



## **STOCK EXCHANGE ANNOUNCEMENT**

27 February 2007

### **Tui-3H Drilling Update**

Pan Pacific Petroleum N.L. ("PPP") reports that at 0600 hours today, the Tui-3H well was drilling ahead at a total measured depth of 2,257 metres. Progress for the week was 757 metres.

During the course of the week the drilling rig was relocated from Tui-2H to the Tui-3H site, re-entered the previously drilled top-hole section and recommenced drilling from approximately 1,500 metres to the current total depth.

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.