

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: **FEBRUARY 2021**.

Commission file number: **0-17863**

CONTINENTAL ENERGY CORPORATION

(Translation of registrant's name into English)

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

(Address of registered 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): ____.

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

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): ____.

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

This Form-6K filing is made to mirror similar filings made by the Registrant on SEDAR in Canada in accordance with its Canadian Securities Administrators National Instrument NI-51-102 Continuous Disclosure Obligations. This Form 6-K filing includes the attached exhibits as follows:

[99.01 - Financial Statements](#)

[99.02 - Management's Discussion and Analysis](#)

[99.03 - Certifications](#)

[99.04 - News Release of Quarterly Results](#)

Exhibits are complete copies of the Company's interim quarterly reports for the second fiscal quarter ended 31 December 2020 of the Company's fiscal year ending 30 June 2021, and related news release, all as filed with Canadian regulators on SEDAR in the Company's home jurisdiction. Those SEDAR filings are incorporated by this reference and made a part of this Form-6K filing.

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: **26 FEBRUARY 2021**

//signed//

By: Richard L. McAdoo
Chairman and CEO

CONTINENTAL ENERGY CORPORATION

INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2020

Expressed in U.S. Dollars

(Unaudited – Prepared by Management)

INTERIM FINANCIAL STATEMENTS

The financial statements included herein are management prepared, unaudited, condensed, consolidated, 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**Financial Statements***(Unaudited – Prepared by Management and expressed in US Dollars)***STATEMENTS OF FINANCIAL POSITION**

ASSETS	Note	31 December 2020	30 June 2020
Current		\$	\$
Cash		17,835	64,336
Receivables		1,739	1,739
Prepaid expenses and deposits		23,047	26,231
		42,621	92,306
LIABILITIES			
Current			
Accounts payable and accrued liabilities	7	522,203	446,409
Loans from related parties	7	107,500	107,500
Promissory Notes	5	247,743	87,579
		877,446	641,488
Non-current assets			
Promissory notes	5	-	152,478
		877,446	793,966
DEFICIENCY			
Share capital	0	18,238,161	18,238,161
Share-based payment and other reserve	0	10,587,677	10,587,677
Deficit		(29,660,663)	(29,527,498)
		(834,825)	(701,660)
		42,621	92,306

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

ON BEHALF OF THE BOARD:

“Richard L. McAdoo”, Director & CEO“Phillip B. Garrison”, Director & Acting CFO

- See Accompanying Notes –

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

	Note	For the Three Months Ended 31 December 2020	For the Three Months Ended 31 December 2019	For the Six Months Ended 31 December 2020	For the Six Months Ended 31 December 2019
<u>EXPENSES</u>		\$	\$	\$	\$
Corporate administrative and office costs		12,662	17,116	24,281	40,896
Management and employee salaries	7	35,622	50,179	69,665	81,925
Engineering and technical services		-	-	-	212
Professional fees		15,705	18,780	16,590	38,229
Regulatory compliance and filing fees		9,637	3,969	12,746	6,969
Travel and accommodation		-	1,561	-	2,832
Interest and bank charges	5	4,189	1,895	8,713	3,537
Share-based payments	6	-	-	-	52,495
Depreciation		-	-	-	-
		(77,815)	(93,500)	(131,995)	(227,095)
Other income (expenses)					
Foreign exchange gain (loss)		(866)	(195)	(1,170)	(1,185)
Financing cost		-	-	-	-
Settlement of debt	0	-	-	-	-
Transaction cost		-	-	-	-
Net loss and comprehensive loss for the period		(78,681)	(93,695)	(133,165)	(228,280)
Loss Per Share – Basic and Diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted Average Number of Shares		174,715,381	171,367,554	174,715,381	174,715,381

- See Accompanying Notes –

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

<u>Cash Resources Provided By (Used In)</u>	<u>Note</u>	For the Six Months Ended 31 December 2020	For the Six Months Ended 31 December 2019
Operating Activities		\$	\$
Loss for the period		(133,165)	(228,280)
<i>Items not affecting cash</i>			
Depreciation		-	-
Interest on debt and promissory notes	5	7687	3,150
Settlement of debt and promissory notes	0	-	-
Financing cost		-	-
Share-based payments	6	-	52,495
Transaction cost		-	-
<i>Changes in non-cash working capital</i>			
Receivables		-	8,768
Prepaid expenses and deposits		3184	226
Accounts payable and accrued liabilities		75793	117,478
		<u>(46,501)</u>	<u>(46,163)</u>
Financing Activities			
Private placements	0	-	-
Promissory notes and debt issued (repaid)	5	-	-
Loans from related parties	7	-	-
Interest paid on debt and notes	5	-	-
		<u>-</u>	<u>-</u>
Change in cash		(46,501)	(46,163)
Cash Position – Beginning of Period		64,336	66,125
Cash Position – End of Period		17,835	19,962

Supplemental cash flow information (Note 8)

- See Accompanying Notes –

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

	<u>Note</u>	Share Capital Number Of Shares	Share Capital Amount \$	Reserve for Share-Based Payments \$	Reserve for Conversion Rights \$	Deficit \$	Total \$
Balance on 30 June 2019		174,715,381	18,238,161	10,535,182	-	(29,172,379)	(399,036)
Private placement – cash	6	-	-	-	-	-	-
Settlement of debt	6	-	-	-	-	-	-
Share-based payments	6	-	-	52,495	-	-	52,495
Loss for the period		-	-	-	-	(355,119)	(355,119)
Balance on 30 June 2020		174,715,381	18,238,161	10,587,677	-	(29,527,498)	(701,660)
Private placement – cash	6	-	-	-	-	-	-
Settlement of debt	6	-	-	-	-	-	-
Share-based payments	6	-	-	-	-	-	-
Loss for the period		-	-	-	-	(133,165)	(133,165)
Balance on 31 December 2020		174,715,381	18,238,161	10,587,677	-	(29,660,663)	(834,825)

- See Accompanying Notes -

Continental Energy Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management and expressed in US Dollars)
31 DECEMBER 2020

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

The Company is a developer of modular, small-scale crude oil refineries that are co-located with smaller and/or stranded oil and gas producing fields. Each refinery will be designed to refine high demand motor fuels for supply to underserved local markets in the Republic of Indonesia. The Company operates its primary business activities through two subsidiaries in Indonesia. Each of these subsidiaries has received the necessary investment licenses to permit foreign direct investment in Indonesia and one has received the required licenses from the Indonesian Ministry of Mines and Energy to build, own, and operate a petroleum refining business. The Company is now working towards securing financing to begin construction.

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 is a development stage company and 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 primarily by issuing common and preferred shares in private placements, and/or by joining with strategic partners and joint venture partners in its refinery developments. 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 casts substantial 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.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

2. Basis of Preparation and Consolidation

These consolidated 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 (“IFRIC”).

The Company’s Board of Directors has delegated the responsibility and authority to its Audit Committee for approving interim quarterly financial statements and the companion Management Discussion and Analysis (“MD&A”). The Audit Committee approved these consolidated Interim Financial Statements and MD&A on 24 February 2021.

These Interim Financial Statements are consolidated financial statements and include the financial statements of the Company and the corporate entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated.

These consolidated Interim Financial Statements include the accounts of the Company and its two Indonesian operating subsidiaries, both of which are limited liability companies incorporated under the foreign direct ownership of companies laws of the Republic of Indonesia:

- PT Continental Hilir Indonesia (“PT-CHI”), 100% owned and controlled by Continental.
- PT Kilang Kaltim Continental (“PT-KKC”), 100% owned and controlled by Continental.

Continental Energy Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management and expressed in US Dollars)
31 DECEMBER 2020

These consolidated Interim Financial Statements have been prepared on a historical cost basis and presented in United States (“US”) dollars, the functional currency of the Company and its subsidiaries, except when otherwise indicated. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

These consolidated Interim Financial Statements may be read in conjunction with the consolidated annual audited financial statements for the Company's most recently completed fiscal year ended 30 June 2020. The annual statements were also prepared in accordance with the same methods of application as described in this Section-2, but the notes to the annual statements published at the end of each fiscal year include additional and more detailed disclosure and description of Significant Accounting Policies, Significant Accounting Estimates and Judgments, Capital Management Policies, and Financial Risk Management Policies utilized by the Company in preparation of its financial statements.

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 2020.

4. Recent Accounting Pronouncements and Adoption of New Standards

Certain new standards, interpretations, amendments and improvements to existing standards are from time to time issued by the IASB or the IFRIC.

IFRS 9 Financial Instruments

The Company adopted IFRS 9 on 1 July 2018. This standard and its consequential amendments have replaced IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

Due to the nature of the Company's financial instruments, i.e. cash being the only financial asset and the loan from a related party and other accounts payable being the only financial liabilities, the adoption of the standard did not have any impact on the Company's financial statements. The classification and measurement of the Company's financial instruments under IAS 39 and the new measurement categories under IFRS 9 are described below:

	Measurement Category	
	Original (IAS 39)	New (IFRS 9)
Financial Assets:		
Cash	Amortized cost	Amortized cost
Financial Liabilities:		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Loans from related parties	Amortized cost	Amortized cost
Promissory notes	N/A	Amortized cost

IFRS 16, Leases

The Company adopted IFRS 16 on 1 July 2019. This standard and its consequential amendments have replaced IAS 17 – Leases and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets

Continental Energy Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management and expressed in US Dollars)
31 DECEMBER 2020

determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The Company anticipates the adoption of IFRS 16 on will not have a material impact on the results and financial position of the Company. Except for a short term lease on its interim office in Jakarta (approximately \$1,150 per month), the Company does not have any other material leasing arrangements.

IFRIC 23, Uncertainty over Income Tax Treatment

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty. It specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity makes about the examination of tax treatments by taxation authorities;
- How an entity determines taxable profit or loss, tax bases, unused tax losses, unused tax credits, and tax rates; and
- How an entity considers changes in facts and circumstances.

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The IFRIC 23 interpretation is effective for annual reporting periods beginning on or after 1 January 2019. The Company will apply the interpretation from 1 July 2019 but expects that the interpretation will not have any significant impact on its consolidated financial statements.

5. Promissory Notes

The Company issued three promissory notes to unrelated arms-length parties for an aggregate principal amount of \$100,000 in respect of assumption of debt by the Company pursuant to an acquisition transaction that closed during fiscal 2018. The notes bear non-compounding simple interest at a rate of nine (9%) per year and are due and payable on 1 September 2020. During the fiscal 2019 year, the Company repaid two of the notes together with accumulated interest thereon in the amount of \$34,919. The third note matured on 31 August 2020 and is now past due and payable.

The Company issued two promissory notes on 20 March 2020 to unrelated arms-length parties for an aggregate principal amount of \$150,000 in respect of working capital loans to the Company. The notes bear non-compounding simple interest at a rate of six (6%) per year, become due and payable on 1 July 2021, may be repaid together with all accumulated interest thereon, at the election of the holders, in cash or in the form of the Company's common shares valued at the volume weighted average trading price during the twenty business days preceding the maturity date or as a participation at the same terms of any private placement closed by the Company prior to the maturity date.

A continuity of the promissory notes payable is as follows:

	\$
Balance - 30 June 2018	-
Issuance of promissory notes	100,000
Interest	16,432
Repayments	(34,919)
Balance - 30 June 2019	81,513
Issuance of promissory notes	150,000
Interest	8,544
Balance - 30 June 2020	240,057
Interest	7,686
Balance - 31 December 2020	247,743
Current portion	247,743
Non-current portion	-

Continental Energy Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management and expressed in US Dollars)
31 DECEMBER 2020

6. Share Capital

Authorized Share Capital

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

Shares issued

No new common shares were issued during the six (6) months period and quarter ended 31 December 2020.

Stock options

Stock Option Plan - 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.

A reconciliation of the Company's stock options is as follows:

		Weighted Average Number of Exercise Price Options \$ per Share
Outstanding on 30 June 2020	12,000,000	0.05
Granted	-	-
Exercised	-	-
Expired	-	-
Outstanding on 31 December 2020	12,000,000	0.05

Options Activity - During the six (6) months period and quarter ended 31 December 2020, no new options were granted; no options expired; no options were exercised; and no amendments to the terms of any outstanding options were made.

Warrants

Warrants Policy - From time to time the Company may issue warrants to purchase a common share at a fixed price for a fixed period as a performance incentive. Most common are issues of warrants as part of a unit with a common share as an incentive for private placement or similar investors.

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

		Weighted Average Number of Exercise Price Warrants \$ per Share
Outstanding on 30 June 2020	25,000,000	0.05
Issued	-	-
Exercised	-	-
Expired	-	-
Outstanding on 31 December 2020	25,000,000	0.05

Warrant Activity - During the six (6) months period and quarter ended 31 December 2020, no new warrants were issued, no warrants expired, no warrants were exercised, and no changes were made to the terms and conditions of any outstanding warrants.

Continental Energy Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management and expressed in US Dollars)
31 DECEMBER 2020

Summary - A summary of the Company's outstanding warrants on 31 December 2020 is as follows:

<u>Number of Warrants</u>	<u>Exercise Price Each</u>	<u>Expiry Date</u>
11,000,000	\$0.05	30 June 2021
14,000,000	\$0.05	30 June 2022
25,000,000		

7. Related Party Transactions

Key management personnel of the Company include three persons having the authority and responsibility for planning, directing and controlling the activities of the Company and its wholly owned operating subsidiaries, (collectively the "Officers"). Each one of the Officers, together with each non-executive and independent member of the Company's board of directors and any shareholder controlling 10% or more of the Company's voting common shares, is considered to be a "Related Party".

7.1 *Related Party Balances* - At the completion of the quarter and first six (6) months of the Company's Fiscal 2021 year, the Year-To-Date ("YTD") balances due to Related Parties, compared to the balance due them at the end of the Company's most recently completed fiscal year ended 30 June 2020 ("FYE20"), are as follows:

- an aggregate amount of YTD \$298,484 (FYE20 - \$271,683) was due and payable to the Company's Officers as accumulated but unpaid salary and fees. These amounts are included in accounts payable and are unsecured and non-interest bearing; and
- an aggregate amount of YTD \$87,500 (FYE20 - \$87,500) was due and payable to the Company's CEO as repayment of accumulated loans made in prior years by the CEO to the Company for assistance with working capital. This loan is unsecured and interest free with no fixed repayment terms; and
- an aggregate amount of YTD \$20,000 (FYE20 - \$20,000) was due and payable to two of the Company's Directors (\$10,000 each) for the purpose of assistance with working capital. These loans are unsecured, interest free, and both matured on 31 March 2020.

7.2 *Transactions With Related Parties* - During the fiscal quarter and six (6) months period ended 31 December 2020, the Company did not engage in any transactions with Related Parties except for accrual and payment of salary and fees.

7.3 *Compensation Of Officers* - During the fiscal quarter and six (6) months period ended 31 December 2020, aggregate YTD compensation was paid or accrued to Officers as follows, together with a comparison to the amount paid or accrued to the Officers for the same period ended 31 December 2019:

- The Company, or its wholly owned subsidiaries, paid or accrued salary, fees, or other compensation to the CEO, CEO of its subsidiary, and Acting CFO in the YTD amounts of \$20,702, \$20,702 and \$21,000 respectively. During the same period ended 31 December 2019 the amounts accrued or paid were \$21,215, \$21,215, \$21,000, respectively.
- The CEO of the Company voluntarily suspended and terminated payment and accrual of his salary as CEO of the Company effective on 1 July 2017 and continuing until such time as the Company's financial condition permits a resumption and such resumption is approved by the Board of Directors. Consequently, the Company did not directly accrue any salary, YTD, for the CEO.

Continental Energy Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management and expressed in US Dollars)
31 DECEMBER 2020

7.4 Former Related Party Balances Due -

- a) *Former CFO* - A former CFO of the Company resigned effective 31 December 2017, and accordingly, the Company terminated accrual of salary upon his resignation date and agreed to issue 4,000,000 common shares to settle \$200,000 in accumulated unpaid salary and pay a total amount of \$125,000 by end November 2018 to settle all outstanding compensation and amounts due. The settlement shares were issued on 2 January 2018 at a fair value of \$0.016 per share and total value of \$64,000 and the Company realized a gain on settlement of \$136,000. Commencing from 1 January 2018, the CFO agreed to continue as "Acting CFO" without additional compensation and did so until his replacement as Acting CFO on 7 November 2018. Accordingly, during the two fiscal years ended 30 June 2019 and 30 June 2020, the Company did not pay or accrue salary for the former CFO. On 7 December 2018 the former CFO ceased to be a director and also thereupon ceased to be a Related Party of the Company. The Company paid a total of \$75,000 of the amount due the former CFO before 30 November 2018. At the 31 December 2020 end of the second quarter of Fiscal 2021, a total remaining balance due the former CFO in the amount of \$50,000 (FYE20 - \$50,000) is past due and unpaid and included in accounts payable.
- b) *Former Vice President* - The Company's former Vice President of Business Development resigned to pursue other personal opportunities effective on 7 December 2019. At the 31 December 2020 end of the second quarter of Fiscal 2021, a total remaining balance due the former Vice President in the amount of \$38,776 (FYE20 - 38,776) is due and unpaid and included in accounts payable.

8. Supplemental cash flow information

<u>Non-Cash Investing and Financing Activities</u>	<u>Note</u>	<u>Six Months Ended 31 December 2020</u>	<u>Six Months Ended 31 December 2019</u>
		\$	\$
Conversion of debt and payable into notes		-	-
Common shares issued in settlement of debt		-	-

9. Segmented Information

The Company currently operates in only one segment which is geographically concentrated within the Republic of Indonesia.

10. Subsequent Events

No events that would have a material effect upon the business of the Company occurred subsequent to the interim quarter and six (6) months period ended 31 December 2020 and the date of these consolidated Interim Financial Statements.

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CONTINENTAL ENERGY CORPORATION

FORM 51-102F1

Management's Discussion and Analysis

For the Quarter Ended on 31 December 2020

The End of the Second Quarter and Six (6) Months Period of Fiscal 2021

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CONTINENTAL ENERGY CORPORATION

FORM 51-102F1

Management's Discussion and Analysis For the Quarter Ended on 31 December 2020

The End of the Second Quarter and Six (6) Months Period of Fiscal 2021

This Management Discussion and Analysis ("MD&A") has been prepared by the management of Continental Energy Corporation (the "Company") as of **24 February 2021** (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 2020, 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 2021") which shall end on 30 June 2021.

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 a developer of small-scale crude oil refineries that are purposefully located near existing crude oil feedstock production in order to cost efficiently refine and deliver fuels directly to under-served local markets in the rapidly growing and emerging economy of Indonesia.

Why Indonesia? Already a G20 member, Indonesia is predicted by the World Bank to grow to the 4th largest economy in the world by 2045.

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:

Audited Annual Financial Statements for Fiscal 2020

During this Quarter the Company completed its annual audit for its Fiscal 2020 year ended 30 June 2020. The audited annual consolidated financial statements, management discussion and analysis, and annual reports on Form-20F were filed on both SEDAR and on EDGAR and are available for public download. A summary of the Company's Fiscal 2020 annual results was made in a news release dated 28 October 2020.

Interim Financial Statements for Q1 Fiscal 2021

During this Quarter the Company published its interim quarterly consolidated financial statements and management discussion and analysis for the first quarter ended 30 September 2020 of the Company's Fiscal 2021 year ending 30 June 2021. The interim quarterly statements and reports were filed on both SEDAR and on EDGAR and are available for public download. A summary of the Company's Fiscal 2021 interim Q1 results was made in a news release dated 27 November 2020.

Annual General Meeting Held

During this Quarter the Company held its Fiscal 2020 Annual General Meeting ("AGM") on 18 December 2020 at the Company's registered offices in Vancouver. All holders of the Company's shares as of the 9 November 2020 (the "Record Date") for the meeting were entitled to receive a package of proxy related materials including an Information Circular containing details of matters to be voted on at the meeting.

The notice, agenda, proxy information, and information circular were posted on SEDAR on 6 November 2020 and are there available for public download. The same were subsequently mailed to those shareholders that were registered shareholders or were non-objecting beneficial owners as at the 9 November 2020 Record Date.

By majority vote of those cast at the AGM, incumbent directors McAdoo, Garrison, Aulia, Klein, and Doshi were re-elected to serve as directors until the next annual general meeting. Davidson and Co were re-appointed as the Company's auditors for Fiscal 2021.

Board Committee Appointees Confirmed

Subsequent to the annual election of directors at the 18 December 2020 annual general meeting, the standing committees of the board of directors were confirmed and constituted as follow:

Audit Committee

- Independent director Klein, Chairman of the Audit Committee.
- Independent director Doshi, Member of the Audit Committee.
- Executive director Garrison, Member of the Audit Committee.

Governance Committee

- Independent director Doshi, Chairman of the Governance Committee.
- Independent director Klein, Member of the Governance Committee.
- Executive director McAdoo, Member of the Governance Committee.

Compensation Committee

- Independent director Doshi, Chairman of the Compensation Committee.
- Independent director Klein, Member of the Compensation Committee.
- Executive director Aulia, Member of the Compensation Committee.

AGM Results News Release

In a news release made on 21 December 2020 the Company posted the results of the voting at the AGM held 18 December 2020 and board committee appointees as described above.

Board Meetings Held

In accordance with the Company's policy of holding periodic board meetings on or about the first Saturday of every other month, the board held meetings during This Quarter on 23 October 2020, 9 November 2020 and 12 December 2020. The meetings were held by VoIP conference call and all of the Company's directors were present at each meeting. The board discussed the Company's plans and progress on its objectives.

Ongoing Operations

During This Quarter the Company' management continued arranging crude supply agreements, refined product offtake agreements, and securing equity and lender finance for its Maloy Refinery project in Indonesia. The Company is evaluating unsolicited proposals from possible joint venture and investor candidates.

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* - There were no issues of new share purchase warrants.
- *Expiry* - No outstanding share purchase warrants expired.
- *Amendments* - The were no amendments 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 outstanding incentive stock options expired.
- *Amendments* - No amendments were made to the terms of any outstanding incentive stock options.

2.3 New Shares Issues During This Quarter

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

- *Common Shares - No new common shares were issued.*
- *Preferred Shares - No new preferred shares were 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:

174,715,381	common shares were issued and outstanding.
25,000,000	unexercised warrants were issued and outstanding.
12,000,000	unexercised stock options were issued and outstanding.
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:

Covid 19 Effect on Ongoing Operations

The Company's ability to pursue its ongoing operations activities in both Indonesia and Canada during This Quarter and up to the Report Date have been severely affected due to the Covid 19 pandemic largely due to travel limitations, face to face meeting restrictions, and many potential investors, partners, and contractors reducing their own activity for the same reasons.

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 share purchase warrants were issued.
- *Expiry* - No outstanding and 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 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:

174,715,381	common shares were issued and outstanding.
25,000,000	unexercised warrants were issued and outstanding.
12,000,000	unexercised stock options were issued and outstanding.
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.

<u>Period</u>	<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 & Diluted Per Share Income (loss)</u>
Quarter-2 of Fiscal 2021	Nil	(78,681)	(78,681)	(78,681)	(0.00)
Quarter-1 of Fiscal 2021	Nil	(54,484)	(54,484)	(54,484)	(0.00)
Quarter-4 of Fiscal 2020	Nil	(67,921)	(67,921)	(67,921)	(0.00)
Quarter-3 of Fiscal 2020	Nil	(58,918)	(58,918)	(58,918)	(0.00)
Quarter-2 of Fiscal 2020	Nil	(93,695)	(93,695)	(93,695)	(0.00)
Quarter-1 of Fiscal 2020	Nil	(134,585)	(134,585)	(134,585)	0.00
Quarter-4 of Fiscal 2019	Nil	(163,721)	(163,721)	(163,721)	(0.00)
Quarter-3 of Fiscal 2019	Nil	(176,551)	(176,551)	(176,551)	(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.
- 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 31 December 2020 (the "Current Quarter") and the Last year's quarter and three month period ended 31 December 2019 (the "Comparative Quarter").

- Overall, the Company incurred a net loss during the Current Quarter of \$78,681 compared to a loss of \$93,695 for the Comparative Quarter.
- The Company incurred a loss per share of \$0.00 in the Current Quarter and \$0.00 for the Comparative Quarter.
- The Company's interest expense during the Current Quarter was \$4,189 compared to \$1,895 during the Comparative Quarter.
- The Company's cash administrative and office costs were \$12,662 during the Current Quarter, compared to \$17,116 during the Comparative Quarter due to reduced Vancouver office operations.
- The Company's management and employee salaries totaled \$35,622 during the Current Quarter, compared to \$50,179 during the Comparative Quarter due to a reduction in staff.

- f) The Company's travel and accommodation expenses totaled \$nil during the Current Quarter, compared to \$1,561 during the Comparative Quarter due to Covid19 related travel issues during the Current Quarter.
- g) The Company incurred professional fees in a total amount of \$15,705 during the Current Quarter, compared to \$18,780 during the Comparative Quarter due to increased accounting, audit, and legal fees.
- h) Share-based payments expense was \$ nil during the Current Quarter as compared to \$ nil in the Comparative Quarter.

Current and Comparative Periods

This six (6) months fiscal period ended 31 December 2019 (the "Current Period"); and the same six (6) months fiscal period ended 31 December 2018 last year (the "Comparative Period").

- a) Overall, the Company incurred net loss from operations during the Current Period of \$131,905 compared to a loss of \$227,095 for the Comparative Period. The reduction in loss from the Comparative Period is largely due to cost elimination and reduction of Vancouver office administration and accounting costs.
- b) The Company incurred a loss per share of \$0.00 during the Current Period and \$0.00 during the Comparative Period.
- c) Interest expense during the Current Period was \$8,713 compared to \$3,537 during the Comparative Period. The increase in interest in the Current Period reflects additional interest accrued during the Current Period on loans received post Comparative Period.
- d) The Company's corporate and administrative office costs were \$24,281 during the Current Period compared to \$40,896 during the Comparative Period.
- e) The Company' professional fees incurred during the Current Period were \$16,590 compared to \$38,229 during the Comparative Period.
- f) Share-based payments expense were \$ nil during the Current Period compared to \$52,495 during the Comparative Period as a result of issue of 5,000,000 stock options to certain directors during the Comparative Period. The options have an exercise price of \$0.05 and expire on 30 June 2021. The fair value of these stock option grants was determined to be \$52,495, which was charged to the statement of loss and comprehensive loss as share-based payments expense. The fair value was estimated using the Black-Scholes option pricing model, with the following assumptions: expected dividend yield: 0%, expected stock price volatility: 100%, risk-free interest rate: 1.84%, expected life of options: 1.75 years.
- g) The Company did not settle any debt by issuance of shares during the Current Period or during the Comparative Period.
- h) Cash utilized in operating activities during the Current Period amounted to \$46,501 compared to \$46,163 used in the Comparative Period.
- i) Net cash raised from financing activities during the Current Period was \$nil compared to \$nil raised during the Comparative Period.

Part-8 : LIQUIDITY AND CAPITAL MANAGEMENT

As at the end of This Quarter, the Company's Interim Financial Statements show a working capital deficiency of \$834,825, an increase of \$285,643 from the amount of working capital deficiency of \$549,182 recorded at the end of the Company's most recently completed financial year ended 30 June 2020.

During This Quarter, the Company spent \$77,815 on its operations and did not raise any new finance from private placements. The Company did not enter into any other cash investing or financing activities during 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 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.

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**

Key management personnel of the Company include three persons having the authority and responsibility for planning, directing and controlling the activities of the Company and its wholly owned operating subsidiaries, (collectively the "**Officers**"). Each one of the Officers, together with each non-executive and independent member of the Company's board of directors and any shareholder controlling 10% or more of the Company's voting common shares, is considered to be a "**Related Party**".

10.1 Related Party Balances

At the completion of the quarter and first six (6) months of the Company's Fiscal 2021 year, the Year-To-Date ("**YTD**") balances due to Related Parties, compared to the balance due them at the end of the Company's most recently completed fiscal year ended 30 June 2020 ("**FYE20**"), are as follows:

- a) an aggregate amount of YTD \$298,484 (FYE20 - \$271,683) was due and payable to the Company's Officers as accumulated but unpaid salary and fees. These amounts are included in accounts payable and are unsecured and non-interest bearing; and
- b) an aggregate amount of YTD \$87,500 (FYE20 - \$87,500) was due and payable to the Company's CEO as repayment of accumulated loans made in prior years by the CEO to the Company for assistance with working capital. This loan is unsecured and interest free with no fixed repayment terms; and

c) an aggregate amount of YTD \$20,000 (FYE20 - \$20,000) was due and payable to two of the Company's Directors (\$10,000 each) for the purpose of assistance with working capital. These loans are unsecured, interest free, and both matured on 31 March 2020.

10.2 Transactions With Related Parties

During the fiscal quarter and six (6) months period ended 31 December 2020, the Company did not engage in any transactions with Related Parties except for accrual and payment of salary and fees described in Section-10.1.

10.3 Compensation Of Officers

During the fiscal quarter and six (6) months period ended 31 December 2020, aggregate YTD compensation was paid or accrued to Officers as follows, together with a comparison to the amount paid or accrued to the Officers for the same period ended 31 December 2019:

- a) The Company, or its wholly owned subsidiary, PT Kilang Kaltim Continental ("KKC"), paid or accrued salary, fees, or other compensation to the Company's CEO and Commissioner of KKC, a Company director who is also CEO of KKC, and the Company's Acting CFO in the YTD amounts of \$20,702 \$20,702 and \$21,000, respectively. During the same period ended 31 December 2019 the amounts accrued or paid were \$21,215, \$21,215, \$21,000, respectively.
- b) The CEO of the Company voluntarily suspended and terminated payment and accrual of his salary as CEO of the Company effective on 1 July 2017 and continuing until such time as the Company's financial condition permits a resumption and such resumption is approved by the Board of Directors. Consequently, the Company did not directly accrue any salary, YTD, for the CEO.

10.4 Former Related Party Balances Due

- a) *Former CFO* - A former CFO of the Company resigned effective 31 December 2017, and accordingly, the Company terminated accrual of salary upon his resignation date and agreed to issue 4,000,000 common shares to settle \$200,000 in accumulated unpaid salary and pay a total amount of \$125,000 by end November 2018 to settle all outstanding compensation and amounts due. The settlement shares were issued on 2 January 2018 at a fair value of \$0.016 per share and total value of \$64,000 and the Company realized a gain on settlement of \$136,000. Commencing from 1 January 2018, the CFO agreed to continue as "Acting CFO" without additional compensation and did so until his replacement as Acting CFO on 7 November 2018. Accordingly, during the two fiscal years ended 30 June 2019 and 30 June 2020, the Company did not pay or accrue salary for the former CFO. On 7 December 2018 the former CFO ceased to be a director and also thereupon ceased to be a Related Party of the Company. The Company paid a total of \$75,000 of the amount due the former CFO before 30 November 2018. At the 31 December 2020 end of the second quarter of Fiscal 2021, a total remaining balance due the former CFO in the amount of \$50,000 (FYE20 - \$50,000) is past due and unpaid and included in accounts payable.
- b) *Former Vice President* - The Company's former Vice President of Business Development resigned to pursue other personal opportunities effective on 7 December 2019. At the 31 December 2020 end of the second quarter of Fiscal 2021, a total remaining balance due the former Vice President in the amount of \$38,776 (FYE20 - 38,776) is due and unpaid and included in accounts payable.

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.

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

Except for 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 financial statements for the last fiscal year ended 30 June 2020.

Part-13 : FINANCIAL INSTRUMENTS

The Company's financial instruments as at the end of This Quarter, consist of cash, accounts payable and accrued liabilities, the loan payable to its CEO, and the promissory notes. The fair value of these instruments approximates their carrying value due to their relative 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 and Indonesian 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

The Company is a "Venture Issuer" as defined in Section-1.1 of NI 51-102 and in Section-1.1 of NI 52-110. The Company prepares its financial statements and accounts in US dollars currency using IFRS as issued by IASB. All dollar values are in US\$ unless otherwise indicated. Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's statement of loss and comprehensive loss contained in the Interim Financial Statements that are published and filed herewith.

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). 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"), making the Company a "SEC Issuer" as defined in Section-1.1 of NI 51-102. 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) 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 up to the date of this filing are incorporated herein by this reference.

14.4 Form 20F Annual Report and Annual Information Form

As a SEC Issuer, the Company is obliged to file an "Annual Report on Form 20F" with the SEC. As a Canadian Venture Issuer the Company is permitted to file the same Annual Report on Form 20F on SEDAR in satisfaction of the Canadian obligation to file an "Annual Information Form" on Form 51-102F2 or "AIF".

14.5 Statement of Executive Compensation - Venture Issuer

As a Venture Issuer in Canada, the Company discloses executive compensation on Form 51-102F6V which is included in the Company's annual information circular filed on SEDAR and provided to shareholders as part of the proxy materials in advance of the Company's annual general meeting.

14.6 Additional Disclosure for Emerging Markets Issuers

A substantial component of the Company's business activities are conducted in the Republic of Indonesia and the Company considers itself to be an "Emerging Market Issuer" as defined in the Issuer Guide for Companies Operating in Emerging Markets (the "EMI Guide") published by the Ontario Securities Commission as Staff Notice 51-720. The EMI Guide identifies eight matters as worthy of additional disclosure that Emerging Market Issuers consider. These are: 1) the local business and operating environment, 2) language and cultural differences, 3) corporate structure, 4) related parties, 5) risk management and disclosure, 6) internal controls, 7) use of and reliance on experts, and 8) oversight of the external auditor and how the effect on the Company's operations of these eight matters may differ in the emerging market from what may be expected if the Company's same business activities were conducted in Canada. The Company provides such disclosure annually in its Annual Report on Form 20F.

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 for the Company's upstream oil and gas projects; and to capital cost estimation, operating costs forecasts, and sales and revenue projections for the construction of the Company's downstream oil and gas projects.

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 the Company's upstream or downstream oil and gas projects 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 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.

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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 interim period ended December 31, 2020.
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: **24 February 2021**

signed // “Richard L. McAdoo”

Name: Richard L. McAdoo
Title: 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 OTC reporting 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, Phillip B. Garrison, **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 interim period ended December 31, 2020.
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: **24 February 2021**

signed // “Phillip B. Garrison”

Name: Phillip B. Garrison
Title: Acting and Interim 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 OTC reporting 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 Posts Results For Second Quarter Fiscal 2021

Vancouver, BC, - 24 February 2021 - Continental Energy Corporation (OTCQB: CPPXF) (the "**Company**") today released a summary of its financial results for the quarter ended 31 December 2020 (the "**Quarter**"). The Quarter completes the second quarter and six months period of the fiscal year ending 30 June 2021.

Overall, the Company incurred a net loss during the Quarter of \$78,681 compared to a loss of \$93,695 for the same quarter of the last fiscal year, a decrease of \$15,014 due largely to reduction in activity associated with Covid19 restrictions during the Quarter. The loss per share of \$0.00 for the Quarter compared to a loss per share of \$0.00 for the same quarter of the previous fiscal year.

Share-based payments expense was \$nil during the Quarter and also \$nil during the same quarter of the past fiscal year.

Corporate administrative and office costs were \$12,662 during the Quarter compared to \$27,116 during the same quarter of the previous fiscal year.

The costs of management and employee salaries incurred by the Company during the Quarter were \$35,662 compared to \$50,179 incurred during the same quarter of the previous fiscal year, due to a reduction in personnel from the same quarter of the previous year.

Fees and costs of accounting, audit, legal, and similar professional services incurred by the Company during the Quarter amounted to \$15,705 compared to \$18,780 during the same quarter of the previous fiscal year due to reduced use of professional services.

Expenses related to travel and accommodation during the Quarter totaled an amount of \$nil, compared to \$1,561 during the same quarter of the previous year, primarily due to Covid19 travel reductions.

Interest expenses incurred by the Company on outstanding promissory notes during the Quarter was \$4,189 compared to \$1,895 during the same quarter of the previous year. Net cash raised during the Quarter was \$nil compared to \$nil during the same quarter of the previous year.

The full and complete unaudited, management prepared, consolidated financial statements together with explanatory notes and management's discussion and analysis for the results of the Quarter have been filed with Canadian securities regulators on SEDAR and are available for download via Continental's profile at www.sedar.com or from the links on Continental's website.

On behalf of the company,
Richard L. McAdoo
Chairman and CEO

Media Contact: Phil Garrison, Director, (+1-918-860-0183), info@continentalenergy.com

No securities regulatory authority has either approved or disapproved the contents of this news release. We assume no obligation to update its content. Any statements made herein that are not historical or factual at the date hereof are forward looking statements. Many risk factors may cause our actual performance and results to be substantially different from our plans or expectations described in any forward looking statements. Readers are encouraged to refer to the expanded discussion of recognized risks and uncertainties, many of which could detrimentally impact any forward looking statements, that we continuously provide in our regulatory disclosures filed on, and publicly available for view or download from, www.sedar.com or from www.sec.gov/edgar.