



## JUNE 2024 QUARTERLY ACTIVITY REPORT

Pancontinental Energy NL (**ASX: PCL**) ("**Pancontinental**" or "**Company**") is pleased to provide its Quarterly Activities Report for the period ended 30 June 2024.

### Highlights

- Interpretation and analysis of 3D pre-stack depth migration (PSDM) seismic dataset continues with a focus on Cretaceous play concepts
- Independent specialist consultancy engaged to undertake an AVO study
- Global interest in the Orange Basin continues with multiple exploration wells planned to be drilled commencing Q4 CY24
- Quarter-end cash balance of \$4.3m cash, supported by options exercise

### PEL 87 Project Update

Pancontinental's interpretation and analysis of the 6,593 km<sup>2</sup> 3D pre-stack depth migration (PSDM) seismic dataset continues, building on the preliminary interpretation work that confirmed the presence of a variety of Cretaceous and Tertiary hydrocarbon play concepts within PEL 87. The Company's primary focus is on the Cretaceous play concepts which range in age from Barremian channelised fans to Cenomanian channels/erosional remnants. Within these plays, trapping styles encompass structural, stratigraphic and combination structural-stratigraphic.

Seismic "bright" amplitudes and Amplitude vs Offset (**AVO**) anomalies are evident within a number of exploration leads across the play types, including discrete leads that have been identified within the Saturn complex (**intra-Saturn**). The current inhouse technical work is focused on maturing the interpretation of key sequences within the Cretaceous petroleum systems that host on-trend discoveries. Pancontinental's current priorities in this regard are the intra-Saturn AVO anomalies and the Barremian/Aptian channelised fan play. The Company has engaged an independent specialist consultancy to undertake an AVO study, which commenced in early July and will incorporate AVO-specific seismic data conditioning and rock physics modelling to generate predicted seismic responses for comparison to the real-life seismic signature.

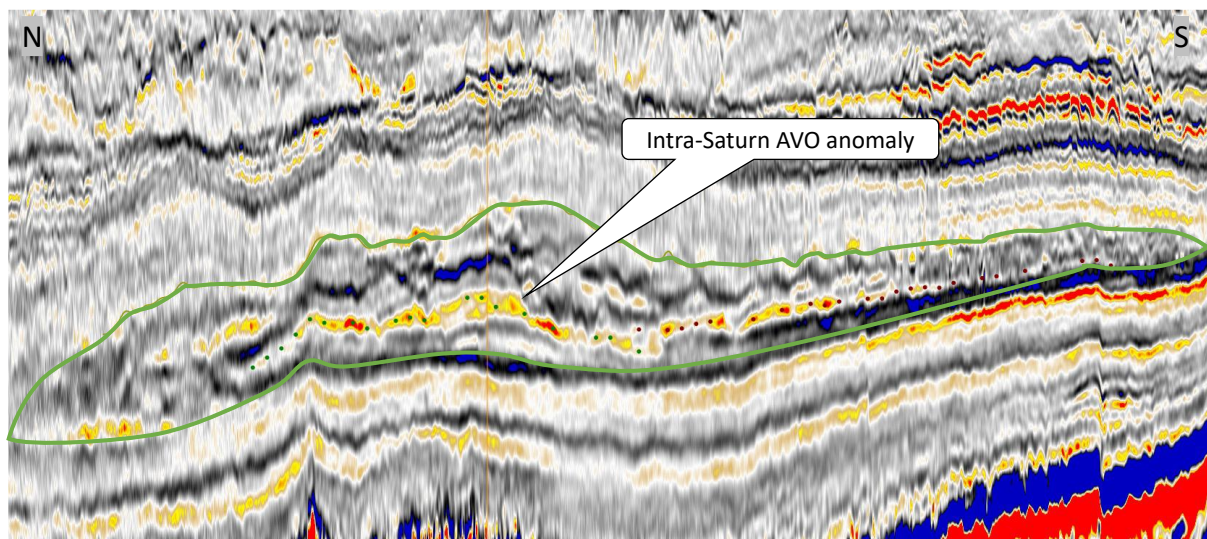


Figure 1: North-South 3D PSDM ultra-far offsets seismic line through Saturn complex

Figure 1 displays an example of one of the intra-Saturn leads that exhibit AVO effects, with anomalous amplitudes evident on the ultra-far seismic offset data. In parallel with the AVO study, further interpretation work is required to determine the precise depositional nature of this, and other, features within the Saturn complex.

The Barremian/Aptian channelised fan play is regarded by the Company's technical team as a possible analogue to the on-trend Venus oil discovery. Figure 2 displays a 3D perspective of the Top Aptian horizon (in depth) with ultra-far offset amplitudes overlain. The "bright" amplitudes clearly indicate the presence of deepwater feeder channels running due westwards into what are interpreted by Pancontinental as deepwater turbidite fan systems, one of which appears to be detached from the feeder system. These are located to the north of the structural high around the Moosehead-1X well, and east of the outboard regional high. These features are thought likely to host high quality reservoir sands, of comparable age to those that host TotalEnergies' giant Venus discovery (reported to hold an estimated 5 billion barrels oil-in-place).

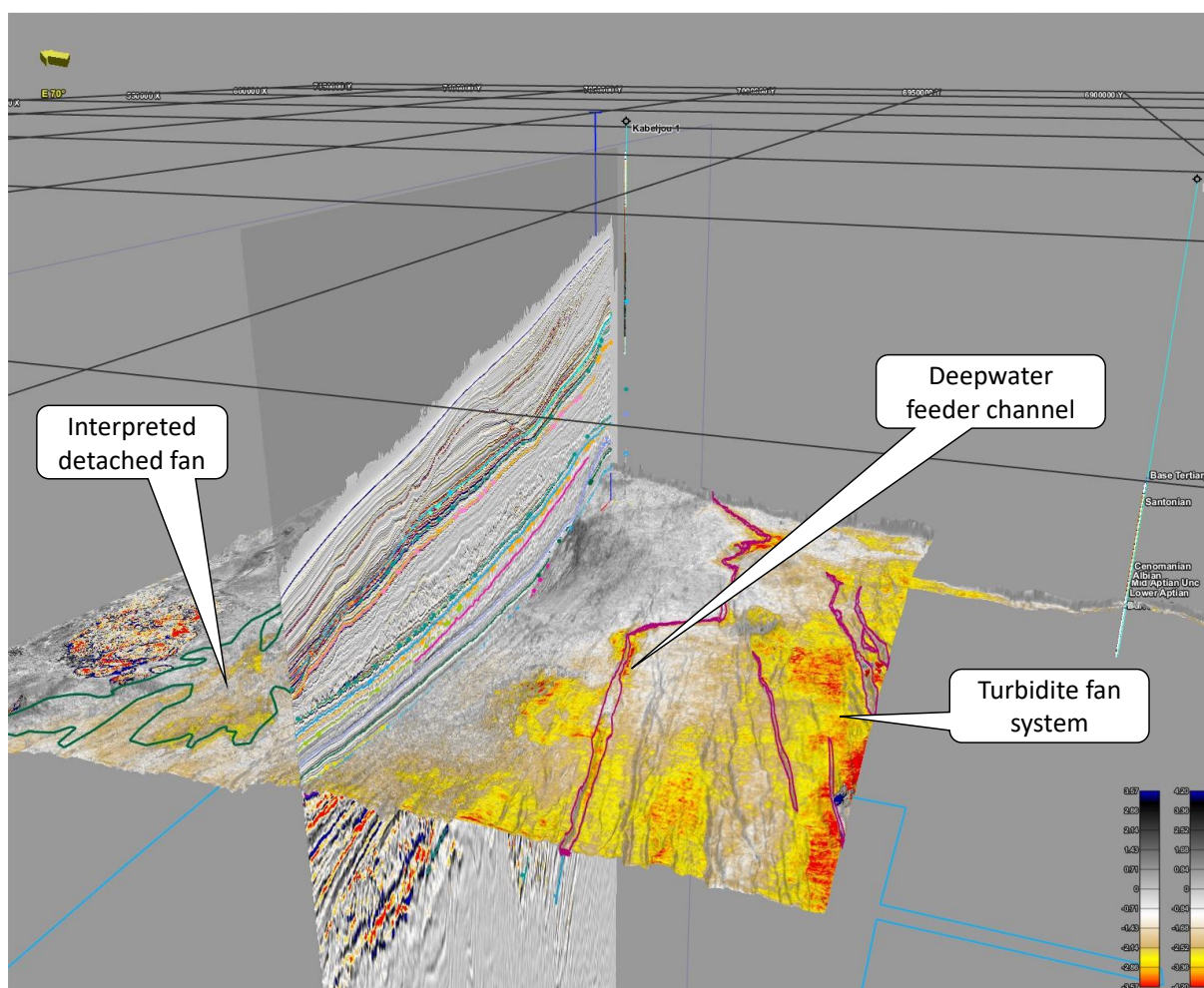


Figure 2: Barremian/Aptian depth horizon with overlain ultra-far offset amplitude

In parallel with the AVO study, now that key regional geological horizons have been mapped and are available the Company will shortly commence a basin modelling study, the aim of which is to fully define the hydrocarbon source kitchen and hydrocarbon charge mechanism/timing. While these studies and other technical work must be completed before individual prospects can be fully characterised, the Company remains encouraged by the high quality of the data and is increasingly confident in the hydrocarbon potential of PEL 87.

As reported by the Company on 30 April 2024, the long stop date by which Woodside Energy must exercise its option to farm in to PEL 87 (by committing to drill an exploration well) will be 180 days from

the date upon which the PEL 87 Joint Venture provides to Woodside a license (**Seismic License**) to hold ongoing rights to the PEL 87 3D seismic data. Pancontinental is working to finalise the Seismic License with the Namibian authorities so that the long stop date can be established as soon as possible. The Company will provide an announcement once this is in place. In the meantime, Woodside is undertaking its own technical analysis of the seismic data in parallel with Pancontinental and the Company notes that Woodside does have the right to exercise its option at any time prior to the long stop date (establishment of the Seismic License not being a pre-requisite).

## Orange Basin Update

The Namibian Orange Basin is seeing a brief hiatus in drilling activity, after a prolonged period of significant activity since early 2022. The most significant recent drilling results, as pertains to PEL 87, were Galp Energia's AVO-supported Mopane-1X and Mopane-2X oil discoveries, and TotalEnergies' Mangetti-1X discovery. Mopane-1X is reported to have encountered two significant columns of oil in high quality sandstone reservoirs and flowed at a maximum (constrained) flow rate on test of 14,000 bopd. Galp Energia report that the results achieved thus far position Mopane as a very significant commercial discovery, with the Mopane complex having potential resources of over 10 billion barrels of oil equivalent in-place. Galp Energia is preparing to commence further exploration and appraisal drilling in Q4 2024 and seeks to divest half of its interest in the project (with numerous large international oil and gas companies reported to be considering the opportunity).

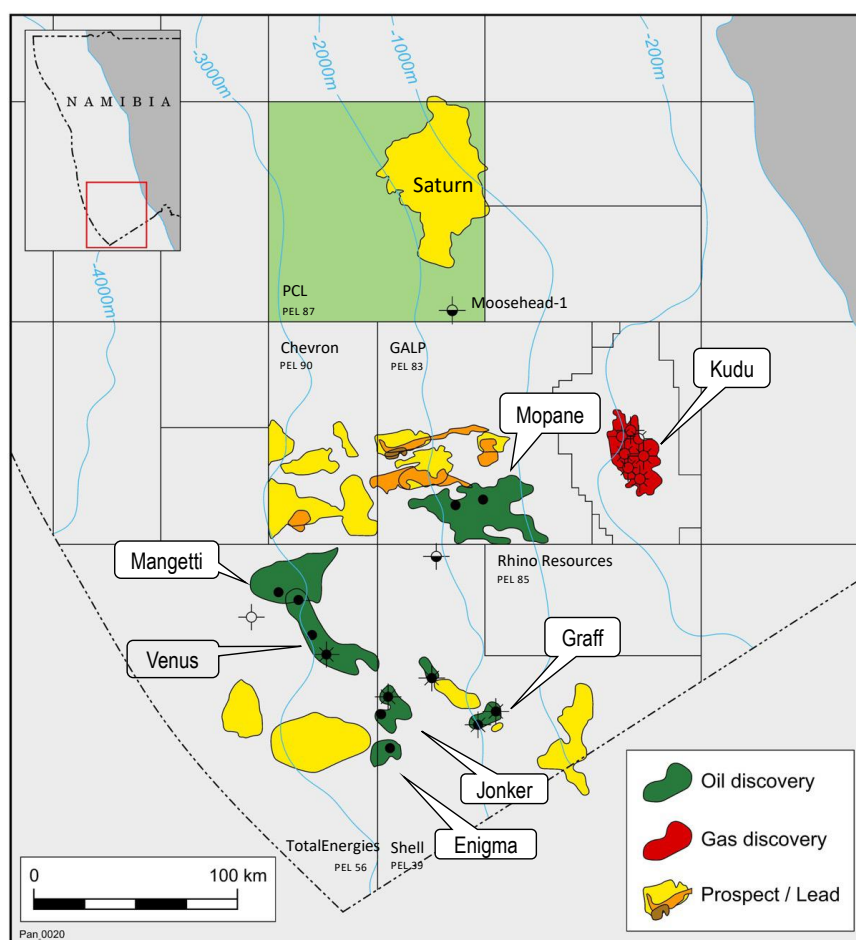


Figure 3: PEL 87 and Neighbouring Discoveries/Prospects

Pancontinental regards the Mopane, Venus and Mangetti discoveries as being extremely positive indicators for PEL 87 prospectivity, as they are believed to reside in a similar geological setting to PEL 87.

During the reporting period Rhino Resources executed a farmout agreement with Azule Energy, a joint



venture between Eni and BP. Under the agreement Azure will drill two exploration wells within PEL 85 to earn a 42.5% interest, with drilling reported to commence in Q4 CY 2024. Meanwhile Chevron is also preparing to commence exploration drilling in PEL 90, with one well initially slated.

## Corporate

### Financial

The Company had cash and cash equivalents at 30 June 2024 of \$4,301,000.

### Conversion of Options

The Company received \$600,000 upon conversion of 50,000,000 listed options (PCLO) into PCL shares at \$0.012 per share. Also 20,000,000 unlisted options (PCLAD) were converted into 13,913,043 PCL shares at a notional price of \$0.007 per share via the cashless exercise facility of the employee Incentive Awards Plan by Vesna Petrovic for personal reasons.

### Notes Pertaining to Quarterly Cashflow Report (Appendix 5B)

Item 6.1: The aggregate amount of payments to related parties and their associates of \$146,000 relates to payments to Executive Directors. Exploration expenditure on the Company's asset base during the reporting period was \$244,361 for consulting, legal, travel and Namibian in-country expenses including Petrofund annual training contribution of US\$56,000.

### 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.

### About PEL 87

Petroleum Exploration Licence 87 (**PEL 87**) is located in the offshore Orange Basin, southern Namibia (refer Figure 1). The permit covers an area of 10,970 km<sup>2</sup> and is situated on-trend to a number of very significant hydrocarbon discoveries that have been made since early 2022 by TotalEnergies, Shell and Galp Energia.

PEL 87 was awarded to a joint venture led by Pancontinental in early 2018 for up to 3 terms over 8 years (plus possible extensions) and may be converted to a Production Licence under pre-agreed terms. The permit is currently in the first renewal exploration period.

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.

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END

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

**PANCONTINENTAL ENERGY NL**  
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