

Discovering Our Energy Future

New Horizons

Andrew Knight, CEO

20 February 2012



Disclaimer



New Zealand Oil & Gas Limited has prepared this presentation to provide information about the company.

The information presented here does not, in any way, constitute investment advice. It is of a general nature and includes forecasts and estimates based on current knowledge. It is possible that changes in circumstances after the date of publication may impact on the accuracy of the information.

The company accepts no responsibility or liability for the public's subsequent use or misuse of the information provided.

New Zealand Oil & Gas Limited strongly advises you to seek independent professional advice before making any investment decisions.

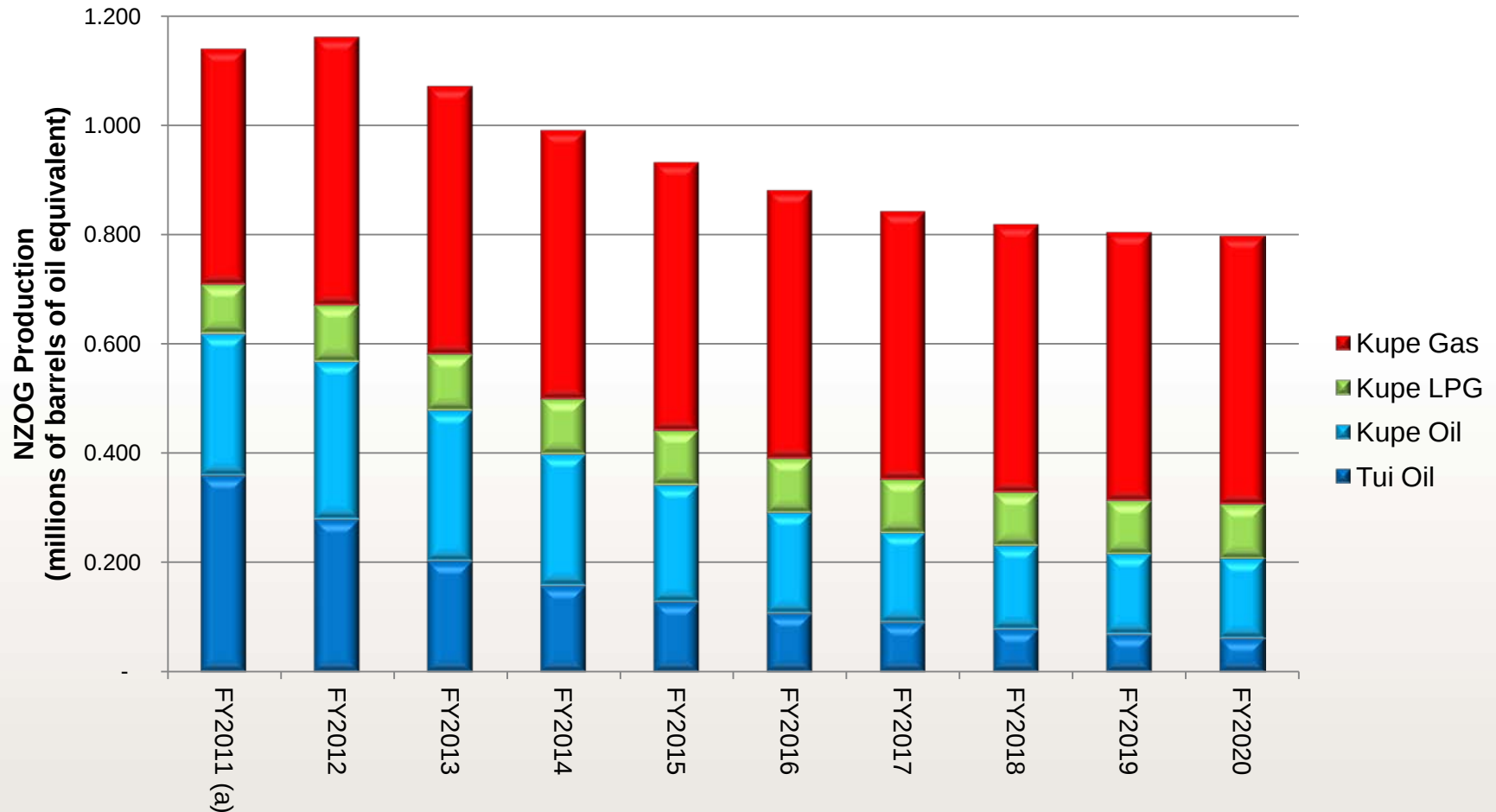
Our Key Assets



- 15% of **Kupe gas & oil field**, offshore Taranaki NZ
- 12.5% of **Tui area oil fields**, offshore Taranaki NZ
- NZ exploration permits with identified **drilling targets**
- Existing **discovery** and exploration block in **Tunisia**
- Exploration opportunities in **Indonesia**
- **Cash** – NZ\$137m net
- Experienced technical and commercial team

Production

Two existing fields – Tui and Kupe - providing long term cash flows



Delivering on a growth promise

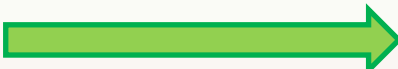


- Exploration activities
 - Higher value achieved when successful
 - Portfolio of different types of activity
 - Within a targeted activity set

(Three regions, mostly conventional, gas or oil, onshore and offshore)
- This is different from the last few years
 - NZOG has been focused on opportunity assessment (acquisition) to achieve country entry and reserves targets
 - Acquisition will now focus on enhancing marketed position (capability)
 - Building our own exploration opportunities will increase value and balance acquisition

Delivering on a growth promise

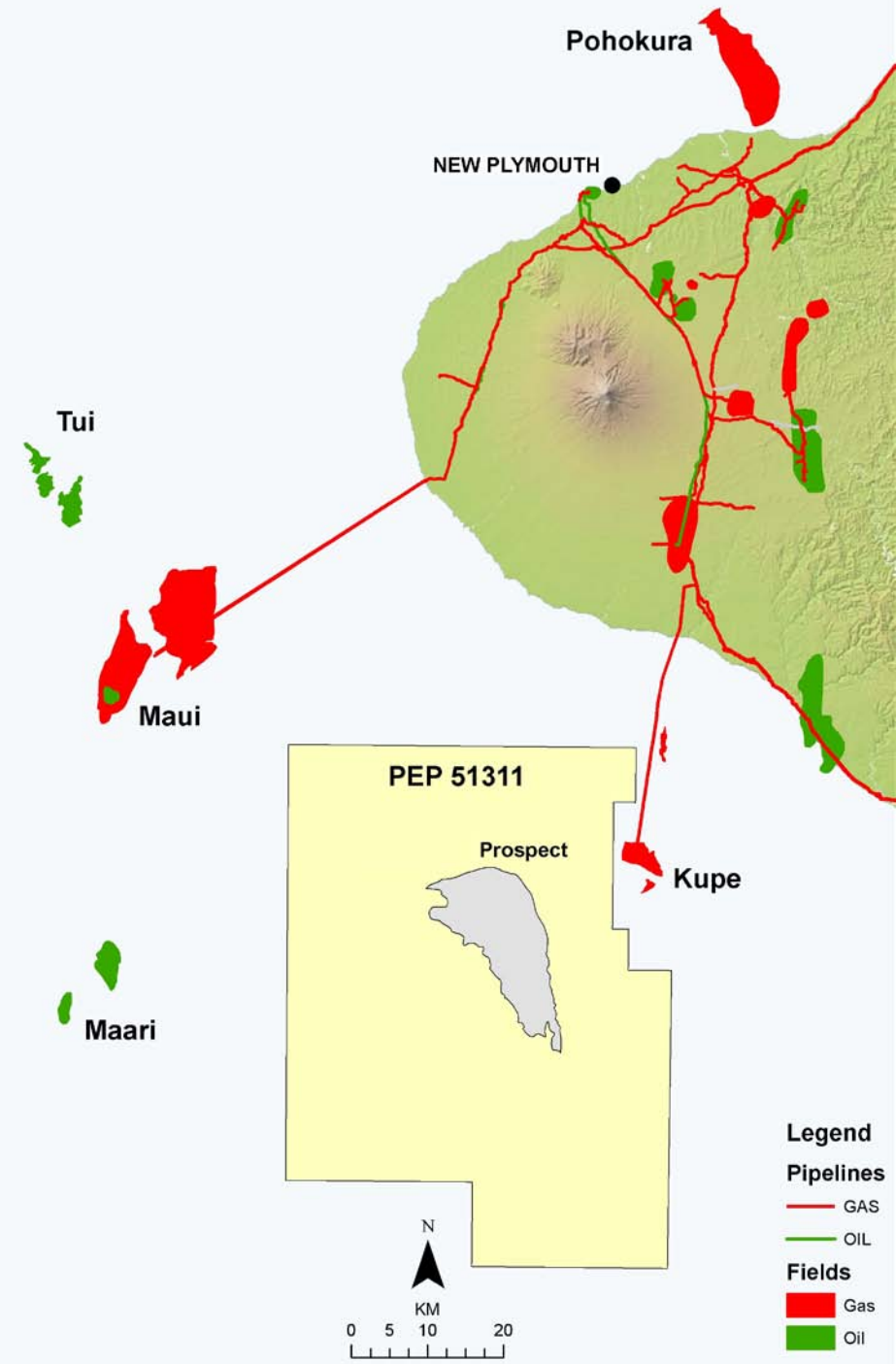
- Aim for about NZ\$35m/year in exploration investment
- Say, 5 projects averaging NZ\$7m (NZOG share)
- Some generated internally (and farmed down)
- Farm in or other acquisition to fill portfolio gap



		S Smtra					
Farm-in	Farm-in	N Smtra					
Kisaran	Barque	Diodore					
Kakapo	Kisaran2	Kanuka					
2012	2013	2014	2015	2016	2017	2018	2019

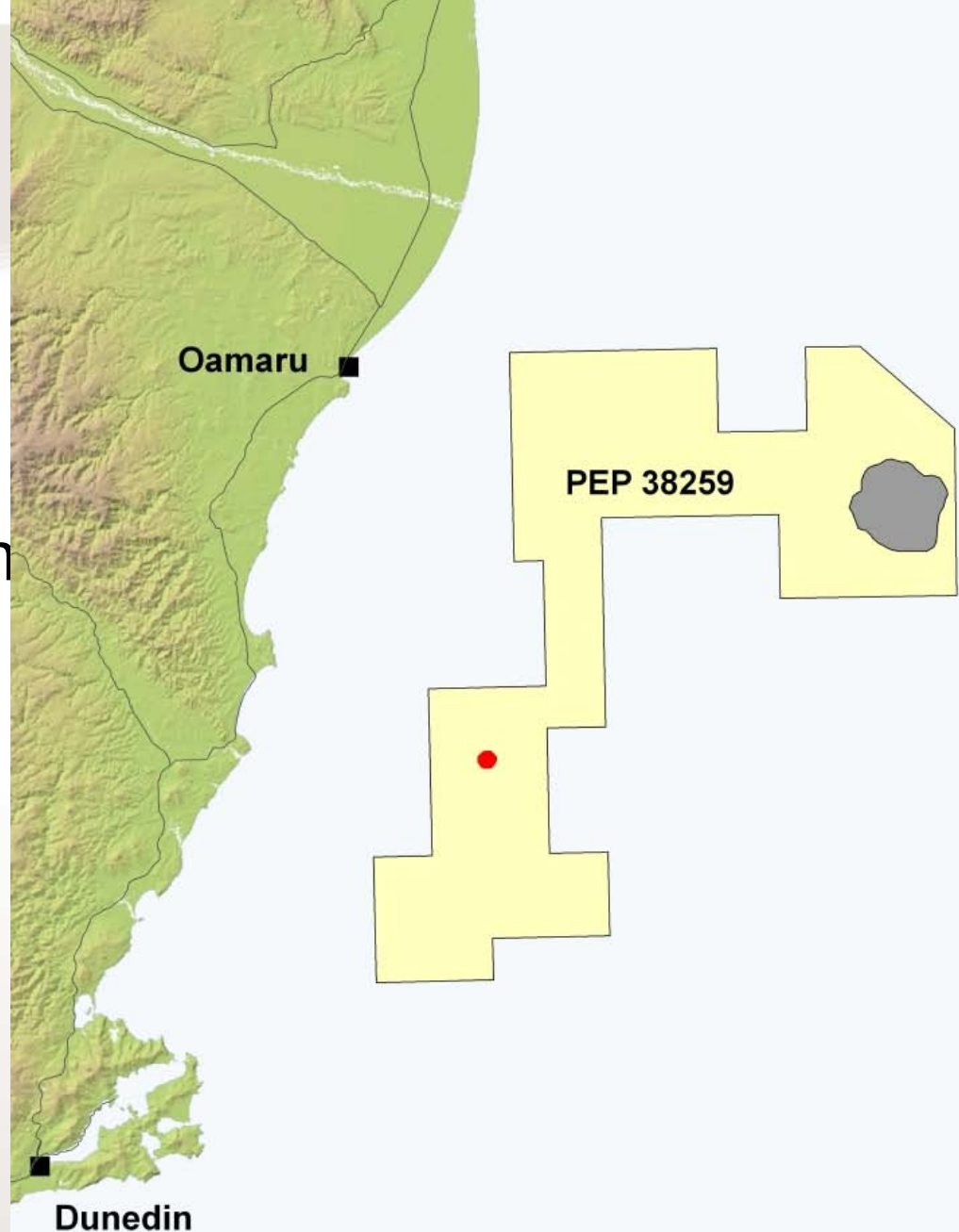
Kakapo PEP 51311

- Kakapo prospect has estimated mean prospective resources over 200 mmbbls
- NZOG seeking suitable drilling rig and additional partner
- Looking at drilling in 2012/13 summer



Barque PEP 38259

- NZOG has taken on Operatorship
- International campaign to attract additional partner into joint venture
- “Drill or drop” decision required by August



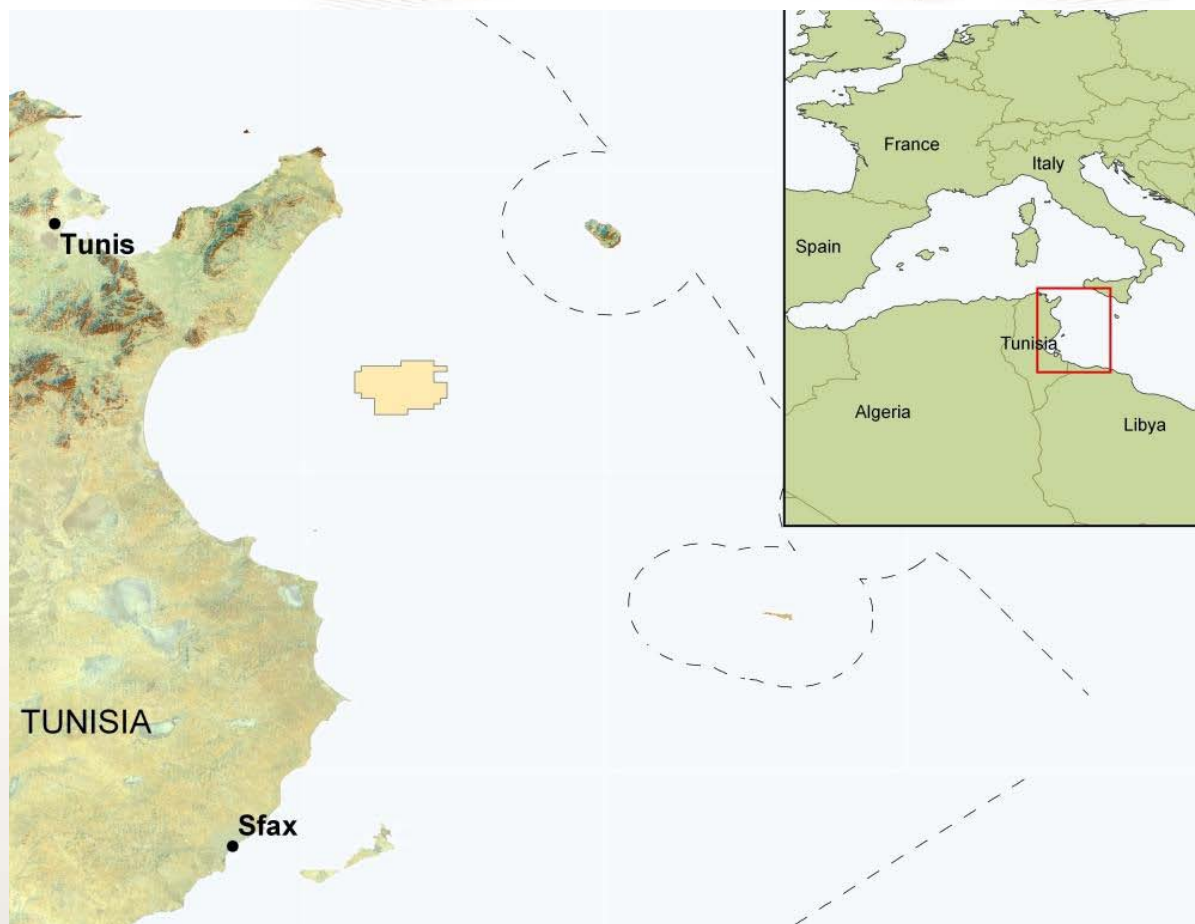
Tunisia



- Attracted to Tunisia due to its combination of good prospectivity, established exploration and production activity, reasonable fiscal terms, and relative ease of doing business
- Move towards more open democracy enhances its attractiveness
- NZOG has made two initial investments and is actively pursuing further opportunities

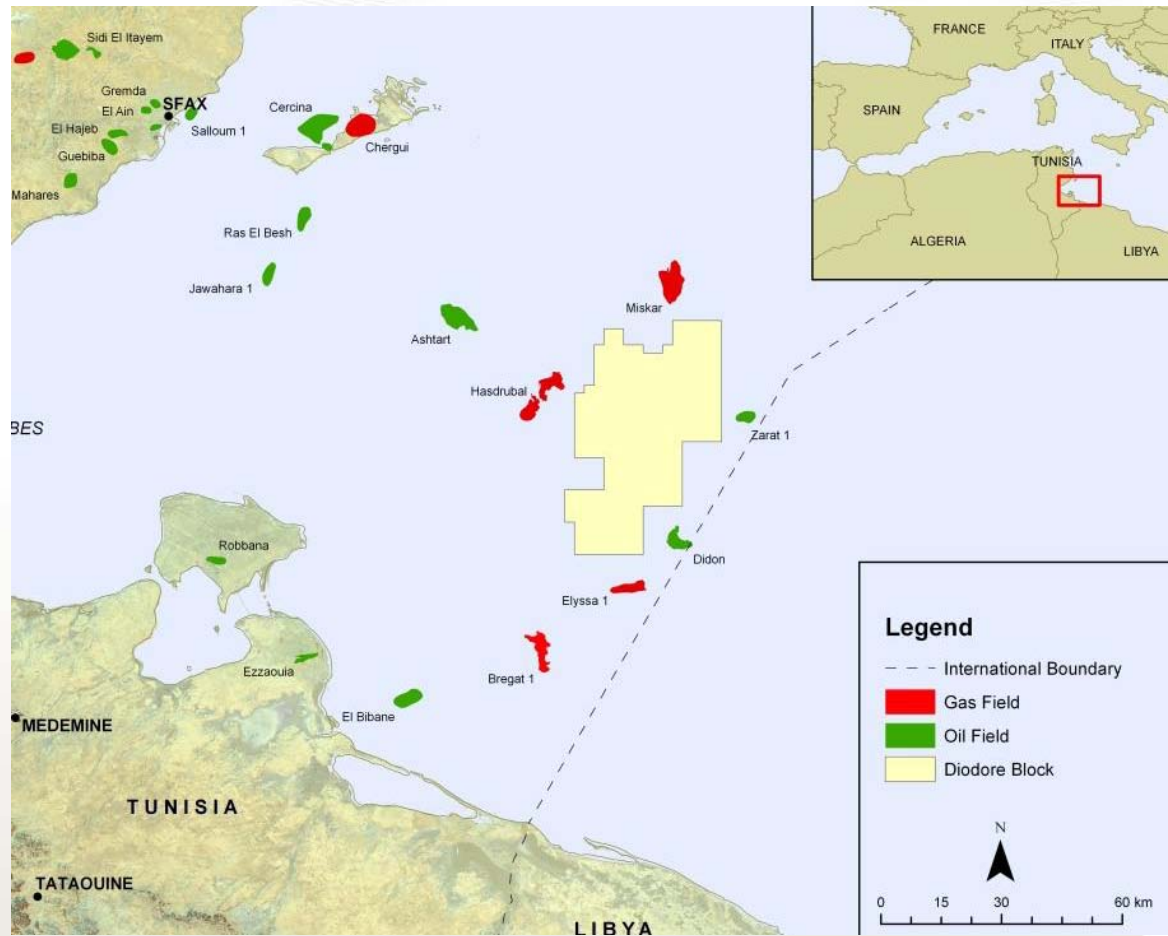
Cosmos Concession

- Existing discovery
 - 6.3mmbbls with potential upside
- 40% stake acquired
 - US\$3m upfront payment
 - US\$19m contribution to partner's cost if development proceeds
- Reservoir assessment and engineering design under way
 - FID decision mid-2012



Diodore Block

- 2 year prospecting permit obtained at 100%
- On trend with producing fields
- Existing 2D and 3D seismic coverage and new 470km 2D Seismic Survey completed earlier this month
- Analysis will determine whether an exploration permit is applied for
- NZOG will look to farm-down ahead of drilling



Indonesia

- Working with Indonesian-focused partner
- Current focus on Sumatra
- 22.5% stake in permit with drilling imminent
- Two Joint Study Agreements (JSA) awarded, a 3rd applied for
- Other opportunities under assessment



Long term growth in shareholder value



NZOG has:

- strong balance sheet, good cash flows
- technical know-how and commercial skills to:

Deliver growth:

- Value from our existing assets
- Develop opportunities (exploration)
- Build a portfolio of investments

Discovering Our Energy Future

