



## **STOCK EXCHANGE ANNOUNCEMENT**

23 April 2007

### **Tui Project Oil Vessel Arrives in New Zealand**

#### **Arrival of FPSO and status of offshore installation activities**

Another key milestone for the Tui Area Development was achieved at the weekend with the arrival of the Floating Production Storage and Offloading ("FPSO") vessel, *Umuroa*, after a 21 day voyage from Singapore.

The arrival of the FPSO marks the beginning of the final stage of development in the project which remains on schedule to produce its first oil by June 30.

Weather permitting, the *Umuroa* will this week be connected to its turret mooring system linked to nine pre-installed mooring lines. This system allows the vessel to weather-vane around the turret.

The Tui Area Development is now well advanced, with a number of the key elements completed despite some unfavourable weather in the Taranaki basin in recent months. The most weather sensitive element, the installation of the four mid-water arches, which support the production flow lines from the sub-sea wells, has already been completed. The gas lift lines have also been successfully laid, as have two of the four production flowlines.

After assisting with the *Umuroa* mooring operation, the offshore construction vessel, *Rockwater II*, will return to laying the remaining subsea flowlines and umbilicals and connecting them to the *Umuroa* via the mid water arches.

All four sub-sea well heads and associated trees have been successfully installed and will be progressively connected to the flowlines and umbilicals.

In parallel with the completion of the subsea construction work, preparations for the extensive commissioning of the FPSO processing and subsea well control systems will proceed following the mooring of the vessel.

## Status of exploration and development drilling activities

The development drilling campaign is also advancing, with the Tui-2H and Tui-3H wells completed. The Amokura-2H well is currently being drilled with the horizontal production section expected to commence this week. Following the completion of Amokura-2H, the *Ocean Patriot* drilling rig will be moved to the Pateke-3H well location to complete the final phase of the development drilling.

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 barrels of oil per day 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%



K M Ware  
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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.