

Disclosure of movement of 1% or more in substantial holding or change in nature of relevant interest or both

Sections 23 and 24, Securities Markets Act 1988

Relevant event being disclosed: A movement of 1% or more in the substantial holding

Date of relevant event: 18 December 2008

To: New Zealand Exchange Limited

And: Pan Pacific Petroleum NL

Date this disclosure made: 19 December 2008

Date last disclosure made: 18 December 2008

Substantial security holder(s) giving disclosure

Name(s): Stewart Petroleum Co Limited

Contact details: David John Pay

New Zealand Oil & Gas Limited

04-495-2424

david.pay@nzog.com

Summary of substantial holding to which disclosure relates

Class of listed voting securities: PPP Ordinary shares

Summary for Stewart Petroleum Co Limited

For **this** disclosure,—

(a) total number held in class: 70,950,000

(b) total in class: 588,612,110

(c) total percentage held in class: 12.054%

For **last** disclosure,—

(a) total number held in class: 59,187,000

(b) total in class: 588,612,110

(c) total percentage held in class: 10.055%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure under the instructions to this form:

There was a movement of 1% or more in the substantial holding due to various on-market trades on 18 December

Consideration: Purchase of 11,763,000 shares in various on-market trades at a total cost of NZ\$4,174,857

Details of relevant interests in substantial holding after relevant event

Details for Stewart Petroleum Co Limited

Nature of relevant interest(s): Registered holder. No relevant agreement or document is attached because the exemption in regulation 13 of the Securities Markets (Substantial Security Holders) Regulations 2007 applies

For that relevant interest,—

- (a) number held in class: 70,950,000
- (b) percentage held in class: 12.054%
- (c) current registered holder(s) of securities: Stewart Petroleum Co Limited
- (d) registered holder(s) of securities once transfers registered: Stewart Petroleum Co Limited

Additional information

Nature of connection between substantial security holders: A separate notice has been filed by Stewart Petroleum Co Limited's holding company, New Zealand Oil & Gas Limited, in respect of the same shareholding

Address(es) of substantial security holder(s): Level 20, 125 The Terrace, Wellington, New Zealand

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates: New Zealand Oil & Gas Limited

Declaration

I, David John Pay, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.