

5 November 2012

Cosmos Reserves

New Zealand Oil & Gas has received the results of an independent assessment of Cosmos Field reserves undertaken for the operator of the Cosmos development offshore Tunisia, Storm Ventures (Barbados) International. SVI is a subsidiary of Canadian listed Company Chinook Energy (TSX:CKE).

The operator advises that Canadian reserves estimator, Insite, has assessed the proven and probable (2P) reserves contained within the main Cosmos Block 'A' at 8.8 million barrels of recoverable hydrocarbons.

This represents a 40 per cent increase to the 6.3 million barrels of potential resources reported by NZOG at the time it concluded its agreement with SVI to acquire a 40 per cent participating interest in the project.

An independent assessment undertaken on behalf of NZOG by Netherland Sewell Associates has confirmed SVI's reported 2P reserves amount within a 10 per cent margin. An earlier assessment undertaken for the Joint Venture by Fekete indicated potential recoverable resources of a similar volume.

A Final Investment Decision (FID) is subject to project economics being determined. It is expected in the first quarter of 2013.

The Cosmos field lies in the Gulf of Gabes off Tunisia. NZOG concluded a farm-in agreement with SVI where NZOG acquired 40 per cent equity in the Cosmos Field development by funding the first US\$19 million of SVI's share of development cost post the Joint Venture making a positive Final Investment Decision.

Cosmos Joint Venture participants are:

Storm Ventures International (Barbados) Inc.	40% (Operator)
New Zealand Oil & Gas (NZOG Hammamet Pty Ltd)	40%
Enterprise Tunisienne d'Activities Petrolieres (ETAP)	20%