

28 September 2010

34% take-up of Dividend Reinvestment Plan

On 26 August 2010, NZOG (New Zealand Oil & Gas Ltd) announced that a dividend of 5 cents per ordinary share would be paid on 1 October 2010, to shareholders on record at 17 September 2010.

Since 2009 NZOG has offered a Dividend Reinvestment Plan (DRP) to shareholders. The DRP provides a convenient way for NZOG shareholders to reinvest dividends in additional shares, without incurring brokerage charges. In addition, until determined otherwise, new shares issued under the DRP are offered at a discount.

For the 2010 dividend, the number of additional shares has been calculated at a 2.5% discount to the weighted average sale price for shares sold on the NZX on each of the first five business days immediately following the dividend record date.

The weighted average sale price for NZOG shares sold on the NZX on the following five business days was NZ\$1.29673. With a 2.5% discount, the issue price for the new shares is therefore NZ\$1.26431.

As an example, a NZ\$100 dividend is reinvested in 79 additional shares.

At 17 September 2010, 5,097 shareholders (32% of the registered shareholders), with 133,238,340 shares (34% of the issued capital) were enrolled in the DRP.

5,236,370 new shares will be issued by NZOG on Friday 1 October 2010, at \$1.26431 each. Dividend payments to shareholders who did not take up the DRP will be made on the same date, either by direct credit to a bank account or by mailed cheque.

ENDS.