

7th April 2015

Pateke-4H well begins production at Tui Area Oil Fields

AWE Limited, the Operator of PMP 38158, has advised that the subsea tie-back and installation project to connect the Pateke-4H development well to the Tui Area Oil Fields gathering system has been successfully completed and that oil production has commenced.

The Pateke-4H well has been brought onto production and flow testing is under way to determine the optimal well settings. The well recorded an initial unstabilised flow rate of 34,000 barrels of oil per day (bopd) at 67% choke with a 48% water cut, which is in line with field modelling. Looking ahead, it is planned to test various facility parameters, including choke settings, before establishing a much lower stabilised flow rate for long-term production. It is forecast that oil production from the well will then decline relative to the increasing water cut in the well.

The Pateke-4H subsea tie-back and installation project commenced on 5 March 2015. The project involved the installation of 1,312 metres of flexible flow line, a gas lift umbilical and production manifold, integrated controls and ancillary equipment in water depths of about 124 metres. All infrastructure was successfully tested and commissioned prior to starting production and the tie-back and installation was completed with no safety or environmental incidents.

The Tui Area Oil fields and the Floating Production Storage and Offloading vessel (FPSO), "Umuroa", were shut in for the duration of the tie-back project. During the shut-in period, a planned program of facility inspections and maintenance was conducted.

The Tui area oil fields comprise the Tui, Amokura and Pateke fields which are located approximately 50 kilometres off the coast of Taranaki, New Zealand, in PMP38158. Production from each field is fed into the Tui field gathering system and then into the FPSO vessel, the "Umuroa".

The Joint Venture partners in PMP 38158 are:

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| Pan Pacific Petroleum NL (via subsidiaries) | 15.0% |
| AWE Limited (via subsidiaries) (Operator) | 57.5% |
| New Zealand Oil & Gas (via subsidiaries) | 27.5% |

This report is compiled by Tom Prudence (Chief Executive Officer) and the information is current as at the date indicated in this release. Mr Prudence has a BSc (Hons) in Geological Geophysics and an MSc in Petroleum Geology. He is also a Fellow of the Geological Society of London and a member of the Society of Petroleum Engineers (SPE). Mr Prudence has

consented in writing to the inclusion of this information in the format and context in which it appears.

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