



PANCONTINENTAL

PANCONTINENTAL OIL & GAS NL

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ASX Companies Announcement Office

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Placement of Share Purchase Plan Shortfall

Pancontinental Oil & Gas NL ("Pancontinental" "the Company") (ASX Code: PCL) is pleased to announce it has resolved to place the shortfall shares (SPP Shortfall) resulting from the share purchase plan (SPP) announced 19 April 2012. The SPP, which was capped at \$5 million to existing shareholders closed on Monday, 14 May 2012. The placement of the SPP Shortfall will result in the issue of up to 25,300,002 shares at \$0.175 each to raise up to \$4.43 million.

Funds raised pursuant to the placement will be used to fund some or all of the following items:

- Kenya Block L8 - Mbawa well costs;
- Further seismic programme over Kenya L8;
- Seismic programme over Kenya L6;
- Seismic programme over Namibia EL 0037;
- Ongoing exploration over Kenya L10A & L10B; and
- Business development and general working capital purposes

The Placement is being made to sophisticated investors as well as international and domestic institutional clients of Hartleys Limited, Principal Broker to Pancontinental.

An Appendix 3B and cleansing statement will be released following settlement of the SPP Shortfall which is expected to occur on Thursday, 9 August 2012.

ABOUT PANCONTINENTAL

Pancontinental Oil & Gas is listed on the Australian Securities Exchange (ASX: PCL).

Pancontinental has a 15% interest in offshore Kenya licence L8 (Mbawa) (reduced from 25% by farmout to Tullow Kenya B.V.) and a 40% interest in the adjacent licence L6 and a 15% interest in Kenya licences L10A and L10B, operated by BG Group.

Co-venturers in these four Kenyan licences (although not in each licence) are Apache, Tullow Oil, Origin Energy, Cove Energy, Premier Oil, BG Group and FAR.

Offshore Namibia, Pancontinental was awarded the 17,000 sq km licence EL 0037 in 2011. Pancontinental holds 85% and is the operator of this licence.

Yours sincerely for and on behalf of
Pancontinental Oil & Gas NL

Barry Rushworth, CEO and Director