PACIFIC ENERGY LIMITED

FACSIMILE TRANSMISSION

Date:	**9 January 2003**
To:	**ASX**
Fax No.:	**1300 300 021**
From:	**Neil Miller**
Re:	**Non Cash Dividend**
Pages:	**2**

Dear Sir / Madam,

Please find attached the following Pacific Energy Limited Announcement for your information and necessary actions.

Kind regards

Neil Miller
Company Secretary
Pacific Energy Limited

A.C.N. 009 191 744
LEVEL 48, AUSTRALIA SQUARE
264-278 GEORGE STREET, SYDNEY, NSW, 2000. AUSTRALIA
MAILING ADDRESS: G.P.O. BOX 2589, SYDNEY NSW 2001,
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PACIFIC ENERGY LIMITED

9 January 2003

AUSTRALIAN STOCK EXCHANGE
PEA000136

Company Announcement
Australian Stock Exchange Limited
10th Floor
20 Bond Street
SYDNEY NSW 2000

Dear Shareholders

NON CASH DIVIDEND - SHARES IN STRATEGIC MINERALS CORPORATION NL ("SMC") AND ENERGY WORLD CORPORATION LIMITED ("EWC")

On 23 December 2002 the directors declared in accordance with the Constitution and section 254V(2) of the Corporations Act that shareholders would be paid a dividend on the basis of 1.855 SMC shares and 3.197 EWC shares for each share held in Pacific Energy on the Record Date which was 6 January 2003. Fractional entitlements will be rounded down to the nearest whole number of shares.

The Company adopted as the values of the SMC and EWC shares 18 cents and 3.1 cents respectively for the purpose of calculating the amount of tax (if any) that has to be withheld for each shareholder and for dividend imputation franking purposes. These values were the last quoted sale prices for the SMC and EWC shares on the Record Date.

Based on these values shareholders will get for each Pacific Energy share prior to the withholding of tax and rounding the dollar equivalent as follows:

	$ Equivalent
1.855 SMC Shares	0.3339
3.197 EWC Shares	0.0991
	$0.4330

Of the 43.30 cents 1.5 cents will be franked and 41.80 cents will be unfranked.

The Company will retain from each shareholder such number of SMC shares as equates to the total amount of tax (if any) that has to be withheld and paid to the ATO on behalf of that shareholder in respect of the unfranked portion of the non cash dividend. The total amount of withholding tax that has to be paid on behalf of any shareholder for the SMC and EWC shares will be divided by 18 cents to determine the number of the SMC shares that will be retained.

A statement will be sent to shareholders for the shares they hold in SMC and EWC within approximately 10 working days from the Record Date. This will be done by the Share Registers for SMC and EWC.

The Company will be send each shareholder a statement detailing the number of SMC and EWC shares being transferred to that holder, the number of SMC shares (if any) retained and any other relevant information.

Yours sincerely

Neil Miller
Company Secretary

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New PEL Letterhead from BOWEN