

**PANCONTINENTAL
OIL & GAS NL**

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MARKET DATA

ASX: PCL

12 month high: \$0.07

12 month low: \$0.01

Market cap: \$9m

Issued shares: 444m

PROJECTS

- **Australia**
Onshore Canning Basin
Offshore Carnarvon Basin
- **Kenya**
Offshore Lamu Basin
- **Malta**
Offshore Pelagian Shelf
- **Namibia**
Offshore Walvis Basin

**DIRECTORS &
MANAGEMENT**

David Kennedy
Chairman

Barry Rushworth
Executive Director

Ernie Myers
**Finance Director &
Company Secretary**

Ian Cornelius
Non-executive Director

CONTACT DETAILS

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ASX Release

8 January 2009



PANCONTINENTAL Oil & Gas NL
ACN 003 029 543
ABN 95 003 029 543

KENYA PROJECTS L8 & L9

Pancontinental Oil & Gas NL (ASX:PCL) is pleased to announce changes to the Kenya L8 and L9 project status which will see Pancontinental free-carried by farminee Origin Energy Kenya Pty Ltd (Origin - ASX:ORG) through a 3D seismic survey costing a minimum of US\$10 million over the main prospects in the L8 area in 2009.

As part of the revised exploration programme which has been accepted by the Kenyan Government as a basis for the grant of a Second Additional Exploration Period in respect of the L8 Production Sharing Contract, the L8 area will be reduced. However the retained area will contain the main prospects identified to date in the project, including the very large Mbawa Prospect which has the potential to contain more than 5 Billion Barrels of recoverable oil or 7 Trillion Cubic Feet of gas. The L9 licence will be fully relinquished.

By fully funding the seismic survey and all other project costs for the two years commencing 22 January 2009, Origin will bring its total earned interest to 75% in L8 and Pancontinental will retain a 25% interest. In the subsequent licence year the joint venture has the option to drill one exploration well or fully relinquish the L8 licence.

Barry Rushworth, Director of Pancontinental commented:

“This is a very positive advancement in our offshore Kenya projects, where Origin will focus 3D seismic on several main prospects in L8 and aim to pinpoint at least one drilling location.

The giant Mbawa Prospect continues to excite us, with light oil or condensate interpreted to be seeping from the crestal and flanking zones of the prospect, as well as a possible ‘Direct Hydrocarbon Indicator’ (DHI) interpreted at depth on existing seismic.

Mbawa, in 800m water depth and 80 km offshore, is easily within range of modern drilling and development technology and we look forward to seeing the results of the 3D over Mbawa and other prospects later this year”.

Enquiries:

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The summary report on the oil and gas projects is based on information compiled by Mr R B Rushworth, BSc, MAAPG, MPESGB, New Ventures Director of Pancontinental Oil & Gas NL. Mr Rushworth has the relevant degree in geology and has been practising petroleum geology for more than 25 years. Mr Rushworth is a Director of Pancontinental Oil & Gas NL and has consented in writing to the inclusion of the information stated in the form and context in which it appears.