

For personal use only

**Half Year Report and Accounts  
July 2020 to December 2020**



**PANCONTINENTAL**



## ABN 95 003 029 543

### Directors

Henry David Kennedy  
Ernest Anthony Myers  
Vesna Petrovic  
Roy Barry Rushworth  
Marie Michele Malaxos

Non-Executive Chairman  
Executive Director & Chief Executive Officer  
Executive Director  
Non-Executive Director  
Non-Executive Director

### Company Secretary

Vesna Petrovic

### Registered Office

Level 2, 30 Richardson Street  
West Perth WA 6005  
Telephone: +61 8 6363 7090

### Share Registry

Advanced Share Registry Services  
PO Box 1156  
Nedlands WA 6909  
Telephone: +61 8 9389 8033

### Auditors

Rotnsay Auditing  
Level 1, Lincoln House  
4 Ventnor Avenue  
West Perth WA 6005

### Internet Address & Contact

[www.pancon.com.au](http://www.pancon.com.au)  
[info@pancon.com.au](mailto:info@pancon.com.au)

### ASX Code

PCL

**This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2020 and any public announcements made by Pancontinental Oil & Gas NL during the Half Year in accordance with the continuous disclosure requirements of the Corporations Act 2001.**

## Contents

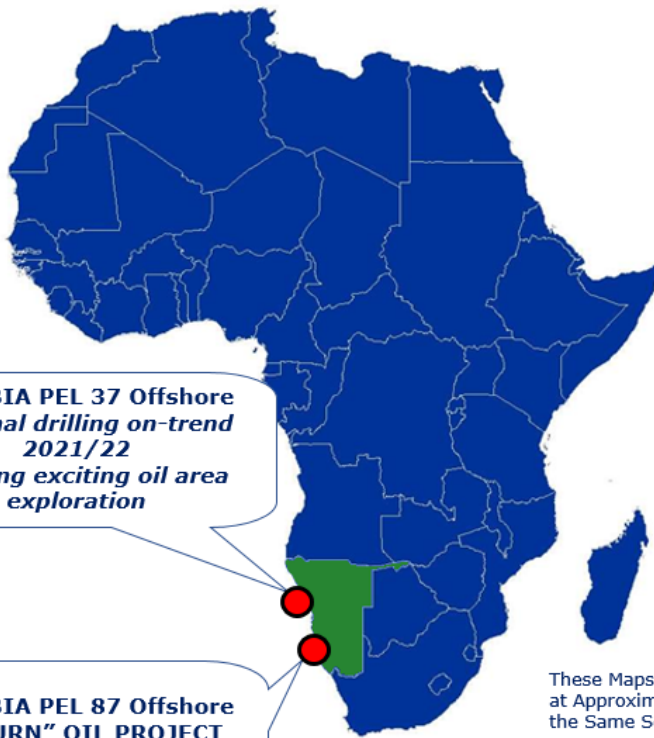
Permit Schedule	3
Directors' Report	4
Auditors' Independence Declaration	11
Directors' Declaration	12
Statement of Comprehensive	13
Income Statement of Financial	14
Position Statement of Changes in	15
Equity Statement of Cash Flows	16
Notes to the Financial Statements	17
Independent Auditors' Review Report	20

# Permit Schedule



Licence Location	Licence Reference	PCL Interest
Namibia	PEL 87	75.00%
Namibia	PEL 37	29.00%
Australia	ATP 920	*20.00%
Australia	ATP 924-Ace	*25.00%

\*Earning



These Maps are at Approximately the Same Scale

Block	PCL %	Partner	Operator
Namibia PEL 87	75%	Custos 15% Namcor 10%	PCL
Namibia PEL 37	29%	Tullow 51% Africa Energy 15% Paragon 5%	Tullow
Australia ATP 920	20% earning	Key Petroleum 80%	KEY
Australia ATP 924	25% earning	Key Petroleum 75%	KEY



**AUSTRALIA Cooper Basin**  
Ongoing exploration

For personal use only



The Directors present their report on the consolidated entity consisting of Pancontinental Oil & Gas NL ("Pancontinental" or the "Company") and the entities it controlled at the end of or during the half year ended 31 December 2020.

## DIRECTORS

The names and details of the company's Directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

### Names, qualifications, experience and special responsibilities



**Henry David Kennedy** MA (Geology), SEG (Non-Executive Chairman)

Mr Kennedy is a Geologist with a long history in Australian and New Zealand oil and gas companies. During his time as a technical director he was instrumental in the formation and development of a number of successful listed companies. These companies were involved in numerous discoveries in Western Australia and New Zealand. At Pancontinental, Mr Kennedy has used his wide knowledge base to assist with the strategic direction of the company. Mr Kennedy has been a director of Pancontinental since August 1999.

Mr Kennedy retired as a Non-Executive Director of Norwest Energy NL in March 2020. (Director since April 1997).



**Ernest Anthony Myers** CPA (Chief Executive Officer and Executive Director)

Mr Myers, an Accountant by profession, has held senior management and executive roles within a number of ASX listed companies. During his career he has been instrumental in the capital raisings and financial management of these companies. He has played a key role in managing the Group's African portfolio. Mr Myers joined Pancontinental in March 2004, was appointed Executive Director in January 2009 and Chief Executive Officer in November 2018.

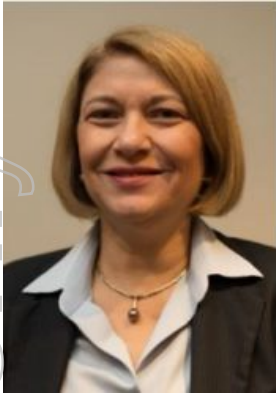
Mr Myers is currently also Non-Executive Chairman of Norwest Energy NL (since November 2018).



**Roy Barry Rushworth**, BSc (Non-Executive Director)

Mr Rushworth is a Geologist who brings extensive experience in petroleum exploration to the Company. Commencing with positions in exploration operations, his career then extended to the role of Chief Geologist and Exploration Manager for an Australian listed company. A number of oil and gas discoveries were made by the company during that time. More recently, Mr Rushworth has been responsible for identifying, negotiating and acquiring international new venture opportunities in Malta, Kenya, Morocco and Namibia.

Mr Rushworth has been a director of Pancontinental since August 2005.



**Marie Michele Malaxos** BE, Dip Bus, GAICD (Non-Executive Director)

Ms Malaxos has been a professional executive in the resources sector for over 25 years, with involvement in all aspects of the development and operation of oil and gas fields including commercial and budget control, technical management and approval, stakeholder liaison, environmental management, health and safety management and assessment of assets for sale and purchase.

Ms Malaxos was appointed to the Board of Pancontinental Oil & Gas NL as a Non-Executive Director in July 2017.

## COMPANY SECRETARY & EXECUTIVE DIRECTOR



**Vesna Petrovic** BComm, CPA (Company Secretary & Executive Director)

Mrs Petrovic is an Accountant who holds a Bachelor of Commerce, Major in Accounting and Business Law and has completed the Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia.

Roles in accounting and finance of numerous publicly listed entities, particularly those involved in Africa have provided Mrs Petrovic a base from which to contribute to the accounting and governance functions at Pancontinental.

Mrs Petrovic was appointed Company Secretary in April 2010, Executive Director in December 2016, Alternate for Mr Kennedy in July 2017 and reappointed Executive Director in September 2018.



## REVIEW AND RESULTS OF OPERATIONS

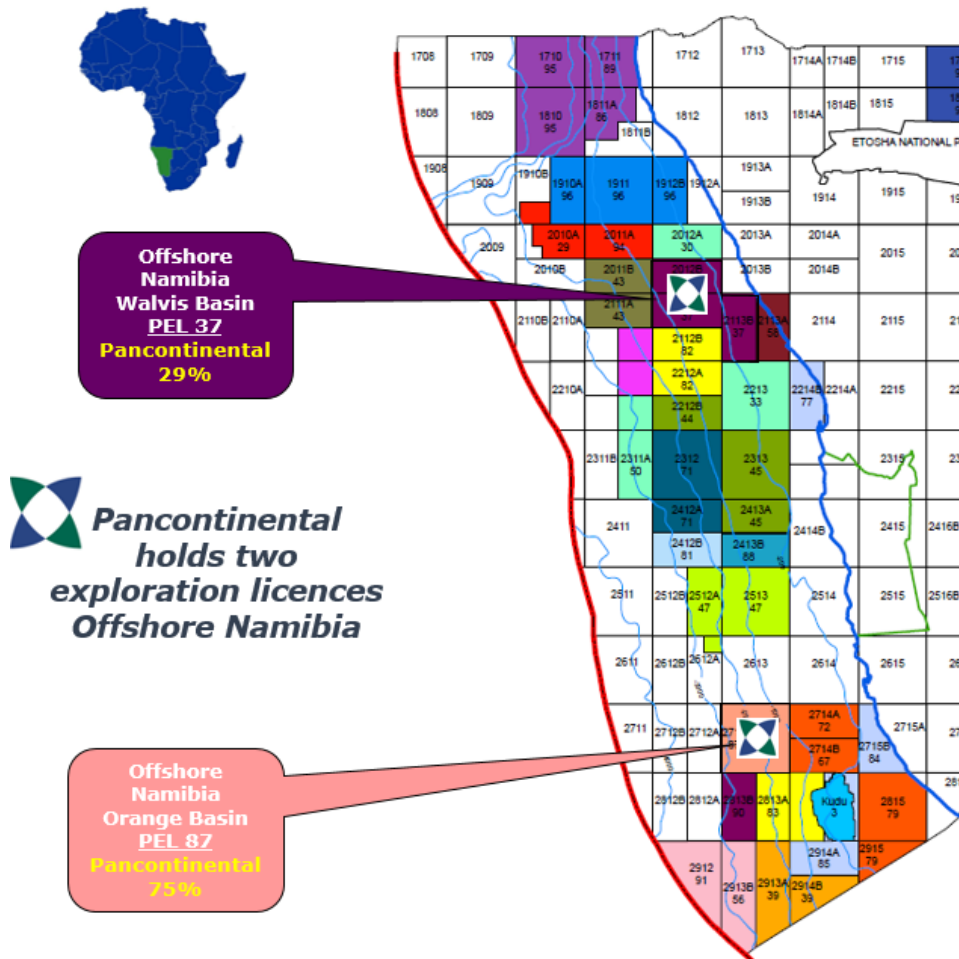
The review of the consolidated entity's operations during the half year ended 31 December 2020 is as follows:

### Financial

	\$
Expenses	(438,162)
Operating Profit /(Loss)	(438,162)
Income Tax	-
Operating Profit /(Loss) for the half year	(438,162)

### Review of Operations

#### NAMIBIA



Namibia is a country located on the southwestern coast of Africa. It is a safe and stable country and interestingly one of the least populated countries in the world. The geology of Namibia has been compared to that of neighbouring Angola which is one of the largest oil producing countries in Africa. Namibia is one of the few remaining places in the world where giant oil and gas fields remain to be found and if these comparisons are correct, Namibia could experience the same geological successes that Angola has experienced. Over the past 10 years, Pancontinental has been present in Namibia and during this time the Company has completed numerous exploration programmes through its joint venture holdings.



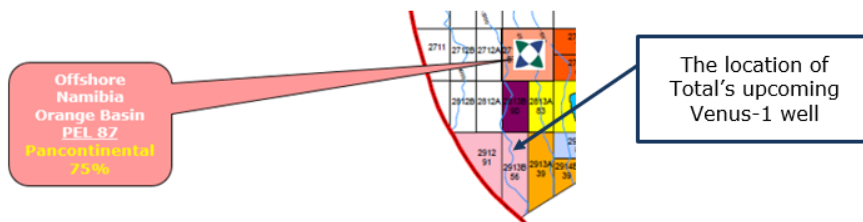


## Namibia Offshore PEL 87

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	

During 2017, the Company along with its co-venturers applied for an exploration licence over block 2713 in the Orange Basin. The application was successful and a new joint venture was formed with Pancontinental operating at 75%, local partners Custos Investments (Pty) Ltd with 25% and the National Petroleum Corporation of Namibia with 10%.

The location of the licence in the Orange Basin is amongst majors such as French company Total who hold an exploration licence in close proximity.

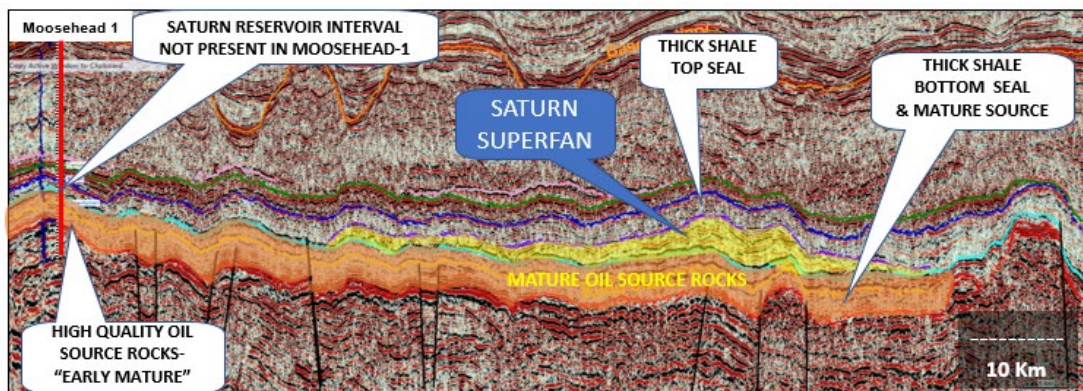


Total is preparing for the upcoming drilling of exploration well Venus-1. The well is targeting a potential resource of 2 billion barrels of oil in a Cretaceous fan play. Oil and gas companies present in the area are eagerly awaiting the results of the well as a success case will bring renewed interest into the area. Even if the drilling on the ultra-deep prospect is not commercially successful, there will be valuable information to be gained for companies exploring in the area.

Other companies present offshore Namibia include Maurel et Prom, who have firm plans to drill in the Walvis Basin in the near term and Shell who are poised to drill in the Orange Basin. Pancontinental holds exploration interests in both of these basins and as such is in prime position to benefit directly from any drilling activity.

The joint venture has built up a geological model of the PEL 87 area and surrounds over the years by the acquisition and analysis of seismic and technical data. The technical data uncovered a number of leads within a Turbidite Fan complex which has been named the Saturn Superfan. The fan is of Aptian age and the joint venture has interpreted it to be covered with sealing shales. Key features of the fan include:

- \* 2,400 Km<sup>2</sup>, c 300m thick
- \* Located directly on Mature Oil Source
- \* High Quality Seals
- \* Independent Closures



Saturn Superfan - 2D Seismic Section



Pancontinental holds a significant interest in the PEL 87 project and has presented a farmout package to prospective farminees. Although COVID-19 has had a great impact on the industry in general with less investment in exploration, activity is now slowly picking up. Upcoming regional wells offshore Namibia have the exploration sector excited again which will assist with farmout efforts.

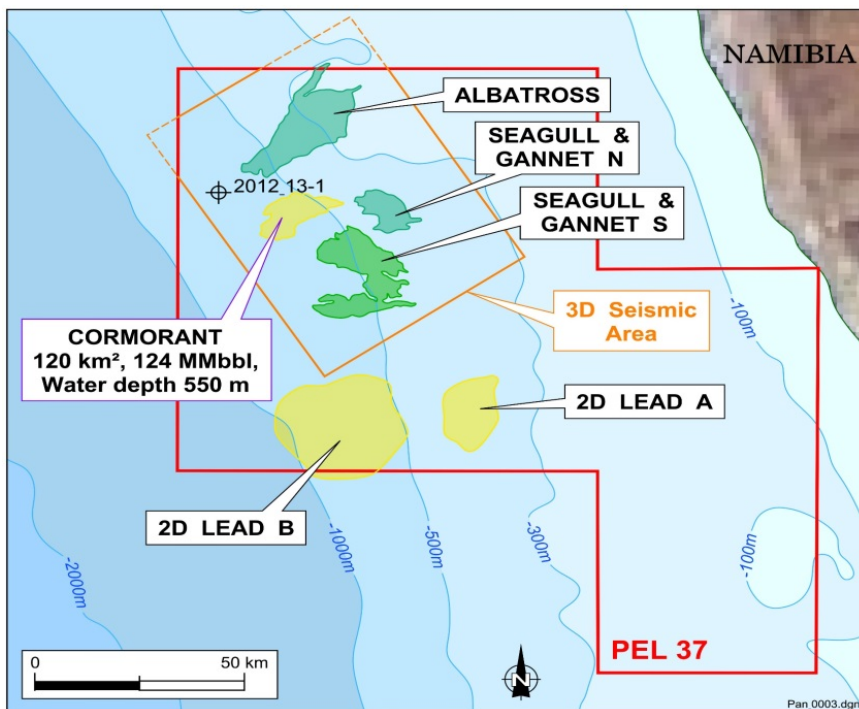
## Namibia Offshore PEL 37

Location:	Walvis Basin		
Project Size:	17,295 square kilometres		
JV Partners:	Tullow Namibia Limited (Operator)	51.15%	
	Pancontinental Namibia Pty Ltd	43.85% *	* Ownership of Pancontinental Namibia Pty Ltd:
	Paragon Oil & Gas (Pty) Ltd	5.00%	Pancontinental Oil & Gas NL 66.67%
			Africa Energy Corp. 33.33%

Pancontinental has been a partner in the PEL 37 joint venture for over 10 years. During this time, the Company has brought funding to the project by way of farmout and negotiated the entry of respected partners who have led a number of exploration programmes including, most recently, the drilling of the Cormorant-1 well in late 2018. The Company strongly believes in the prospectivity of the area and was pleased that the joint venture could secure an extension to the previous exploration term.

The licence is located in the Walvis Basin, further north to the Company's other Namibian asset PEL 87 in the Orange Basin. As drilling is planned for both the Walvis and the Orange Basins where Pancontinental holds assets, any success case regionally would reduce the play risk and have significance for deepwater exploration in the area.

During the reporting period, Pancontinental Namibia, a subsidiary of the Company increased its joint venture percentage from 30% to 43.85% in the PEL 37 project due to the departure of ONGC Videsh Limited. As Pancontinental Namibia is owned 66.67% Pancontinental and 33.33% Africa Energy, this means that Pancontinental now holds an effective 29% interest in the joint venture. The timing of the increased percentage holding is positive for the Company due to the offshore exploration programmes planned for the Walvis and Orange Basins in the coming 12-18 months.



Prospects and Leads within PEL 37.





## AUSTRALIA

### Queensland, Australia Onshore ATP 920 & ATP 924 [Ace Area]

Location:	Cooper Eromanga Basin	
Project Size:	ATP 920 - 2,337 km <sup>2</sup> ATP 924 - 2,220 km <sup>2</sup>	
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	

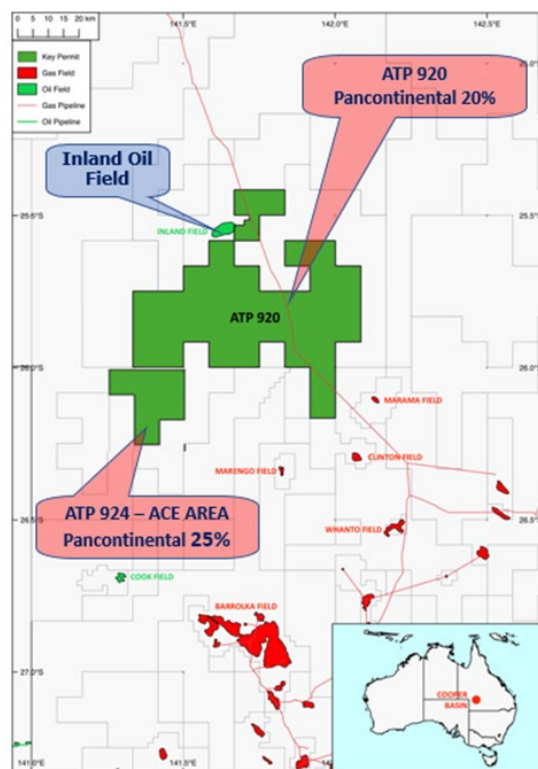
### ATP 920 and ATP 924 onshore Queensland

Pancontinental had searched for some time for an in-country project that would be a good fit and complement the Company's asset portfolio. In 2019, Pancontinental formalised the farmin to the Meeba Project, Onshore Queensland. The Meeba Project includes two Authorities to Prospect – 920 and the Ace Area of 924.

Then came 2020, which was not an easy year anywhere in the world. The Eastern States of Australia where the ATPs are located experienced a number of natural disasters during the year such as record temperatures, severe flooding and bushfires along with the COVID-19 pandemic.

Key Petroleum Limited is a publicly listed Australian oil and gas company focused on pursuing conventional exploration programmes in the Cooper Eromanga and North Perth Basins in Australia and is the operator of the ATPs. During the reporting period, the operator provided an update on the investigation of source rock distribution near to high graded prospects in the ATPs. The study demonstrates a significant northern transgression of the basin margin during the late Permian where peat swamps would have accumulated the principal source rocks of the Cooper Basin adjacent to prospect trends.

Recently, the joint venture received formal confirmation from the Department of Natural Resources, Mines and Energy, Queensland that ATPs 920 and 924 have been renewed for four years to 2023 providing time to assess the project fully and move forward with exploration.



## NEW VENTURES

During the half year, management have focussed their attention on the current asset portfolio with farmout efforts and driving exploration programmes. However, management continue to be presented with new venture opportunities on a regular basis. The Company has been assessing these opportunities to see if there are any that would meet the Board's criteria for a new entry project.

## COST CUTTING

Pancontinental is ordinarily run on a low overhead model and more so since the commencement of the COVID-19 pandemic. All non-essential expenditure has been reduced as can be evidenced in the Statement of Comprehensive Income.

Half Year 2019 operating expenditure (excluding non-cash)	\$624,138
Half Year 2020 operating expenditure (excluding non-cash)	\$387,931
<b>Cost Savings</b>	<b>\$236,207</b>



There will be even further savings due to the decision to seek new premises which will better suit the Company as it is adapting 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.

## **ANNUAL REPORT AND GENERAL MEETING**

The Company's annual report was lodged during the half year. A copy of the report can be found following the below link:

[http://clients2.weblink.com.au/news/pdf\\_2%5C02164442.pdf](http://clients2.weblink.com.au/news/pdf_2%5C02164442.pdf)

The Company also held its Annual General Meeting during the half year where all resolutions put to the meeting were passed on a poll.

Results can be found following the below link:

[http://clients2.weblink.com.au/news/pdf\\_2%5C02179421.pdf](http://clients2.weblink.com.au/news/pdf_2%5C02179421.pdf)

## **CHANGES IN STATE OF AFFAIRS**

During the half year ended 31 December 2020, there were no significant change in the entity's state of affairs other than that referred to in the Half Year Financial Statements of Notes thereto.

This report is made in accordance with a resolution of the Directors, pursuant to section 306 (3) (a) of the Corporations Act 2001.

EA Myers  
CEO and Executive Director  
PERTH, 15 March 2021

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor of the review of Pancontinental Oil & Gas NL for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Pancontinental Oil & Gas NL and the entities it controlled during the year.

Rothsay Auditing



**Daniel Dalla**  
Partner

15 March 2021

For personal use only



## **DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 31 DECEMBER 2020**

The Directors declare that:

- (a) The attached Financial Statements and Notes thereto comply with Accounting Standards;
- (b) The attached Financial Statements and Notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- (c) In the Directors' opinion, the attached Financial Statements and Notes thereto are in accordance with the Corporations Act 2001; and
- (d) In the Directors' opinion, there are reasonable grounds to believe that Pancontinental Oil & Gas NL will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a Resolution of the Directors pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

EA Myers  
CEO and Executive Director  
PERTH, 15 March 2021

# Statement of Comprehensive Income



HALF YEAR ENDED 31 DECEMBER 2020

Notes **CONSOLIDATED**  
Half Year to Half Year to  
Dec 2020 Dec 2019

		\$	\$
<b>OPERATING ACTIVITIES</b>			
Depreciation		(4,013)	(5,635)
Salaries, fees & benefits (inc leave accruals & recoveries)		(196,343)	(337,418)
Audit fees		(21,500)	(21,500)
Exploration – generative & write offs	7	(7,753)	(3,114,966)
Annual report costs		(8,895)	(8,868)
ASX fees		(12,361)	(17,590)
Filing fees		(2,086)	(2,565)
Insurance		(73,953)	(53,458)
Legal fees		(540)	-
Share registry costs		(6,609)	(6,557)
Rent, outgoings and office		(65,644)	(87,956)
Travel		-	(9,429)
Other revenues and expenses		41,955	(78,797)
<b>TOTAL OPERATING ACTIVITIES</b>		<b>(357,742)</b>	<b>(3,744,739)</b>
<b>FINANCING ACTIVITIES</b>			
Financing income		7	-
Financing expense (including foreign exchange losses)		(38,465)	(4,568)
<b>TOTAL FINANCING ACTIVITIES</b>		<b>(38,458)</b>	<b>(4,568)</b>
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>		<b>(396,200)</b>	<b>(3,749,307)</b>
Income tax expense		-	-
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>(396,200)</b>	<b>(3,749,307)</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<b>(396,200)</b>	<b>(3,749,307)</b>
Comprehensive income / (loss) attributable to:			
Owners of the Company		(395,973)	(2,731,147)
Non-controlling interest	8	(227)	(1,018,160)
		<b>(396,200)</b>	<b>(3,749,307)</b>
Basic earnings per share (cents per share)	5	(0.01)	(0.07)
Diluted earnings per share (cents per share)		(0.01)	(0.07)

The Statement of Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.



# Statement of Financial Position



AT 31 DECEMBER 2020

Notes

CONSOLIDATED  
Dec 2020 Jun 2020

\$

\$

## CURRENT ASSETS

Cash assets	3	343,338	567,361
Trade and other receivables		33,305	126,837
<b>TOTAL CURRENT ASSETS</b>		<b>376,643</b>	<b>694,198</b>

## NON-CURRENT ASSETS

Property, plant and equipment		22,670	26,683
Deferred exploration, evaluation and development costs	7	2,821,687	2,801,177
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,844,357</b>	<b>2,827,860</b>

## TOTAL ASSETS

**3,221,000** 3,522,058

## CURRENT LIABILITIES

Trade and other payables		106,504	113,900
<b>TOTAL CURRENT LIABILITIES</b>		<b>106,504</b>	<b>113,900</b>

## NON-CURRENT LIABILITIES

Provision for employee entitlements		25,645	23,107
Shares awaiting shareholder approval		100,000	-
Non-controlling interest loan in subsidiary		476,560	476,560
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>602,205</b>	<b>499,667</b>

## TOTAL LIABILITIES

**708,709** 613,567

## NET ASSETS

**2,512,291** 2,908,491

## EQUITY

Contributed equity	2	110,534,109	110,534,109
Reserves	2	592,403	676,227
Accumulated losses	2	(108,614,221)	(108,301,845)
Total Equity		<b>2,512,291</b>	<b>2,908,491</b>

## TOTAL EQUITY

**2,512,291** 2,908,491

Capital and reserves attributable to owners of PCL		4,017,642	4,413,615
Non-controlling interest	8	(1,505,351)	(1,505,124)
		<b>2,512,291</b>	<b>2,908,491</b>

The Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

# Statement of Changes in Equity



AT 31 DECEMBER 2020

Consolidated	Share Capital	Retained Earnings	Reserves	Total Equity
	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>110,534,109</b>	<b>(108,301,845)</b>	<b>676,227</b>	<b>2,908,491</b>
<b>Profit or loss</b>	-	<b>(396,200)</b>	-	<b>(396,200)</b>
<b>Share option &amp; reserve movements</b>	-	<b>83,824</b>	<b>(83,824)</b>	-
<b>Balance at 31 December 2020</b>	<b>110,534,109</b>	<b>(108,614,221)</b>	<b>592,403</b>	<b>2,512,291</b>
Balance at 1 July 2019	110,534,109	(103,937,995)	776,227	7,372,341
Profit or loss	-	(3,749,307)	-	(3,749,307)
Share option & reserve movements	-	-	-	-
Balance at 31 December 2019	110,534,109	(107,687,302)	776,227	3,623,034

The above Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

For personal use only

# Statement of Cashflows



HALF YEAR ENDED 31 DECEMBER 2020

**CONSOLIDATED**  
 Half Year to      Half Year to  
 Dec 2020      Dec 2019  
 \$                      \$

**CASH FLOWS FROM OPERATING ACTIVITIES**

Payments to suppliers and employees	(257,382)	(884,045)
Expenditure on exploration interests	(28,005)	(3,174,117)

**NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES**

	(285,387)	(4,058,162)
--	-----------	-------------

**CASH FLOWS FROM INVESTING ACTIVITIES**

Sale of 33.33% interest in subsidiary – second tranche	8	7,650,477
Investment in Gasfields Limited	-	(160,000)

**NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES**

	-	7,490,477
--	---	-----------

**CASH FLOWS FROM FINANCING ACTIVITIES**

Interest received	-	4,033
Shares awaiting shareholder approval	100,000	-
Proceeds from issues of ordinary shares	-	579,707
Share issue costs	-	(4,284)

**NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES**

	100,000	579,456
--	---------	---------

**NET INCREASE/(DECREASE) IN CASH HELD**

Add opening cash brought forward	567,361	755,661
Effects of exchange rate changes	(38,636)	76,288

**CLOSING CASH CARRIED FORWARD**

	3	343,338
		4,843,720

The above Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.



## Notes to the Financial Statements

### For the Half Year ended 31 December 2020

#### 1. Basis of Preparation of Half Year Financial Statements

This general purpose financial report for the Half Year ended 31 December 2020 has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting. This Half Year Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the Annual Report for the year ended 30 June 2020 and public announcements made by Pancontinental Oil & Gas NL during the Half Year in accordance with any continuous disclosure obligations arising under the Corporations Act, 2001.

#### Going concern

The Directors consider that the going concern basis for the consolidated entity is appropriate. Post half year end the Company announced that it had 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. The funds raised will be used in conjunction with existing cash for exploration activities, business development, payment of expenses and general working capital purposes.

Accordingly, the Directors believe that the consolidated entity has sufficient cash reserves to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial statements.

#### Accounting Policies

The accounting policies have been consistently applied to all the periods presented, unless otherwise stated.

#### *New Standards, Interpretations and Amendments*

In the half-year ended 31 December 2020, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020.

It has been determined that there is no material impact of the new and revised Standards and Interpretations on the financial position or performance of the Group.

#### *Impact of standards issued but not yet applied by the Group*

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2020. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

#### 2. Equity

##### Accumulated Losses

For the Half Year Ended 31 December 2020	\$
Loss from ordinary activities after related income tax expense	(396,200)
Share option and reserve movements	83,824
Accumulated profits (losses) brought forward	(108,301,845)
Accumulated profits (losses) at end of Half Year	<u><u>(108,614,221)</u></u>



### 3. Reconciliation of Cash

Cash at the end of the Half Year as shown in the Statement of Cash Flows is reconciled to the related items in the Financial Statements as follows:

	<b>31-Dec-20</b>	<b>30-Jun-20</b>
	\$	\$
Deposits – at call	30,000	30,000
Cash on hand and at bank	313,338	537,361
<b>Cash and Equivalents at 31 December</b>	<b>343,338</b>	<b>567,361</b>

### 4. Issued and Quoted Securities at end of current Half Year

<b>Category of Securities</b>	<b>Number Issued</b>	<b>Number Quoted</b>
Ordinary Shares at beginning of the Half Year	5,406,715,498	5,406,715,498
Movements during Half Year ended 31 December 2020	-	-
Shares at end of the Half Year	<b>5,406,715,498</b>	<b>5,406,715,498</b>
Options at beginning of the Half Year	422,207,319	-
Movements during Half Year ended 31 December 2020	(152,390,244)	-
Options at end of the Half Year	<b>269,817,075</b>	-

### 5. Earnings per Share

	<b>Half Year Ended 31-Dec-20</b>	<b>Half Year Ended 31-Dec-19</b>
Basic earnings per share - cents	(0.01)	(0.07)
Diluted earnings per share is not materially different from Basic earnings per share	(0.01)	(0.07)
The weighted average number of ordinary shares outstanding during the Half Year used in the calculation of basic earnings per share	5,406,715,498	5,406,715,498

### 6. Segmental Information

The Company operates in Australia and Africa, however internal reporting is conducted on an entity wide basis.

### 7. Exploration

	<b>Half Year Ended 31-Dec-20</b>	<b>Half Year Ended 31-Dec-19</b>
Opening Balance 30 June	2,801,177	6,195,305
Additions	28,263	330,153
Refund of joint venture expenditure	-	(396,425)
Exploration write offs	(7,503)	(3,103,985)
Generative exploration expenditure	(250)	(10,981)
Closing Balance 31 December	<b>2,821,687</b>	<b>3,014,067</b>





## 8. Subsidiaries

### Part Disposal of Subsidiary

In September 2017, the Group disposed of 33.33% of the ownership interest in Pancontinental Namibia Pty Ltd to Africa Energy Corp. Following the disposal, the Group still controls the subsidiary and retains 66.67% of the ownership interest. The transaction has been accounted for as an equity transaction with a non-controlling interest ("NCI") resulting in the balances as shown in the financial statements.

## 9. Subsequent Events

No matters or circumstances have arisen since the end of the Half Year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of the Consolidated Entity, or the state of affairs of the Consolidated Entity as reported to the Half Year ended 31 December 2020 other than:

### 16 February 2021

Pancontinental announced that it had 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. The funds raised will be used in conjunction with existing cash for exploration activities, business development, payment of expenses and general working capital purposes.



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005  
P.O. Box 8716, Perth Business Centre WA 6849  
Phone (08) 9486 7094 www.rothsayresources.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
PANCONTINENTAL OIL & GAS NL

**Report on the Review of the Half-Year Financial Report**

**Conclusion**

We have reviewed the half-year financial report of Pancontinental Oil & Gas NL ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

**Independence**

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of this auditor's review report.



For personal use only



### ***Directors' Responsibility for the Financial Report***

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

### ***Auditor's Responsibility for the Review of the Half-Year Financial Report***

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Rothsay Auditing**

Dated 15 March 2021

**Daniel Dalla  
Partner**

For personal use only