

news release

8 October 2015

NZX Listing Rule 7.6.2 Notice

NEW ZEALAND OIL & GAS LIMITED (NZOG): TARGETED SHARE BUY BACK

From time to time employees of New Zealand Oil & Gas Limited (NZOG) (or a company within the NZOG group) are offered partly paid shares in NZOG pursuant to an Employee Share Ownership Plan (ESOP). The Trustee, NZOG Services Limited, holds those shares on trust until such time as the employee is transferred legal ownership of the shares in accordance with the rules of the ESOP.

The Trustee is required to sell the shares held for an employee if the employee's interest in the shares is forfeited. This may happen, for example, where the employee's employment is terminated or they do not pay the balance of the issue price due for the shares under the rules of the ESOP. The Trustee's current practice is to sell these forfeited shares on-market, however this can have a negative effective on the market price of NZOG shares.

As an alternative option, the directors of NZOG have resolved that NZOG may buy back some or all of the ESOP shares required to be sold by the Trustee (Targeted Shares), off-market (Buy Back Offers). The consideration to be paid for the shares under the Buy Back Offers will be a price within the buy and sell quotes of NZOG shares trading on NZX Main Board at any time on the date of acquisition.

NZOG makes the following notifications in accordance with Listing Rule 7.6.2:

1. NZOG will make Buy Back Offers as described above in the period from 14 October 2015 to 28 September 2016 (Offer Period).
2. The Targeted Shares are ordinary shares.
3. The maximum number of Targeted Shares to be acquired by NZOG under Buy Back Offers during the Offer Period will be 2,000,000.



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NZOG stock symbols:

NZX shares – NZO
ASX shares – NZO