**

❖ **Focus on modest entry cost, conventional reservoirs with exposure to large resources**

❖ **Re emergence of African asset portfolio**



What we promised:

- Good quality, high impact, multiple, funded drill programs
- To use our proven skills to leverage and create JVs with industry partners that mainly fund the activity.

**A\$31 Million derived from industry sources
vs
A\$6 million from shareholders**

Our delivery:

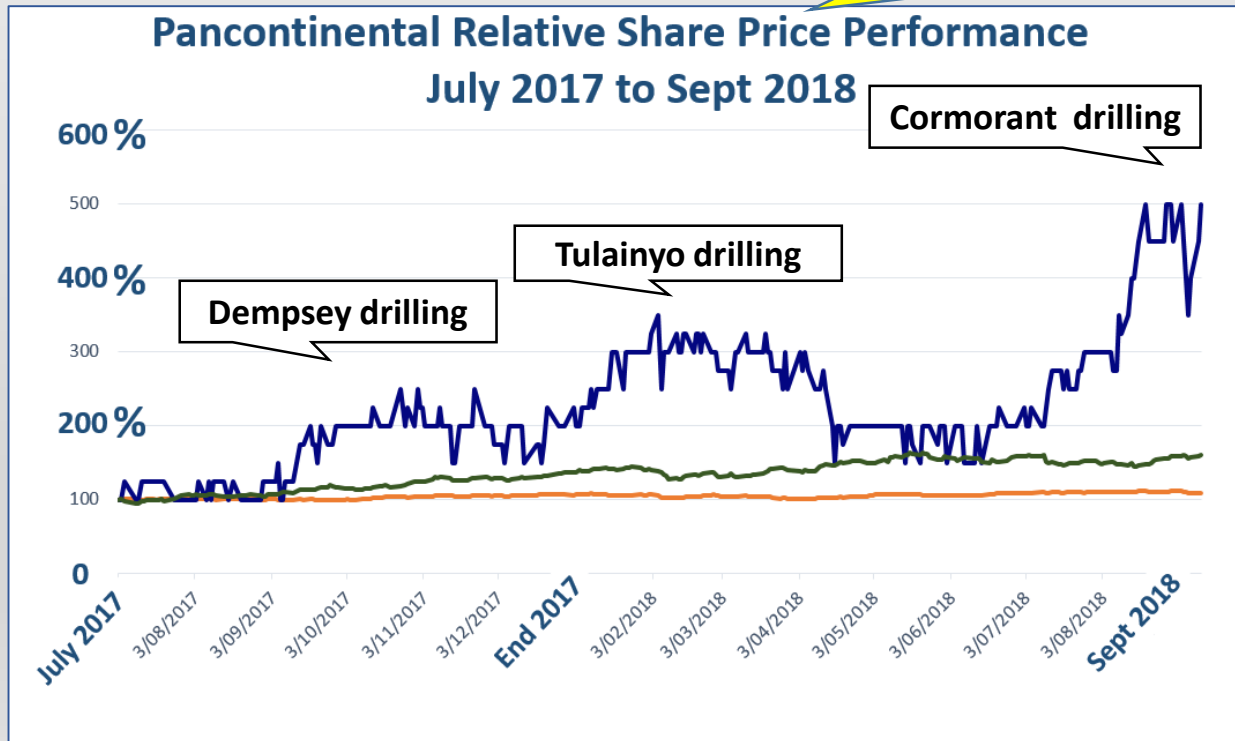
PCL share Price

Vs

ASX 200 Index

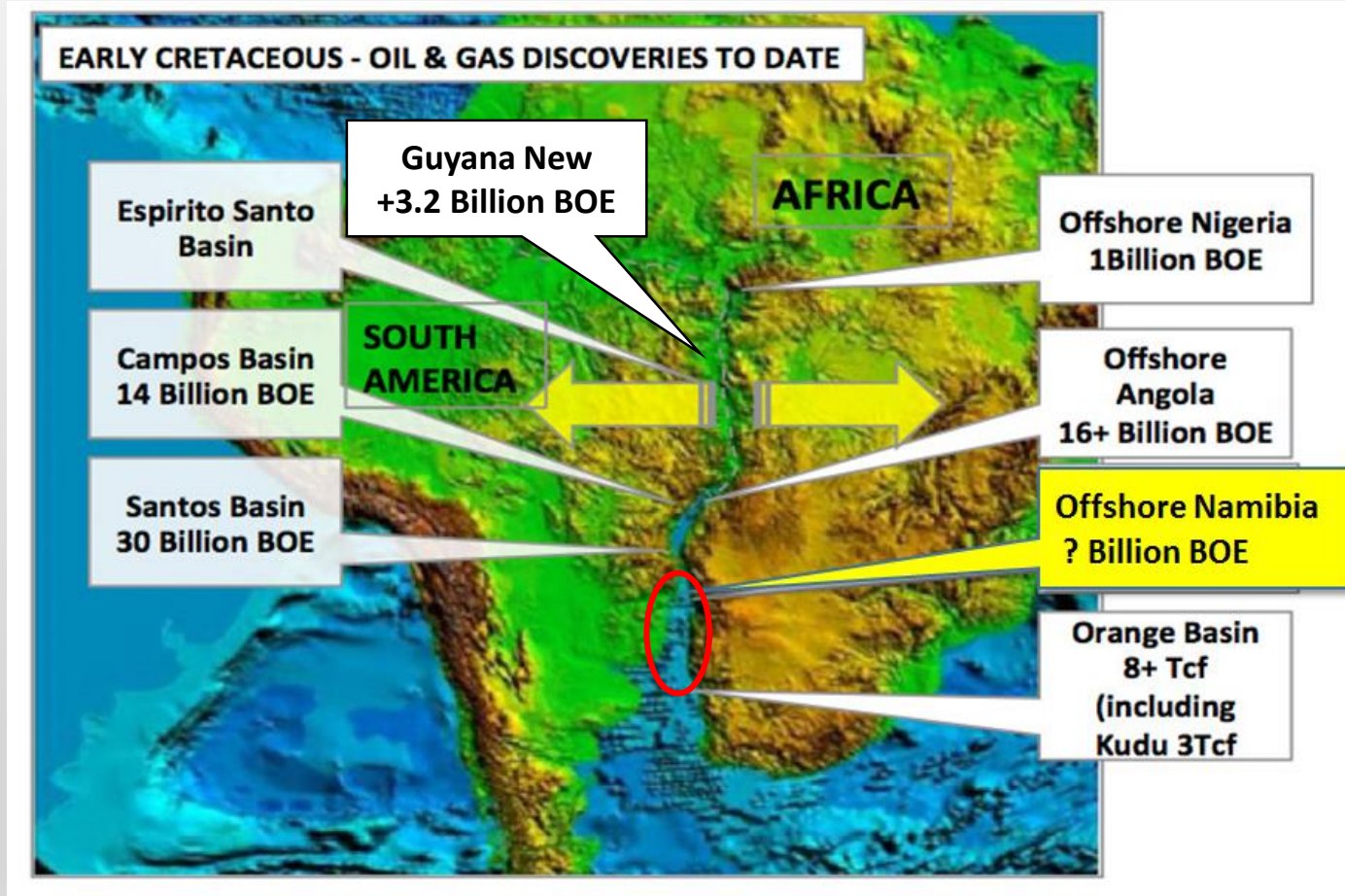
Vs

Oil Price



Namibia and West Africa - the big picture

- ❖ Stable fiscal and regulatory regimes.
- ❖ Traps capable of hosting giant-scale oil.
- ❖ Potential for high quality, high flow rate reservoirs.



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❖ Huge potential oil resource numbers in both PCL projects.

❖ Major Company entries growing.

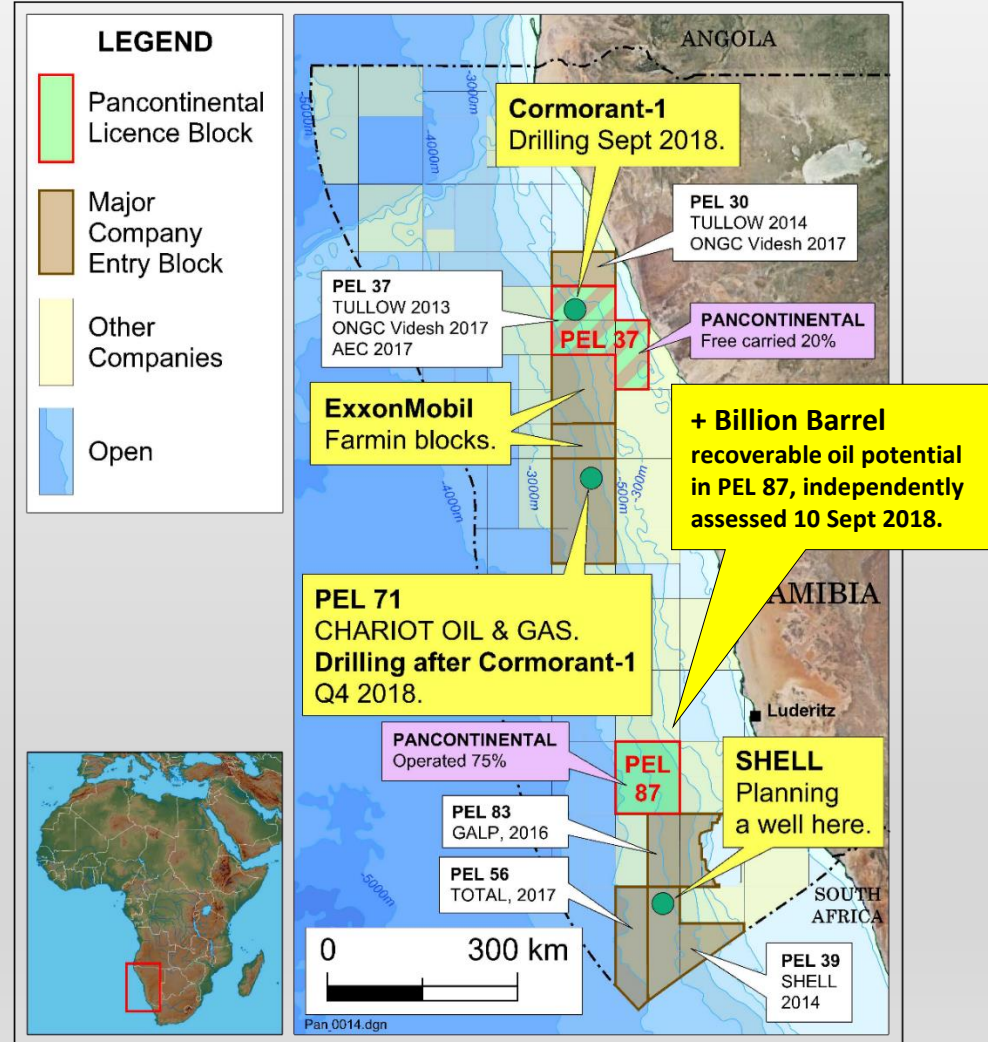
- Tullow
- GALP
- SHELL
- Total
- ONGC Videsh and ;
- ExxonMobil

❖ Cormorant-1 drilling with PCL 20%.

- A potential breakthrough well.

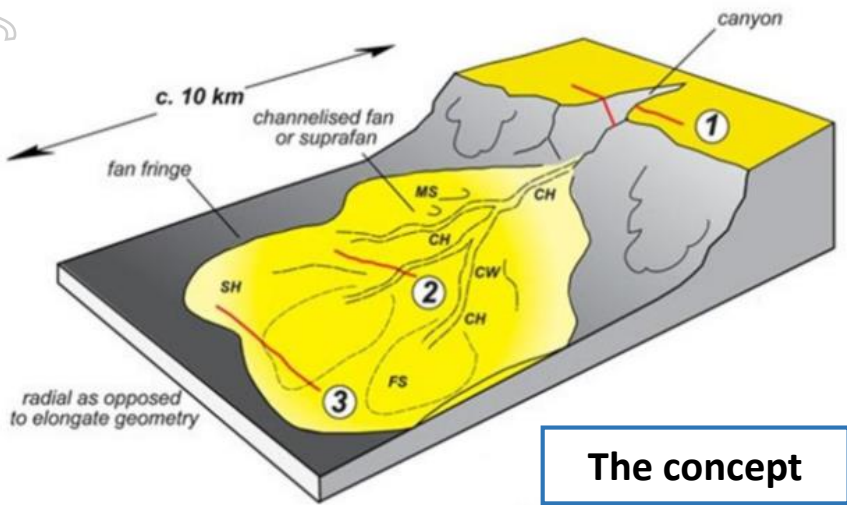
❖ Other companies drilling in 2018 and expected in 2019.

- Chariot taking the rig after Cormorant.

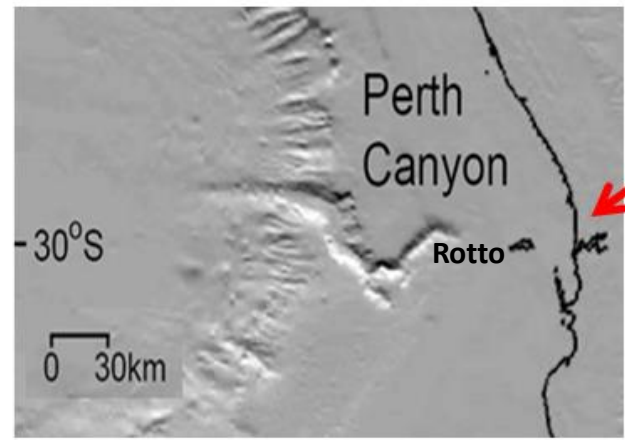




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The concept

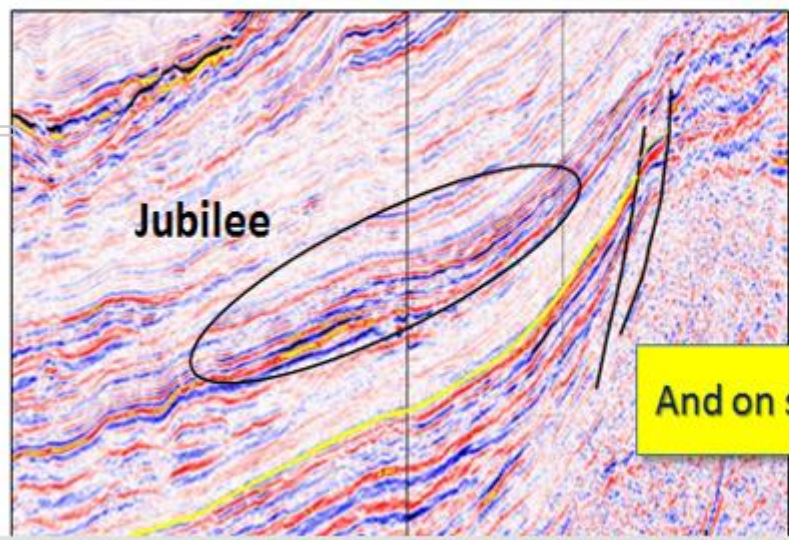


Perth is here!

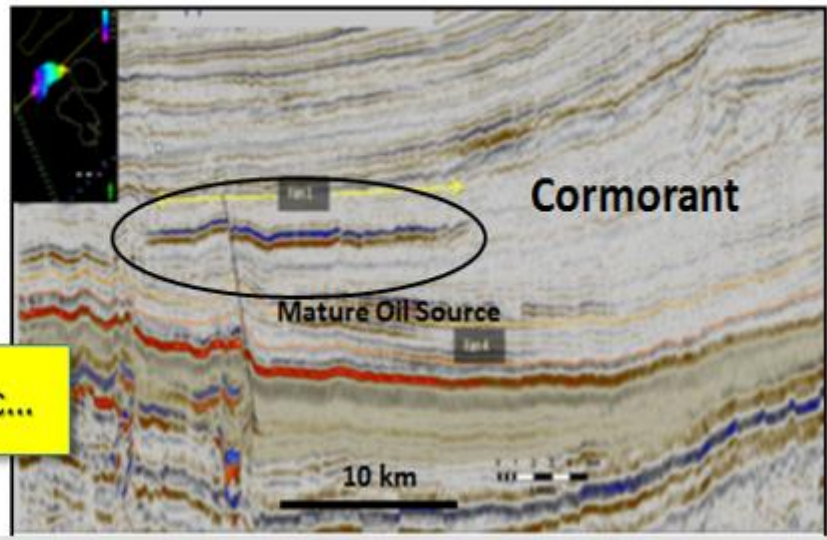
A canyon and shelf you know

Jubilee A Large Submarine Fan Field in Ghana

The Cormorant Submarine Fan Prospect



And on seismic...



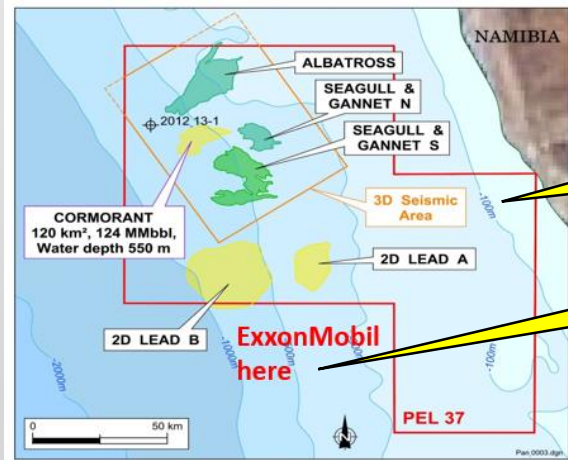
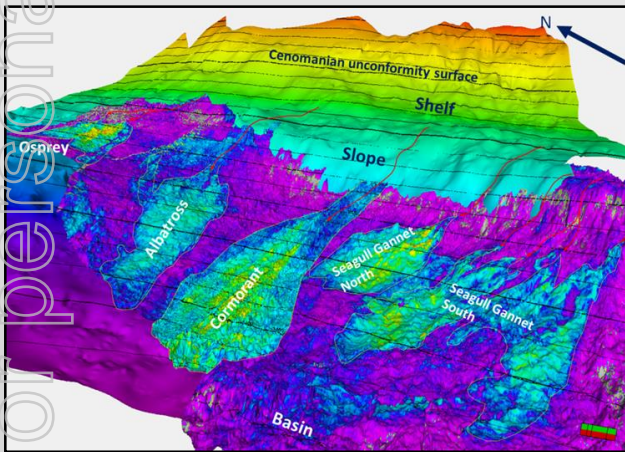
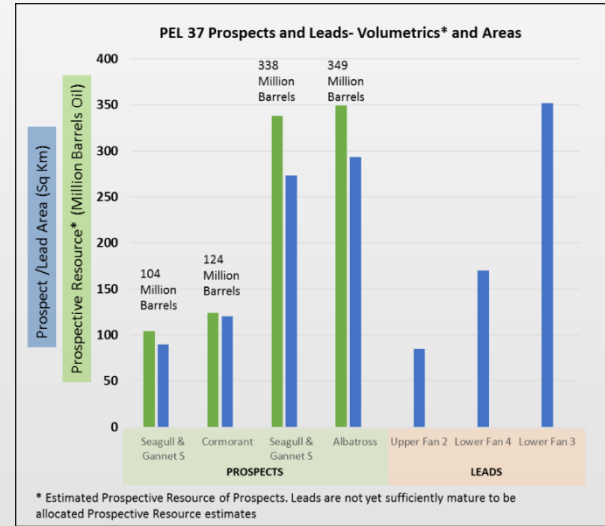
Cormorant-1 is Testing one of a Big Cluster

Wood Mackenzie rank Cormorant -1 as one of the most watched wells in the world this year.

PEL 37 hosts multiple, large, fan bodies in front of a Cretaceous Age paleo shelf.

PEL 37 is the prime block in the Walvis Basin.

There are other large Leads yet to be converted to drillable prospects



Cumulative Best Estimate recoverable resources of 915 MMbbls

ExxonMobil recently farmed in right next door.

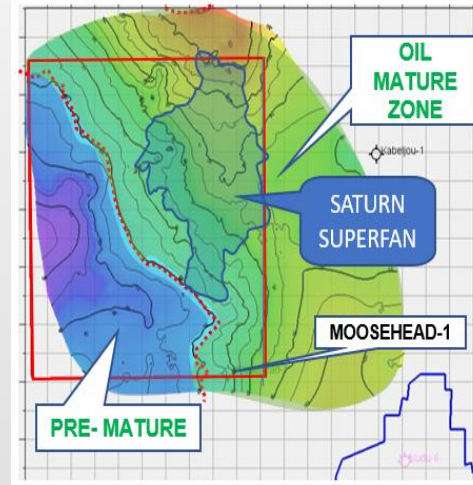
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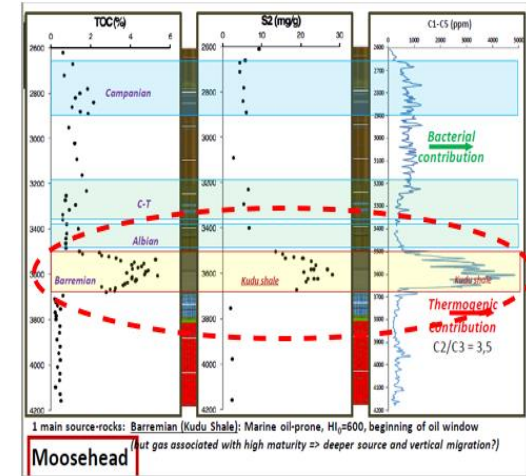
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- ❖ Great quality, Early Cretaceous, mature oil source rocks.
- ❖ Traps capable of hosting giant-scale* recoverable oil
- ❖ Potential for high quality, high flow rate reservoirs.

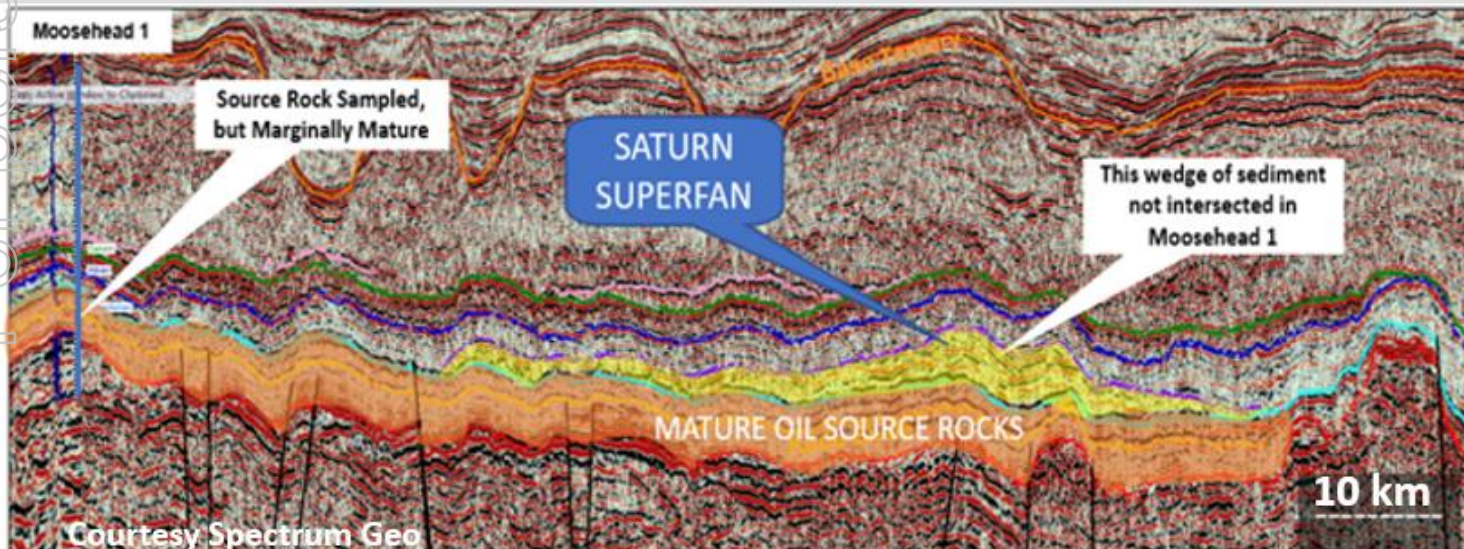
HIGH QUALITY MATURE OIL SOURCE UNDERLIES THE SATURN SUPERFAN



HIGH QUALITY OIL SOURCE ROCKS IN MOOSEHEAD-1



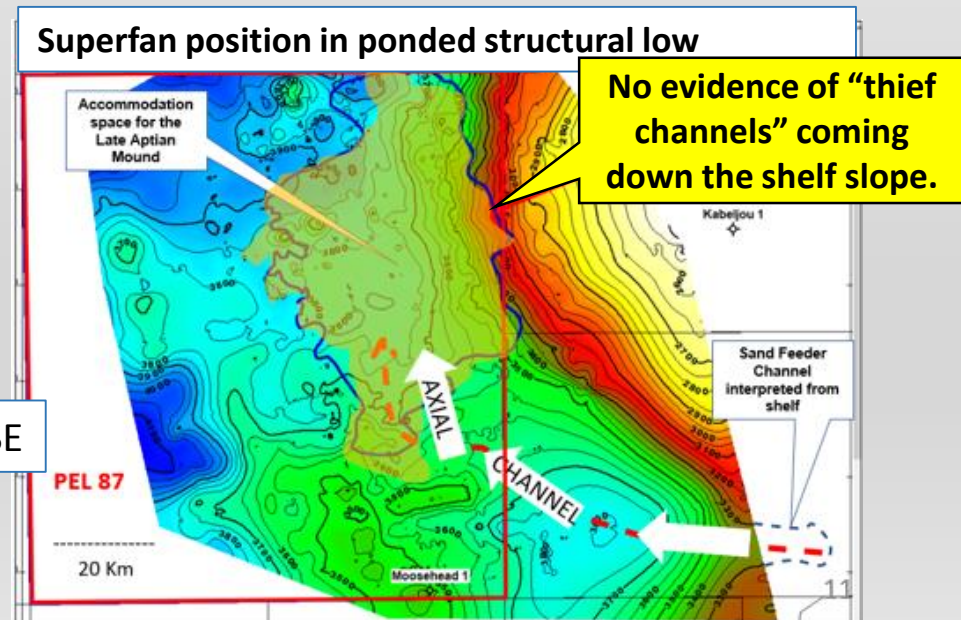
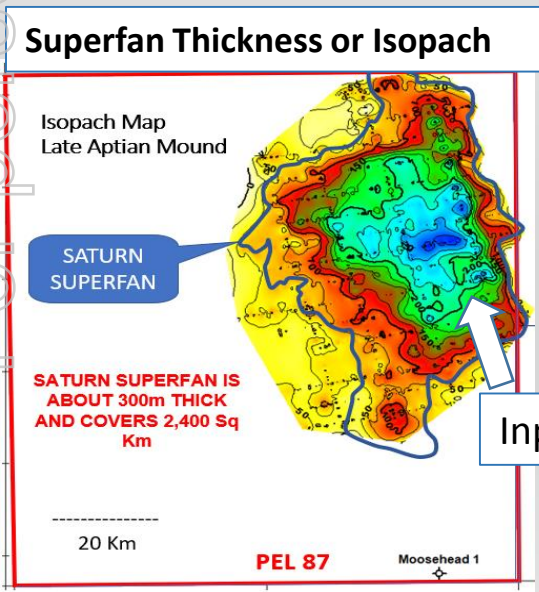
The Saturn Superfan rests directly on the source rocks.



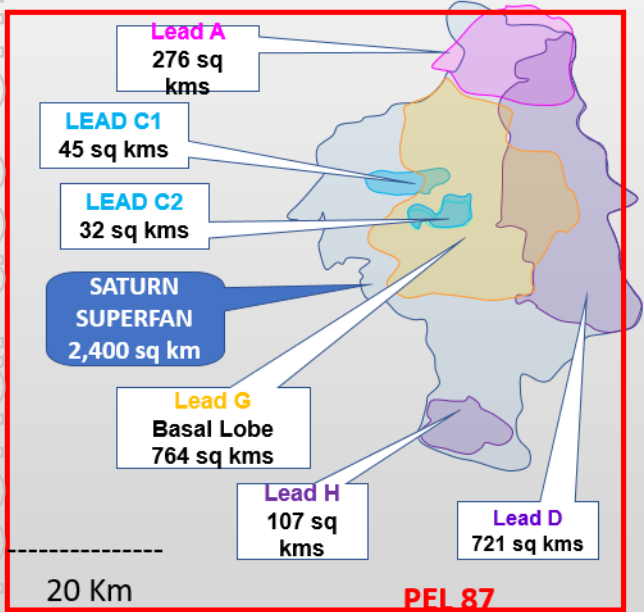
What is the Saturn Superfan in PEL 87?

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- ❖ It is a vast, 2,400km² Turbidite Fan complex of Aptian Age that based on Pancontinental's interpretation of over 2,800 line km grid of good quality 2D seismic is encased in sealing shales.
- ❖ It was deposited originally in deep water into a regional low on the Intra-Aptian Unconformity and directly over the mapped oil source section.
- ❖ Mapping supports deposition along the axis of the low, supplied via a major canyon to the SE.
- ❖ It is virtually entirely located within PEL 87 and has not previously been recognised by industry.
- ❖ The Superfan and associated Leads will require further evaluation by 3D seismic to mature to Prospect status and ultimately drilling to prove whether oil is trapped.



Gross Cumulative Best Estimate Prospective Resources of 959 MMbbls and (Main Leads) and 1.3 billion Barrels (Whole Fan).



INDIVIDUAL LEADS

MAIN LEADS – RECOVERABLE OIL POTENTIAL									
Lead	Gross Prospective Resources				Pancontinental Net Entitlement ¹				GPoS %
	MMbbls				MMbbls				
	P90	P50*	Mean	P10	P90	P50	Mean	P10	
Lead A	39	152	224	549	28	108	160	391	11%
Lead C1	24	73	102	213	17	52	73	152	19%
Lead D	57	345	829	2026	41	246	591	1444	10%
Lead G	75	349	603	1433	53	249	430	1021	7%
Lead H	6	40	95	234	4	29	68	167	7%
TOTAL					143	684	1322	3175	

*P50 represents Best Estimate Prospective Resources

SATURN SUPERFAN AS A SINGLE OIL TRAP

SATURN SUPERFAN – RECOVERABLE OIL POTENTIAL									
Lead	Gross Prospective Resources				Pancontinental Net Entitlement ¹				GPoS*
	MMbbls				MMbbls				
	P90	P50*	Mean	P10	P90	P50	Mean	P10	
Saturn**	245	1329	2830	7820	175	947	2016	5572	5%

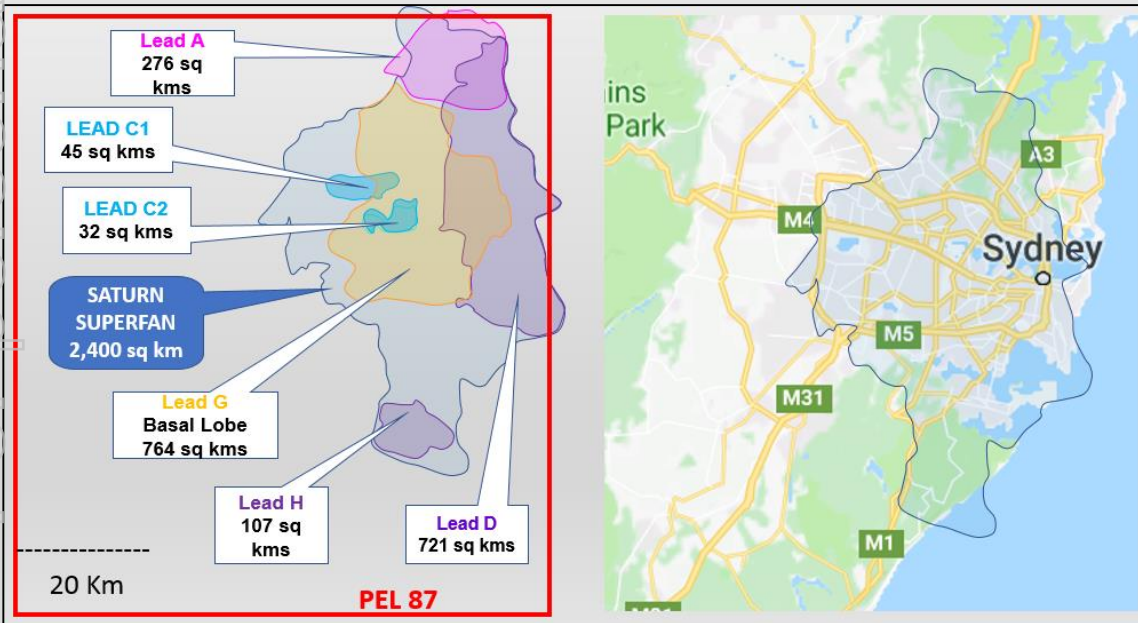
* A giant field is categorised as having 500 MMBBL recoverable.
 ** The overall Saturn Superfan incorporates all of the other Leads, but with different risk inputs

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- ❖ Cashed up.
- ❖ Positioned in conventional oil plays with giant-scale recoverable potential.
- ❖ Participating at no cost with 20% in one of the most watched oil industry wells of 2018.
- ❖ Holding 75% in a block with a huge oil play that is expected to attract the interest of Major Oil companies.



Credit is paid here to the original Pancon team and still Directors for their vision and persistence in the pursuit of big African plays. Guided by Dave Kennedy, inspired by Barry Rushworth and ably supported by Ernie Myers and Vesna Petrovic.

Scale Comparison of the Saturn Superfan Lead Cluster in PEL 87 vs City of Sydney.



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