



PANCONTINENTAL Oil & Gas NL
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8 April 2002

Manager Announcements
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Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

ASX ANNOUNCEMENT

New Zealand Drilling and Project Status Report

PEP 38716, Taranaki Basin

Pancontinental: 6.6%

Pancontinental Oil & Gas NL has been advised by the operator that re-entry and drilling operations at the Huinga 1B location commenced late on 8 April.

The Huinga 1/1A well, which was drilled by the Pancontinental joint venture in 1999 and suspended prior to reaching the objective, will be re-entered and deepened from 2500 metres to approximately 4250 metres. The well is being drilled to intersect the Tariki sandstone objectives at a predicted depth of 3887 metres, and has a planned total depth of 4250 metres. The well will also be deviated to intersect the objective Tariki and Kapuni formations some 500 metres to the west of the well collar. Deepening of Huinga 1B is expected to take 35 days.

The operator has estimated that the potential mean recoverable reserves for the Tariki Sandstone reservoirs in the Huinga prospect are 46 million barrels oil and 161 billion cubic feet gas. A discovery of this magnitude would add significant value to the Company.

PEP 38716 hosts all or part of three structures related to the eastern bounding fault of the Taranaki Basin, all being similar to that of the major Rimu/Kauri oil and gas discovery 18 kms south which is currently under development. The structures are named Huinga and Huinga South, both entirely within the Permit, and Makino, which is partly within the Permit but mostly within PEP38728, which adjoins to the south. The primary producing zone of the Rimu/Kauri fields are also units of the Tariki Formation. Of further encouragement was the presence of a 30metre gross/6 metre net, hydrocarbon column in Kapuni Formation sands below the basement thrust, in the recently drilled Makino 1 well.

Four kilometres immediately to the west of Huinga, in the adjacent anticlinal trend, are the commercial Tariki and Ahuroa oil and gas fields, with Tariki formation production.

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Huinga 1B commenced re-entry: 8 April 2002.

Location of well: NZMG: 2 631 910.93 mE.
6 205 424.34 mN.

Operation since last report: Completed rigging up.

Drilling Rig: Parker Rig -188.

Proposed Total Depth: 4,250metres.

Primary Objectives: Sandstone units of the Tariki Formation @ 3887m.

Secondary Objectives: Sandstones units of the Kapuni Group @ 4146m.

Hydrocarbon indications.

Note: All reported depths are referred to the rig rotary table.(mAHBRT).

***ASX listed participants in the PEP 38716
Joint Venture are:***

Equity %

Pancontinental Oil & Gas NL

6.6%

(through subsidiary Euro Pacific Pty Ltd)

Marabella Enterprises Ltd (Subsidiary of Bligh Oil & Minerals NL) 25.0% (Operator)

AWE (New Zealand) Pty Ltd. (Subsidiary of Australian Worldwide Exploration Ltd.) 12.5%

Springfield Oil & Gas Ltd (Subsidiary of Impress Ventures Ltd) 4.6%

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It is advised in accordance with Australian Stock Exchange Limited Listing Rule 5.11 that the report on the above project has been prepared by Mr Andrew Svalbe, AAPG, PESA, ASEG, FESWA who has had more than the required five years experience and is a competent person as defined in the Listing Rules of Australian Stock Exchange Limited and has consented in writing to the inclusion of this report as it appears here.