



PPP to Sell Vietnam Interests to Repsol

- **PPP to sell its 5% interest in the Vietnamese Block 0703 to Repsol for US\$5 million.**
- **Following the sale PPP will have no debts and assets of circa US\$20 million (unaudited), approximately twice the market capitalisation of the Company.**

Pan Pacific Petroleum NL (ASX:PPP / Company) is pleased to advise that it has executed an agreement to sell all the shares of PPP's subsidiary, Pan Pacific Petroleum (Vietnam) Pty Ltd (PPPV), the company that owns its 5% interest in Block 07/03 located in the Nam Con Son Basin in the South China Sea, to Repsol Exploracion S.A (Repsol) for US\$5 million.

PPP's Executive Director, Grant Worner, said:

"After the sale PPP will be in a strong financial position with no debts and estimated cash of circa US\$16 million (unaudited) and liquid investments of US\$3 million (unaudited). Monetisation of this investment at this time means PPP's current assets will be approximately twice the market capitalisation of the Company.

PPP will then have the freedom to deploy its capital in a range of affordable investment opportunities rather than committing to and being reliant on a single investment that is significantly larger than existing funding capabilities."

The Company is actively reviewing new oil and gas opportunities as well as opportunities in other sectors. The Company's combination of corporate and technical expertise, low overheads, significant financial backing and cash reserves with no debts, places it in an ideal position to grow through investments and acquisition, particularly at a time when asset values are giving rise to a large number of attractively priced opportunities.

The completion of the transaction is subject to shareholder approval. The Company has provided standard warranties in relation to the sale of PPPV and the 5% interest in Block 07/03. The sale agreement may be terminated if the Company breaches a warranty or a material adverse change occurs which is not remedied within 7 days.

The Company will issue a notice of meeting seeking shareholder approval for the transaction in due course.

For Further Information please contact:

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