



PEL 87 PROJECT UPDATE

Pancontinental Energy NL (ASX: PCL) ("**Pancontinental**" or "**Company**") provides the following update in relation to its PEL87 project, offshore Namibia.

The Company's wholly owned subsidiary, Pancontinental Orange Pty Ltd, has received notification from Woodside Energy (GOM) Inc. (**Woodside**) that Woodside has elected not to exercise its option to farmin to the PEL 87 project. This notice has been received in advance of the Long Stop Date of 18 May 2025, after which Woodside's option was due to expire.

With the concluding of the Woodside option arrangement 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%

Pancontinental has prudently prepared for the possibility that Woodside may elect not to farmin to PEL 87 and a process is already underway to secure an alternate farmin partner to fund exploration drilling within PEL 87 at the earliest opportunity. The Company has received third party interest and, given the Company's low quarterly cash burn, remains well funded to progress the farmout process (31 December 2024 cash balance \$3.6 million).

Noting today's separate announcement regarding Pancontinental's estimate of prospective resources for PEL 87, the Board and management remains confident of the significant hydrocarbon prospectivity as identified by the high quality 6,593 km² 3D seismic dataset that was fully funded by Woodside. PEL 87 is the only permit not held by a major oil and gas company that is adjacent and on trend to the giant Mopane discovery. Operator Galp Energia recently reported a successful outcome for its Mopane-3X exploration well and has not modified its original resource estimate of 10 Billion barrels of oil-in-place, suggesting that recent drilling results continue to support this figure.

Pancontinental Chief Executive Officer, **Iain Smith commented**, "*Pancontinental sees excellent potential for large hydrocarbon finds within the Saturn Complex as evidenced by our estimates of prospective resources released to the ASX today. This is largely due to Saturn's proximity to the world-class Kudu oil kitchen and the presence of AVO signatures that we understand are consistent with major discoveries on-trend to the south at the Mopane Complex and Venus/Mangetti. With the benefit of the valuable 3D seismic data set and the significant technical work we have undertaken we look forward to our continued discussions with third parties as we work to secure an alternate farmin partner for PEL 87.*"

Seismic Data Rights and Permit Commitments

Pancontinental and the PEL 87 Joint Venture partners retain full access to the 3D seismic data, and under the Seismic License issued to Woodside (by NAMCOR), Woodside retains the rights to confidentially retain a copy of the data, however does not have rights to share the data with third parties.

PEL 87 is presently within the first renewal exploration period that commenced on 23 January 2024 and will end 22 January 2026. This period includes an associated work commitment to drill one exploration well or, if a drillable prospect is not identified, acquire either 500 km² of 3D seismic data or 1,000 line kms of 2D seismic data.

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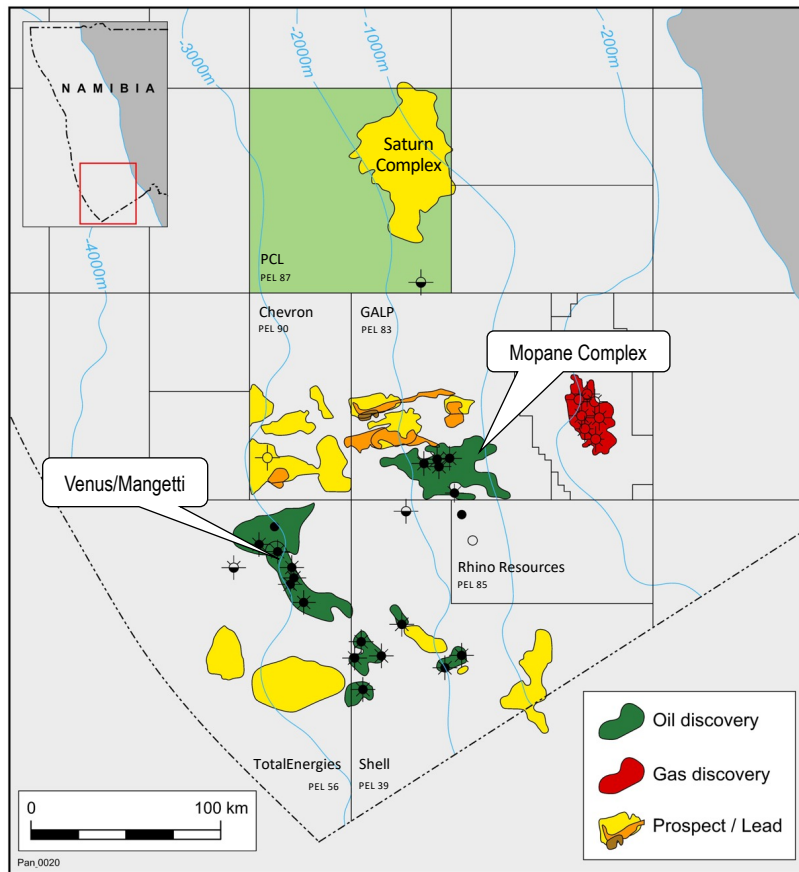


Figure 1: PEL 87 Location Map

About PEL87

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 km² and is situated on-trend with a number of very significant hydrocarbon discoveries that have been made in recent times by Galp Energia, TotalEnergies, and Shell.

PEL 87 was awarded to a joint venture led by Pancontinental in early 2018 for up to 3 terms over 8 years (plus subsequent extensions) and may be converted to a Production Licence under pre-agreed terms.

Investor Enquiries

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

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