



STOCK EXCHANGE ANNOUNCEMENT

11 September 2007

TARANUI-1 DRILLING UPDATE

Pan Pacific Petroleum reports that the Taranui-1 well is being plugged and abandoned and at 0600 hours today was completing operations prior to the release of the drilling rig from the Taranui location.

During the week, a comprehensive suite of wireline logs were successfully completed, including pressure testing and fluid sampling of both the Kapuni F and D Sands. A small volume of oil was recovered from the Kapuni D sands during this sampling programme. The data is still being reviewed, but initial indications are that these zones will not be commercially significant.

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 Australia Pty Limited	35.0%

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

K M Ware
Company Secretary

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