



8 July 2014

Companies Announcement Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Released to New Zealand Stock Exchange ("NZX") on 8 July, 2014

Please find attached a release with respect to Oi-2 Exploration Drilling Update, which was released to the New Zealand Stock Exchange ("NZX") on 8 July, 2014 in accordance with Listing Rule 15.7.1.

A handwritten signature in black ink, appearing to read "Kim Ware".

Kim Ware
Company Secretary



8th July 2014

Oi-2 Exploration Drilling Update

Pan Pacific Petroleum ("PPP") has been advised by AWE, the Operator of permit PMP38158 that the Oi-2 exploration well, which is being drilled by the semi-submersible drilling rig "Kan Tan IV", reached TD at a measured depth of 3908m BRT (below rotary table) at 20:45 hours (8.45pm) NZDT on Monday 7 July 2014. The well intersected the primary target Kapuni F10 sands and underlying secondary targets without encountering significant oil shows and real time well data indicated that the F10 reservoir is water bearing. Preparations are currently underway to plug and abandon Oi-2 after which the rig will then abandon Oi-1 prior to release.

Oi-2 evaluated the hydrocarbon potential of a 4-way dip closed structure draped over basement similar to the Tui, Amokura and Pateke Fields.

The Joint Venture partners in the Oi-2 exploration well are:

AWE Limited (via subsidiaries) (Operator)	31.25%
New Zealand Oil & Gas (via subsidiaries)	18.75%
Pan Pacific Petroleum (via subsidiaries)	50.00%

The Joint Venture partners in PMP 38158 are:

AWE Limited (via subsidiaries) (Operator)	57.50%
New Zealand Oil & Gas (via subsidiaries)	27.50%
Pan Pacific Petroleum (via subsidiaries)	15.00%

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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