

CHURCH & GRACE

SOLICITORS AND ATTORNEYS

G P O BOX 4327, SYDNEY NSW 2001

TELEPHONE 61 2 9233 1155

FACSIMILE 61 2 9221 6771

www.churchgrace.com.au

PARTNERS:

Neville Holmes Grace, B.A., LL.B.

James Brendan Aubusson, LL.B.

James Arthur Creech, LL.B.

David Mark Crompton, B.Ec., LL.M.

Gino Luigi Pignone, B.A., LL.B.

LEVEL 20

1 CASTLEREAGH STREET

SYDNEY NSW

2000

SPECIAL COUNSEL:

Peter Joseph Duggan, B.A., LL.B.

SENIOR ASSOCIATE:

Alan Graham Gooch, B.Ec., LL.B.

CONSULTANTS:

John Frederick Church, Notary Public

Our Ref:

DMC:150216

Your Ref:

10 April 2015

ASX Market Announcements

FACSIMILE: 1300 135 638

(No of pages including this page 35)

RESENDING

Dear Sirs

On-Market Takeover Bid for Pan Pacific Petroleum NL by Zeta Energy Pte Ltd

Please see attached for immediate release ASX announcement on behalf of ASX-listed Zeta Resources Limited in respect of the on-market takeover bid for Pan Pacific Petroleum NL made today by Zeta Energy Pte Ltd.

Yours faithfully

CHURCH & GRACE**David Crompton**Email: dcrompton@churchgrace.com.au

attach

CONFIDENTIAL. This facsimile is confidential and may be legally privileged. If you are not the intended recipient, please inform us by telephoning (02) 9233 1155.

ABN 63 835 200 141

Liability limited by a scheme approved under Professional Standards Legislation

We no longer use the DX. Please direct all mail to G P O Box 4327 SYDNEY NSW 2001

**Zeta Resources Limited****ASX ANNOUNCEMENT**

10 April 2015

Zeta Resources Limited
("Zeta Resources" or the "Company")

On Market Bid for Pan Pacific Petroleum

Zeta Resources Limited, through its wholly owned subsidiary of Zeta Energy Pte. Limited is pleased to announce that it is making an unconditional takeover offer for ASX listed Pan Pacific Petroleum NL.

The offer of 5 cents a share will be made as an on-market cash offer. A copy of the Bidders Statement that will be sent to all Pan Pacific Petroleum Shareholders is attached.

Zeta Resources is a closed end investment company and invests in a range of resource entities including those focused on oil and gas, gold and base metals exploration and production. More information on Zeta Resources can be found on its website www.zetaresources.co

For further information please contact:
Julie Laffy
Tel: +65 9777 9732

CHURCH & GRACE

SOLICITORS AND ATTORNEYS

LEVEL 20

1 CASTLEREAGH STREET

SYDNEY NSW

2000

G P O BOX 4327, SYDNEY NSW 2001

TELEPHONE 61 2 9233 1155

FACSIMILE 61 2 9221 6771

www.churchgrace.com.au

PARTNERS:

Neville Holmes Grace, B.A., LL.B.
James Brendan Aubusson, LL.B.
James Arthur Creech, LL.B.
David Mark Crompton, B.Ec., LL.M.
Gino Luigi Pignone, B.A., LL.B.

SPECIAL COUNSEL:

Peter Joseph Duggan, B.A., LL.B.

SENIOR ASSOCIATE:

Alan Graham Gooch, B.Ec., LL.B.

CONSULTANTS:

John Frederick Church, Notary Public

Our Ref: DMC:150216

Your Ref:

10 April 2015

FAXED 8:33am

ASX Market Announcements

FACSIMILE: 1300 135 638

(No of pages including this page 33)

Dear Sirs

On-Market Takeover Bid for Pan Pacific Petroleum NL

We act for Zeta Energy Pte Limited, the bidder under an on-market takeover bid for Pan Pacific Petroleum NL (ACN 000 749 799), a company listed on ASX and NZX.

We attach the following for immediate release:

1. Broker Announcement: On-market Takeover Bid for Pan Pacific Petroleum NL; and
2. Bidder's Statement.

Yours faithfully

CHURCH & GRACE

per David Crompton
David Crompton

Email: dcrompton@churchgrace.com.au

attach

CONFIDENTIAL. This facsimile is confidential and may be legally privileged. If you are not the intended recipient, please inform us by telephoning (02) 9233 1155.

ABN 83 835 200 141

Liability limited by a scheme approved under Professional Standards Legislation

We no longer use the DX. Please direct all mail to G P O Box 4327 SYDNEY NSW 2001

DMC_150216_008.DOCX



Securities
Griffiths McBurney

10 April 2015

The Company Announcements Platform
ASX Limited

For immediate release to the market

ON-MARKET TAKEOVER BID FOR PAN PACIFIC PETROLEUM NL

Unconditional Cash Offer

In accordance with section 6.1.1 of the ASIC Market Integrity Rules (ASX Market) 2010, GMP Securities Australia Pty Limited (ABN 46 149 263 543) ("*Broker*") announces that during the period commencing on 27 April 2015 and (subject to extension or withdrawal) ending 27 May 2015 ("*Offer Period*"), Broker will, on behalf of Zeta Energy Pte Ltd ("*Zeta Energy*"), pursuant to section 635 of the *Corporations Act 2001* (Cth) ("*Act*"), offer ("*Offer*") to acquire on market during official trading days ("*Trading Days*") of the Australian Securities Exchange ("*ASX*") at a price of 5 cents per share ("*Offer Price*"), all of the fully paid ordinary shares in Pan Pacific Petroleum NL (ACN 000 749 799) ("*Pan Pacific*") which are listed for quotation on the Official List of the ASX that exist or will exist at any time during the Offer Period ("*Pan Pacific Shares*").

During the Offer Period, Broker (on behalf of Zeta Energy) will accept at the Offer Price every Pan Pacific Share offered to Broker on market.

Terms of the Offer

Given that the Offer is an on-market bid, it is unconditional and the consideration will be paid by way of cash.

The key features of the Offer are:

- Offer Price of 5 cents per share;
- unconditional Offer;
- cash payment will be made on a T + 3 day basis;
- Zeta Energy will accept all Pan Pacific Shares offered to it on market from today at the Offer Price until the conclusion of the Offer Period; and
- Offer Period may be extended and the Offer Price may be increased or the Offer withdrawn in accordance with the Act.

Acquisition from Announcement

Zeta Energy will instruct GMP Securities Australia Pty Limited to, on its behalf, purchase on-market all Pan Pacific Shares offered at the Offer Price during the Trading Days of ASX, from and including the date of the announcement to 27 May 2015. The maximum amount of Pan Pacific Shares that Zeta Energy may acquire in the period is 489,743,682, being the number of Pan Pacific Shares which Zeta Energy does not presently own.

Payment for Pan Pacific Shares and brokerage

Payment for Pan Pacific Shares sold to Zeta Energy under the Offer will be made on a T + 3 day settlement basis in accordance with the usual ASX Settlement Operating Rules for ASX trading.

As the Offer will be capable of acceptance only by holders of Pan Pacific Shares selling through brokers who are participants of ASX, all Pan Pacific Shares to be purchased by Zeta Energy will be purchased on market only during Trading Days.

Any brokerage charged by brokers acting for holders of Pan Pacific Shares wishing to sell their Pan Pacific Shares will be the sole responsibility of the Pan Pacific Shareholders. Zeta Energy will bear its own brokerage cost, if any, on purchases of Pan Pacific Shares made on market.

Bidder's Statement

In accordance with section 635 of the Act, a Bidder's Statement will today be served on Pan Pacific. Copies of the Bidder's Statement will also be sent to ASX and lodged with the Australian Securities & Investments Commission (ASIC). A copy of the Bidder's Statement will be sent to holders of Pan Pacific Shares before the commencement of the Offer Period.

Variation of Offer

The Offer Period may be extended and/or the Offer Price may be increased in accordance with the Act.

At any time before the end of the Offer Period, Zeta Energy reserves the right to withdraw, or to make an application to ASIC to withdraw, unaccepted Offers to the extent permitted by the Act.

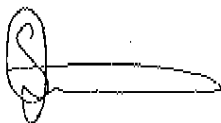
Pan Pacific Shares

The Pan Pacific Shares which are the subject of the Offer are all fully paid ordinary shares in the capital of Pan Pacific or such other shares which are issued during the Offer Period.

Immediately prior to the making of this announcement:

- (a) as far as Zeta Energy is aware, Pan Pacific had a total of 588,612,110 ordinary shares on issue; and
- (b) Zeta Energy has a relevant interest in 98,868,428 Pan Pacific Shares, representing approximately 16.8% of the total of the number of Pan Pacific Shares on issue.

Signed on behalf of GMP Securities Australia Pty Limited



.....
Andrew Fraser
Managing Director, Head of Corporate Finance
GMP Securities Australia Pty Limited

BIDDER'S STATEMENT

on-market offer by Zeta Energy Pte Ltd

(a wholly owned subsidiary of Zeta Resources Limited ARBN 162 902 481, ASX: ZER)

TO ACQUIRE ALL YOUR ORDINARY SHARES IN
PAN PACIFIC PETROLEUM NL
ACN 000 749 799
FOR 5 CENTS CASH PER SHARE

THE OFFER HAS NO CONDITIONS AND IS ABLE TO BE ACCEPTED BY SELLING ON ASX IMMEDIATELY,
ALLOWING THREE TRADING DAYS FOR RECEIPT OF CASH.

TO ACCEPT THIS OFFER PLEASE INSTRUCT YOUR BROKER TO SELL YOUR SHAREHOLDING TO ZETA
ENERGY PTE LTD ON-MARKET THROUGH THE ASX

Offer Opens 27 April 2015

Offer Closes 27 May 2015

Broker

GMP Securities Australia Pty Limited

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You should read this document in its entirety.

If you are in any doubt as to how to deal with this document, you should consult your broker or your legal,
financial or other professional adviser as soon as possible.

KEY DATES

Date of announcement of Offer	10 April 2015
Bidder's Statement lodged with Pan Pacific, ASIC and ASX	10 April 2015
Pan Pacific Shareholders able to sell Pan Pacific Shares to Zeta Energy	10 April 2015
Date of Offer	27 April 2015
Offer closes (unless extended or withdrawn) 4.00pm (AEST)	27 May 2015

These dates may vary as permitted under the Corporations Act. Any changes to the above timetable will be notified to the ASX.

ACCEPTANCE

To accept the Offer, you should follow the instructions set out in Section 2 of this Bidder's Statement.

QUESTIONS

If you have any questions in relation to this document, the Offer or how to accept the Offer, you may contact your broker or please call Julie Laffy on +65 9777 9743. Please note that calls to this number may be recorded.

Director's letter

Dear Pan Pacific Shareholder,

I am pleased to enclose a Bidder's Statement from Zeta Energy Pte Ltd ("*Zeta Energy*"), a wholly owned subsidiary of ASX-listed Zeta Resources Limited, for all of the issued ordinary shares in Pan Pacific Petroleum NL ("*Pan Pacific*") on issue during the bid period which Zeta Energy does not already own.

Zeta Energy already owns a 16.8% (rounded) interest in Pan Pacific's issued shares. By making this offer, Zeta Energy is seeking to increase its shareholding in Pan Pacific.

Zeta Energy is offering \$0.05 in cash for each of your shares in Pan Pacific. There are no conditions attached. Zeta Energy has instructed GMP Securities Australia Limited ABN 46 149 263 543 to purchase, at the offer price of \$0.05 per share, all Pan Pacific shares offered for sale to it on ASX during the offer period, which will commence at the start of trade on ASX on 27 April 2015 and finish at the close of trade on ASX on ~~27 May 2015~~ unless extended or the offer is withdrawn.

The offer values Pan Pacific at approximately A\$29.4 million. The offer provides Pan Pacific shareholders certain and immediate value and the opportunity to receive cash within 3 trading days from the date your broker actions your instruction to sell your Pan Pacific shares. Given Pan Pacific's substantial losses of the financial year ended 30 June 2014 (loss of \$29.466 million)¹ and the 6 months to 31 December 2014 (loss of \$19.755 million)², and the current uncertain economic and commodity outlook, a cash offer at a premium to market is expected to be attractive to a number of investors.

In summary, key reasons for accepting the Offer are detailed below:

- the offer is:
 - at a premium to the last trade on ASX;
 - at a premium of 13.9% to the 30 day trading volume weighted average price on ASX; and
 - at a premium of 16.8% to the 90 day trading volume weighted average price on ASX;
- the offer is paid in cash;
- the offer is unconditional;
- the offer provides price certainty for shareholders given the current uncertain economic & commodity outlook;
- the recent financial performance of Pan Pacific has not been profitable; and
- in the absence of the offer or a competing bid, Pan Pacific's share price may fall below the offer price.

If you want to accept this offer you can do so by instructing your broker to sell your shareholding on-market through ASX. Details of how to accept the bid for your shares are set out in section 2, page 11, of the Bidder's Statement.

Yours sincerely



Jonathan Chi
Director
Zeta Energy Pte Limited

¹ See Pan Pacific's Annual Report 2014; see Section 9.1 on page 22.

² See Pan Pacific's Appendix 4D, Directors' Report and Half-Year Financial Report for the period ended 31 December 2014; see Section 9.1 on page 9.

TABLE OF CONTENTS

Reasons to Accept the Offer	5
Frequently asked questions	8
Part 1: Information about the Offer	10
1. Overview of the Offer	10
2. How to accept the Offer	11
Part 2: Shareholder Information	12
3. Information on Zeta Energy	12
4. Information on Pan Pacific	13
5. Zeta Energy's intentions	14
6. Information on Pan Pacific	17
7. Funding	17
8. Taxation Implications	19
9. Additional Information	21
Part 3: Interpretation	23
10. Glossary and Interpretation	23
11. Approval of Bidder's Statement	26
Appendix 1	27
Appendix 2	28
Corporate Directory	30

Reasons to Accept the Offer

There are a number of important reasons why you should accept Zeta Energy's Offer.

These include:

1. **Zeta Energy is offering cash for your Pan Pacific Shares which provides you with price certainty compared with retaining your Pan Pacific Shares**

Zeta Energy's Offer is to acquire your Pan Pacific Shares for **5 cents CASH per share cash**.

The certainty provided by receiving cash at the Offer Price should be compared with the risks associated with remaining a Pan Pacific Shareholder, which include Pan Pacific's uncertain ability to generate future earnings, and the fact that Pan Pacific currently pays no dividends and that the trading of its shares on the ASX is relatively illiquid.

2. **The Offer is unconditional and you can sell your Pan Pacific Shares immediately and receive a cash payment three trading days after your acceptance**

There are no conditions attached to the Offer and you can sell your Pan Pacific Shares at **5 cents CASH per Pan Pacific Share** on market now. Accordingly, you can ACCEPT the Offer with the knowledge that you will be paid in cash three trading days after your acceptance (T+3 Basis).

Section 2 of this Bidder's Statement provides instructions on how you can ACCEPT the Offer. Please see "How to Accept the Offer" in section 2 on page 11 below.

3. **Offer Price represents a premium**

The Offer Price is at:

- a premium to the last traded price per Pan Pacific Share on ASX prior to the announcement of the Offer;
- 13.9% premium to 30 day volume weighted average price per Pan Pacific Share on ASX on the trading day immediately prior to the announcement of the Offer; and
- a 16.8% premium to the 90 day volume weighted average price per Pan Pacific Share on ASX on the trading day immediately prior to the announcement of the Offer.

4. **The Offer allows sale of unmarketable parcels**

According to the latest Pan Pacific Annual Report, there were 5,482³ shareholders who had less than a marketable parcel of shares at 19 September 2014. It is expected that it would be convenient for those shareholders to accept Zeta Energy's cash offer.

5. **If the Offer is not accepted then the market price of Pan Pacific Shares may fall**

While there are many factors that will influence the market price of Pan Pacific Shares, including the oil price and the stock market outlook, in the absence of the Offer or a competing bid, it is possible that after the close of the Offer the Pan Pacific Share price will fall below the value of the Offer.

³ See Pan Pacific Annual Report 2014, page 64.

IMPORTANT INFORMATION AND NOTICES

(a) Nature of this Document

This is the Bidder's Statement dated 10 April 2015 given by Zeta Energy in respect of Zeta Energy's offer to purchase for **5 cents CASH** per share all of Pan Pacific's Shares that exist or will exist at any time during the Offer Period (other than Pan Pacific Shares already held by Zeta Energy).

A copy of this Bidder's Statement was lodged with ASIC and sent to the ASX on 10 April 2015. Neither ASIC nor ASX, nor any of the officers of either of them, take any responsibility for the content of this Bidder's Statement. You should read this Bidder's Statement and seek independent advice if you have any queries in respect of the Offer.

(b) Defined terms and interpretation

Unless otherwise noted, capitalised terms and certain abbreviations used in this Bidder's Statement are defined in the Glossary in Section 10, page 23. That Section also sets out certain rules of interpretation which apply to this Bidder's Statement.

All amounts are in Australian dollars unless otherwise stated.

(c) Investment decisions

Nothing in this Bidder's Statement constitutes, or is intended to constitute, independent legal, taxation or other advice.

This document does not take into account the individual investment objectives, financial situation or particular needs of each Shareholder or any other person, and should not be relied on as the sole basis for any investment decision relating to Shares. Pan Pacific Shareholders should seek independent financial, legal and taxation advice before deciding whether to accept or reject the Offer.

(d) Forward-looking statements

This Bidder's Statement includes both historical and forward-looking statements in connection with Zeta Energy and Pan Pacific, including statements of current intention or expectation (which include those in Section 5 of this Bidder's Statement). As such forward-looking statements relate to future matters, they are subject to various inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied by any forward-looking statements. None of Zeta Energy, any of Zeta Energy's directors or officers, any person named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes, or should be taken as making, any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent that it is required by law. The forward-looking statements contained in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement. Subject to any obligations under the law or the ASX Listing Rules, Zeta Energy does not give any undertaking to update or revise any forward-looking statements after the date of this Bidder's Statement to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

(e) Important notice to Pan Pacific Shareholders in New Zealand

Pan Pacific Shareholders in New Zealand may accept the Offer on ASX (see section 2 page 11 of this Bidder's Statement) but not on NZX. The distribution of the Bidder's Statement in New Zealand and the acceptance of the Offer by New Zealand residents and companies does not contravene the law of New Zealand.

(f) Offers outside Australia

The distribution of this Bidder's Statement and the making of the Offer may in certain jurisdictions be restricted by law or regulation. The Offer is not being made, directly or indirectly, in or into, and will not (other than New Zealand) be capable of acceptance from, any jurisdiction in which the making of the Offer, or acceptance of the Offer, would not be in compliance with the laws of that jurisdiction. Persons who come into possession of this Bidder's Statement should inform themselves of, and observe, any of those restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any of these jurisdictions. Zeta Energy does not assume any responsibility for any violation by any person of any of these restrictions.

(g) Important notice to Pan Pacific Shareholders in USA

The Offer is made for the shares of an Australian-registered company. It is important that Shareholders in the USA understand that the Offer is subject to disclosure requirements in Australia that are quite different from those in the USA.

You should be aware that, subject to the Corporations Act, Zeta Energy may purchase Pan Pacific Shares otherwise than under the Offer, such as in the open market.

(h) Disclaimer as to Information on Pan Pacific

The information in this Bidder's Statement relating to Pan Pacific has been prepared by Zeta Energy using publicly available information about Pan Pacific. The information in this Bidder's Statement concerning Pan Pacific has not been independently verified by Zeta Energy or its directors. Accordingly, subject to the Corporations Act, Zeta Energy does not make, and should not be interpreted as making, any representation or warranty, express or implied, as to the accuracy or completeness of this information.

(i) Privacy

Zeta Energy will collect personal information about Pan Pacific Shareholders for the purposes of making the Offer. The Corporations Act requires the names and addresses of Pan Pacific Shareholders to be held in a public register. Zeta Energy will share that personal information with its advisers and service providers only to the extent necessary for purposes relating to the Offer. Zeta Energy may be required to disclose such personal information to regulators, such as ASIC.

(j) Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Bidder's Statement.

Frequently asked questions

What is the Offer?

Zeta Energy, a wholly owned subsidiary of Zeta Resources, is making an Offer to acquire all your Pan Pacific Shares. The Offer consideration is **5.0 cents CASH for each Pan Pacific Share**.

When can I sell my Pan Pacific Shares to Zeta Energy?

You can sell some or all your Pan Pacific Shares on-market to Zeta Energy immediately and receive cash proceeds within three trading days. Zeta Energy's Broker will stand in the market on behalf of Zeta Energy and purchase Pan Pacific Shares offered to it at the Offer Price from the Announcement Date until 27 May 2015, the date the Offer is scheduled to close (unless extended or withdrawn in accordance with the Corporations Act). To accept the Offer, you should follow the instructions set out in Section 2 of this Bidder's Statement.

If I accept the Offer, when will I be paid?

The usual rules for settlement of transactions which occur on-market on ASX will apply in respect of Zeta Energy's purchase of Pan Pacific Shares on-market. This means that you will be paid on a T+3 Basis.

What is this Bidder's Statement?

This Bidder's Statement was prepared by Zeta Energy for distribution to Pan Pacific Shareholders. This Bidder's Statement describes the terms of the Offer for your Pan Pacific Shares and information relevant to your decision whether or not to accept the Offer. This Bidder's Statement is an important document. Should you have any doubt as to how to deal with this document, you should consult your financial, legal or other professional adviser.

Who is Zeta Energy?

Zeta Energy is a wholly owned subsidiary of Zeta Resources, a company listed on ASX. Zeta Energy is incorporated in Singapore.

Zeta Resources is a closed-end investment company listed on the ASX under symbol ZER that was established in 2012 as a specialist resources investment company. Zeta Resources looks to make direct and indirect resource-based investments in a range of sectors including oil and gas, and gold and base metals. Zeta Resources had gross assets in excess of \$80 million as at 31 December 2014. More information is available at www.zetaresources.co.

How do I accept the Offer?

The Offer can only be accepted by selling all or some of your Pan Pacific Shares on market before the end of the Offer Period. You are not required to complete a form to accept the Offer. If your Pan Pacific Shares are in a CHESS Holding (if your HIN starts with an "X"), you will need to instruct your Broker to accept the Offer for you. If your Pan Pacific Shares are registered in an Issuer Sponsored Holding (if your SRN starts with an "I"), you may instruct a Broker of your choice to sell your Pan Pacific Shares and accept the Offer on your behalf. Further information on how to accept the Offer is set out in Section 2 of this Bidder's Statement.

Are there any conditions of the Offer?

No. The Offer is an unconditional cash offer.

When does the Offer close?

The Offer is currently scheduled to close at the close of trading on ASX (approximately 4:00 pm AEST) on 27 May 2015 (unless extended or withdrawn in accordance with the Corporations Act).

Will the Offer Period be extended?

The Offer Period will automatically be extended by law if Zeta Energy's Voting Power in Pan Pacific increases to more than 50% during the last 7 days of the Offer Period. In this case, the Offer Period will end on the 14th day after Zeta Energy's Voting Power in Pan Pacific increases to more than 50%.

Also, Zeta Energy may extend the Offer Period in its discretion (subject to compliance with the law).

Will I need to pay brokerage if I accept the Offer?

You are responsible for paying your own Broker's fees.

What are the tax implications of accepting the Offer?

A general description of the taxation treatment for Pan Pacific Shareholders accepting the Offer is set out in Section 8. You should not rely on that description as advice for your own affairs. You should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the Offer for your Pan Pacific Shares.

Part 1: Information about the Offer

1. Overview of the Offer

1.1. Summary of Offer terms: on-market takeover bid

Zeta Energy offers, under an on-market takeover bid, to purchase all Pan Pacific Shares that exist at any time during the Offer Period (and which Zeta Energy do not already own) for **5 cents CASH per share**. The Offer extends to any Pan Pacific Shares which come within this class during the Offer Period.

Details of the Offer were announced to the market on 10 April 2015. A copy of that announcement is set out in Appendix 2 of this Bidder's Statement.

1.2. Offer

Zeta Energy offers to acquire all Pan Pacific Shares together with rights attaching to them for consideration of **5 cents CASH per share**, on the terms and conditions set out in this Offer.

1.3. How the Offers will be made

The Offers will be made on behalf of Zeta Energy by Zeta Energy's Broker through the ASX during the Offer Period.

1.4. Persons to whom the Offer is made

Zeta Energy is making the Offer to each holder of Pan Pacific Shares on Pan Pacific's register of members on the Announcement Date and the holders of all Pan Pacific Shares that are issued during the period from the Announcement Date until the end of the Offer Period. Accordingly, the Offer and copies of this document will be sent to those persons who are the holders of Pan Pacific Shares as at the Announcement Date.

The Offer extends to any person who is able during the Offer Period to give good title to a parcel of Pan Pacific Shares. That person may accept as if an offer on terms identical to the Offer had been made to them for those Pan Pacific Shares.

1.5. Offer Period

The Offer Period will officially commence on the start of trading on ASX on 27 April 2015 and finish immediately at the close of trading on the ASX on 27 May 2015, unless extended or withdrawn.

However, from the time trading in Pan Pacific Shares commenced on 27 April 2015, Zeta Energy's Broker has stood in the market and offered to acquire on behalf of Zeta Energy all Pan Pacific Shares offered to it on ASX at the Offer Price, and will continue to do so prior to the Offer Period, unless the Offer is withdrawn.

1.6. Acquisitions prior to Offer Period

From the time trading in Pan Pacific Shares commenced on 10 April 2015, Zeta Energy's Broker stood in the market and offered to acquire on behalf of Zeta Energy all Pan Pacific Shares offered to it on ASX at the Offer Price, prior to the Offer Period, unless the Offer is withdrawn. Zeta Energy's Broker will continue to stand in the market and acquire on behalf of Zeta Energy all Pan Pacific Shares offered to it on ASX at the Offer Price, prior to the Offer Period, unless the Offer is withdrawn.

1.7. Extension of the Offer Period

Zeta Energy may, at its discretion, extend the Offer Period (subject to compliance with the law).

The Offer Period will automatically be extended by law if Zeta Energy's Voting Power in Pan Pacific increases to more than 50% during the last 7 days of the Offer Period. In this case, the Offer Period will end on the 14th day after Zeta Energy's Voting Power in Pan Pacific increases to more than 50%.

1.8. Payment Date

The usual rules for settlement of transactions which occur on market on the ASX will apply in respect of Zeta Energy's purchase of Pan Pacific Shares pursuant to the Offer. This means that if you accept the Offer, you will be paid in CASH on a T + 3 day basis.

1.9. No conditions

The Offer is not subject to any conditions.

1.10. Foreign Laws

The Offer is not registered in any jurisdiction outside Australia (unless an applicable Foreign Law treats it as registered as a result of this document being lodged with ASIC). The law of New Zealand permits Pan Pacific Shareholders in New Zealand to accept the Offer. It is your sole responsibility to satisfy yourself that you are permitted by any Foreign Laws applicable to you to accept the Offer.

1.11. Brokerage and other costs

As the Offer by Zeta Energy is pursuant to an on-market takeover bid, Offers will be made during normal trading on ASX. Pan Pacific Shareholders may accept the Offer through Brokers who are members of ASX. Pan Pacific Shareholders will be responsible for the payment of their own brokerage fees.

No stamp duty or GST will be payable by you on the transfer of Pan Pacific Shares pursuant to the Offer (other than any GST payable to your Broker in respect of brokerage fees charged to you).

1.12. Withdrawal of Offer

Zeta Energy may withdraw the Offer in respect of unaccepted offers at any time:

- with the written consent of ASIC and subject to the conditions (if any) specified in such consent; or
- where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence, Zeta Energy's Voting Power in Pan Pacific is at or below 50%; or
- upon the occurrence of an Insolvency Event in relation to Pan Pacific (regardless of Zeta Energy's Voting Power in Pan Pacific).

Notice of withdrawal of the Offer must be given by Zeta Energy to the ASX.

1.13. Variation of Offer

Zeta Energy may vary the Offer by increasing the Offer Price in accordance with the law. If a Pan Pacific Shareholder has sold their Pan Pacific Shares prior to any such variation of the Offer, that Pan Pacific Shareholder will not receive any benefit from the variation.

1.14. Jurisdiction

The Offer and any contract that results from a Pan Pacific Shareholder's acceptance of the Offer are governed by the laws in force in New South Wales, Australia.

2. How to accept the Offer

2.1. How to sell your Pan Pacific Shares to Zeta Energy

Pan Pacific Shareholders may sell some or all of their Pan Pacific Shares to Zeta Energy on market by offering to sell some or all of their Pan Pacific Shares on ASX at the Offer Price on and from the start of trading on ASX on 27 April 2015 until the end of the Offer Period.

Zeta Energy's Broker will stand in the market to acquire on behalf of Zeta Energy all Pan Pacific Shares offered at the Offer Price during normal trading on ASX on and from 27 April 2015 as follows:

- **For Issuer Sponsored Holdings of Pan Pacific Shares (Securityholder Reference Number beginning with "I"):** To sell your Pan Pacific Shares to Zeta Energy you may instruct any Broker to initiate acceptance;
- **For CHESS Holdings of Pan Pacific Shares (Holder Identification Number beginning with "X"):** To sell your Pan Pacific Shares to Zeta Energy you must instruct your Controlling Participant to initiate acceptance; and
- **For Brokers and Participants:** To sell Pan Pacific Shares to Zeta Energy you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules.

You are not required to complete a form to accept the Offer.

Part 2: Shareholder Information

3. Information on Zeta Energy

3.1. Overview of Zeta Energy

Zeta Energy is incorporated in Singapore with the purpose of making investments in the Oil & Gas sector. Presently, Zeta Energy's only business is the holding of shares on issue by publicly listed companies. Zeta Energy holds 16.8% of the shares on issue by Pan Pacific.

Zeta Energy is a subsidiary of Zeta Resources, a company incorporated in Bermuda and listed on the ASX. Zeta Resources has investments in a number of mining resource sectors including oil and gas, gold and copper and nickel.

3.2. Directors

As at the date of this Bidder's Statement, the directors of Zeta Energy are:

Jonathan Chi

Jonathan is a chartered accountant, having qualified in 1994 with Greenwood Challoner in Australia. He is currently General Manager of ICM Research Pte Limited and a licensed exempt financial advisor in Singapore. He is an experienced company director and has over 15 years' experience in accounting and investment. He is a Fellow of Chartered Accountants Australia and New Zealand and a member of the Singapore Institute of Directors.

Duncan Saville

Duncan is a chartered accountant and chairman of ICM Limited, a funds management group that specialises in infrastructure and utility companies, financial services and mining and resources companies. He is an experienced non-executive director and is currently a non-executive director of three ASX-listed companies. He is a Fellow of Chartered Accountants Australia and New Zealand, the Australian Institute of Company Directors and the Financial Services Institute of Australia and is a member of the Singapore Institute of Directors.

3.3. Zeta Energy's Relevant Interest and Voting Power in Pan Pacific

As at the date of this Bidder's Statement, Zeta Energy holds and has a relevant interest in 98,868,428 Pan Pacific Shares, being 16.8% of the Pan Pacific Shares on issue.

As at the date of this Bidder's Statement, Zeta Energy has a Voting Power in Pan Pacific of 16.8% owing to the Pan Pacific Shares which it holds.

3.4. Directors' interests in Pan Pacific

No Zeta Energy director has an interest in Pan Pacific Shares.

Duncan Saville, a director of Zeta Energy, is also a director of New Zealand Oil & Gas Limited. New Zealand Oil & Gas Limited, and companies associated with it or controlled by it, beneficially own or have relevant interests in 90,859,047 Pan Pacific Shares, or 15.44%⁴ of the Pan Pacific Shares on issue as at the Announcement Date.

Peter Sullivan, a director (and the Chairman) of Zeta Resources, is also a director (and the Chairman) of Pan Pacific.

3.5. Zeta Energy's intentions before commencement of the Offer Period

Zeta Energy's present intention is to purchase Pan Pacific Shares on ASX from the time the Offer is announced up to the commencement of the Offer Period. Any such Pan Pacific Shares will be purchased at the Offer Price.

4. Information on Pan Pacific

4.1. Profile of Pan Pacific

Pan Pacific is listed on the ASX and the NZX under symbol PPP. It was listed in 1979.

Pan Pacific has stated⁵ that in the near term it will concentrate on maximising the value of its existing assets. Pan Pacific had net assets of \$49.7 million⁶ as at 31 December 2014. As at 9 September 2014 Pan Pacific had approximately 9,400⁷ shareholders.

Pan Pacific made a loss before tax of \$19.755 million for the 6 months to 31 December 2014⁸ and a loss of \$29.466 million for the year to 30 June 2014⁹.

Pan Pacific's registered office and principal place of business is located at 3rd Floor, 123 Walker Street, North Sydney NSW 2060, Australia. More information is available at www.panpacificpetroleum.com.au.

4.2. Publicly available information

The information in this Section 4 has been prepared based on a review of publicly available information concerning Pan Pacific, unless otherwise stated. It has not been verified and Zeta Energy does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information concerning Pan Pacific may be included in its target's statement in relation to the Offer.

Being a company listed on the ASX, Pan Pacific is subject to the periodic and continuous disclosure requirements. Accordingly, more information concerning Pan Pacific, including Pan Pacific's Half Year Financial Report for the Period Ended 31 December 2014, may be accessed via the ASX website (www.asx.com.au) or Pan Pacific's website (www.panpacificpetroleum.com.au).

⁴ See Pan Pacific Annual Report 2014, Notice of Change of Interest of Substantial Holder dated 23 December 2008, and "Disclosure of Movement of 1% or more in substantial holding or change in nature of relevant interest or both" dated 23 December 2008; see Section 9.1 on page 21.

⁵ See Pan Pacific Annual Report 2014, page 3, 'Director's Report'.

⁶ See Pan Pacific's Appendix 4D, Directors' Report and Half-Year Financial Report for the period ended 31 December 2014, page 10.

⁷ See Pan Pacific Annual Report 2014, page 64.

⁸ See Pan Pacific's Appendix 4D, Directors' Report and Half-Year Financial Report for the period ended 31 December 2014; see Section 9.1 on page 21.

⁹ See Pan Pacific's Annual Report 2014; see Section 9.1 on page 21.

5. Intentions of Zeta Energy and Zeta Resources

5.1. Overview

This Section 5 sets out the intentions of Zeta Energy and Zeta Resources, on the basis of the facts and information concerning Pan Pacific known to them, in relation to the following:

- the continuation of the business of Pan Pacific;
- any major changes to the business of Pan Pacific and any redeployment of the fixed assets of Pan Pacific; and
- the future employment of the present employees of Pan Pacific.

Zeta Energy and its advisers have reviewed information that is publicly available concerning Pan Pacific and its businesses and assets. However, Zeta Energy has not undertaken any formal due diligence in relation to Pan Pacific's businesses in connection with the Offer and consequently does not believe that it is aware of all material information, facts and circumstances that may be necessary to enable it to assess all of the operational, commercial, taxation and financial implications of its current intentions.

At the conclusion of the Offer Period (or at such earlier time as Zeta Energy acquires a controlling interest in Pan Pacific), Zeta Energy will, to the extent to which it is able, conduct a review of Pan Pacific and its operations, assets, liabilities and employees following which it will review its intentions as set out in this Section 5. Final decisions will only be reached by Zeta Energy after that review has been concluded and the results evaluated and in the light of all material information, facts and circumstances that exist at that time.

Consequently, the statements set out in this Section 5 are statements of current intention only, which may change as new information becomes available or circumstances change. The statements in this Section 5 should be read in this context.

5.2. Intentions upon acquiring 90% or more of Pan Pacific Shares

Zeta Energy's intentions, if it acquires shares which take its total holding to more than 90% of Pan Pacific's Shares and is entitled to proceed to compulsory acquisition of the outstanding Pan Pacific Shares, are set out below.

Compulsory acquisition

If it becomes entitled to do so under the Corporations Act, Zeta Energy intends to:

- (a) give notices to Shareholders to compulsorily acquire outstanding Pan Pacific Shares in accordance with section 661B of the Corporations Act; and/or
- (b) if necessary, give notices to Shareholders to compulsorily acquire all outstanding Pan Pacific Shares in accordance with section 664C of the Corporations Act.

If it is required to do so under section 662A of the Corporations Act, Zeta Energy will give notice to Pan Pacific Shareholders offering to acquire their Pan Pacific Shares in accordance with section 662B of the Corporations Act, respectively.

ASX Listing and NZX Listing

At the conclusion of the compulsory acquisition process, Zeta Energy intends to arrange for Pan Pacific to be removed from the official lists of ASX and NZX (subject to any required approvals on the part of either ASX or NZX), thereby eliminating the corporate administration costs associated with maintaining Pan Pacific as a listed company.

Directors

Zeta Energy intends to replace with its own nominees all members of the Boards of Pan Pacific, its subsidiaries and any company in respect of which Pan Pacific has nominated directors, who are not

directors of Zeta Resources. Replacement directors have not been identified by Zeta Energy and their identity will depend on the circumstances at the relevant time.

Pan Pacific's businesses, assets and employees

Following the close of the Offer and if Zeta Energy is entitled to acquire 100% of Pan Pacific Shares, then Zeta Energy intends, with the involvement of Pan Pacific's board and management, to conduct a review of the operations, assets, structure and employees of Pan Pacific in light of that information to identify:

- (a) how best to optimise Pan Pacific's strategy, and improve Pan Pacific's vision, with a view to deciding the most cost-effective method, with the least risk, of increasing Pan Pacific's reserves and extracting synergies;
- (b) business opportunities and areas of revenue generation which may provide overall strategic operational benefit; and
- (c) areas of cost savings and synergies which may provide overall strategic and operational benefit.

Final decisions will not be reached until after that review, and in light of all material facts and circumstances.

While Zeta Energy does not currently have any specific intentions in relation to this review or its outcomes, its current expectation is that the review will focus on identifying the most effective means of utilising Pan Pacific's assets and maximising the investment Zeta Energy has made in Pan Pacific.

The status of Pan Pacific's existing employees will be considered as part of the review outlined above. Zeta Energy has no present intention regarding the retention, or otherwise, of Pan Pacific's employees or service providers to Pan Pacific.

5.3. Intentions upon Acquisition more than 50% but less than 90% of Pan Pacific Shares

Zeta Energy's intentions, if it acquires Pan Pacific Shares which take its total holding to more than 50% but less than 90% of Pan Pacific Shares, are set out below.

ASX Listing and NZX Listing

Zeta Energy's intention is that Pan Pacific remain listed on ASX and NZX.

Directors

Zeta Energy will consider, subject to the Corporations Act and Pan Pacific's Constitution, seeking to re-constitute the Board of Directors of Pan Pacific to reflect Zeta Energy's majority ownership of Pan Pacific whilst at the same time including directors that are independent from Zeta Energy. Existing directors of Pan Pacific who are not directors of Zeta Resources may be invited to remain as directors of Pan Pacific, depending on their preferences and strategic view points. Zeta Energy has not made a final decision as to the constitution of the Board or who Zeta Energy's nominees would be; their identity would depend on the relevant circumstances at the time.

Pan Pacific's businesses, assets and employees

Zeta Energy intends to attempt to procure that the Pan Pacific Board and management implements the intentions of Zeta Energy which are outlined in Section 5.2 above to the extent possible and appropriate.

Dividends

Pan Pacific does not currently pay a dividend. Zeta Energy has not made a decision on maintaining or changing this practice.

Capital raisings & funding

Zeta Energy has no present view about whether Pan Pacific's present business plans may require a capital raising or additional debt funding.

Further acquisitions of Pan Pacific Shares

Zeta Energy may acquire additional Pan Pacific Shares under the "creep" provisions of the Corporations Act. In summary, those provisions would permit Zeta Energy and its Associates to acquire up to 3% of Pan Pacific Shares every 6 months after completion of the Offer. Zeta Energy has not yet decided whether it will acquire further Pan Pacific Shares under the "creep" provisions in the future, as that will be dependent upon (among other things) the extent of Voting Power of Zeta Energy and its Associates in Pan Pacific and market conditions at the time. Zeta Energy may also acquire additional Pan Pacific Shares as permitted by the Corporations Act as part of any future capital raising by Pan Pacific.

If Zeta Energy becomes entitled to give notices to compulsorily acquire any outstanding Pan Pacific Shares in accordance with section 864C of the Corporations Act, Zeta Energy's present intention is to give such notices.

Information protocols

Zeta Energy will seek access to all books and records of Pan Pacific to assist it to implement its intentions as set out above. Whether such access is given would be a decision for the independent directors of Pan Pacific at the time, after complying with their statutory and fiduciary duties. If access is given, those books and records may contain confidential information concerning Pan Pacific. Zeta Energy contemplates that such access would be given under an appropriate confidentiality agreement.

5.4. Intentions if Zeta Energy acquires less than 50% of Pan Pacific Shares

If Zeta Energy acquires Pan Pacific Shares which take its total holding to less than 50% of Pan Pacific Shares, it will consider seeking to obtain additional representation on the Board of Pan Pacific. Through any such additional representation, Zeta Energy will attempt to procure that the Pan Pacific Board and management implement the intentions of Zeta Energy which are outlined in Section 5.2 above to the extent possible.

Zeta Energy may, in the future, acquire further Pan Pacific Shares in compliance with the requirements of the Corporations Act, as described in section 5.3 above, under the heading 'Further acquisitions of Pan Pacific Shares'.

5.5. Intentions of Zeta Resources

Zeta Resources' present intention in respect of Pan Pacific is to cause Zeta Energy to undertake the steps outlined in sections 5.2, 5.3 and 5.4 above

5.6. Limitations on intentions

If at the conclusion of the Offer, Pan Pacific is a controlled entity, but is not a wholly owned subsidiary, of Zeta Energy there will be minority Pan Pacific Shareholders. In this event Zeta Energy expects that there may be directors on the Board who are independent from Zeta Energy, which may include one or more of the current directors of Pan Pacific who are not directors of Zeta Resources. Zeta Energy will expect that any directors appointed to the Board by Zeta Energy will act at all times in accordance with their statutory and fiduciary duties. Zeta Energy intends that all requisite shareholder approvals and other requirements of law, including the Corporations Act, ASX Listing Rules and NZX Listing Rules, are complied with in pursuing any of the intentions referred to above.

As a result of these requirements the approval of minority Pan Pacific Shareholders may be required for the implementation of some or all of the intentions outlined above. The requirement for Pan Pacific directors to have regard to their fiduciary duties and the possible requirement to seek approval of Pan Pacific minority shareholders may prevent a particular intention from being achieved.

6. Information on Pan Pacific

6.1. Issued securities

According to publicly available information, Pan Pacific has on issue at the date of this Bidder's Statement 588,612,110 fully paid ordinary shares.

6.2. Relevant interest in Pan Pacific securities and Voting Power

As at the date of this Bidder's Statement, Zeta Energy holds, and has a relevant interest in, 98,868,428 Pan Pacific Shares. Zeta Energy's Voting Power in Pan Pacific is 16.8% because of the Pan Pacific Shares it holds.

6.3. Consideration provided for Pan Pacific securities during previous four months

Except for the acquisitions of Pan Pacific Shares set out in Appendix 1 below, Zeta Energy has not acquired Pan Pacific Shares during the period of 4 months ending on the day immediately before the date of the Offer. No Pan Pacific Shares have been acquired by an Associate of Zeta Energy during period of 4 months ending on the day immediately before the date of the Offer.

6.4. Pan Pacific Share price history

The highest and lowest closing prices on ASX during the three months immediately before 10 April 2015 were:

- (a) Highest – 4.9 cents on 18 February 2015; and
- (b) Lowest – 3.9 cents on 23 January 2015.

6.5. Inducing benefits given during previous four months

Neither Zeta Energy nor any of its Associates has, during the period of four months ending on the day immediately before the date of the Offer, given, offered or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to:

- (a) accept the Offer; or
- (b) dispose of Pan Pacific Shares,

which benefit was not offered to all Pan Pacific Shareholders under the Offer.

7. Funding

7.1. Maximum cash consideration

The consideration for the acquisition of Pan Pacific Shares to which the Offer relates will be satisfied wholly in cash.

If the Offer is accepted in respect of all of the Pan Pacific Shares which are on issue as at the Announcement Date, other than the Pan Pacific Shares already owned by Zeta Energy (see Section 3.3), the maximum consideration payable by Zeta Energy for those shares will be approximately \$24.5 million.

7.2. Zeta Energy's funding arrangements

Zeta Energy has a loan facility of \$25 million from Utilico which has an undrawn balance of \$25 million. Utilico is an investment company listed on the London Stock Exchange which owns 84% of the shares on issue by Zeta Resources on the Announcement Date. Zeta Energy has been advised by Utilico that Utilico will fund drawings on this facility from its internal resources and undrawn bank facilities.

Zeta Energy will not use any cash which it holds to pay any of the potential acquisition price of the Pan Pacific Shares to which the Offer relates. Zeta Energy will pay those acquisitions costs with funds drawn from the loan facility from Utilico and considers that the facility will be sufficient to fund 100% of that acquisition price.

Particulars of this loan facility from Utilico are:

Lender	Utilico Investments Limited.
Borrower	Zeta Energy Pte Limited.
Facility Limit	A\$25 million (wholly drawn at the date of this Bidder's Statement).
Facility Type	Revolving Credit Facility.
Purpose	Investment by Borrower.
Availability Period	Subject to satisfaction of conditions precedent, the facility is presently available for drawing and will remain available at all times during the Offer Period and the period following the Offer Period in which payments will be due for Pan Pacific Shares purchased by Zeta Energy during the Offer Period.
Conditions for Drawdown	<ul style="list-style-type: none"> (i) each representation and warranty given or made by the Borrower in the loan agreement is true and accurate as at the date of the drawdown; (ii) no event of default or potential event of default (each as defined) has occurred and is continuing or will occur as a result of the proposed drawdown; (iii) the proposed drawdown would not cause this facility limit to be exceeded; (iv) the Lender receives a drawdown notice; and (v) the Lender is provided with (or has waived the requirement for) at least one business day before the proposed drawdown with a certified copy of a resolution by the Borrower's board of directors approving the drawdown notice and authorising the Borrower's execution of the drawdown notice.
Conditions Precedent	<p>The availability of drawings under the Facility is subject to the condition precedent that the Lender is provided with the following at least one business day prior to the proposed drawdown:</p> <ul style="list-style-type: none"> (i) certified copies of the certificate of incorporation of the Borrower, any certificate of change of name by the Borrower and the by-laws of the Borrower; (ii) certified copies of the resolutions of the Borrower's board of directors: <ul style="list-style-type: none"> (A) approving the loan agreement; and (B) authorising the Borrower's execution of the loan agreement; and (C) authorising person(s) to sign the first drawdown notice; and (iii) specimen signatures authenticated to the satisfaction of the Lender, of the person(s) authorised to sign drawdown notices.

Zeta Energy is of the view that the conditions precedent for the facility and the conditions for drawdown will each be satisfied before any payment of the purchase price for Pan Pacific Shares purchased under the Offer is due, and that there are reasonable grounds for it to hold this view.

Zeta Energy is of the view that it will be able to pay the price for the acquisition of Pan Pacific Shares under the Offer, and that there is a reasonable basis for it to hold that view.

8. Taxation Implications

8.1. No tax advice given

Acceptance of the Offer may have taxation implications. You should seek professional advice regarding the taxation implications of accepting the Offer.

Zeta Energy and its advisers do not accept any liability or responsibility for any taxation implications arising from the acceptance of the Offer by Australian resident and non-resident Shareholders or for the summary below. Shareholders of Pan Pacific should obtain independent Australian advice on the taxation consequences of the Offer before accepting.

8.2. Australian taxation issues for Pan Pacific Shareholders

The information below is based upon Australian taxation law and practice in effect at the date of this Bidder's Statement. It does not take account of any specific facts or circumstances that may apply to particular shareholders and does not constitute tax advice by Zeta Energy and its advisers to any Pan Pacific Shareholder. You are advised to seek independent professional advice regarding the Australian or international tax consequences of disposing of your Pan Pacific Shares.

This summary deals only with the disposal of shares held on capital account and does not deal with the taxation consequences of disposing of Pan Pacific Shares issued under an employee share scheme or acquired as a result of exercising an option granted under an employee share scheme or share option scheme, or held by:

- a share trader, professional investor, financial institution, securities dealer or life insurance company;
- a tax exempt organisation;
- a partnership; or
- a person acting as trustee of a trust, except in relation to the comments at 8.6 and 8.7 below.

The disposal of your Pan Pacific Shares by accepting the Offer will constitute a "CGT event" for the purposes of the Australian capital gains tax provisions. The disposal will occur on the date on which you accept the Offer.

The Australian capital gains tax, GST and stamp duty implications of disposing of your Pan Pacific Shares are summarised below.

8.3. Shareholders who acquired their shares before 20 September 1985

If you have continuously held your Pan Pacific Shares since before 20 September 1985, the disposal is not subject to capital gains tax unless there has been a deemed acquisition after that date.

8.4. Shareholders who are Australian resident companies or individuals

If you are a company, the whole of any capital gain on the disposal of your Pan Pacific Shares will be included in the calculation of your net capital gain for the income year. Capital gains tax rollover relief will not be available.

If you are an individual and you have owned your Pan Pacific Shares for at least one year, one-half of any capital gain on the disposal of your Pan Pacific Shares will be included in the calculation of your net capital gain for the income year. If you owned your Pan Pacific Shares for less than one year before disposing of them, the whole of any capital gain on the disposal will be included in the calculation of your net capital gain for the income year. If you have a capital loss from another capital gains tax event in the income year or carried forward from a previous income year, and that loss is set off against a capital gain on your Pan Pacific Shares, then the set-off of the loss occurs before applying the 50% discount (if available) to the remaining gain.

For both a company and an individual, the whole of a capital loss on the disposal of your Pan Pacific Shares will be included in the calculation of your net capital gain for the income year.

If you have a net capital gain for the income year after taking account of all capital gains tax events, the net capital gain will be included in your assessable income for the year. If you have a net capital loss, it will be carried forward for offset against capital gains arising in future income years. For companies, utilisation of carried forward capital losses is subject to the satisfaction of a "continuity of ownership" test or a "same business" test.

8.5. Shareholders who are non-resident companies or individuals

If you are not a resident of Australia for tax purposes and hold your Pan Pacific Shares on capital account you will not be subject to capital gains tax on the disposal of your Pan Pacific Shares unless:

- (a) you used your Pan Pacific Shares at any time in carrying on a business through a permanent establishment in Australia; or
- (b) your Pan Pacific Shares are "taxable Australian property". This will be the case if both of these conditions apply to you:
 - (i) you (and your associates) held a beneficial interest of at least 10% in Pan Pacific either at the time you sold your Pan Pacific Shares or for at least 12 months during the 24 months before you sold your Pan Pacific Shares; and
 - (ii) at the time of disposing of your Pan Pacific Shares, 50% or more of the value of Pan Pacific is or was represented by direct or indirect ownership interests in Australian real property. For this purpose, indirect interests in real property are traced through entities in which Pan Pacific has at least a 10% direct or indirect beneficial interest, and real property currently includes leasehold interests and mining or prospecting rights in respect of minerals in Australia. It is proposed to extend the definition with effect from 14 May 2013 to include related intangible assets such as mining and prospecting information – these proposed changes have not become law; or
- (c) you were previously an Australian tax resident individual and elected not to dispose of your Pan Pacific Shares for capital gains tax purposes on cessation of your Australian tax residence.

If the disposal of your Pan Pacific Shares is subject to Australian capital gains tax, the capital gains tax consequences of disposal will be as described in 8.4 above for an Australian resident company or individual, with the following modification. The 50% capital gains tax discount that applies to capital gains accruing to individuals who dispose of an asset after owning it for at least one year is restricted as follows for non-resident individuals:

- (a) the discount will not be available in respect of capital gains arising before 8 May 2012 unless the taxpayer values the asset at the end of 8 May 2012;
- (b) if a valuation is done, the discount will be available for gains that accrued up to 8 May 2012; and
- (c) the discount will be available on a pro rata basis where the shareholder was an Australian tax resident for part of the ownership period.

The tax rules applying where non-residents dispose of indirect interests in Australian real property are complex and any non-resident Pan Pacific Shareholder should obtain specific advice on the application of the rules.

8.6. Shareholders who are trustees of complying superannuation funds

The capital gains tax consequences of disposal of Pan Pacific Shares by a trustee of a "complying superannuation fund", as defined for Australian tax purposes, will be as stated in 8.4 above for an Australian resident individual, except that one third, and not one half, of a capital gain on disposal of the fund's Pan Pacific Shares will be excluded in calculating the fund's net capital gain for the income year if the fund owned the Pan Pacific Shares for at least one year prior to the date of disposal. No

capital gains tax applies where the Pan Pacific shares have been set aside to meet current pension liabilities.

8.7. Shareholders who are trustees of other trusts

Capital gains arising in trusts, to which beneficiaries of trusts are "specifically entitled", are treated as having accrued directly to those beneficiaries. A gain to which no beneficiary is "specifically entitled" is treated as accruing to the trustee (by election if the trust deed so permits, otherwise automatically), or is allocated on a proportionate basis to those beneficiaries of the trust who are presently entitled to income of the trust estate. If a gain is treated as accruing to a non-resident beneficiary, the trustee will be assessed on the gain that would be assessed in the hands of the beneficiary. Beneficiaries of fixed trusts are not subject to capital gains tax unless the trust's shares in Pan Pacific are taxable Australian property (see 8.5 above).

The tax rules regarding capital gains accruing to trusts are complex and trustees should obtain tax advice based on the specific circumstances of the trust.

8.8. Foreign Taxation Issues

The foreign taxation implications of non-Australian resident Shareholders disposing of Pan Pacific Shares will be a function of the taxation laws (foreign and Australian) as they apply to the Shareholders. It is not possible to address the foreign situations as they will be specifically dependent on the taxation laws of the applicable jurisdictions, any relevant double-tax agreements and the particular circumstances of the Shareholder.

8.9. Transfer Taxes – Stamp Duty and GST

Generally, no stamp duty (share transfer duty) is payable for transfers of shares in listed companies. 'Land rich' or 'Landholder' duty may be payable following an acquisition of 90% or more of Pan Pacific Shares if Pan Pacific directly or indirectly holds any interests in land in Australia with a value over a certain threshold. Should any such duty become payable as a result of the Offer, the applicable duty will be paid by Zeta Energy.

The disposal of Pan Pacific Shares pursuant to the Offer would not be subject to GST. To the extent that you are charged GST in relation to your Broker or Controlling Participant carrying out your instructions to institute acceptance of the Offer or for any other costs incurred in accepting the Offer, you may not be able to claim any or full input tax credits for GST incurred on the costs as the disposal of shares is input taxed. This will depend on the individual circumstances of each Shareholder.

9. Additional Information

9.1. ASIC class orders and modifications

Zeta Energy has relied on the modification to section 636(3) of the Corporations Act set out in ASIC Class Order CO13/521 to include references to certain statements which are made or based on statements made in the following documents lodged by Pan Pacific with ASIC or ASX:

- Pan Pacific Appendix 4D, Directors' Report and Half-Year Financial Report for the period ended 31 December 2014, pages 29 and 10.
- Pan Pacific Annual Report 2014, pages 3, 4, 22 and 64.
- Notice of Change of Interest of Substantial Holder dated 23 December 2008, lodged with ASIC by Pan Pacific on 23 December 2008, New Zealand Oil & Gas Limited.
- "Disclosure of Movement of 1% or more in substantial holding or change in nature of relevant interest or both" dated 23 December 2008 lodged with ASIC in respect of Pan Pacific by New Zealand Oil & Gas Limited.

Pursuant to the Class Order, the consent of the relevant person is not required for the inclusion of such statements in this Bidder's Statement. As required by the Class Order, Zeta Energy will make available

a copy of these documents (or of relevant extracts from these documents), free of charge, to any Pan Pacific Shareholder who requests it during the Offer Period. To obtain a copy of these documents (or the relevant extracts), you may telephone +65 9777 9732 from Monday to Friday between 9:00 am and 5:00 pm (AEST).

Zeta Energy has not obtained from ASIC any modifications of or exemptions from the Corporations Act in relation to the Offer. Zeta Energy may rely on class order relief granted by ASIC which applies generally to all persons, including Zeta Energy.

9.2. Regulatory and other approvals

There are no regulatory approvals that Zeta Energy is required to obtain before acquiring Pan Pacific Shares under the Offer.

9.3. Approvals for payment of consideration

Zeta Energy is not aware of any Pan Pacific Shareholder who requires any approval or clearance, in accordance with the statutory requirements below, in order to be entitled to receive any consideration under the Offer.

(a) Banking (Foreign Exchange) Regulations 1959 (Cth)

The *Banking (Foreign Exchange) Regulations 1959 (Cth)* may impose restrictions on certain financial transactions and require the consent of the Reserve Bank of Australia for the movement of funds into and out of Australia. Zeta Energy understands that restrictions currently apply if funds are to be paid to, or received from:

- (i) specified individuals and entities associated with the former government of the Federal Republic of Yugoslavia;
- (ii) specified ministers and senior officials of the Government of Zimbabwe;
- (iii) certain specified entities associated with the Democratic People's Republic of Korea (North Korea);
- (iv) specified individuals and entities associated with the Libyan regime;
- (v) specified individuals and entities associated with the Syrian regime;
- (vi) specified individuals associated with the Burmese regime; and
- (vii) several entities and individuals who contribute to Iran's proliferation activities not already listed by the UN Security Council.

(b) Other Commonwealth legislation

The *Charter of the United Nations Act 2002 (Cth)* prohibits:

- (i) assets from being provided to proscribed persons or entities; and
- (ii) the use or dealing, and facilitation of such use or dealing, of certain assets owned or controlled by proscribed persons or entities,

in each case without the written consent of the Minister of Foreign Affairs.

Persons and entities from various countries have been proscribed under various Regulations made pursuant to the *Charter of the United Nations Act 2002 (Cth)* including in relation to Al-Qaida and the Taliban, Cote d'Ivoire, Democratic People's Republic of Korea (North Korea), Democratic Republic of Congo, Eritrea, Iran, Liberia, Libya, Somalia and Sudan.

9.4. No escalation agreements

Neither Zeta Energy nor any Associate of Zeta Energy has entered into any escalation agreement in respect of Pan Pacific Shares that is prohibited by section 622 of the Corporations Act.

9.5. Consents

Each of Church & Grace and GMP Securities has given and has not, before lodgement of this Bidder's Statement with ASIC, withdrawn its consent to the inclusion of:

- (a) references to its name; and
 - (b) additionally, in the case of GMP Securities, the statement it has made as set out in Appendix 2,
- in this Bidder's Statement in the form and context in which those references and statements appear.

Each person who is named in this Bidder's Statement as acting in a professional capacity for Zeta Energy in relation to the Offer (including, without limitation, Church & Grace and GMP Securities):

- (a) does not make, or purport to make, any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based, other than a statement included in this Bidder's Statement with the consent of that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than any statement which has been included in this Bidder's Statement with the consent of that party.

Each of Zeta Resources and Utilico has given and has not, before lodgement of this Bidder's Statement with ASIC, withdrawn its consent to the inclusion of:

- (a) references to its name; and
- (b) the statements by it, or said to be based on a statement by it,

in this Bidder's Statement in the form and context in which those references and statements appear.

9.6. No other material information

There is no other information that:

- is material to the making of the decision by a holder of Pan Pacific Shares whether or not to accept the Offer; and
- which is known to Zeta Energy,

other than:

- as set out or referred to elsewhere in this Bidder's Statement; or
- information which it would be unreasonable to require Zeta Energy to disclose because the information has previously been disclosed to holders of Pan Pacific Shares.

Part 3: Interpretation

10. Glossary

10.1. Glossary

The following terms have the meanings set out below unless the context requires otherwise:

AEST (or Sydney time) means Australian Eastern Standard Time.

Announcement Date means 10 April 2015, being the date of the Broker Announcement.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in section 12 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange it operates.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Bidder's Statement means this document, being the bidder's statement of Zeta Energy under Part 6.5 of the Corporations Act relating to the Offer.

Broker means a person who is a share broker and a participant in CHESS.

Broker Announcement means the announcement in relation to the Offer made by Zeta Energy's Broker on 10 April 2015, a copy of which is set out in Appendix 2.

Business Day means a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday in that place).

CGT means Australian capital gains tax.

CHESS means the Clearing House Electronic Sub-Register System operated by ASX Settlement, which provides for the electronic transfer, settlement and registration of securities in Australia.

CHESS Holding means a holding of Shares on the CHESS sub register of Pan Pacific.

Controlling Participant in relation to Pan Pacific Shares has the same meaning as in the ASX Settlement Operating Rules.

Corporations Act means the *Corporations Act 2001 (Cth)* and any regulations made under that Act.

Foreign Law means a law of a jurisdiction other than an Australian jurisdiction.

GST means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*.

Holder Identification Number or **HIN** means the number used to identify a Pan Pacific Shareholder on the CHESS sub-register of Pan Pacific.

Insolvency Event means any of the events set out in section 652C(2) of the Corporations Act.

Issuer Sponsored Holding means a holding of Pan Pacific Shares on Pan Pacific's issuer sponsored sub-register.

Listing Rules means the listing rules of ASX as amended or varied from time to time.

NZX means NZX Limited, the operator of a securities market in New Zealand.

Offer or **Zeta Energy Offer** means the offer to acquire Pan Pacific Shares under the terms and conditions contained in this Bidder's Statement, as may be varied in accordance with the Corporations Act.

Offer Period means the period commencing on 27 April 2015 and ending on 27 May 2015, or such later date to which the Offer has been extended.

Offer Price means 5 cents per Pan Pacific Share.

Pan Pacific means Pan Pacific Petroleum NL (ACN 000 749 799).

Pan Pacific Shareholder or **Shareholder** means a person who is registered as the holder of Pan Pacific Shares in the Register.

Pan Pacific Shares means fully paid, ordinary shares in Pan Pacific.

Participant has the meaning given in the ASX Settlement Operating Rules.

Prescribed Occurrence means any of the events set out in section 652C(1) of the Corporations Act.

Register means the register of Pan Pacific Shareholders maintained by Pan Pacific in accordance with the Corporations Act.

Securityholder Reference Number or **SRN** means the number allocated by Pan Pacific to identify a Pan Pacific Shareholder on its issuer sponsored sub-register.

T+3 Basis means that settlement occurs on the third Trading Day after the date of the transaction in accordance with ASX practice.

Trading Day has the meaning given to it in the Listing Rules.

Utilico means Utilico Investments Limited, a company incorporated in Bermuda the shares in which are listed on the London Stock Exchange.

Voting Power has the meaning given to it in section 610 of the Corporations Act.

Zeta Energy means Zeta Energy Pte Ltd (registered in Singapore, company registration number 201425794R).

Zeta Energy's Broker means GMP Securities Australia Pty Limited (ACN 149 260 543), AFS licence 403684.

Zeta Resources means Zeta Resources Limited (ARBN 162 902 481) ASX code: ZER.

10.2. Interpretation

In this Bidder's Statement, unless the context requires otherwise:

- (a) annexures to this Bidder's Statement form part of this Bidder's Statement;
- (b) words and phrases to which a meaning is given by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules have that meaning in this Bidder's Statement unless that meaning is inconsistent with the context in which the word or phrase is used;
- (c) headings are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (d) the singular includes the plural and vice versa and words importing any gender includes the other gender, and references to persons include corporations;
- (e) references to Sections are to sections of this Bidder's Statement;
- (f) references to paragraphs are references to paragraphs within the section in which the reference to the paragraph is made;
- (g) references to time are references to the time in Sydney, Australia on the relevant date, unless stated otherwise; and
- (h) references to "dollars", "\$" or "cents" are to Australian currency, unless stated otherwise.

11. Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution of the directors of Zeta Energy dated 9 April 2015.

Signed for and on behalf of Zeta Energy by:



Jonathan Chi
Director
Zeta Energy Pte Limited
10 April 2015

Appendix 1**Consideration provided by Zeta Energy for Pan Pacific Shares in the last four months**

Date of purchase	No of Pan Pacific Shares Acquired	Consideration per Pan Pacific share (\$A)
2014-12-12	150,000	0.0406
2014-12-15	13,618	0.0410
2014-12-24	124,000	0.0400
2014-12-29	900,250	0.0400
2014-12-31	33,960	0.0400
2015-01-05	111,505	0.0400
2015-01-07	119,315	0.0400
2015-01-09	150,000	0.0400
2015-01-14	28,220	0.0400
2015-01-21	199,718	0.0400
2015-01-22	100,000	0.0400
2015-01-23	402,030	0.0399
2015-01-27	200,000	0.0400
2015-01-28	875,000	0.0400
2015-01-30	710,000	0.0400
2015-02-02	50,000	0.0400
2015-02-03	280,000	0.0400
2015-02-25	5,500	0.0400
	<hr/>	
	4,453,116	
	<hr/>	

Appendix 2

Broker Announcement

[letterhead of GMP Securities Australia Pty Limited]

AFSL 403684

10 April 2015

The Company Announcements Platform

ASX Limited

For immediate release to the market

ON-MARKET TAKEOVER BID FOR PAN PACIFIC PETROLEUM NL

Unconditional Cash Offer

In accordance with section 6.1.1 of the ASIC Market Integrity Rules (ASX Market) 2010, GMP Securities Australia Pty Limited (ABN 46 149 263 543) ("*Broker*") announces that during the period commencing on 27 April 2015 and (subject to extension or withdrawal) ending 27 May 2015 ("*Offer Period*"), Broker will, on behalf of Zeta Energy Pte Ltd ("*Zeta Energy*"), pursuant to section 635 of the *Corporations Act 2001* (Cth) ("*Act*"), offer ("*Offer*") to acquire on market during official trading days ("*Trading Days*") of the Australian Securities Exchange ("ASX") at a price of 5 cents per share ("*Offer Price*"), all of the fully paid ordinary shares in Pan Pacific Petroleum NL (ACN 000 749 799) ("*Pan Pacific*") which are listed for quotation on the Official List of the ASX that exist or will exist at any time during the Offer Period ("*Pan Pacific Shares*").

During the Offer Period, Broker (on behalf of Zeta Energy) will accept at the Offer Price every Pan Pacific Share offered to Broker on market.

Terms of the Offer

Given that the Offer is an on-market bid, it is unconditional and the consideration will be paid by way of cash.

The key features of the Offer are:

- Offer Price of 5 cents per share;
- unconditional Offer;
- cash payment will be made on a T + 3 day basis;
- Zeta Energy will accept all Pan Pacific Shares offered to it on market from today at the Offer Price until the conclusion of the Offer Period; and
- Offer Period may be extended and the Offer Price may be increased or the Offer withdrawn in accordance with the Act.

Acquisition from Announcement

Zeta Energy will instruct GMP Securities Australia Pty Limited to, on its behalf, purchase on-market all Pan Pacific Shares offered at the Offer Price during the Trading Days of ASX, from and including the date of the announcement to 27 May 2015. The maximum amount of Pan Pacific Shares that Zeta Energy may acquire in the period is 489,743,682, being the number of Pan Pacific Shares which Zeta Energy does not presently own.

Payment for Pan Pacific Shares and brokerage

Payment for Pan Pacific Shares sold to Zeta Energy under the Offer will be made on a T + 3 day settlement basis in accordance with the usual ASX Settlement Operating Rules for ASX trading.

As the Offer will be capable of acceptance only by holders of Pan Pacific Shares selling through brokers who are participants of ASX, all Pan Pacific Shares to be purchased by Zeta Energy will be purchased on market only during Trading Days.

Any brokerage charged by brokers acting for holders of Pan Pacific Shares wishing to sell their Pan Pacific Shares will be the sole responsibility of the Pan Pacific Shareholders. Zeta Energy will bear its own brokerage cost, if any, on purchases of Pan Pacific Shares made on market.

Bidder's Statement

In accordance with section 635 of the Act, a Bidder's Statement will today be served on Pan Pacific. Copies of the Bidder's Statement will also be sent to ASX and lodged with the Australian Securities & Investments Commission (ASIC). A copy of the Bidder's Statement will be sent to holders of Pan Pacific Shares before the commencement of the Offer Period.

Variation of Offer

The Offer Period may be extended and/or the Offer Price may be increased in accordance with the Act.

At any time before the end of the Offer Period, Zeta Energy reserves the right to withdraw, or to make an application to ASIC to withdraw, unaccepted Offers to the extent permitted by the Act.

Pan Pacific Shares

The Pan Pacific Shares which are the subject of the Offer are all fully paid ordinary shares in the capital of Pan Pacific or such other shares which are issued during the Offer Period.

Immediately prior to the making of this announcement:

- (a) as far as Zeta Energy is aware, Pan Pacific had a total of 588,612,110 ordinary shares on issue; and
- (b) Zeta Energy has a relevant interest in 98,868,428 Pan Pacific Shares, representing approximately 16.8% of the total of the number of Pan Pacific Shares on issue.

Signed on behalf of GMP Securities Australia Pty Limited

.....
Andrew Fraser
Managing Director, Head of Corporate Finance
GMP Securities Australia Pty Limited

Corporate Directory**Zeta Energy Pte Limited**

Registered Office:

896 Dunearn Road

#03-07, Sime Darby Centre

SINGAPORE

Telephone: +65 9777 9732

Email: julie@icmsg.sg**Broker**

GMP Securities Australia Pty Limited

AFSL 403684

Level 9, 190 St Georges Terrace

PERTH WA 6000

Legal Adviser

Church & Grace

Level 20, 1 Castlereagh Street

SYDNEY NSW 2000