



17 December 2008

NZOG TAKES SHAREHOLDING IN PPP

New Zealand Oil & Gas Ltd (NZOG) has disclosed to the NZX and ASX that by the close of trading on the ASX yesterday it had acquired 5.77% of the issued shares of Pan Pacific Petroleum NL (PPP).

NZOG is seeking to acquire a strategic stake in PPP so as to increase its exposure to the attractive producing Tui area oilfields in offshore Taranaki. The two companies are joint venture partners in Tui; NZOG with a 12.5% stake and PPP with 10%.

The shareholding is being acquired at a premium to the recent market price of PPP. NZOG Chief Executive David Salisbury said NZOG believes it is paying a fair and attractive price to achieve a meaningful shareholding in PPP.

PPP is an Australian company and Australian Foreign Investment Review Board (FIRB) requirements restrict NZOG to a shareholding below 15% unless FIRB approval is received.

At this stage NZOG is focused on acquiring a strategic stake. In due course NZOG will reassess its position to determine what, if any, further steps might be taken.

ENDS

FOR FURTHER INFORMATION PLEASE CONTACT:

Chris Roberts
Public Affairs Manager

Telephone: +64 4 495 2424 Toll free 0800 000 594

NZOG stock symbols: NZX shares - NZO
ASX shares - NZO

market release