



15th 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", that as of 06:00hrs operations are proceeding to plug and abandon Oi-2 after which the rig will then abandon Oi-1 prior to release.

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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