THE EXPLORERS
NEW ZEALAND OIL & GAS

news release

25 July 2013

PEP 51311 relinquished

New Zealand Oil & Gas has relinquished Petroleum Exploration Permit 51311, which contains the Kakapo prospect.

NZ Oil & Gas holds a 100 per cent interest in PEP 51311. CEO Andrew Knight says at that level of exposure the permit did not fit the NZ Oil & Gas portfolio at a time when activity is stepping up.

"While we are still enthusiastic about Kakapo and would love to drill it, it doesn't fit our portfolio at 100% exposure when there is so much other activity underway.

"We have made strenuous efforts to find a farmin partner to share the investment risk. While interest in New Zealand's prospective basins continues to grow, it has not been possible to farm out the prospect and secure a suitable rig contract before a deadline at the end of July.

"NZ Oil & Gas is heavily committed to New Zealand and we are excited about the upcoming season when there will be an unprecedented level of drilling activity around New Zealand. For example, we are involved in drilling offshore Taranaki before the end of the year at Matuku and Tui and we are the Operator of Kaheru, where plans to drill in the summer of 2014-15 are advancing."

NZ Oil & Gas will release its quarterly result on Friday.

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NZOG stock symbols:
NZX shares – NZO
ASX shares – NZO