



(Updated May 2010)

Communications and Market Disclosure Policy

Commitment

New Zealand Oil & Gas Ltd (NZOG) is committed to maintaining a high standard of communication and the provision of timely, full and accurate information to shareholders and other stakeholders.

NZOG complies at all times with its obligations as an NZX and ASX listed company to provide continuous disclosure to the market and strives to make those disclosures in a way that is clear, concise and effective.

Purpose

The purpose of this policy is to:

- Reinforce NZOG's commitment to the continuous disclosure obligations imposed by law and stock exchange rules and to describe the processes implemented by it to ensure compliance; and
- Outline NZOG's general communications approach aimed at ensuring timely and accurate information is provided to shareholders, market participants and market observers.

Accountabilities

The Board should be provided with a monthly report by management which monitors and evaluates media reporting and investor sentiment relating to the Company, its management and directors.

The Board is responsible for:

- Determining the key messages that the Company wishes to convey to the market from time to time;
- Monitoring information commitments and continuous disclosure obligations;
- Initiate action as warranted to ensure reporting is fair and reasonable, engage directly or indirectly with media/investment people in certain circumstances;

The Audit Committee is responsible for:

- Monitoring compliance with corporate governance guidelines of the ASX and NZX; and
- Reviewing the Corporate Governance Statement in the Company's Annual Report.

The Board has approved the following procedure which is to be followed by NZOG in the consideration, preparation and public release of information.

The procedure identifies two broad categories of public disclosure: Obligatory and Discretionary.

Obligatory includes:

1. Compliance issues
2. Continuous disclosure
3. Statutory obligations.

Discretionary is information which is not required to be disclosed as obligatory public disclosure.

Accountability for the release of information lies with the CEO, and in some specific instances, with the Board of Directors (e.g. the Annual Report must be approved by the Board and signed by two directors).

Depending on the nature of the disclosure, one of three decision-making approaches is to be followed:

1. CEO approval (For 'business as usual' matters)
2. Board approval (e.g. Interim and Annual Reports)
3. Board consultation ("Best endeavours" to consult, subject to timing obligations).

In order to meet the listing requirements to "immediately release" Material Information (as defined in the NZX and ASX Listing Rules), to coordinate the release of information with joint venture partners, and to meet media deadlines, the CEO retains the authority and obligation to approve the release of market and/or media statements.

Authorised Spokespeople

The Chairman, CEO and Public Affairs Manager are authorised to speak on the company's behalf. With the permission of the CEO, other staff may be authorised to make comments in response to a specific request.

The Public Affairs Manager manages disclosures to the NZX and ASX, with the approval, where required, of the CEO or Board.

Continuous Disclosure

NZOG is listed on the NZX and ASX and is required to comply with the NZX and ASX Listing Rules.

These Listing Rules contain general and continuous disclosure requirements based on principles which encompass investor protection, the need to protect the reputation of the market and the interests of listed entities. NZOG is committed to meeting its disclosure obligations in accordance with these principles.

NZOG will immediately release to the market any information concerning the business of NZOG that a reasonable person would expect to have a material effect on the price or value of NZOG's securities.

The only exceptions to this disclosure principle are those permitted under the NZX and ASX Listing Rules, pertaining to information that is confidential and where a reasonable person would not expect the information to be disclosed.

NZOG provides the NZX and ASX with simultaneous releases.

Significant Announcements

NZOG makes announcements to the NZX and ASX of all material information that relates to the company's activities.

This includes information on financial and operational results, including half year and full year reports.

Information on NZOG's drilling activities is made available on a regular basis including:

- Commencement of drilling operations
- Weekly drilling updates
- Cessation of any drilling operation
- Significant results or events from drilling.

Media releases are made as appropriate providing information that is of general interest but that is not sufficiently material so as to require an announcement to the NZX and ASX.

Regular Publications

NZOG produces a number of publications which provide information to shareholders and other interested parties:

- An Annual Report for the Year to 30 June
- A Half Yearly Report for the Six Months to 31 December
- A Shareholder Review for the Year to 30 June
- Quarterly Activity Reports.

These publications are provided to shareholders, in either hard copy or electronically, and to the NZX and ASX.

Analyst/Investor Briefings

NZOG recognises the importance of the relationship between the company and investors and analysts. NZOG conducts regular analyst and investor briefings coincident with the release of the Annual, Half Yearly and Quarterly Activity Reports. These briefings are simultaneously broadcast and archived for later listening as webcasts. From time to time, NZOG will provide other briefings to analysts and investors. At these briefings, no new information that could have a material effect on the price or value of NZOG's securities is disclosed. If such material information was to inadvertently provided, it would be immediately released to the market and placed on NZOG's website.

Media

NZOG acknowledges the role of the media in informing the public. As described above, regular media statements are issued. Media briefings are held following the Annual, Half Yearly and Quarterly Activity Reports and following any significant announcements. NZOG seeks to respond to direct requests from media representatives in a timely and transparent manner. Media relations are managed by the Public Affairs Manager.

Website

NZOG maintains a corporate website www.nzog.com which provides a comprehensive and regularly updated depository of relevant information for shareholders and other interested parties. All market and media announcements, company presentations, webcasts and other public information are made available through the website.

Policy Review

The NZOG Board will review this Policy regularly to determine whether it remains effective in guiding accurate, appropriate and timely disclosure of information.

Dated: 25 May 2010