

---

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

**Form 6-K**

REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER  
THE SECURITIES EXCHANGE ACT OF 1934

For the month of: **JUNE 2017**.

Commission file number: **0-17863**

**CONTINENTAL ENERGY CORPORATION**

(Translation of registrant's name into English)

**900-885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1**  
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F XX or Form 40-F \_\_\_.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): \_\_\_.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): \_\_\_.

This 6K covers a similar electronic filing of these same Exhibits, that was made by the issuer on NI 13-101 SEDAR in its home country, in accordance with Canadian securities regulations under *NI 51-102 Continuous Disclosure Obligations*. Attached herewith, each one an integral "Exhibit" hereto, are complete copies of the following documents:

99.1 The "Quarterly Financial Report" for Q1 Fiscal 2017 ended 30 SEP 2016 of Continental Energy Corporation; including the management prepared and un-audited interim quarterly consolidated financial statements, the "MD&A" or management's discussion and analysis thereof, and CEO and CFO certifications therefore.

99.2 The "Quarterly Financial Report" for Q2 Fiscal 2017 ended 31 DEC 2016 of Continental Energy Corporation; including the management prepared and un-audited interim quarterly consolidated financial statements, the "MD&A" or management's discussion and analysis thereof, and CEO and CFO certifications therefore.

99.3 The "Quarterly Financial Report" for Q3 Fiscal 2017 ended 31 MAR 2017 of Continental Energy Corporation; including the management prepared and un-audited interim quarterly consolidated financial statements, the "MD&A" or management's discussion and analysis thereof, and CEO and CFO certifications therefore.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**CONTINENTAL ENERGY CORPORATION** (Registrant)

Date: **23 JUNE 2017**

*// signed //*

\_\_\_\_\_  
By: Robert V. Rudman  
Director and Chief Financial Officer

---

**CONTINENTAL ENERGY CORPORATION**

**INTERIM FINANCIAL STATEMENTS**

**30 SEPTEMBER 2016**

*Expressed in U.S. Dollars*

*(Unaudited – Prepared by Management)*

**INTERIM FINANCIAL STATEMENTS**

The financial statements included herein are management prepared, unaudited, condensed, interim financial statements and are hereinafter referred to as the "**Interim Financial Statements**". These Interim Financial Statements are filed on SEDAR concurrently with Management's Discussion and Analysis ("**MD&A**") of the results for the same period, and may be read in conjunction with the MD&A.

**NOTICE OF NO AUDITOR REVIEW**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of our Interim Financial Statements, then such statements must be accompanied by a notice indicating that they have not been reviewed by an auditor.

Neither the accompanying Interim Financial Statements as presented herein nor the accompanying MD&A have been reviewed by our auditors. Both the Interim Financial Statements and the MD&A have been prepared by and are the responsibility of the management of Continental Energy Corporation.

**Continental Energy Corporation**  
**Interim Financial Statements**  
(Unaudited – Prepared by Management and expressed in US Dollars)

**STATEMENTS OF FINANCIAL POSITION**

	<u>Note</u>	<u>30 September</u> <u>2016</u>	<u>30 June</u> <u>2016</u>
<b><u>ASSETS</u></b>			
<b>Current</b>		<b>\$</b>	<b>\$</b>
Cash		192	1,290
Receivables		1,267	1,278
Prepaid expenses and deposits		3,349	3,349
		<b>4,808</b>	5,917
<b>Non-current assets</b>			
Property, plant and equipment		1,279	1,461
		<b>6,087</b>	7,378
<b><u>LIABILITIES</u></b>			
<b>Current</b>			
Accounts payable and accrued liabilities	6	824,608	751,783
Loans from related parties	6	77,500	71,500
Convertible debt	4	476,356	465,014
		<b>1,378,464</b>	1,288,297
<b><u>DEFICIENCY</u></b>			
Share capital	5	16,201,630	16,201,630
Conversion rights reserve		92,966	92,966
Share-based payment and other reserve		9,927,687	9,927,687
Deficit		<b>(27,594,660)</b>	<b>(27,503,202)</b>
		<b>(1,372,377)</b>	<b>(1,280,919)</b>
		<b>6,087</b>	7,378

**Nature of Operations and Going Concern** (Note 1)

**Subsequent Events** (Note 8)

ON BEHALF OF THE BOARD:

“Richard L. McAdoo”, Director & CEO

“Robert V. Rudman”, Director & CFO

- See Accompanying Notes -

**Continental Energy Corporation****Interim Financial Statements***(Unaudited – Prepared by Management and expressed in US Dollars)***STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

	<u>Note</u>	<b>For the Three Months Ended 30 September 2016</b>	For the Three Months Ended 30 September 2015
<b>EXPENSES</b>		\$	\$
Depreciation		182	365
Interest and bank charges	4	11,819	11,857
Management and consulting fees	6	74,282	73,756
Office and investor relations		4,734	7,687
Professional fees		-	11,727
Rent, maintenance and utilities		1,151	1,196
Travel and accommodation		-	88
		<b>(92,168)</b>	<b>(106,676)</b>
<b>Other income (expenses)</b>			
Interest and foreign exchange		710	3,142
<b>Net loss and comprehensive loss for the period</b>		<b>(91,458)</b>	<b>(103,534)</b>
<b>Loss Per Share – Basic and Diluted</b>		<b>(0.00)</b>	<b>(0.00)</b>
<b>Weighted Average Number of Shares</b>		<b>123,015,381</b>	<b>123,015,381</b>

- See Accompanying Notes -

**Continental Energy Corporation**  
**Interim Financial Statements**  
(Unaudited – Prepared by Management and expressed in US Dollars)

**STATEMENTS OF CASH FLOW**

<b>Cash Resources Provided By (Used In)</b>	<u>Note</u>	<b>For the Three Months Ended 30 September 2016</b>	<b>For the Three Months Ended 30 September 2015</b>
<b>Operating Activities</b>		<b>\$</b>	<b>\$</b>
Loss for the period		<b>(91,458)</b>	<b>(103,534)</b>
<i>Items not affecting cash</i>			
Depreciation		<b>182</b>	<b>365</b>
Interest on convertible debt	4	<b>11,342</b>	<b>11,343</b>
<i>Changes in non-cash working capital</i>			
Receivables		<b>11</b>	<b>(510)</b>
Prepaid expenses and deposits		<b>-</b>	<b>2,565</b>
Accounts payable and accrued liabilities		<b>72,825</b>	<b>68,235</b>
		<b>(7,098)</b>	<b>(21,536)</b>
<b>Financing Activities</b>			
Proceeds from loans from related parties	6	<b>6,000</b>	<b>23,500</b>
		<b>6,000</b>	<b>23,500</b>
<b>Change in cash</b>		<b>(1,098)</b>	<b>1,964</b>
<b>Cash Position – Beginning of Period</b>		<b>1,290</b>	<b>4,015</b>
<b>Cash Position – End of Period</b>		<b>192</b>	<b>5,979</b>

- See Accompanying Notes -

**Continental Energy Corporation****Interim Financial Statements***(Unaudited – Prepared by Management and expressed in US Dollars)***STATEMENTS OF CHANGES IN DEFICIENCY**

	Share Capital		Share-Based Payment and Other Reserve	Conversion Rights Reserve	Deficit	Total
	Number	Amount \$	\$	\$	\$	\$
Balance on 30 June 2015	123,015,381	16,201,630	9,901,487	92,966	(27,029,913)	(833,830)
Loss for the period	-	-	-	-	(103,534)	(103,534)
<b>Balance on 30 September 2015</b>	<b>123,015,381</b>	<b>16,201,630</b>	<b>9,901,487</b>	<b>92,966</b>	<b>(27,133,447)</b>	<b>(937,364)</b>
Balance on 30 June 2016	123,015,381	16,201,630	9,927,687	92,966	(27,503,202)	(1,280,919)
Loss for the period	-	-	-	-	(91,458)	(91,458)
<b>Balance on 30 September 2016</b>	<b>123,015,381</b>	<b>16,201,630</b>	<b>9,927,687</b>	<b>92,966</b>	<b>(27,594,660)</b>	<b>(1,372,377)</b>

- See Accompanying Notes -

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**30 SEPTEMBER 2016**

---

**1. Nature of Operations and Going Concern**

---

Continental Energy Corporation (“Continental” or the “Company”) is incorporated under the laws of the Province of British Columbia, Canada. The Company’s registered address and records office is 900-885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1.

The Company has historically been engaged in the assembly of a portfolio of oil and gas exploration properties but has begun diversifying its business into a broader range upstream and downstream oil and gas activities. These include new small-scale, distributed oil refineries and gas-turbine power plant developments fully integrated with smaller and stranded oil and gas production in underserved local markets.

As at 23 June 2017, the Company had completed the audits, financial reports, and made all of the regulatory filings to remedy and cure a cease trade order issued on 4 November 2015 by the British Columbia Securities Commission (“BCSC”). The order was issued because the Company was at that time deficient in its regulatory requirements involving the filing of its audited consolidated financial statements for the fiscal year ended 30 June 2015. The order prohibits trading of the Company’s securities in Canada until the deficiency is cured by the Company filing the required delinquent financial reports and a revocation order is issued by the BCSC.

In addition to the audited statements for the year ended 30 June 2015, the Company must also prepare and file the same for the year ended 30 June 2016, plus the six interim quarterly financial reports for the three fiscal quarters ended 31 March 2016 and the three quarters ended 31 March 2017. The Company completed its annual audits and filed both its delinquent Fiscal 2015 report on 24 May 2017 and this Fiscal 2016 report on 21 June 2017. Three of the six delinquent interim reports for the three quarters ended 31 March 2016 were completed and filed on 20 June 2017.

The remaining interim reports for the three quarters ended 31 March 2017 were completed and filed on 23 June 2017. These last reports complete the requirements to remedy and cure the deficiency which led to the cease trade order. The Company intends to immediately apply to the BCSC for a revocation order.

These Interim Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has incurred operating losses over the past several fiscal years and has no current source of operating cash flows. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to acquire and develop its projects as well as fund ongoing administration expenses. There are no assurances that sufficient funding will be available.

Management intends to obtain additional funding by issuing common shares in private placements. There can be no assurance that management’s future financing actions will be successful. Management is not able to assess the likelihood or timing of raising capital for future expenditures or acquisitions.

These uncertainties indicate the existence of material uncertainty that cast significant doubt on the Company’s ability to continue as a going concern in the future. If the going concern assumption were not appropriate for these Interim Financial Statements, liquidation accounting would apply and adjustments would be necessary to the carrying values and classification of assets, liabilities, the reported income and expenses, and such adjustments could be material.

**2. Basis of Preparation**

---

These Interim Financial Statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, and are based on the principles of International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations thereof made by the International Financial Reporting Interpretations Committee.

These Interim Financial Statements should be read in conjunction with the audited financial statements for the last fiscal year ended 30 June 2016, which were also prepared in accordance with the same methods of application and include all of the Company’s accounting policies and other required disclosures.

The Company’s Board of Directors has delegated the responsibility and authority for approving quarterly financial statements and MD&A to its Audit Committee. The Audit Committee approved these Interim Financial Statements on 23 June 2017.

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**30 SEPTEMBER 2016**

These Interim Financial Statements have been prepared on a historical cost basis and presented in United States (“US”) dollars, the functional currency of the Company, except where otherwise indicated.

---

**3. Significant Accounting Estimates and Judgments**

---

The preparation of these Interim Financial Statements in accordance with IFRS requires that the Company’s management make judgments and estimates and form assumptions that affect the amounts in the financial statements and related notes to those financial statements. Actual results could differ from those estimates. Judgments, estimates and assumptions are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to judgments, estimates and assumptions are accounted for prospectively.

In preparing these Interim Financial Statements, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited financial statements for the last fiscal year ended 30 June 2016.

---

**4. Convertible Debt**

---

	<b>Total</b>
	<b>\$</b>
<b>Balance on 30 June 2015</b>	<b>419,890</b>
Interest	45,124
<b>Balance on 30 June 2016</b>	<b>465,014</b>
Interest	11,342
<b>Balance on 30 September 2016</b>	<b>476,356</b>

On 21 September 2011, the Company issued a convertible promissory note for proceeds of \$250,000. As additional consideration, the Company also issued 1,562,500 warrants (“**the additional consideration warrants**”) to the note holder.

The Company has since entered into multiple arrangements with the note holder for amendment of the terms of the convertible promissory note and the additional consideration warrants. As at 30 September 2016, the promissory note paid interest at 18% per annum and could be converted to the common shares of the Company at \$0.05 per share. The additional consideration warrants were exercisable at \$0.05 per common share and expired on 31 December 2015 without being exercised.

The maturity date of the convertible promissory note was 30 September 2014 and therefore the note is in default as of the date of these Interim Financial Statements.

---

**5. Share Capital**

---

*Authorized Share Capital*

500,000,000 common shares without par value and without special rights or restrictions attached.  
500,000,000 preferred shares without par value and with special rights or restrictions attached.

*Shares issued*

There were no common or preferred share issued during the three months ended 30 September 2016 and 2015.

*Stock options*

The Company has an approved incentive stock option plan under which the Board of Directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised within a period as determined by the board. Options vest on the grant date unless otherwise determined by the board. The aggregate number of common shares which may be reserved as outstanding options shall not exceed 25,000,000, and the maximum number of options held by any one individual at any one time shall not exceed 7.5% of the total number of



**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**30 SEPTEMBER 2016**

the Company's issued and outstanding common shares and 15% of same for all related parties (officers, directors, and insiders) as a group.

There are no incentive stock options outstanding as at 30 September 2016.

**Warrants**

A reconciliation of the Company's warrants outstanding is as follows:

	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price \$ per Share</b>
Outstanding on 30 June 2015	9,462,500	0.05
Issued	2,000,000	0.01
Expired	(8,912,500)	0.05
Outstanding on 30 June 2016	2,550,000	0.03
Expired	(250,000)	0.10
<b>Outstanding on 30 September 2016</b>	<b>2,300,000</b>	<b>0.02</b>

A summary of the Company's warrants outstanding on 30 September 2016:

<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Expiry Date</u>
300,000	\$0.10	23 October 2016
2,000,000	\$0.01	31 December 2017
<b>2,300,000</b>		
<b>(Note 8)</b>		

**6. Related Party Transactions**

As at 30 September 2016, \$680,535 (30 June 2016 - \$616,967) was payable to officers of the Company as salary, fees, or other compensation. These amounts are included in accounts payable and accrued liabilities and are unsecured, non-interest bearing with no specific terms for repayment.

During the three months ended 30 September 2016, the Company paid or accrued salary, fees, or other compensation to officers of the Company in the amount of \$69,323 (2015 - \$72,050).

During the three months ended 30 September 2016, a director of the Company loaned \$6,000 to the Company for assistance with working capital. As at 30 September 2016, the total loan payable to the director amounted to \$67,500. This loan is interest free with no fixed repayment terms.

During the year ended 30 June 2016, the Company issued a promissory note in recognition of the receipt of the \$10,000 loan and as an incentive for the loan, granted 2,000,000 share purchase warrants to the lending director, with an exercise price of \$0.01 per share and expiry date of 31 December 2017 (Note 5). As at 30 September 2016, \$10,000 remained payable to the director. This loan is interest free with no fixed repayment terms.

**7. Segmented Information**

The Company operates in one segment, being the business sector of acquiring participating interests in oil, gas, and alternative energy projects, producers, and related service providers doing business outside of North America. The Company's non-current assets consist of computer and other equipment and are all located in Indonesia.

**Continental Energy Corporation**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*(Unaudited – Prepared by Management and expressed in US Dollars)*

**30 SEPTEMBER 2016**

---

**8. Subsequent Events**

---

1. A total of 300,000 outstanding warrants, exercisable at \$0.10 per share, expired unexercised.
2. On 4 January 2017, 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 date of these financial statements 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.
3. On 28 February 2017, 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 date of these financial statements 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 consulting services and 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.
4. On 14 May 2017, 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 May 2017 and is publicly available in PDF form for download from the SEDAR website.
5. On 14 May 2017, 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 16 May 2017 and is publicly available in PDF form for download from the SEDAR website.
6. On 24 May 2017, the Company made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2015 year ended 30 June 2015. These reports included the Company's required annual oil and gas activities and reserves report for Fiscal 2015.
7. On 26 May 2017, the Company made a late filing on EDGAR of the required audited annual financial reports and other disclosure on US SEC Form 20F Annual Report for the Fiscal 2015 year ended 30 June 2015. The Form 20F Annual Report was filed concurrently as a voluntary "Annual Information Form" or "AIF" filing on SEDAR.
8. On 5 June 2017, the Company caused its registrar and transfer agent 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 4 August 2017 in the Company's registered and records office in Vancouver. The official "Record Date" for the purposes of determining those shareholders of record entitled to vote at the meeting is 30 June 2017.
9. On 20 June 2017, the Company made a late filing of interim financial reports for the three Fiscal 2016 quarters ended 30 September 2015, 31 December 2015, and 31 March 2016. These three quarterly reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included unaudited and management prepared consolidated financial statements for each quarter plus management's discussion and analysis thereof.
10. On 21 June 2017, the Company made a late filing of the required audited annual financial reports and other disclosure on for the Fiscal 2016 year ended 30 June 2016. These reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included audited financial statements plus management's discussion and analysis thereof.

---oOo---

CONTINENTAL ENERGY CORPORATION FORM 51-102F1

Management's Discussion and Analysis

For the Quarter Ended on 30 September 2016

*The End of the First Quarter and Three (3) Months Period of Fiscal 2017*

This Management Discussion and Analysis ("MD&A") has been prepared by the management of Continental Energy Corporation (the "Company") as of 23 June 2017 (the "Report Date").

This MD&A is intended to supplement and complement the unaudited, condensed, interim, consolidated quarterly financial statements (the "Interim Financial Statements") that are also prepared by management and filed herewith.

This MD&A, and the Interim Financial Statements filed herewith, pertain to the quarter and three (3) months ended 30 September 2016, a period of time hereinafter referred to as "This Quarter".

This Quarter corresponds to the Company's "First Quarter" and also marks the completion of the initial three (3) months period of the Company's fiscal year ("Fiscal 2017") which shall end on 30 June 2017.

All financial information presented herein, and in the Interim Financial Statements, has been prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS") promulgated by the International Accounting Standards Board. All amounts disclosed are in United States dollars unless otherwise stated.

**PART - 1 : NATURE OF BUSINESS**

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 4<sup>th</sup> largest economy in the world by 2045.

**PART - 2 : HIGHLIGHT EVENTS DURING THIS QUARTER**

Significant events which may have a material effect on the business affairs of the Company that have occurred during This Quarter are summarized below:

**Corporate Activity**

The Company explored new opportunities in its core business areas and searched for new sources of capital during This Quarter.

**2. 1 Share Purchase Warrants Activity During This Quarter**

During This Quarter, the following activity involving the Company's share purchase warrants occurred:

- **Exercises** - No outstanding share purchase warrants were exercised.
- **New Issues** - No new issues of share purchase warrants were made.
- **Expiry** - On 25 July 2016, an amount of 250,000 unexercised share purchase warrants expired.
- **Amendments** - No amendments were made to the terms of any outstanding share purchase warrants.

**2. 2 Incentive Stock Options Activity During This Quarter**

During This Quarter, the following activity involving the Company's incentive stock options occurred:

- **Exercises** - No outstanding incentive stock options were exercised.
  - **New Grants** - No new incentive stock options were granted.
  - **Expiry** - No incentive stock options expired.
  - **Amendments** - No amendments were made to the terms of any outstanding incentive stock options.
-

### 2.3 Common Share Conversion Rights Activity During This Quarter

During This Quarter, the following activity involving the common share conversion rights issued by the Company occurred:

- *Exercises* - There were no exercises of outstanding common share conversion rights.
- *New Issues* - There were no new common shares conversion rights issued.
- *Expiry* - No outstanding common shares conversion rights expired.
- *Amendments* - No amendments were made to the terms of any outstanding common share conversion rights.

### 2.4 New Shares Issues During This Quarter

During This Quarter, there were no new common shares issued.

#### PART - 3 : SHAREHOLDING AT THE END OF THIS QUARTER

As at the end of This Quarter, the Company's share capital was issued or held in reserve as follows:

123,015,381	common shares were issued and outstanding.
2,300,000	unexercised warrants were issued and outstanding.
0	unexercised stock options were issued and outstanding.
5,000,000	common shares were held in reserve against possible conversion of a \$250,000 note.
Nil	preferred shares were issued and outstanding.

#### PART - 4 : SUBSEQUENT EVENTS TO THE REPORT DATE

Significant events which may have a material effect on the business affairs of the Company that have occurred subsequent to the end of This Quarter and up to the Report Date are summarized below:

##### Small Scale Refinery Opportunity

In August and November 2016, Indonesia's Energy Ministry issued new regulations opening up, for the first time, the crude oil refining and distribution business to private sector companies. The new regulations provide for substantial fiscal incentives and perpetual licenses to private companies to build, own, and operate "Small Scale Refineries or SSRs". SSRs are defined as having a maximum capacity of 20,000 barrels per day and are intended to be co-located with existing domestic crude oil production to both stimulate more oil production by reducing crude oil transport costs and provide refined fuel products to local domestic markets at reduced or eliminated import costs.

As an incentive to SSR operators, these crude and products transport costs savings may be passed through to the SSR operator in the form of a reduced feedstock price agreed by the Energy Ministry in the license, for locally produced crude oil delivered at the SSR plant gate.

Indonesia is taking a page from the global power generation industry, who has come to the realization that multiple small-scale, geographically distributed refining capacity is simply more cost efficient and provides more direct local and regional economic benefits than a few huge-scale refineries requiring multi-billion dollar investment.

This is a completely new business opening, with no large players or competitive actors already in the market or expected to appear. The opportunity lies with smaller companies who can put together the technical expertise, Indonesian operating knowledge, and financial packages needed.

The Company's 20+ years of Indonesian oil and gas operating experience and relationship building put it in a unique position to take advantage of these SSR opportunities. To this end the Company entered into, during late 2016, four Memorandums of Understanding with private Indonesian company partners to jointly pursue SSR licenses vertically integrated with, and co-located with, upstream crude oil feedstock from four production sharing contract areas operated by the partners.

##### Director Resignation

Effective upon 30 December 2016, Mr. John Tate resigned from the Company's board of directors to pursue his own business interests.

---

### **Joint Development Agreement Signed**

On 4 January 2017, 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.

### **Consulting and Joint Development Agreement Signed**

On 28 February 2017, 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 Small Scale Refinery ("**SSR**") developments in the Middle East and Africa by providing consulting services and 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.

### **Director Appointment**

On 31 March 2017, Mr. Karsani Aulia was appointed a director of the Company by action of the board of directors to fill the vacancy on the board. Mr. Aulia 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.

### **Code of Business Conduct and Ethics**

Upon 14 May 2017, 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 May 2017 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 May 2017 under cover of a Form-6K filing.

### **Charter of the Audit Committee**

Upon 14 May 2017, 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 16 May 2017 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 17 May 2017 under cover of a Form-6K filing.

### **Charter of the Governance and Nominating Committee**

Upon 14 May 2017, 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 16 May 2017 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 17 May 2017 under cover of a Form-6K filing.

---

### **Charter of the Compensation Committee**

Upon 17 May 2017, 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 23 May 2017 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 23 May 2017 under cover of a Form-6K filing.

### **Charter of the Reserves Committee**

Upon 17 May 2017, 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 23 May 2017 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 23 May 2017 under cover of a Form-6K filing.

### **Annual Financial Report Filed Late for Fiscal 2015**

On 24 May 2017 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2015 year ended 30 June 2015. These reports were filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for the Fiscal 2015 year plus management's discussion and analysis thereof.

### **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2015**

On 24 May 2017 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 NI 51-101.

### **Annual Report on Form 20F Filed Late for Fiscal 2015**

On 26 May 2017 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 NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for Fiscal 2016 plus the disclosure required by Form 20F as an Annual Report.

### **AGM Notice and Record Date Set**

On 5 June 2017, 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 4 August 2017 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 30 June 2017. The formal notice and agenda for the meeting will be published on the Record Date.

### **Interim Quarters Financial Reports Filed**

On 19 June 2017 the Company made a late filing of interim financial reports for the Fiscal 2016 quarters ended 30 September 2015, 31 December 2015, and 31 March 2016. These three quarterly reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included unaudited and management prepared consolidated financial statements for each quarter plus management's discussion and analysis thereof.

### **Annual Financial Report Filed Late for Fiscal 2016**

On 21 June 2017 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2016 year ended 30 June 2016. These reports were filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for the Fiscal 2016 year plus management's discussion and analysis thereof.

### **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2016**

On 21 June 2017 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 NI 51-101.

---

## Cease Trade Order

As at 23 June 2017, the Company had completed the audits, financial reports, and made all of the regulatory filings to remedy and cure a cease trade order issued on 4 November 2015 by the British Columbia Securities Commission ("**BCSC**"). The order was issued because the Company was at that time deficient in its regulatory requirements involving the filing of its audited consolidated financial statements for the fiscal year ended 30 June 2015. The order prohibits trading of the Company's securities in Canada until the deficiency is cured by the Company filing the required delinquent financial reports and a revocation order is issued by the BCSC.

In addition to the audited statements for the year ended 30 June 2015, the Company must also prepare and file the same for the year ended 30 June 2016, plus the six interim quarterly financial reports for the three fiscal quarters ended 31 March 2016 and the three quarters ended 31 March 2017. The Company completed its annual audits and filed both its delinquent Fiscal 2015 report on 24 May 2017 and this Fiscal 2016 report on 21 June 2017. Three of the six delinquent interim reports for the three quarters ended 31 March 2016 were completed and filed on 20 June 2017.

The remaining interim reports for the three quarters ended 31 March 2017 were completed and filed herewith on 23 June 2017. These last reports complete the requirements to remedy and cure the deficiency which led to the cease trade order. The Company intends to immediately apply to the BCSC for a revocation order.

### 4.1 Share Purchase Warrants Activity: Since This Quarter End and Up to the Report Date

- *Exercises* - No outstanding share purchase warrants were exercised.
- *New Issues* - No new outstanding share purchase warrants were issued.
- *Expiry* - On 23 October 2016, an amount of 300,000 unexercised share purchase warrants expired.
- *Amendments* - No amendments were made to the terms of any outstanding share purchase warrants.

### 4.2 Incentive Stock Options Activity: Since This Quarter End and Up to the Report Date

- *Exercises* - No outstanding incentive stock options were exercised.
- *New Grants* - No new incentive stock options were granted.
- *Expiry* - No unexercised incentive stock options expired.
- *Amendments* - No amendments were made to the terms of any outstanding incentive stock options.

### 4.3 Conversion Rights Activity: Since This Quarter End and Up to the Report Date

- *Exercises* - There were no exercises of outstanding common share conversion rights.
- *New Issues* - There were no new common shares conversion rights issued.
- *Expiry* - No outstanding common shares conversion rights expired.
- *Amendments* - No amendments were made to the terms of any outstanding common share conversion rights.

### 4.4 New Shares Issues: Since This Quarter End and Up to the Report Date

- No new common shares were issued.
- No new preferred shares were issued.

## PART - 5 : SHAREHOLDING AT THE REPORT DATE

As at the Report Date of this MD&A, the Company's share capital is issued or held in reserve as follows:

123,015,381	common shares were issued and outstanding.
2,000,000	unexercised warrants were issued and outstanding.
0	unexercised stock options were issued and outstanding.
5,000,000	common shares were held in reserve against possible conversion of a \$250,000 note.
Nil	preferred shares were issued and outstanding.

---

## PART - 6 : FINANCIAL RESULTS OF OPERATIONS

### Summary of Quarterly Results for the Last Eight Quarters

The following table sets out selected and unaudited quarterly financial information for the Company for its last eight quarters and is derived from Interim Financial Statements prepared by management in accordance with accounting policies consistent with IFRS.

Period	Revenue	Total Net Income (loss)	Attributable to Shareholders of the Company		
			Income (loss)	Income (loss) From Continued Operations	Basic & Diluted Per Share Income (loss)
Quarter-1 of Fiscal 2017	Nil	(91,458)	(91,458)	(91,458)	(0.00)
Quarter-4 of Fiscal 2016	Nil	(121,367)	(121,367)	(121,367)	(0.00)
Quarter-3 of Fiscal 2016	Nil	(110,496)	(110,496)	(110,496)	(0.00)
Quarter-2 of Fiscal 2016	Nil	(137,892)	(137,892)	(137,892)	(0.00)
Quarter-1 of Fiscal 2016	Nil	(103,534)	(103,534)	(103,534)	(0.00)
Quarter-4 of Fiscal 2015	Nil	(128,476)	(128,476)	(128,476)	(0.00)
Quarter-3 of Fiscal 2015	Nil	(173,476)	(173,476)	(173,476)	(0.00)
Quarter-2 of Fiscal 2015	Nil	(452,987)	(452,987)	(452,987)	(0.00)

- Quarterly results will vary in accordance with the Company's business and financing activities. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favorable terms, the Company's business activity levels increase.
  - Another factor that affects the Company's reported quarterly results are write-downs or write-offs of capitalized assets and its investments. The Company will write-down or write-off capitalized assets when no further work is warranted and also write-down or write-off its balances in investees if it determines that capitalized balances of these investments are impaired. The size and timing of these write-downs and write-offs cannot typically be predicted and affect the Company's quarterly results. The Company regularly reviews its properties and investments for any indications of impairment.
  - Non-cash costs such as those attributable to calculated valuations of share based payments expenses also affect the size of the Company's quarterly income (loss).
-



## PART - 7 : COMPARATIVE RESULTS OF OPERATIONS

### Current and Comparative Quarters

*This Quarter and the three (3) months period ended 30 September 2016 (the “Current Quarter”) and the Last year's quarter and three month period ended 30 September 2015 (the “Comparative Quarter”).*

---

- a) Overall, the Company incurred a loss from operations during the Current Quarter of \$91,458 compared to a loss of \$103,534 for the Comparative Quarter, a decrease of \$12,076.
- b) The Company incurred a loss per share of \$0.00 in the Current Quarter and the Comparative Quarter.
- c) Interest expense during the Current Quarter was \$11,819 compared to \$11,857 during the Comparative Quarter primarily due to the Company's convertible debt.
- d) The Company's administrative costs were lower in the Current Quarter, \$80,167, compared to those of the Comparative Quarter, \$94,366; primarily as a result of lower office and investor relations costs, and professional fees due to the changes involving its subsidiaries.
- e) Share-based payments expense was \$nil during the Current Quarter and the Comparative Quarter.

## PART - 8 : LIQUIDITY AND CAPITAL MANAGEMENT

As at the end of This Quarter, the Company's Interim Financial Statements reflected an increase in the working capital deficiency of \$91,276 from 30 June 2016, the end of the previous fiscal year. The working capital deficiency of \$1,282,380 as at 30 June 2016 was increased to \$1,373,656 by the end of This Quarter.

The Company has no significant operations that generate cash flow and its long term financial success is dependent on management's ability to develop new business opportunities which become profitable. These undertakings can take many years and are subject to factors that are beyond the Company's control.

In order to finance the Company's growth and develop new business opportunities and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. Many factors influence the Company's ability to raise such funds, including the health of the capital markets, the climate for investment in the sectors the Company is considering, the Company's track record, and the experience and caliber of its management.

The Company does not have sufficient funds to meet its administrative requirements and new business development objectives over the next twelve months. Actual funding requirements may vary from those planned due to a number of factors, including providing for new opportunities as they arise. The Company believes it will be able to raise the necessary capital it requires, but recognizes there will be risks involved that may be beyond its control. The Company is actively sourcing new capital.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue new business development and to maintain a flexible capital structure for its projects for the benefits of its stakeholders. The Company's principal source of funds is from the issuance of common shares. In the management of capital, the Company includes the components of shareholders' equity as well as cash and receivables.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture arrangements, acquire or dispose of assets, or adjust the amount of cash and short-term investments. The Company's investment policy is to invest its cash in liquid short-term interest-bearing investments selected with regard to the expected timing of expenditures from continuing operations. The Company is not subject to any externally imposed capital requirements and there was no change in the Company's capital management during This Quarter or period.

---

## **PART - 9 : RISKS AND UNCERTAINTIES**

The Company has no history of profitable operations and is currently in the early stages of its development. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it to take advantage of further growth and development of new opportunities and projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities or joint ventures, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further growth or new opportunity development.

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

## **PART - 10 : RELATED PARTY TRANSACTIONS**

### **10 . 1 Transactions With Related Parties And Related Party Balances**

At the end of This Quarter, \$680,535 (30 June 2016 - \$616,967) was payable to the CEO and the CFO of the Company. This amount is included in accounts payable and is unsecured, non-interest bearing and has no specific terms for repayment.

### **10 . 2 Compensation Of Key Management Personnel**

During This Quarter and the three (3) months ended 30 September 2016, the Company paid or accrued salaries, fees, or other compensation to the CEO and the CFO of the Company in the amount of \$37,500 and \$31,823, respectively (2015 -\$37,500 and \$34,550, respectively).

## **PART - 11 : MATERIAL CONTRACTS AND EVENTS**

### **11 . 1 Off-Balance Sheet Arrangements**

At the end of This Quarter, the Company does not have any off-balance sheet arrangements not already disclosed elsewhere in this MD&A or in the Interim Financial Statements.

### **11 . 2 Material Contracts & Commitments**

During This Quarter, no new material contracts or commitments were undertaken, not elsewhere disclosed in this MD&A or in the Interim Financial Statements for the period.

### **11 . 3 Investor Relations, Publicity and Promotion**

During This Quarter, no material new arrangements, or modifications to existing agreements, were made by the Company for investor relations services, publicity, promotion or advertising agreements which are not otherwise already disclosed in this MD&A or the Interim Financial Statements.

### **11 . 4 Financial Advice, New Business Consulting, Finder's Agreements, & Fund Raising**

During This Quarter, no material new arrangements, or modifications to existing agreements, were made by the Company for investor relations services, publicity, promotion or advertising agreements which are not otherwise already disclosed in this MD&A or the Interim Financial Statements.

---

## **11 . 5 Claims, Contingencies & Litigation**

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. Except for the foregoing and any contingencies elsewhere disclosed herein, or in the Interim Financial Statements for This Quarter published herewith, the Company knows of no material, active or pending claims or legal proceedings against them; nor is the Company involved as a plaintiff in any material proceeding or pending litigation that might materially adversely affect the Company or a property interest of the Company.

## **PART - 12 : CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

The preparation of financial statements in accordance with IFRS requires that the Company's management make judgments and estimates and form assumptions that affect the amounts in the financial statements and the related notes to those financial statements. Actual results could differ from those estimates. The Company reviews its judgments, estimates, and assumptions on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. The Company's critical accounting policies and estimates applied in the preparation of its Interim Financial Statements are the same as those applied to the audited consolidated financial statements for the last fiscal year ended 30 June 2016.

## **PART - 13 : FINANCIAL INSTRUMENTS**

The Company's financial instruments as at the end of This Quarter, consist of cash, accounts payable and accrued liabilities and the convertible debt. The fair value of these instruments approximates their carrying value due to their short-term maturity. There were no off-balance sheet financial instruments.

Cash, other than minor amounts of Indonesian Rupiahs, consist solely of cash deposits with major Canadian banks. The Company therefore considers its credit risk to be low. The Company does not use derivative or hedging instruments to reduce its exposure to fluctuations in foreign currency exchange rates involving Canadian dollar and Indonesian Rupiah. However, as the Company holds its funds primarily in US dollars, the risk of foreign exchange loss is considered low by the Company's management.

## **PART - 14 : CONTINUOUS DISCLOSURE AND FILINGS**

### **14 . 1 Additional Disclosure for Venture Issuers without Significant Revenue**

Additional disclosure concerning the Company's general and administrative expenses and other business development costs is provided in the Company's statement of loss and comprehensive loss contained in its Interim Financial Statements for This Quarter.

### **14 . 2 Continuous Disclosure & Filings - Canada**

Additional disclosure is made on a continuous basis in accordance with applicable laws and in compliance with securities rules and regulations of the British Columbia Securities Commission ("BCSC"). This disclosure and filings includes annual audited consolidated financial statements and quarterly unaudited interim financial statement. It also includes press releases, material change reports, and disclosure of new or changed circumstances regarding the Company. Shareholders and interested parties may obtain downloadable copies of these mandatory filings made by the Company on "SEDAR" (the System for Electronic Document Archiving and Retrieval at website [www.sedar.com](http://www.sedar.com)). The Company began filing on SEDAR in 1997. All Company filings made on SEDAR during the year and up to the date of this filing are incorporated herein by this reference.

### **14 . 3 Continuous Disclosure & Filings - USA**

The Company is also a full reporting issuer and filer with the US Securities and Exchange Commission ("SEC"). The Company is required to file an annual report with the SEC in the format of a Form 20F annual report which includes audited annual consolidated financial statements. The Company files interim unaudited quarterly financial reports, press releases, material change reports, and disclosure of new or changed circumstances regarding the Company on a periodic basis under Form-6K. The Company has filed electronically on the SEC's EDGAR database (website [www.sec.gov/edgar](http://www.sec.gov/edgar)) commencing with the Company's Form 20F at its fiscal year end 2004. Prior to 2004 the Company filed Form 20F annual reports with the SEC in paper form. All Company filings made to US-SEC during the past fiscal year and during the This Quarter and up to the date of this filing are incorporated herein by this reference.

---

## **PART - 15 : FORWARD -LOOKING STATEMENTS**

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of reserves and resources, projections of anticipated revenue, the realization of reserve estimates, the timing and amount of estimated future production, cost, work schedules, capital requirements, success of resource exploration operations, environmental risks, permitting risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

### **15 . 1 Forward Looking Words and Phrases**

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "projections", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology.

### **15 . 2 Risks and Uncertainties**

By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of exploration or new project development activities; changes in project parameters as plans continue to be refined; cash flow projections; future prices of resources; possible variations in resource reserves; accidents, labor disputes and other risks of the oil, gas, and alternative energy industries; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as other factors detailed from time to time in the Company's periodic filings on EDGAR and SEDAR.

### **15 . 3 No Assurance all Risks Anticipated**

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

---o0o---

---

Form 52 - 109FV2

Certification of Interim Filings

Venture Issuer Basic Certificate

I, Richard L. McAdoo, Chief Executive Officer of Continental Energy Corporation, certify the following:

1. **Review:** I have reviewed the interim financial report and interim management discussion and analysis (together, the “**Interim Filings**”) of Continental Energy Corporation (the “**Issuer**”) for the **quarter and three months interim period ended 30 September 2016**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the Interim financial statements together with the other financial information included in the Interim Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Issuer, as of the date of and for the periods presented in the Interim Filings.

Date: **June 23, 2017**

<Signed>

Richard L. McAdoo  
Chief Executive Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture Issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Issuer’s generally accepted accounting practices.

The Issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and Annual Filings and other reports provided under securities legislation.

Form 52 - 109FV2

Certification of Interim Filings

Venture Issuer Basic Certificate

I, Robert V. Rudman, Chief Financial Officer of Continental Energy Corporation, certify the following:

1. **Review:** I have reviewed the interim financial report and interim management discussion and analysis (together, the “**Interim Filings**”) of Continental Energy Corporation (the “**Issuer**”) for **the quarter and three months interim period ended 30 September 2016**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the Interim financial statements together with the other financial information included in the Interim Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Issuer, as of the date of and for the periods presented in the Interim Filings.

Date: **June 23, 2017**

<Signed>

\_\_\_\_\_  
Robert V. Rudman  
Chief Financial Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture Issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Issuer’s generally accepted accounting practices.

The Issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and Annual Filings and other reports provided under securities legislation.

**CONTINENTAL ENERGY CORPORATION**

**INTERIM FINANCIAL STATEMENTS**

**31 DECEMBER 2016**

*Expressed in U.S. Dollars*

*(Unaudited – Prepared by Management)*

**INTERIM FINANCIAL STATEMENTS**

The financial statements included herein are management prepared, unaudited, condensed, interim financial statements and are hereinafter referred to as the "**Interim Financial Statements**". These Interim Financial Statements are filed on SEDAR concurrently with Management's Discussion and Analysis ("**MD&A**") of the results for the same period, and may be read in conjunction with the MD&A.

**NOTICE OF NO AUDITOR REVIEW**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of our Interim Financial Statements, then such statements must be accompanied by a notice indicating that they have not been reviewed by an auditor.

Neither the accompanying Interim Financial Statements as presented herein nor the accompanying MD&A have been reviewed by our auditors. Both the Interim Financial Statements and the MD&A have been prepared by and are the responsibility of the management of Continental Energy Corporation.

**Continental Energy Corporation**  
**Interim Financial Statements**  
(Unaudited – Prepared by Management and expressed in US Dollars)

**STATEMENTS OF FINANCIAL POSITION**

	<u>Note</u>	<u>31 December</u> <u>2016</u>	<u>30 June</u> <u>2016</u>
<b><u>ASSETS</u></b>			
<b>Current</b>			
Cash		\$ 3,137	\$ 1,290
Receivables		1,238	1,278
Prepaid expenses and deposits		3,349	3,349
		<u>7,724</u>	<u>5,917</u>
<b>Non-current assets</b>			
Property, plant and equipment		1,096	1,461
		<u>8,820</u>	<u>7,378</u>
<b><u>LIABILITIES</u></b>			
<b>Current</b>			
Accounts payable and accrued liabilities	6	894,089	751,783
Loans from related parties	6	91,500	71,500
Convertible debt	4	487,699	465,014
		<u>1,473,288</u>	<u>1,288,297</u>
<b><u>DEFICIENCY</u></b>			
Share capital	5	16,201,630	16,201,630
Conversion rights reserve		92,966	92,966
Share-based payment and other reserve	5	9,927,687	9,927,687
Deficit		<u>(27,686,751)</u>	<u>(27,503,202)</u>
		<u>(1,464,468)</u>	<u>(1,280,919)</u>
		<u>8,820</u>	<u>7,378</u>

**Nature of Operations and Going Concern** (Note 1)

**Subsequent Events** (Note 9)

ON BEHALF OF THE BOARD:

“Richard L. McAdoo”, Director & CEO

“Robert V. Rudman”, Director & CFO

- See Accompanying Notes -



**Continental Energy Corporation**  
**Interim Financial Statements**

*(Unaudited – Prepared by Management and expressed in US Dollars)*

**STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

		<b>For the Three Months Ended <u>31 December</u> 2016</b>	<b>For the Three Months Ended <u>31 December</u> 2015</b>	<b>For the Six Months Ended <u>31 December</u> 2016</b>	<b>For the Six Months Ended <u>31 December</u> 2015</b>
<b>NET LOSS FOR THE PERIOD</b>	<u>Note</u>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Depreciation		183	365	365	730
Interest and bank charges	4	11,491	11,825	23,310	23,682
Management and consulting fees	6	72,581	73,009	146,863	146,765
Office and investor relations		7,138	12,742	11,872	20,429
Professional fees		-	10,838	-	22,565
Rent, maintenance and utilities		1,108	1,060	2,259	2,256
Share-based payments	5	-	26,200	-	26,200
Travel and accommodation		1,430	3,346	1,430	3,434
<b>Loss before the undernoted</b>		<b>(93,931)</b>	<b>(139,385)</b>	<b>(186,099)</b>	<b>(246,061)</b>
<b>Other income (expenses)</b>					
Interest and foreign exchange		1,840	1,493	2,550	4,635
<b>Net loss and comprehensive loss for the period</b>		<b>(92,091)</b>	<b>(137,892)</b>	<b>(183,549)</b>	<b>(241,426)</b>
<b>Loss Per Share – Basic and Diluted</b>		<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Weighted Average Number of Shares</b>		<b>123,015,381</b>	<b>123,015,381</b>	<b>123,015,381</b>	<b>123,015,381</b>

- See Accompanying Notes -

**Continental Energy Corporation**  
**Interim Financial Statements**  
(Unaudited – Prepared by Management and expressed in US Dollars)

**STATEMENTS OF CASH FLOW**

<b><u>Cash Resources Provided By (Used In)</u></b>	<b><u>Note</u></b>	<b>For the Six Months Ended 31 December 2016</b>	<b>For the Six Months Ended 31 December 2015</b>
		<b>\$</b>	<b>\$</b>
<b>Operating Activities</b>			
Loss for the period		(183,549)	(241,426)
<i>Items not affecting cash</i>			
Depreciation		365	730
Interest on convertible debt	4	22,685	22,685
Share-based payments	5	-	26,200
<i>Changes in non-cash working capital</i>			
Receivables		40	(470)
Prepaid expenses and deposits		-	1,120
Accounts payable and accrued liabilities		142,306	147,157
		<b>(18,153)</b>	<b>(44,004)</b>
<b>Financing Activities</b>			
Proceeds from loans from related parties	6	20,000	41,500
		<b>20,000</b>	<b>41,500</b>
<b>Change in cash</b>		<b>1,847</b>	<b>(2,504)</b>
<b>Cash Position – Beginning of Period</b>		<b>1,290</b>	<b>4,015</b>
<b>Cash Position – End of Period</b>		<b>3,137</b>	<b>1,511</b>

**Supplemental cash flow information** (Note 7)

- See Accompanying Notes -

**Continental Energy Corporation****Interim Financial Statements***(Unaudited – Prepared by Management and expressed in US Dollars)***STATEMENTS OF CHANGES IN DEFICIENCY**

		Share Capital		Share-Based Payment and Other Reserve	Conversion Rights Reserve	Deficit	Total
	Note	Number	Amount \$	\$	\$	\$	\$
Balance on 30 June 2015		123,015,381	16,201,630	9,901,487	92,966	(27,029,913)	(833,830)
Incentive warrants	5	-	-	26,200	-	-	26,200
Loss for the period		-	-	-	-	(473,289)	(473,289)
<b>Balance on 31 December 2015</b>		<b>123,015,381</b>	<b>16,201,630</b>	<b>9,927,687</b>	<b>92,966</b>	<b>(27,503,202)</b>	<b>(1,280,919)</b>
Balance on 30 June 2016		123,015,381	16,201,630	9,927,687	92,966	(27,503,202)	(1,280,919)
Loss for the period		-	-	-	-	(183,549)	(183,549)
<b>Balance on 31 December 2016</b>		<b>123,015,381</b>	<b>16,201,630</b>	<b>9,927,687</b>	<b>92,966</b>	<b>(27,686,751)</b>	<b>(1,464,468)</b>

- See Accompanying Notes -

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**31 DECEMBER 2016**

---

**1. Nature of Operations and Going Concern**

---

Continental Energy Corporation (“Continental” or the “Company”) is incorporated under the laws of the Province of British Columbia, Canada. The Company’s registered address and records office is 900-885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1.

The Company has historically been engaged in the assembly of a portfolio of oil and gas exploration properties but has begun diversifying its business into a broader range upstream and downstream oil and gas activities. These include new small-scale, distributed oil refineries and gas-turbine power plant developments fully integrated with smaller and stranded oil and gas production in underserved local markets.

As at 23 June 2017, the Company had completed the audits, financial reports, and made all of the regulatory filings to remedy and cure a cease trade order issued on 4 November 2015 by the British Columbia Securities Commission (“BCSC”). The order was issued because the Company was at that time deficient in its regulatory requirements involving the filing of its audited consolidated financial statements for the fiscal year ended 30 June 2015. The order prohibits trading of the Company’s securities in Canada until the deficiency is cured by the Company filing the required delinquent financial reports and a revocation order is issued by the BCSC.

In addition to the audited statements for the year ended 30 June 2015, the Company must also prepare and file the same for the year ended 30 June 2016, plus the six interim quarterly financial reports for the three fiscal quarters ended 31 March 2016 and the three quarters ended 31 March 2017. The Company completed its annual audits and filed both its delinquent Fiscal 2015 report on 24 May 2017 and this Fiscal 2016 report on 21 June 2017. Three of the six delinquent interim reports for the three quarters ended 31 March 2016 were completed and filed on 20 June 2017.

The remaining interim reports for the three quarters ended 31 March 2017 were completed and filed on 23 June 2017. These last reports complete the requirements to remedy and cure the deficiency which led to the cease trade order. The Company intends to immediately apply to the BCSC for a revocation order.

These Interim Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has incurred operating losses over the past several fiscal years and has no current source of operating cash flows. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to acquire and develop its projects as well as fund ongoing administration expenses. There are no assurances that sufficient funding will be available.

Management intends to obtain additional funding by issuing common shares in private placements. There can be no assurance that management’s future financing actions will be successful. Management is not able to assess the likelihood or timing of raising capital for future expenditures or acquisitions.

These uncertainties indicate the existence of material uncertainty that cast significant doubt on the Company’s ability to continue as a going concern in the future. If the going concern assumption were not appropriate for these Interim Financial Statements, liquidation accounting would apply and adjustments would be necessary to the carrying values and classification of assets, liabilities, the reported income and expenses, and such adjustments could be material.

---

**2. Basis of Preparation**

---

These Interim Financial Statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, and are based on the principles of International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations thereof made by the International Financial Reporting Interpretations Committee.

These Interim Financial Statements should be read in conjunction with the audited financial statements for the last fiscal year ended 30 June 2016, which were also prepared in accordance with the same methods of application and include all of the Company’s accounting policies and other required disclosures.

The Company’s Board of Directors has delegated the responsibility and authority for approving quarterly financial statements and MD&A to its Audit Committee. The Audit Committee approved these Interim Financial Statements on 23 June 2017.

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**31 DECEMBER 2016**

These Interim Financial Statements have been prepared on a historical cost basis and presented in United States (“US”) dollars, the functional currency of the Company, except where otherwise indicated.

---

**3. Significant Accounting Estimates and Judgments**

---

The preparation of these Interim Financial Statements in accordance with IFRS requires that the Company’s management make judgments and estimates and form assumptions that affect the amounts in the financial statements and related notes to those financial statements. Actual results could differ from those estimates. Judgments, estimates and assumptions are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to judgments, estimates and assumptions are accounted for prospectively.

In preparing these Interim Financial Statements, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited financial statements for the last fiscal year ended 30 June 2016.

---

**4. Convertible Debt**

---

	<u>Total</u>
	\$
<b>Balance on 30 June 2015</b>	<b>419,890</b>
Interest	45,124
<b>Balance on 30 June 2016</b>	<b>465,014</b>
Interest	22,685
<b>Balance on 31 December 2016</b>	<b>487,699</b>

On 21 September 2011, the Company issued a convertible promissory note for proceeds of \$250,000. As additional consideration, the Company also issued 1,562,500 warrants (“**the additional consideration warrants**”) to the note holder.

The Company has since entered into multiple arrangements with the note holder for amendment of the terms of the convertible promissory note and the additional consideration warrants. As at 31 December 2016, the promissory note paid interest at 18% per annum and could be converted to the common shares of the Company at \$0.05 per share. The additional consideration warrants were exercisable at \$0.05 per common share and expired on 31 December 2015 without being exercised.

The maturity date of the convertible promissory note was 30 September 2014 and therefore the note is in default as of the date of these Interim Financial Statements.

---

**5. Share Capital**

---

*Authorized Share Capital*

500,000,000 common shares without par value and without special rights or restrictions attached.

500,000,000 preferred shares without par value and with special rights or restrictions attached.

*Shares issued*

There were no common or preferred share issued during the six months ended 31 December 2016 and 2015.

*Stock options*

The Company has an approved incentive stock option plan under which the Board of Directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised within a period as determined by the board. Options vest on the grant date unless otherwise determined by the board. The aggregate number of common shares which may be reserved as outstanding options shall not exceed 25,000,000, and the

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**31 DECEMBER 2016**

maximum number of options held by any one individual at any one time shall not exceed 7.5% of the total number of the Company's issued and outstanding common shares and 15% of same for all related parties (officers, directors, and insiders) as a group.

There are no incentive stock options outstanding as at 31 December 2016.

**Warrants**

A reconciliation of the Company's warrants outstanding is as follows:

	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price \$ per Share</b>
Outstanding on 30 June 2015	9,462,500	0.05
Issued	2,000,000	0.01
Expired	(8,912,500)	0.05
Outstanding on 30 June 2016	2,550,000	0.03
Expired	(550,000)	0.10
<b>Outstanding on 31 December 2016</b>	<b>2,000,000</b>	<b>0.01</b>

As an incentive for the \$10,000 loan from a director (Note 6), the Company issued on 13 October 2015 to the director, 2,000,000 share purchase warrants with an exercise price of \$0.01 per share and expiry date of 31 December 2017. The Company calculated the fair value of these warrants to be \$26,200 which was charged to the statement of loss as share-based payments.

The fair value of the warrants issued was estimated using the Black-Scholes option pricing model, with the following assumptions:

Expected dividend yield	Nil
Expected stock price volatility	86%
Risk-free interest rate	0.64%
Expected life of warrants (years)	2.22

A summary of the Company's warrants outstanding on 31 December 2016:

<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Expiry Date</u>
2,000,000	\$0.01	31 December 2017
<b>2,000,000</b>		

**6. Related Party Transactions**

As at 31 December 2016, \$747,083 (30 June 2016 - \$616,967) was payable to officers of the Company as salary, fees, or other compensation. These amounts are included in accounts payable and accrued liabilities and are unsecured, non-interest bearing with no specific terms for repayment.

During the three and six months ended 31 December 2016, the Company paid or accrued salary, fees, or other compensation to officers of the Company in the amount of \$69,324 and \$138,647, respectively (2015 - \$71,172 and \$143,222, respectively).

During the six months ended 31 December 2016, a director of the Company loaned \$20,000 to the Company for assistance with working capital. As at 31 December 2016, the total loan payable to the director amounted to \$81,500. This loan is interest free with no fixed repayment terms.

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**31 DECEMBER 2016**

During the year ended 30 June 2016, the Company issued a promissory note in recognition of the receipt of the \$10,000 loan and as an incentive for the loan, granted 2,000,000 share purchase warrants to the lending director, with an exercise price of \$0.01 per share and expiry date of 31 December 2017 (Note 5). As at 31 December 2016, \$10,000 remained payable to the director. This loan is interest free with no fixed repayment terms.

---

**7. Supplemental cash flow information**

---

		<b>For the Six Months Ended 31 December 2016</b>	<b>For the Six Months Ended 31 December 2015</b>
<b>Non-Cash Investing and Financing Activities</b>	<b>Note</b>	<b>\$</b>	<b>\$</b>
Incentive share purchase warrants for loan	5	-	26,200

---

**8. Segmented Information**

---

The Company operates in one segment, being the business sector of acquiring participating interests in oil, gas, and alternative energy projects, producers, and related service providers doing business outside of North America. The Company's non-current assets consist of computer and other equipment and are all located in Indonesia.

---

**9. Subsequent Events**

---

- On 4 January 2017, 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 date of these financial statements 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.
- On 28 February 2017, 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 date of these financial statements 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 consulting services and 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.
- On 14 May 2017, 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 May 2017 and is publicly available in PDF form for download from the SEDAR website.
- On 14 May 2017, 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 16 May 2017 and is publicly available in PDF form for download from the SEDAR website.
- On 24 May 2017, the Company made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2015 year ended 30 June 2015. These reports included the Company's required annual oil and gas activities and reserves report for Fiscal 2015.
- On 26 May 2017, the Company made a late filing on EDGAR of the required audited annual financial reports and other disclosure on US SEC Form 20F Annual Report for the Fiscal 2015 year ended 30 June 2015. The Form 20F Annual Report was filed concurrently as a voluntary "Annual Information Form" or "AIF" filing on SEDAR.

**Continental Energy Corporation**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*(Unaudited – Prepared by Management and expressed in US Dollars)*

**31 DECEMBER 2016**

7. On 5 June 2017, the Company caused its registrar and transfer agent 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 4 August 2017 in the Company's registered and records office in Vancouver. The official "Record Date" for the purposes of determining those shareholders of record entitled to vote at the meeting is 30 June 2017.
8. On 20 June 2017, the Company made a late filing of interim financial reports for the three Fiscal 2016 quarters ended 30 September 2015, 31 December 2015, and 31 March 2016. These three quarterly reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included unaudited and management prepared consolidated financial statements for each quarter plus management's discussion and analysis thereof.
9. On 21 June 2017, the Company made a late filing of the required audited annual financial reports and other disclosure on for the Fiscal 2016 year ended 30 June 2016. These reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included audited financial statements plus management's discussion and analysis thereof.

---oOo---



## CONTINENTAL ENERGY CORPORATION FORM 51-102F1

### Management's Discussion and Analysis

For the Quarter Ended on 31 December 2016

*The End of the Second Quarter and Six (6) Months Period of Fiscal 2017*

This Management Discussion and Analysis ("MD&A") has been prepared by the management of Continental Energy Corporation (the "Company") as of 23 June 2017 (the "Report Date").

This MD&A is intended to supplement and complement the unaudited, condensed, interim, consolidated quarterly financial statements (the "Interim Financial Statements") that are also prepared by management and filed herewith.

This MD&A, and the Interim Financial Statements filed herewith, pertain to the quarter and three (3) months ended 31 December 2016, a period of time hereinafter referred to as "This Quarter".

This Quarter corresponds to the Company's "Second Quarter" and also marks the completion of the initial six (6) months period of the Company's fiscal year ("Fiscal 2017") which shall end on 30 June 2017.

All financial information presented herein, and in the Interim Financial Statements, has been prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS") promulgated by the International Accounting Standards Board. All amounts disclosed are in United States dollars unless otherwise stated.

#### PART - 1 : NATURE OF BUSINESS

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 4<sup>th</sup> largest economy in the world by 2045.

#### PART - 2 : HIGHLIGHT EVENTS DURING THIS QUARTER

Significant events which may have a material effect on the business affairs of the Company that have occurred during This Quarter are summarized below:

##### Corporate Activity

The Company explored new opportunities in its core business areas and searched for new sources of capital during This Quarter.

##### Small Scale Refinery Opportunity

In August and November 2016, Indonesia's Energy Ministry issued new regulations opening up, for the first time, the crude oil refining and distribution business to private sector companies. The new regulations provide for substantial fiscal incentives and perpetual licenses to private companies to build, own, and operate "Small Scale Refineries or SSRs". SSRs are defined as having a maximum capacity of 20,000 barrels per day and are intended to be co-located with existing domestic crude oil production to both stimulate more oil production by reducing crude oil transport costs and provide refined fuel products to local domestic markets at reduced or eliminated import costs.

As an incentive to SSR operators, these crude and products transport costs savings may be passed through to the SSR operator in the form of a reduced feedstock price agreed by the Energy Ministry in the license, for locally produced crude oil delivered at the SSR plant gate.

Indonesia is taking a page from the global power generation industry, who has come to the realization that multiple small-scale, geographically distributed refining capacity is simply more cost efficient and provides more direct local and regional economic benefits than a few huge-scale refineries requiring multi-billion dollar investment.

This is a completely new business opening, with no large players or competitive actors already in the market or expected to appear. The opportunity lies with smaller companies who can put together the technical expertise, Indonesian operating knowledge, and financial packages needed.

---

The Company's 20+ years of Indonesian oil and gas operating experience and relationship building put it in a unique position to take advantage of these SSR opportunities. To this end the Company entered into, during late 2016, four Memorandums of Understanding with private Indonesian company partners to jointly pursue SSR licenses vertically integrated with, and co-located with, upstream crude oil feedstock from four production sharing contract areas operated by the partners.

#### **Director Resignation**

Effective upon 30 December 2016, Mr. John Tate resigned from the Company's board of directors to pursue his own business interests.

#### **2. 1 Share Purchase Warrants Activity During This Quarter**

During This Quarter, the following activity involving the Company's share purchase warrants occurred:

- *Exercises* - No outstanding share purchase warrants were exercised.
- *New Issues* - No new issues of share purchase warrants were made.
- *Expiry* - On 23 October 2016, an amount of 300,000 unexercised share purchase warrants expired.
- *Amendments* - No amendments were made to the terms of any outstanding share purchase warrants.

#### **2. 2 Incentive Stock Options Activity During This Quarter**

During This Quarter, the following activity involving the Company's incentive stock options occurred:

- *Exercises* - No outstanding incentive stock options were exercised.
- *New Grants* - No new incentive stock options were granted.
- *Expiry* - No unexercised incentive stock options expired.
- *Amendments* - No amendments were made to the terms of any outstanding incentive stock options.

#### **2. 3 Common Share Conversion Rights Activity During This Quarter**

During This Quarter, the following activity involving the common share conversion rights issued by the Company occurred:

- *Exercises* - There were no exercises of outstanding common share conversion rights.
- *New Issues* - There were no new common shares conversion rights issued.
- *Expiry* - No outstanding common shares conversion rights expired.
- *Amendments* - No amendments were made to the terms of any outstanding common share conversion rights.

#### **2. 4 New Shares Issues During This Quarter**

During This Quarter, there were no new common shares issued.

### **PART - 3 : SHAREHOLDING AT THE END OF THIS QUARTER**

As at the end of This Quarter, the Company's share capital was issued or held in reserve as follows:

123,015,381	common shares were issued and outstanding.
2,000,000	unexercised warrants were issued and outstanding.
0	unexercised stock options were issued and outstanding.
5,000,000	common shares were held in reserve against possible conversion of a \$250,000 note.
Nil	preferred shares were issued and outstanding.

### **PART - 4 : SUBSEQUENT EVENTS TO THE REPORT DATE**

Significant events which may have a material effect on the business affairs of the Company that have occurred subsequent to the end of This Quarter and up to the Report Date are summarized below:

---

### **Joint Development Agreement Signed**

On 4 January 2017, 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.

### **Consulting and Joint Development Agreement Signed**

On 28 February 2017, 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 Small Scale Refinery ("**SSR**") developments in the Middle East and Africa by providing consulting services and 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.

### **Director Appointment**

Upon 31 March 2017, Mr. Karsani Aulia was appointed a director of the Company by action of the board of directors to fill the vacancy on the board. Mr. Aulia 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.

### **Code of Business Conduct and Ethics**

Upon 14 May 2017, 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 May 2017 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 May 2017 under cover of a Form-6K filing.

### **Charter of the Audit Committee**

Upon 14 May 2017, 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 16 May 2017 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 17 May 2017 under cover of a Form-6K filing.

### **Charter of the Governance and Nominating Committee**

Upon 14 May 2017, 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 16 May 2017 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 17 May 2017 under cover of a Form-6K filing.

---

### **Charter of the Compensation Committee**

Upon 17 May 2017, 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 23 May 2017 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 23 May 2017 under cover of a Form-6K filing.

### **Charter of the Reserves Committee**

Upon 17 May 2017, 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 23 May 2017 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 23 May 2017 under cover of a Form-6K filing.

### **Annual Financial Report Filed Late for Fiscal 2015**

On 24 May 2017 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2015 year ended 30 June 2015. These reports were filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for the Fiscal 2015 year plus management's discussion and analysis thereof.

### **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2015**

On 24 May 2017 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 NI 51-101.

### **Annual Report on Form 20F Filed Late for Fiscal 2015**

On 26 May 2017 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 NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for Fiscal 2016 plus the disclosure required by Form 20F as an Annual Report.

### **AGM Notice and Record Date Set**

On 5 June 2017, 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 4 August 2017 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 30 June 2017. The formal notice and agenda for the meeting will be published on the Record Date.

### **Interim Quarters Financial Reports Filed**

On 19 June 2017 the Company made a late filing of interim financial reports for the Fiscal 2016 quarters ended 30 September 2015, 31 December 2015, and 31 March 2016. These three quarterly reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included unaudited and management prepared consolidated financial statements for each quarter plus management's discussion and analysis thereof.

### **Annual Financial Report Filed Late for Fiscal 2016**

On 21 June 2017 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2016 year ended 30 June 2016. These reports were filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for the Fiscal 2016 year plus management's discussion and analysis thereof.

### **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2016**

On 21 June 2017 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 NI 51-101.

---

## Cease Trade Order

As at 23 June 2017, the Company had completed the audits, financial reports, and made all of the regulatory filings to remedy and cure a cease trade order issued on 4 November 2015 by the British Columbia Securities Commission ("**BCSC**"). The order was issued because the Company was at that time deficient in its regulatory requirements involving the filing of its audited consolidated financial statements for the fiscal year ended 30 June 2015. The order prohibits trading of the Company's securities in Canada until the deficiency is cured by the Company filing the required delinquent financial reports and a revocation order is issued by the BCSC.

In addition to the audited statements for the year ended 30 June 2015, the Company must also prepare and file the same for the year ended 30 June 2016, plus the six interim quarterly financial reports for the three fiscal quarters ended 31 March 2016 and the three quarters ended 31 March 2017. The Company completed its annual audits and filed both its delinquent Fiscal 2015 report on 24 May 2017 and this Fiscal 2016 report on 21 June 2017. Three of the six delinquent interim reports for the three quarters ended 31 March 2016 were completed and filed on 20 June 2017.

The remaining interim reports for the three quarters ended 31 March 2017 were completed and filed herewith on 23 June 2017. These last reports complete the requirements to remedy and cure the deficiency which led to the cease trade order. The Company intends to immediately apply to the BCSC for a revocation order.

### 4.1 Share Purchase Warrants Activity: Since This Quarter End and Up to the Report Date

- *Exercises* - No outstanding share purchase warrants were exercised.
- *New Issues* - No share purchase warrants were issued.
- *Expiry* - No unexercised share purchase warrants expired.
- *Amendments* - No amendments were made to the terms of any outstanding share purchase warrants.

### 4.2 Incentive Stock Options Activity: Since This Quarter End and Up to the Report Date

- *Exercises* - No outstanding incentive stock options were exercised.
- *New Grants* - No new incentive stock options were granted.
- *Expiry* - No outstanding incentive stock options expired,
- *Amendments* - No amendments were made to the terms of any outstanding incentive stock options.

### 4.3 Conversion Rights Activity: Since This Quarter End and Up to the Report Date

- *Exercises* - There were no exercises of outstanding common share conversion rights.
- *New Issues* - There were no new common shares conversion rights issued.
- *Expiry* - No outstanding common shares conversion rights expired.
- *Amendments* - No amendments were made to the terms of any outstanding common share conversion rights.

### 4.4 New Shares Issues: Since This Quarter End and Up to the Report Date

- No new common shares were issued.
- No new preferred shares were issued.

## PART - 5 : SHAREHOLDING AT THE REPORT DATE

As at the Report Date of this MD&A, the Company's share capital is issued or held in reserve as follows:

123,015,381	common shares were issued and outstanding.
2,000,000	unexercised warrants were issued and outstanding.
0	unexercised stock options were issued and outstanding.
5,000,000	common shares were held in reserve against possible conversion of a \$250,000 note.
Nil	preferred shares were issued and outstanding.

---

## PART - 6 : FINANCIAL RESULTS OF OPERATIONS

### Summary of Quarterly Results for the Last Eight Quarters

The following table sets out selected and unaudited quarterly financial information for the Company for its last eight quarters and is derived from Interim Financial Statements prepared by management in accordance with accounting policies consistent with IFRS.

Period	Revenue	Total Net Income (loss)	Attributable to Shareholders of the Company		
			Income (loss)	Income (loss) From Continued Operations	Basic & Diluted Per Share Income (loss)
Quarter-2 of Fiscal 2017	Nil	(92,091)	(92,091)	(92,091)	(0.00)
Quarter-1 of Fiscal 2017	Nil	(91,458)	(91,458)	(91,458)	(0.00)
Quarter-4 of Fiscal 2016	Nil	(121,367)	(121,367)	(121,367)	(0.00)
Quarter-3 of Fiscal 2016	Nil	(110,496)	(110,496)	(110,496)	(0.00)
Quarter-2 of Fiscal 2016	Nil	(137,892)	(137,892)	(137,892)	(0.00)
Quarter-1 of Fiscal 2016	Nil	(103,534)	(103,534)	(103,534)	(0.00)
Quarter-4 of Fiscal 2015	Nil	(128,476)	(128,476)	(128,476)	(0.00)
Quarter-3 of Fiscal 2015	Nil	(173,476)	(173,476)	(173,476)	(0.00)

- Quarterly results will vary in accordance with the Company's business and financing activities. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favorable terms, the Company's business activity levels increase.
- Another factor that affects the Company's reported quarterly results are write-downs or write-offs of capitalized assets and its investments. The Company will write-down or write-off capitalized assets when no further work is warranted and also write-down or write-off its balances in investees if it determines that capitalized balances of these investments are impaired. The size and timing of these write-downs and write-offs cannot typically be predicted and affect the Company's quarterly results. The Company regularly reviews its properties and investments for any indications of impairment.
- Non-cash costs such as those attributable to calculated valuations of share based payments expenses also affect the size of the Company's quarterly income (loss).

## PART - 7 : COMPARATIVE RESULTS OF OPERATIONS

### Current and Comparative Periods

*This Quarter and the six (6) months fiscal period ended 31 December 2016 (the "Current Period"); and the Last year's six (6) months fiscal period ended 31 December 2015 (the "Comparative Period").*

- Overall, the Company incurred a loss from operations during the Current Period of \$183,549 compared to a loss of \$241,426 for the Comparative Period, a decrease of \$57,877.
- The Company incurred a loss per share of \$0.00 in both the Current Period and Comparative Periods.
- Interest expense during the Current Period was \$23,310 compared to \$23,682 during the Comparative Period primarily due to the accretion of the Company's convertible debt.
- The Company's administrative costs were lower in the Current Period compared to the Comparative Period, primarily a result of lower office costs and professional fees. These administrative costs were lower in the Current Period by \$31,021 (Comparative Periods 2016 - \$160,994; 2015 - \$192,015).
- Share-based payments expense were \$nil during the Current Period compared to \$26,200 during the Comparative Period.
- Cash used in operating activities during the Current Period was \$18,153 compared to \$44,004 used in the Comparative Period. The change is attributable to lower activity during the Current Period.

- g) Net cash raised from financing activities during the Current Period was \$20,000 compared to \$41,500 raised during the Comparative Period.

### **Current and Comparative Quarters**

*This Quarter, the three (3) months ended 31 December 2016 (the “**Current Quarter**”); and Last year's quarter and three (3) months ended 31 December 2015 (the “**Comparative Quarter**”).*

---

- h) Overall, the Company incurred a loss from operations during the Current Quarter of \$92,091 compared to a loss of \$137,892 for the Comparative Quarter, a decrease of \$45,801.
- i) The Company incurred a loss per share of \$0.00 in the Current Quarter and the Comparative Quarter.
- j) Interest expense during the Current Quarter was \$11,491 compared to \$11,825 during the Comparative Quarter primarily due to the accretion of the Company's convertible debt.
- k) The Company's administrative costs were lower in the Current Quarter compared to the Comparative Quarter, primarily a result of lower office and investor relation costs, and professional fees. These administrative costs were lower in the Current Quarter by \$16,822 (Comparative Quarters 2016 - \$80,827; 2015 - \$97,649).
- l) Share-based payments expense was \$nil during the Current Quarter and \$100,000 during the Comparative Quarter.

### **PART - 8 : LIQUIDITY AND CAPITAL MANAGEMENT**

As at the end of This Quarter, the Company's Interim Financial Statements reflected an increase in the working capital deficiency of \$183,184 from 30 June 2016, the end of the previous fiscal year. The working capital deficiency of \$1,282,380 as at 30 June 2016 was increased to \$1,465,564 by the end of This Quarter.

The Company has no significant operations that generate cash flow and its long term financial success is dependent on management's ability to develop new business opportunities which become profitable. These undertakings can take many years and are subject to factors that are beyond the Company's control.

In order to finance the Company's growth and develop new business opportunities and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. Many factors influence the Company's ability to raise such funds, including the health of the capital markets, the climate for investment in the sectors the Company is considering, the Company's track record, and the experience and caliber of its management.

The Company does not have sufficient funds to meet its administrative requirements and new business development objectives over the next twelve months. Actual funding requirements may vary from those planned due to a number of factors, including providing for new opportunities as they arise. The Company believes it will be able to raise the necessary capital it requires, but recognizes there will be risks involved that may be beyond its control. The Company is actively sourcing new capital.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue new business development and to maintain a flexible capital structure for its projects for the benefits of its stakeholders. The Company's principal source of funds is from the issuance of common shares. In the management of capital, the Company includes the components of shareholders' equity as well as cash and receivables.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture arrangements, acquire or dispose of assets, or adjust the amount of cash and short-term investments. The Company's investment policy is to invest its cash in liquid short-term interest-bearing investments selected with regard to the expected timing of expenditures from continuing operations. The Company is not subject to any externally imposed capital requirements and there was no change in the Company's capital management during This Quarter or period.

---

## **PART - 9 : RISKS AND UNCERTAINTIES**

The Company has no history of profitable operations and is currently in the early stages of its development. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it to take advantage of further growth and development of new opportunities and projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities or joint ventures, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further growth or new opportunity development.

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

## **PART - 10 : RELATED PARTY TRANSACTIONS**

### **10 . 1 Transactions With Related Parties And Related Party Balances**

At the end of This Quarter, \$747,083 (30 June 2016 - \$616,976) was payable to the CEO and the CFO of the Company. This amount is included in accounts payable and is unsecured, non-interest bearing and has no specific terms for repayment.

### **10 . 2 Compensation Of Key Management Personnel**

During the three (3) months quarter and the six (6) months fiscal period ended 31 December 2016, the Company paid or accrued salaries, fees or other compensation to the CEO and the CFO of the Company in the amount of \$75,000 and \$63,647, respectively (2015 - \$75,000 and \$60,000, respectively).

## **PART - 11 : MATERIAL CONTRACTS AND EVENTS**

### **11 . 1 Off-Balance Sheet Arrangements**

At the end of This Quarter, the Company does not have any off-balance sheet arrangements not already disclosed elsewhere in this MD&A or in the Interim Financial Statements.

### **11 . 2 Material Contracts & Commitments**

During This Quarter, no new material contracts or commitments were undertaken, not elsewhere disclosed in this MD&A or in the Interim Financial Statements for the period.

### **11 . 3 Investor Relations, Publicity and Promotion**

During This Quarter, no material new arrangements, or modifications to existing agreements, were made by the Company for investor relations services, publicity, promotion or advertising agreements which are not otherwise already disclosed in this MD&A or the Interim Financial Statements.

### **11 . 4 Financial Advice, New Business Consulting, Finder's Agreements, & Fund Raising**

During This Quarter, no material new arrangements, or modifications to existing agreements, were made by the Company for investor relations services, publicity, promotion or advertising agreements which are not otherwise already disclosed in this MD&A or the Interim Financial Statements.

---



## **11 . 5 Claims, Contingencies & Litigation**

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. Except for the foregoing and any contingencies elsewhere disclosed herein, or in the Interim Financial Statements for This Quarter published herewith, the Company knows of no material, active or pending claims or legal proceedings against them; nor is the Company involved as a plaintiff in any material proceeding or pending litigation that might materially adversely affect the Company or a property interest of the Company.

## **PART - 12 : CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

The preparation of financial statements in accordance with IFRS requires that the Company's management make judgments and estimates and form assumptions that affect the amounts in the financial statements and the related notes to those financial statements. Actual results could differ from those estimates. The Company reviews its judgments, estimates, and assumptions on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. The Company's critical accounting policies and estimates applied in the preparation of its Interim Financial Statements are the same as those applied to the audited consolidated financial statements for the last fiscal year ended 30 June 2016.

## **PART - 13 : FINANCIAL INSTRUMENTS**

The Company's financial instruments as at the end of This Quarter, consist of cash, accounts payable and accrued liabilities and the convertible debt. The fair value of these instruments approximates their carrying value due to their short-term maturity. There were no off-balance sheet financial instruments.

Cash, other than minor amounts of Indonesian Rupiahs, consist solely of cash deposits with major Canadian banks. The Company therefore considers its credit risk to be low. The Company does not use derivative or hedging instruments to reduce its exposure to fluctuations in foreign currency exchange rates involving Canadian dollar and Indonesian Rupiah. However, as the Company holds its funds primarily in US dollars, the risk of foreign exchange loss is considered low by the Company's management.

## **PART - 14 : CONTINUOUS DISCLOSURE AND FILINGS**

### **14 . 1 Additional Disclosure for Venture Issuers without Significant Revenue**

Additional disclosure concerning the Company's general and administrative expenses and other business development costs is provided in the Company's statement of loss and comprehensive loss contained in its Interim Financial Statements for This Quarter.

### **14 . 2 Continuous Disclosure & Filings - Canada**

Additional disclosure is made on a continuous basis in accordance with applicable laws and in compliance with securities rules and regulations of the British Columbia Securities Commission ("BCSC"). This disclosure and filings includes annual audited consolidated financial statements and quarterly unaudited interim financial statements. It also includes press releases, material change reports, and disclosure of new or changed circumstances regarding the Company. Shareholders and interested parties may obtain downloadable copies of these mandatory filings made by the Company on "SEDAR" (the System for Electronic Document Archiving and Retrieval at website [www.sedar.com](http://www.sedar.com)). The Company began filing on SEDAR in 1997. All Company filings made on SEDAR during the year and up to the date of this filing are incorporated herein by this reference.

### **14 . 3 Continuous Disclosure & Filings - USA**

The Company is also a full reporting issuer and filer with the US Securities and Exchange Commission ("SEC"). The Company is required to file an annual report with the SEC in the format of a Form 20F annual report which includes audited annual consolidated financial statements. The Company files interim unaudited quarterly financial reports, press releases, material change reports, and disclosure of new or changed circumstances regarding the Company on a periodic basis under Form-6K. The Company has filed electronically on the SEC's EDGAR database (website [www.sec.gov/edgar](http://www.sec.gov/edgar)) commencing with the Company's Form 20F at its fiscal year end 2004. Prior to 2004 the Company filed Form 20F annual reports with the SEC in paper form. All Company filings made to US-SEC during the past fiscal year and during the This Quarter and up to the date of this filing are incorporated herein by this reference.

---

## **PART - 15 : FORWARD -LOOKING STATEMENTS**

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of reserves and resources, projections of anticipated revenue, the realization of reserve estimates, the timing and amount of estimated future production, cost, work schedules, capital requirements, success of resource exploration operations, environmental risks, permitting risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

### **15 . 1 Forward Looking Words and Phrases**

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "projections", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology.

### **15 . 2 Risks and Uncertainties**

By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of exploration or new project development activities; changes in project parameters as plans continue to be refined; cash flow projections; future prices of resources; possible variations in resource reserves; accidents, labor disputes and other risks of the oil, gas, and alternative energy industries; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as other factors detailed from time to time in the Company's periodic filings on EDGAR and SEDAR.

### **15 . 3 No Assurance all Risks Anticipated**

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

---o0o---

---

Form 52 - 109FV2

Certification of Interim Filings

Venture Issuer Basic Certificate

I, Richard L. McAdoo, Chief Executive Officer of Continental Energy Corporation, certify the following:

1. **Review:** I have reviewed the interim financial report and interim management discussion and analysis (together, the “**Interim Filings**”) of Continental Energy Corporation (the “**Issuer**”) for the **quarter and six months interim period ended 31 December 2016**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the Interim financial statements together with the other financial information included in the Interim Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Issuer, as of the date of and for the periods presented in the Interim Filings.

Date: **June 23, 2017**

<Signed>

Richard L. McAdoo  
Chief Executive Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture Issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Issuer’s generally accepted accounting practices.

The Issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and Annual Filings and other reports provided under securities legislation.

Form 52 - 109FV2

Certification of Interim Filings

Venture Issuer Basic Certificate

I, Robert V. Rudman, Chief Financial Officer of Continental Energy Corporation, certify the following:

1. **Review:** I have reviewed the interim financial report and interim management discussion and analysis (together, the “**Interim Filings**”) of Continental Energy Corporation (the “**Issuer**”) for the **quarter and six months interim period ended 31 December 2016**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the Interim financial statements together with the other financial information included in the Interim Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Issuer, as of the date of and for the periods presented in the Interim Filings.

Date: **June 23, 2017**

<Signed>

\_\_\_\_\_  
Robert V. Rudman  
Chief Financial Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture Issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Issuer’s generally accepted accounting practices.

The Issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and Annual Filings and other reports provided under securities legislation.

**CONTINENTAL ENERGY CORPORATION**

**INTERIM FINANCIAL STATEMENTS**

**31 MARCH 2017**

*Expressed in U.S. Dollars*

*(Unaudited – Prepared by Management)*

**INTERIM FINANCIAL STATEMENTS**

The financial statements included herein are management prepared, unaudited, condensed, interim financial statements and are hereinafter referred to as the "**Interim Financial Statements**". These Interim Financial Statements are filed on SEDAR concurrently with Management's Discussion and Analysis ("**MD&A**") of the results for the same period, and may be read in conjunction with the MD&A.

**NOTICE OF NO AUDITOR REVIEW**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of our Interim Financial Statements, then such statements must be accompanied by a notice indicating that they have not been reviewed by an auditor.

Neither the accompanying Interim Financial Statements as presented herein nor the accompanying MD&A have been reviewed by our auditors. Both the Interim Financial Statements and the MD&A have been prepared by and are the responsibility of the management of Continental Energy Corporation.

**Continental Energy Corporation****Interim Financial Statements***(Unaudited – Prepared by Management and expressed in US Dollars)***STATEMENTS OF FINANCIAL POSITION**

<b><u>ASSETS</u></b>	<b><u>Note</u></b>	<b><u>31 March 2017</u></b>	<b><u>30 June 2016</u></b>
<b>Current</b>		\$	\$
Cash		690	1,290
JDA working capital deposit	4	75,000	-
Receivables		1,248	1,278
Prepaid expenses and deposits		7,368	3,349
		<b>84,306</b>	5,917
<b>Non-current assets</b>			
Property, plant and equipment		913	1,461
		<b>85,219</b>	7,378
<b><u>LIABILITIES</u></b>			
<b>Current</b>			
Accounts payable and accrued liabilities	7	977,577	751,783
Loans from related parties	7	100,600	71,500
Advances from joint venture partners	4	75,000	-
Convertible debt	5	498,795	465,014
		<b>1,651,972</b>	1,288,297
<b><u>DEFICIENCY</u></b>			
Share capital	6	16,201,630	16,201,630
Conversion rights reserve		92,966	92,966
Share-based payment and other reserve	6	9,927,687	9,927,687
Deficit		(27,789,036)	(27,503,202)
		<b>(1,566,753)</b>	(1,280,919)
		<b>85,219</b>	7,378

**Nature of Operations and Going Concern** (Note 1)**Subsequent Events** (Note 10)

ON BEHALF OF THE BOARD:

“Richard L. McAdoo”, Director & CEO“Robert V. Rudman”, Director & CFO

- See Accompanying Notes -

**Continental Energy Corporation****Interim Financial Statements***(Unaudited – Prepared by Management and expressed in US Dollars)***STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

		<b>For the Three Months Ended 31 March 2017</b>	For the Three Months Ended 31 March 2016	<b>For the Nine Months Ended 31 March 2017</b>	For the Nine Months Ended 31 March 2016
	<u>Note</u>	\$	\$	\$	\$
<b>NET LOSS FOR THE PERIOD</b>					
Depreciation		183	366	548	1,096
Interest and bank charges	5	11,275	11,850	34,585	35,532
Management and consulting fees	7	67,495	71,541	214,358	218,306
Office and investor relations		22,067	9,260	36,198	31,945
Professional fees		-	12,292	-	34,857
Share-based payments	6	-	-	-	26,200
Travel and accommodation		761	1,944	2,191	5,378
<b>Loss before the undernoted</b>		<b>(101,781)</b>	<b>(107,253)</b>	<b>(287,880)</b>	<b>(353,314)</b>
<b>Other income (expenses)</b>					
Interest and foreign exchange		(504)	(3,243)	2,046	1,392
<b>Net loss and comprehensive loss for the period</b>		<b>(102,285)</b>	<b>(110,496)</b>	<b>(285,834)</b>	<b>(351,922)</b>
<b>Loss Per Share – Basic and Diluted</b>		<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Weighted Average Number of Shares</b>		<b>123,015,381</b>	<b>123,015,381</b>	<b>123,015,381</b>	<b>123,015,381</b>

- See Accompanying Notes -

**Continental Energy Corporation**  
**Interim Financial Statements**  
(Unaudited – Prepared by Management and expressed in US Dollars)

**STATEMENTS OF CASH FLOW**

<b><u>Cash Resources Provided By (Used In)</u></b>	<b><u>Note</u></b>	<b>For the Nine Months Ended 31 March 2017 \$</b>	<b>For the Nine Months Ended 31 March 2016 \$</b>
<b>Operating Activities</b>			
Loss for the period		(285,834)	(351,922)
<i>Items not affecting cash</i>			
Depreciation		548	1,096
Interest on convertible debt	5	33,781	33,904
Share-based payments	6	-	26,200
<i>Changes in non-cash working capital</i>			
Receivables		30	(551)
Prepaid expenses and deposits		(4,019)	5,620
Accounts payable and accrued liabilities		225,794	225,826
		<b>(29,700)</b>	<b>(59,827)</b>
<b>Investing Activities</b>			
JDA working capital deposit	4	(75,000)	-
Advances from joint venture partners	4	75,000	-
		-	-
<b>Financing Activities</b>			
Proceeds from loans from related parties	7	29,100	56,500
		29,100	56,500
<b>Change in cash</b>		<b>(600)</b>	<b>(3,327)</b>
<b>Cash Position – Beginning of Period</b>		<b>1,290</b>	<b>4,015</b>
<b>Cash Position – End of Period</b>		<b>690</b>	<b>688</b>

**Supplemental cash flow information (Note 8)**

- See Accompanying Notes -



**Continental Energy Corporation****Interim Financial Statements***(Unaudited – Prepared by Management and expressed in US Dollars)***STATEMENTS OF CHANGES IN DEFICIENCY**

		Share Capital		Share-Based Payment and Other Reserve	Conversion Rights Reserve	Deficit	Total
	Note	Number	Amount \$	\$	\$	\$	\$
Balance on 30 June 2015		123,015,381	16,201,630	9,901,487	92,966	(27,029,913)	(833,830)
Incentive warrants	6	-	-	26,200	-	-	26,200
Loss for the period		-	-	-	-	(351,922)	(351,922)
<b>Balance on 31 March 2016</b>		<b>123,015,381</b>	<b>16,201,630</b>	<b>9,927,687</b>	<b>92,966</b>	<b>(27,381,835)</b>	<b>(1,159,552)</b>
Balance on 30 June 2016		123,015,381	16,201,630	9,927,687	92,966	(27,503,202)	(1,280,919)
Loss for the period		-	-	-	-	(285,834)	(285,834)
<b>Balance on 31 March 2017</b>		<b>123,015,381</b>	<b>16,201,630</b>	<b>9,927,687</b>	<b>92,966</b>	<b>(27,789,036)</b>	<b>(1,566,753)</b>

- See Accompanying Notes -

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**31 MARCH 2017**

---

**1. Nature of Operations and Going Concern**

---

Continental Energy Corporation (“**Continental**” or the “**Company**”) is incorporated under the laws of the Province of British Columbia, Canada. The Company’s registered address and records office is 900-885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1.

The Company has historically been engaged in the assembly of a portfolio of oil and gas exploration properties but has begun diversifying its business into a broader range upstream and downstream oil and gas activities. These include new small-scale, distributed oil refineries and gas-turbine power plant developments fully integrated with smaller and stranded oil and gas production in underserved local markets.

As at 23 June 2017, the Company had completed the audits, financial reports, and made all of the regulatory filings to remedy and cure a cease trade order issued on 4 November 2015 by the British Columbia Securities Commission (“**BCSC**”). The order was issued because the Company was at that time deficient in its regulatory requirements involving the filing of its audited consolidated financial statements for the fiscal year ended 30 June 2015. The order prohibits trading of the Company’s securities in Canada until the deficiency is cured by the Company filing the required delinquent financial reports and a revocation order is issued by the BCSC.

In addition to the audited statements for the year ended 30 June 2015, the Company must also prepare and file the same for the year ended 30 June 2016, plus the six interim quarterly financial reports for the three fiscal quarters ended 31 March 2016 and the three quarters ended 31 March 2017. The Company completed its annual audits and filed both its delinquent Fiscal 2015 report on 24 May 2017 and this Fiscal 2016 report on 21 June 2017. Three of the six delinquent interim reports for the three quarters ended 31 March 2016 were completed and filed on 20 June 2017.

The remaining interim reports for the three quarters ended 31 March 2017 were completed and filed on 23 June 2017. These last reports complete the requirements to remedy and cure the deficiency which led to the cease trade order. The Company intends to immediately apply to the BCSC for a revocation order.

These Interim Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has incurred operating losses over the past several fiscal years and has no current source of operating cash flows. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to acquire and develop its projects as well as fund ongoing administration expenses. There are no assurances that sufficient funding will be available.

Management intends to obtain additional funding by issuing common shares in private placements. There can be no assurance that management’s future financing actions will be successful. Management is not able to assess the likelihood or timing of raising capital for future expenditures or acquisitions.

These uncertainties indicate the existence of material uncertainty that cast significant doubt on the Company’s ability to continue as a going concern in the future. If the going concern assumption were not appropriate for these Interim Financial Statements, liquidation accounting would apply and adjustments would be necessary to the carrying values and classification of assets, liabilities, the reported income and expenses, and such adjustments could be material.

**2. Basis of Preparation**

---

These Interim Financial Statements have been prepared in accordance with International Accounting Standards (“**IAS**”) 34, Interim Financial Reporting, and are based on the principles of International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board and interpretations thereof made by the International Financial Reporting Interpretations Committee.

These Interim Financial Statements should be read in conjunction with the audited financial statements for the last fiscal year ended 30 June 2016, which were also prepared in accordance with the same methods of application and include all of the Company’s accounting policies and other required disclosures.

The Company’s Board of Directors has delegated the responsibility and authority for approving quarterly financial statements and MD&A to its Audit Committee. The Audit Committee approved these Interim Financial Statements on 23 June 2017.

**Continental Energy Corporation**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*(Unaudited – Prepared by Management and expressed in US Dollars)*

**31 MARCH 2017**

These Interim Financial Statements have been prepared on a historical cost basis and presented in United States (“US”) dollars, the functional currency of the Company, except where otherwise indicated.

---

**3. Significant Accounting Estimates and Judgments**

---

The preparation of these Interim Financial Statements in accordance with IFRS requires that the Company’s management make judgments and estimates and form assumptions that affect the amounts in the financial statements and related notes to those financial statements. Actual results could differ from those estimates. Judgments, estimates and assumptions are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to judgments, estimates and assumptions are accounted for prospectively.

In preparing these Interim Financial Statements, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited financial statements for the last fiscal year ended 30 June 2016.

---

**4. JDA Working Capital Deposit**

---

During the nine months ended 31 March 2017, the Company received a working capital advance of \$75,000 under the Joint Development Agreements (“JDA”) from its joint venture partners CHI and CHMEA (see Note -11) for future expenditures involving the development of small scale refineries in Indonesia. The advance is reflected as “JDA working capital deposit” cash in the Company’s statement of financial position.

---

**5. Convertible Debt**

---

	<u>Total</u> \$
<b>Balance on 30 June 2015</b>	<b>419,890</b>
Interest	45,124
<b>Balance on 30 June 2016</b>	<b>465,014</b>
Interest	33,781
<b>Balance on 31 March 2017</b>	<b>498,795</b>

On 21 September 2011, the Company issued a convertible promissory note for proceeds of \$250,000. As additional consideration, the Company also issued 1,562,500 warrants (“**the additional consideration warrants**”) to the note holder.

The Company has since entered into multiple arrangements with the note holder for amendment of the terms of the convertible promissory note and the additional consideration warrants. As at 31 March 2017, the promissory note paid interest at 18% per annum and could be converted to the common shares of the Company at \$0.05 per share. The additional consideration warrants were exercisable at \$0.05 per common share and expired on 31 December 2015 without being exercised.

The maturity date of the convertible promissory note was 30 September 2014 and therefore the note is in default as of the date of these Interim Financial Statements.

---

**6. Share Capital**

---

*Authorized Share Capital*

500,000,000 common shares without par value and without special rights or restrictions attached.

500,000,000 preferred shares without par value and with special rights or restrictions attached.

**Continental Energy Corporation**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
*(Unaudited – Prepared by Management and expressed in US Dollars)*  
**31 MARCH 2017**

***Shares issued***

There were no common or preferred share issued during the nine months ended 31 March 2017 and 2016.

***Stock options***

The Company has an approved incentive stock option plan under which the Board of Directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised within a period as determined by the board. Options vest on the grant date unless otherwise determined by the board. The aggregate number of common shares which may be reserved as outstanding options shall not exceed 25,000,000, and the maximum number of options held by any one individual at any one time shall not exceed 7.5% of the total number of the Company's issued and outstanding common shares and 15% of same for all related parties (officers, directors, and insiders) as a group.

There are no incentive stock options outstanding as at 31 March 2017.

***Warrants***

A reconciliation of the Company's warrants outstanding is as follows:

	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price \$ per Share</b>
Outstanding on 30 June 2015	9,462,500	0.05
Issued	2,000,000	0.01
Expired	(8,912,500)	0.05
Outstanding on 30 June 2016	2,550,000	0.03
Expired	(550,000)	0.10
<b>Outstanding on 31 March 2017</b>	<b>2,000,000</b>	<b>0.01</b>

As an incentive for the \$10,000 loan from a director (Note 7), the Company issued on 13 October 2015 to the director, 2,000,000 share purchase warrants with an exercise price of \$0.01 per share and expiry date of 31 December 2017. The Company calculated the fair value of these warrants to be \$26,200 which was charged to the statement of loss as share-based payments.

**Continental Energy Corporation****NOTES TO THE INTERIM FINANCIAL STATEMENTS***(Unaudited – Prepared by Management and expressed in US Dollars)***31 MARCH 2017**

The fair value of the warrants issued was estimated using the Black-Scholes option pricing model, with the following assumptions:

Expected dividend yield	Nil
Expected stock price volatility	86%
Risk-free interest rate	0.64%
Expected life of warrants (years)	2.22

A summary of the Company's warrants outstanding on 31 March 2017:

<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Expiry Date</u>
2,000,000	\$0.01	31 December 2017
<b>2,000,000</b>		

---

**7. Related Party Transactions**

---

As at 31 March 2017, \$777,645 (30 June 2016 - \$616,967) was payable to officers of the Company as salary, fees, or other compensation. These amounts are included in accounts payable and accrued liabilities and are unsecured, non-interest bearing with no specific terms for repayment.

During the three and nine months ended 31 March 2017, the Company paid or accrued salary, fees, or other compensation to officers of the Company in the amount of \$69,323 and \$207,970, respectively (2016 – \$69,982 and \$213,204, respectively).

During the nine months ended 31 March 2017, a director of the Company loaned \$26,000 to the Company for assistance with working capital. As at 31 March 2017, the total loan payable to the director amounted to \$87,500. This loan is interest free with no fixed repayment terms.

During the year ended 30 June 2016, the Company issued a promissory note in recognition of the receipt of the \$10,000 loan and as an incentive for the loan, granted 2,000,000 share purchase warrants to the lending director, with an exercise price of \$0.01 per share and expiry date of 31 December 2017 (Note 6). During the nine months ended 31 March 2017, the director provided a further \$3,100 to the Company for assistance with working capital. As at 31 March 2017, total loan payable to the director amounted to \$13,100. This loan is interest free with no fixed repayment terms.

---

**8. Supplemental cash flow information**

---

		<b>For the Nine Months Ended 31 March 2017</b>	<b>For the Nine Months Ended 31 March 2016</b>
<b>Non-Cash Investing and Financing Activities</b>	<b>Note</b>	<b>\$</b>	<b>\$</b>
Incentive share purchase warrants for loan	6	-	26,200

---

**9. Segmented Information**

---

The Company operates in one segment, being the business sector of acquiring participating interests in oil, gas, and alternative energy projects, producers, and related service providers doing business outside of North America. The Company's non-current assets consist of computer and other equipment and are all located in Indonesia.

**Continental Energy Corporation**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*(Unaudited – Prepared by Management and expressed in US Dollars)*

**31 MARCH 2017**

---

**10. Joint Development Agreements**

---

1. On 4 January 2017, 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 date of these financial statements 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.
2. On 28 February 2017, 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 date of these financial statements 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 consulting services and 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.

---

**11. Subsequent Events**

---

1. On 14 May 2017, 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 May 2017 and is publicly available in PDF form for download from the SEDAR website.
2. On 14 May 2017, 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 16 May 2017 and is publicly available in PDF form for download from the SEDAR website.
3. On 24 May 2017, the Company made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2015 year ended 30 June 2015. These reports included the Company's required annual oil and gas activities and reserves report for Fiscal 2015.
4. On 26 May 2017, the Company made a late filing on EDGAR of the required audited annual financial reports and other disclosure on US SEC Form 20F Annual Report for the Fiscal 2015 year ended 30 June 2015. The Form 20F Annual Report was filed concurrently as a voluntary "Annual Information Form" or "AIF" filing on SEDAR.
5. On 5 June 2017, the Company caused its registrar and transfer agent 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 4 August 2017 in the Company's registered and records office in Vancouver. The official "Record Date" for the purposes of determining those shareholders of record entitled to vote at the meeting is 30 June 2017.
6. On 20 June 2017, the Company made a late filing of interim financial reports for the three Fiscal 2016 quarters ended 30 September 2015, 31 December 2015, and 31 March 2016. These three quarterly reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included unaudited and management prepared consolidated financial statements for each quarter plus management's discussion and analysis thereof.
7. On 21 June 2017, the Company made a late filing of the required audited annual financial reports and other disclosure on for the Fiscal 2016 year ended 30 June 2016. These reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included audited financial statements plus management's discussion and analysis thereof.

---oOo---

## CONTINENTAL ENERGY CORPORATION FORM 51-102F1

### Management's Discussion and Analysis

For the Quarter Ended on 31 March 2017

*The End of the Third Quarter and Nine (9) Months Period of Fiscal 2017*

This Management Discussion and Analysis ("MD&A") has been prepared by the management of Continental Energy Corporation (the "Company") as of 23 June 2017 (the "Report Date").

This MD&A is intended to supplement and complement the unaudited, condensed, interim, consolidated quarterly financial statements (the "Interim Financial Statements") that are also prepared by management and filed herewith.

This MD&A, and the Interim Financial Statements filed herewith, pertain to the quarter and three (3) months ended 31 March 2017, a period of time hereinafter referred to as "This Quarter".

This Quarter corresponds to the Company's "Third Quarter" and also marks the completion of the initial nine (9) months period of the Company's fiscal year ("Fiscal 2017") which shall end on 30 June 2017.

All financial information presented herein, and in the Interim Financial Statements, has been prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS") promulgated by the International Accounting Standards Board. All amounts disclosed are in United States dollars unless otherwise stated.

### PART - 1 : NATURE OF BUSINESS

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 4<sup>th</sup> largest economy in the world by 2045.

### PART - 2 : HIGHLIGHT EVENTS DURING THIS QUARTER

Significant events which may have a material effect on the business affairs of the Company that have occurred during This Quarter are summarized below:

#### Corporate Activity

The Company explored new opportunities in its core business areas and searched for new sources of capital during This Quarter.

#### Joint Development Agreement Signed

On 4 January 2017, 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.

#### Consulting and Joint Development Agreement Signed

On 28 February 2017, 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 Small Scale Refinery ("SSR") developments in the Middle East and Africa by providing consulting services and 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.

---

## Director Appointment

On 31 March 2017, Mr. Karsani Aulia was appointed a director of the Company by action of the board of directors to fill the vacancy on the board. Mr. Aulia 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.

### 2. 1 Share Purchase Warrants Activity During This Quarter

During This Quarter, the following activity involving the Company's share purchase warrants occurred:

- *Exercises* - No outstanding share purchase warrants were exercised.
- *New Issues* - No new issues of share purchase warrants were made.
- *Expiry* - No unexercised share purchase warrants expired.
- *Amendments* - No amendments were made to the terms of any outstanding share purchase warrants.

### 2. 2 Incentive Stock Options Activity During This Quarter

During This Quarter, the following activity involving the Company's incentive stock options occurred:

- *Exercises* - No outstanding incentive stock options were exercised.
- *New Grants* - No new incentive stock options were granted.
- *Expiry* - No incentive stock options expired.
- *Amendments* - No amendments were made to the terms of any outstanding incentive stock options.

### 2. 3 Common Share Conversion Rights Activity During This Quarter

During This Quarter, the following activity involving the common share conversion rights issued by the Company occurred:

- *Exercises* - There were no exercises of outstanding common share conversion rights.
- *New Issues* - There were no new common shares conversion rights issued.
- *Expiry* - No outstanding common shares conversion rights expired.
- *Amendments* - No amendments were made to the terms of any outstanding common share conversion rights.

### 2. 4 New Shares Issues During This Quarter

During This Quarter, there were no new common shares issued.

## PART - 3 : SHAREHOLDING AT THE END OF THIS QUARTER

As at the end of This Quarter, the Company's share capital was issued or held in reserve as follows:

123,015,381	common shares were issued and outstanding.
2,000,000	unexercised warrants were issued and outstanding.
0	unexercised stock options were issued and outstanding.
5,000,000	common shares were held in reserve against possible conversion of a \$250,000 note.
Nil	preferred shares were issued and outstanding.

## PART - 4 : SUBSEQUENT EVENTS TO THE REPORT DATE

Significant events which may have a material effect on the business affairs of the Company that have occurred subsequent to the end of This Quarter and up to the Report Date are summarized below:





### **Code of Business Conduct and Ethics**

Upon 14 May 2017, 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 May 2017 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 May 2017 under cover of a Form-6K filing.

### **Charter of the Audit Committee**

Upon 14 May 2017, 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 16 May 2017 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 17 May 2017 under cover of a Form-6K filing.

### **Charter of the Governance and Nominating Committee**

Upon 14 May 2017, 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 16 May 2017 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 17 May 2017 under cover of a Form-6K filing.

### **Charter of the Compensation Committee**

Upon 17 May 2017, 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 23 May 2017 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 23 May 2017 under cover of a Form-6K filing.

### **Charter of the Reserves Committee**

Upon 17 May 2017, 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 23 May 2017 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 23 May 2017 under cover of a Form-6K filing.

### **Annual Financial Report Filed Late for Fiscal 2015**

On 24 May 2017 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2015 year ended 30 June 2015. These reports were filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for the Fiscal 2015 year plus management's discussion and analysis thereof.

### **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2015**

On 24 May 2017 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 NI 51-101.

### **Annual Report on Form 20F Filed Late for Fiscal 2015**

On 26 May 2017 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 NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for Fiscal 2016 plus the disclosure required by Form 20F as an Annual Report.

### **AGM Notice and Record Date Set**

On 5 June 2017, 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 4 August 2017 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 30 June 2017. The formal notice and agenda for the meeting will be published on the Record Date.

---

### **Interim Quarters Financial Reports Filed**

On 19 June 2017 the Company made a late filing of interim financial reports for the Fiscal 2016 quarters ended 30 September 2015, 31 December 2015, and 31 March 2016. These three quarterly reports were each filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. The reports included unaudited and management prepared consolidated financial statements for each quarter plus management's discussion and analysis thereof.

### **Annual Financial Report Filed Late for Fiscal 2016**

On 21 June 2017 we made a late filing of the required audited annual financial reports and other disclosure for our Fiscal 2016 year ended 30 June 2016. These reports were filed electronically on SEDAR in compliance with NI 51-102 and NI 51-109. These reports included audited, annual, consolidated financial statements for the Fiscal 2016 year plus management's discussion and analysis thereof.

### **Annual Oil & Gas Activity and Reserves Report Filed Late for Fiscal 2016**

On 21 June 2017 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 NI 51-101.

### **Cease Trade Order**

As at 23 June 2017, the Company had completed the audits, financial reports, and made all of the regulatory filings to remedy and cure a cease trade order issued on 4 November 2015 by the British Columbia Securities Commission ("**BCSC**"). The order was issued because the Company was at that time deficient in its regulatory requirements involving the filing of its audited consolidated financial statements for the fiscal year ended 30 June 2015. The order prohibits trading of the Company's securities in Canada until the deficiency is cured by the Company filing the required delinquent financial reports and a revocation order is issued by the BCSC.

In addition to the audited statements for the year ended 30 June 2015, the Company must also prepare and file the same for the year ended 30 June 2016, plus the six interim quarterly financial reports for the three fiscal quarters ended 31 March 2016 and the three quarters ended 31 March 2017. The Company completed its annual audits and filed both its delinquent Fiscal 2015 report on 24 May 2017 and this Fiscal 2016 report on 21 June 2017. Three of the six delinquent interim reports for the three quarters ended 31 March 2016 were completed and filed on 20 June 2017.

The remaining interim reports for the three quarters ended 31 March 2017 were completed and filed herewith on 23 June 2017. These last reports complete the requirements to remedy and cure the deficiency which led to the cease trade order. The Company intends to immediately apply to the BCSC for a revocation order.

#### **4. 1 Share Purchase Warrants Activity: Since This Quarter End and Up to the Report Date**

- *Exercises* - No outstanding share purchase warrants were exercised.
- *New Issues* - No share purchase warrants were issued.
- *Expiry* - No unexercised share purchase warrants expired.
- *Amendments* - No amendments were made to the terms of any outstanding share purchase warrants.

#### **4. 2 Incentive Stock Options Activity: Since This Quarter End and Up to the Report Date**

- *Exercises* - No outstanding incentive stock options were exercised.
- *New Grants* - No new incentive stock options were granted.
- *Expiry* - No outstanding incentive stock options expired.
- *Amendments* - No amendments were made to the terms of any outstanding incentive stock options.

#### **4. 3 Conversion Rights Activity: Since This Quarter End and Up to the Report Date**

- *Exercises* - There were no exercises of outstanding common share conversion rights.
- *New Issues* - There were no new common shares conversion rights issued.
- *Expiry* - No outstanding common shares conversion rights expired.
- *Amendments* - No amendments were made to the terms of any outstanding common share conversion rights.

#### **4. 4 New Shares Issues: Since This Quarter End and Up to the Report Date**

- No new common shares were issued.
  - No new preferred shares were issued.
-

## PART - 5 : SHAREHOLDING AT THE REPORT DATE

As at the Report Date of this MD&A, the Company's share capital is issued or held in reserve as follows:

123,015,381	common shares were issued and outstanding.
2,000,000	unexercised warrants were issued and outstanding.
0	unexercised stock options were issued and outstanding.
5,000,000	common shares were held in reserve against possible conversion of a \$250,000 note.
Nil	preferred shares were issued and outstanding.

## PART - 6 : FINANCIAL RESULTS OF OPERATIONS

### Summary of Quarterly Results for the Last Eight Quarters

The following table sets out selected and unaudited quarterly financial information for the Company for its last eight quarters and is derived from Interim Financial Statements prepared by management in accordance with accounting policies consistent with IFRS.

Period	<u>Revenue</u>	<u>Total Net Income (loss)</u>	<u>Attributable to Shareholders of the Company</u>		
			<u>Income (loss)</u>	<u>Income (loss) From Continued Operations</u>	<u>Basic &amp; Diluted Per Share Income (loss)</u>
Quarter-3 of Fiscal 2017	Nil	(102,285)	(102,285)	(102,285)	(0.00)
Quarter-2 of Fiscal 2017	Nil	(92,091)	(92,091)	(92,091)	(0.00)
Quarter-1 of Fiscal 2017	Nil	(91,458)	(91,458)	(91,458)	(0.00)
Quarter-4 of Fiscal 2016	Nil	(121,367)	(121,367)	(121,367)	(0.00)
Quarter-3 of Fiscal 2016	Nil	(110,496)	(110,496)	(110,496)	(0.00)
Quarter-2 of Fiscal 2016	Nil	(137,892)	(137,892)	(137,892)	(0.00)
Quarter-1 of Fiscal 2016	Nil	(103,534)	(103,534)	(103,534)	(0.00)
Quarter-4 of Fiscal 2015	Nil	(128,476)	(128,476)	(128,476)	(0.00)

- Quarterly results will vary in accordance with the Company's business and financing activities. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favorable terms, the Company's business activity levels increase.
- Another factor that affects the Company's reported quarterly results are write-downs or write-offs of capitalized assets and its investments. The Company will write-down or write-off capitalized assets when no further work is warranted and also write-down or write-off its balances in investees if it determines that capitalized balances of these investments are impaired. The size and timing of these write-downs and write-offs cannot typically be predicted and affect the Company's quarterly results. The Company regularly reviews its properties and investments for any indications of impairment.
- Non-cash costs such as those attributable to calculated valuations of share based payments expenses also affect the size of the Company's quarterly income (loss).

## PART - 7 : COMPARATIVE RESULTS OF OPERATIONS

### Current and Comparative Periods

*This Quarter and the nine (9) months fiscal period ended 31 March 2017 (the “**Current Period**”); and the Last year's nine (9) months fiscal period ended 31 March 2016 (the “**Comparative Period**”).*

---

- a) Overall, the Company incurred a loss from operations during the Current Period of \$285,834 compared to a loss of \$351,922 for the Comparative Period, a decrease of \$66,088.
- b) The Company incurred a loss per share of \$0.00 in the Current Period and \$0.01 during the Comparative Period.
- c) Interest expense during the Current Period was \$34,585 compared to \$35,532 during the Comparative Period primarily due to the accretion of the Company's convertible debt.
- d) The Company's administrative costs were lower in the Current Period compared to the Comparative Period, primarily a result of lower professional fees due. These administrative costs were lower in the Current Period by \$34,552 (Comparative Periods 2017 - \$250,556; 2016 - \$285,108).
- e) Share-based payments expense were \$nil during the Current Period compared to \$26,200 during the Comparative Period.
- f) Cash used in operating activities during the Current Period was \$29,700 compared to \$59,827 used in the Comparative Period. The change is attributable to lower activity during the Current Period.
- g) Net cash raised from financing activities during the Current Period was \$29,100 compared to \$56,500 raised during the Comparative Period.

### Current and Comparative Quarters

*This Quarter, the three (3) months ended 31 March 2017 (the “**Current Quarter**”); and Last year's quarter and three (3) months ended 31 March 2016 (the “**Comparative Quarter**”).*

---

- h) Overall, the Company incurred a loss from operations during the Current Quarter of \$102,285 compared to a loss of \$110,496 for the Comparative Quarter, a decrease of \$8,211.
  - i) The Company incurred a loss per share of \$0.00 in the Current Quarter and the Comparative Quarter.
  - j) Interest expense during the Current Quarter was \$11,275 compared to \$11,850 during the Comparative Quarter primarily due to the accretion of the Company's convertible debt.
  - k) The Company's administrative costs were lower in the Current Quarter compared to the Comparative Quarter, primarily a result of lower professional fees. These administrative costs were lower in the Current Quarter by \$3,531 (Comparative Quarters 2017 - \$89,562; 2016 - \$93,093).
  - l) Share-based payments expense was \$nil during the Current Quarter and the Comparative Quarter.
-

## **PART - 8 : LIQUIDITY AND CAPITAL MANAGEMENT**

As at the end of This Quarter, the Company's Interim Financial Statements reflected an increase in the working capital deficiency of \$285,286 from 30 June 2016, the end of the previous fiscal year. The working capital deficiency of \$1,282,380 as at 30 June 2016 was increased to \$1,567,666 by the end of This Quarter.

The Company has no significant operations that generate cash flow and its long term financial success is dependent on management's ability to develop new business opportunities which become profitable. These undertakings can take many years and are subject to factors that are beyond the Company's control.

In order to finance the Company's growth and develop new business opportunities and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. Many factors influence the Company's ability to raise such funds, including the health of the capital markets, the climate for investment in the sectors the Company is considering, the Company's track record, and the experience and caliber of its management.

The Company does not have sufficient funds to meet its administrative requirements and new business development objectives over the next twelve months. Actual funding requirements may vary from those planned due to a number of factors, including providing for new opportunities as they arise. The Company believes it will be able to raise the necessary capital it requires, but recognizes there will be risks involved that may be beyond its control. The Company is actively sourcing new capital.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue new business development and to maintain a flexible capital structure for its projects for the benefits of its stakeholders. The Company's principal source of funds is from the issuance of common shares. In the management of capital, the Company includes the components of shareholders' equity as well as cash and receivables.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture arrangements, acquire or dispose of assets, or adjust the amount of cash and short-term investments. The Company's investment policy is to invest its cash in liquid short-term interest-bearing investments selected with regard to the expected timing of expenditures from continuing operations. The Company is not subject to any externally imposed capital requirements and there was no change in the Company's capital management during This Quarter or period.

## **PART - 9 : RISKS AND UNCERTAINTIES**

The Company has no history of profitable operations and is currently in the early stages of its development. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it to take advantage of further growth and development of new opportunities and projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities or joint ventures, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further growth or new opportunity development.

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

## **PART - 10 : RELATED PARTY TRANSACTIONS**

### **10 . 1 Transactions With Related Parties And Related Party Balances**

At the end of This Quarter, \$777,645 (30 June 2016 - \$616,967) was payable to the CEO and the CFO of the Company. This amount is included in accounts payable and is unsecured, non-interest bearing and has no specific terms for repayment.

---

## **10 . 2 Compensation Of Key Management Personnel**

During This Quarter and the nine (9) months fiscal period ended 31 March 2017, the Company paid or accrued salaries, fees or other compensation the CEO and the CFO of the Company in the amount of \$112,500 and \$95,470, respectively (2016 - \$112,500 and \$100,704, respectively).

## **PART - 11 : MATERIAL CONTRACTS AND EVENTS**

### **11 . 1 Off-Balance Sheet Arrangements**

At the end of This Quarter, the Company does not have any off-balance sheet arrangements not already disclosed elsewhere in this MD&A or in the Interim Financial Statements.

### **11 . 2 Material Contracts & Commitments**

During This Quarter, no new material contracts or commitments were undertaken, not elsewhere disclosed in this MD&A or in the Interim Financial Statements for the period.

### **11 . 3 Investor Relations, Publicity and Promotion**

During This Quarter, no material new arrangements, or modifications to existing agreements, were made by the Company for investor relations services, publicity, promotion or advertising agreements which are not otherwise already disclosed in this MD&A or the Interim Financial Statements.

### **11 . 4 Financial Advice, New Business Consulting, Finder's Agreements, & Fund Raising**

During This Quarter, no material new arrangements, or modifications to existing agreements, were made by the Company for investor relations services, publicity, promotion or advertising agreements which are not otherwise already disclosed in this MD&A or the Interim Financial Statements.

### **11 . 5 Claims, Contingencies & Litigation**

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. Except for the foregoing and any contingencies elsewhere disclosed herein, or in the Interim Financial Statements for This Quarter published herewith, the Company knows of no material, active or pending claims or legal proceedings against them; nor is the Company involved as a plaintiff in any material proceeding or pending litigation that might materially adversely affect the Company or a property interest of the Company.

## **PART - 12 : CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

The preparation of financial statements in accordance with IFRS requires that the Company's management make judgments and estimates and form assumptions that affect the amounts in the financial statements and the related notes to those financial statements. Actual results could differ from those estimates. The Company reviews its judgments, estimates, and assumptions on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. The Company's critical accounting policies and estimates applied in the preparation of its Interim Financial Statements are the same as those applied to the audited consolidated financial statements for the last fiscal year ended 30 June 2016.

## **PART - 13 : FINANCIAL INSTRUMENTS**

The Company's financial instruments as at the end of This Quarter, consist of cash, accounts payable and accrued liabilities and the convertible debt. The fair value of these instruments approximates their carrying value due to their short-term maturity. There were no off-balance sheet financial instruments.

Cash, other than minor amounts of Indonesian Rupiahs, consist solely of cash deposits with major Canadian banks. The Company therefore considers its credit risk to be low. The Company does not use derivative or hedging instruments to reduce its exposure to fluctuations in foreign currency exchange rates involving Canadian dollar and Indonesian Rupiah. However, as the Company holds its funds primarily in US dollars, the risk of foreign exchange loss is considered low by the Company's management.

---

## **PART - 14 : CONTINUOUS DISCLOSURE AND FILINGS**

### **14 . 1 Additional Disclosure for Venture Issuers without Significant Revenue**

Additional disclosure concerning the Company's general and administrative expenses and other business development costs is provided in the Company's statement of loss and comprehensive loss contained in its Interim Financial Statements for This Quarter.

### **14 . 2 Continuous Disclosure & Filings - Canada**

Additional disclosure is made on a continuous basis in accordance with applicable laws and in compliance with securities rules and regulations of the British Columbia Securities Commission ("BCSC"). This disclosure and filings includes annual audited consolidated financial statements and quarterly unaudited interim financial statements. It also includes press releases, material change reports, and disclosure of new or changed circumstances regarding the Company. Shareholders and interested parties may obtain downloadable copies of these mandatory filings made by the Company on "SEDAR" (the System for Electronic Document Archiving and Retrieval at website [www.sedar.com](http://www.sedar.com)). The Company began filing on SEDAR in 1997. All Company filings made on SEDAR during the year and up to the date of this filing are incorporated herein by this reference.

### **14 . 3 Continuous Disclosure & Filings - USA**

The Company is also a full reporting issuer and filer with the US Securities and Exchange Commission ("SEC"). The Company is required to file an annual report with the SEC in the format of a Form 20F annual report which includes audited annual consolidated financial statements. The Company files interim unaudited quarterly financial reports, press releases, material change reports, and disclosure of new or changed circumstances regarding the Company on a periodic basis under Form-6K. The Company has filed electronically on the SEC's EDGAR database (website [www.sec.gov/edgar](http://www.sec.gov/edgar)) commencing with the Company's Form 20F at its fiscal year end 2004. Prior to 2004 the Company filed Form 20F annual reports with the SEC in paper form. All Company filings made to US-SEC during the past fiscal year and during the This Quarter and up to the date of this filing are incorporated herein by this reference.

## **PART - 15 : FORWARD -LOOKING STATEMENTS**

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of reserves and resources, projections of anticipated revenue, the realization of reserve estimates, the timing and amount of estimated future production, cost, work schedules, capital requirements, success of resource exploration operations, environmental risks, permitting risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

### **15 . 1 Forward Looking Words and Phrases**

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "projections", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology.

### **15 . 2 Risks and Uncertainties**

By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of exploration or new project development activities; changes in project parameters as plans continue to be refined; cash flow projections; future prices of resources; possible variations in resource reserves; accidents, labor disputes and other risks of the oil, gas, and alternative energy industries; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as other factors detailed from time to time in the Company's periodic filings on EDGAR and SEDAR.

### **15 . 3 No Assurance all Risks Anticipated**

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.



Form 52 - 109FV2

Certification of Interim Filings

Venture Issuer Basic Certificate

I, Richard L. McAdoo, Chief Executive Officer of Continental Energy Corporation, certify the following:

1. **Review:** I have reviewed the interim financial report and interim management discussion and analysis (together, the “**Interim Filings**”) of Continental Energy Corporation (the “**Issuer**”) for the **quarter and nine months interim period ended 31 March 2017**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the Interim financial statements together with the other financial information included in the Interim Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Issuer, as of the date of and for the periods presented in the Interim Filings.

Date: **June 23, 2017**

<Signed>

Richard L. McAdoo  
Chief Executive Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture Issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Issuer’s generally accepted accounting practices.

The Issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and Annual Filings and other reports provided under securities legislation.

Form 52 - 109FV2

Certification of Interim Filings

Venture Issuer Basic Certificate

I, Robert V. Rudman, Chief Financial Officer of Continental Energy Corporation, certify the following:

1. **Review:** I have reviewed the interim financial report and interim management discussion and analysis (together, the “**Interim Filings**”) of Continental Energy Corporation (the “**Issuer**”) for the **quarter and nine months interim period ended 31 March 2017**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the Interim financial statements together with the other financial information included in the Interim Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Issuer, as of the date of and for the periods presented in the Interim Filings.

Date: **June 23, 2017**

<Signed>

\_\_\_\_\_  
Robert V. Rudman  
Chief Financial Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture Issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Issuer’s generally accepted accounting practices.

The Issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and Annual Filings and other reports provided under securities legislation.