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Manager Announcements
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ASX ANNOUNCEMENT

New Zealand Huinga 1B-ST Drilling and Project Status Report

EP 38716, Taranaki Basin.

Pancontinental: 6.6%

Since last reporting the Joint Venture has decided to drill out of the casing shoe at the revised cased depth of 4362. At 0600 hrs, 8 July 2002, the well was running in the hole with a drilling assembly to drill out the casing shoe and then clean out the hole opposite the upper Kapuni sandstones prior to logging and testing.

Operations to clean up the cased hole, following the cementing of the 7inch casing liner have now been completed and due to a pipe tally error the depth of the casing shoe has been revised, to 4362 metres. A cement bond log has been run to determine the integrity of the cementing operation.

The objectives of the forward testing program will be to evaluate the extent of hydrocarbons in both the Kapuni formation sandstones and the extensive fractures within the Murihiku Group metasediments.

As reported previously, strong mud gas shows commenced at 3828m, and further strong gas shows with associated live oil shows were recorded over a 237 meter gross interval while drilling from 4263m down to the current total depth of 4500 metres. The top of the Kapuni Group is interpreted from drilling data at 4378 metres.

Hydrocarbons are produced at commercial rates from Kapuni sandstone reservoirs as well as the Tariki sandstones in the Taranaki basin. Internationally, and within Australia, many large commercial oil and gas fields produce from fractured reservoirs.

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 kilometres 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 units of the Tariki Formation.

Four kilometres immediately to the west of Huinga are the Tariki, Ahuroa, oil and gas fields which produce from the Tariki formation.

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:	Clean cement out of casing and drill out stage collar and plugs to 4364m; run cement bond log; RIH with bit to drill out casing shoe and clean out hole opposite Kapuni sandstones.
Drilling Rig:	Parker Rig -188.
Proposed Total Depth:	4,500 metres – subject to deepening.
Primary Objectives:	Fracture zones within the Murihiku Group. Sandstones units of the Kapuni Group.
Last hydrocarbon indications:	Significant amounts of waxy crude and gas recorded at surface while circulating the hole and conditioning mud in open hole prior to casing.

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

(ASX* listed) Participants in the PEP 38716 Joint Venture are: ***Equity %***

<u>*Pancontinental Oil & Gas NL</u> (through subsidiary Euro Pacific Pty Ltd)	6.6%
*Marabella Enterprises Ltd (Operator) (Subsidiary of Bligh Oil & Minerals NL)	24.8%
*AWE (New Zealand) Pty Ltd. (Subsidiary of Australian Worldwide Exploration Ltd.)	12.5%
*Springfield Oil & Gas Ltd (1) (Subsidiary of Impress Ventures Ltd)	4.8%
Preussag Energie GmbH	24.00%
Swift Energy NZ Limited	15.00%
Indo Pacific Energy (NZ) Limited	7.30%
PEP38716 Limited	5.00%

(1)Subject to Joint Venture and government approvals; Springfield Oil & Gas Limited is a wholly owned subsidiary of Impress Ventures Ltd.

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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.