



PANCONTINENTAL Oil & Gas NL
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Company Announcements Office

Australian Stock Exchange Limited

(ASX CODE: PCL)

31 July 2006

PANCONTINENTAL OIL AND GAS RAISES \$1,312,500 IN CAPITAL RAISING

The Company is pleased to announce it has reached agreement to place 25,000,000 ordinary fully paid shares at an issue price of 5.25 cents per share as an excluded offer. The placement which will raise \$1,312,500 before brokerage and costs, was managed by Carmichael Capital Markets Pty Ltd.

The funds raised will be used in funding the Company's continuing exploration activities as well as its ongoing corporate overheads.

The shares issued pursuant to the placement will rank equally in all respects with all existing ordinary shares previously issued by the Company and quoted on the Australian Stock Exchange Limited (ASX). Application will be made to the ASX for quotation of the placement shares.

The placement will be done utilising part of the Company's 15% placement capacity. Settlement is expected on the 4 August.

For and on behalf of
Pancontinental Oil & Gas NL

E A Myers
Company Secretary