

news release

29 January 2015

Capital Return final orders received

New Zealand Oil & Gas has received final High Court orders approving a return of capital by way of a Scheme of Arrangement under Part 15 of the Companies Act 1993.

On 21 November 2014 New Zealand Oil & Gas announced that it had received initial orders from the High Court to seek shareholder approval to return approximately \$60 million of capital to shareholders.

New Zealand Oil & Gas held a special meeting of shareholders on Friday, 19 December 2014 to vote on the proposed capital return. The resolution was carried with approximately 97% support.

The company has also received a favourable binding ruling from IRD confirming that the proposed return of capital will not be treated as a dividend for New Zealand tax purposes and therefore will not be subject to tax in New Zealand.

The company will cancel 1 in every 5 ordinary shares and pay NZ\$0.75 per ordinary share cancelled—effectively returning 15 cents per share. Payments will be made within five business days of the date for determining the entitlements of shareholders to participate in the Scheme (13 February 2015).

In total, shareholders will receive approximately NZ\$63.2 million.

Australian shareholders will receive an AUD equivalent per cancelled share based on the NZD/AUD exchange rate on or about the record date. A summary of the tax impact for Australian shareholders was contained in the Notice of Meeting sent to all shareholders (available at <http://nzog.today/capital-return/explanatory-notes/>).

Part-paid shares issued as part of the company's Employee Share Ownership Plan will not participate in the Scheme.

Date	Event
Friday, 13 February 2015	Record date for determining the entitlements of shareholders to participate in the Scheme
Friday, 20 February 2015	Date for dispatch of new holding statements reflecting shareholding movements and date by which payment will have been made to shareholders

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NZOG stock symbols:

NZX shares – NZO
 ASX shares – NZO