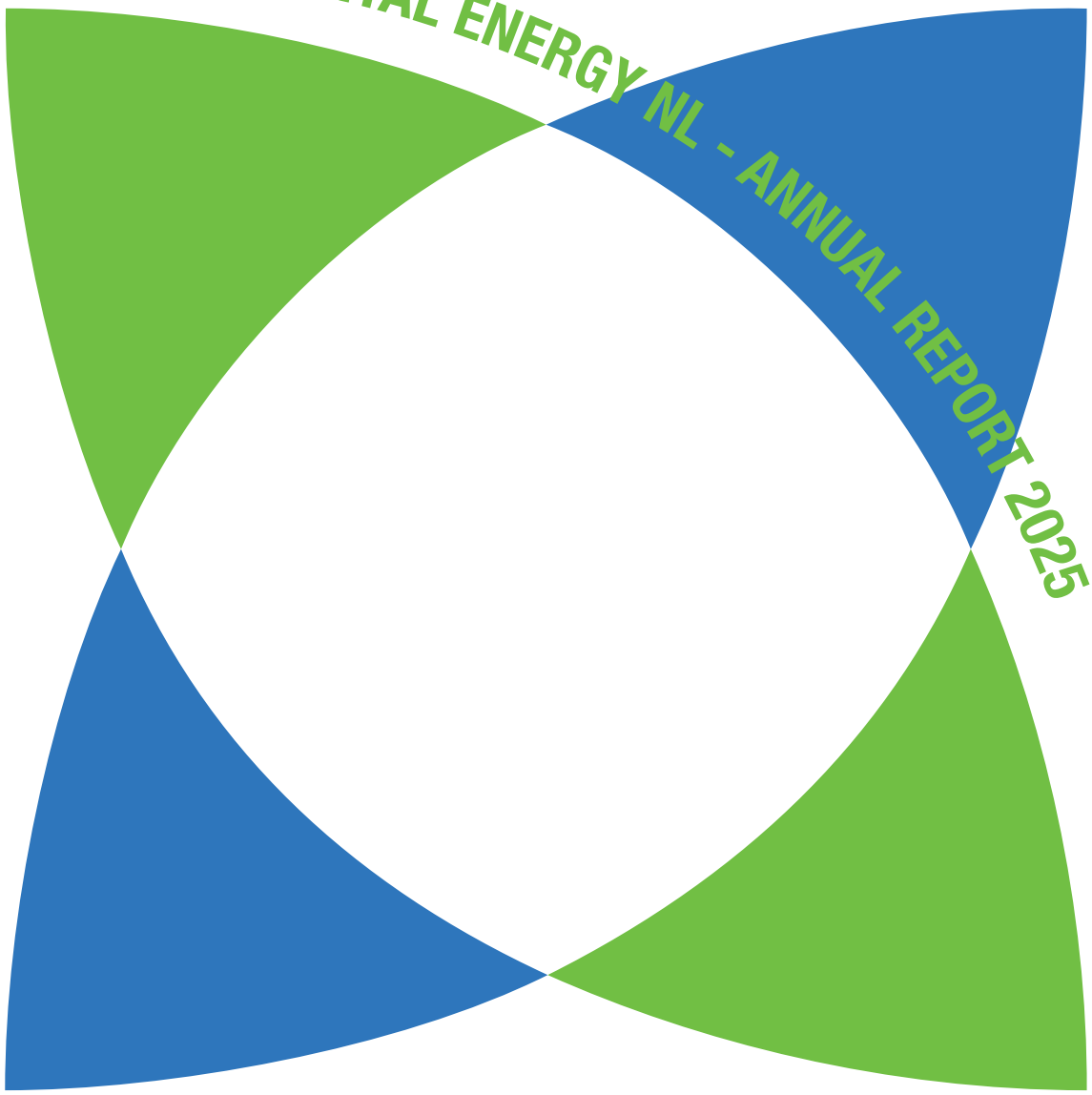
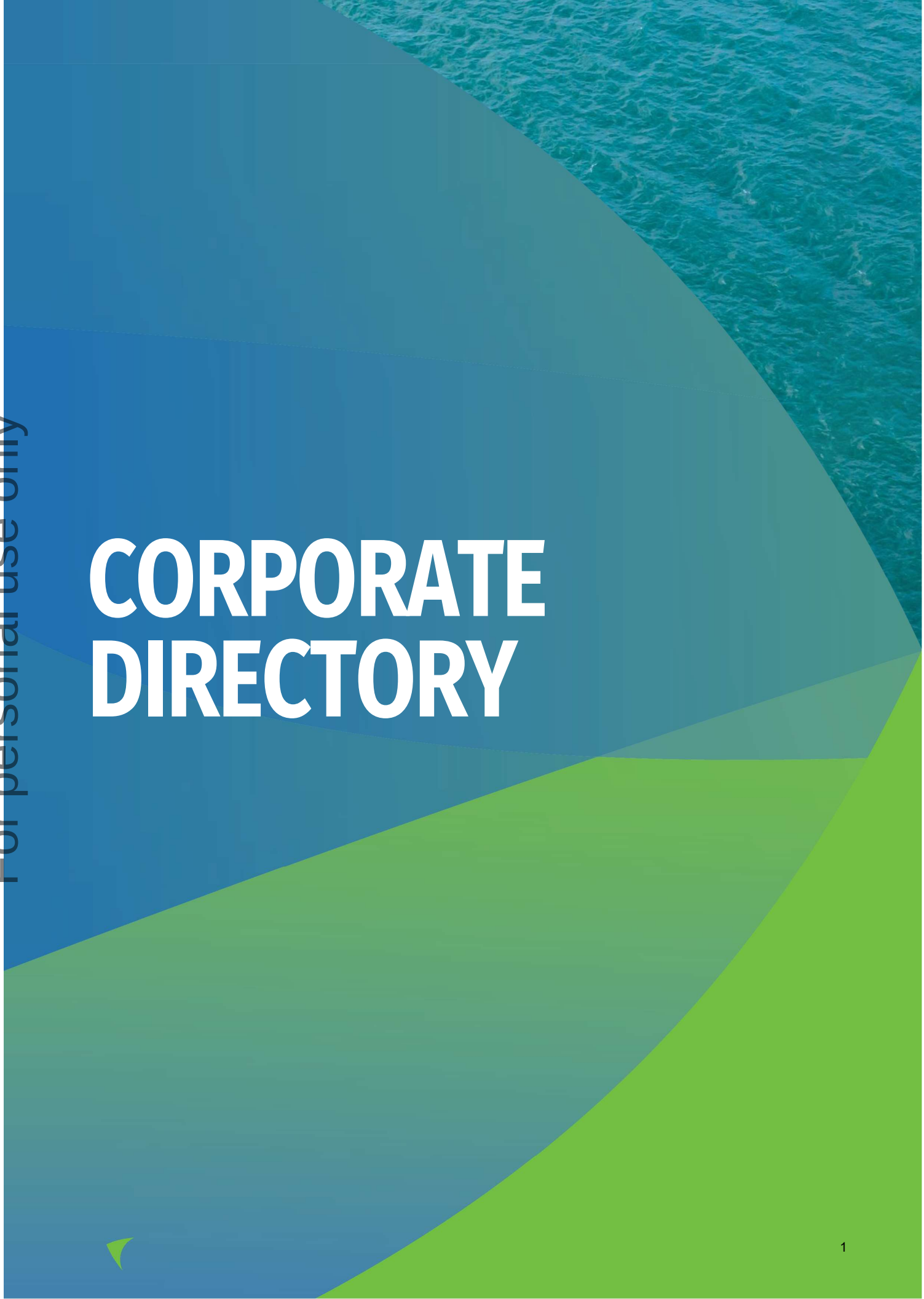
For personal use only

PANCONTINENTAL ENERGY NL - ANNUAL REPORT 2025



PANCONTINENTAL
ENERGY NL



CORPORATE DIRECTORY

For personal use only

For personal use only

ABN 95 003 029 543

Directors

Ernest Anthony Myers	Executive Chairman
Roy Barry Rushworth	Non-Executive Director
Vesna Petrovic	Executive Director

Chief Executive Officer

Iain Peter Smith

Company Secretary

Vesna Petrovic

Registered Office

45 Ventnor Avenue
WEST PERTH WA 6005
Tel: + 61 8 6363 7090

Share Registry

Automic Pty Ltd
Level 5, 126 Phillip Street
SYDNEY NSW 2000

Auditors

In.Corp Audit & Assurance Pty Ltd
Level 1, Lincoln House
4 Ventnor Avenue
WEST PERTH WA 6005

Internet Address & Contact

www.pancon.com.au
info@pancon.com.au

ASX Code

PCL



For personal use only

CONTENTS

04 Permit Schedule

06 Chairman's Review

07 Review of Operations

14 Directors' Report

30 Auditor's Independence Declaration

31 Corporate Governance Statement

45 Statement of Profit or Loss and Other Comprehensive Income

46 Statement of Financial Position

47 Statement of Changes in Equity

48 Statement of Cash Flows

49 Notes to the Financial Statements

65 Consolidated Entity Disclosure Statement

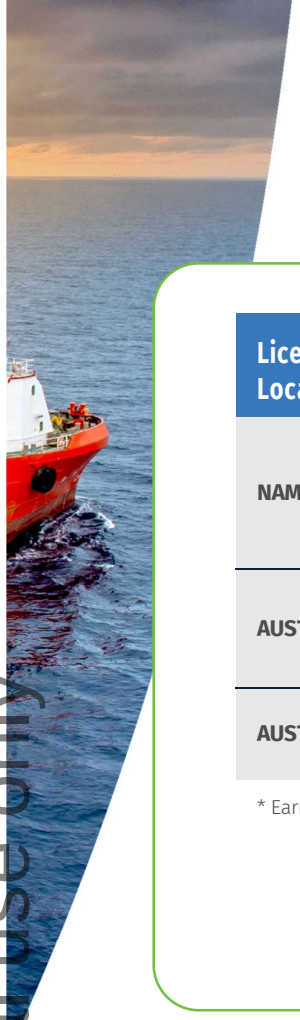
66 Directors' Declaration

67 Independent Auditor's Report



PERMIT SCHEDULE

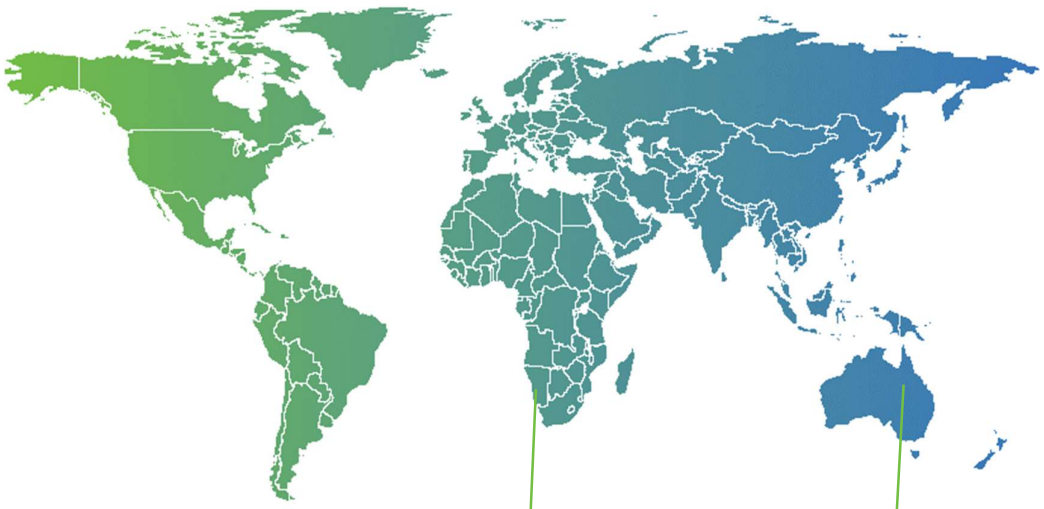
For personal use only



PERMIT SCHEDULE

Licence Location	Licence Number	Pancontinental Interest	Joint Venture Partners
NAMIBIA	PEL 87	75.00%	Custos 15.00% NAMCOR 10.00%
AUSTRALIA	ATP 920	20.00% *	Key Petroleum 80.00%
AUSTRALIA	ATP 924 -Ace	25.00% *	Key Petroleum 75.00%

* Earning



PETROLEUM EXPLORATION LICENCE 87
Orange Basin,
Offshore Namibia

ATP 920 & ATP 924 (ACE AREA)
Cooper Eromanga Basin,
Onshore Australia

For personal use only

Chairman's Review



Dear Shareholder,

I am pleased to present to you Pancontinental's 2025 Annual Report.

The 2025 financial year has been one of meaningful progress for Pancontinental Energy as we continue to advance our Namibian exploration project in the Orange Basin—one of the most dynamic and closely watched hydrocarbon regions globally.

Following the acquisition and processing of our high-quality 3D seismic data, Pancontinental has completed a comprehensive program of seismic interpretation and geological modelling; work that has significantly enhanced our understanding of the subsurface architecture across PEL 87. We now have a much clearer picture of the key structural and stratigraphic features that define our prospects, as well as improved insight into reservoir, seal, and source rock relationships. The result is a suite of large, well-defined prospects and leads with the scale and characteristics consistent with major discoveries made elsewhere in the basin.

The Orange Basin has rapidly established itself as a world-class petroleum province following the landmark discoveries by TotalEnergies (Venus/Mangetti), Galp (Mopane) and Rhino Resources/Azule Energy (Capricornus/Volans); all located on trend to our licence area. These discoveries have confirmed the basin's exceptional petroleum system and have drawn global industry attention. Pancontinental's acreage lies along the same proven fairway, and our recent technical work has further underscored its potential within this emerging exploration hotspot.

Over the past year, Pancontinental has also progressed its efforts to secure a farmin partner to participate in the next phase of exploration. A number of international deepwater operating companies have visited the data room, and the high level of industry interest we have received is a direct reflection of the strategic position of our licence within this increasingly active region.

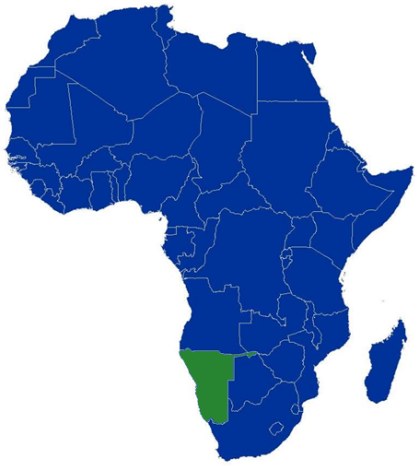
The Board remains focused on delivering value to shareholders through disciplined advancement of our project, prudent capital management, and the pursuit of strategic partnerships that will enable further activity in a timely and cost-effective manner. With a stronger technical foundation and a maturing farm-out process, Pancontinental is well placed to move confidently into the next stage of exploration in the Orange Basin.

On behalf of the Board, I extend my sincere thanks to our management team, staff and consultants for their dedication and professionalism, and to our shareholders for their continued support and belief in our strategy. We look to the year ahead with optimism as we seek to convert our technical achievements and strategic positioning into tangible outcomes for the Company and its investors.

Ernie Myers
Chairman

For personal use only

Namibia



Namibia Offshore PEL 87

Location:	Orange Basin	
Project Size:	10,970 square kilometres	
JV Partners:	Pancontinental	75.00%
	Custos Investments (Pty) Ltd	15.00%
	NAMCOR*	10.00%

*National Petroleum Corporation of Namibia

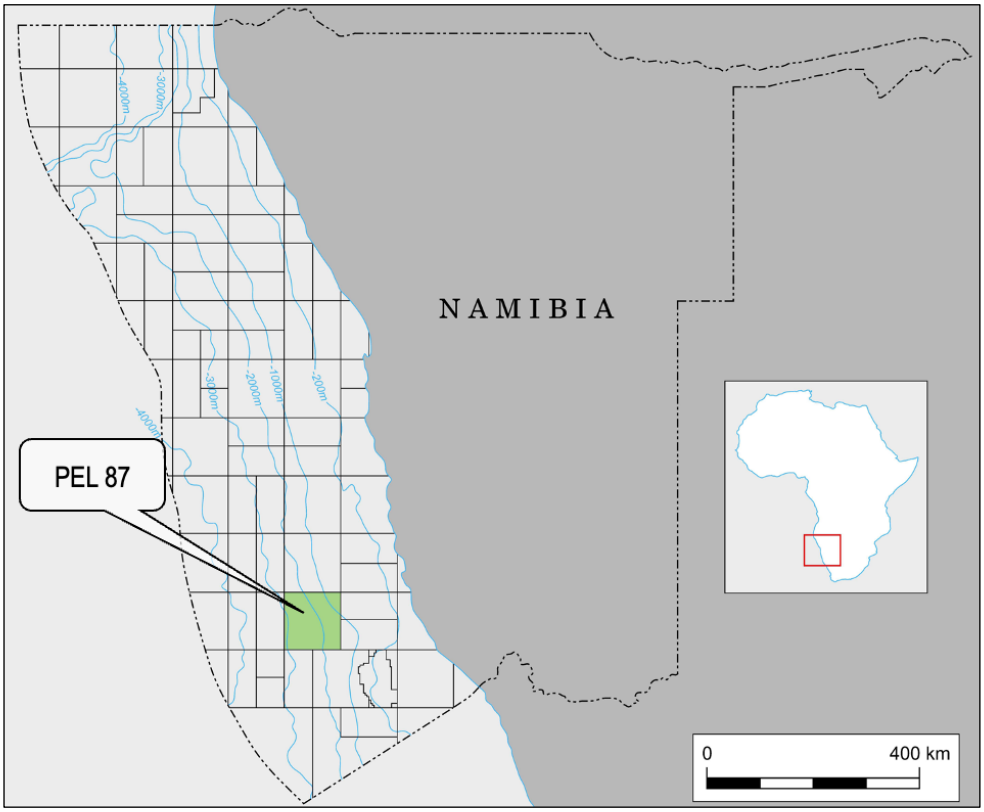


Figure 1: PEL 87 Location Map

The reporting period saw continued significant operational activity within the Namibian Orange Basin, with drilling operations undertaken by Galp Energia, TotalEnergies, Chevron and Rhino Resources/Azule Energy.

Galp Energia completed drilling of its Mopane-3X exploration well, situated approximately 18km away from the Mopane-1X well, in PEL 83. The well was confirmed as a further Mopane Complex discovery with Galp Energia reporting that light oil and gas-condensate are present in significant columns across the AVO-10/13 targets and a deeper sand. Galp Energia reported that wireline log analysis indicates good porosities, high pressures and high permeabilities, with initial fluid samples showing a low oil viscosity and minimal concentrations of CO2 /H2S. Galp Energia subsequently 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

For personal use only

(plus partially the Mopane-1A appraisal well). 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, further to the 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.

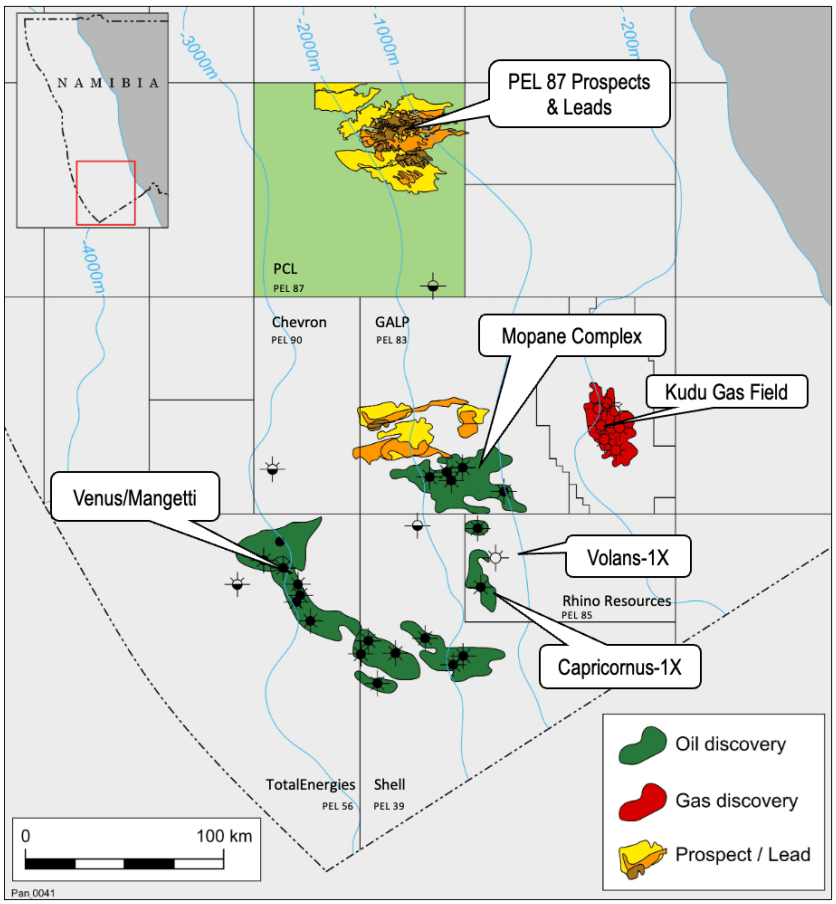


Figure 2: Namibian Orange Basin discoveries and prospects/leads

During the reporting period TotalEnergies progressed its Venus project towards a Final Investment Decision (FID), undertaking development studies and an Environmental and Social Impact Assessment (ESIA). The company is understood to be in discussions with the Namibian government as a precursor to taking FID (reported to be targeting late 2026 to early 2027) for what will be Namibia's first oil development. Also during the reporting period TotalEnergies drilled exploration wells at Tamboti-1X and Marula-1X.

In January 2025 Chevron completed drilling of its maiden exploration well in PEL 90, with its Kapana-1X well failing to encounter commercial quantities of hydrocarbons. It is understood that Chevron will return to PEL 90 to drill up to two exploration wells, commencing early 2026.

During and subsequent to the reporting period Azule Energy (a BP/ENI joint venture) confirmed three discoveries in PEL 85 (jointly held with Rhino Resources) with the Sagittarius-1X, Capricornus-1X and Volans-1X wells. 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% CO2 and no hydrogen sulphide. Most recently the Volans-1X well reached a total depth of 4,497.5m TVDSS (true vertical depth subsea) and encountered 26m of net pay in rich gas condensate-bearing reservoirs, with the reservoir showing excellent petrophysical properties and no

For personal use only

observed water contact. Initial laboratory analysis of two samples indicates a high condensate-to-gas ratio (CGR) of >140 bbl/mmscf with liquid density of approximately 40° API gravity.

Finally and subsequent to the reporting period, BW Energy commenced drilling of the Kharas-1 appraisal well. The well is understood to be targeting additional gas to support development of the 1.5 Tcf Kudu gas field, but is reported to also possibly be targeting a deeper oil play. At the time of writing drilling operations remain in progress.

PEL 87 Project

Further to receipt of the final 3D Prestack Depth Migration seismic data in early 2024, the Company has significantly enhanced its understanding of PEL 87 prospectivity during the reporting period, undertaking various studies designed to mitigate the various geological risks and maximising the value extracted from the US$38 million seismic dataset.

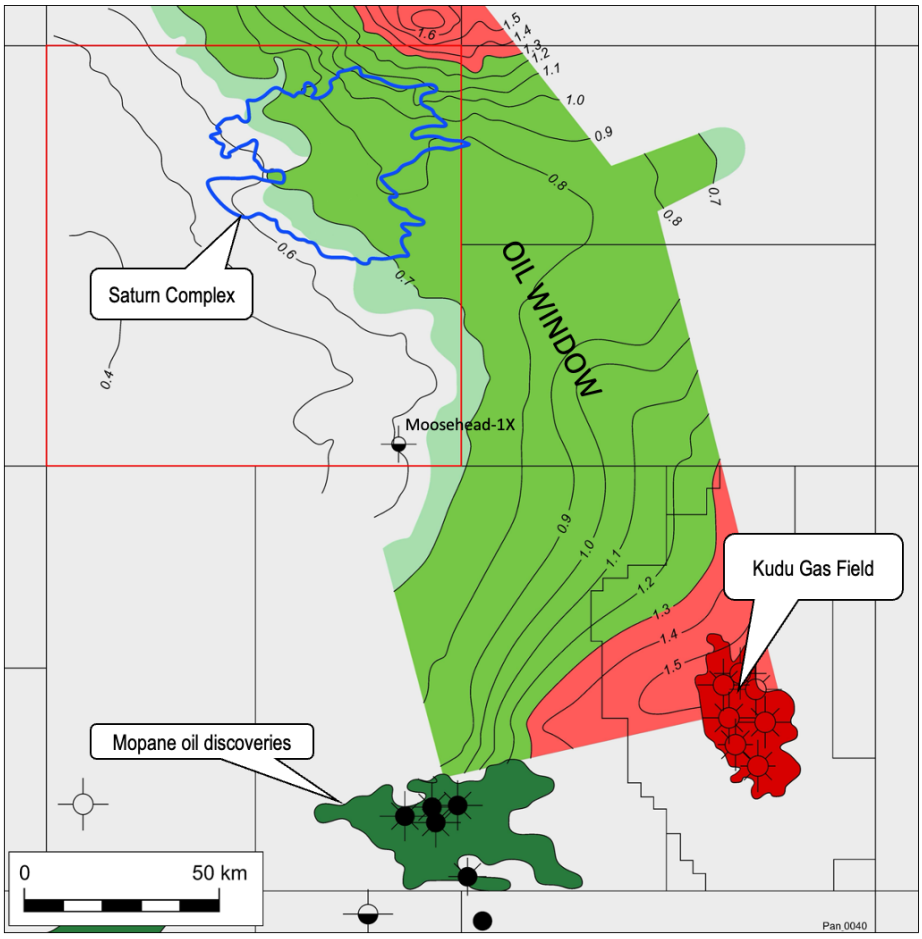


Figure 3: Kudu Shale Maturity Map

Basin Modelling: A basin modelling study was completed with input from a specialist consultant, the purpose of which 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.

For personal use only

An oil kitchen is interpreted to exist directly beneath the Saturn Complex and extends eastwards and southwards to the Mopane discoveries (refer Figure 3). 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.

Sequence Stratigraphy: An expert Sequence Stratigrapher was engaged to analyse the 3D seismic volum utilising the PaleoScan™ software package, resulting in the generation of a chrono-stratigraphically consistent geological model, an example section from which is shown in Figure 4. The generated geomodel provides an improved understanding of reservoir system provenance, distribution and geometries and increased confidence in interpreting discrete elements of the targeted turbidite reservoir systems.

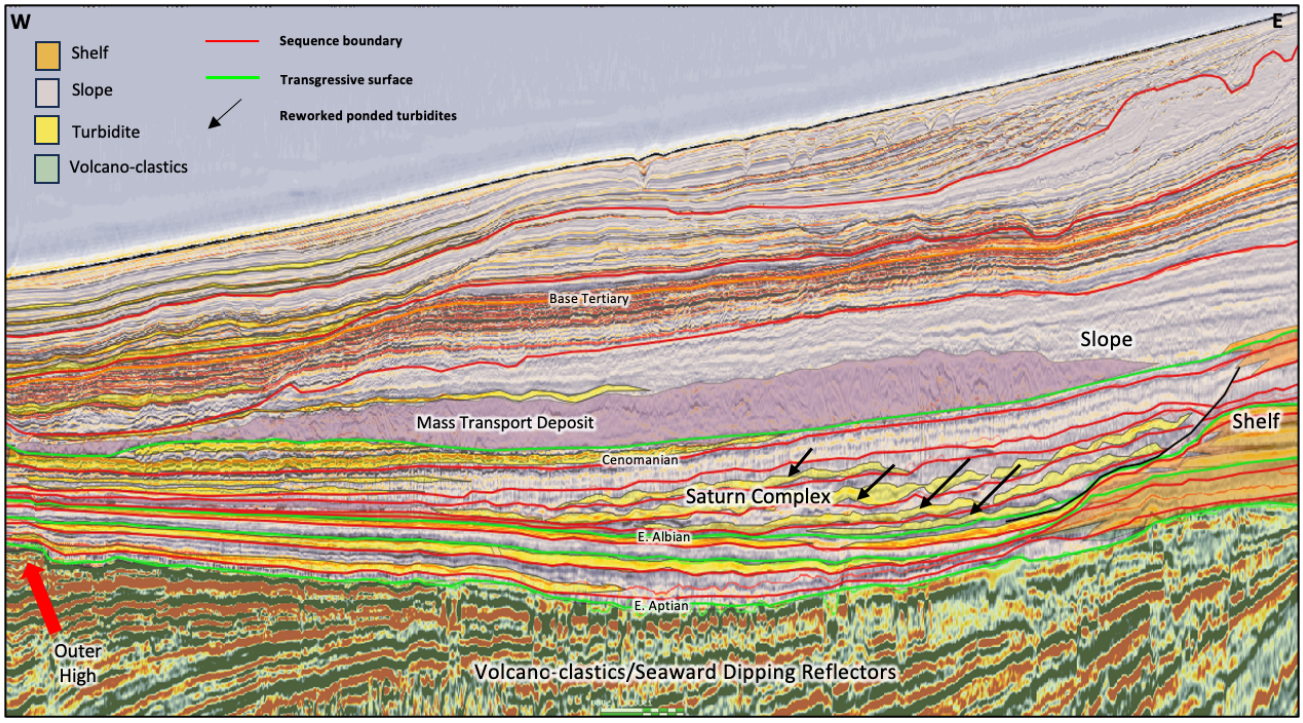


Figure 4: Cretaceous Tectono-Sequence Summary E-W Section

The example shown in Figure 5 displays the interpreted depositional systems across the full 3D survey area in the Late Aptian period, at the time of initial deposition of the Saturn Complex. The interpretation itself is based upon multiple different seismic attributes extracted at the Late Aptian horizon and reveals fluvial channels (shelfal) leading to multiple deepwater channels that run approximately east to west across PEL 87.

Interpretation across multiple such horizons within the Saturn Complex reveals repeated, cyclic depositional geometries originating from the shelf into a localised structural low, east of the Outer High. The wave-like appearance of these formations suggests that these sediments have ponded in the structural low and have then been reworked by ocean bottom currents, likely with associated winnowing. This winnowing process is well documented and results in removal of finer-grained clastic material, leaving coarser sands behind with the net result being a significant improvement in reservoir quality.

For personal use only

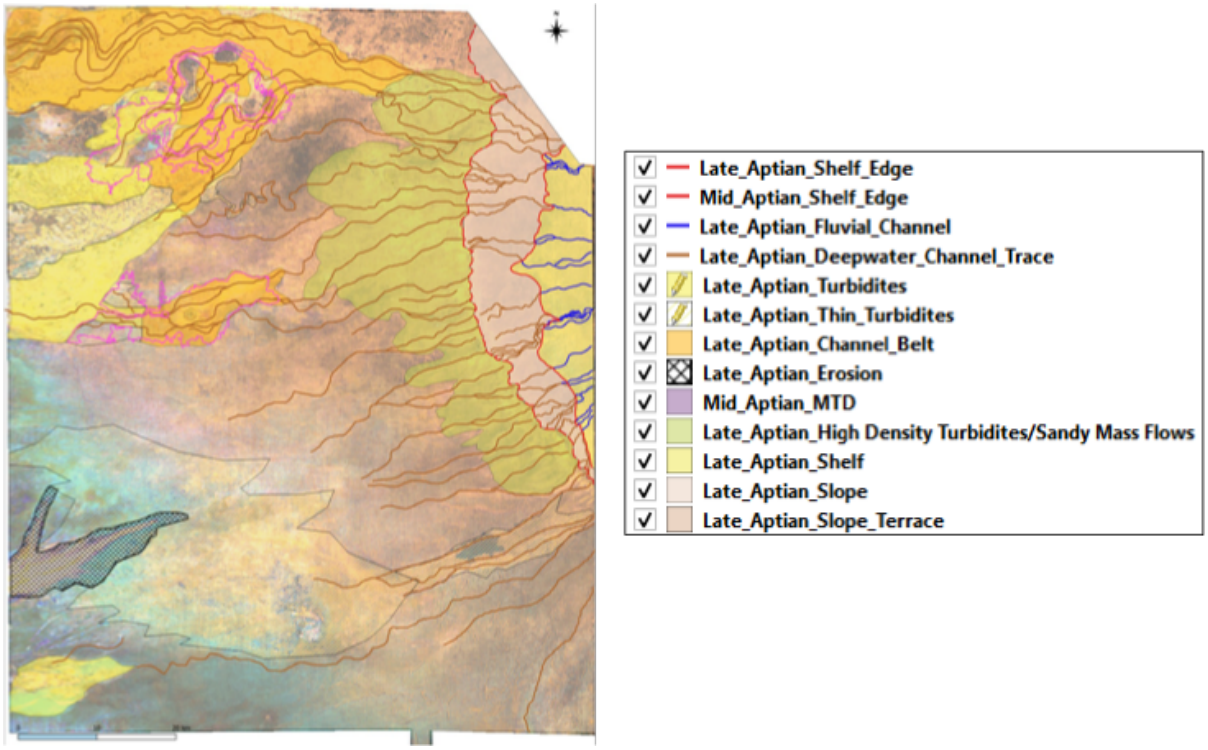


Figure 5: Geomodel Example: Interpreted Late Aptian Depositional System Across PEL 87 3D Survey Area

With the benefit of this new model Pancontinental regards the geological risk associated with reservoir presence as having been mitigated to a considerable degree.

Quantitative Interpretation: Pancontinental engaged an expert Quantitative Interpretation (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. The results of this support the case for a high net-to-gross reservoir system coincident with AVO anomalies observed within and around the Saturn Complex. Analysis of the 3D seismic gathers indicates consistent Class II and/or Class III AVO responses within the various prospects and leads, and synthetic modelling of those intervals indicates possible hydrocarbon effects evident in the seismic data, potentially 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 Pancontinental has finalised its estimates of Prospective Resources and geological risking for the PEL 87 prospect and lead inventory. Tables 1 and 2 provide Pancontinental's 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).

For personal use only

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 (Calypso)	791	3,782	8,771	225	1,086	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%
Phoebe West	350	2,134	4,157	88	534	1,039	21.2%
Northern Channel	628	3,208	7,140	157	802	1,785	22.9%
Total	**2,702**	**13,092**	**29,606**	**711**	**3,606**	**8,174**	

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 (Calypso)	594	2,837	6,578	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%
Phoebe West	263	1,601	3,118	66	400	779	21.2%
Northern Channel	471	2,406	5,355	118	602	1,339	22.9%
Total	**2,027**	**9,819**	**22,205**	**533**	**2,704**	**6,131**	

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, 29 July 2025 and 22 October 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 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.

For personal use only

Queensland, Australia

Onshore, Cooper Basin, ATP 920, 924 (Ace Area)



Location: Cooper Eromanga Basin

Project Size: ATP 920 - 2,337 km2 ATP 924 - 2,220 km2

JV Partners: ATP 920 Key Petroleum Limited (Operator) 80.00%

ATP 920 Pancontinental Energy NL 20.00%**

ATP 924* Key Petroleum Limited (Operator) 75.00%

ATP 924* Pancontinental Energy NL 25.00%**

* Ace Area

**earning

Pancontinental farmed into the Meeba Project, Cooper Basin, Onshore Queensland during 2019. COVID-19 as well as a number of natural disasters in the Eastern States set back the planned activities on the Authorities to Prospect for operator Key Petroleum Limited ("Key") and the joint venture. Key Petroleum has submitted renewal applications for ATP 920 and ATP 924 which are awaiting renewal approvals by the Department of Natural Resources.

Liquidity and Funding

During the financial year, Pancontinental raised $60,000 through the conversion of listed options into ordinary shares.

Subsequent to the end of the financial year, the Company received $1,793,933 from the conversion of 149,494,389 listed options at an exercise price of $0.012 per share into ordinary shares.

The Board extends its appreciation to shareholders who chose to exercise their options, demonstrating continued confidence in the Company's strategy, exploration portfolio and long-term growth potential. This strong support has further strengthened the Company's cash position and ability to progress planned technical and commercial activities.

For personal use only

DISCLAIMERS & NOTES

Prospective Resource Estimates Cautionary Statement

The estimated quantities of petroleum in this report that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated 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 moveable hydrocarbons.

Prospective Resources

Prospective Resource estimates in this report have been prepared as at the date disclosed under the prospective resource numbers. The estimates have been prepared in accordance with the definitions and guidelines set forth in the Petroleum Resource Management System 2007 approved by the Society of Petroleum Engineers and have been prepared using deterministic methods. Unless otherwise stated the estimates provided in this report are Best Estimates. The estimates are unrisked and have not been adjusted for an associated risk of discovery and risk of development. The 100% basis refers to the total resource while the Net to Pancontinental basis is adjusted for Pancontinental's percentage entitlement under Joint Venture contracts and adjusted for applicable royalties.

Prospective Resources estimates in this report have been made by Pancontinental Energy NL and may be subject to revision if amendments to mapping or other factors necessitate such revision.

Prospects and Leads

The meanings of "Prospects" and "Leads" in this report are in accordance with the Petroleum Resource Management System 2007 approved by the Society of Petroleum Engineers. A Prospect is a project that is sufficiently well defined to represent a viable drilling target. A Lead is a project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and / or evaluation to be classified as a Prospect.

Competent Person Statement Information

The Prospective Resources included within this report have been estimated by Mr. Ric Jason, 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 33 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.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning Pancontinental Energy NL's planned operation programme and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Pancontinental believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements.

For personal use only

The Directors of Pancontinental Energy NL ("Pancontinental" or "the Company") present their report for the financial year ended 30 June 2025.

DIRECTORS

The following provides the names and details of the Company's Directors in office during the financial year and up to the date of this report. All Directors served for the full period unless noted otherwise.

Names, qualifications, experience and special responsibilities

Ernest Anthony Myers CPA (Executive Chairman)

Mr Myers, a qualified Accountant, has extensive experience in senior management and executive positions across several ASX-listed companies. Throughout his career, he has been instrumental in capital raisings and the financial management of these organisations. Within Pancontinental, he has played a pivotal role in the oversight and management of the Group's African portfolio. Mr Myers joined Pancontinental in March 2004, was appointed Executive Director in January 2009, Chief Executive Officer in November 2018, and subsequently Executive Chairman in December 2022.

Mr Myers was also Non-Executive Chairman of Norwest Energy NL from November 2018 until its takeover by Mineral Resources Limited during the 2023 financial year.

Roy Barry Rushworth, BSc (Geology & Marine Science) (Non-Executive Director)

Mr Rushworth is a Geologist with extensive experience in petroleum exploration. His career began in exploration operations before progressing to senior roles, including Chief Geologist and Exploration Manager for an ASX-listed company, during which time several oil and gas discoveries were achieved. In recent years, he has been responsible for identifying, negotiating, and securing international new venture opportunities in Malta, Kenya, Morocco, and Namibia, as well as successfully farming out these projects to major industry participants.

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

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

Ms Petrovic is an Accountant with a Bachelor of Commerce, majoring in Accounting and Business Law, and a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia. Professional experience includes accounting and finance roles within a range of publicly listed companies, many with operations in Africa, providing a strong platform for contributing to Pancontinental's accounting and governance responsibilities.

Ms 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.

MANAGEMENT

Iain Peter Smith, MSc (Petroleum Geophysics & Geology) (Chief Executive Officer)

Mr Smith, a Petroleum Geoscientist, has held a range of commercial and senior leadership positions with ASX-listed oil and gas companies. His most recent role was as Managing Director of Norwest Energy NL, an exploration company focused on the Perth Basin. He commenced with Pancontinental as Board Advisor in May 2023 and was appointed Chief Executive Officer in March 2024. In this capacity, he oversees the Company's strategy, management, and operations.

Mr Smith was a Director of Winchester Energy Limited from 3 June 2024 to 23 July 2025. He has also been a Director of IPB Petroleum Limited since 1 August 2025.

For personal use only

DIRECTORS' INTERESTS

Details of each Director's relevant interests in the Company's shares and options at 30 June 2025 are as follows:

	Ordinary Shares	Options over Ordinary Shares
Ernest Anthony Myers	3,900,715	40,500,000
Roy Barry Rushworth	146,335,610	101,000,000
Vesna Petrovic	8,913,043	40,500,000

DIRECTORS' MEETINGS

Board meetings convened during the year, along with each Director's attendance, are shown below:

	Directors' Meetings
Number of meetings held:	3
Number of meetings attended:	
Ernest Anthony Myers	3
Roy Barry Rushworth	3
Vesna Petrovic	3

Notes
Given the size of the Board, communication between members is highly open and occurs at least weekly, either by email or telephone, ensuring all Directors remain fully informed of the Company's affairs. Throughout the financial year, a number of matters were also considered and approved by circular resolution. The full Board undertakes the responsibilities ordinarily delegated to the audit, remuneration, and nomination committees.

CORPORATE INFORMATION

Corporate structure
Pancontinental Energy NL (ACN 003 029 543) is a no liability company incorporated and domiciled in Australia, with its registered office situated at 45 Ventnor Avenue, West Perth, WA 6005.

Nature of operations and principal activities
The principal activities of the Consolidated Entity during the year were centred on energy exploration, including the management of offshore acreage, reviewing and assessing seismic data, technical studies, and the assessment of new venture opportunities.

For a company in the exploration stage, business drivers are the factors that most directly influence operational and financial performance. These include careful management of working capital, disciplined capital allocation, and technical excellence in sourcing, assessing, and progressing exploration projects. Strategic partnerships, farm-out arrangements, and prudent risk management are also critical to advancing high-impact opportunities while preserving shareholder value.

There have been no significant changes in the nature of those activities during the year.

Objectives
Objectives of the Group include:

- Advancing exploration activities across the Company's existing offshore Namibian permits;
- Maximising value from the Company's asset portfolio;
- Identifying and securing new venture opportunities that complement the Group's strategic focus;
- Actively managing the technical, financial, and operational risks inherent in the exploration sector; and
- Preserving liquidity and maintaining financial flexibility.

For personal use only

The Group's strategies for achieving these objectives include:

- Approving and implementing exploration work programs that are technically robust and financially sustainable;
- Pursuing strategic partnerships and joint ventures to share costs and reduce risk exposure;
- Maintaining a disciplined approach to expenditure, with a focus on reducing non-core costs; and
- Considering appropriate capital management initiatives and fundraising opportunities to support ongoing exploration activities.

Earnings per share	Cents
Basic earnings per share	(0.02)
Diluted earnings per share	(0.02)

For the financial year ended 30 June 2024, the Company recorded a loss of $2,338,436. For the year ended 30 June 2025, the loss was $1,753,224. The Company continues to operate under a low-cost, lean overhead structure and remains focused on reducing discretionary and non-essential expenditure wherever possible, while also seeking efficiencies and cost reductions across essential activities.

Employees

As at 30 June 2025, and at 30 June 2024, the Consolidated Entity comprised three Directors, one Chief Executive Officer, and one Employee. To support this streamlined structure, the Consolidated Entity engages specialist consultants and technical advisors on an as-needed basis. This model enables the Company to maintain low fixed costs while ensuring access to the expertise required to advance its offshore Namibian exploration programs and manage its corporate activities.

OPERATING AND FINANCIAL REVIEW

Projects

Namibia PEL 87 – Offshore [75% interest]

Pancontinental's principal focus during the year was the continued technical evaluation and advancement of its 75%-owned offshore Namibian permit, PEL 87, located in the Orange Basin – a region of increasing global significance following multiple discoveries by other operators. The Company concentrated on seismic interpretation, basin modelling, prospect maturation and preparatory regulatory work, while also managing its cash position carefully.

Technical Work and Seismic Interpretation

31 October 2024 – September 2024 Quarterly

Pancontinental reported that interpretation of the 6,593 km² 3D PSDM seismic dataset over PEL 87 was nearing completion. Several intra-Saturn leads were supported by Type II AVO anomalies, believed to be consistent with discoveries on-trend to the south. The Company also highlighted strong activity across Namibia's Orange Basin, reinforcing confidence in the regional petroleum system.

21 November 2024 – PEL 87 Project Update

The Namibian Ministry of Mines and Energy approved the seismic licence for PEL 87. This was a key milestone, triggering the Long Stop Date of 18 May 2025 under the option deed with Woodside Energy.

31 January 2025 – December 2024 Quarterly

Further seismic and geological analysis continued, with results supporting the presence of turbidite sandstone reservoirs within the Saturn Complex. Leads such as Oryx and Hyrax remained the focus of technical work. Pancontinental also noted continued regional discoveries by neighbouring operators, providing a strong setting for ongoing exploration.

For personal use only

Resource Estimates and Farm-in Activity

18 March 2025 – PEL 87 Project Update

Pancontinental announced that Woodside Energy had formally elected not to exercise its option to farm into PEL 87 before the 18 May 2025 deadline. In response, Pancontinental and its partners commenced a farm-out process to secure an alternative partner with deepwater exploration capability. The farm-out efforts are continuing.

18 March 2025 – PEL 87 Prospective Resources

On the same day, the Company released Prospective Resource estimates for PEL 87, based on the high-quality 3D seismic data and ongoing technical studies. These estimates further defined the size and potential of the Saturn Complex and improved geological confidence in several leads.

30 April 2025 – March 2025 Quarterly

Basin modelling indicated that the Saturn fetch area could have expelled around 20 billion barrels of oil into the overlying system, with oil migration from the kitchen into the Saturn Complex required only over a relatively short distance and minimal vertical migration required to charge the overlaying Saturn Complex targets.

Regulatory Preparation and Environmental Approvals

31 July 2025 – June 2025 Quarterly

Pancontinental reported completion of further Quantitative Interpretation (QI) work, which indicated potential for high net-to-gross reservoir systems within Saturn. Fluid substitution modelling pointed to oil with a low gas-oil ratio, consistent with recent Orange Basin discoveries.

The Company also commenced the Environmental Impact Assessment process required to obtain approvals for future exploration drilling in PEL 87.

Queensland Australia ATP 920 & 924 [20-25% earning interest]

During 2019, Australian assets were added to the Company's exploration portfolio. This was achieved by the Company farming into the Meeba Project, Onshore Queensland. The Company signed agreements to acquire two large exploration permits, ATP 920 and ATP 924 (Ace area) in the Cooper Basin. The agreement was executed with the Operator of the permits Key Petroleum Cooper Basin Pty Ltd, a wholly owned subsidiary of ASX listed Key Petroleum Limited. Operator Key Petroleum Limited submitted renewal applications for ATP 920 and ATP 924 which are awaiting renewal approvals by the Department of Natural Resources.

Corporate

Financial Position

Across the reporting year, Pancontinental continued to operate with a lean cost structure. Cash balances declined modestly each quarter as funds were directed towards technical work and regulatory preparations:

~A$3.9 million at 30 September 2024
~A$3.6 million at 31 December 2024
~A$3.1 million at 31 March 2025
~A$2.5 million at 30 June 2025

Liquidity and Funding

During the financial year, Pancontinental raised $60,000 through the conversion of listed options into ordinary shares.

Subsequent to the end of the financial year, the Company received $1,793,933 from the conversion of 149,494,389 listed options at an exercise price of $0.012 per share into ordinary shares.

For personal use only

New Ventures

The Company maintains an active focus on business development and growth by continually identifying and assessing new venture opportunities that have the potential to complement and enhance its existing portfolio of exploration assets. This process involves screening opportunities across the international energy sector, with particular emphasis on regions and projects that align with the Company's technical capabilities, financial capacity, and strategic objectives. By pursuing a disciplined approach to evaluating such opportunities, the Company seeks to diversify its asset base, strengthen its long-term exploration prospects, and create additional value for shareholders alongside its existing offshore Namibian portfolio.

Group Overview

Pancontinental Energy NL was incorporated in 1985 and has been listed on the Australian Securities Exchange since 1986, marking nearly four decades of active participation in the energy sector. Over this period, the Company has been a dedicated energy exploration business with a strategic emphasis on offshore energy opportunities.

Today, the Pancontinental Group comprises the Parent Company and three subsidiary entities. The Group's principal exploration focus is offshore Namibia, where Pancontinental holds an interest in a highly prospective petroleum licence. This area is widely regarded as an emerging global oil and gas province, and the Group's strategy is to advance these assets while selectively reviewing additional opportunities that may complement its existing portfolio.

Dynamics of the Business

Pancontinental operates as a junior energy exploration company, with activities driven by the acquisition, evaluation, and advancement of high-impact offshore exploration projects. The Group's business dynamics are shaped by the early-stage nature of exploration, where success depends on prudent capital management, technical capability, and the ability to secure and maintain quality acreage.

The Company's principal focus remains its offshore Namibian portfolio, situated in a region that has attracted global attention following recent discoveries by major operators. The dynamics of operating in this environment involve a balance between high potential reward and the inherent risks of frontier exploration, requiring disciplined expenditure, the right technical evaluation, and strategic partnerships to share costs and reduce risk exposure.

While Africa remains at the core of Pancontinental's activities, the Company maintains the flexibility to evaluate opportunities in other jurisdictions where its technical expertise and strategic objectives can be effectively applied. This approach ensures that the business can adapt to changing industry conditions while continuing to pursue value creation for shareholders.

Performance Indicators

The Board regularly monitors the Group's operating plans, financial budgets, and overall performance, while also reviewing the Company's share price and market positioning. Management reporting to the Board ensures that operational and financial objectives are evaluated against approved work programs and strategic goals.

Key internal performance drivers include the disciplined management of working capital, maintaining a low-overhead cost structure, and allocating funds to activities most likely to deliver shareholder value. Exploration progress is also a critical performance measure, with milestones such as seismic acquisition and interpretation, and progress on joint venture work programs providing tangible indicators of advancement across the Group's Namibian portfolio.

While the Company's share price is tracked as a performance indicator, it is recognised that market valuation is not solely reflective of underlying performance and may be influenced by external factors, including global energy prices, investor sentiment towards the exploration sector, and broader macroeconomic conditions beyond the control of the Board and Management.

Other important performance indicators for a company at Pancontinental's stage include the ability to secure and retain quality exploration acreage, to attract and maintain strategic farm-in partners, to raise capital on favourable terms, and to progress regulatory approvals in its operating jurisdictions. Collectively, these measures provide the Board with a comprehensive view of performance and alignment with the Company's long-term strategy of creating shareholder value through successful offshore exploration.

For personal use only

Operating Results for the Year

A summary of the operating results is set out below:

	2025	
	Revenues	Results
	$	$
Non-segment and unallocated revenues and results	178,149	(1,753,224)
Revenues and results of the Consolidated Entity from ordinary activities, prior to income tax expense	178,149	(1,753,224)

For the financial year ended 30 June 2025, the Consolidated Entity recorded a loss of $1,753,224. The result reflects the nature of the Company's activities as a junior energy explorer, where expenditure is primarily directed toward maintaining exploration assets, regulatory compliance, and advancing strategic initiatives rather than generating operating revenues at this stage.

Management and the Board remain committed to prudent financial discipline. Non-essential and discretionary expenditure has been curtailed wherever possible, while cost reductions have also been pursued across essential areas critical to the operation of the business. The Company continues to operate under a streamlined structure, with three Directors, a Chief Executive Officer, and one employee responsible for the day-to-day management of operations. To complement this structure and ensure technical and corporate expertise is available as needed, Pancontinental engages specialist consultants and advisors on a project-specific basis.

This flexible approach enables the Company to maintain low fixed overheads while accessing the skills and knowledge required to progress its offshore Namibian portfolio and evaluate potential new venture opportunities.

Shareholder Returns

As the Group remains in the exploration phase, direct returns to shareholders are not yet generated through dividends or operating profits. Instead, shareholder value is primarily measured through capital growth, with the potential for returns linked to exploration success, the advancement of the Company's Namibian offshore portfolio, and the overall performance of the Company's securities on the Australian Securities Exchange.

	2025	2024	2023	2022	2021
Profit /(Loss) attributable to owners of the Company	**(1,753,224)**	(2,338,436)	(1,870,559)	(823,179)	(788,165)
Basic earnings per share (cents)	**(0.02)**	(0.03)	(0.02)	(0.01)	(0.01)
Share price	**$0.011**	$0.022	$0.012	$0.001	$0.001

Net Loss amounts have been calculated in accordance with Australian Accounting Standards.

Risk Management Framework

The Board of Pancontinental is responsible for overseeing the Group's risk management framework. Risk management is embedded in business planning and decision-making across exploration, funding, governance and operations. The Board reviews the effectiveness of the framework regularly to ensure it remains appropriate for the Company's size, strategy and stage of development.

Approach to Risk

Risks are identified and assessed using both qualitative and quantitative factors. Treatments may include avoidance, reduction, transfer or acceptance depending on the likelihood and potential impact. Day-to-day monitoring is undertaken by management, with Board oversight ensuring that significant risks are identified early and addressed appropriately.

Material Business Risks

The Directors have identified the following material risks relevant to the Group and the industry in which it operates:

Exploration and operational risk – energy exploration is inherently uncertain, with outcomes dependent on geological factors, the success of work programs, and the effective execution of exploration activities.

Funding and liquidity risk – reliance on access to equity capital and/or strategic partners to progress exploration programs.

Joint venture and partner risk – the potential for misalignment of objectives, timing or funding commitments when entering into joint ventures or farm-out arrangements with industry partners.

For personal use only

Foreign jurisdiction risk – exposure to political, regulatory, fiscal and operational changes in countries where the Group holds assets.

Market and commodity risk – fluctuations in oil and gas prices, levels of industry exploration activity, and shifts in investor sentiment can influence access to funding and the commercial viability of projects.

People and capability risk – the Group's performance depends on its capacity to attract and retain individuals with the necessary technical, operational and corporate skills. Given the specialist nature of the energy industry, the Company also relies on external consultants to provide expertise on a project-specific basis. Competition for skilled professionals and consultants in the sector may affect the Group's ability to deliver its exploration programs effectively.

Information and systems risk – protection of data and business continuity in the event of cyber-security incidents or IT system outages.

Governance and Disclosure

Given the size and scope of Pancontinental's operations, the full Board oversees risk management rather than establishing a separate Risk Committee. This ensures all Directors contribute to the identification and monitoring of material business risks. Where risks or events could materially affect the price or value of the Company's securities, disclosure is made in accordance with ASX Listing Rule 3.1 and the Company's Continuous Disclosure Policy.

Climate Related Disclosures

Pancontinental has voluntarily reviewed its climate-related risks and opportunities in light of the new Australian Sustainability Reporting Standard, including AASB S2 Climate-related Disclosures and the associated TCFD framework. Although the Company is not currently within the scope of mandatory reporting requirements under AASB S2 due to its size and stage of operations, it is voluntarily aligning its disclosures with this framework to enhance transparency and prepare for future regulatory developments.

Governance

The Board retains oversight of climate-related risk and opportunity assessment as part of its regular risk management responsibilities. Climate-related matters are considered by the Board when relevant to strategic planning, capital allocation, and risk evaluation, as appropriate for an early-stage oil and gas explorer. Management supports this process by identifying and monitoring relevant risks and opportunities, and by providing information to the Board as circumstances require.

Strategy

Given Pancontinental's current focus on early-stage exploration activities, direct greenhouse gas emissions are not considered material. However, the Company has considered both transition and physical risks that may impact its operations and strategy over the short, medium, and long term:

Transition risks

Regulation: Potential for stricter emissions or reporting standards in Namibia or Australia, which could increase compliance costs and delay approvals for work programs.

Capital access: Investors and financiers are increasingly applying climate screens to companies. A tightening of such policies could restrict access to equity or debt markets for early-stage explorers.

Technology: Shifts in industry practice toward lower-emission operations may require the adoption of new technology or higher standards in contracting, potentially increasing costs.

Physical risks

Acute: A severe Atlantic storm or flooding event in Namibia could disrupt offshore seismic or drilling programs, leading to cost overruns or delays.

Chronic: Gradual changes in sea level or weather patterns could increase long-term uncertainty in offshore logistics and vessel availability, and may also lead to higher insurance costs.

Opportunities

Access to capital: A growing pool of investors is targeting low-emission and responsibly managed exploration businesses. Transparent climate governance may improve Pancontinental's ability to attract such capital.

Operational efficiencies: Adoption of remote technology (such as digital geoscience review and remote conferencing) reduces travel and associated emissions, while lowering costs.

Scenario context: While quantitative scenario analysis has not yet been conducted, under a low-carbon transition (aligned with a 2°C pathway), the Company may face higher reporting and compliance costs but could benefit from increased investor preference for well-governed, low-emission explorers. In a high physical impact scenario, exploration activities may face delays or disruption due to severe weather events, which could increase costs or affect timing of work programs. Future scenario analysis will be incorporated as the business progresses toward development and production phases.

Risk Management

Climate-related risks are identified, assessed and managed within the broader risk management framework, consistent with ASX Principle 7 and evolving sustainability standards.

The Board considers climate-related risks when they are relevant to business planning and strategy.

External specialists may be engaged to support scenario analysis or impact assessment as needed.

Metrics & Targets

At present, Pancontinental does not currently generate material Scope 1 or Scope 2 greenhouse gas emissions, and has not yet established a formal emissions baseline.

The Company is committed to developing emissions metrics when operationally relevant and report these in future periods.

Future climate-related targets may be adopted as circumstances evolve (e.g., emissions intensity reductions, energy efficiency initiatives, or offset commitments), with progress disclosed annually once established.

Investments for Future Performance

At this stage of development, Pancontinental's ability to generate returns for shareholders is linked to building asset value rather than distributing profits. Shareholder outcomes are shaped by exploration progress within the Company's Namibian portfolio, the negotiation of strategic partnerships, and the preservation of a disciplined financial framework. Over time, success in these areas is expected to translate into enhanced market recognition and potential capital appreciation for shareholders.

Review of Financial Condition

Capital Structure

The Company's capital structure as at 30 June 2025 is as follows:

Share Capital	Number of shares	$
Balance at end of financial year	**8,136,585,866**	**119,531,262**

Unlisted Options on Issue	Number of options	$
Balance at end of financial year	**360,000,000**	**3,100,000**

Listed Options on Issue	Number of options	$
Balance at end of financial year	**487,549,998**	**-**

Listed options have no value in the general ledger due to the options being free attaching options.

Treasury Policy

Given the size and scope of the Group's operations, the Board has determined that a separate treasury function is not required at this stage. Cash management, capital allocation, and foreign exchange considerations are overseen directly by the Board and senior management. This approach ensures that treasury-related activities remain aligned with the Company's overall financial strategy, which emphasises prudent cost control, maintaining liquidity, and directing available funds toward advancing exploration activities and creating shareholder value.

For personal use only

For personal use only

SHARE OPTIONS

Unissued shares under unlisted options

As at 1 July 2024, there were 310,000,000 ordinary shares under unlisted options issued to Directors, Employees, Consultants and Advisors.

In August 2024, Pancontinental issued unlisted options to Salient Corporate Pty Ltd for ongoing consulting services.

Key terms of the unlisted options are as follows:

Type of Security	Unquoted options. Each option is exercisable, before its expiry date, into one fully paid, ordinary share in the Company.
Number	50,000,000
Exercise Price	$0.035 per option
Expiry	12 August 2028

As at 30 June 2025, the total number of unlisted options was 360,000,000.

Unissued shares under listed options

As at 1 July 2024, there were 492,549,998 unissued shares under listed options.

During the 2025 financial year 5,000,000 listed options were converted to ordinary shares raising $60,000 and resulting in a closing balance at 30 June 2025 of 487,549,998 listed options.

Shares issued as a result of the exercise of listed options

There were 5,000,000 ordinary shares issued as a result of the exercise of listed options priced at $0.012 during the financial year. The conversion of listed options raised $60,000 for the Company.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the state of affairs of the Company occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

29 July 2025

PEL 87 Prospective Resources Upgrade

The Company revised its prior estimates of prospective resources (refer to ASX announcement 18 March 2025) and geological risking for the PEL 87 prospect and lead inventory, based upon the results of the Quantitative Interpretation study which indicate potential for a higher net to gross reservoir system than was previously estimated.

1 July 2025 – 11 August 2025

Option Conversions

During the period commencing 1 July 2025 to 11 August 2025, the Company received $1,793,933 from the conversion of 149,494,389 listed options at $0.012.

11 August 2025

Notification of Cessation of Securities

338,055,609 listed options were not exercised prior to the expiry date and as such lapsed.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Consolidated Entity anticipates maintaining its current level of operations in the near term, with ongoing focus on the progression of its existing offshore Namibian exploration portfolio. At present, no material changes to the scale or nature of the Group's activities are expected. However, the outcome of exploration activities, joint venture discussions, or capital management initiatives may influence the future direction of the Company. The Board will continue to assess opportunities that have the potential to complement the existing asset base and create value for shareholders.

For personal use only

ENVIRONMENTAL REGULATION AND PERFORMANCE

Pancontinental is committed to meeting all environmental management and regulatory requirements in the jurisdictions where it holds interests. The Company recognises the importance of sound environmental practices in the conduct of its exploration activities, particularly offshore Namibia, where maintaining high standards of compliance is essential.

Operational programmes and budgets are reviewed by the Company's technical and financial executives to ensure that planned activities meet both regulatory obligations and industry best practice. Environmental considerations are embedded in the assessment of all exploration activities, and regular updates are monitored to ensure that any potential environmental issues are identified and addressed promptly.

The Board and Management remain focused on ensuring that Pancontinental's activities are conducted responsibly, with due regard to minimising environmental impact, safeguarding assets, and supporting long-term sustainability.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Since the end of the previous financial year, the Company has maintained insurance policies in respect of Directors' and Officers' liability and associated legal expenses. In accordance with the terms of the insurance contracts, the Directors are prohibited from disclosing details of the specific liabilities covered or the amount of the premiums paid. The Board considers this insurance to be an important safeguard, ensuring that the Company can continue to attract and retain high-calibre individuals to serve in governance and management roles.

The premiums were paid in respect of the following Officers of the Company and its Controlled Entities:

EA Myers, RB Rushworth, V Petrovic and IP Smith.

NON-AUDIT SERVICES

During the financial year, an affiliate of the Company's auditors performed certain other services in addition to the audit and review of the financial statements. The affiliate operates within the same global network as the Company's auditors, but is not involved in the audit of the financial statements. The Board has considered the non-audit services provided during the financial year by the auditor and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services were subject to the Corporate Governance procedures adopted by the Group; and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Group is set out below:

Amounts received or due and receivable by In.Corp Audit & Assurance Pty Ltd for:		
– an audit or review of the Financial Report of the Entity and any other Entity in the Consolidated Entity	**43,699**	41,000
– tax compliance services in relation to the Entity and any other Entity in the Consolidated Entity	**6,140**	11,025
	49,839	52,025

For personal use only

REMUNERATION REPORT (Audited)

This Remuneration Report provides the specific facts and circumstances covering the remuneration of the Directors and Executives of Pancontinental Energy NL ("the Company"). The report has been prepared in accordance with the requirements of the Corporations Act 2001 and forms part of the Directors' Report for the financial year.

Remuneration philosophy

The Company's remuneration framework is designed to reflect the size, scope, and stage of development of Pancontinental, while ensuring that payments remain competitive with market practice and appropriate for an exploration-focused entity.

- **Non-Executive Directors** receive fixed fees for their Board responsibilities. Where Non-Executive Directors undertake additional duties beyond their normal scope, they may be remunerated separately at rates consistent with market practice.
- **Executive Directors** are paid a fixed salary commensurate with their executive responsibilities.
- **The Chief Executive Officer** receives a fixed fee for his executive services in accordance with his contract of engagement.
- No termination, retirement, or post-employment benefits are provided to Directors, other than those required under statutory obligations such as superannuation.

The Board believes this structure provides clarity, maintains cost discipline, and ensures that remuneration arrangements are consistent with the Company's focus on shareholder value creation during the exploration stage.

Remuneration Committee

Given the size and scope of Pancontinental's operations, the Board has determined that it is not necessary to establish a separate Remuneration Committee. Instead, the full Board retains responsibility for all remuneration-related matters, including setting and reviewing remuneration policies, determining the remuneration of Directors and Executives, and ensuring that remuneration practices remain appropriate to the Company's stage of development and aligned with shareholder interests.

Where a matter pertains to the remuneration of a particular Director, that Director does not take part in discussions or decisions on the matter. This ensures independence, avoids conflicts of interest, and maintains transparency in the decision-making process.

This approach provides effective oversight while maintaining cost efficiency and allows all non-conflicted Directors to contribute to remuneration decisions in a fair and accountable manner.

Remuneration structure

Consistent with recognised corporate governance principles, the Company maintains a clear separation between the remuneration framework for Non-Executive Directors and that of Executive Directors and senior management. This distinction reflects the differing roles and responsibilities of Non-Executives, who provide independent oversight and governance, and Executives, whose remuneration is linked to the management and operational performance of the business.

Non-Executive Director remuneration

Objective

The Board seeks to set aggregate remuneration for Non-Executive Directors at a level that is sufficient to attract and retain individuals of high calibre, with the skills and experience necessary to oversee the Company's strategy and governance. At the same time, remuneration levels are set to ensure that costs remain appropriate for a junior exploration entity and acceptable to shareholders.

Structure

In accordance with the Company's Constitution and the ASX Listing Rules, the aggregate amount of fees payable to Non-Executive Directors is determined from time to time by shareholders in general meeting. The total amount approved represents the maximum that can be paid in aggregate, with the actual allocation among Directors determined by the Board.

Shareholder approval for the current aggregate remuneration limit of $400,000 per annum was granted at the Annual General Meeting held on 29 November 2007. The Board reviews this limit annually, taking into account advice from external sources if necessary and benchmarking against fees paid to Non-Executive Directors of comparable companies, to ensure that remuneration remains appropriate and competitive.

For personal use only

The Non-Executive Directors of the Company can participate in Employee Option Incentive Schemes with Shareholder approval.

The remuneration of Executive and Non-Executive Directors for the year ended 30 June 2025 is detailed in Table 1 of this report.

Executive Director and Management remuneration

Objective

The Board's objective is to structure remuneration for Executive Directors and senior management in a way that enables the Company to secure and retain individuals with the expertise, leadership, and capability to drive the business forward. Remuneration levels are designed to be competitive within the industry, reflect the responsibilities of each role, and remain appropriate to the Company's scale and stage of development. At the same time, the framework ensures that overall executive remuneration remains sustainable and aligned with the expectations of shareholders.

Structure

In determining the level and composition of Executive remuneration, the Board may, where appropriate and necessary, seek independent advice from external advisors to ensure remuneration remains competitive and aligned with market practice.

Executive remuneration levels are reviewed on a regular basis, with consideration given to a range of factors including market benchmarks, movements in the cost of living, changes in the scope or responsibilities of individual roles, and other relevant influences that may impact the competitiveness and fairness of remuneration arrangements.

Details of CEO Iain Smith's contract:

Date of Commencement	18 March 2024
Term and Termination	No fixed term. One month's notice from either party
Fixed Annual Remuneration	$200,000

Mr Smith's overall remuneration is heavily geared towards an increase in shareholder value, due to the 80m options he holds relative to the fixed fee received.

Fixed remuneration

Objective

The level of fixed fees is determined to provide a fair and appropriate base level of remuneration that reflects the responsibilities of the role and the time commitment required. Fees are set with reference to prevailing market rates for companies of comparable size and complexity, ensuring competitiveness while recognising the Company's stage of development as a junior exploration entity.

This approach is designed to attract and retain employees with the necessary skills and experience, while ensuring that overall costs remain reasonable and aligned with shareholder expectations. The Board periodically reviews fee levels, taking into account market benchmarks, industry conditions, and the Company's financial position, to ensure they remain appropriate over time.

Structure

Fixed primary remuneration is paid in cash, with no additional non-cash benefits, or fringe benefits provided. The Company does not incur additional costs beyond statutory obligations such as superannuation contributions, and remuneration is structured to reflect Pancontinental's position as a junior exploration entity focused on preserving capital for its core exploration activities.

For personal use only

Table 1: Director and management remuneration for the year ended 30 June 2025

	Primary benefits Salary & Fees	Equity Options (Issued)	Super-annuation	Total	Value of options as proportion of Revenue
Ernest Anthony Myers					
Executive Chairman					
2025	**120,000**	**-**	**13,800**	**133,800**	**0.0%**
2024	120,000	600,000	13,200	733,200	1,106.0%
Roy Barry Rushworth					
Non-Executive Director					
2025	**70,000**	**-**	**-**	**70,000**	**0.0%**
2024	140,000	-	-	140,000	0.0%
Vesna Petrovic					
Executive Director					
2025	**200,000**	**-**	**23,000**	**223,000**	**0.0%**
2024	190,000	300,000	20,900	510,900	553.0%
Iain Peter Smith					
Chief Executive Officer					
2025	**200,000**	***300,000**	**-**	**500,000**	**168.4%**
2024	57,526	300,000	-	357,526	553.0%
Total Current Year Remuneration	**590,000**	**300,000**	**36,800**	**926,800**	

* Mr Smith was granted 40,000,000 options in the previous financial year with 50% vesting 18 March 2024 (2024 financial year) and 50% vesting 18 September 2024 (2025 financial year). The value of the options ($600,000) has been split over the two financial years to coincide with vesting terms, as shown in Table 1 above.

Table 2: Options granted as part of Director (as approved by Shareholders) and Management remuneration

2025

There were no options granted as part of Director and Management remuneration during the financial year. As per the below table, Mr Smith was granted 40,000,000 options in the previous financial year with 50% vesting 18 March 2024 (2024 financial year) and 50% vesting 18 September 2024 (2025 financial year). The value of the options has been split over the two financial years to coincide with vesting terms as shown in Table 1 above.

2024

			Terms & Conditions for Each Grant			
	Granted Number	Issue Date	Value per option at grant date ($)	Exercise Price per share ($)	First Exercise Date	Last Exercise Date
Specified Directors and Management						
Ernest Anthony Myers	40,000,000	28 Jul 23	0.015	0.0145	28 Oct 23	28 Jul 27
Vesna Petrovic	20,000,000	28 Jul 23	0.015	0.0145	28 Oct 23	28 Jul 27
Iain Peter Smith	40,000,000	18 Mar 24	0.015	0.035	18 Mar 24	18 Mar 28
Total	**100,000,000**					

Over the past five years, options issued as part of Director and Management remuneration have been valued using the Black-scholes option pricing model. The valuation methodology takes into account key variables, including the exercise price of the options, the prevailing market price of the Company's shares, historical and expected share price volatility, the risk-free interest rate, the expected life of the options, and any anticipated dividend payments.

These inputs ensure that the fair value of the options is calculated in a manner consistent with accepted market practice. Further details, including specific assumptions applied to each grant, are set out in the table below.

Fair values of options:
The fair value of each option is estimated on the date of grant using an appropriate option pricing model.

	2025	2024	2023	2022	2021
Expected volatility	-	120%	120%	-	-
Risk-free interest rate	-	3.8 to 3.9%	3.63%	-	-
Expected life of option	-	4 years	4 years	-	-

Total number of unlisted options at 30 June 2025:

Number of options		Issue Date	Vesting Date	Expiry Date	Exercise Price	Weighted Average Fair Value
PCLAD	140,000,000	30 Dec 22	30 Mar 23	30 Dec 26	$0.007	$0.004
PCLAE	70,000,000	30 May 23	30 Aug 23	29 May 27	$0.016	$0.007
PCLAF	60,000,000	28 Jul 23	28 Oct 23	28 Jul 27	$0.0145	$0.015
PCLAA	40,000,000	18 Mar 24	18 Mar/Sep 24	18 Mar 28	$0.035	$0.015
PCLAG	50,000,000	13 Aug 24	13 Aug 24	12 Aug 28	$0.035	$0.011

Table 3: Shareholdings of Specified Directors and Management

2025

Ordinary Shares held in Pancontinental Energy NL	Balance 1 July 2024	Acquisitions /Conversions /Opening Balance	Disposals	Balance 30 June 2025
Specified Directors and Management				
Ernest Anthony Myers	3,900,715	-	-	3,900,715
Roy Barry Rushworth	146,335,610	-	-	146,335,610
Vesna Petrovic	8,913,043	-	-	8,913,043
Iain Peter Smith	5,000,000	-	-	5,000,000
Total	**164,149,368**	**-**	**-**	**164,149,368**

2024

Ordinary Shares held in Pancontinental Energy NL	Balance 1 July 2023	Acquisitions /Conversions /Opening Balance	Disposals	Balance 30 June 2024
Specified Directors and Management				
Ernest Anthony Myers	2,900,715	1,000,000	-	3,900,715
Roy Barry Rushworth	144,335,610	2,000,000	-	146,335,610
Vesna Petrovic	-	14,913,043	(6,000,000)	8,913,043
Iain Peter Smith	-	5,000,000	-	5,000,000
Total	**147,236,325**	**22,913,043**	**(6,000,000)**	**164,149,368**

For personal use only

For personal use only

Table 4: Movement in Unlisted Option holdings of specified Directors and Management

2025

	Balance at beginning of period	Granted as Remuneration	Options (Exercised)/ (Expired)	Opening Balance /Net Change Other	Balance at end of period
	1 July 2024				**30 June 2025**
Specified Directors					
Ernest Anthony Myers	40,000,000	-	-	-	40,000,000
Roy Barry Rushworth	100,000,000	-	-	-	100,000,000
Vesna Petrovic	40,000,000	-	-	-	40,000,000
Iain Peter Smith	80,000,000	-	-	-	80,000,000
Total	**260,000,000**	**-**	**-**	**-**	**260,000,000**

2024

	Balance at beginning of period	Granted as Remuneration	Options (Exercised)/ (Expired)	Opening Balance /Net Change Other	Balance at end of period
	1 July 2023				**30 June 2024**
Specified Directors					
Ernest Anthony Myers	-	40,000,000	-	-	40,000,000
Roy Barry Rushworth	100,000,000	-	-	-	100,000,000
Vesna Petrovic	40,000,000	20,000,000	(20,000,000)	-	40,000,000
Iain Peter Smith	-	40,000,000	-	*40,000,000	80,000,000
Total	**140,000,000**	**100,000,000**	**(20,000,000)**	**40,000,000**	**260,000,000**

*Mr Smith was issued 40,000,000 options on 15 May 2023 in his role as Board Advisor before being appointed as CEO on 18 March 2024

Table 5: Movement in Listed Option holdings of specified Directors and Management

2025

	Balance at beginning of period	Granted as Remuneration	Options (Exercised)/ (Expired)	Issued via Free Attachment	Balance at end of period
	1 July 2024				**30 June 2025**
Specified Directors					
Ernest Anthony Myers	500,000	-	-	-	500,000
Roy Barry Rushworth	1,000,000	-	-	-	1,000,000
Vesna Petrovic	500,000	-	-	-	500,000
Iain Peter Smith	2,500,000	-	-	-	2,500,000
Total	**4,500,000**	**-**	**-**	**-**	**4,500,000**

2024

	Balance at beginning of period	Granted as Remuneration	Options (Exercised)/ (Expired)	Issued via Free Attachment	Balance at end of period
	1 July 2023				**30 June 2024**
Specified Directors					
Ernest Anthony Myers	-	-	-	500,000	500,000
Roy Barry Rushworth	-	-	-	1,000,000	1,000,000
Vesna Petrovic	-	-	-	500,000	500,000
Iain Peter Smith	-	-	-	*2,500,000	2,500,000
Total	**-**	**-**	**-**	**4,500,000**	**4,500,000**

* IP Smith held 2,500,000 listed options prior to his appointment as CEO on 18 March 2024

For personal use only

Company Performance

The performance of the Company is most clearly reflected in the movement of its share price over time. As Pancontinental remains in the exploration phase and does not yet generate operating revenues, shareholder returns are expected to be realised primarily through capital growth driven by exploration success and market recognition of asset value.

The Board's strategy for delivering this outcome is focused on identifying and securing early-stage, high-potential exploration projects that are capable of attracting quality joint venture partners. By leveraging its expertise in sourcing and evaluating projects, Pancontinental aims to build and advance a portfolio of assets that offer the potential for significant upside.

Consequences of Performance on Shareholder Wealth

In considering the Group's performance and benefits for shareholder wealth, the Remuneration Committee have regard to the following indices in respect of the current financial year and the previous four financial years.

Return on Equity	**2025**	2024	2023	2022	2021
Share price at 30 June	**$0.011**	$0.022	$0.012	$0.001	$0.001
Average equity	**7,853,693**	8,471,677	5,804,849	2,810,771	2,849,192
Net Profit /(Loss)	**(1,753,224)**	(2,338,436)	(1,870,559)	(823,179)	(788,165)
Return on Equity in %	**(22.32)%**	(27.60)%	(32.22)%	(29.29)%	(27.66)%

END OF REMUNERATION REPORT

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is set out on the following page and reviews part of the Directors' Report for the year ended 30 June 2025.

Signed in accordance with a resolution of the Directors.

EA Myers
Director

Perth 30 September 2025

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

To the Directors of Pancontinental Energy NL

As lead auditor of Pancontinental Energy NL for the year ended 30 June 2025, 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 audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in relation to Pancontinental Energy NL and the entities it controlled during the year.

In.Corp Audit & Assurance Pty Ltd



Volha Romanchik
Partner

30 September 2025

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

Level 1
6-10 O'Connell Street
SYDNEY NSW 2000

Suite 11, Level 1
4 Ventnor Avenue
WEST PERTH WA 6005

GPO BOX 542
SYDNEY NSW 2001

T +61 2 8999 1199
E team@incorpadvisory.au
W incorpadvisory.au

For personal use only

Corporate Governance Statement

The Company's 2025 Corporate Governance Statement is set out below and is also available on the Company's website at www.pancon.com.au/about-us/corporate-governance

The Statement was approved by the Board of Pancontinental Energy NL and is current as at 30 September 2025.

The Board regards the Corporate Governance Statement not simply as a compliance exercise, but as an opportunity to demonstrate its commitment to sound governance practices and to communicate Pancontinental's governance approach to shareholders, stakeholders, and the broader investment community.

This Statement details the Company's governance practices during the financial year and reports on the extent of compliance, as at 30 June 2025, with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

The Board recognises that governance practices must remain fit for purpose. Accordingly, Pancontinental will continue to review and refine its governance framework to align with evolving best practice, while ensuring that arrangements remain appropriate for the Company's size, stage of development, and operational activities.

For personal use only

Corporate Governance Council Recommendation followed by Pancontinental Energy NL Corporate Governance Comments	
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT	
1.1	A listed Entity should have and disclose a Board charter setting out: (a) the respective roles and responsibilities of its Board and Management; and (b) those matters expressly reserved to the Board and those delegated to Management.
	Adopted – Pancontinental has adopted a comprehensive Board Charter, which is available on the Company's website at www.pancon.com.au/about-us/corporate-governance The Charter clearly defines the roles and responsibilities of the Board and Management, including the specific responsibilities of the Board collectively, the Chairman, the Chief Executive Officer, and the Non-Executive/Independent Directors. It also outlines the matters that are reserved for Board decision-making and those delegated to Management, providing a transparent framework for effective governance and accountability.
1.2	A listed Entity should: (a) undertake appropriate checks before appointing a Director or Senior Executive or putting someone forward for election as a Director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.
	Adopted – Pancontinental has adopted a Nomination Committee Charter, available on the Company's website at www.pancon.com.au/about-us/corporate-governance, which sets out the role of the Nomination Committee in overseeing the selection and appointment of Directors. As part of its Corporate Governance Manual, the Company has also implemented a Policy and Procedure for the Selection and (Re)Appointment of Directors, also accessible on the Company's website. This policy outlines the process for evaluating and appointing new Board members and details the information that must be provided to shareholders so they can make an informed decision when voting on the election of a proposed candidate. The Nomination Committee Charter empowers the Directors to engage external consultants for background checks on Directors and Executive Staff such as Employment Screening Australia who are a CrimTrac accredited information agent that adheres to the Australian Standard AS 4811-2006 Employment Screening.
1.3	A listed Entity should have a written agreement with each Director and Senior Executive setting out the terms of their appointment.
	Not Adopted – Pancontinental does not currently have formal written agreements in place with its Executive Chairman (Mr Myers), Executive Director (Ms Petrovic), or Non-Executive Director (Mr Rushworth). The terms of their appointments are governed by Board and shareholder

For personal use only

	resolutions where applicable, together with the Company's Constitution, the Corporations Act 2001, and the ASX Listing Rules. The Chief Executive Officer, Mr Smith, is engaged under a service agreement with Basis Commercial Pty Ltd, which sets out the terms and conditions of his executive role.
1.4	The Company Secretary of a listed Entity should be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.
	Adopted – At Pancontinental, the Company Secretary is directly accountable to the Board through the Chairman in relation to all matters concerning the effective operation of the Board. The Company Secretary is responsible for preparing and circulating Board papers, maintaining accurate minutes of Board meetings, and advising the Board on corporate governance matters, the application of the Company's Constitution, the ASX Listing Rules, and other relevant legal and regulatory requirements.
1.5	A listed Entity should: (a) have and disclose a Diversity Policy; (b) through its Board or a Committee of the Board set measurable objectives for achieving gender diversity in the composition of its Board, Senior Executives and workforce generally; and (c) disclose in relation to each reporting period: 1. the measurable objectives set for that period to achieve gender diversity; 2. the Entity's progress towards achieving those objectives; and 3. either: A. the respective proportions of men and women on the Board, in Senior Executive positions and across the whole workforce (including how the Entity has defined "Senior Executive" for these purposes); or B. if the Entity is a "relevant employer" under the Workplace Gender Equality Act, the Entity's most recent "Gender Equality Indicators", as defined in and published under that Act.
	Adopted – Pancontinental has formally adopted a Diversity Policy, which is available on the Company's website at www.pancon.com.au/about-us/corporate-governance **Diversity – Board Composition** Pancontinental recognises the value of a Board and management team with a mix of skills, backgrounds, and perspectives. While the small size and stage of the Company limit the extent of measurable diversity, the Board is committed to achieving the broadest diversity practical within the scope of operations. When assessing potential new appointments, the Board considers each candidate's capacity to contribute meaningfully to the Company, including their functional expertise, governance experience, sound judgment, and commitment to dedicating sufficient time and effort towards advancing Pancontinental's strategic objectives. **Diversity – Measurable Objectives** The Company has set the following objectives in relation to diversity: • To maintain a workforce composition that is as diverse as practicable, with a target exceeding industry averages for gender diversity as published by the Workplace Gender Equality Agency; • To provide equal opportunity for all positions within the Group, with recruitment and promotion decisions based on merit; • To periodically review the workforce structure and identify opportunities to further improve diversity across the organisation. These objectives were met during the reporting period, as outlined below: • Skills – a blend of experience across geology, petroleum exploration, finance, and corporate governance; • Cultural background – representation from both Australian and European heritage; • Gender – both male and female, with female participation exceeding industry averages; and

For personal use only

	• Age – a broad span of age groups (28 years difference between youngest and oldest director/employee). **Diversity – Annual Reporting** See table below The Australian Government's Workplace Gender Equality Agency periodically releases statistics with regard to the gender composition of the Australian workforce by industry. With reference to its latest data, Pancontinental exceeds the industry average of 22% of women. The Company believes that there are benefits to addressing diversity, equity and inclusion.
1.6	A listed Entity should: a) have and disclose a process for periodically evaluating the performance of the Board, its Committees and individual Directors; and b) disclose, for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.
	Partially Adopted – Pancontinental has a Policy for Board Performance Evaluation, available on the Company's website at www.pancon.com.au/about-us/corporate-governance While a formal evaluation of the Board, its Committees and individual Directors was not undertaken during the reporting period, the Board did periodically review its composition, skills mix, and overall effectiveness in supporting the Company's objectives. Matters such as Board structure, governance practices and Director remuneration were considered on an as-needed basis.
1.7	A listed Entity should: a) have and disclose a process for evaluating the performance of its Senior Executives at least once every reporting period; and b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.
	Partially Adopted – Pancontinental has a Policy for Senior Executive Performance Evaluation, available on the Company's website at www.pancon.com.au/about-us/corporate-governance For the financial year ended 30 June 2025, the Board maintained oversight of the Chief Executive Officer, Mr Iain Smith, who was appointed in March 2024. While a formal evaluation process under the policy was not conducted during this period, the Board regularly monitored and reviewed the CEO's performance in the context of strategic objectives, operational progress, and governance responsibilities.
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE	
2.1	The Board of a listed Entity should: (a) have a Nomination Committee which: (1) has at least three members, a majority of whom are Independent Directors; and (2) is chaired by an Independent Director, and disclose: (3) the charter of the Committee; (4) the members of the Committee; and

	2025	2024
Board – to June 2025	33%	-
Board & Management – to Jun 2024	25%	-
Board – to March 2024	-	33%
Board & Management – to Jun 2024	-	25%
Employees	100%	100%
Total Workforce – to Jun 2024	**40%**	**-**
Total Workforce – to Mar 2024	**-**	**50%**
Total Workforce – to Jun 2024	**-**	**40%**

For personal use only

	(5) as at the end of each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a Nomination Committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.
	Partially Adopted – Given the size and scope of Pancontinental's operations, the Board has determined it is more efficient for the full Board to undertake the responsibilities ordinarily delegated to a Nomination Committee. Accordingly, no separate Committee meetings were held during the reporting period. The Board has adopted a Nomination Committee Charter, available on the Company's website at www.pancon.com.au/about-us/corporate-governance which guides its approach to Board renewal and succession planning. The Charter, together with the Company's Policy and Procedure for the Selection and (Re)Appointment of Directors and its Succession Plan Policy, are applied when the Board convenes to consider matters relating to Board composition and Director appointments. In line with these frameworks, the Board regularly assesses its composition with regard to skills, industry and governance experience. The Directors consider that the current Board structure provides an appropriate balance of capabilities to discharge their duties and support the Company's strategic objectives.
2.2	A listed Entity should have and disclose a Board Skills Matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.
	Adopted – The Board is committed to ensuring that, collectively, it has the skills, knowledge, and experience required to effectively govern and guide Pancontinental in pursuit of its strategic objectives. The following matrix outlines the key areas of expertise represented on the Board:

Board Expertise		Board Experience	
Commercial	•	Capital Raisings	•
Compliance	•	Company Promotion	•
Corporate	•	Financial Management	•
Ethics	•	Former Board Experience	•
Exploration	•	International Business	•
Finance	•	Listed Company Management	•
Geology	•	Mergers & Acquisitions	•
Governance	•	Mineral Exploration	•
Risk	•	Mineral Production	•
Strategy	•	Energy Exploration	•

This composition provides Pancontinental with a well-rounded blend of financial and corporate governance expertise on one hand, and technical geological and exploration capability on the other. All Directors are financially literate, with Mr Myers and Ms Petrovic meeting the definition of financial experts under recognised governance standards.

The Board acknowledges that its mix of skills will continue to evolve as the Company grows and its operational focus changes. At present, however, the Board considers that the combination of accounting, governance, exploration and international commercial experience provides an appropriate balance to address the challenges and opportunities faced by the Group.

For personal use only

2.3

A listed Entity should disclose:

(a) the names of the Directors considered by the Board to be Independent Directors;

(b) if a Director has an interest, position or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position or relationship in question and an explanation of why the Board is of that opinion; and

(c) the length of service of each Director.

Adopted – see table below.

Director	Position	Tenure	Independent
EA Myers	Executive Chairman	16 years	No – Executive Director
V Petrovic	Executive Director Company Secretary	7 years (9 years since initial appointment)	No - Executive Director
RB Rushworth	Non-Executive Director	20 years	No - Non-Executive Director by title, but not independent given his long history as a Technical Director and his ongoing occasional executive/technical services.

In considering the independence of Directors, the Board refers to the criteria for independence as set out in Box 2.3 of the ASX Corporate Governance Council's fourth edition of Corporate Governance Principles and Recommendations. To the extent that it is necessary for the Board to consider issues of materiality, the Board refers to the thresholds for qualitative and quantitative materiality as adopted by the Board and contained in the Board Charter, which is disclosed on the Company's website.

Box 2.3's independence criteria has been applied in the above table and although no Directors are considered to be independent, the Board believes its current composition is in line with the long-term interests of Shareholders. The Board also acknowledges the need for independent judgement on all Board decisions, irrespective of each individual Director's independence and as such has implemented a Policy on Independent Professional Advice.

2.4

A majority of the Board of a listed Entity should be Independent Directors.

Not Adopted – No Director is considered to be independent.

The Board acknowledges Recommendation 2.4 in that the majority of the Board of a listed Entity should be Independent Directors, however the Board is of the belief that each area of expertise required for a Company of Pancontinental's size is well represented and that there are long term benefits to be gained from the current combination of Directors' skills, experience and expertise.

Although the Board of Directors are able to exercise objective business judgement, a Policy on Independent Professional Advice has been implemented to assist if required. If a Director considers it necessary to obtain professional advice to properly discharge the responsibility for their office as a Director, then the Company will pay reasonable expenses associated with obtaining such advice.

2.5

The Chair of the Board of a listed Entity should be an Independent Director and, in particular, should not be the same person as the CEO of the Entity.

Partially Adopted – The positions of Chairman and Chief Executive Officer are held by different individuals, ensuring a clear separation between the leadership of the Board and the management of the Company.

The Chairman of the Board, Mr Myers, is not considered independent under the ASX Corporate Governance Council's criteria. However, the Board believes that his extensive experience, professional qualifications, and long association with Pancontinental make him the most appropriate Director to serve as Chairman. The Board also considers that Mr Myers' interests are strongly aligned with the long-term interests of shareholders.

For personal use only

2.6	A listed Entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing Directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.
	Adopted – The Company has an Induction Programme for new Directors. The objective of the Induction Programme is to enable new Directors to participate fully and effectively in Board decision-making as soon as possible by providing them with essential knowledge of the Company and its industry. Each new Director receives a Directors' Pack containing key materials such as Board Charters, Directors' duties and disclosure obligations, declarations of interest, and the Company's policies and procedures. New appointees are also given the opportunity to review the Company's operations and meet with key Executives to gain a practical understanding of the business. Professional development is addressed on an ongoing basis. Directors are encouraged to undertake training in response to corporate, legal, tax, accounting or geological developments in Australia and in jurisdictions where the Company operates. In addition, the Company supports attendance at seminars and conferences conducted by relevant professional bodies.
PRINCIPLE 3 – INSTILL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY	
3.1	A listed Entity should articulate and disclose its values.
	Adopted – Pancontinental's values form part of the Code of Conduct which can be found at http://pancon.com.au/about-us/corporate-governance/
3.2	A listed Entity should: (a) have and disclose a code of conduct for its Directors, Senior Executives and Employees; and (b) ensure that the Board or a Committee of the Board is informed of any material breaches of that code.
	Adopted – The Company's Code of Conduct can be found at http://pancon.com.au/about-us/corporate-governance/ The Company's Code of Conduct sets out the principles, values and standards which the Board, Management and Employees of the Company are encouraged to strive towards when dealing with each other, Shareholders, Stakeholders and the broader community. The Code of Conduct covers the Company's core values and beliefs including the following: • Integrity and Honesty • Responsibility to Shareholders • Respect for the Law • Conflicts of Interest • Protection of Assets • Confidential Information • Employment Practices • Responsibility to the Community • Responsibility to the Individual • Obligations Relative to Fair Trading and Dealing • Financial and other Inducements • Compliance with the Code of Conduct
3.3	A listed Entity should: (a) have and disclose a Whistleblower Policy; and (b) ensure that the Board or a Committee of the Board is informed of any material incidents reported under that policy.

	Adopted - A Whistleblower Policy forms part of the Company's Corporate Governance Manual. The Policy covers the following: • Reporting and Investigating Officers • Reporting Responsibility • No Retaliation • Reporting Violations • Accounting and Auditing Matters • Acting in Good Faith • Confidentiality • Handling of Reported Violations The Policy was adopted so that any concerns regarding contraventions of the Code of Conduct could be addressed in a safe and formal manner without fear of reprisal. There were no material incidents reported under that policy during the reporting period.
3.4	A listed Entity should: (a) have and disclose an Anti-Bribery and Corruption policy; and (b) ensure that the Board or a Committee of the Board is informed of any material breaches of that policy.
	Adopted – Pancontinental's Anti-Bribery and Corruption policy forms part of the Code of Conduct which can be found at http://pancon.com.au/about-us/corporate-governance/ There were no material breaches reported under that policy during the reporting period.

For personal use only

For personal use only

PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS	
4.1	The Board of a listed Entity should: (a) have an Audit Committee which: (1) has at least three members, all of whom are Non-Executive Directors and a majority of whom are Independent Directors; and (2) is chaired by an Independent Director, who is not the Chair of the Board, and disclose: (3) the charter of the Committee; (4) the relevant qualifications and experience of the members of the Committee; and (5) in relation to each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an Audit Committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.
	Partially Adopted – The full Board fulfils the role of the Audit Committee. Given the size and structure of Pancontinental, the Board has determined that it is more efficient for the full Board to fulfil the role of the Audit Committee. Accordingly, no separate Audit Committee meetings were held during the reporting period. The Board has adopted an Audit Committee Charter, available on the Company's website at www.pancon.com.au/about-us/corporate-governance as well as a Procedure for the Selection, Appointment and Rotation of the External Auditor. These frameworks guide the Board in considering matters ordinarily delegated to an Audit Committee. An External Auditor is appointed to independently verify and safeguard the integrity of the Company's financial reporting. In discharging these responsibilities, the Board undertakes regular reviews and discussions that include: • Reviewing the financial statements; • Assessing the appropriateness of accounting policies and principles; • Considering the external audit report against the Board's knowledge of the business; • Reviewing internal controls and risk management processes; • Discussing significant audit findings with the External Auditor; • Confirming the independence of the External Auditor; and • Ensuring the External Auditor attends the Annual General Meeting to answer shareholder questions. Together with management, the Board periodically reviews the scope and adequacy of existing audit arrangements. The Board is responsible for the appointment of a new auditor if a vacancy arises, subject to shareholder ratification at the next Annual General Meeting. In addition, the Board monitors compliance with Section 324D(1) and (2) of the Corporations Act 2001, which requires rotation of the audit engagement partner so that no individual plays a significant role in the audit of a listed entity for more than five out of seven successive financial years.
4.2	The Board of a listed Entity should, before it approves the Entity's Financial Statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the Entity have been properly maintained and that the Financial Statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
	Adopted – A Directors' Declaration under Subsection 295(4) of the Corporations Act 2001 is only made after each person who performs: a) A Chief Executive Officer function; or b) A Chief Financial Officer function in relation to the Company, has given the Directors a declaration whether, in their opinion: a) The financial records of the Company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001; b) The Financial Statements and notes for the financial year comply with the accounting standards;

For personal use only

	c) The Financial Statements and notes for the financial year give a true and fair view; d) The information disclosed in the consolidated entity disclosure statement is true and correct; and e) Any other matters that are prescribed by the regulations in relation to the Financial Statements and notes for the financial year are satisfied. In addition, that the opinion has been formed on the basis of a sound system of risk management and internal controls which is operating effectively. The declaration is made: a) In writing; b) Specifying the date the declaration is made; c) Specifying the capacity in which the person is making the declaration; and d) Signed by the person making the declaration.
4.3	A listed Entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.
	Adopted – The Company verifies the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor using the following process: • The report is prepared by a qualified Employee with sufficient expertise in providing accurate information to the market; • The report is then reviewed by an Executive Staff Member who also reviews auditable supporting documents which may also include source calculations; • The Company Secretary will also review the documents for accuracy with the ASX Listing Rules; • Both the report and supporting documentation are forwarded to the entire Board for their approval; • Once the Board approves the documents, they are lodged with ASX Online.
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE	
5.1	A listed Entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.
	Adopted – A summary of the Company's Policy on ASX Listing Rule Compliance can be found at http://pancon.com.au/about-us/corporate-governance/ As a company listed on the Australian Securities Exchange, Pancontinental is required to comply with the continuous disclosure regime to ensure the market is kept fully informed of material events and developments as they arise. The Company is committed to promoting timely, accurate, and balanced disclosure so that all investors have equal access to material information at the same time. To support this commitment, Pancontinental has implemented procedures designed to ensure compliance with its continuous disclosure obligations and has appointed a Responsible Officer to oversee and enforce adherence to these procedures. The Policy sets out details with regards to: • The Responsible Officer • Types of information that need to be disclosed • The concept of timely announcements • Board Notification – informing the Board and ongoing monitoring • Avoiding a false market • Safeguarding confidentiality of corporate information to avoid premature disclosure • Media contact and comment • External communications such as analyst briefings and responses to Shareholder questions • Reporting • Required actions in the case of non-compliance • Updating compliance procedures • Guide to drafting Company announcements



5.2	A listed Entity should ensure that its Board receives copies of all material market announcements promptly after they have been made.
	Adopted – The Board receives all announcements for approval, regardless of materiality, before they are announced to the market. The Board is also notified of the timing of release of all announcements.
5.3	A listed Entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.
	Adopted – Pancontinental has always had this recommendation in place even prior to it becoming part of the Corporate Governance Principles and Recommendations.
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS	
6.1	A listed Entity should provide information about itself and its governance to investors via its website.
	Adopted – The Company's website includes a Corporate Governance landing page which can be found at http://pancon.com.au/about-us/corporate-governance/ The Corporate Governance page shows an introduction to the Corporate Governance of the Company by referring to the Corporate Governance Manual adopted, in addition, Investors can find Board Charters as well as an extract of Policies and Procedures. Links to the Investor Centre can also be opened from the Corporate Governance page where ASX releases, the Company's share price, financial reports and Company presentations can be accessed. Subscriptions to the Company's mailing list can also be submitted from this page. Furthermore, general and detailed project information is available for the Investor's perusal from the Corporate Governance page.
6.2	A listed Entity should have an investor relations program that facilitates effective two-way communication with investors.
	Adopted – The Company has adopted a Shareholder Communication Policy which can be found on the Company's website at http://pancon.com.au/about-us/corporate-governance/ The Policy is designed to ensure that shareholders are kept informed of all significant developments affecting the Company and that effective channels are in place to support two-way communication. By providing investors with a clear understanding of the business, the Policy assists them in making well-informed investment decisions. Information is communicated to Investors by: • Company announcements • Information briefings to media and analysts • Notices of Meeting and explanatory material • Financial information including annual reports • Website updates • Board addresses and presentations at meetings Investors can express their views or present queries to the Company by: • Utilising the Contact Us section of the website http://pancon.com.au/contact-us to send direct communications to the Company • The Contact Us section http://pancon.com.au/contact-us as well as any ASX or media updates include the contact details of the Company such as address and telephone number. These details can be used to initiate written or verbal contact with the Company • The Company provides Shareholders with a Notice of Meeting detailing matters such as the agenda, location and time of the meeting so that Shareholders can make arrangements to attend and speak to Company representatives. Notices of Meeting are available on the ASX platform under the code PCL or the Company website so that Investors who are not currently Shareholders can also attend the meeting

For personal use only

For personal use only

6.3	A listed Entity should disclose how it facilitates and encourages participation at meetings of security holders.
	Adopted – The Company has adopted a Shareholder Communication Policy which can be found on the Company's website at http://pancon.com.au/about-us/corporate-governance/ The Policy reflects the Company's view that general meetings are a key forum for communication with shareholders. Notices of Meeting are prepared in a clear, concise and effective manner to ensure shareholders are fully informed ahead of the meeting. Meetings are scheduled during business hours at a central location accessible to the largest number of investors. Shareholders are encouraged to attend, listen to the Chair's address, and vote on the resolutions put forward. Following the conclusion of formal business, the Chief Executive Officer delivers a presentation on the Company's activities and outlook, providing shareholders with the opportunity to ask questions, share their views, and engage directly with Company representatives.
6.4	A listed Entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.
	Adopted – Pancontinental has had this recommendation in place for some time, prior to it becoming part of the Corporate Governance Principles and Recommendations.
6.5	A listed Entity should give security holders the option to receive communications from, and send communications to, the Entity and its security registry electronically.
	Adopted – Pancontinental has had this recommendation in place for some time, prior to it becoming part of the Corporate Governance Principles and Recommendations.
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK	
7.1	The Board of a listed Entity should: (a) have a Committee or Committees to oversee risk, each of which: (1) has at least three members, a majority of whom are Independent Directors; and (2) is chaired by an Independent Director, and disclose: (3) the charter of the Committee; (4) the members of the Committee; and (5) as at the end of each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a Risk Committee or Committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the Entity's risk management framework.
	Partially Adopted – Given the size and stage of Pancontinental, the Board has determined that it is more effective for the full Board to fulfil the role of the Risk Committee. Accordingly, no separate meetings were held as the Risk Committee during the reporting period. The Board believes that risk oversight is a core responsibility that should involve all Directors, rather than being delegated to a subcommittee. The Company has adopted a Risk Management Policy, available on its website at www.pancon.com.au/about-us/corporate-governance. This policy establishes the Company's approach to identifying, assessing, and managing risks, and includes a detailed description of the Company's risk profile. The framework ensures that Pancontinental seeks to balance the pursuit of opportunities with the management of potential adverse impacts. The policy outlines: • The role of the Board in ultimate risk oversight, and the CEO's responsibility for day-to-day risk management; • The CEO's accountabilities and authority in implementing risk controls; • The Company's Risk Profile and approach to risk assessment; • Regular budgeting and financial reporting processes; • Clear expenditure authorities and approval limits; • Procedures to ensure compliance with ASX continuous disclosure obligations;

For personal use only

	• Governance and disclosure practices consistent with regulatory requirements; • Responsibilities to stakeholders; and • A commitment to continuous improvement
7.2	The Board or a Committee of the Board should: (a) review the Entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the Entity is operating with due regard to the risk appetite set by the Board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.
	Adopted – The Board and management integrate risk assessment into the ordinary course of business, including activities such as strategic planning, budgeting, capital management, promotion, mergers and acquisitions, strategic partnerships, legislative changes and international operations. Risk considerations are a standing element of Board meetings and ongoing discussions, with the Company's risk profile reviewed and assessed in that context. The Board views risk management not as an annual or periodic exercise, but as an integral part of every decision and action taken.
7.3	A listed Entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.
	Adopted – The Company discloses that it does not have an internal audit function. Pancontinental does not maintain a dedicated internal audit function. Instead, the Company's risk management system is overseen by Executive staff, who are responsible for identifying, monitoring and responding to business risks on an ongoing basis. The Board, in accordance with the Company's Risk Management Policy, regularly reviews the effectiveness of these processes and satisfies itself that the Executive team has implemented and maintains a sound system of risk management and internal control that is appropriate for the Company's size and operations.
7.4	A listed Entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.
	Adopted – Pancontinental recognises the importance of economic, environmental, and social sustainability in the regions in which it operates. The Company has adopted a Corporate Governance Manual that sets out the policies and procedures applying to the Board, Executives, Employees, and the broader business. These frameworks are designed to assist in identifying relevant risks and establishing processes to mitigate, and where possible eliminate, those risks. Economic sustainability refers to the ability of the Company to continue operating and creating value over the long term. Environmental sustainability relates to operating in a manner that does not compromise the health of the ecosystems in which the Company works. Social sustainability refers to conducting operations in a way that meets accepted social norms and community expectations over the long term. Risks with the potential to have a material effect on the Company are outlined and discussed in detail in the "Risk Management" section of the Directors' Report.

For personal use only

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY	
8.1	The Board of a listed Entity should: (a) have a Remuneration Committee which: (1) has at least three members, a majority of whom are Independent Directors; and (2) is chaired by an Independent Director, and disclose: (3) the charter of the Committee; (4) the members of the Committee; and (5) as at the end of each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a Remuneration Committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and Senior Executives and ensuring that such remuneration is appropriate and not excessive.
	Partially Adopted – The full Board fulfils the responsibilities of the Remuneration Committee. Matters that would ordinarily fall within the remit of a separate committee are considered collectively by the Board, and no standalone Remuneration Committee meetings were held during the reporting period. The Board has adopted a Remuneration Committee Charter, available on the Company's website at http://pancon.com.au/about-us/corporate-governance/ and applies this Charter together with the Company's Remuneration Policy when addressing remuneration-related issues. To safeguard independence, where a remuneration matter concerns an individual Director, that Director does not participate in discussions or decisions relating to their own remuneration. Remuneration for Directors and Senior Executives is determined with reference to: • payments made by comparable companies of similar size and stage of development; and • the skills, responsibilities, and experience of the individuals concerned. Details of Directors' and Executives' remuneration are disclosed annually in the Remuneration Report within the Company's Annual Report. Where necessary, the Board may, with appropriate approval, engage external remuneration consultants to provide independent advice and ensure remuneration structures remain appropriate, competitive, and aligned with shareholder interests.
8.2	A listed Entity should separately disclose its policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and other Senior Executives.
	Adopted - The Company has adopted a Remuneration Committee Charter which can be found on the Company's website at http://pancon.com.au/about-us/corporate-governance/ The Charter separately discloses the processes regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and other Senior Executives. Executive Remuneration In considering the level of remuneration for Executives, the matters that are taken into account include: • Remuneration which motivates Executives to pursue the long-term growth and success of the Company within an appropriate control framework; • Align the interests of key leadership with the long-term interests of the Company's Shareholders; and Non-Executive Remuneration Matters of consideration include: • Fees paid to Non-Executive Directors are within the aggregate amount approved by Shareholders; • Non-Executive Directors to be remunerated by way of fees; • Non-Executive Directors are not provided with retirement benefits other than statutory superannuation; and • Non-Executive Directors are not entitled to participate in equity-based remuneration schemes designed for Executives without due consideration and appropriate disclosure to the Company Shareholders.

8.3	A listed Entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.
	Adopted - The Company has adopted a Policy for Trading in Company Securities which can be found on the Company's website at http://pancon.com.au/about-us/corporate-governance/ Directors, Officers and Employees who wish to trade in Company securities must first have regard to the statutory provisions of the Corporations Act 2001 dealing with insider trading, in conjunction with the Company's Policy for Trading in Company Securities. The policy has been developed so that all Company Employees and representatives are clear as to their obligations with regard to trading while in possession of insider information.

For personal use only

Statement of Profit or Loss & Other Comprehensive Income

YEAR ENDED 30 JUNE 2025	Notes	CONSOLIDATED 2025 $	2024 $
OPERATING ACTIVITIES			
Non-cash gain on extinguishment of liability	2(a)	**476,560**	-
Foreign exchange gains/(losses)		**78,255**	(2,890)
Depreciation expenses	6	**(24,730)**	(3,451)
Salaries, fees and benefits		**(737,670)**	(558,132)
Audit fees	16	**(43,699)**	(41,000)
Generative exploration expenditure and write off		**(159,097)**	-
ASX fees		**(80,295)**	(67,270)
Insurance		**(82,404)**	(80,540)
Legal fees		**(827)**	(669)
Share registry costs		**(32,748)**	(37,626)
Rent and outgoings		**(66,365)**	(40,443)
Office expenses		**(33,072)**	(69,890)
Travel		**(41,339)**	(39,251)
Corporate advisory		**(40,000)**	(104,290)
Share-based payment	13	**(850,000)**	(1,200,000)
Other expenses	2(b)	**(212,072)**	(147,216)
TOTAL OPERATING ACTIVITIES		**(1,849,503)**	(2,392,668)
FINANCING ACTIVITIES			
Financing income		**98,281**	54,232
Financing expense		**(2,002)**	-
TOTAL FINANCING ACTIVITIES		**96,279**	54,232
(LOSS) BEFORE INCOME TAX		**(1,753,224)**	(2,338,436)
Income tax expense	3	**-**	-
(LOSS) FOR THE YEAR		**(1,753,224)**	(2,338,436)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income		**-**	-
TOTAL OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(1,753,224)**	(2,338,436)
Total comprehensive income attributable to:			
Owners of the Company		**(1,909,628)**	(2,338,007)
Non-controlling interest		**156,404**	(429)
		(1,753,224)	(2,338,436)
Basic earnings per share (cents per share)	15	**(0.02)**	(0.03)
Diluted earnings per share (cents per share)		**(0.02)**	(0.03)

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

For personal use only

Statement of Financial Position

AT 30 JUNE 2025	Notes	CONSOLIDATED 2025	2024
		$	$
CURRENT ASSETS			
Cash assets	11(b)	**2,492,982**	4,301,120
Trade and other receivables	4	**104,385**	99,998
TOTAL CURRENT ASSETS		**2,597,367**	4,401,118
NON-CURRENT ASSETS			
Trade and other receivables	4	**10,200**	-
Property, plant and equipment	6	**156,037**	14,122
Deferred exploration and evaluation costs	7	**5,338,715**	4,683,348
TOTAL NON-CURRENT ASSETS		**5,504,952**	4,697,470
TOTAL ASSETS		**8,102,318**	9,098,588
CURRENT LIABILITIES			
Trade and other payables	8(a)	**253,070**	145,957
Provision for employee entitlements	8(d)	**253,229**	187,964
Lease liabilities	8(b)	**81,820**	-
Other liabilities	8(b)	**-**	476,560
TOTAL CURRENT LIABILITIES		**588,119**	810,481
NON-CURRENT LIABILITIES			
Provision for employee entitlements	8(e)	**16,907**	12,802
Lease liabilities	8(c)	**65,212**	-
TOTAL NON-CURRENT LIABILITIES		**82,119**	12,802
TOTAL LIABILITIES		**670,238**	823,283
NET ASSETS		**7,432,080**	8,275,305
EQUITY			
Contributed equity	9(a)	**119,531,262**	119,471,262
Reserves	10	**3,100,000**	2,250,000
Accumulated losses	10	**(115,199,182)**	(113,445,957)
TOTAL EQUITY		**7,432,080**	8,275,305
Capital and reserves attributable to owners of PCL		**8,749,970**	9,749,598
Non-controlling interest		**(1,317,890)**	(1,474,293)
		7,432,080	8,275,305

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

For personal use only

Statement of Changes in Equity

AT YEAR ENDED 30 JUNE 2025 Consolidated	Share Capital	Option Reserve	Accumulated Losses	Total Equity	Non-Controlling Interest	Attributable to Owners of the Company
	$	$	$	$		
Balance at 1 July 2024	**119,471,262**	**2,250,000**	**(113,445,957)**	**8,275,305**	**(1,474,293)**	**9,749,598**
Profit or loss	**-**	**-**	**(1,753,224)**	**(1,753,224)**	**156,404**	**(1,909,628)**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with Owners in their capacity as Owners						
Unlisted options issued	**-**	**850,000**	**-**	**850,000**	**-**	**850,000**
Exercise of options (cash)	**60,000**	**-**	**-**	**60,000**	**-**	**60,000**
Balance at 30 June 2025	**119,531,262**	**3,100,000**	**(115,199,182)**	**7,432,080**	**(1,317,890)**	**8,749,970**
Non-Controlling Interest	**936,482**	**-**	**(2,254,372)**	**(1,317,890)**		
Attributable-Owners of the Company	**118,594,780**	**3,100,000**	**(112,944,810)**	**8,749,970**		
Balance at 1 July 2023	118,645,569	1,130,000	(111,107,521)	8,668,048	(1,473,865)	10,141,913
Profit or loss	-	-	(2,338,436)	(2,338,436)	(429)	(2,338,007)
Other comprehensive income	-	-	-	-	-	-
Transactions with Owners in their capacity as Owners						
Shares issued	40,000	-	-	40,000	-	40,000
Unlisted options issued	-	1,200,000	-	1,200,000	-	1,200,000
Exercise of options (cash)	713,400	-	-	713,400	-	713,400
Exercise of options (non-cash)	80,000	(80,000)	-	-	-	-
Share issue costs	(7,707)	-	-	(7,707)	-	(7,707)
Balance at 30 June 2024	119,471,262	2,250,000	(113,445,957)	8,275,305	(1,474,293)	9,749,598
Non-Controlling Interest	936,482	-	(2,410,775)	(1,474,293)		
Attributable-Owners of the Company	118,534,780	2,250,000	(111,035,182)	9,749,598		

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

YEAR ENDED 30 JUNE 2025	Notes	CONSOLIDATED 2025	2024
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		**(1,320,435)**	(1,163,630)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	11(a)	**(1,320,435)**	(1,163,630)
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditure on exploration interests		**(702,624)**	(626,171)
Purchase of property, plant and equipment		**-**	(13,972)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(702,624)**	(640,143)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest received		**98,281**	54,234
Repayment of lease liabilities		**(21,615)**	-
Proceeds from issues of ordinary shares (net of share issue costs)		**60,000**	753,400
NET CASH FLOWS FROM FINANCING ACTIVITIES		**136,666**	807,634
NET (DECREASE) IN CASH HELD		**(1,886,393)**	(996,139)
Add opening cash brought forward		**4,301,120**	5,300,909
Effects of exchange rate changes		**78,255**	(3,650)
CLOSING CASH CARRIED FORWARD	11(b)	**2,492,982**	4,301,120

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

For personal use only

For personal use only

1. MATERIAL ACCOUNTING POLICY INFORMATION

This Financial Report was authorised for issue by the Directors on 30 September 2025.

Statement of Compliance

The Financial Report is a General Purpose Financial Report which has been prepared in accordance with Australian Accounting Standards, including Australian interpretations adopted by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The Consolidated Financial Report of the Consolidated Entity and Company also complies with IFRS and interpretations adopted by the International Accounting Standards Board.

Basis of preparation

The report has been prepared on the basis of historical costs and except where stated does not take into account changing money values or current valuation of non-current assets. The accounting policies adopted are consistent with those of the previous year. The following accounting policies material to the preparation of the financial report have been consistently applied, unless otherwise stated.
Certain prior year amounts have been reclassified for consistency with the current year presentation. This change maintains the comparability among the periods presented.

Going concern

The Directors consider the adoption of the going concern basis to be appropriate in the preparation of the Consolidated Entity's financial statements. This conclusion has been reached after assessing the Group's current financial position, projected cash flows, and available funding alternatives.

In forming this view, the Directors have taken into account a number of factors, including:

- The Company's ability, if required, to raise additional share capital under the Corporations Act 2001, whether through a share purchase plan, share placement, or rights issue;
- the option to farm out all or part of the Consolidated Entity's exploration projects to suitable industry partners, thereby securing funding contributions while retaining exposure to upside potential; and
- the ability, if necessary, to realise value through the partial or full disposal of interests in exploration assets.

Subsequent to the end of the financial year, the Company received $1,793,933 from the conversion of 149,494,389 listed options at an exercise price of $0.012 per share into ordinary shares.

Based on these considerations, the Directors are confident that the Consolidated Entity will be able to generate sufficient cash inflows and access appropriate sources of funding to continue its operations in the normal course of business. Accordingly, it is appropriate to prepare the financial statements on a going concern basis.

(a) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the costs are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against operating results in the year in which the decision to abandon the area is made. When production commences the accumulated costs for the relevant area of interest are classified as development costs and amortised over the life of the project area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

As at the end of the financial year, the Directors considered that the carrying value of the exploration interests of the Consolidated Entity was as shown in the Statement of Financial Position and no further impairments arises other than that already recognised.

(b) New accounting standards and interpretations

A number of new standards, amendments to standards and interpretations are effective for the current annual reporting period; however, none have been applied in preparing these Consolidated Financial Statements. The standards are not expected to have a material impact on the accounting policies or Consolidated Financial Statements of the Group.

For personal use only

(c) Share Based Payments
The Group provides benefits to directors and key management personnel of the Group in the form of share-based payment transactions, whereby services are rendered in exchange for shares or options over shares ("equity-settled transactions").

The fair value of options is recognised as an expense with a corresponding increase in equity (options reserve). The fair value is measured at grant date and recognised over the period during which the holder becomes unconditionally entitled to the options. Fair value is determined using an external specialist valuer, a Black-Scholes option pricing model, or other models as appropriate.

Where options are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to profit and loss. However, if new options are substituted for the cancelled options and designated as a replacement on grant date, the combined impact of the cancellation and replacement options are treated as if they were a modification.

(d) Leases
Right-of-use asset
A right-of-use asset is recognised at the commencement of a lease. The asset is initially measured at cost, which includes the initial lease liability together with any lease payments made at or before the commencement date (net of lease incentives received), any initial direct costs incurred, and, where applicable, an estimate of costs to be incurred in dismantling or removing the underlying asset and restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right-of-use assets are also subject to impairment testing and are adjusted for any remeasurement of the related lease liability.

Lease liability
The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined, then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term, or index upon which the lease payments are based, or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement.

(e) Critical Accounting Estimates and Judgements
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related licence itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include abandonment of area of interest, the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

For personal use only

2. STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

2 (a) NON-CASH GAIN ON EXTINGUISHMENT OF LIABILITY

	CONSOLIDATED 2025 $	2024 $
Liability write-back – historic joint venture contributions	**476,560**	-
	476,560	-

During the year, the Group derecognised a historic liability relating to exploration funding contributed by a non-controlling interest entity many years ago. The liability was written back as it is no longer payable. This resulted in a credit to profit or loss of $476,560. The adjustment is a non-cash, one-off accounting entry and does not represent income from operations or current activities.

Part Disposal of Subsidiary & Non-Controlling Interest– Pancontinental Namibia Pty Ltd

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 balance disclosed represents amounts advanced by the non-controlling shareholder to Pancontinental Namibia Pty Ltd to fund exploration which were written off during the year.

2 (b) OTHER EXPENSES

	CONSOLIDATED 2025 $	2024 $
Public/Investor Relations	**(48,681)**	(72,045)
Conferences & Seminars	**(26,033)**	(27,241)
Farm-out Activities	**(79,790)**	-
Other	**(57,568)**	(47,930)
	(212,072)	(147,216)

3. INCOME TAX

	CONSOLIDATED 2025 $	2024 $
(a) Income Tax (Benefit)/Expense		
The prima facie tax, using tax rates applicable in the country of operation, on profit and extraordinary items differs from the income tax provided in the Financial Statements as follows:		
Prima facie tax on profit from ordinary activities at 30% (2024: 30%)	**(525,967)**	(701,531)
Tax effect of permanent differences:		
Other items (net)	**-**	-
Amount not brought to account as a carried forward future income tax benefit	**525,967**	701,531
Income tax expense attributable to ordinary activities	**-**	-

For personal use only

(b) Future Income Tax Benefit not recognised

The potential future income tax benefit calculated at 30% in respect of:

Adjustments to carry forward tax losses		-	-
Tax Losses not recognised		**9,260,672**	9,112,097
Total	*	**9,260,672**	9,112,097

This future income tax benefit will only be obtained if:

(a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
(b) the conditions for deductibility imposed by tax legislation continue to be complied with; and
(c) no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit.

The recognition and utilisation of losses is subject to the loss recoupment rules being satisfied.

*The potential future income tax benefit was calculated by multiplying the current tax rate of 30% by the Group's carry forward losses at 30 June 2025 of $29,115,683.

4. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2025	**2024**
	$	**$**
CURRENT		
Trade receivables	**34,650**	24,857
Prepayments	**69,735**	64,941
Deposits	**-**	10,200
Total	**104,385**	99,998
NON-CURRENT		
Deposits	**10,200**	**-**
Total	**10,200**	-

(a) Terms and conditions

(i) Trade debtors are non-interest bearing and generally on 30-day terms.
(ii) Sundry debtors and other receivables are non-interest bearing and have repayment terms between 30 and 90 days.

5. INTERESTS IN SUBSIDIARIES & INVESTMENTS

Interests in Subsidiaries

Name	**Country of incorporation**	**Percentage of equity interest held by the Consolidated Entity**	
		2025	**2024**
		%	**%**
Pancontinental Namibia Pty Ltd	Australia	**66.67**	66.67
Pancontinental Orange Pty Ltd	Australia	**100**	100
Pancontinental Cooper Pty Ltd	Australia	**100**	100

For personal use only

6. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED 2025 $	2024 $
(a) PLANT & EQUIPMENT		
Office equipment		
At cost	**27,535**	27,535
Less: Accumulated depreciation	**(17,312)**	(13,413)
Total written down value of Office equipment	**10,223**	14,122
Reconciliations		
Reconciliations of the carrying amounts of plant and equipment		
Office equipment		
Carrying amount opening balance	**14,122**	5,712
Additions	**-**	13,972
Disposals	**-**	(2,111)
Depreciation expense	**(3,899)**	(3,451)
Total written down amount	**10,223**	14,122

	CONSOLIDATED 2025 $	2024 $
(b) PROPERTY – RIGHT-OF-USE ASSET		
Office lease 45 Ventnor Avenue, West Perth 2 year lease		
At cost	**166,645**	-
Less: Accumulated depreciation	**(20,831)**	-
Total written down value of Office lease	**145,814**	-
TOTAL PROPERTY, PLANT & EQUIPMENT	**156,037**	14,122

7. DEFERRED EXPLORATION, EVALUATION AND DEVELOPMENT COSTS

	CONSOLIDATED 2025 $	2024 $
Exploration, evaluation and development costs carried forward		
Pre-production, exploration and evaluation phases:		
Carrying amount at 1 July	**4,683,348**	4,066,860
Expenditure & acquisitions during the year	**814,464**	616,488
3D Seismic costs*	**-**	29,346,758
3D Seismic costs paid by Woodside per Option Deed*	**-**	(29,346,758)
Exploration expenditure written off (credit)	**(159,097)**	-
Carrying amount at 30 June	**5,338,715**	4,683,348

***Option Deed with Woodside Energy**

During the 2023 financial year, Pancontinental announced that its wholly owned subsidiary Pancontinental Orange Pty Ltd had entered into an Option Deed with Woodside Energy (GOM) Inc ("Woodside"), a wholly owned subsidiary of Woodside Energy Group Ltd whereby Pancontinental granted Woodside an exclusive option to acquire a 56% Participating Interest in PEL 87, in consideration for Woodside paying for a 3D seismic survey covering an area of at least 5,000 square kilometres within the area the subject of PEL 87 at an estimated cost of US$ 35 million and also paying Pancontinental US$1.5 million. The seismic programme was completed during the 2024 financial year.

On 18 March 2025, Pancontinental announced that the Company's wholly owned subsidiary, Pancontinental Orange Pty Ltd, had received notification from Woodside that it would not exercise its option to farm-in to the PEL 87 project. This notice was received in advance of the Long Stop Date of 18 May 2025, after which Woodside's option was due to expire.

For personal use only

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective petroleum areas.

8. LIABILITIES

	CONSOLIDATED 2025	2024
(a) Trade and other payables	**$**	**$**
Current – Ordinary trade creditors and payables	**253,070**	145,957
Total	**253,070**	145,957

	CONSOLIDATED 2025	2024
(b) Other liabilities	**$**	**$**
Current - Lease liability	**81,820**	-
Current - Non-controlling interest contributions*	**-**	476,560
Total	**81,820**	476,560

***Part Disposal of Subsidiary & Non-Controlling Interest– Pancontinental Namibia Pty Ltd**
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 balance disclosed represents amounts advanced by the non-controlling shareholder to Pancontinental Namibia Pty Ltd to fund exploration.

	CONSOLIDATED 2025	2024
(c) Other liabilities	**$**	**$**
Non-current - Lease provision	**65,212**	-
Total	**65,212**	-

Lease liabilities

The maturity analysis of lease liability based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1-5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement of Financial Position
2025	**$**	**$**	**$**	**$**	**$**
Lease liabilities	**87,325**	**66,583**	-	**153,908**	**147,032**

	CONSOLIDATED 2025	2024
(d) Provision for employee entitlements	**$**	**$**
Current – Annual leave and long service leave	**253,229**	187,964
Total	**253,229**	187,964

	CONSOLIDATED 2025	2024
(e) Provision for employee entitlements	**$**	**$**
Non-current – Long service leave	**16,907**	12,802
Total	**16,907**	12,802

For personal use only

9. CONTRIBUTED EQUITY

	CONSOLIDATED 2025 $	2024 $
(a) Issued and paid up capital		
Ordinary shares fully paid	**119,531,262**	119,471,262
Total	**119,531,262**	119,471,262

(b) Movements in shares on issue

ASX: PCL	2025 Number of shares	2025 $	2024 Number of shares	2024 $
Beginning of the financial year	**8,131,585,866**	**119,471,262**	8,054,222,823	118,645,569
Movements during the year:				
– Placement share issue (net of costs)	**-**	**-**	4,000,000	39,400
– Options converted	**5,000,000**	**60,000**	73,363,043	786,293
End of the financial year	**8,136,585,866**	**119,531,262**	8,131,585,866	119,471,262

10. RESERVES AND ACCUMULATED LOSSES

	CONSOLIDATED 2025 $	2024 $
Reconciliation of movements in unlisted options on issue		
Beginning of the financial year	**2,250,000**	1,130,000
Options issued	**550,000**	1,200,000
Options converted	**-**	(80,000)
Options vested	**300,000**	-
End of the financial year	**3,100,000**	2,250,000
Accumulated losses		
Beginning of the financial year	**(113,445,957)**	(111,107,521)
Loss for the year	**(1,753,224)**	(2,338,436)
Options expired	**-**	-
Total available for appropriation	**(115,199,182)**	(113,445,957)
End of the financial year	**(115,199,182)**	(113,445,957)

(a) Movements in listed options on issue

ASX: PCLO	2025 Number of listed options	2025 $	2024 Number of listed options	2024 $
Beginning of the financial year	**492,549,998**	**-**	549,999,998	-
Movements during the year:				
– Options issued	**-**	**-**	2,000,000	-
– Options converted	**(5,000,000)**	**-**	(59,450,000)	-
End of the financial year	**487,549,998**	**-**	492,549,998	-

The listed options do not have a value in the general ledger due to the listed options being free attaching options to shares (1 free option for every 2 shares subscribed for) issued in previous placements.

(b) Movements in unlisted options on issue

	2025		2024	
	Number of unlisted options	**$**	**Number of unlisted options**	**$**
Beginning of the financial year	**310,000,000**	**2,250,000**	230,000,000	1,130,000
Movements during the year:				
– Options issued	**50,000,000**	**550,000**	100,000,000	1,200,000
– Options converted	**-**	**-**	(20,000,000)	(80,000)
– Options vested*	**-**	**300,000**	-	-
End of the financial year	**360,000,000**	**3,100,000**	310,000,000	2,250,000

*Unlisted options issued to CEO Iain Smith – 20 million vested 18 March 2024 (2024 financial year) and 20 million 18 September 2024 (2025 financial year).

11. STATEMENT OF CASH FLOWS

	CONSOLIDATED	
	2025	**2024**
	$	**$**
(a) Reconciliation of the net loss after tax to the net cash flows from operations		
Net loss	**(1,753,224)**	(2,338,436)
Non-Cash Items, Non-Operating Items		
Depreciation of property, plant and equipment	**24,730**	3,451
Financing income	**(98,281)**	(54,250)
Financing expense	**2,002**	-
Share-based payments	**850,000**	1,200,000
Write offs	**(317,463)**	2,111
Foreign exchange differences	**(78,255)**	(4,041)
Other	**-**	9,683
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	**(14,587)**	(26,357)
(Decrease)/increase in trade and other payables	**(4,727)**	(6,847)
(Decrease)/increase in provisions for employee entitlements	**69,370**	51,056
Net cash flow from operating activities	**(1,320,435)**	(1,163,630)
(b) Reconciliation of cash		
Cash balance comprises:		
– cash and cash equivalents	**2,492,982**	4,301,120
Closing cash balance	**2,492,982**	4,301,120

12. EXPENDITURE COMMITMENTS

The Company does not have any current commitments. The Group has had certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work its exploration licences. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. At balance date the Company had an interest in one core exploration block, PEL 87 offshore Namibia.

The PEL 87 previous licence period required the Joint Venture to invest a minimum of US$5 million in exploration-related activities. The exploration investment in PEL 87 during the first licence period exceeded this amount by a significant margin. The majority of this expenditure was associated with the acquisition and processing of the extensive 3D seismic survey, fully-funded by Woodside.

The first renewal exploration period commenced on 23 January 2024 and will end 22 January 2026, with an associated work commitment to drill one exploration well (or, if a drillable prospect is not identified, acquire either 500 km^2 of 3D seismic data or 1,000 line kms of 2D seismic data). Pancontinental will bear no financial liability for any future non-performance by the PEL 87 Joint Venture associated with the minimum exploration expenditure commitments of the first renewal exploration period.

For personal use only

For personal use only

13. SHARE-BASED PAYMENTS

	CONSOLIDATED 2025 $	2024 $
Options issued (see below for further information)	**850,000**	1,200,000
Total	**850,000**	1,200,000

Financing Expense Related to Options Issued

	2025 Number of unlisted options	2025 $	2024 Number of unlisted options	2024 $
– Options issued EIS (see (a) below)	**-**	**-**	100,000,000	1,200,000
– Options issued (see (b) below)	**50,000,000**	**550,000**	-	-
– Options vested EIS	**-**	**300,000**	-	-
End of the financial year		**850,000**		1,200,000

a) Unlisted Options - Employee Incentive Scheme
Information with respect to the number of options under the Employee Share Incentive Scheme is as follows:

	2025 Number of options	2025 Weighted average exercise price	2025 Value	2024 Number of options	2024 Weighted average exercise price	2024 Value
Balance at beginning of year	**310,000,000**	**0.014**	**2,250,000**	230,000,000	0.01	1,130,000
– issued	**-**	**-**	**-**	100,000,000	0.023	1,200,000
– exercised	**-**	**-**	**-**	(20,000,000)	0.007	(80,000)
– vested	**-**	**-**	***300,000**	-	-	-
Balance at end of year	**310,000,000**	**0.014**	**2,550,000**	310,000,000	0.014	2,250,000

*Unlisted options issued to CEO Iain Smith – 20 million vested 18 March 2024 (2024 financial year) and 20 million 18 September 2024 (2025 financial year).

In addition to the above information, refer to disclosure in the Remuneration Report regarding share-based payments.

b) Unlisted Options - Other
As at 30 June 2025, in addition to the above Employee Share Incentive Scheme unlisted options, there were 50,000,000 unlisted options held by Salient Corporate Pty Ltd.

Key terms of the unlisted options issued during the financial year are as follows:

Type of Security	Unquoted options. Each option is exercisable, before its expiry date, into one fully paid, ordinary share in the Company.
Number	50,000,000
Exercise Price	$0.035 per option
Expiry	12 August 2028

For personal use only

14. SUBSEQUENT EVENTS

29 July 2025

PEL 87 Prospective Resources Upgrade

The Company revised its prior estimates of prospective resources (refer to ASX announcement 18 March 2025) and geological risking for the PEL 87 prospect and lead inventory, based upon the results of the Quantitative Interpretation study which indicate potential for a higher net to gross reservoir system than was previously estimated.

1 July 2025 – 11 August 2025

Option Conversions

During the period commencing 1 July 2025 to 11 August 2025 the Company received $1,793,933 from the conversion of 149,494,389 listed options at $0.012.

11 August 2025

Notification of Cessation of Securities

338,055,609 listed options were not exercised prior to the expiry date and as such lapsed.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

15. EARNINGS PER SHARE

	CONSOLIDATED	
	2025	**2024**
	$	**$**
Basic earnings per share	**(0.02)**	(0.03)
Diluted earnings per share	**(0.02)**	(0.03)

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:		
Net profit	**(1,753,224)**	(2,338,436)
Adjustments:		
Earnings used in calculating basic and diluted earnings per share	**(1,753,224)**	(2,338,436)

	Number of shares	Number of shares
Weighted average number of ordinary shares used in calculating basic earnings per share	**8,133,955,729**	8,070,264,896
Effect of dilutive securities:		
Share options	**-**	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	**8,273,955,729**	8,340,264,896

487,549,998 listed options and 220,000,000 unlisted options may dilute the basic earnings per share in the future but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the periods presented. The difference in the number of ordinary shares used to calculate basic earnings per share and diluted earnings per share is 140,000,000 options which are exercisable at $0.007.

For personal use only

16. AUDITOR'S REMUNERATION

	CONSOLIDATED 2025 $	2024 $
Amounts received or due and receivable by In.Corp Audit & Assurance Pty Ltd for:		
– an audit or review of the Financial Report of the Entity and any other Entity in the Consolidated Entity	**43,699**	41,000
– tax compliance services in relation to the Entity and any other Entity in the Consolidated Entity	**6,140**	11,025
	49,839	52,025

The remuneration disclosed above does not include amounts paid or payable to overseas subsidiary company auditors.

During the financial year, the Company's auditors performed certain other services in addition to the audit and review of the financial statements. The Board has considered the non-audit services provided during the financial year by the auditor and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services were subject to the Corporate Governance procedures adopted by the Group; and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

17. DIRECTOR AND EXECUTIVE DISCLOSURES

Details of Specified Directors and Specified Executives as at 30 June 2025

(i) Specified Directors

Ernest Anthony Myers	Executive Chairman
Roy Barry Rushworth	Non-Executive Director
Vesna Petrovic	Executive Director, Company Secretary

(ii) Specified Executives

Iain Peter Smith	Chief Executive Officer

Fees paid for Non-Executive Directors, last voted upon by Shareholders at the 2007 AGM, is not to exceed $400,000 per annum and is set with reference to fees paid to other Non-Executive Directors of comparable companies.

Non-Executive and Executive Directors do not receive performance related remuneration, but they are eligible to participate in Employee Option Schemes approved by Shareholders.

Directors do not receive any termination or retirement benefits.

Summarised Compensation of Key Management Personnel	**2025 $**	**2024 $**
Short-term employee benefits	**590,000**	507,526
Post-employment benefits	**36,800**	34,100
Share-based payments	***300,000**	1,200,000
	926,800	1,741,626

* Mr Smith was granted 40,000,000 options in the previous financial year with 50% vesting 18 March 2024 (2024 financial year) and 50% vesting 18 September 2024 (2025 financial year). The value of the options ($600,000) has been split over the two financial years ($300,000 in each) to coincide with vesting terms.

18. SEGMENT INFORMATION

Segment accounting policies

During the period the Group operated predominately in one business segment, being the energy sector. Accordingly, under the management approach outlined only one operating sector has been identified and no further disclosures are required in the notes to the Consolidated Financial Statements.

For personal use only

19. FINANCIAL INSTRUMENTS

Financial risk management

Overview:

The Company and Group have exposure to the following risks from their use of financial instruments:

(a) credit risk
(b) liquidity risk
(c) market risk

This note presents information about the Company's and Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

(a) Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. In this industry, it arises principally from the receivables of joint venture re-charges and recuperations of cost. For the Group in this financial year, it arises primarily from receivables due from subsidiaries, GST and VAT refunds, prepayments and bonds.
(i) Trade and other receivables:

The Group operates predominantly in the energy exploration sector; it does not ordinarily have material trade receivables and is therefore not ordinarily exposed to credit risk in relation to trade receivables.

(ii) Loans to subsidiaries:

The Company has provided funding to its subsidiaries by way of loans. Repayment of these loans will occur through future business activities of each respective Entity.

Exposure to credit risk

The carrying amount of the Company's and Group's financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Consolidated	**Note**	**Carrying amount 2025**	**2024**
		$	**$**
Trade and other receivables	4	**114,584**	99,998
Cash and cash equivalents	11(b)	**2,492,982**	4,301,120
Total		**2,607,566**	4,401,118

The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Impairment losses:

There are no material receivables past due for the Company or Group as at 30 June 2025, (2024: nil).

For personal use only

An impairment write down in respect of inter-Group loans and shares was recognised during the current year from an analysis of the subsidiaries respective financial positions. The total impairment write down recognised through impairment of loans to subsidiaries and shares held in subsidiaries during the current period was $312,235 (2024: $32,169).

Whilst the loans were not payable at 30 June 2025 a provision for impairment based on the subsidiaries financial position was carried forward from previous periods. The balance of this provision may vary due to performance of a subsidiary in a given year.

(b) Liquidity risk:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash reserves through monitoring forecasts and actual cash flows.

Consolidated	**Contractual cashflows**		
	< 1 year	**1-5 years**	**> 5 years**
	$	**$**	**$**
Current			
Trade and other payables	**(253,070)**	**-**	**-**
Provision for employee entitlements	**(253,229)**	**-**	**-**
Lease liabilities	**(81,820)**	**-**	**-**
Non-Current			
Provision for employee entitlements	**-**	**(16,907)**	**-**
Lease liabilities	**-**	**(65,112)**	**-**
Total	**(588,119)**	**(82,019)**	**-**

(c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk:

The Group is from time to time exposed to currency risk on investments, and foreign currency denominated purchases in a currency other than the respective functional currencies of Group Entities, primarily the Australian dollar (AUD). The other material currency that these transactions are denominated in is the (USD).

The Group has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency.

For personal use only

Exposure to currency risk:
The Group's exposure to foreign currency risk at balance date was as follows, based on notional amounts:

	30 June 2025			30 June 2024		
AUD	**AUD**	**USD**	**Total**	**AUD**	**USD**	**Total**
Cash & cash equivalents	**899,339**[1]	**1,593,643**	**2,492,982**	4,097,150[1]	203,970	4,301,120
Trade & other receivables	**114,584**	**-**	**114,584**	99,998	-	99,998
Trade and other payables	**(670,238)**	**-**	**(670,238)**	(823,283)	-	(823,283)
Net balance sheet exposure	**343,685**	**1,593,643**	**1,937,328**	3,373,865	203,970	3,577,835

1. 8,097 Namibian dollars which is the equivalent of $696.40 is included in the AUD balance as it is immaterial to the currency risk.

2. 7,553 Namibian dollars which is the equivalent of $623.57 is included in the AUD balance as it is immaterial to the currency risk.

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2025	2024	**2025**	2024
AUD : USD	**0.640**	0.661	**0.655**	0.667

Sensitivity analysis:
A 10 percent strengthening of the Australian dollar against the USD at 30 June would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2024.

Effect in AUD	Consolidated	
	Equity	**Profit or loss**
30 June 2025		
10% strengthening	**177,071**	**177,071**
30 June 2024		
10% strengthening	22,663	22,663

A 10 percent weakening of the Australian dollar against the USD at 30 June would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The sensitivity analysis only had an effect on the equity or profit and loss of the Company in relation to the USD bank account.

For personal use only

Interest rate risk:
At balance date the Group had exposure to interest rate risk, through its cash and equivalents held within financial institution.

	Consolidated Carrying Amount	
	30 June 2025	**30 June 2024**
Variable rate instruments		
Cash and cash equivalents	**2,492,982**	4,301,120

Fair value sensitivity analysis for fixed rate instruments:
The Company and Group do not account for any fixed rate financial assets at fair value through profit or loss. Therefore, a change in interest rates at reporting date would not affect profit or loss or equity.

Fair values:
The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

Consolidated	**30 June 2025**		**30 June 2024**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Trade and other receivables	**114,584**	**114,584**	99,998	99,998
Cash and cash equivalents	**2,492,982**	**2,492,982**	4,301,120	4,301,120
Trade and other payables	**(670,238)**	**(670,238)**	(823,283)	(823,283)
	1,937,328	**1,937,328**	3,577,835	3,577,835

The basis for determining fair values is disclosed in note 1.

Capital Management:

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total Shareholders' equity, excluding non-redeemable preference shares and minority interests.

	2025	**2024**
Equity attributable to Shareholders of the Company		
Minorities	**(1,317,890)**	(1,474,293)
Equity	**8,749,970**	9,749,598
Total assets	**8,102,318**	9,098,588
Equity ratio in %	**107.99%**	107.15%
Average equity	**7,853,693**	8,471,677
Net Profit /(Loss)	**(1,753,224)**	(2,338,435)
Return on Equity in %	**(22.32)%**	(27.60)%

There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

For personal use only

20. RELATED PARTY

(a) During the year the Company paid fees to Basis Commercial Pty Ltd, a company in which Mr Smith has a financial interest, for his role as Chief Executive Officer. The amount paid was $200,000 (2024: $57,526).

(b) Refer to note 17 and Directors' Report for Key Management Personnel remuneration.

21. PARENT INFORMATION

The Group has applied amendments to the *Corporations Act (2001)* which remove the requirement for the Group to lodge Parent Entity Financial Statements. Parent Entity Financial Statements have been replaced by the specific Parent Entity disclosures below.

AT 30 JUNE 2025

	2025	2024
	$	$
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
(Loss) for the period	**(2,224,324)**	(2,343,895)
TOTAL COMPREHENSIVE INCOME	**(2,224,324)**	(2,343,895)

	2025	2024
	$	$
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	**2,543,825**	4,389,547
TOTAL ASSETS	**7,942,402**	9,064,713
Liabilities		
Current liabilities	**428,202**	305,506
TOTAL LIABILITIES	**510,321**	318,308
Equity		
Contributed equity	**116,721,555**	116,661,555
Reserves	**3,100,000**	2,250,000
Accumulated losses	**(112,389,474)**	(110,165,150)
TOTAL EQUITY	**7,432,081**	8,746,405

For personal use only

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Entity Name	Body Corporate, partnership or trust	Country of incorporation	% of Share Capital held directly or indirectly by the Company in the body corporate	Australian or Foreign Tax Resident	Jurisdiction for Foreign tax resident
Pancontinental Energy NL	Body Corporate	Australia	Parent	Australian	N/A
Pancontinental Namibia Pty Ltd	Body Corporate	Australia	66.67%	Australian	N/A
Pancontinental Orange Pty Ltd	Body Corporate	Australia	100.00%	Australian	N/A
Pancontinental Cooper Pty Ltd	Body Corporate	Australia	100.00%	Australian	N/A

Directors' Declaration

In accordance with a resolution of the Directors of Pancontinental Energy NL, I state that:

(1) In the opinion of the Directors:

(a) the Financial Statements and notes of the Company and of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's and Consolidated Entity's financial position as at 30 June 2025 and of their performance for the year ended on that date; and

(ii) complying with Accounting Standards including International Financial Reporting Standards and Corporations Regulations 2001; and

(iii) the information disclosed in the consolidated entity disclosure statement is true and correct; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial period ending 30 June 2025.

On behalf of the Board

EA Myers
Director

Perth, Western Australia
30 September 2025

For personal use only

In.Corp
An ascentium Company

CHARTERED ACCOUNTANTS™
AUSTRALIA + NEW ZEALAND

PANCONTINENTAL ENERGY NL
INDEPENDENT AUDITOR'S REPORT

To the members of Pancontinental Energy NL

Opinion

We have audited the financial report of Pancontinental Energy NL ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, the consolidated entity disclosure statement and the Directors' Declaration.

In our opinion, the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and

b) complying with Australian Accounting Standards and *Corporations Regulations 2001*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Group in accordance with 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

Level 1
6-10 O'Connell Street
SYDNEY NSW 2000

Suite 11, Level 1
4 Ventnor Avenue
WEST PERTH WA 6005

GPO BOX 542
SYDNEY NSW 2001

T +61 2 8999 1199
E team@incorpadvisory.au
W incorpadvisory.au

For personal use only

PANCONTINENTAL ENERGY NL

INDEPENDENT AUDITOR'S REPORT (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Capitalised Exploration and Evaluation Expenditure As disclosed in Note 7 to the financial statements, the carrying value of the capitalised exploration and evaluation expenditure is $5,338,715 which represents 67% of all assets of the Group. We consider capitalised exploration and evaluation expenditure to be a key audit matter due to: • the materiality of the balance; • the high level of judgement involved in assessing whether expenditure meets the capitalisation requirements in accordance with AASB 6 *Exploration and Evaluation of Mineral Resources*; • the high level of judgement involved in assessing the carrying value of the exploration expenditure and whether an impairment may be required; and • the significance of the balance to the shareholders.	Our procedures in relation to capitalised exploration and evaluation expenditure included, but were not limited to: • Reviewing the ownership rights to the tenements against which the expenditure is capitalised, their expiry dates, and where required if the expenditure commitments were met; • Assessing the reasonableness of capitalising exploration and evaluation expenditure in accordance with AASB 6 *Exploration and Evaluation of Mineral Resources*; • Testing a sample of exploration and evaluation expenditure items to supporting documentation to ensure they were bona fide payments and meet capitalisation criteria; • Assessing the reasonableness of management's assessment for the existence of impairment indicators; and • Reviewing the appropriateness of the related disclosures in the notes to the financial statements.

For personal use only

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001;* and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

for such internal control as the director determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

For personal use only

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Pancontinental Energy NL, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

In.Corp Audit & Assurance Pty Ltd



Volha Romanchik
Director

30 September 2025

For personal use only

ASX Additional Information

Additional information required by the ASX Ltd and not shown elsewhere in this report is as follows. The information is current as at 30 September 2025.

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

			Ordinary shares	
			Number of holders	Number of shares
1	-	1,000	432	98,121
1,001	-	5,000	245	807,431
5,001	-	10,000	262	2,195,863
10,001	-	100,000	1,669	84,403,243
100,001		and over	2,868	8,198,575,597
			5,476	**8,286,080,255**
The number of shareholders holding less than a marketable parcel of shares are:			2,091	42,583,460

(b) Twenty largest Shareholders

The names of the twenty largest holders of quoted shares are:

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
1	CITICORP NOMINEES PTY LIMITED	496,075,829	5.99%
2	PERTH SELECT SEAFOODS PTY LTD	470,000,000	5.67%
3	BNP PARIBAS	419,294,727	5.06%
4	SOUDURE S/F PTY LTD <GREG SOUDURE PRIV S/F A/C>	369,000,000	4.45%
5	ROY BARRY RUSHWORTH	146,335,610	1.77%
6	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	129,014,043	1.56%
7	MS CLAIRE ELIZABETH SEALS	118,137,416	1.43%
8	MRS SHARON LYN COONEY	108,137,415	1.31%
8	MR KEITH DANIEL KENNEDY	108,137,415	1.31%
8	MRS HEATHER MARY BONDY	108,137,415	1.31%
9	HSBC CUSTODY NOMINEES	106,928,450	1.29%
10	MR VICTOR LORUSSO	100,000,000	1.21%
11	MRS SUSAN GAYE BOAS	85,189,550	1.03%
12	MR SCOTT ROBERT WEIR <THE S R INVESTMENT A/C>	80,000,000	0.97%
13	MRS LAURIE BETH MARTIN	76,000,000	0.92%
14	BUDWORTH CAPITAL PTY LTD <ROLLING HILLS CAPITAL A/C>	74,250,000	0.90%
15	OLD BLOOD AND GUTS PTY LTD	70,000,000	0.84%
15	MR JAMES WERNER REIMERS	70,000,000	0.84%
16	MSI 888 PTY LTD <MSI 888 A/C>	66,000,000	0.80%
17	AMIDOR INVESTMENTS PTY LTD <MORADI FAMILY A/C>	60,000,000	0.72%
17	SUPARELL PTY LTD <THE FARRELL FAM S F A/C>	60,000,000	0.72%
18	INKJAR PTY LTD	50,000,000	0.60%
18	GREENSEA INVESTMENTS PTY LTD	50,000,000	0.60%
19	MR LUKE MONTGOMERY	41,492,281	0.50%
20	MR REGINALD STANLEY ORMOND HOLT	40,114,000	0.48%
		3,502,244,151	**42.28%**

For personal use only

For personal use only

(c) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(d) Substantial Shareholders

	Number of Shares
The details of Substantial Shareholder notices are set out below:	
• Sundowner International Limited	411,768,269
• Perth Select Seafoods Pty Ltd	330,000,000
• Crescent Nominees Limited	254,021,311

(e) Permit Schedule

Permits and Licence Interests	Permit reference	Interest
Petroleum prospects		
Namibia	PEL 87	75%
Australia	ATP 920	earning 20%
Australia	ATP 924	earning 25%

For personal use only

PANCONTINENTAL ENERGY NL

45 Ventnor Avenue,
West Perth WA 6005
Telephone: +61 8 6363 7090
Facsimile: +61 8 6363 7099