



11th March 2014

Pateke-4H Appraisal Drilling Update

Pan Pacific Petroleum has been advised by AWE, the Operator of PMP38158, that as of 06:00hrs the Pateke-4H appraisal/development well being drilled by the semi-submersible drilling rig the “Kan Tan IV” was at a measured depth of 4,110 m BRT (below rotary table).

The well is currently addressing mechanical drill string difficulties that must be resolved to enable the 9.5/8in casing to be set and for the well to be drilled on its planned trajectory. However, should it not be possible to resolve the mechanical drill string difficulties then the well will be sidetracked and drilling will be completed in a new hole.

The Kapuni F10 sandstone objective has already been intersected on prognosis with oil shows and real time logging measurements indicating the likely presence of an oil bearing reservoir, which is very encouraging.

The resolution of the current mechanical drill string difficulties will not jeopardise fulfilling the objectives of the well. However, the commercial significance of the oil shows will not be clear until the horizontal drilling has been completed.

Pateke-4H is targeting contingent resources contained in Pateke North a potential extension of the Pateke Field which is not being accessed by Pateke-3H, the current producing well on the Pateke structure. If successful the well will be completed for subsequent tie-back to the Tui FPSO for production with first oil expected before the end of Q1 2015.

The Joint Venture partners in PMP 38158 are:

Pan Pacific Petroleum NL (via subsidiaries)	15.0%
AWE Limited (via subsidiaries) (Operator)	57.5%
New Zealand Oil & Gas (via subsidiaries)	27.5%

The information contained in this announcement is current as at the date indicated in this release. This report is based on information compiled by Tom Prudence (Chief Executive Officer). Mr Prudence has a BSc (Hons) in Geological Geophysics and an MSc in Petroleum Geology. He is also a Fellow of the Geological Society of London and a member of the Society of Petroleum Engineers (SPE). Mr Prudence has consented in writing to the inclusion of this information in the format and context in which it appears.

For further information please contact:

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