ASX Announcement

31 July 2025

PANCONTINENTAL ENERGY NL

JUNE 2025 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 2025.

Highlights

- Basin modelling study confirms that Saturn Complex targets are ideally situated to receive direct oil charge from underlying Kudu Shale source kitchen
- Quantitative Interpretation study indicates good potential for high net-to-gross reservoir system, with fluid substitution modelling indicating the presence of a low gas-oil-ratio (GOR) oil
- Saturn Complex High Case prospective resources estimate upgraded to 4 Billion barrels of oil (net to Pancontinental, arithmetic sum of High Cases)[+]
- Oryx prospective resources increased to Best Case (2U) 815 MMbbls and High Case (3U) 1.9 Billion bbls (net to PCL) with Geological Chance of Success increased to 26.2%
- Commenced Environmental Impact Assessment process for exploration drilling approvals
- Well-funded with quarter-end cash balance of $2.5 mm. In addition post 30 June 2025 option exercise funds of c. $200,000 have been received to date

[+]***Cautionary Statement:*** *The potential recoverable oil resources, classified as Prospective Resources, have been estimated deterministically on an unrisked, Best Estimates basis. Please refer to the Company's ASX announcements of 18 March 2025 and 29 July 2025 for full details. Prospective Resources are 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 a 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 recoverable hydrocarbons.*

The Company confirms that it is not aware of any new information or data that 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.

PEL 87 Project Status

The PEL 87 basin modelling study has now been completed with input from a specialist consultant. The purpose of the study was to analyse the basinal structural evolution within the vicinity of PEL 87 to reconstruct the geological/thermal history so that areas of hydrocarbon generation, migration, and accumulation can be predicted.

The ubiquitous Barremian-Aptian aged Kudu Shale formation is widely recognised as the primary source of hydrocarbons for the major light oil discoveries to the south of PEL 87. The Kudu formation is proven within PEL 87 at the Moosehead-1X exploration well, which encountered approximately 200 metres of dominantly Type II marine oil shale with Total Organic Content (TOC) of up to 5.5%. The formation has a distinctive seismic character and is readily mapped across the entire PEL 87 area, with thickness generally between 200 to 300 metres.

An oil kitchen is interpreted to exist directly beneath the Saturn Complex and extends eastwards and southwards to the Mopane discoveries (refer Figure 1). At greater depths of burial two discrete gas kitchens are identified, the larger of which sits directly beneath the Kudu Gas Field. The proximity of the Saturn Complex targets to the underlying oil kitchen places the Saturn exploration targets in an excellent position to receive hydrocarbon charge, with only limited vertical and lateral migration required. The mature area directly beneath the Saturn Complex is estimated to have generated and expelled approximately 20 Billion barrels of oil, with a significant additional charge contribution expected from the "fetch" area that is situated down-dip to the northeast.

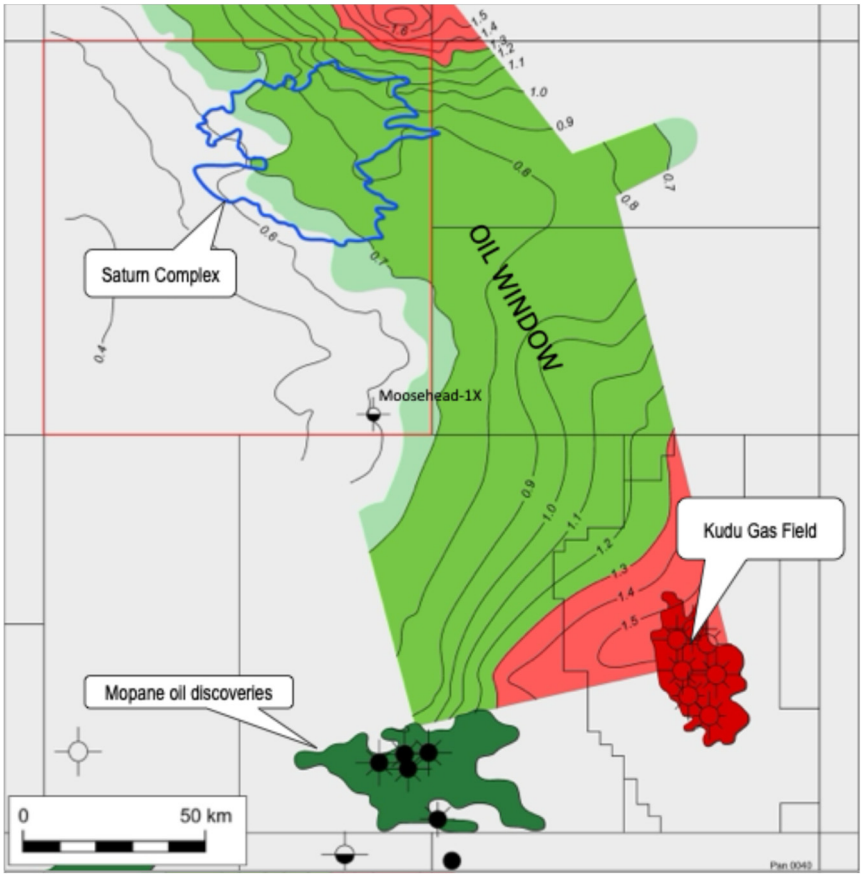

Figure 1: Kudu Shale Maturity Map

Pancontinental engaged an expert QI specialist to examine the Amplitude vs Offset (AVO) anomalies observed within the PEL 87 3D seismic data, and to investigate the rock physics from available regional well data to generate seismic AVO inversion data. That study is now largely complete and provides support for a high net-to-gross reservoir system coincident with AVO anomalies observed within the Saturn Complex. Analysis of the 3D seismic gathers indicates consistent Class II AVO responses in both upper and lower sequences within the Saturn Complex target intervals, and synthetic modelling of those intervals indicates possible hydrocarbon effects evident in the seismic data, possibly due to the presence of a low gas-oil-ratio (GOR) oil. This is supported by the Basin Modelling study, which determined an estimated GOR of 200 scf/Bbl for oil generated within the Saturn Complex kitchen. Importantly this is significantly lower than at (for example) TotalEnergies Venus discovery, in which the high level of associated gas presents certain challenges to development.

Based upon the results of the QI study, and as announced to ASX on 29 July 2025, Pancontinental has revised its original estimates for Prospective Resources and geological risking of the Saturn Complex target inventory. Tables 1 and 2 provide Pancontinental's revised estimates of Original Oil in Place (OOIP) and Prospective Resources (recoverable) on a 100% gross and 75% net basis, respectively. Also provided for each lead is the revised estimate for Geological Chance of Success (GCoS).

Please refer to the Company's announcement to ASX of 18 March 2025 for full prospect and lead summaries, which remain largely unchanged with the exception that the Oryx prospect now incorporates the prospective features previously identified as the Calypso and Addax Channel leads, due to the fact that it is determined that all three targets may be effectively tested by a single exploration well. As a result the High Case (3U) prospective resource estimate (gross, 100%) for Oryx now stands at over 2.5 Billion barrels of oil, recoverable, with an estimated GCoS for the main Oryx prospect now standing at 26.2% (previous estimate 22.5%).

Table 1: PEL 87 OOIP and Prospective Resources Estimates (100% gross)

Prospect/Lead	Original Oil in Place (OOIP), MMbbls			Prospective Resources (Recoverable), MMbbls			GCoS
	Low	Best	High	Low (1U)	Best (2U)	High (3U)	
Oryx	792	3,782	8,772	225	1,087	2,505	26.2%
Hyrax	485	2,442	4,854	121	733	1,456	21.2%
Xerux	159	480	1,852	48	144	556	21.1%
Oryx North	163	585	1,395	41	176	418	20.3%
Addax Fan	54	332	1,106	13	100	332	17.8%
Addax South	72	130	331	18	33	83	16.3%
Total	**1,725**	**7,750**	**18,310**	**467**	**2,271**	**5,350**	

Table 2: PEL 87 OOIP and Prospective Resources Estimates (75% net Pancontinental interest)

Prospect/Lead	Original Oil in Place (OOIP), MMbbls			Prospective Resources (Recoverable), MMbbls			GCoS
	Low	Best	High	Low (1U)	Best (2U)	High (3U)	
Oryx	594	2,836	6,579	169	815	1,879	26.2%
Hyrax	364	1,831	3,640	91	549	1,092	21.2%
Xerux	119	360	1,389	36	108	417	21.1%
Oryx North	122	439	1,046	31	132	314	20.3%
Addax Fan	40	249	830	10	75	249	17.8%
Addax South	54	98	249	13	24	62	16.3%
Total	**1,294**	**5,812**	**13,732**	**350**	**1,703**	**4,012**	

***Cautionary Statement**: Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.*

The Company confirms that it is not aware of any new information or data that 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.

Finally, during the reporting period Pancontinental engaged Namibian consultancy Risk Based Solutions CC to provide support for the Company to prepare its Environmental Impact Assessment for future exploration/appraisal drilling within PEL 87. That process is now underway.

Farmout Process

The PEL 87 farmout process commenced in late March 2025, with data room sessions running since mid-May 2025 until the present time. Pancontinental continues to engage with all interested parties, in particular via technical updates relating to the QI study that has progressed significantly since the data room was first established (upgrading PEL 87 prospectivity).

Orange Basin Update

During the reporting period Azule Energy (a BP/ENI joint venture) confirmed a light oil discovery at its Capricornus-1X well, located in Rhino Resources' PEL 85. The Capricornus 1-X well encountered 38 metres of net pay within a Lower Cretaceous target, with no oil water contact observed. The well was successfully production tested, achieving a surface-constrained flow rate of over 11,000 bpd of 37° API oil, with limited associated gas, less than 2% CO_2 and no hydrogen sulphide. The Capricornus-1X result supports an emerging trend wherein both good quality sandstone reservoirs and hydrocarbon charge

are present within an intra-slope setting along a N/S trending fairway inboard of the outer structural high. Importantly the Saturn Complex was deposited within this fairway. Azule Energy is now preparing to drill a further exploration well, at Volans-1X.

During the reporting period Galp Energia released details of its maiden contingent resource for the Mopane Complex, confirming 3C contingent resources of 875 MMboe. Importantly this figure is based only upon the results of the Mopane-1X and Mopane-2X wells (plus partially the Mopane-1A appraisal well) and as such it can be expected that further revisions for the Mopane Complex will see a significant increase in contingent resources as data from subsequent wells and future drilling are incorporated. Galp Energia continues its divestment process for a 40% interest in PEL 83, having set a bid deadline of 30 June 2025, and has reportedly received a number of non-binding proposals. Galp Energia has stated that it intends to finalise a partnership before end CY 2025.

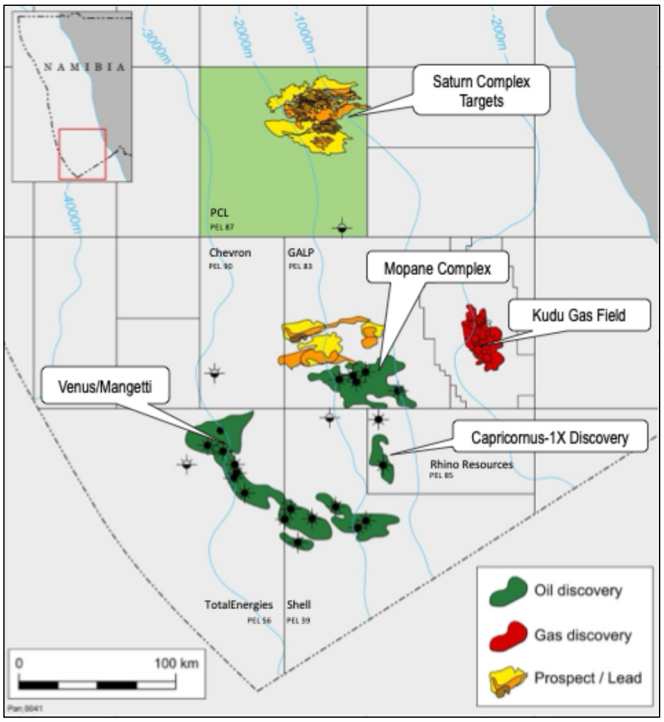

Figure 2: PEL 87 and Neighbouring Activity

Elsewhere in the basin TotalEnergies continues to pursue a Final Investment Decision for development of its Venus/Mangetti discoveries and Chevron is believed to be planning to drill up to two exploration wells within its PEL 90 permit. Also Kudu gas field operator BW Energy is currently preparing to drill an appraisal well and an exploration well to support development of the approximate 1.5 Tcf Kudu gas field, utilising the Deepsea Mira semi-submersible rig once it has completed operations at Azule/Rhino's Volans-1X well.

Corporate

Financial

The Company had cash and cash equivalents at 30 June 2025 of $2.5 million. Post the reporting period 16,600,000 listed options were exercised, resulting in proceeds to the Company of $199,200.

Notes Pertaining to Quarterly Cashflow Report (Appendix 5B)

Item 6.1: The aggregate amount of payments to related parties and their associates of $145,000 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%

**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%

Notes

1. Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a chance of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

2. The estimates of Prospective Resources included in this announcement have been prepared in accordance with the definitions and guidelines set forth in the Society of Petroleum Resource Management System (PRMS).

3. The Prospective Resources (Recoverable) included within this announcement have been determined by applying recovery factors ranging between 25% to 30%, reflecting the relatively early stage of exploration and lack of drilling to date within the Saturn Complex. As exploration matures recovery factor estimates have the potential to increase, typically ranging from 30% to 45% in similar offshore oil fields.

4. The evaluation date for the Prospective Resources stated within this document is 24 July 2025.

5. Gross Prospective Resources are 100% on-permit volumes estimated to be recoverable from a lead/prospect in the event that a discovery is made and subsequently developed. The estimates of Prospective Resources included in this announcement have been estimated deterministically.

6. The Company has considered the chance of discovering hydrocarbons and has stated the Geological Chance of Success (GCoS) for each prospect and lead to be. The chance of development has not been estimated. Quantifying the chance of development (COD) requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing.

7. The volumes reported are "unrisked" in the sense that the Geological Chance of Success (GCoS) factor has not been applied to the designated volumes.

8. The Prospective Resources included within this announcement have been estimated by Mr. Ric Jason, independent technical consultant to Pancontinental. This information is based on, and fairly represents, information and supporting documentation compiled by Mr Jason, who holds a Bachelor of Applied Geology (Hons) from the University of Technology (Sydney) and has 32 years' experience as a geoscientist within the oil and gas industry. Mr Jason is a member of the Petroleum Exploration Society of Australia, the American Association of Petroleum Geologists and the Southeast Asia Petroleum Exploration Society. Mr Jason has consented to the contents of this announcement being released to ASX in the form and context in which it appears.

END

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

PANCONTINENTAL ENERGY NL
Vesna Petrovic
Company Secretary and Executive Director

ASX | PCL

45 Ventnor Avenue
West Perth, WA 6005
T: + 61 8 6363 7090
pancon.com.au