

December 2011

Environment Policy

Purpose

New Zealand Oil & Gas Ltd (**NZOG**) is firmly committed to conducting its business in an environmentally responsible manner.

Policy

NZOG policy is to:

- Respect and protect the environment
- Avoid unnecessary risks and operate at all times in a way that minimises environmental hazards
- Actively monitor and continuously improve environmental performance

To achieve this NZOG will:

- As a minimum, meet the requirements of all applicable laws, standards and codes of practice for the protection of the environment; and in their absence, adopt the best practicable means to prevent or minimise adverse environmental impacts
- Systematically identify, assess and control environmental risks
- Accurately report, record and learn from any environmental incidents and near misses
- Suspend activities if environmental protection would be compromised
- Promote our employees', partners' and contractors' understanding of their environmental responsibilities relevant to their roles
- Provide the resources, training and operating guidelines necessary so that employees and contractors can adopt environmentally responsible work practices and be aware of their stewardship responsibilities
- Take all practicable steps to ensure NZOG's contractors and partners work in line with this policy
- Monitor environmental effects and assess environmental performance at all stages of exploration, development, production and rehabilitation
- Develop a specific Environmental Management Plan for any exploration, development, production or rehabilitation activity where it is the operator
- Develop emergency plans and procedures so that any environmental incident can be responded to quickly and effectively
- Communicate openly with government agencies and the public on environmental issues which relate to the company's operations
- Undertake appropriate reviews and evaluations of its operations to measure progress and to foster compliance with this policy.



Andrew Knight
Chief Executive Officer

Review date: May 2012