



STOCK EXCHANGE ANNOUNCEMENT

24 July 2007

Tui Development Drilling update

Pan Pacific Petroleum NL ("PPP") reports that at 0600 hours today, the *Ocean Patriot* drilling rig was preparing to lift anchors at the Pateke-3H ST1 well prior to commencing mobilisation to the Hector-1 site in PEP 38483. Hector-1 is the first well in the upcoming Taranaki basin exploration programme which will include the drilling of at least the Hector and Taranui prospects.

The activity at Pateke-3H completes the development drilling campaign for the Tui Area Development.

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.

Participants in PMP 38158 are:

Pan Pacific Petroleum NL (through its subsidiary WM Petroleum Ltd)	10.0%
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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