



## **STOCK EXCHANGE ANNOUNCEMENT**

30 January 2007

### **Tui-2H Drilling Update**

Pan Pacific Petroleum N.L. ("PPP") reports that as at 0600 hours today, preparations were under way to commence the drilling of the directional production hole from the current measured depth of 4,100 metres.

Following the setting of the cement plug in the pilot hole, the production well was drilled from a measured depth of 3,677 metres to 4,100 metres, where casing was run and cemented.

The Tui Area Development is located within PMP 38158, in the Taranaki basin, approximately 50 kilometres offshore of the west coast of the North Island of New Zealand. First oil is expected from the development by June 30, 2007, and when fully commissioned, a production rate peaking at 50,000 bopd is anticipated.

Participants in PMP 38158 are:

<b>Pan Pacific Petroleum NL (through its subsidiary WM Petroleum Ltd)</b>	<b>10.0%</b>
New Zealand Oil & Gas Ltd (through Stewart Petroleum Company Ltd )	12.5%
AWE New Zealand Pty Limited ("AWE")	20.0%
New Zealand Overseas Petroleum Pty Ltd ("AWE")	22.5%
Mitsui E & P New Zealand Limited	35.0%

A handwritten signature in black ink, appearing to read 'K M Ware'.

K M Ware  
Company Secretary

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**Notes:**

1. References to *PPP*, and *the company*, are to be read as inclusive of the subsidiary companies within the consolidated PPP group.