

news release

1 April 2016

De-listing of New Zealand Oil & Gas from ASX

New Zealand Oil & Gas has today applied to ASX Limited (**ASX**) for removal from the official list of ASX. The Company will continue to be listed on the New Zealand Stock Exchange (**NZX**) and trading on the NZX will continue after the ASX delisting process.

Chairman Rodger Finlay said, "For 34 consecutive years since our company was founded NZX has provided a reliable, well-regulated platform with ample liquidity for our shareholders.

"The board of directors has noted that trading in the company's shares on the ASX consistently suffers from poor liquidity and low daily trading volumes. Delisting is also consistent with other recently announced initiatives to reduce costs. The Board considers that the cost of continued listing on ASX outweighs the benefits."

In-principle advice received from ASX (attached) indicates that ASX will consent to the delisting, subject to compliance with certain conditions. The company intends to fully comply with these conditions.

If ASX approves the delisting, trading in the company's shares will ultimately be suspended, and shareholders will no longer be able to trade their shares in the company on ASX.

Following suspension of trade in the company's shares, the company will be delisted, and shareholdings remaining on the company's Australian register will be transferred to the company's New Zealand register. No date for suspension of the company's shares or delisting has been agreed between the company and ASX.

Following the company's removal from the official list of ASX the company will remain incorporated in New Zealand, and will continue to be subject to the relevant corporate and securities laws of New Zealand as well as the rules and regulations of the Financial Markets Authority. Ordinary shares in the company will continue to be listed on NZX and will continue to be subject to the NZX Listing Rules. Copies of the company's market releases and other relevant corporate information will continue to be available at www.nzog.com.

New Zealand Oil & Gas will write to all shareholders to provide a timetable for delisting and explain how shareholders can continue to trade shares in the company on the NZX after the company is removed from the official list of ASX. Delisting will not take place any earlier than one month after the date this information has been sent to shareholders.



22 March 2016

Michael Barr-David
Partner
Minter Ellison
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

By email

Dear Michael,

NEW ZEALAND OIL & GAS (COMPANY)

I refer to your letter dated 4 March 2016 applying on behalf of the Company for in-principle advice for removal from the official list of ASX Limited (ASX).

ASX has considered your application and has made the following decision.

DECISION

1. Subject to resolution 2 and based solely on the information provided, on receipt of an application for the removal of New Zealand Oil & Gas Limited (the "Company") from the official list of ASX Limited ("ASX") pursuant to listing rule 17.11, ASX would be likely to remove the Company from the official list, on a date to be decided by ASX, subject to compliance with the following conditions.
 - 1.1. The Company sends written or electronic communication to all shareholders, in form and substance satisfactory to ASX, setting out:
 - 1.1.1. the nominated time and date at which the entity will be removed from the ASX official list and that:
 - (a) if they wish to sell their shares on ASX, they will need to do so before then; and
 - (b) if they don't, thereafter they will only be able to sell the underlying securities on-market on the New Zealand Stock Exchange ("NZX");
 - 1.1.2. generally what they will need to do if they wish to sell their securities on NZX.
 - 1.2. The removal shall not take place any earlier than one month after the date the information in resolution 1.1 has been sent to the Company's shareholders.



- 1.3. The Company releases the full terms of this decision to the market upon formal application to delist the Company from the official list of ASX.
2. Resolution 1 applies only until 21 June 2016 and is subject to any amendments to the listing rules or changes in the interpretation or administration of the listing rules and policies of ASX.
3. ASX has considered listing rule 17.11 only and makes no statement as to the Company's compliance with other listing rules.

BASIS FOR DECISION

Listing rule 17.11

Underlying Policy

1. ASX may remove an entity from the official list of ASX at the request of an entity. Removal from the official list at an entity's request recognises that remaining listed may no longer be suitable for a listed entity at a particular stage in its existence. There is no requirement for ASX to act on the request. ASX's power not to agree to requests for delisting enables it to ensure that delisting is not sought for inappropriate reasons or conducted in a way that is clearly harmful to the market or to security holders' legitimate interests. ASX may impose conditions on granting the request. The power to impose conditions enables ASX to ensure that an orderly market is maintained in the period leading up to the delisting, and that the listed entity makes appropriate arrangements in connection with its delisting. These may include: giving advanced notice, of an amount of time which is adequate to the particular circumstances; seeking security holder approval for delisting; assisting security holders to trade the entity's securities in another market for a period before or after delisting; or providing alternative arrangements for security holders to exit their investment before or after delisting.

Facts and Reasons for Decision

2. The Company is listed on ASX and NZX and is seeking removal from the official list of ASX. The Company will maintain a listing on NZX on which the majority of its trading occur. The removal will assist the Company in reducing administrative and compliance costs. The Company considers that the costs of maintaining an ASX listing outweigh the benefits. ASX will agree to the removal request on the conditions stipulated in paragraph 2.6 of ASX Guidance Note 33 - Removal of Entities.

Yours sincerely,

[Sent electronically without signature]

Cheng Tang
Adviser, Listings (Melbourne)