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11 July 2002

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, 11 July 2002, the well was running in the hole to clean out the open hole section, condition and circulate the hole in preparation for the open hole drill stem test of the Kapuni sandstones. After completion of this activity the drill stem-test (DST) tools will be run into the hole and testing will commence. The results of the DST should be available in 2 to 3 days.

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 metre 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.

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 with electric logs to 4371m, can't get deeper-ledge?;
POOH with logs; RIH with bit to clean and 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 prior to
logging.

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

<i>(ASX* listed) Participants in the PEP 38716 Joint Venture are:</i>	<i>Equity %</i>
*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.