

Disclosure of beginning to have substantial holding
Section 22, Securities Markets Act 1988

To: New Zealand Exchange Limited

And: Pan Pacific Petroleum NL

Date this disclosure made: 17 December 2008

Substantial security holder(s) giving disclosure

Name(s): Stewart Petroleum Co Limited

Contact details: David John Pay

New Zealand Oil & Gas Limited

04-495-2424

david.pay@nzog.com

Date on which substantial security holder(s) began to have substantial holding: 16 December 2008

Summary of substantial holding to which disclosure relates

Class of listed voting securities: PPP Ordinary shares

Summary for: Stewart Petroleum Co Limited

For **this** disclosure,—

- (a) total number held in class: 33,950,000
- (b) total in class: 588,612,110
- (c) total percentage held in class: 5.77%

Details of relevant interests currently in substantial holding

Details for: Stewart Petroleum Co Limited

Nature of relevant interest(s): Registered holder. No relevant agreement or document is attached because the exemption for ownership interests under regulation 13 of the Securities Markets (Substantial Security Holders) Regulations 2007 applies.

For that relevant interest,—

- (a) number held in class: 33,950,000
- (b) percentage held in class: 5.77%
- (c) current registered holder(s) of securities: Stewart Petroleum Co Limited
- (d) registered holder(s) of securities once transfers registered: Stewart Petroleum Co Limited

Details of transactions and events giving rise to person beginning to have substantial holding

Details of the transactions or other events requiring disclosure under the instructions to this form:

Various on-market trades between 15 December 2008 and 16 December 2008

Consideration: NZ\$11,630,640

Total securities: 33,950,000

Additional information

Nature of connection between substantial security holders: A separate notice has been filed by Stewart Petroleum Co Limited's holding company, New Zealand Oil & Gas Limited, in respect of the same shareholding.

Address(es) of substantial security holder(s): Level 20, 125 The Terrace, Wellington, New Zealand

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates: New Zealand Oil & Gas Limited

Declaration

I, David John Pay, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.