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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%

At 0600 hrs, 10 July 2002, the wells was circulating and conditioning the hole at a depth of 4429 metres, after drilling out of the casing at 4360 metres. Adverse hole conditions prohibited deepening the hole past this point. Strong gas and oil shows were again observed while cleaning out the hole to 4429m. The upper Kapuni sandstones are exposed in this interval. Electric logs will now be run prior to conducting a drill stem test over that interval.

The objectives of the forward testing program will be to evaluate the production characteristics, reservoir quality and nature of the hydrocarbons and formation fluids in 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: RIH to drill out casing shoe, drill to 4429m, can't get deeper -- packing off; circulate hole.

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: Samples of waxy crude and strong gas shows recorded at surface while drilling and circulating the hole.

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 (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.