

CONTINENTAL ENERGY Corp
Form 20-F
August 18, 2017

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM-20F

Registration Statement pursuant to section 12 (B) or (G) of the Securities Exchange Act of 1934

or

Annual Report pursuant to section 13 or 15(D) of the Securities Exchange Act of 1934
For the Fiscal Year ended 30 JUNE 2017

or

Transition Report pursuant to section 13 or 15 (D) of the Securities Exchange Act of 1934

or

Shell Company Report pursuant to section 13 or 15(D) of the Securities Exchange Act of 1934

Commission file number 0-17863

CONTINENTAL ENERGY CORPORATION

(Exact name of Registrant as specified in its charter)

British Columbia, Canada

(Jurisdiction of incorporation or organization)

1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, Canada

(Address of principal registered, records, and executive office)

Robert Rudman, CPA, Chief Financial Officer, phone 561-779-9202, rrudman@continentalenergy.com

1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, Canada

(Company contact person's name, phone number, and E-mail and street addresses)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Not Applicable

Securities registered or to be registered pursuant to Section 12(g) of the Act:

Common Shares, No Par Value

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

Not Applicable

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Indicate the number of outstanding shares of each of the Registrant's classes of capital or common shares as of the close of the period covered by the annual report:

123,015,381 common shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

YES NO

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. *Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.*

YES NO

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

See definition of “accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing: (Check one):

US GAAP

IFRS as issued by the IASB

Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item-17 Item-18

If this is an annual report, indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act.

YES NO

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. *(Applicable Only To Issuers Involved In Bankruptcy Proceedings During The Past Five Years)*

YES NO

PART-I

This report is made on EDGAR in electronic form, in English, on US SEC Form-20F pursuant to sections 13 or 15(d) of the Securities Exchange Act of 1934 (the "**Exchange Act**") and constitutes an "**Annual Report**" report by the filer, a foreign private issuer.

The following defined terms are used consistently throughout this Annual Report.

- **Company** - As used in this Annual Report, the terms "we", "us", "our" and "**Company**" all refer to and mean Continental Energy Corporation, a foreign private issuer incorporated in British Columbia, Canada, whose shares trade on the OTCQB under the symbol "CPPXF".
- **Date Format** - Dates are expressed in this Annual Report in the form "**6/30/17**", which in this case means 30 June 2017.
- **Fiscal Year** - The Company's fiscal year ends on June 30th and the term "**Fiscal Year**" shall refer to a year so ending.
- **Fiscal 2017** - This Annual Report is for the period pertaining to our Fiscal Year ended on 6/30/17, which is herein referred to as "**Fiscal 2017**", and includes audited annual consolidated financial statements as at that date.
- **Report Date** - The date of this Annual Report is **8/17/17**, which is referred to herein as the "**Report Date**". This Annual Report was prepared during August 2017 and the information contained herein is current and valid as at the Report Date.

In accordance with the Company's Canadian securities regulatory requirements and continuous disclosure obligations promulgated under *National Instrument 51-102*, the Company is also filing a copy of this Form-20F on SEDAR in Canada as an "**AIF**" or "**Annual Information Form**". This AIF filing is as permitted under *Part-1.1.(1) of NI 51-102*. Some additional content required by *Form NI 51-102F2 AIF* is contained herein that would not otherwise be required for the sole purposes of a Form-20F Annual Report pursuant to sections 13 or 15(d) of the Exchange Act.

ITEM - 1 : IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-1 is not applicable. Disclosure of information on directors and senior managers may instead be found in Item-6.

ITEM - 2 : OFFER STATISTICS AND EXPECTED TIMETABLE

This Form-20F is filed as an Exchange Act "Annual Report" and not as a "registration statement" and therefore the provision of information called for by this Item-2 is not applicable.

Item - 3 : Key Information

A. SELECTED FINANCIAL DATA.

The financial data for Fiscal Years ended 6/30/15, 6/30/16, and 6/30/17 as shown in the following table is derived from our audited financial statements as indicated in the independent auditor's report included elsewhere in this Annual Report. The data for the Fiscal Years ended 6/30/13 and 6/30/14 are derived from the Company's audited financial statements, not included herein, but filed with previous Form-20F Annual Reports and incorporated herein by this reference.

Commencing from 7/01/11 and for the Fiscal Years ended 6/30/12 and later, the Company's financial statements were prepared in accordance with International Financial Reporting Standards {"**IFRS**"}) as issued by the International Accounting Standards Board ("**IASB**") instead of GAAP. The Company's first annual IFRS consolidated financial statements were prepared for the Fiscal Year ended 6/30/12 with restated comparatives for the previous Fiscal Year ended 6/30/11.

The Company has not calculated and is not reporting any ratio of earning to fixed charges, to combined fixed charges or to any dividends and has not calculated and reported any other ratios, other than earnings per share, in this Annual Report; and hence no basis for such calculation is included.

The selected financial data set forth in the following table, stated in accordance with IFRS as issued by IASB, should be read in conjunction with the financial statements and other financial information included elsewhere in the Annual Report.

Selected Financial Data For Last Five Fiscal Years

For Last 5 Fiscal Years Ended

<i>In US\$ 000's, except for shares data</i>	<i>6/30/17</i>	<i>6/30/16</i>	<i>6/30/15</i>	<i>6/30/14</i>	<i>6/30/13</i>
Revenue	-	-	-	-	-
Net Loss	(439)	(473)	(956)	(939)	(700)
Loss Per Share – Basic	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)
Loss Per Share – Diluted	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)
Dividends per Share	-	-	-	-	-
Weighted Average Number of Shares (000's)	123,015	128,601	128,601	123,488	101,947
Working Capital	(1,721)	(1,282)	(836)	(694)	(745)
Oil and Gas Properties	-	-	-	-	-
Long Term Debt	-	-	-	-	-
Shareholders Equity (deficiency)	(1,720)	(1,280)	(833)	483	179
Total Assets	54	7	20	845	897

Foreign Currency Exchange - The Company's financial statements are stated in US Dollars ("\$" or "US\$"). The Company transacts most of its business in US Dollars but has some expenditures and deposits denominated in five other currencies: Canadian Dollars ("CDN"), Indonesian Rupiah ("IDR"), United Arab Emirates Dirham ("AED"), Singapore Dollars ("SGD"), and Malaysian Ringgit ("MYR"). The following table sets forth the rate of exchange for these currencies upon the last trading day at the end of the 5 most recently completed Fiscal Years and at the most recently completed calendar month preceding the Report Date.

Foreign Currency Exchange Rates

Equal to One US Dollar

	<u>CDN</u>	<u>IDR</u>	<u>AED</u>	<u>SGD</u>	<u>MYR</u>
Month Ended 7/31/17	1.2491	13,324	3.6732	1.3563	4.2824
Fiscal Year Ended 6/30/17	1.2982	13,333	3.6302	1.3765	4.2944
Fiscal Year Ended 6/30/16	1.2991	13,204	3.6729	1.3479	3.9948
Fiscal Year Ended 6/30/15	1.2475	13,359	3.6728	1.3474	3.7639
Fiscal Year Ended 6/30/14	1.0672	11,859	3.6728	1.2466	3.0298
Fiscal Year Ended 6/30/13	1.0487	9,901	3.6728	1.2708	3.1829

B. CAPITALIZATION AND INDEBTEDNESS.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-3.B is not applicable.

C. REASONS FOR THE OFFER AND USE OF PROCEEDS.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-3.C is not applicable.

D. RISK FACTORS.

Much of the information contained in this Annual Report includes or is based on estimates, projections or other "forward looking" statements. Such forward looking statements include any projections or estimates made by our Company and our management in connection with our business operations. While these forward looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections assumptions or other future performance suggested herein.

Such estimates, projections or other forward looking statements involve various risks and uncertainties as outlined below. We caution the reader that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward looking statements.

Our business prospects as an emerging international energy producer, our ongoing operations at a particular project, or our overall financial condition could be harmed due to any of the following risks:

- a) **Competitive Risk** - Competition among international energy producing companies for quality international oil, gas, and electricity production properties; for reliable joint venture partners; and for limited amounts of new development capital is intense.
- b) **Political Risk** - The Company's business activities and investments are all located out of its home jurisdiction of Canada and are subject to the political risks of foreign investment. These include potential changes in laws affecting foreign ownership, contract and area tenure, government participation, taxation, royalties, duties, rates of exchange and exchange controls. Any new government policies adverse to the Company could include a change in crude oil pricing policy, expropriation, nationalization, renegotiation or nullification of existing concessions and contracts, taxation policies, foreign exchange and repatriation restrictions, international monetary fluctuations and currency controls. Direct and indirect effects of the decline in value of the local currency have included high levels of domestic inflation, reductions in employment, high interest rates, unavailability of traditional sources of financing, and an overall contraction in production and income levels. These conditions have affected and may continue to affect the operating environment in a particular country, as well as the cost and availability of financing for natural resources development efforts. The normal economic conditions in any country may sustain shocks that exacerbate adverse economic conditions and such shocks could originate from various sources, including social unrest, terrorism, Islamic fundamentalism, secessionist provinces, lack of government effectiveness due to political uncertainty, or policy initiatives that are adverse to foreign investment.
- c) **Minority Shareholding Risks** - The Company from time to time holds only a minority or similar non-controlling shareholding interest in a partially owned subsidiary company which in turn owns and operates a particular project, property, business, and/or investment. In such cases the Company may exert no direct management control and have only very limited influence on decisions which may impact the performance of such partially owned subsidiary. This lack of direct management control could have a detrimental effect upon the value of the Company's interests.
- d) **JV Operator Risk** - It is customary in the international oil and gas exploration and production business to share geological and engineering risks through partnerships with other oil companies through a Joint Venture ("JV") arrangement under a joint operating agreements. One member of the JV group, usually the one with the largest interest, is the designated "**Operator**" for the JV and conducts all management of operations on the property or project on behalf of the group. The Company's degree of influence and control over the Operator and the JV is directly proportional to the amount of participating interest held by the Company in proportion to that held by other interest holders. Annual budgets and major expenditures are authorized by the JV group members voting according to their respective percentage holding of the JV. In any case where the Company holds less than a voting control interest in the JV, the Company is at risk of being forced into contributing its shares of costs on activities it does not want to pursue or giving up some portion of its interest in the entire JV if it elects not to pay its share or fails to pay its share, as may be provided for under the terms of the joint operating agreement.
- e) **JV Partner Risk** - Any number of risks beyond the control of the Company could have a detrimental effect on the Company's JV partners, including the JV Operator and cause them to be unable to fund their own share of JV costs or meet their share of JV commitments. In such case there is a high degree of risk that the Company

would not be able to take up and pay a failed partner's share of JV costs and the Company's own JV interest may thereby be detrimentally affected.

- f) **Geological Risk** - From time to time the Company participates in exploration for new oil and gas accumulations or it evaluates the availability of sufficient water, wind, or geothermal resources to justify a possible alternative energy development. Each of these activities involves a high degree of geological risk. There is no assurance that expenditure to be made by the Company in the search for such resources will result in any discoveries of sufficient resources of a quantity to justify or sustain a commercial development.
 - g) **Transport Risk** - The marketability of any oil, gas, or electrical power which the Company may produce may be affected by numerous factors beyond the control of the Company. These factors may determine whether a new project is commercially viable at all, and include the proximity and capacity of existing pipelines, storage capacity, power transmission lines, and the locations of principal off-takers or markets.
 - h) **Operating Risks** - Oil, gas, and electricity production operations involve risks normally incident to such heavy industrial activities, including fires, spills, equipment failure, accidents, and well blowouts. Any of these hazards could result in damage to, or destruction of, our facilities or properties. Such hazards could also injure persons or adversely affect the environment. Dealing with such damage could greatly increase the cost of operations and detrimentally affect our financial condition.
 - i) **Environmental Risks** - Environmental standards imposed by federal, state, or local authorities of the countries in which we conduct our business activities may be changed and such changes may have material adverse effects on our activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages which we may elect not to insure against due to prohibitive premium costs and other reasons. We may become subject to liability for pollution or hazards against which we cannot adequately insure or which we may elect not to insure. Incurring any such liability may have a material adverse effect on our financial position and operations.
 - j) **Health and Safety Risks** - Many of our business activities are subject to health and safety standards imposed by federal, state, or local authorities of the countries in which we conduct our business activities. We may become subject to claims for liability for injuries or deaths to our workers or others against which we cannot adequately insure or which we may elect not to insure. Incurring any such liability may have a material adverse effect on our financial position and operations.
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- k) **Title Risk** - We have or may acquire leases, rights or other property associated with our projects, but the property may be subject to prior unregistered agreements, or transfers which have not been recorded or detected through our due diligence searches. We believe our interests are valid, but this is no guarantee against possible claims. If title to property associated with our projects is challenged, we may have to expend funds defending any such claims and our ownership interest therein may be detrimentally affected if we lose.
- l) **Price Volatility Risks** - During the past few years, world oil and gas prices have undergone an unprecedented rise followed closely by a precipitous decline. Skyrocketing demand in emerging markets has driven electricity prices to record highs in many localities. This price volatility has substantial impact upon the international oil and gas and energy business and the Company's business in particular. The nature of the impact and its future effect upon the Company is almost impossible to determine with any degree of confidence. Continued volatility of oil, gas, and electricity prices adds substantial risk to the Company's efforts to plan, budget, or forecast its business activities. Price volatility may contribute to an inability of the Company to repay any debt or pay any obligations on its projects which could have serious and material adverse consequences on the Company.
- m) **Currency/Exchange Rate Risk** - Many of the financial obligations and commitments the Company from time to time undertakes in its international energy business are denominated in US Dollars. A substantial amount of the Company's business transactions are, and may be, denominated in other currencies. Fluctuations in these currencies may have a substantial effect on the Company's financial statements due to related gains or losses due to exchange rate changes. The Company does not hedge and engage in other strategies to protect itself from adverse fluctuations in the respective exchange rate. Significant variations in exchange rates could have a material adverse effect on the ability of the Company to meet its obligations.
- n) **Financing Risks** - The Company is not generating income or revenue, has generated losses to date and does not presently have sufficient financial resources to undertake by itself all of its planned acquisitions. The Company's ability to continue as a going concern depends upon its ability to obtain new financing. There is no assurance that the Company will be able to obtain such financing on acceptable terms, or at all. There is no assurance that the Company will be able to extend or defer its contractual work commitments in the event sufficient funds are not available. It is possible that prolonged inability of the Company to fund its commitments could result in a loss of some or all of its interest. Management is pursuing all available options to raise working capital and funds for its various projects. There can be no assurance that the management will be successful.
- o) **Liquidity Risk** - The future development of the properties of the Company and acquisition of new properties shall depend upon the ability of the Company to finance through the joint venturing of projects, debt financing, equity financing or other means. The Company intends to raise required additional funds by selling equity or debt securities, until it develops or acquires cash flow from operations. While the Company has been successful in raising the necessary funds in the past, there can be no assurance it can continue to do so. If such funds cannot be secured, the Company will be forced to curtail its exploration/development efforts to a level for which funding can be secured. There is no assurance that the Company will be successful in obtaining such financing. This situation could be exacerbated by acts of international terrorism or unforeseen political disturbances. Material increases or decreases in the Company's liquidity are substantially determined by the

success or failure of its exploration programs or the acquisition of new properties and projects.

- p) ***Stock Market Volatility*** - The effect of volatile oil and gas prices as described above has had a huge effect upon the world stock markets and most companies, including the Company have seen a severe reduction in their market capitalization. Lower stock prices and loss of investor confidence reduce the Company's ability to raise equity capital on the stock markets.
- q) ***Risk of Future Changes in Regulatory Environment*** - Regardless of their location, our properties and our operations thereon are governed by laws and regulations relating to the development, production, marketing, pricing, transportation and storage of crude oil, taxation and environmental and safety matters. Changes to regulations or compliance with regulations may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on our Company. Further, exploration and production activities are subject to certain environmental regulations which may prevent or delay the commencement or continuance of our operations.
- r) ***Risks relating to our Common Stock*** - Shareholders' interests in our Company will be diluted and investors may suffer dilution in their net book value per share if we issue additional shares or raise funds through the sale of equity securities. In the event that we are required to issue additional shares, enter into private placements to raise financing through the sale of equity securities or acquire additional oil and gas property interests in the future from the issuance of shares of our common stock to acquire such interests, the interests of existing shareholders in our Company will be diluted and existing shareholders may suffer dilution in their net book value per share depending on the price at which such securities are sold. If we do issue additional shares, it will cause a reduction in the proportionate ownership and voting power of all existing shareholders.
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- s) **Risk of Concentration of Shareholder Control** - Principal shareholders, senior management and Directors have significant influence regarding share ownership. This concentration could lead to conflicts of interest and difficulties for non-insider investors effecting corporate changes, and could adversely affect our Company's share price. As of the Report Date, our senior management, Directors and greater than five percent shareholders (and their affiliates), acting together, held approximately 47 percent of the issued and outstanding shares of our Company and have the ability to influence all matters submitted to our Company's shareholders for approval (including the election and removal of Directors and any merger, consolidation or sale of all or substantially all of our Company's assets) and to control our Company's management and affairs (see "Share Ownership" below in this Annual Report). Accordingly, this concentration of ownership may have the effect of delaying, deferring or preventing a change in control of our Company, impeding a merger, consolidation, takeover or other business combination involving our Company or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company, which in turn could have a material adverse effect on the market price of our shares. Employee, Director and consultant stock options and warrants could lead to greater concentration of share ownership among insiders and could lead to dilution of share ownership which could lead to depressed share prices.
- t) **Stock Option Risk** - Because the success of our Company is highly dependent upon our respective employees, our Company has granted to certain employees, Directors and consultants stock options to purchase shares of our common stock as non-cash incentives (see "Share Ownership" below in this Annual Report). To the extent that significant numbers of such stock options may be granted and exercised, the interests of the other shareholders of our Company may be diluted causing possible loss of investment value.
- u) **No Dividend Distribution** - We have never declared or paid cash dividends on our common shares and do not anticipate doing so in the foreseeable future. Our Board of Directors may never declare cash dividends, and such action is exclusively within our discretion. Shareholders cannot expect to receive a dividend on our common stock in the foreseeable future, if at all.
- v) **Penny Stock Rules** - Trading of our common stock may be restricted by the Securities and Exchange Commission (SEC)'s "Penny Stock" rules which may limit a shareholder's ability to buy and sell our shares. The SEC has adopted rules which generally define "penny stock" to be any equity security that has a market price (as defined) less than US\$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of US\$5,000,000 or individuals with a net worth in excess of US\$1,000,000 or annual income exceeding US\$200,000 or US\$300,000 jointly with their spouse.

The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements

showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation.

In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the share that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common shares.

- w) ***Limitations to Buy or Sell Shares*** - The National Association of Securities Dealer (NASD) has adopted sales practice requirements which may limit a shareholder's ability to buy and sell our shares. In addition to the "penny stock" rules described above, the NASD has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, the NASD believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. The NASD requirements make it more difficult for broker-dealers to recommend that their customers buy our common shares, which may limit your ability to buy and sell our shares and have an adverse effect on the market for our shares.
- x) ***Indemnity of Officers and Directors*** - Our articles contain provisions that state, subject to applicable law, we must indemnify every Director or officer of our Company, subject to the limitations of the Business Corporations Act (British Columbia), against all losses or liabilities that our Company's Directors or Officers may sustain or incur in the execution of their duties. Our articles further state that no Director or officer will be liable for any loss, damage or misfortune that may happen to, or be incurred by our Company in the execution of his duties if he acted honestly and in good faith with a view to the best interests of our Company. Such limitations on liability may reduce the likelihood of litigation against our Company's Officers and Directors and may discourage or deter our shareholders from suing our Company's Officers and Directors based upon breaches of their duties to our Company, though such an action, if successful, might otherwise benefit our Company and our shareholders.
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- y) **Management and Employee Risks** - Key management employees may fail to properly carry out their duties or may leave, which could negatively impact our corporate operations and/or our share price. Our Company's financial condition and the success of our oil and gas operations is dependent on our ability to hire and retain highly skilled and qualified personnel. We face competition for qualified personnel from numerous industry sources, and we may not be able to attract and retain qualified personnel on acceptable terms. The loss of service of any of our key personnel could have a material adverse effect on our operations and/or financial condition, which may negatively impact our share price. We do not have key-man insurance on any of our employees.

- z) **Key Management Risk** - The Company depends entirely upon its management to identify, acquire, finance and operate a portfolio of oil and gas exploration properties through which the Company can grow and achieve oil production and a steady income. The Company's management is comprised of a small number of key employees with technical skills and expertise in the business, the loss of any one of whom could harm the Company. The Company does not currently maintain "key-man" insurance for any of its employees.

- aa) **Forward-Looking Statements** - This Annual Report may contain forward-looking statements as that term is defined in Section 27A of the United States Securities Act of 1933 and Section 21E of the United States Securities Exchange Act of 1934. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors" that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Item - 4 : Information on the Company

A. HISTORY AND DEVELOPMENT OF THE COMPANY.

- a) **Name of the Company** - The name of the company is "Continental Energy Corporation" and it is herein referred to as the "Company". Upon its incorporation on May 29, 1984, the name of the Company was "Intl. Focus Res. Inc." On January 3, 1996 the name was changed to "Continental Copper Corporation". On October 23, 1997 the name was changed to "Continental Energy Corporation".

- b) **Incorporation** - The Company was incorporated under the Business Corporations Act of British Columbia on May 29, 1984 under incorporation number BC0278646 issued by the Province of British Columbia Registrar of Companies in Victoria, British Columbia, Canada.

- c) ***Domicile*** - The Company is a limited liability company and its domicile is at its registered and records office located at 1500-1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7, telephone +1-604-687-5700, care of the Company's general counsel, McMillan LLP. The Company does not have an office in the USA.
- d) ***Important Events*** – Except for those certain events described in Item-4.A.h and Item-4.A.i herein below, the Company has not made, during the fiscal year covered by this Annual Report and up to the Report Date, any important events in the development of the its business through any material reclassification, merger or consolidation or any of its significant subsidiaries; any acquisitions or dispositions of material assets other than in the ordinary course of business; any material changes in the mode of conducting its business or to the types of business conducted; name changes; or any bankruptcy, receivership or similar proceedings with respect to the Company or any one of its significant subsidiaries.
- e) ***Important Investments or Divestitures*** – Except for Visionaire subsidiary divestiture and those certain additional events described in Item- 4.A.h and Item-4.A.i herein below, the Company has not made, during its last three financial years and up to the Report Date, any material capital expenditure investments and divestitures (including interests in other companies).
- f) ***Important Planned Investments or Divestitures*** – As at the Report Date, the Company does not have any material capital expenditures and divestitures (including interests in other companies) planned and/or committed under contract. However, the Company is always looking to develop new business opportunities for expansion of its core business interests in upstream and downstream oil and gas and in conventional and alternative energy within the Company's focus area of Indonesia. The Company expects to source external finance for any new acquisitions or opportunities realized.
- g) ***Public Takeover Offers*** – During the fiscal year covered by this annual report and up to the Report Date, the Company has not received or sought any public takeover offers by third parties in respect of the Company's shares, nor has the Company made any public offers in respect of a takeover of other Companies' shares.
- h) **Material Events Occurring During the Fiscal 2017 Year - 7/01/16 to 6/30/17 – Described in Chronological Order**
- 1)- **Director Resignation** – Effective upon 12/30/16, Mr. John Tate resigned from the Company's board of directors.
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- 2)- **Joint Development Agreement Signed** – On 1/04/17, the Company entered into a Joint Development Agreement (the "**CHI JDA**") with Continental Hilir Indonesia Pte. Ltd. ("**CHI**"), a private Singapore company, for the joint development of Small-Scale Refinery Projects in Indonesia. CHI and the Company are related parties and at the Report Date share three common directors. The CHI JDA is more fully described herein below in Item-4.C.c. "*Joint Ventures*".

- 3)- **Consulting and Joint Development Agreement Signed** – On 2/28/17, the Company entered into a Consulting and Joint Development Agreement (the "**CHMEA JDA**") with Continental Hilir MEA (FZE) ("**CHMEA**"), a private company registered in the Sharjah Airport International Free Zone of the United Arab Emirates, for the joint development of Small-Scale Refinery Projects in the Middle East and Africa. CHMEA and the Company are related parties and at the Report Date share one common director. The CHMEA JDA is more fully described herein below in Item-4.C.c. "*Joint Ventures*".

- 4)- **Director Appointment** – Upon 3/31/17, Mr. Karsani Aulia was appointed a director of the Company by action of the board of directors to fill the vacancy on the board.

- 5)- **Code of Business Conduct and Ethics** – Upon 5/14/17, the board of directors adopted a new and revised "Code" of Business Conduct and Ethics for the Company. A complete copy of the Code was filed by the Company on SEDAR on 16/05/17 and is publicly available in PDF form for download from the SEDAR website. The PDF download link can be found after a search of the Company's filings at SEDAR's website <http://sedar.com/search/>. A complete copy of the Code was also filed by the Company on EDGAR on 17/05/17 under cover of a Form-6K filing.

- 6)- **Charter of the Audit Committee** – Upon 5/14/17, the board of directors adopted a new and revised "Charter" for the Company's Audit Committee. A complete copy of the Charter was filed by the Company on SEDAR on 5/16/17 and is publicly available in PDF form for download from the SEDAR website. The PDF download link can be found after a search of the Company's filings at SEDAR's website <http://sedar.com/search/>. A complete copy of the Charter was also filed by the Company on EDGAR on 5/17/17 under cover of Form-6K.

- 7)- **Charter of the Governance and Nominating Committee** – Upon 5/14/17, the board of directors adopted a new and revised "Charter" for the Company's Governance and Nominating Committee. A complete copy of the Charter was filed by the Company on SEDAR on 5/16/17 and is publicly available in PDF form for download from the SEDAR website. The PDF download link can be found after a search of the Company's filings at SEDAR's website <http://sedar.com/search/>. A complete copy of the Charter was also filed by the Company on EDGAR on 5/17/17 under cover of a Form-6K filing.

- 8)- **Charter of the Compensation Committee** – Upon 5/17/17, the board of directors adopted a new and revised "Charter" for the Company's Compensation Committee. A complete copy of the Charter was filed

by the Company on SEDAR on 5/23/17 and is publicly available in PDF form for download from the SEDAR website. The PDF download link can be found after a search of the Company's filings at SEDAR's website <http://sedar.com/search/>. A complete copy of the Charter was also filed by the Company on EDGAR on 5/23/17 under cover of a Form-6K filing.

- 9)- **Charter of the Reserves Committee** – Upon 5/17/17, the board of directors adopted a new and revised "Charter" for the Company's Governance and Nominating Committee. A complete copy of the Charter was filed by the Company on SEDAR on 5/23/17 and is publicly available in PDF form for download from the SEDAR website. The PDF download link can be found after a search of the Company's filings at SEDAR's website <http://sedar.com/search/>. A complete copy of the Charter was also filed by the Company on EDGAR on 5/23/17 under cover of a Form-6K filing.
- 10)- **Annual Financial Report Filed Late for Fiscal 2015** - On 5/24/17 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2015 year ended 6/30/15. These reports were filed electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instruments 51-102 "*Continuous Disclosure Obligations*" and 51-109 "*Certification of Disclosure in Annual Filings*". These reports included audited, annual, consolidated financial statements for the Fiscal 2015 year ended 6/30/15 plus management's discussion and analysis thereof.
- 11)- **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2015** - On 5/24/17 we made a late filing of the Company's required annual oil and gas activities and reserves report for Fiscal 2015. These reports were filed electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instrument 51-101 "*Standards of Disclosure for Oil and Gas Activities*".
- 12)- **Annual Report on Form 20F Filed Late for Fiscal 2015** - On 5/26/17 we made a late filing on EDGAR of the required audited annual financial reports and other disclosure on US SEC Form 20F Annual Report for our Fiscal 2015 year ended 6/30/15. The Form 20F Annual Report was filed concurrently as a voluntary "Annual Information Form" or "AIF" filing on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instruments 51-102 "*Continuous Disclosure Obligations*" and 51-109 "*Certification of Disclosure in Annual Filings*". These reports included audited, annual, consolidated financial statements for the Fiscal 2015 year ended 6/30/15 plus management's discussion and analysis thereof.
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- 13)- **AGM Notice and Record Date Set** – Upon 6/05/17, the Company caused its registrar and transfer agent, Computershare, to file on SEDAR a Notice of Meeting and Record Date for the Company's annual general meeting of shareholders for Fiscal 2015 and Fiscal 2016 years to be held on 8/04/17 in the Company's registered and records office at 900-885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1. The official "Record Date" for the purposes of determining those shareholders of record entitled to vote at the meeting is 6/30/17. The formal notice and agenda for the meeting will be published on the Record Date.
- 14)- **Reports Filed Late for Quarters Ended 9/30/15, 12/31/15 and 3/31/16** - On 6/20/17 we made a single late filing of three interim quarterly financial reports for the quarters ended 9/30/15, 12/31/15, and 3/31/16; which are the first three quarters of our Fiscal 2016. These reports were filed electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instruments 51-102 "*Continuous Disclosure Obligations*" and 51-109 "*Certification of Disclosure in Interim Filings*". These reports included management prepared, unaudited, interim, consolidated financial statements for each one of the three quarters plus management's discussion and analysis thereof. The same three quarterly financial reports were also filed on the same date on EDGAR under Form 6K.
- 15)- **Annual Financial Report Filed Late for Fiscal 2016** - On 6/21/17 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2016 year ended 6/30/16. These reports were filed electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instruments 51-102 "*Continuous Disclosure Obligations*" and 51-109 "*Certification of Disclosure in Annual Filings*". These reports included audited, annual, consolidated financial statements for the Fiscal 2016 year ended 6/30/16 plus management's discussion and analysis thereof.
- 16)- **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2016** - On 6/21/17 we made a late filing of the Company's required annual oil and gas activities and reserves report for Fiscal 2016. These reports were filed electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instrument 51-101 "*Standards of Disclosure for Oil and Gas Activities*".
- 17)- **Reports Filed Late for Quarters Ended 9/30/16, 12/31/16 and 3/31/17** - On 6/23/17 we made a single late filing of three interim quarterly financial reports for the quarters ended 9/30/16, 12/31/16, and 3/31/17; which are the first three quarters of our Fiscal 2017. These reports were filed electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instruments 51-102 "*Continuous Disclosure Obligations*" and 51-109 "*Certification of Disclosure in Interim Filings*". These reports included management prepared, unaudited, interim, consolidated financial statements for each one of the three quarters plus management's discussion and analysis thereof.

- 18)- **AIF on Form 20F Filed on SEDAR for Fiscal 2016** - On 6/29/17, on the same date we filed our Form 20F Annual Report, for the Fiscal 2016 year ended 6/30/16 on EDGAR, we also filed a copy as a voluntary "Annual Information Form" or "AIF" filing on SEDAR in compliance with regulations of BC Securities Commission in our home country. The AIF is in a form acceptable under Canadian Securities Administrator's National Instruments 51-102 "Continuous Disclosure Obligations" and 51-109 "Certification of Disclosure in Annual Filings".
- 19)- **Share Capital Changes - During Fiscal 2017 Ended 6/30/17** - At the end of Fiscal 2017 the Company's authorized capital consisted of 500,000,000 common shares without par value and without special rights or restrictions attached and 500,000,000 preferred shares without par value and with special rights and restrictions attached. There were no changes to the Company's authorized share capital structure during Fiscal 2017.
- 20)- **New Share Issues - During Fiscal 2017 Ended 6/30/17** - There were no new issues of share capital of any class or series by the Company during Fiscal 2017.
- 21)- **Share Purchase Warrant Activity - During Fiscal 2017 Ended 6/30/17** - During Fiscal 2017, no outstanding warrants were exercised, no new warrants were issued, and there were no amendments to the terms of any common share purchase warrants during Fiscal 2017. A total of 550,000 common share purchase warrants expired without exercise, a total of 250,000 warrants expired on 7/25/16 and another 300,000 on 10/23/16.
- 22)- **Stock Option Activity - During Fiscal 2017 Ended 6/30/17** - During Fiscal 2017 year there were no new issues, exercises, or expiries of stock options, and there were no amendments to the terms of any stock options.
- i) **Subsequent Material Events Occurring Since 6/30/17 up to the Report Date – Described in Chronological Order**
- 1)- **Registered and Records Office Relocated** - In a press release dated 7/04/17 the Company announced that it had moved and relocated its registered and records office to a new address at 1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, Canada.
- 2)- **Cease Trade Order Revoked** - The British Columbia Securities Commission ("BCSC") issued a cease trade order to the Company on 4/11/2015, for failure to file, by the regulatory deadline, audited annual financial statements and management's discussion and analysis for the fiscal year ended 30/06/15. The order prohibited trading of the Company's securities in Canada until revoked. The Company completed the audits and filed the last of the statements and reports required to remedy and cure the filing deficiencies on 23/06/17. The Company applied for a revocation order on 7/07/17, and the BCSC revoked the cease trade

order on 20/07/17.

- 3)- **Annual Financial Report Filed for Fiscal 2017** - On 8/03/17 we filed the required audited annual financial reports and other disclosure electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instruments 51-102 "*Continuous Disclosure Obligations*" and 51-109 "*Certification of Disclosure in Annual Filings*". These reports included audited, annual, consolidated financial statements for the Fiscal 2017 year ended 6/30/17 plus management's discussion and analysis thereof.
- 4)- **Annual Oil & Gas Activity and Reserves Report for Fiscal 2017** - On 8/03/17 we filed the Company's required annual oil and gas activities and reserves report for Fiscal 2017 electronically on SEDAR in compliance with regulations of British Columbia Securities Commission in our home country, and in the form required by Canadian Securities Administrator's National Instrument 51-101 "*Standards of Disclosure for Oil and Gas Activities*".
- 5)- **AGM For Fiscal 2015 and Fiscal 2016 Held** - The Company held an annual general meeting ("AGM") of shareholders at its registered offices in Vancouver on 8/04/17. The shareholders reviewed and accepted the auditor's report on the Company's annual consolidated financial statements for both the Company's Fiscal 2015 and Fiscal 2016 years ended 30 June. The shareholders voted and approved resolutions that fixed the number of directors at four (4) for the ensuing Fiscal 2017 year; re-elected incumbent directors Richard L. McAdoo, Robert V. Rudman, Phillip B. Garrison, and Karsani Aulia for Fiscal 2017; and re-appointed Davidson & Company LLP as the auditors of the Company for Fiscal 2017 at remuneration to be fixed by the directors.
- 6)- **New Stock Option Plan Adopted** - At the Fiscal 2016 AGM held in Vancouver on 8/04/17, the shareholders voted to approve and adopt a new incentive stock option plan, replacing all previous plans, applicable to management and employees of the Company. On 6/30/17 the Company filed a complete copy of the "**2017 Stock Option Plan**" as an attachment labelled "Appendix-I" to the Management Information Circular for the AGM. This copy is in the same form as ultimately voted on and approved by shareholders at the AGM and is available for review or download on the Company's profile on www.sedar.com. The SEDAR filed copy of the 2017 Stock Option Plan is hereby incorporated by this reference into this Annual Report.
- 7)- **Articles of Association Restated and Adopted** - At the Fiscal 2016 AGM held in Vancouver on 8/04/17, the shareholders voted to approve and adopt a new, amended and restated articles of association replacing all previous articles of the Company. On 6/30/17 the Company filed a complete copy of the "**Restated Articles of Association**" as an attachment labelled "Appendix-II" to the Management Information Circular for the AGM. This copy is in the same form as ultimately voted on and approved by shareholders at the AGM and is available for review or download on the Company's profile on www.sedar.com. The SEDAR filed copy of the Restated Articles is hereby incorporated by this reference into this Annual Report.
- 8)- **Fiscal 2017 AGM Notice, Circular, and Proxy Materials Published** – On 8/04/17, the Company filed electronically on SEDAR a Notice of Meeting, a Management Information Circular, and a Form of Proxy

for the Company's annual general meeting of shareholders for Fiscal 2017 to be held on 9/08/17 in the Company's registered and records office at 1500-1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7. The official "**Record Date**" for the purposes of determining those shareholders of record entitled to vote at the meeting is 8/04/17.

- 9)- **Share Capital Changes - Subsequent to end Fiscal 2017** - At the Report Date the Company's authorized capital consisted of 500,000,000 common shares without par value and without special rights or restrictions attached and 500,000,000 preferred shares without par value and with special rights and restrictions attached. There were no changes to the Company's authorized share capital during the period from the end of Fiscal 2017 up to the Report Date.
- 10)- **New Share Issues - During Fiscal 2017 Ended 6/30/17** - There were no new issues of share capital of any class or series by the Company during the period from the end of Fiscal 2017 up to the Report Date.
- 11)- **Share Purchase Warrant Activity - During Fiscal 2017 Ended 6/30/17** - During the period from the end of Fiscal 2017 up to the Report Date, there were no new issues, expiries, or amendments to the terms of any common share purchase warrants. At the Report Date there are a total of 2,000,000 common share purchase warrants outstanding at an exercise price of US\$ 0.01 until 12/31/17.
- 12)- **Stock Option Activity - During Fiscal 2017 Ended 6/30/17** - During the period from the end of Fiscal 2016 up to the Report Date, there were no new issues, expiries, exercises, or amendments to the terms of any stock options. At the Report Date there are no common share purchase stock options issued or outstanding.

B. BUSINESS OVERVIEW.

The Company is an emerging developer of conventional and alternative energy capacity integrated with upstream and downstream petroleum supply within the Republic of Indonesia. Why Indonesia? Already a G20 member, Indonesia is predicted by the World Bank to grow to the 4th largest economy in the world by 2045.

C. ORGANIZATIONAL STRUCTURE.

The Company conducts and manages substantially all of its business activities through the use of wholly-owned corporate subsidiaries, partially owned joint venture corporations, and joint ventures. The Company itself functions as a holding company centralizing management and administrative activities while specific project and property ownership and management are held and vested in the subsidiary, joint venture company or joint venture.

- a) **Wholly-owned Subsidiaries** - From time to time the Company establishes certain wholly and exclusively owned and controlled subsidiary companies usually for a special and single purpose such as, for example, to own and hold the rights to a specific oil and gas property. The accounts of wholly-owned subsidiaries are consolidated into those of the Company. At the Report Date, and during the past three Fiscal Years, the Company has no wholly-owned subsidiaries.
- b) **Joint Ventures** - From time to time the Company enters joint ventures with other partners pursuant to a joint venture agreement or joint operating agreement. Such unincorporated joint venture arrangements are a customary practice for multiple otherwise unrelated companies to jointly own and share the risks and rewards of the oil, gas, and energy business. At the Report Date the Company's is involved in the following joint ventures:
- **Malaysia Joint Study and Bid Group** – On 11/12/13, the Company entered into a 50/50 joint bid arrangement with an established Malaysian partner to evaluate opportunities and present carefully selected bids for new oil and gas production sharing and risk service contracts offered in Malaysia by PETRONAS, the national oil company. At the Report Date, this arrangement remains in full force and effect.
 - **Joint Development Agreement** – On 4/01/17, the Company entered into a Joint Development Agreement (the "CHI JDA") with Continental Hilir Indonesia Pte. Ltd. ("CHI"), a private Singapore company, for the joint development of Small-Scale Refinery Projects in Indonesia. CHI and the Company are related parties and at the Report Date share three common directors. The CHI JDA provides that CHI may earn an 80% participating interest with the Company on realization of any new Small Scale Refinery ("SSR") developments in Indonesia by providing reimbursable cash advances to the Company from time to time and also carrying or paying for the Company's 20% participating interest share of feasibility studies, pre-operations costs, proposal preparation, and presentation costs to local commercial partners and to foreign direct investment and SSR licensing authorities. At the Report Date, this arrangement remains in effect.
 - **Consulting and Joint Development Agreement** – On 28/02/17, the Company entered into a Consulting and Joint Development Agreement (the "CHMEA JDA") with Continental Hilir MEA (FZE) ("CHMEA"), a private company registered in the Sharjah Airport International Free Zone of the United Arab Emirates, for the joint development of Small-Scale Refinery Projects in the Middle East and Africa. CHMEA and the Company are related parties and at the Report Date share one common director. The CHMEA JDA provides that CHMEA may earn a 50% participating interest with the Company on realization of any new SSR developments in the Middle East and Africa by providing reimbursable cash advances to the Company from time to time and also carrying or paying for the Company's 50% participating interest share of consulting, feasibility studies, pre-operations costs, proposal preparation, and presentation costs to local commercial partners and to foreign direct investment and SSR licensing authorities. At the Report Date, this arrangement remains in effect.

D. PROPERTY, PLANT, AND EQUIPMENT.

- a) **Oil and Gas Reserves** - As at the Report Date, we have not established substantive proved reserves that are material to our operations or financial position in accordance with reserve guidance set out in US SEC Industry Guide 2 - Disclosure of Oil and Gas Operations. We have not filed reports claiming oil or gas reserves to any other federal authority or agency since the beginning of the last Fiscal Year.
- b) **Oil and Gas Production**- As at the Report Date, we have not established oil or gas production.

- c) **Drilling Activity** - The following table sets out the number of wells we participated in during each of our three most recently completed Fiscal Years.

<i>Wells by Classification</i>	<i>Drilling Activity for Fiscal Year Ended</i>					
	<i>6/30/17</i>		<i>6/30/16</i>		<i>6/30/15</i>	
	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>
Exploratory Wells Drilled	0	0	0	0	0	0
Development Wells Drilled	0	0	0	0	0	0
Total - Wells by Classification	0	0	0	0	0	0
<i>Wells by Type</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>
Productive Oil Wells Completed	0	0	0	0	0	0
Productive Gas Wells Completed	0	0	0	0	0	0
Service Wells Completed	0	0	0	0	0	0
Dry Holes Drilled	0	0	0	0	0	0
Total - Wells by Type	0	0	0	0	0	0

Notes: A “gross well” is a well in which we own a participating interest. The total number of gross wells is the total number of wells in which we own or owned a participating interest.

A “net well” is deemed to exist when the sum of all fractional ownership interests in gross wells equals one. The number of net wells is the sum of the proportion of the actual fractional participating interests we own in gross wells expressed as whole numbers and fractions thereof.

A “service well” is a well drilled for purposes other than oil or gas production, for example for use as a water or gas injection well or as a salt water disposal well.

A “dry hole” is an exploratory or a development well found to be incapable of producing either oil or gas in sufficient quantities to justify completion as a commercially productive oil or gas well. A “productive” well is an exploratory or a development well that is not a dry hole.

- d) **Acreage, Project Areas and Leases** - The following table sets out the acreage of project areas, production sharing contract areas, and leases in which we have or held a participating interest, as at the end of each of our three most recently completed Fiscal Years. All of our acreage is undeveloped. As used in the table a “gross acre” is an acre in which we own or owned a participating interest. The total number of gross acres is the total number of acres in which we own or owned a participating interest. A “net acre” is deemed to exist when the sum of all fractional ownership interests in gross acres equals one. The number of net acres is the sum of the proportion of the actual fractional participating interests we own or owned in gross acres expressed as whole numbers and fractions thereof.

<i>Lease, Area, PSC, or Property</i>	<i>Acreage and Leases at Fiscal Year Ended</i>					
	<i>6/30/17</i>		<i>6/30/16</i>		<i>6/30/15</i>	
	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>
	-	-	-	-	-	-
Total - Acres	-	-	-	-	-	-

Notes to table: At the end of Fiscal 2017 and as of the Report date the Company has no oil and gas leases or production sharing contracts.

- e) **Oil and gas costs.** - The following table summarizes the costs incurred in oil and gas property acquisition, exploration, development, and related joint venture activities for our Company for our three most recently completed Fiscal Years.

<u>Cost</u>	<i>Oil and Gas Costs at Fiscal Year Ended</i>		
	<u>6/30/17</u>	<u>6/30/16</u>	<u>6/30/15</u>
Oil and Gas Costs	--	--	--
Total - US\$	--	--	--

Item - 4A : Unresolved Staff Comments

We are filing this Form-20F as an Annual Report under the Exchange Act and not as a registration statement, therefore the provision of information called for by this Item-4A is not applicable.

Item - 5 : Operating and Financial Review and Prospects

A. OPERATING RESULTS.

The following discussion of the Company's financial results includes those for the most recently completed last three Fiscal Years ended 6/30/17, 6/30/16, and 6/30/15. As used below, the phrases "last year" and "prior year" refers to financial results for the same fiscal period ended 30 June of the previous Fiscal Year.

Financial Results For the Company's Fiscal Year 2017, Ended 6/30/17

All balances referred to in the following discussion are in US\$ currency unless otherwise indicated.

Loss during Fiscal Year 2017 Ended 6/30/17 - The Company incurred a loss from operations of \$439,606 during Fiscal 2017 compared to a loss of \$473,289 during Fiscal 2016, a decrease of \$33,683 primarily due to lower professional fees and share-based payments that were nil during 2017 compared to \$26,200 during 2016. The Company incurred a loss per share of \$0.00 in both 2017 and 2016.

Finance during Fiscal Year 2017 Ended 6/30/17 - During 2017, \$301,990 was advanced to the Company by a joint venture partner compared to \$71,500 during 2016. Also during 2017, \$29,100 in cash proceeds was received from loans from related parties.

Expenses during Fiscal Year 2017 Ended 6/30/17 - The Company's administrative costs were lower by \$14,428 in 2017 compared to 2016, primarily due to reduced professional fees. (2017 - \$376,842; 2016 - \$391,270). Professional fees were lower in 2017 by \$37,566 as compared to 2016. However, office costs, rent and insurance were \$21,529 higher in 2017 as compared to 2016. Travel and accommodation expenses were also higher in 2017 at \$17,441 compared to \$8,514 in 2016.

FINANCIAL RESULTS FOR THE COMPANY'S FISCAL YEAR 2016, ENDED 6/30/16

All balances referred to in the following discussion are in US\$ currency unless otherwise indicated.

Finance during Fiscal Year 2016 Ended 6/30/16 - During the Fiscal Year ended 6/30/16, the Company received \$71,500 from the proceeds of loans from two related parties. In the prior year ended 6/30/15, \$120,000 was received as proceeds of private placements. The Company also converted its loan payable of \$750,000 into common shares.

Income during Fiscal Year 2016 Ended 6/30/16 - Overall, from operations during the Fiscal Year ended 6/30/16, the Company had a loss of \$473,289 compared to a loss of \$956,418 in the prior year ended 6/30/15. The Company had a loss per share of \$0.00 in 2016 compared to a loss per share of \$0.01 in 2015.

Expenses during Fiscal Year 2016 Ended 6/30/16 - General and administrative expenses decreased by \$324,549 from \$799,379 to \$474,830 for the Fiscal Years ended 6/30/15 and 6/30/16 respectively. The decrease is attributable to the lower share-based payments expense of \$26,200 compared to \$100,000 in Fiscal 2015. The Company's office and investor relations costs were also lower in Fiscal 2016 compared to Fiscal 2015. The office and investor relations costs were \$122,321 in Fiscal 2015 and only \$40,396 in Fiscal 2016. Professional fees were less by \$48,599 in Fiscal 2016 compared to Fiscal 2015. In addition, interest charges were \$84,551 in Fiscal 2015 but only \$47,385 in Fiscal 2016.

Financial Results For the Company's Fiscal Year 2015, Ended 6/30/15

All balances referred to in the following discussion are in US\$ currency unless otherwise indicated.

Loss during Fiscal Year 2015 Ended 6/30/15 - Overall, the Company had a loss from operations during Fiscal 2015 of \$956,418 compared to \$939,489 in the prior year ended 6/30/2014. The Company had a loss per share of \$0.01 in Fiscal 2015 and Fiscal 2014. The primary contributor to the overall increase in the loss incurred during the year were the Company's general and administrative expenses as described below, which increased by \$168,866. During Fiscal 2015, the Company recognized a loss of \$159,837 on the disposal of the Company's 51% owned subsidiary Visionaire Energy AS. During Fiscal 2014, the Company used the equity accounting method to account for its portion of the operations of Visionaire Energy AS and its affiliates, which resulted in a loss during 6/30/14 of \$311,972, and therefore a resultant decrease in Visionaire Energy AS related cost to the Company of \$152,135, and offsetting the overall increase in administrative costs.

Finance during Fiscal Year 2015 Ended 6/30/15 - Financing activities during Fiscal 2015 provided \$120,000 from private placements on issuance of 2,400,000 common shares of the Company. The Company also converted its loan payable of \$750,000 into common shares of the Company by issuing 15,000,000 shares of its common stock. During the prior year, the Company raised \$40,000 from private placements and a further \$750,000 from said loan, which, as noted above, was converted into the common shares of the Company during Fiscal 2015.

Investments during Fiscal Year 2015 Ended 6/30/15 - The Company sold its 51% interest in Visionaire Energy AS for total consideration of \$1,200,000, consisting of the return of 20 million common shares of the Company, issued as part of the original investment in Visionaire Energy AS plus \$200,000 in cash. The approval for the disposal of the Company's shareholders was sought and received on 12/5/2014.

Expenses during Fiscal Year 2015 Ended 6/30/15 - General and administrative expenses during Fiscal 2015 amounted to \$799,379 compared to \$630,513 during Fiscal 2014, an increase of \$168,866. The increase in cost was primarily the result of the stock-based compensation provided to a director by issuing 2,000,000 common shares of the

Company. The stock-based compensation amounted to \$100,000 compared to \$20,877, which pertained to the fair value of the stock options granted during Fiscal 2014, resulting in an overall increase in the expense of \$79,123. Other costs with significant increases during 6/30/15 were management fees and salaries, which increased by \$54,392 as a result of medical insurance benefits provided to the Company's officers, and, office costs and professional fees which increased by a combined \$79,394 due to the changes involving the Company's structure, i.e. the sale of Visionaire Energy AS, and the timing difference to Fiscal 2014 regulatory filings and annual meetings. These higher costs were off-set by a decrease in the overall interest charges related to the Company's convertible promissory note. The interest charges decreased by \$50,803 as, during Fiscal 2014, the Company had a series of amendments to the terms of the promissory note which resulted in a higher interest expense to accrete the promissory note to its face value with the amended terms. During Fiscal 2015, the Company only had one amendment to the terms of the promissory notes.

B. LIQUIDITY AND CAPITAL RESOURCES.

The following discussion of the Company's liquidity and working capital situation includes those for the most recently completed last three Fiscal Years ended 6/30/17, 6/30/16, and 6/30/15. Cash on hand is not sufficient to fund the Company's overhead costs and new business development costs for the immediate future. The Company intends to focus its efforts on acquisitions of new properties to generate revenue. The Company also intends to conduct additional fund raising activities during the next fiscal year.

- **Working Capital Situation at End Fiscal 2017 on 6/30/17** - At the end of Fiscal 2017 on 6/30/17, the Company's consolidated financial statements reflect a working capital deficit of \$ 1,721,256 compared to a working capital deficit of \$1,282,380 in the previous year. Cash used in
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operating activities during the year ended 6/30/17 totaled \$ 307,222, compared with \$74,225 in the prior fiscal year. Cash from financing activities during the year ended 6/30/17 was \$ 331,090 compared to \$71,500 during the prior fiscal year.

- **Working Capital Situation at End Fiscal 2016 on 6/30/16** - At the end of Fiscal 2016 on 6/30/16, the Company's consolidated financial statements reflect a working capital deficit of \$1,282,380 compared to the 6/30/15 working capital deficit of \$836,752. Cash used in operating activities during the year ended 6/30/16 totaled \$74,225, compared with \$558,421 in the prior year. Cash from financing activities during the year ended 6/30/16 was \$71,500 whereas there was \$120,000 received from such activities during the year ended 6/30/15.
- **Working Capital Situation at End Fiscal 2015 on 6/30/15** - At the end of Fiscal 2015 on 6/30/15, the Company's consolidated financial statements reflect a working capital deficit of \$836,752 compared to the 6/30/14 working capital deficit of \$693,794. Cash used in operating activities during the year ended 6/30/15 totaled \$558,421 compared with \$533,013 in the prior fiscal year. Cash received from investing activities during Fiscal 2015 was \$ 200,000 compared to a \$1,219 use of cash during the prior fiscal year.

C. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES, ETC.

We do not currently, and did not previously, have research and development policies in place. Over the past three Fiscal Years, no funds were expended by our Company on research and development activities.

D. TREND INFORMATION.

The Company is aware of two global market trends which we believe could have a material effect upon our business operations. These are:

- **Crude Price Gap** – Since 2011 there has been a marked change to the historical gap between the global market price of benchmark crude oils WTI and Brent. Prior to 2011, the Brent versus WTI spread traded in a range between a \$4 discount for Brent to a \$4 premium for Brent oil. The normal state of the relationship was a discount for the Brent crude. Brent has higher sulfur content than WTI, so Brent is more expensive to refine into gasoline. In addition, in years past there were greater supplies of Brent crude as the U.S. was a big importer of the commodity. Therefore, the Brent discount relative to WTI generally hovered between \$2 and \$4 per barrel. In recent years, volatility in the spread between the two oils has increased and Brent crude has moved to a premium to WTI. Near the Report Date Brent is trading at a \$3 premium to WTI.

The Company expects this trend to continue and the gap to continue or widen in the foreseeable future due largely to the success and revitalization of the US shale oil producers whose oil production is a substitute in terms of volume to non-US sourced oil such as Brent. The Company's core business focus is Indonesia and the SE Asia region where the higher Brent price received for any oil we produce would have a positive effect on the Company. Similarly, the WTI-Brent gap and Brent premium is largely reflected in the prices of refined petroleum products and rapidly rising consumer demand in our core region of operations would also have a positive effect on product revenues for any small-scale refinery we may develop.

- **Natural Gas Prices in SE Asia** – Increasing consumer demand in SE Asia for electrical power is driving a rapidly growing market that is also becoming increasingly environmentally aware of the benefits of natural gas power generation over the traditional alternative of coal. Already, gas producers with access to any of the limited pipeline capacity of Indonesia enjoy long-term gas supply contract prices with commercial and sovereign cross-border buyers who pay at multiples of 3 to 5 times over peak season Henry Hub gas prices.

New pipeline capacity is being laid to make more gas available to feed the demand. The Company sees the trend from coal to gas as the fuel of choice, and the continued increase in market demand for power, constrained by available transport capacity, as having a possible positive impact on the Company for any gas production or gas-fired power plants it develops.

E. Off-balance sheet arrangements.

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

F. TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS.

The table below reflects our “Short Term” (at least one year), “Mid Term” (two to three years) and “Long Term” (over three years) debt and fixed contractual obligations for the upcoming five Fiscal Years:

<i>Obligation</i>	Contractual Obligations as at 6/30/17			
	<i>Total</i>	<i>Short Term</i>	<i>Mid Term</i>	<i>Long Term</i>
Debt Principal	nil	nil	nil	nil
Debt Service Interest	nil	nil	nil	nil
Non-Cancelable Leases	nil	nil	nil	nil
Environmental liabilities	nil	nil	nil	nil
Asset Retirement Obligations	nil	nil	nil	nil
Property Work Commitments	nil	nil	nil	nil
Totals	nil	nil	nil	nil

G. SAFE HARBOR.

The safe harbor provided in Section 27A of the Securities Act and Section 21E of the Exchange Act (“statutory safe harbors”) shall apply to forward-looking information provided pursuant to Item 5.E and 5.F.

Item - 6 : Directors, Officers, Employees and Their Compensation**A. DIRECTORS AND OFFICERS.**

Directors - The term "Directors" as used herein includes and is limited to those persons duly elected or appointed to the Board of Directors of the Company in the manner provided for in the Company’s articles of association and in accordance with applicable law.

- **Terms** - The Directors each generally serve in their respective capacities from their election on the day of the Annual General Meeting of the Company held each year normally in December. Directors serve until the next Annual General Meeting or until a successor is duly elected. In the event a Director’s office is vacated for any reason then, in accordance with the Articles of the Company, casual vacancies may be filled by appointment by the remaining Directors. In such cases the persons filling the vacancy holds office until the next Annual General Meeting at which time they may be re-elected or replaced.
- **Family Relationships** -There are no family relationships between any of the Directors. There are no family relationships between any Director and any of the Officers of our Company.
- **Non-Arm’s Length Arrangements** - There are no arrangements or understandings between the Company and its major shareholders, customers, suppliers, or others, pursuant to which any Director or executive officer was selected.
- **Non-Executive Directors** - The Company distinguishes its Directors into two groups, "Executive Directors" and "Non-Executive Directors”. Executive Directors are those Directors who also serve as executive Officers employed under contract for such service by the Company. Non- Executive Directors are independent Directors who do not also serve as executive Officers of the Company and have no contractual relationship with the Company for personal services outside those of being solely a Director.
- **Directors at the Report Date** - The names and other information concerning the sitting Directors of the Company at the Report Date are set forth in the following table. Directors of the Company may from time to

time serve as the Directors or Officers of other public companies unrelated to the Company, and the following table also shows related parties and other public companies of which a Director may also serve as a Director.

Board of Directors						
Director's Name	Type of Director	Age	First Appointed	Standing Committee Memberships	Functional Expertise Brought to the Company	Other Public Companies
Richard L. McAdoo	Executive Director & Chief Executive Officer	63	Jan 1999	Reserves, Compensation	Businessman & Petroleum Geologist	None
Phillip B. Garrison	Non-Executive & Independent Director	64	Sep 2007	Audit, Reserves, Compensation, Governance	Businessman & Accountant	None
Robert V. Rudman	Executive Director & Chief Financial Officer	69	Dec 2009	Audit	Businessman & Accountant	None
Karsani Aulia	Non-Executive & Independent Director	64	Mar 2017	Audit, Reserves, Compensation, Governance	Businessman & Petroleum Geologist	None

- **Experience and Principal Business Activities of the Directors** - A brief description of the qualifications, experience, and principal business activities of each Director referenced in the preceding table follows:
- **Executive Director - Richard L. McAdoo** holds a Bachelors and a Master's degree in Geology from Texas Tech University; and a Master's degree in Business Administration from Boston University. He is registered as a Certified Petroleum Geologist by the American Association of Petroleum Geologists. Actively involved in the international oil exploration and production business for the last 35 years, Mr. McAdoo has held a variety of technical and management positions in exploration and production for Mobil Oil Company, Phillips Petroleum Company, Jackson Exploration, Inc., Triton Energy Corporation, Tracer Petroleum Company, and others in many regions including the North Sea, Middle East, Africa, South America, former Soviet Union, and Southeast Asia. A long-time resident of Jakarta, Indonesia, he is a tireless promoter of small or stranded oil and gas fields as ideal candidates for innovative conventional and alternative energy solutions to the SE Asia region's chronic undersupply of electrical power and transportation fuels.
- **Non-Executive Director - Phillip B. Garrison** is a resident of Dubai, United Arab Emirates. He is a graduate of the University of Oklahoma and holds an MBA from Southern Methodist University. He is a CPA registered in Texas. He is a past President of the American Business Council in Dubai and is a trustee of the American School of Dubai. After graduation from OU, Mr. Garrison began his career in 1975 in the Oklahoma City office of the public accounting firm of Arthur Young and Company before eventually becoming the Director of Tax in its Hong Kong office. In 1987 he joined Caltex (a Chevron-Texaco joint venture company) in its Irving, Texas office before being posted to Caltex's Dubai office in 1994 as its Managing Director, responsible for downstream and marketing activities in the Middle East. In 2001 he founded Downstream Developments Inc. in Dubai and consults on and develops ventures for transportation and logistics, oil and gas infrastructure projects, and petroleum product marketing. Recently he has worked with the Falcon Group of Dubai, a FEDEX subcontractor in the Middle East and North Africa, as its Managing Director. He also worked with Specialist Group Dubai as its executive officer in charge of operations for its British Military contracts providing logistics, bulk fuels transportation, and waste management services in Iraq during the conflict there.
- **Executive Director - Robert V. Rudman** is a Canadian Chartered Accountant, a former auditor with the firm of Price Waterhouse and a proven professional with more than thirty years of hands-on experience in the management and analysis of companies. As a senior member of Canadian and U.S. financial advisory firms, Mr. Rudman has been instrumental in arranging a wide range of debt and equity financings, in structuring a number of mergers and acquisitions, in developing strategic and operational business plans, and in the preparation and filing of all required regulatory reports. Mr. Rudman's scope of experience includes both domestic and international transactions. His focus has been on the challenges facing early stage public companies. As an officer and director of an emerging high technology Canadian public company for a period of twelve years, Mr. Rudman served as the Chief Financial Officer, the Chief Executive Officer and as the Chairman of the Board.
- **Non-Executive Director - Karsani Aulia** is a resident of Jakarta, Indonesia. He is a graduate of the Bandung Institute of Technology and received his Master's degree in petroleum geology, cum laude, from the Colorado School of Mines in 1982. He worked for PT Caltex Pacific Indonesia (Chevron-Texaco) from 1976 until 2004. There he held various technical and operating positions including Vice President Exploration and General Manager of Resources and Production for Caltex's onshore Minas Field, the largest oilfield in Asia with a daily production of over 200,000 BPD. From 2002 until 2004 he served on Chevron's Worldwide Asset Management Committee and its Technology Council. From 2004 to 2007 he served as the General Manager for the Coastal Plains Pekanbaru PSC a local government owned oil and gas operating company with 27,000 BOPD oil production from the Riau Province, onshore Sumatra. Between 2007 and 2015, he served as Senior Vice President of Operations and Technology for Samudra Energy Ltd. an oil and gas exploration and

production company based in Jakarta and Singapore. Under his leadership, Samudra Energy had a period of successful growth to become one of the top ten hydrocarbon producing companies in Indonesia.

- **Directors Changes During Fiscal 2017** – The following changes to the Company's board of directors occurred during Fiscal 2017:
 - **Director Resignation** – John Tate resigned from the Company's board of directors effective on 30/12/16 to pursue his own business interests.
 - **Director Appointment** – Mr. Karsani Aulia was appointed a director of the Company on 31/03/17 by action of the board of directors to fill the vacancy on the board.

Senior Management or Officers - The term "Officers" as used herein includes and is limited to those senior managers or executive managers who are either Chairman, President, Vice President, Secretary, Treasurer, CEO, COO, or CFO of the Company or hold position of similar capacity in wholly-owned subsidiaries.

- **Terms** - Officers are appointed by the Board of Directors and hold office indefinitely at the pleasure of the Board of Directors.
 - **Family Relationships** - There are no family relationships between any of the Company's Officers, with each other, or with Directors of our Company.
 - **Non-Arm's Length Arrangements** - There are no arrangements or understandings between the Company and its major shareholders, customers, suppliers, or others, pursuant to which any Officer was selected.
 - **Management Contracts** - Senior executive management functions of the Company and its subsidiaries are not performed by anyone other than Directors or Officers of the Company.
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- **Officers at the Report Date** - The names and other information concerning the incumbent Officers of the Company at the Report Date are shown in the following table.

Officers					
Officer's Name	Positions Held	Age	Date First Appointed	Functional Expertise Brought to the Company	Other Public Company Directorships
Richard L. McAdoo	Chairman & CEO Chief Executive Officer	63	Jan 1999	Businessman & Petroleum Geologist	None
Robert V. Rudman	Director & CFO Chief Financial Officer	69	Sep 2009	Businessman & Chartered Accountant	None

- **Qualifications and Experience of the Officers** - A brief description of the qualifications, experience, and principal business activities of each Officer follows:
 - **Richard L. McAdoo is the Company's Chairman and Chief Executive Officer or CEO.** See other details in the preceding section concerning Directors experience.
 - **Robert V. Rudman is the Company's Chief Financial Officer or CFO.** See other details in the preceding section concerning Directors experience.

B. COMPENSATION.

The Company's executive compensation program is designed to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align the executives' interests with those of the Company's shareholders. Individual compensation may be based on individual experience and performance or other criteria deemed important by the Compensation Committee. In order to meet the Company's objectives, executive compensation is guided by three principles: 1) providing executives with an equity-based incentive plan, namely a stock option plan; 2) aligning employee compensation with Company corporate objectives; and 3) attracting and retaining qualified individuals in key positions.

- a) **Compensation Policy Elements** - An executive compensation policy has been established to acknowledge and reward the contributions of the executive Officers to the Company's success and to ensure competitive compensation, in order that the Company may benefit from the expertise required to pursue its objectives. The Company's executive compensation policy is comprised of both fixed and variable components. The variable components include equity and non-equity incentive plans. Each compensation component has a different function, but all elements are intended to work in concert to maximize Company and individual performance by establishing specific, competitive operational and financial goals and by providing financial incentives to employees based on their level of attainment of these goals. The Company's current executive compensation program is comprised of the following components:
 - **Base Salary** - Salaries of the Company's executive Officers are reviewed periodically by the Compensation Committee. In determining individual base salaries, the Compensation Committee takes into consideration individual circumstances that may include the scope of an executive's position, location of employment, the executive's relevant competencies, experience, performance, and retention risk.

- **Non-Equity Incentives** - The Company has no formal short or long term non-equity incentive compensation plan having objective targets or measures in determining non-equity incentives, but instead periodically makes cash bonuses allocated and paid to one or more executives based on merit and individual accomplishment and contribution to advancing the Company's project development and strategic objectives. The granting of cash incentives requires the approval of both the Compensation Committee and the Board of Directors and are based upon an assessment of each individual's performance in achieving significant value for the Company, specifically; an executive being instrumental in successfully negotiating a new property acquisition, arranging a financing, drilling a successful well, closing a corporate merger or acquisition, or playing a substantive role in a similar milestone event.
 - **2017 Stock Option Plan** - The Company has no formal long term equity compensation plan having objective targets or measures in determining equity incentives. Instead incentive compensation paid to the Company's executive Officers consists exclusively of Option- Based awards pursuant to the Company's formal stock option plan, from time to time approved by the shareholders. The Company' current incentive stock option plan was adopted and approved at an annual general meeting on 8/04/17. It is known as the "**2017 Stock Option Plan**", and permits the directors to grant up to 12,301,538 options to purchase common shares, an amount equivalent to 10% of the total common shares issued and outstanding on its approval date. A summary of other key elements of the 2017 Stock Option Plan is as follows:
 - a) **Purpose of Plan** - The purpose of the 2017 Stock Option Plan (the "**Plan**") is to provide the Company with an equity based compensation mechanism (in this case one common share (a "**Share**") of the Company underlying each "**Option**") to attract, retain and motivate qualified "Executives", "Employees" and "Consultants" (as each group is defined in the Plan) to contribute toward the long term goals of the Company. It also encourages such individuals to acquire Shares of the Company as long term investments, and thereby aligns the common interests of such individuals to those of the Company's other shareholders.
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- b) **Oversight of the Plan** - The Compensation Committee of the board of directors is charged with oversight and management of the Plan. The Compensation Committee also determines, subject to the provisions of the Plan, those Executives, Employees and Consultants to whom Options are to be granted; the Exercise Price at which the Option may be exercised; the term for which the Option is to be valid; and the special terms or vesting milestones of the Option, if any, set out in the Option certificate delivered to the holder.
- c) **Participation in Plan** - The Compensation Committee of the board of directors is charged with oversight and management of the Plan. The Compensation Committee also determines those Executives, Employees and Consultants to whom Options are to be granted.
- d) **Maximum Number of Shares** - The aggregate maximum number of Options which may be granted under the Plan, including any options granted pursuant to a previous plan, may not exceed *ten percent (10%)* of the total number of the Company's common shares issued and outstanding upon any grant date.
- e) **Rolling Return** - If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan. Similarly, 10% of the new shares created on any Option exercise shall contribute to the available pool of Options available for grant.
- f) **Exercise Price of Option** - The "**Exercise Price**" shall not be less than the "**Market Value**" of the Shares as of the grant date. The Market Value of the Shares for a particular grant date is the closing trading price of the Shares on the day immediately preceding the grant date, and may be less than this price only if it is within the discounts permitted by the applicable listing requirements and regulatory authorities.
- g) **Limitations on Grant Amounts** - The following limitations shall apply to the Plan and all Options granted thereunder:
 - i. The maximum number of Options which may be granted to any one Option holder under the Plan within any twelve (12) month period shall be five percent (5%) of the total number of the Company's common shares issued and outstanding upon the grant
 - ii. If required by listing or regulatory rules, disinterested shareholder approval is required to the grant to Insiders, within a twelve (12) month period, of a number of Options which, when added to the number of outstanding incentive stock options granted to Insiders within the previous twelve (12) months, exceed ten percent (10%) of the issued Shares;
 - iii. The maximum number of Options which may be granted to any one Consultant within any twelve (12) month period must not exceed two percent (2%) of the total number of the Company's common shares issued and outstanding upon the grant date; and
 - iv. The maximum number of Options which may be granted within any twelve (12) month period to Employees or Consultants engaged in investor relations activities must not exceed two percent (2%) of the total number of the Company's common shares issued and outstanding upon the grant date, and

such options must vest in stages over twelve (12) months with no more than twenty five (25%) of the Options vesting in any three (3) month period.

- h) **No Transfers** - Options granted under the Plan are not transferable and may not be assigned.
- i) **Limitations on Term** - The expiry date of an Option may be fixed by the Compensation Committee at the date of grant provided that the expiry date of no Option shall be later than the tenth (10th) anniversary of its grant date. Additionally:
- i. In the event of the death or disability of the holder, the Options shall expire be exercisable by the holder's personal representative for a period of one-year from the date of death or disability.
 - ii. In the event of termination of employment, engagement, or holding of the office for which the Options were granted for any reason including resignation, the Option shall expire thirty (30) days after such termination.
- **Pension Plan Benefits** - The Company does not currently have any formal pension plans that oblige the Company to make payments or provide benefits at, following, or in connection with retirement of its Directors, Officers, or employees.
 - **Share-Based Awards** - The Company does not currently have any formal short or long term share-based award plans that oblige the Company to make any direct grants and issues of Company securities to its Directors, Officers, or employees as compensation.
- b) **Compensation on Termination** - There are no Company policies providing for, and no provisions in the Company's employment agreements with its Officers or employees for, incremental payments to be made to them by the Company in the event of termination of their employment "Without Cause".
- c) **Compensation on Change of Control of Company** - There are no Company policies providing for, and no provisions in the Company's employment agreements with its Officers or employees for incremental payments to be made to them by the Company in the event of termination of their employment on the event of any "Change of Control" of the Company.
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- d) **Compensation of Directors**-The Company has no standard arrangement pursuant to which Directors are compensated by the Company for their services solely in their capacity as Directors except for the granting from time to time of incentive stock options in accordance with the Company's Stock Option Plan and except for compensation paid to Directors who are also executive Officers. No cash compensation was paid to any Director of the Company for the Director's services as a Director during the most recently completed financial year, other than the reimbursement of out-of-pocket expenses.
- e) **Compensation of Officers and Directors**- During the most recently completed financial year of the Company, the Company compensated its Directors and Officers as set forth in the following table. The Company reports its financial statements in US dollars and therefore all amounts therein are reported in US dollars.

Summary Table - Compensation of Directors and Officers During Fiscal 2017

<i>Name and Principal Position</i>	<i>Fiscal Year Ended</i>	<i>Salary</i>	<i>Share-Based Awards ⁽¹⁾</i>	<i>Options Granted ⁽¹⁾</i>	<i>Non-Equity</i>			<i>All Other Compensation</i>
					<i>Incentive Plan Compensation</i>	<i>Pension Contributions</i>	<i>Annual Long-Term</i>	
<i>Officers</i>								
Richard L. McAdoo Chairman & CEO	30-JUN-17	\$150,000	Nil	Nil	Nil	Nil	Nil	Nil
Robert V. Rudman CFO	30-JUN-17	\$120,000	Nil	Nil	Nil	Nil	Nil	\$5,470 ⁽²⁾
<i>Non-Executive Directors</i>								
		<i>Fees</i>						
Phillip B. Garrison Non-Executive Director	30-JUN-17	Nil	\$26,200 ⁽³⁾	Nil	Nil	Nil	Nil	Nil
John Tate ⁽³⁾ Non-Executive Director	30-JUN-17	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Karsani Aulia ⁽⁴⁾ Non-Executive Director	30-JUN-17	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes to the table:

¹ When applicable the value of the share-based and options awards reflects the fair value of options granted on the dates of grant. The fair value is computed using the Black Scholes option pricing model with the following weighted average assumptions: a) average risk-free interest rate; b) expected years of life of the option; c) the price of the stock on the grant date; d) expected volatility as a percentage; and e) no expected dividend payments. The Black Scholes model is used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.

² Reflects cost of personal medical insurance provided.

³ Mr. Tate resigned effective 12/30/16.

4 *Mr. Aulia was appointed a director on 3/31/17.*

C. BOARD PRACTICES.

- a) **Number of Directors** - The number of Directors on the Company's Board of Directors was fixed at four (4) directors at the last annual general meeting. Under the Company's articles of incorporation, the Board is entitled to add one (1) director at any time, should it deem necessary or desirable.
- b) **Election of Directors** - The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting. In the event of resignation of a sitting Director, the Board of Directors may act to appoint a replacement Director who shall serve until the next general meeting.
- c) **Independence and Executive Directors** – At the Report Date, the Company has four sitting directors, two of whom are Executive Directors and two of whom are both Non-Executive Directors and also Independent Directors as described below:
- i) **Executive Directors** – The Company considers directors two of its four directors, McAdoo and Rudman, to be "**Executive Directors**" by virtue of the fact both are salaried employees paid directly by the Company for personal services rendered in their capacities as senior executive officers of the Company.
- ii) **Non-Executive Directors** – The Company considers two of its four directors, Aulia and Garrison, to be "**Non-Executive Directors**" by virtue of the fact that neither is a salaried employee paid by the Company for personal services and neither has been paid directly or indirectly for services rendered as a consultant, advisor, or contractor to the Company.
- iii) **Independent Directors** – The Company considers directors Aulia and Garrison to be "**Independent Directors**" by virtue of the fact that both are Non-Executive Directors, neither is holder of, or director or officer of a holder, of 10% or more of the Company's voting stock, and neither is a director, officer, or major shareholder of an affiliate controlled by the Company or in control of the Company. Each also meets the requirements of an "Independent Director" as defined in *Part-1.2(1) of NI 58-101 Disclosure of Corporate Governance Practices*.
- d) **Orientation of New Directors** – The Company makes an effort to provide newly appointed or elected Directors with a copy of all policies, codes of conduct, and board committee charters then currently in effect at the time of election for their information. Additionally, the Company
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assists all new Directors with registering on the "NI 55-102 System for Electronic Disclosure by Insiders" or "SEDI"; and advising of the requirements for each new Director to file and view insider reports electronically that are required of Directors by Canadian Securities Administrators.

- e) **Nomination of Directors** - The Company maintains a standing board committee, that in accordance with its charter, is charged with the task to identify, evaluate, interview, and recommend qualified individual candidates for nomination as potential directors to be elected or appointed to the Board, or as qualified candidates to be hired by Continental in the capacity of senior executive and senior financial officers. See *Item-6.C.j "Governance and Nominating Committee"* herein below.
- f) **Other Directorships** – As at the Report Date, no directors of the Company are also serving as a director of any other reporting issuer in any jurisdiction, whether domestic USA or foreign.
- g) **Code of Business Conduct and Ethics** - The Company publishes a written Code of Business Conduct and Ethics (the "Code"). The most recent revision of this Code was adopted by the board of directors on 5/14/17. The Code is deemed to include all the Policies published and described in the following section.
 - i) The purpose of the Code is to promote ethical and responsible decision making by all of the directors, officers, managers, and all other employees of the Company. The core principles of the Code embrace the values of honesty, integrity, excellence, accountability, transparency, independence, and common-sense ethical responsibility.
 - ii) A complete copy of the Code has also been filed and made available for public viewing on 5/17/17 as Exhibit-99.1 under cover of a Form-6K Report of Foreign Issuer made on the SEC's EDGAR system. The Code is hereby incorporated into this Form-20F by this reference.
 - iii) A complete copy of the Code has also been filed and made publicly available on the Canadian Securities Administrators SEDAR system in accordance with requirements of *Part-2.3 of NI 58-101 Disclosure of Corporate Governance Practices*. The Code is in the form of a convenient PDF file which can be downloaded from the SEDAR website, and a search for the Company's 'Code of Conduct' filing dated 5/16/17, at <http://sedar.com/search/>.
- h) **Published Corporate Policies** – In addition to the Code of Business Conduct and Ethics described in the preceding section, the Company adopts from time to time and as deemed necessary or desirable certain policies, procedures, guidelines, and recommended practices or procedures for specific administrative, social, compliance, environmental, or ethical issues (each one of which are herein referred to as a "Policy"). Each Policy forms an integral part of the Code described in the preceding section. Policies are applicable to all

directors, officers, full and part-time employees, casual hires, consultants, advisers, contractors, and suppliers who are working under direct contract to the Company or any one of the Company's wholly owned subsidiaries, its majority owned or otherwise controlled subsidiaries, and any joint ventures under its designated operational control. As at the Report Date the Company has adopted, published, and made publicly available the following Policies:

- i) **"Policy on Trading and Company Securities"** – The purpose of this Policy is to the purpose of this Policy is intended to prevent "Insider Trading" by persons in possession of "Material Non-Public Information" concerning the Company or its business operations and activities; prevent "Tipping" by persons in possession of the same information" from informing or conveying such knowledge to any other persons; and provide guidance to persons subject to this Policy to permit them to lawfully conduct legitimate transactions for their own personal benefit in the securities of the Company. A complete copy of this Policy been filed and made available for public viewing on 5/23/17 as Exhibit-99.3 under cover of a Form-6K Report of Foreign Issuer made on the SEC's EDGAR system. The said Policy is hereby incorporated into this Form-20F by this reference. This Policy is also available in the form of a convenient PDF file which, after a search for the Company's 'Other Security Holders Documents' filing dated 5/23/17, can be downloaded from the SEDAR website <http://sedar.com/search/>.

- i) **Audit Committee** - The Company's Board of Directors has chartered a standing "**Audit Committee**" and charged it with the responsibility of coordinating, reviewing, and working with the Company's accountants and auditors regarding the preparation, review, and approval of the Company's annual audited financial statements and related regulatory filings in both Canada and the USA. The most recent revision of the Charter of the Audit Committee was adopted by the board of directors on 5/14/17.
 - i) In addition to its USA reporting obligations, our Audit Committee operates under the Company's obligations pursuant to the regulatory practices prescribed by the Canadian Securities Administrators under *National Instrument 52-110 Audit Committees* and its *Companion Policy 52-110CP* as last amended and in force and effect (both herein referred to as "*NI-52-110*").
 - ii) The Audit Committee does not consist of the entire Board of Directors. At the Report Date the Audit Committee has three duly appointed members, a majority of whom are "Independent Directors" as defined in *Part-1.4 or in Part-6.1.1 of NI 52-110 Audit Committees*. The two Independent Directors on the Audit Committee are directors Garrison and Aulia. All three Audit Committee members are "Financially Literate" as such term is defined in *Part-1.6 of NI 52-110 Audit Committees*.
 - iii) The Company considers two members of the Audit Committee, directors Garrison and Rudman, to be "Audit Committee Financial Experts" as such term is defined in *Regulation S-K 17 CFR Part 229.407(d)(5)(ii)*. Mr. Rudman is a Chartered Professional Accountant in Canada and a former employee of public accounting firm Price Waterhouse. Mr. Garrison is a Certified Public Accountant and a former employee of public accounting firm Arthur Young and Co.

- iv)

The Audit Committee operates under a formal written "Charter" that is adopted by the Board and amended from time to time as and when the Board deems necessary or appropriate. The most recent revision of the Charter of the Audit Committee is dated 5/14/17.

- v) A complete copy of the Charter of the Audit Committee has also been filed and made available for public viewing on 5/17/17 as Exhibit-99.2 under cover of a Form-6K Report of Foreign Issuer made on the SEC's EDGAR system. The Charter of the Audit Committee is hereby incorporated into this Form-20F by this reference.

- vi) A complete copy of the Charter of the Audit Committee has also been filed and made publicly available on the Canadian Securities Administrators SEDAR system. The Charter is in the form of a convenient PDF file which can be found and downloaded from the SEDAR website, after a search for the Company's 'Other Security Holders Documents' filing dated 5/16/17, at <http://sedar.com/search/>.

- j) ***The Governance and Nominating Committee*** - The Company's Board of Directors has chartered a standing "Governance and Nominating Committee" and charged it with responsibility for oversight of the periodic review, amendment, and approval of the Company's "Code of Business Conduct and Ethics"; and with the task to identify, evaluate, interview, and recommend qualified individual candidates for nomination as potential directors to be elected or appointed to the Board or as qualified candidates to be hired by Continental in the capacity of senior executive and senior financial officers. The most recent revision of the Charter of the Governance and Nominating was adopted by the board of directors on 5/14/17.
 - i) The Governance and Nominating Committee does not consist of the entire Board of Directors. At the Report Date the Governance and Nominating Committee has two duly appointed members, all of whom are "Independent Directors" as defined in *Part-1.2(1) of NI 58-101 Disclosure of Corporate Governance Practices*. The Independent Directors on the Governance and Nominating Committee are directors Garrison and Aulia.
 - ii) A complete copy of the Charter of the Governance and Nominating Committee has also been filed and made available for public viewing on 5/17/17 as Exhibit-99.3 under cover of a Form-6K Report of Foreign Issuer made on the SEC's EDGAR system. The Charter of the Governance and Nominating Committee is hereby incorporated into this Form-20F by this reference.
 - iii) A complete copy of the Charter of the Governance and Nominating Committee has also been filed and made publicly available on the Canadian Securities Administrators SEDAR system in accordance with requirements of *Part-2.3 of NI 58-101 Disclosure of Corporate Governance Practices*. The Charter is in the form of a convenient PDF file which can be found and downloaded from the SEDAR website, after a search for the Company's 'Other Security Holders Documents' filing dated 5/16/17, at <http://sedar.com/search/>.

- k) ***The Compensation Committee*** - The Company's Board of Directors has chartered a standing "Compensation Committee" and charged it with responsibility for oversight and periodic review of the Company's "equity incentive plans", "incentive plan", "equity incentive plans", and "plans" for "share-based awards" and "option-based awards" as such terms are all defined in *Part-1.2 of NI 58-102F6 Statement of Executive Compensation* and herein referred to collectively as "Compensation Plans". After such review, the Committee

shall advise the Board of any recommendations for additions or revisions to the Compensation Plans.

- i) The Compensation Committee does not consist of the entire Board of Directors. At the Report Date the Compensation Committee has three duly appointed members, a majority of whom are "Independent Directors" as defined in *Part-1.2(1) of NI 58-101 Disclosure of Corporate Governance Practices*. The Independent Directors on the Governance and Nominating Committee are directors Garrison and Aulia.
 - ii) A complete copy of the Charter of the Compensation Committee has also been filed and made available for public viewing on 5/23/17 as Exhibit-99.1 under cover of a Form-6K Report of Foreign Issuer made on the SEC's EDGAR system. The Charter is hereby incorporated into this Form-20F by this reference.
 - iii) A complete copy of the Charter of the Compensation Committee has also been filed and made publicly available on the Canadian Securities Administrators SEDAR system in accordance with requirements of *Part-2.3 of NI 58-101 Disclosure of Corporate Governance Practices*. The Charter is in the form of a convenient PDF file which can be found and downloaded from the SEDAR website, after a search for the Company's 'Other Security Holders Documents' filing dated 5/23/17, at <http://sedar.com/search/>.
- 1) **Reserves Committee** - The Board of Directors has chartered a standing "Reserves Committee" and charged it with responsibility for oversight of the preparation, review, and approval of the Company's oil and gas activity and reserves reporting. The Reserves Committee operates pursuant to the regulatory requirements prescribed by the *Canadian Securities Administrators under National Instrument 51-101 Statement Of Reserves Data And Other Oil And Gas Information* ("NI-51-101").
- i) The Reserves Committee does not consist of the entire Board of Directors. At the Report Date the Reserves Committee has three duly appointed members, a majority of whom are "Independent Directors" as defined in *Part-1.2(1) of NI 58-101 Disclosure of Corporate Governance Practices*. The Independent Directors on the Committee are directors Garrison and Aulia.
 - ii) A complete copy of the Charter of the Reserves Committee has also been filed and made available for public viewing on 5/23/17 as Exhibit-99.2 under cover of a Form-6K Report of Foreign Issuer made on the SEC's EDGAR system. The Charter is hereby incorporated into this Form-20F by this reference.
 - iii) A complete copy of the Charter of the Reserves Committee has also been filed and made publicly available on the Canadian Securities Administrators SEDAR system in accordance with requirements of *Part-2.3 of NI 58-101 Disclosure of Corporate Governance Practices*. The Charter is in the form of a convenient PDF file which can be found and downloaded from the SEDAR website, after a search for the Company's 'Other Security Holders Documents' filing dated 5/23/17, at <http://sedar.com/search/>.
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D. EMPLOYEES.

During Fiscal 2017, in addition to its Officers, the Company had two full time employees, who were all located at the Company's Indonesia representative office in Jakarta. Of these two employees is accounting staff and the other is administrative and support staff. None of the Company's employees are represented by a union.

E. SHARE OWNERSHIP BY DIRECTORS AND OFFICERS.

The table below lists, as at the Report Date, the number of voting securities owned directly or indirectly by all Directors and Officers. The common share voting rights of our Directors and Officers do not differ from those of any other shareholders. The amounts of common shares shown do not include those common shares that a Director or Officer may yet acquire upon exercise of any outstanding options or warrants.

Voting Shares Owned by Directors And Officers

<i>Type of Security</i>	<i>Name of Beneficial Owner</i>	<i>Number of Voting Securities Owned</i>	<i>% of Total Voting Securities</i>
Common Shares	Richard L. McAdoo, Director & CEO	9,579,158	
Common Shares	Robert V. Rudman, Director & CFO	3,752,000	
Common Shares	Karsani Aulia, Non-Executive Director	0	
Common Shares	Phillip B. Garrison, Non-Executive Director	0	
	Directors & Officers as a Group	13,331,158	
Common Shares	Total Issued & Outstanding		123,015,381

Incentive Stock Options Held by Directors and Officers - The table below lists, as at the Report Date, the number of incentive stock options held by each Director and Officer. Incentive stock options are granted to the Company's management, employees, and consultants in accordance with our formal written Stock Option Plan that is described in more detail in Section-6.B. The number of options held, as at the Report Date, by Directors and Officers as a group plus those options held by other employees and consultants as a group is also shown.

Incentive Stock Options Held by Directors and Officers

Name of Optionee	Directors & Officers	US\$ Option Exercise Price	Date Option Expires	Number of Options	Percentage
Richard McAdoo, Director & CEO		n/a	n/a	0	
Robert Rudman, Director & CFO		n/a	n/a	0	
Karsani Aulia, Director		n/a	n/a	0	
Phillip B. Garrison, Director		n/a	n/a	0	
			Total Directors & Officers as a Group	0	
Other Optionees as a Group		n/a	n/a	0	
			Total Stock Options Outstanding at the Report Date	0	

Item - 7 : Major Shareholders and Related Party Transactions

Authorized Share Capital - At the Report Date, the authorized capital of the Company consists of One Billion (1,000,000,000) shares divided into Five Hundred Million (500,000,000) common shares without par value and Five Hundred Million (500,000,000) preferred shares without par value.

Authorized Common Shares- At the Report Date, all of the 500,000,000 authorized common shares of the Company are of the same class and, once issued, rank equally as to dividends, voting powers, and participation in assets. Holders of common shares are entitled to one vote for each share held of record in all matters to be acted upon by the shareholders. Holders of common shares are entitled to receive such dividends as may be declared from time to time by the Board of Directors, in its discretion, out of funds legally available therefore.

Authorized Preferred Shares - At the Report Date, the authorized capital of the Company includes 500,000,000 preferred shares. The Board of Directors, using its own discretion, may from time to time by resolution, alter the Articles of the Company to divide the preferred shares into special series or classes of preferred shares in differing amounts of preferred shares having separate special terms and conditions attached to each such series. The Directors may create and designate a particular series of preferred shares, fix the number of preferred shares to be included in such designated series, and determine the consideration for which any series is to be sold or issued. Further, the Directors may create, define and attach special rights and restrictions to the preferred shares of any particular series including, rates and other conditions of any dividends; the rights and terms of provisions for cancellation, redemption, conversion, exchange, and/or retraction of the series; and the terms and conditions of any voting rights or restrictions. Holders of preferred shares shall be entitled, on the distribution of assets of the Company or on the liquidation, dissolution or winding-up of the Company, to receive before any distribution to be made to holders of common shares or any other series or class of shares capital ranking junior to the preferred shares as specifically provided in the special rights and restrictions attached to any particular series of the preferred shares issued.

Issued and Outstanding Share Capital - At the Company's most recently completed Fiscal 2017 year ended on 6/30/17, the total number of common shares issued and outstanding was 123,015,381. As of the Report Date the total number of common shares issued and outstanding is 123,015,381. Zero preferred shares were issued at the end of Fiscal 2017, and none are issued as of the Report Date. The authorized and issued share capital of the Company is summarized in the table below.

Authorized And Issued Share Capital				
Type of Security	Authorized Share Capital	Issued and Outstanding Share Capital		
	Number of Shares	Audited Fiscal Year End 6/30/17	Last Unaudited Month End 7/31/17	At The Report Date
Common Shares	500,000,000	123,015,381	123,015,381	123,015,381
Preferred Shares	500,000,000	0	0	0

Fully Diluted Basis Shareholding - As at the Report Date, on a fully diluted basis, there are **123,015,381** common shares of the Company either issued or allocated under unexercised outstanding options, warrants, and debt conversion rights. This fully-diluted total includes **123,015,381** common shares actually issued and outstanding plus **2,000,000** outstanding unexercised warrants, plus **-0-** outstanding unexercised options to purchase additional common shares, plus **5,000,000** outstanding unexercised rights to convert against a promissory note; all as summarized in the table below.

Fully Diluted Shareholding			
Type of Security	Audited Fiscal Year End 6/30/17	Last Unaudited Month End 7/31/17	At The Report Date
Common Shares	123,015,381	123,015,381	123,015,381
Warrants	2,000,000	2,000,000	2,000,000
Options	0	0	0
Debt Conversion Rights	5,000,000	5,000,000	5,000,000
Fully Diluted Total	130,015,381	130,015,381	130,015,381

A. MAJOR SHAREHOLDERS.

Definition of Major Shareholder - As used herein the term “**Major Shareholder**” refers to beneficial owners of 5% or more of each class of the Company’s voting securities, including our common shares. As at the Report Date the Company has one class of common shares outstanding, of which **123,015,381** are issued and entitled to vote.

Voting Rights - The voting rights of our Major Shareholders do not differ from the voting rights of shareholders who are not Major Shareholders.

List of Major Shareholders - To the knowledge of the Directors and Officers of the Company, no person beneficially owns, directly or indirectly, or exercises control or direction over common shares carrying more than 5% of the voting rights attached to all issued and outstanding shares of the Company at the Report Date except for those Major Shareholders who, together with their respective share holdings, are listed in the following table:

Major Shareholders			
<i>Type of Security</i>	<i>Name of Major Shareholder</i>	<i>Voting Shares Owned</i>	<i>% of Total</i>
Common Shares	Mr. J. Khan ⁽¹⁾	15,000,000	12.2 %
Common Shares	Dr. K. Tan ⁽²⁾	15,000,000	12.2 %
Common Shares	Mr. R. L. McAdoo ⁽³⁾	9,579,158	7.8 %
	Major Shareholders as a Group	39,579,158	32.2 %
Common Shares	Total Issued & Outstanding ⁽⁴⁾	123,015,381	100.0 %

Notes to Table:

- | | |
|---|---|
| 1 | Major Shareholder, Malaysian businessman |
| 2 | Major Shareholder, Malaysian businessman |
| 3 | Major Shareholder, Executive Director, Chairman, and CEO of the Company. |
| 4 | Does not included shares held by nominee depositories CDS and CEDE as described in the following section. The Company is not aware of the identities of unregistered shareholders and beneficial owners of the shares held by nominee depositories CDS or CEDE. |

Registered and Unregistered Shareholders - We estimate that the total number of Registered and Unregistered Shareholders of the Company is approximately 990, based on the following assumptions:

- **Registered Shareholders** - The Company knows the names, residences, and respective numbers of shares held by only those holders who possess a paper certificate on file with our registrar and transfer agent (collectively our “**Registered Shareholders**”). Each year our transfer and clearing agents Computershare and Broadridge furnish us with a list of Registered Shareholders entitled to vote at our annual general meeting and we use this list to mail proxy and meeting information, and some information about non-objecting beneficial owners who are unknown to us but hold our shares through an intermediary broker dealer or similar financial institution. As at the most recent record date for an annual general meeting we had 190 registered shareholders holding about 57% of our outstanding common shares.
- **Unregistered Shareholders** - The Company has researched to the best of its ability, the “**Unregistered Shareholders**”. The shares of our Unregistered Shareholders are commonly held by brokerage firms that use a share depository institution as its nominee and clearing house on behalf of banks, brokerage firms, institutions and their respective clients. Two of these share depository institutions, CDS and CEDE, hold a majority of the Company’s issued and outstanding common shares as shown in the preceding table. Canadian Depository for Securities, Inc., or “**CDS**” is a Canadian depository and “**CEDE**” an American nominee of the Depository Trust Company is a USA depository. The actual number of shareholders, the amount of shares owned by each, the residence of each, and the identities of each actual individual shareholder represented by the CDS and CEDE holdings is not known to the Company except for a limited amount of shareholders who have elected to receive annual meeting proxy and other information directly from the Company. We estimate the number of our Unregistered Shareholders from the number of proxy materials requested of the Company by various brokerage houses for distribution to our shareholders at the record date of our most recently held annual general or special shareholders meeting. Unregistered Shareholders hold about 43% of our outstanding common shares.

Geographic Distribution of Shareholders - We estimate the location of Registered Shareholders from the registered certificate addresses provided by our transfer agent. In the case of Unregistered Shareholders, we presume that the shares held by Canadian depository CDS represent Canadian or other Non-US holders and we presume that shares held at CEDE are attributable to USA resident holders although we have no way of knowing these facts as certain. As at the Report Date, based on mailings of proxy materials for our annual general meetings, we estimate that 21% of shares are held by residents located in the USA, another 28% in Canada, and the remaining 51% in other countries.

Control - To the extent known to the Company, the Company is not owned or controlled directly or indirectly by another corporation, or by any foreign government, or by any other natural or legal person severally or jointly, other than disclosed herein.

Change of Control - To the extent known to the Company, there are no arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

B. RELATED PARTY TRANSACTIONS.

Management Fees - During the fiscal year ended 6/30/17, the Company paid or accrued salary, fees, or other compensation to the Company's officers in the amount of \$275,470. At 6/30/17, a total amount of \$789,099 was payable to officers of the Company as salary, fees, or other compensation, including expense reimbursements. These amounts are included in accounts payable and accrued liabilities and are unsecured, non-interest bearing with no specific terms for repayment.

Loans from CEO - During the year ended 6/30/17, the CEO of the Company loaned \$26,000 to the Company for assistance with working capital. During Fiscal 2016 he loaned a total of \$61,500. As at 6/30/17, the total loan payable to him by the Company amounted to \$87,500. This loan is interest free with no fixed repayment terms.

Share Based Award - During the year ended 6/30/16, the Company issued a non-executive director an amount of 2,000,000 common share purchase warrants having an exercise price of \$0.01 per share and an expiry date of 12/31/17 as compensation for a \$10,000 loan. The Company calculated the Black Scholes fair value of these warrants to be \$26,200 which was charged to the statement of loss as share-based payments. During the year ended 6/30/17, the same director provided an additional loan of \$3,100 to the Company. As at 6/30/17, the aggregate loan amount to be repaid amounted to \$13,100 and is interest free and has no fixed repayment terms.

Joint Development Agreement – On 4/01/17, the Company entered into a Joint Development Agreement (the "**CHI JDA**") with Continental Hilir Indonesia Pte. Ltd. ("**CHI**"), a private Singapore company, for the joint development of Small-Scale Refinery Projects in Indonesia. CHI and the Company are related parties and at the Report Date share three common directors. See further discussion in Item-10.C "*Material Contracts*".

Consulting and Joint Development Agreement – On 28/02/17, the Company entered into a Consulting and Joint Development Agreement (the "**CHMEA JDA**") with Continental Hilir MEA (FZE) ("**CHMEA**"), a private company registered in the Sharjah Airport International Free Zone of the United Arab Emirates, for the joint development of Small-Scale Refinery Projects in the Middle East and Africa. CHMEA and the Company are related parties and at the Report Date share one common director. See further discussion in Item-10.C "*Material Contracts*".

Except for the related party transactions described in the preceding paragraphs or in the notes to the financial statements, and to the extent of the Company's knowledge, during the Company's Fiscal Year ended 6/30/17 and up to the Report Date there were no loans, guarantees, transactions, or currently proposed transactions between the Company and

- (a) enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the Company;
- (b) associates (An associate is an unconsolidated enterprise in which the Company has a significant influence or which has significant influence over the Company);
- (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, and close members (Close members of an individual's family are those that may be expected to influence, or be influenced by, that person in their dealings with the Company.) of any such individual's family;
- (d) Directors, Officers, and key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including close members of such individuals' families; and

- (e) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by Directors or Major Shareholders of the Company and enterprises that have a member of key management in common with the Company. Significant influence over an enterprise is the power to participate in the financial and operating policy decisions of the enterprise but is less than control over those policies.

C. INTERESTS OF EXPERTS AND COUNSEL.

Since the end of the Company's Fiscal 2017, to the best of our knowledge, there are no transactions, or proposed transactions, which have materially affected or will materially affect the Company in which any auditors, experts, counsel, or independent advisors has had or will have any direct or material indirect interest.

Item - 8 : Financial Information

A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION.

The Company's audited financial statements prepared using IFRS as issued by IASB, together with the independent auditor's report thereon for the Company's Fiscal 2017 year, are attached as an integral part field with this Annual Report. They are further described in "Item 18 - Financial Statements".

- a) **Canadian Financial Disclosure Standards NI 51-102** - The Company is obliged, in its home country of Canada, to prepare certain financial reports pursuant to the standards required by the Canadian Securities Administrators ("CSA") pursuant to *National Instrument 51-102 Continuous Disclosure Obligations* and its *Companion Policy NI 51-102CP* (herein both referred to as "**NI 51-102**").
- b) **Electronic SEDAR Filings** - NI 51-102 mandates that the Company file electronically, the Company's annual audited financial statements and its interim quarterly financial statements, together with a management discussion and analysis for each period, via the CSA's *System for Electronic Document Archiving and Retrieval* better known as "**SEDAR**". The Company began filing electronically on SEDAR in 1997. Copies of the Company's SEDAR filings may be downloaded from the SEDAR website at www.sedar.com.
- c) **Audited Annual Financial Statements** - The Company prepares NI 51-102 annual audited consolidated financial statements as at its year end date of 30 June. These consolidated financial statements include the accounts of the Company and its majority owned subsidiaries.
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- d) **Interim Quarterly Financial Statements** - During the course of the Company's Fiscal Year, management prepares NI 51-102 compliant, unaudited, interim, quarterly consolidated financial statements together with a management discussion and analysis and files it on SEDAR within 60 days of each of the fiscal quarters ended 30 September, 31 December, and 31 March.
- e) **EDGAR Form-6K Filings** – The Company has adopted the regular practice of filing its NI 51-102 compliant interim quarterly financial statements and management discussion and analysis on EDGAR under cover of Form-6K filings at the same time it files them on SEDAR.
- f) **Reporting Currency** - Commencing for its 7/31/02 year end the Company adopted the U.S. currency as its reporting currency and has prepared its financial statements since then on that basis. The accounts of the Company are prepared in U.S. dollars.
- g) **Canadian GAAP** - Prior to and including the Company's Fiscal Year ended 6/30/11, the Company's financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles ("**GAAP**"), the application of which, in the case of the Company, conformed in all material respects for the periods presented with US GAAP, except as disclosed in footnotes to those financial statements.
- h) **IFRS - International Financial Reporting Standards** - The Canadian Accounting Standards Board has mandated the replacement of Canadian GAAP with International Financial Reporting Standards ("**IFRS**") for all Canadian publicly accountable enterprises. The effective changeover date for the Company was 7/01/11, at which time the Company ceased using Canadian GAAP and replaced it with IFRS. The Company issued its first set of interim quarterly financial statements prepared under IFRS for the quarter ended 9/30/11 including comparative IFRS financial results and an opening balance sheet as at 7/01/10. The first annual IFRS consolidated financial statements were prepared for the Company's fiscal year ended 6/30/12 which incorporated restated comparatives for the previous Fiscal Year ended 6/30/11. Commencing from 7/01/11, the Company's financial statements were and are prepared in accordance with IFRS as issued by the International Accounting Standards Board or IASB.

B. SIGNIFICANT CHANGES.

- a) **Legal Proceedings** - As of the Report Date, the Company knows of no material, active or pending legal proceedings against them; nor is the Company involved as a plaintiff in any material proceeding or pending litigation.
- b) **Default on Convertible Note** - As at the Report Date the Company is in default of repayment of an unsecured \$250,000 promissory note convertible into common shares of the Company. The Company has offered the holder terms for converting a portion of the note in accordance with its provisions together with extending its term. There are no guarantees that these discussions will result in a resolution mutually acceptable to the Company and the note holder.

- i) On 9/21/11, the Company issued a convertible promissory note for proceeds of \$250,000. The note principal was convertible, at the election of the holder, at any time during its term into 3,125,000 common shares of the Company. Any unpaid interest thereupon is also convertible, at the option of the holder, at the same conversion rate. As additional consideration, the Company issued 1,562,500 warrants (“the additional consideration warrants”) to the note holder, exercisable at \$0.12 per share up to 9/22/13, the original maturity date.
- ii) The note originally accumulated interest at a rate of 10% per annum or at 15% per annum in the event of default of payment. On 11/21/12, the Company reached an agreement with the note holder that increased the interest rate retroactively to 18%, extended the maturity date to 3/21/13, and reduced the conversion price from \$0.08 to \$0.05 per share. This amendment to the terms of the note resulted in an incremental value of \$1,000.
- iii) On 5/21/13, the Company reached an agreement with the note holder that extended the maturity date to 9/21/13, extended the term of the additional consideration warrants to 3/21/15, and reduced the exercise price of the additional consideration warrants to \$0.08. This amendment to the terms of the note resulted in an incremental value of \$1,000 and the amendment to the terms of the additional consideration warrants resulted in an incremental value of \$16,719.
- iv) On 10/4/13, the Company reached an agreement with the note holder that extended the maturity date to 11/15/13. This amendment to the terms of the note resulted in an incremental value of \$8,500.
- v) On 12/12/13, the Company reached an agreement with the note holder that extended the maturity date to 1/31/14 and reduced the exercise price of the additional consideration warrants to \$0.05. This amendment to the terms of the note resulted in an incremental value of \$31,500 and the amendment to the terms of the additional consideration warrants resulted in an incremental value of \$10,782.
- vi) On 3/31/14, the Company reached an agreement with the note holder that extended the maturity date to 4/30/14 and extended the term of the additional consideration warrants to 12/31/15. This amendment to the terms of the note resulted in an incremental value of \$6,000 and the amendment to the terms of the additional consideration warrants resulted in an incremental value of \$7,031.
- vii) On 7/28/14, the Company reached an agreement with the note holder to extend the maturity date of the promissory note to 9/30/14 without any additional consideration.
- viii) The incremental value of the conversion rights of the note and the additional consideration warrants were calculated using the Black- Scholes model as further discussed in Note 10 to the Company's attached annual audited financial statements.

- c) **Cease Trade Order Revoked** - The British Columbia Securities Commission ("BCSC") issued a cease trade order to the Company on 4/11/2015, for failure to file, by the regulatory deadline, audited annual financial statements and management's discussion and analysis for the
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fiscal year ended 30/06/15. The order prohibited trading of the Company's securities in Canada until revoked. The Company completed the audits and filed the last of the statements and reports required to remedy and cure the filing deficiencies on 23/06/17. The Company applied for a revocation order on 7/07/17, and the BCSC revoked the cease trade order on 20/07/17.

- d) **Dividend Distributions** - Holders of our common shares are entitled to receive such dividends as may be declared from time to time by our board, in its discretion, out of funds legally available for that purpose. The Company has not declared any dividends for the last five Fiscal Years and does not anticipate that it will do so in the foreseeable future. We intend to retain future earnings, if any, for use in the operation and expansion of our business and do not intend to pay any cash dividends in the foreseeable future.

Item - 9 : The Offer and Listing .

A. OFFER AND LISTING DETAILS.

Since 3/24/98, the Company's common shares trade on the OTC Markets in the United States under the symbol "CPPXF". The following table lists trading price history of the Company's common shares and the high and low trading prices for each of the past six months, each of the past eleven quarters, and each of the past five fiscal years.

<i>Price History For the Month Ended</i>	<i>US\$ High Price</i>	<i>US\$ Low Price</i>	<i>Price History For the Quarter Ended</i>	<i>US\$ High Price</i>	<i>US\$ Low Price</i>	<i>Price History For the Fiscal Year's Ended</i>	<i>US\$ High Price</i>	<i>US\$ Low Price</i>
06/30/2017	\$0.03	\$0.03	06/30/2017	\$0.03	\$0.03	06/30/2017	\$0.03	\$0.03
05/31/2017	\$0.03	\$0.03	03/31/2017	\$0.02	\$0.00	06/30/2016	\$0.02	\$0.01
04/30/2017	\$0.08	\$0.01	12/31/2016	\$0.02	\$0.00	06/30/2015	\$0.04	\$0.00
03/31/2017	\$0.01	\$0.01	09/30/2016	\$0.04	\$0.00	06/30/2014	\$0.10	\$0.01
02/31/2017	\$0.02	\$0.00	06/30/2016	\$0.02	\$0.01	06/30/2013	\$0.14	\$0.01
01/31/2017	\$0.01	\$0.00	03/31/2016	\$0.02	\$0.00			
			12/31/2015	\$0.03	\$0.00			
			09/30/2015	\$0.03	\$0.00			
			06/30/2015	\$0.04	\$0.00			
			03/31/2015	\$0.03	\$0.00			
			12/31/2014	\$0.05	\$0.01			

B. PLAN OF DISTRIBUTION.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-9.B is not applicable.

C. MARKETS.

Since 3/24/98, the Company's common shares have been quoted and traded under the symbol "CPPXF" on the OTC Markets QB or Pink tiers or one of their respective predecessors.

D. SELLING SHAREHOLDERS

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-9.D is not applicable.

E. DILUTION.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-9.E is not applicable.

F. EXPENSES OF THE ISSUE.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-9.F is not applicable.

Item - 10 : Additional Information .

A. SHARE CAPITAL.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-10.A is not applicable.

B. MEMORANDUM AND ARTICLES OF ASSOCIATION.

The Company was incorporated in British Columbia, Canada, on 5/29/84 under the name "Intl. Focus Res. Inc.". On 1/03/96 the name was changed to "Continental Copper Corporation". On 10/23/97 the name was changed to "Continental Energy Corporation". On 6/23/04, the Company was transitioned under the Business Corporation Act (British Columbia). At an annual general meeting of the shareholders on 1/25/06 the shareholders adopted an amended Articles to conform them to the Business Corporations Act (British Columbia), enacted in 2004, as it required. At an annual general meeting of the shareholders on 8/04/17 the shareholders amended, restated, and adopted the Company's current Articles of Association.

Set out below is a summary of various provisions of our Notice of Articles and Articles prescribed by the Business Corporations Act (British Columbia) in respect of: (i) objects and purposes; (ii) directors; (iii) authorized capital; (iv) rights, preference and restrictions attached to our classes of shares; (v) shareholder meetings; and (vi) limitation on rights of non-Canadians; (vii) delay of change of control; and (viii) reporting of share ownership.

Objects and Purposes - Neither our Notice of Articles or Articles contain a limitation on our objects and purposes.

Directors - Our Articles have provisions related to conflicts of interests of directors in certain corporate transactions. A director or senior officer who holds a disclosable interest in a contract or transaction into which the Company proposes to enter into, must disclose such interest and is liable to account to the Company for any profit that accrues to the director or senior officer as a result of the transaction if the provisions for disclosure and director approval set out in the Business Corporations Act (British Columbia) are not complied with. A director with a disclosable interest in a contract or transaction is not entitled to vote on any directors' resolution approving the contract or transaction, unless all directors have an interest in the contract or transaction. A director with a disclosable interest in a contract or transaction is entitled to be counted as part of the quorum for the directors' meeting to consider the contract or transaction. Under the Business Corporations Act (British Columbia), a director does not hold a disclosable interest in a contract or transaction merely because it relates to his/her compensation in his/her capacity as a director, officer, employee or agent of the Company. Our Articles provide that our directors may, without shareholder approval, borrow money upon the credit of our Company, issue and sell bonds or debentures and provide guarantees. Neither our Notice of Articles nor Articles set out a mandatory retirement age for our directors and our directors are not required to own securities of our Company in order to serve as directors.

Authorized Capital - Our Notice of Articles provide that our authorized capital consists of 500,000,000 shares of common stock, without par value, and 500,000,000 shares of preferred stock, without par value. Our preferred stock may be issued in one or more series and our directors may fix the number of shares which is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series.

Rights, Preferences and Restrictions - Pursuant to our Articles and the Business Corporations Act (British Columbia), holders of our common stock are entitled to vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote, receive any dividend declared by our Company's board of directors and, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares, receive the remaining property of our Company upon dissolution. Shares of our preferred stock of each series rank on a parity with our share of preferred stock of any other series and are entitled to a preference over shares of our common stock with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of our Company. The provisions in our Articles attaching to our common stock and our preference stock may be altered, amended, repealed, suspended or changed by the affirmative vote of the holders of not less than two-thirds of the outstanding shares of common stock and two-thirds of the shares of preferred stock, as applicable. With the exception of special resolutions (i.e. resolutions in respect of fundamental changes to our

Company, including: the sale of all or substantially all of its assets, an merger or other arrangement or an alteration to our Company's authorized capital) that require the approval of two-thirds of the votes cast by shareholders (holding common stock) entitled to vote at a meeting, either in person or by proxy, resolutions to approve matters brought before a meeting of our shareholders require approval by a simple majority of the votes cast by shareholders entitled to vote at a meeting, either in person or by proxy.

Shareholder Meetings - The Business Corporations Act (British Columbia) provides that:(i) meetings of shareholders must be held in British Columbia, unless otherwise provided in a company's Articles; (ii) directors must call an annual general of shareholders not later than 15 months after the last preceding annual general and once in every calendar year;(iii) for the purpose of determining shareholders entitled to receive notice of or vote at meetings of shareholders, the directors may fix in advance a date as the record date for that determination, provided that such date shall not precede by more than 50 days or by less than 21 days the date on which the meeting is to be held; (iv) a quorum of shareholders for a shareholder meeting may be set by the Articles and the Company's Articles provide that the quorum for the transaction of business at a meeting of our shareholders is two shareholders, or one or more proxy holder representing two members, or one member and proxy holder representing another member; (v) the holders of not less than five percent of the issued shares entitled to vote at a meeting may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition; and (vii) upon the application of a director or shareholder entitled to vote at the meeting, the Supreme Court of British Columbia may order a meeting to be called, held and conducted in a manner that the Court directs.

Limitations on Rights of Non-Canadians - Except as provided in the Investment Canada Act, there are no limitations specific to the rights of non-Canadians to hold or vote our common stock under the laws of Canada or British Columbia or in our charter documents. See "Exchange Controls" below in this Annual Report for a discussion of the principal features of the Investment Canada Act for non-Canadian residents proposing to acquire our common stock.

Delay of Change of Control - Pursuant to the provisions of the Business Corporations Act (British Columbia), at each annual general meeting of our shareholders all of our directors retire and the shareholders appoint a new board of directors. Each director holds office until our next annual general meeting unless: (i) he dies or resigns; (ii) he is removed by ordinary resolution of our shareholders (or class or series of shareholders if such class or series has the exclusive right to elect one or more directors); or (iii) the director becomes disqualified to hold office, as provided under the Business Corporations Act (British Columbia). A director appointed or elected to fill a vacancy on our board holds office for the unexpired term of his predecessor (generally, until our next annual general meeting). With the exception of provisions in our Articles that limit the number of directors that can be appointed between annual meetings of shareholders and that give our directors the authority to issue blank check preferred stock, there are no provisions in our Notice of Articles or Articles that would have the effect of delaying, deferring or preventing a change in control of our Company, and that would operate only with respect to a merger, acquisition or corporate restructuring involving our Company.

Reporting of Share Ownership - Neither our Notice of Articles or Articles contain any provisions governing the ownership threshold above which shareholder ownership must be disclosed. Securities legislation in Canada, however, requires that we disclose in our annual general meeting proxy statement, holders who beneficially own more than ten percent of our issued and outstanding shares, and United States Federal securities laws require the disclosure in this Annual Report on Form-20F of holders who own more than five percent of our issued and outstanding shares.

C. MATERIAL CONTRACTS

Joint Development Agreement On 4/01/17, the Company entered into a Joint Development Agreement (the "**CHI JDA**") with Continental Hilir Indonesia Pte. Ltd. ("**CHI**"), a private Singapore company, for the joint development of Small-Scale Refinery Projects in Indonesia. CHI and the Company are related parties and at the Report Date share three common directors. The CHI JDA provides that CHI may earn an 80% participating interest with the Company on realization of any new Small Scale Refinery ("**SSR**") developments in Indonesia by providing reimbursable cash advances to the Company from time to time and also carrying or paying for the Company's 20% participating interest share of feasibility studies, pre-operations costs, proposal preparation, and presentation costs to local commercial partners and to foreign direct investment and SSR licensing authorities. At the Report Date, the CHI JDA remains in effect.

Consulting and Joint Development Agreement On 28/02/17, the Company entered into a Consulting and Joint Development Agreement (the "**CHMEA JDA**") with Continental Hilir MEA (FZE) ("**CHMEA**"), a private company registered in the Sharjah Airport International Free Zone of the United Arab Emirates, for the joint development of Small-Scale Refinery Projects in the Middle East and Africa. CHMEA and the Company are related parties and at the Report Date share one common director. The CHMEA JDA provides that CHMEA may earn a 50% participating interest with the Company on realization of any new SSR developments in the Middle East and Africa by providing reimbursable cash advances to the Company from time to time and also carrying or paying for the Company's 50% participating interest share of feasibility studies, pre-operations costs, proposal preparation, and presentation costs to local commercial partners and to foreign direct investment and SSR licensing authorities. At the Report Date, the CHMEA JDA remains in effect.

D. EXCHANGE CONTROLS.

Except as discussed in ITEM-10.E, "Taxation", the Company is not aware of any Canadian federal or provincial laws, decrees, or regulations that restrict the export or import of capital, including foreign exchange controls, or that affect the remittance of dividends, interest or other payments to non-Canadian holders of the common shares. There are no limitations on the right of non-Canadian owners to hold or vote the common shares imposed by Canadian federal or

provincial law or by the charter or other constituent documents of the Company.

The Investment Canada Act (the Investment Act), which generally prohibits a reviewable investment by an entity that is not a Canadian, as defined, unless after review, the minister responsible for the Investment Act is satisfied that the investment is likely to be of net benefit to Canada. An investment in the Shares by a non-Canadian who is not a WTO investor (which includes governments of, or individuals who are nationals of, member states of the World Trade Organization and corporations and other entities which are controlled by them), at a time when the Company was not already controlled by a WTO investor, would be reviewable under the Investment Act under three circumstances. First, if it was an investment to acquire control (within the meaning of the Investment Act) and the value of the Company's assets, as determined under Investment Act regulations, was C\$5 million or more. Second, the investment would also be reviewable if an order for review was made by the federal cabinet of the Canadian government on the grounds that the investment related to Canada's cultural heritage or national identity (as prescribed under the Investment Act), regardless of asset value. Third, the investment would also be reviewable if an order for review is made by the federal cabinet of the Canadian government on the grounds that an investment by a non-Canadian could be injurious to national security.

An investment in the Shares by a WTO investor, or by a non-Canadian at a time when the Company was already controlled by a WTO investor, would be reviewable under the Investment Act if it was an investment to acquire control and the value of the Company's assets, as determined under Investment Act regulations, was not less than a specified amount, which for 2009 is C\$312 million.

The usual thresholds for review for direct acquisitions of Canadian businesses (other than acquisitions of cultural businesses) by foreign investors will change as of a date to be determined by the federal cabinet of the Canadian Government. At that time transactions will be reviewable only if the enterprise value of the assets of the Canadian business is equal to or greater than (a) C\$600 million, in the case of investments made during the first two years after the amendments come into force; (b) C\$800 million, in the case of investments made during the third and fourth years after the amendments come into force; and (c) C\$1 billion, in the case of investments made between the fifth year after the amendments come into force and December 31 of the sixth year after the amendments come into force. This threshold will thereafter be adjusted on an annual basis.

The Investment Act provides detailed rules to determine if there has been an acquisition of control. For example, a non-Canadian would acquire control of the Company for the purposes of the Investment Act if the non-Canadian acquired a majority of the Shares. The acquisition of less than a majority, but one-third or more, of the Shares would be presumed to be an acquisition of control of the Company unless it could be established that, on the acquisition, the Company not controlled in fact by the acquirer. An acquisition of control for the purposes of the Investment Act could also occur as a result of the acquisition by a non-Canadian of all or substantially all of the Company's assets.

E. TAXATION.

Canadian Federal Income Tax Considerations - The following summary discusses only the Canadian federal income tax considerations generally applicable to a holder (a "Holder") of one or more common shares of the Company who, for the purposes of the Income Tax Act (Canada) (the "Tax Act") is a non-resident of Canada who holds common shares as capital property. The summary deals with the provisions of the Tax Act in force on 12/31/99. It does not discuss all the tax consequences that may be relevant to particular holders in light of their circumstances or to holders subject to special rules. It is therefore not intended to be, nor should it be construed to be, legal or tax advice to any holder of common shares of the Company and no opinion or representation with respect to the Canadian income tax consequences to any such holder or prospective holder is made. Holders and prospective holders should therefore consult their own tax advisers with respect to their particular circumstances.

Dividends - A Holder will be subject to Canadian withholding tax ("Part XIII Tax") equal to 25%, or such lower rate as may be available under an applicable tax treaty, of the gross amount of any dividend paid or deemed to be paid on common shares. Under the Canada-US Income Tax Convention (1980) as amended by the Protocols signed on 6/14/83, 3/28/84, 3/17/95, and 7/29/97 (the "Treaty"), the rate of Part XIII Tax applicable to a dividend on common shares paid to a Holder who is a resident of the United States and who is the beneficial owner of the dividend, is 5%. If the Holder is a company that owns at least 10% of the voting stock of the Company paying the dividend, and, in all other cases, the tax rate is 15% of the gross amount of the dividend. The Company will be required to withhold the applicable amount of Part XIII Tax from each dividend so paid and remit the withheld amount directly to the Receiver General for Canada for the account of the Holder.

Disposition of Common Shares - A Holder who disposes of a common share, including by deemed disposition on death, will not normally be subject to Canadian tax on any capital gain (or capital loss) thereby realized unless the common share constituted "taxable Canadian property" as defined by the Tax Act. Generally, a common share of a public corporation will not constitute taxable Canadian property of a Holder if the share is listed on a prescribed stock exchange unless the Holder or persons with whom the Holder did not deal at arm's length alone or together held or held options to acquire, at any time within the five years preceding the disposition, 25% or more of the shares of any class of the capital stock of the Company. A Holder who is a resident of the United States and realizes a capital gain on a disposition of a common share that was taxable Canadian property will nevertheless, by virtue of the Treaty, generally be exempt from Canadian tax thereon unless (a) more than 50% of the value of the common shares is derived from, or from an interest in, Canadian real estate, including Canadian mineral resource properties, (b) the common share formed part of the business property of a permanent establishment that the Holder has or had in Canada within the 12 month period preceding the disposition, or (c) the Holder is an individual who (i) was a resident of Canada at any time during the 10 years immediately preceding the disposition, and for a total of 120 months during any period of 20 consecutive years, preceding the disposition, and (ii) owned the common share when he ceased to be resident in Canada. A Holder who is subject to Canadian tax in respect of a capital gain realized on a disposition of a common share must include three quarters of the capital gain (taxable capital gain) in computing the Holder's taxable income earned in Canada. The Holder may, subject to certain limitations, deduct three-quarters of any capital loss (allowable capital loss) arising on a disposition of taxable Canadian property from taxable capital gains realized in the year of disposition in respect to taxable Canadian property and, to the extent not so deductible, from such taxable

capital gains realized in any of the three preceding years or any subsequent year.

United States Taxation - For federal income tax purposes, an individual who is a citizen or resident of the United States or a domestic corporation ("US Taxpayer") will recognize a gain or loss on the sale of the Company's common shares equal to the difference between the proceeds from such sale and the adjusted tax basis of the common shares. The gain or loss will be a capital gain or capital loss if the Company's common shares are capital assets in the hands of the US Taxpayer. For federal income tax purposes, a US Taxpayer will be required to include in gross income dividends received on the Company's common shares. A US Taxpayer who pays Canadian tax on a dividend on common shares will be entitled, subject to certain limitations, to a credit (or alternatively, a deduction) against federal income tax liability.

A domestic corporation that owns at least 10% of the voting shares of the Company should consult its tax advisor as to applicability of the deemed paid foreign tax credit with respect to dividends paid on the Company's common shares. Under a number of circumstances, United States Investor acquiring shares of the Company may be required to file an information return with the Internal Revenue Service Center where they are required to file their tax returns with a duplicate copy to the Internal Revenue Service Center, Philadelphia, PA 19255. In particular, any United States Investor who becomes the owner, directly or indirectly, of 10% or more of the shares of the Company will be required to file such a return. Other filing requirements may apply, and United States Investors should consult their own tax advisors concerning these requirements.

This is not intended to be, nor should it be construed to be, legal or tax advice to any holder of common shares of the Company and no opinion or representation with respect to the US income tax consequences to any such holder or prospective holder is made. Holders and prospective holders should therefore consult their own tax advisers with respect to their particular circumstances.

F. DIVIDENDS AND PAYING AGENTS.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-10.F is not applicable.

G. STATEMENT BY EXPERTS.

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-10.G is not applicable.

H. DOCUMENTS ON DISPLAY.

Documents and agreements concerning our Company referred to in this Annual Report may be viewed by appointment during normal business hours at our registered and records office at 900-885 West Georgia Street, Vancouver, British Columbia, V6C 3H1, Canada.

I. SUBSIDIARY INFORMATION.

As of the Report Date, we have no direct and indirectly owned subsidiaries incorporated in the United States.

Item - 11 : Quantitative and Qualitative Disclosure About Market Risk .

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-11 is not applicable.

Item - 12 : Description of Securities Other than Equity Securities .

This Form-20F is filed as an Exchange Act "Annual Report" and therefore the provision of information called for by this Item-12 is not applicable.

PART-II

Item - 13 : Defaults, Dividend Arrearages and Delinquencies .

A. MATERIAL DEFAULT IN PAYMENT.

See disclosure in *Item-8.B.b "Default on Convertible Note"* above.

B. PAYMENT OF DIVIDENDS.

No payments of dividends of any kind have been made by the Company during the past Fiscal Year covered by this Annual Report or during the period up to the Report Date. No declarations of dividends of any kind have been made during the same period and consequently no dividend payments are accrued or in arrears.

Item - 14 : Material Modifications to Rights of Security Holders and Use of Proceeds .

A. From the beginning of the Fiscal Year covered by this Annual Report up to the Report Date neither the Company nor anyone else has modified materially the instruments defining the rights of holders of any class of the Company's securities.

B.

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From the beginning of the Fiscal Year covered by this Annual Report up to the Report Date neither the Company nor anyone else has modified materially or qualified the rights evidenced by any class of the Company's securities by issuing or modifying any other class of securities.

- C.** From the beginning of the Fiscal Year covered by this Annual Report up to the Report Date neither the Company nor anyone else has withdrawn or substituted a material amount of the assets securing any class of the Company's securities.

 - D.** From the beginning of the Fiscal Year covered by this Annual Report up to the Report Date there have been no changes to the trustees or paying agents for any class of the Company's securities.

 - D.** From the beginning of the Fiscal Year covered by this Annual Report up to the Report Date the Company has not filed a first Securities Act registration statement.
-

Item - 15 : Controls and Procedures .

A. DISCLOSURE CONTROLS AND PROCEDURES.

As required under applicable United States securities regulatory requirements, we have carried out an evaluation of the effectiveness of the design and operation of our Company's disclosure controls and procedures as at Fiscal Year ended 6/30/16 to prevent a material weakness. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time period specified in SEC rules and forms. Disclosure controls and procedures include, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934 is accumulated and communicated to management, including our Chief Executive Officer and Finance Manager, to allow timely decisions regarding required disclosure.

The Company carried out an evaluation under the supervision and with the participation of its management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of its disclosure controls and procedures as of the end of the period covered by this Annual Report. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of 6/30/17.

B. MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING.

Our management is responsible for establishing and maintaining effective internal control over financial reporting as defined in Rules 13a-15 under the Securities Exchange Act of 1934. Our internal control over financial reporting is a process designed under the supervision of our principal executive officer and principal financial officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with accounting principles generally accepted in the United States.

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Our management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in *Internal Control — Integrated Framework*, issued in 1992 by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the assessment, management determined that we maintained effective internal control over financial reporting as of 6/30/16, based on those criteria.

C. ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM.

This report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to the Dodd-Frank Wall Street Reform Act of 2010 that provides small public companies with market capitalizations below \$75 million a permanent exemption from the Sarbanes-Oxley Section 404(b) requirement to obtain an audit of internal controls over financial reporting.

D. CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING.

There were no changes in the Company's internal control over financial reporting procedures or in other factors that have materially affected, or are reasonably likely to materially affect these internal controls over financial reporting subsequent to the date of management's last evaluation.

E. OUTSOURCED ACCOUNTING AND CONTROLLER FUNCTIONS.

The Company outsources its internal controller and accounting functions under contract dated with AVISAR Chartered Professional Accountants of Langley, British Columbia, Canada. Beginning on that contract date and continuing as of the Report Date, AVISAR prepares financial reports for the Company, including annual and quarterly financial statements. AVISAR is also involved, together with the Company's CEO and CFO, in the preparation of the management discussion and analysis that forms, with the financial statements, a part of each annual or quarterly financial report. These reports are filed on SEDAR in Canada in accordance with the requirements of *Canadian Securities Administrators NI 51-102 Continuous Disclosure Obligations*. AVISAR also works with the Company's auditors, Davidson & Company LLP and assists them in the completion of their annual audits of the Company's financial statements.

Item - 16 : [Reserved]

A. AUDIT COMMITTEE FINANCIAL EXPERT.

Our Board of Directors has determined that we have at least two members of our Audit Committee, Mr. Rudman and Mr. Garrison, that each qualify as an "Audit Committee Financial Expert" as defined in *Regulation S-K (17 CFR Part 229.407(d)(5)(ii))*. Mr. Rudman is a Certified Professional Accountant and Mr. Garrison is a Certified Public Accountant. Both have prior experience working at junior and senior management levels with public accounting firms. Mr. Rudman worked for Price Waterhouse Coopers, and Mr. Garrison worked for Arthur Young and Company.

Our Board of Directors considers all three duly appointed members of the Company's Audit Committee to be "Financially Literate" as they are required to be in accordance with the meaning of that term as set forth in *Part-1.6 of NI 52-110 Audit Committees*

B. CODE OF ETHICS OF SENIOR FINANCIAL OFFICERS.

In addition to the Code of Business Conduct and Ethics published by the Company and described and incorporated herein as provided for in *Item-6.B.h "Code of Business Conduct and Ethics"* above our senior financial officers subscribe an additional code of ethics for the purposes of inclusion in this Annual Report. This additional code complies with Section-406 of the Sarbanes-Oxley Act of 2002 and the rules of the SEC promulgated thereunder. A copy of this additional code of ethics, entitled "*Code of Ethics for Senior Financial Officers*" and signed by the Company's two senior financial officers the CEO and the CFO and is filed with this Annual Report as an attachment marked Exhibit-11.1.

C. INDEPENDENT CERTIFYING AUDITOR'S FEES AND SERVICES.

The Vancouver, British Columbia, Canada based firm of **Davidson & Company LLP** ("**Davidson**") serves as the Company's independent auditors, and has since 12/31/14. Davidson is a member of the Chartered Professional Accountants of Canada British Columbia, a member of the Chartered Professional Accountants of Canada and is registered with the Public Company Accountability Oversight Board. Our Board of Directors appointed Davidson as our independent certifying accountant to audit our financial statements for the Fiscal 2017 period covered by this Annual Report.

Audit Fees - The aggregate fees billed by Davidson for professional services rendered for the audit of our annual financial statements for the year ended 6/30/17 are estimated at CDN\$16,250. The aggregate fees billed by Davidson for professional services rendered for the audit of our annual financial statements for the year ended 6/30/16 are CDN\$16,250.

Tax Fees - The aggregate fees billed by Davidson for professional services rendered and related to tax advice, return preparation, and tax planning for the year ended 6/30/17 were \$ nil and the aggregate fees to be rendered by Davidson for similar services for the previous year ended 6/30/16 are also \$ nil.

Audit Committee Pre-Approved Procedures - Our Audit Committee pre-approves all services provided by our principal accountants and their fees were reviewed and approved by the Audit Committee before the respective services were rendered and none of such services were approved by the Audit Committee pursuant to paragraph (c)(7)(i) of Rule 2-01 of Regulation S-X.

D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES.

The provision of information called for by this Item-16.D is not applicable.

E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS.

During the most recently completed Fiscal Year ended 6/30/15 and covered by this Annual Report the Company made no repurchases of its own securities pursuant to any plan or program. The Company made no public announcements of any securities repurchase plans or programs during the year. There are no outstanding securities that may yet be purchased under any plan or program attributable to the past or prior years as at the Report Date.

F. CHANGE IN REGISTRANT'S INDEPENDENT CERTIFYING AUDITOR.

During the Company's two most recently completed fiscal years and up to the Report Date there have been no changes to the Company's independent auditors, Davidson & Company LLP.

G. CORPORATE GOVERNANCE.

The Company's securities are quoted on the OTCQB and are not listed on a national securities exchange in its home country of Canada. This Annual Report is for our Fiscal Year ended 6/30/16. Therefore, the provision of information called for by this Item-16.G is not applicable.

H. MINE SAFETY DISCLOSURE.

Neither the Company, nor any one of its subsidiaries, act as operators of a coal or other mine. Therefore, the provision of mine safety information called for by this Item-16.H is not applicable in this Annual Report.

PART - III

Item - 17 : Financial Statements .

Refer to "Item 18 – Financial Statements" below.

Item - 18 : Financial Statements .

The Company is providing its audited annual financial statements with this Annual Report on Form-20F in the substance and form described in the following list and attached and labeled Exhibit-18 following Item-19 and the Signatures below:

List of Consolidated Financial Statements Filed Herewith as an Integrated Part of this Annual Report

- (1) Financial Statement Title Page.
 - (2) Independent Auditor's Reports for the past three Fiscal Years ended 6/30/17, 6/30/16 and 6/30/15 by Davidson & Company LLP.
 - (3) Audited Consolidated Financial Statements for the past three Fiscal Years ended 6/30/17, 6/30/16 and 6/30/15, including:
 - a. Consolidated Statements of Financial Position.
 - b. Consolidated Statements of Comprehensive Loss.
 - c. Consolidated Statements of Cash Flow.
 - d. Consolidated Statement of Changes in Equity (Deficiency).
 - e. Notes to the Consolidated Financial Statements.
 - (4) Management's Discussion & Analysis for the 2017 fiscal year ended 6/30/17 made on Form 51-102F in accordance with the Company's obligations in its home country pursuant to the Canadian Securities Administrator's *National Instrument NI 51-102 Continuous Disclosure Obligations* and its *Companion Policy NI 51-102CP*.
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Item - 19 : Exhibits.

Exhibit Description

- 01.2 ⁽¹⁾ Notice of Alteration of Authorized Share Capital as last recorded with the Registrar of British Columbia on 11/12/09.
- 01.1 ⁽²⁾ Amended and Restated Articles of Association as last adopted by the shareholders at general meeting on 8/04/17.
- 11.1 Code of Ethics of Senior Financial Officers, CEO and CFO, dated at the Report Date.
- 12.1 Section 302 Certification under Sarbanes-Oxley Act of 2002 for CEO, dated at the Report Date.
- 12.2 Section 302 Certification under Sarbanes-Oxley Act of 2002 for CFO, dated at the Report Date.
- 13.1 Section 906 Certification under Sarbanes-Oxley Act of 2002 for CEO, dated at the Report Date.
- 13.2 Section 906 Certification under Sarbanes-Oxley Act of 2002 for CFO, dated at the Report Date.
- 18.0 Audited Annual Financial Statements More Fully Described in Item-18 above.
- 99.1 Audit Committee Charter, incorporated herein by reference to a copy filed on EDGAR under Form-6K on 5/17/17.
- 99.2 Governance and Nominating Committee Charter, incorporated herein by reference to a Form-6K filed on EDGAR on 5/23/17.
- 99.3 Compensation Committee Charter, incorporated herein by reference to a copy filed on EDGAR under Form-6K on 5/23/17.
- 99.4 Reserves Committee Charter, incorporated herein by reference to a copy filed on EDGAR under Form-6K on 5/23/17.
- 99.5 Policy on Trading and Company Securities, incorporated herein by reference to a copy filed on an EDGAR Form-6K on 5/23/17.

Notes:

⁽¹⁾ Incorporated by reference to a copy furnished to the SEC as Exhibit-99.6 under Form-6K on 12/14/09.

⁽²⁾ Incorporated by reference to a copy furnished to the SEC as Exhibit-99.1 under Form-6K on 8/11/17.

SIGNATURES

CONTINENTAL ENERGY CORPORATION

<Signed>

By: Richard L. McAdoo
Director & Chief Executive Officer
Report Date: August 17, 2017
