

Discovering Our Energy Future

New Zealand Oil & Gas Limited

Investor Presentation

28 March 2008

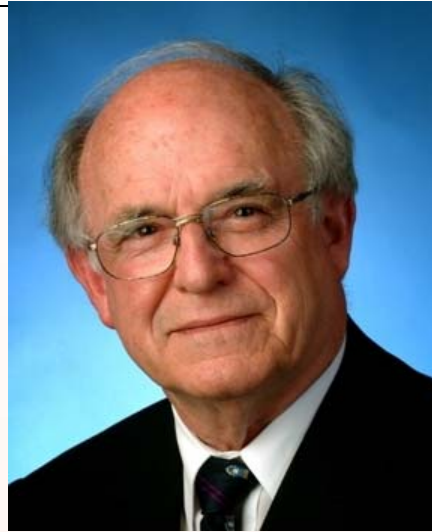


The Board

Tony Radford Chairman



Ray Meyer Deputy Chairman



David Salisbury Manager Director



David Scoffham



Andrew Knight



Steve Rawson



Paul Foley



The Team

Wellington based team:

Six-strong technical team with over 100yrs combined experience

Senior corporate staff



2007/08 – a good year so far...

Operational Achievements:

- Staff recruitment successfully completed
- Tui Oil Fields in production
- Kupe Project well advanced
- Pike River Coal floated
 - IPO oversubscribed, rights issue oversubscribed
 - NZOG retains a 31% stake
 - 83m shares, 11m options, 3m convertible notes
 - Board representation: 2 of 7 directors



2007/08 – a good year so far...

Financial Achievements (to 31 Dec 07):

- Revenue NZ\$95.5m
 - Tui \$84.2m
 - Gain from float of Pike River \$11.2m
- Six month net profit \$41.4m
- Capital investment NZ\$53m (mostly Kupe)
- All funding requirements in place
 - No exposure to sub-prime turmoil
- Approx \$85m of accumulated losses available to be used in 2007/08
- 5.0c dividend per ordinary share



NZOG Success Story 1- Tui

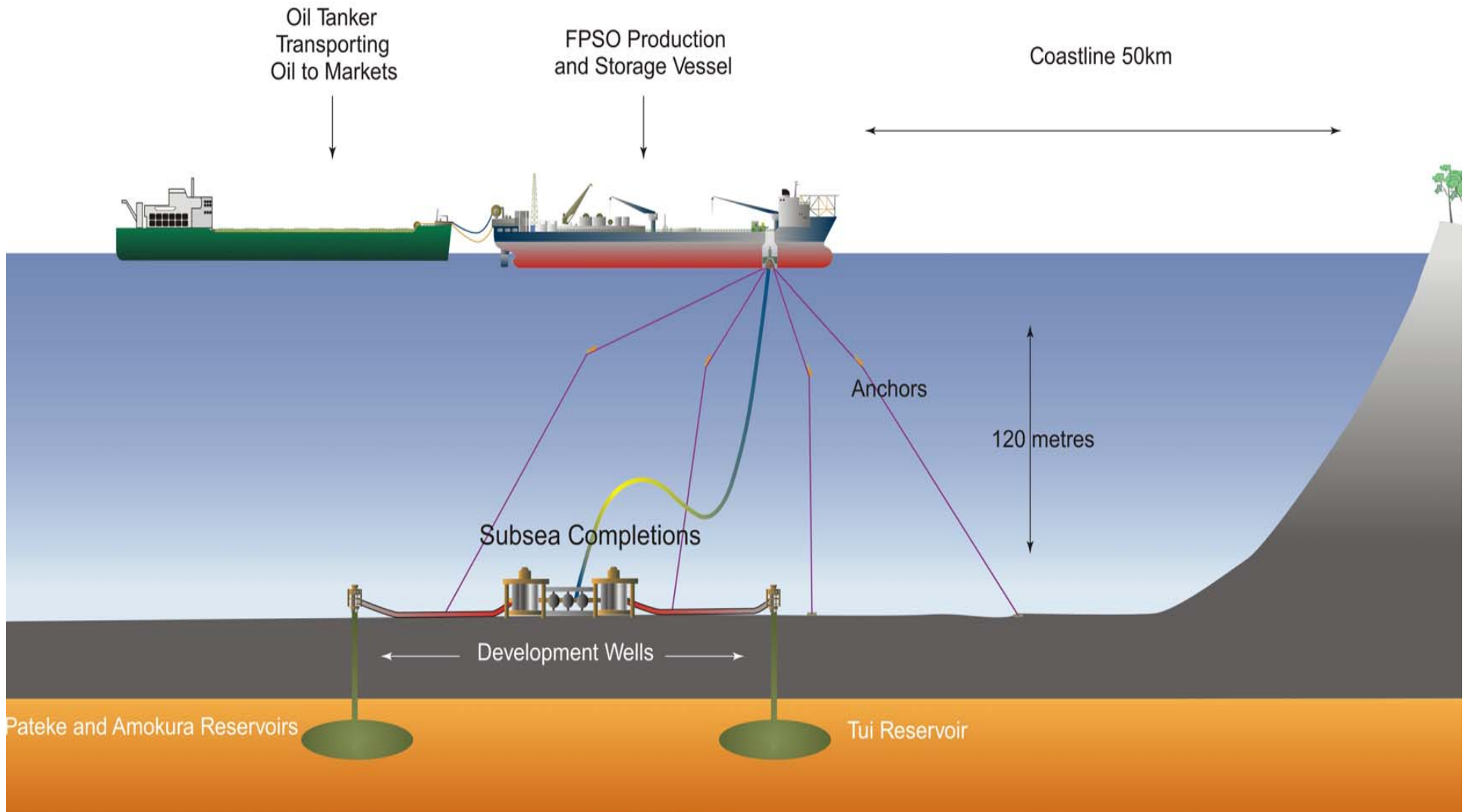
Tui Area Oil Fields:

- 50 kms off the Taranaki Coast
- Discovered by NZOG and partners in 2003/04
- Investment decision Nov 2005
- NZOG a 12.5% JV partner
- Total development Capex US\$274 million
- Pre-production Proved and Probable (2P) Reserves estimate 27 mmbbls
- First production 30 July 2007

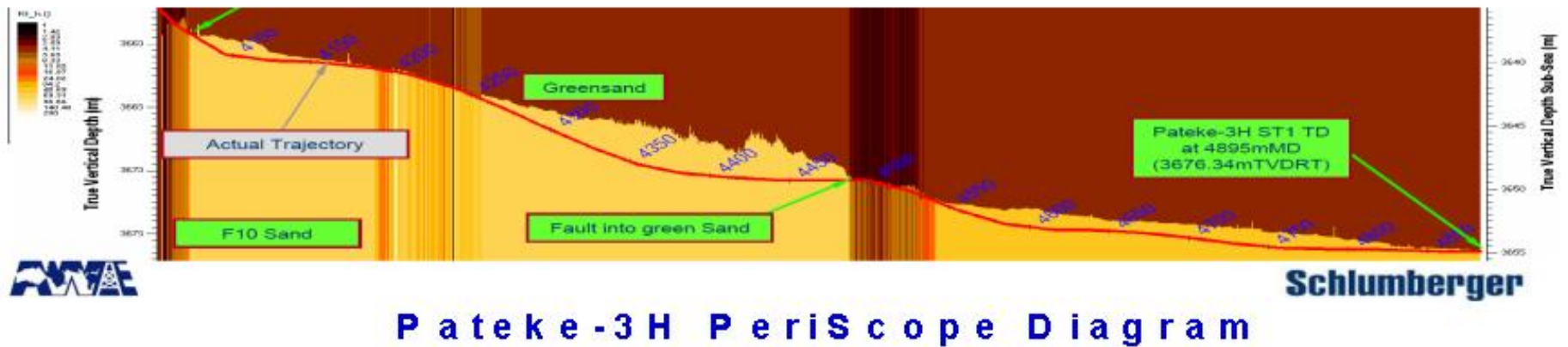
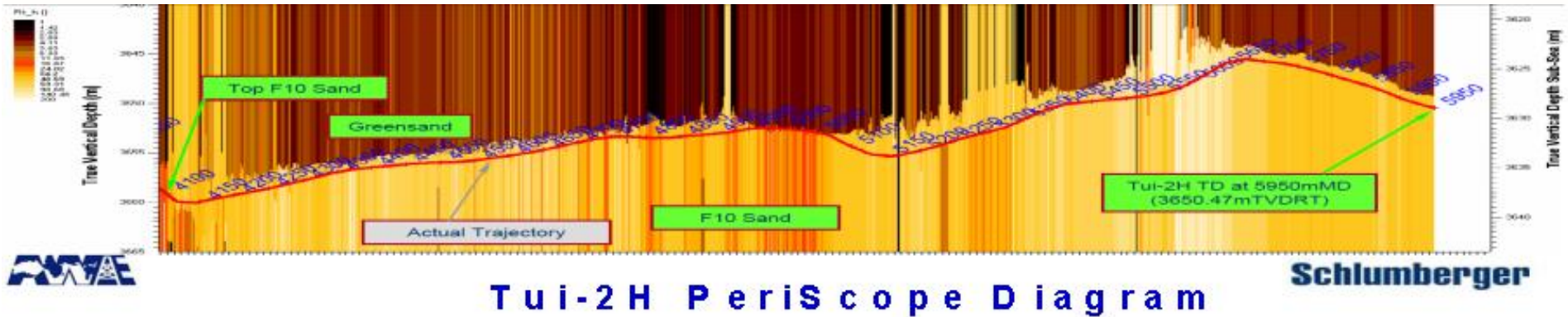




Tui Area Oil Fields Development



Tui – Horizontal Drilling



Umuroa offloading

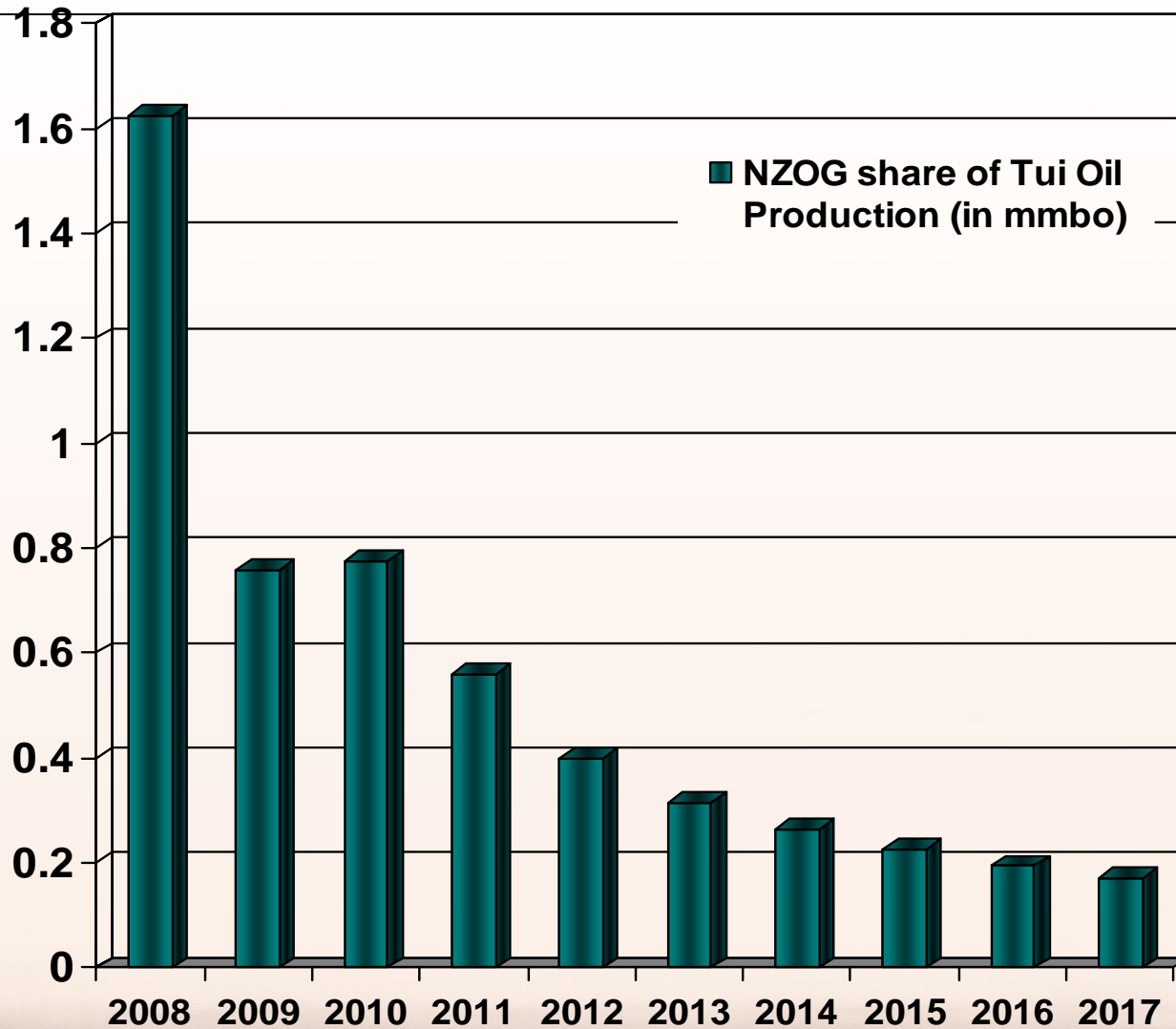


NZOG Success Story 1- Tui

- NZOG's total Exploration & Development costs: \$52m
 - Project payback achieved in 4 and a half months
- Production rates exceeded forecasts
 - 2007/08 production forecast upgraded to 13 mmbbls
 - 10.5 mmbbls produced so far
 - NZOG share of production to date – 1.3 million barrels
- Proved & probable (2P) reserves upgrade to 41.7 mmbbls
 - NZOG net interest 5.2 mmbbls
 - Another reserves review to be completed by June 2008
- Opex significantly below US\$10 a barrel budget
 - FPSO 5 year lease US\$135m, 5 1-year rights of renewal
- Average net price per barrel to date approx US\$90
- Estimated lifetime IRR 47%



Production: Tui Area Oil Fields



Additional well
Tui 4H expected
to be drilled in
2009/10



NZOG Success Story 2 - Kupe

- Kupe Project:
 - Discovered by NZOG in 1986
 - Not economic during Maui era
 - Investment decision June 2006
 - First production mid-2009
- NZOG a 15% JV partner:
 - Share of development costs approx \$165m
 - Share of 2P Reserves: 38PJ gas, 165,000 tonnes LPG, 2.2 mmbbls light oil



NZOG Success Story 2 - Kupe

- Project over two-thirds complete
 - Offshore platform installed
 - 30km offshore pipeline and umbilical laid
 - Batch drilling of three development wells well advanced
 - KS-6 and KS-8 completed. KS-7 to be drilled into reservoir and completed
 - Onshore Production Station well advanced
- Economics of Kupe have improved
 - Around two-third of value in the liquids
 - Genesis Energy long-term gas sales contract



Kupe Project Schematic

Kupe Wellhead Platform

- Unmanned platform (operated from Production Station)
- 3 wells at start-up
- Water depth - 35m
- No production facilities

LPG & Condensate export by road tanker

Sales Gas pipeline to Kapuni

Kupe Production Station

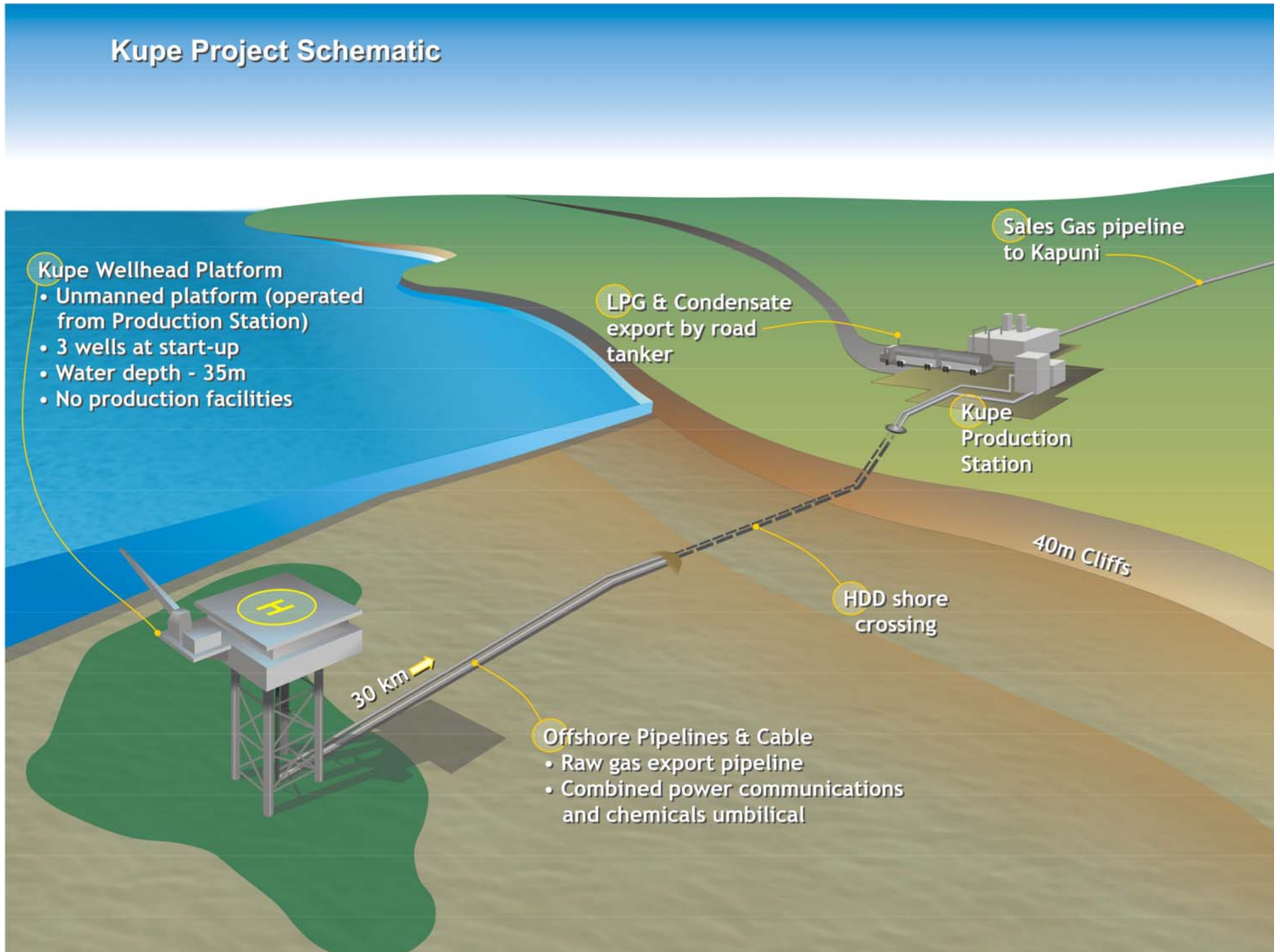
40m Cliffs

HDD shore crossing

30 km

Offshore Pipelines & Cable

- Raw gas export pipeline
- Combined power communications and chemicals umbilical



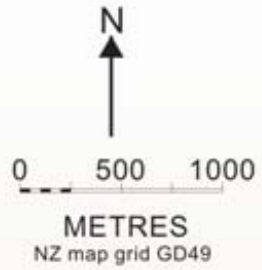






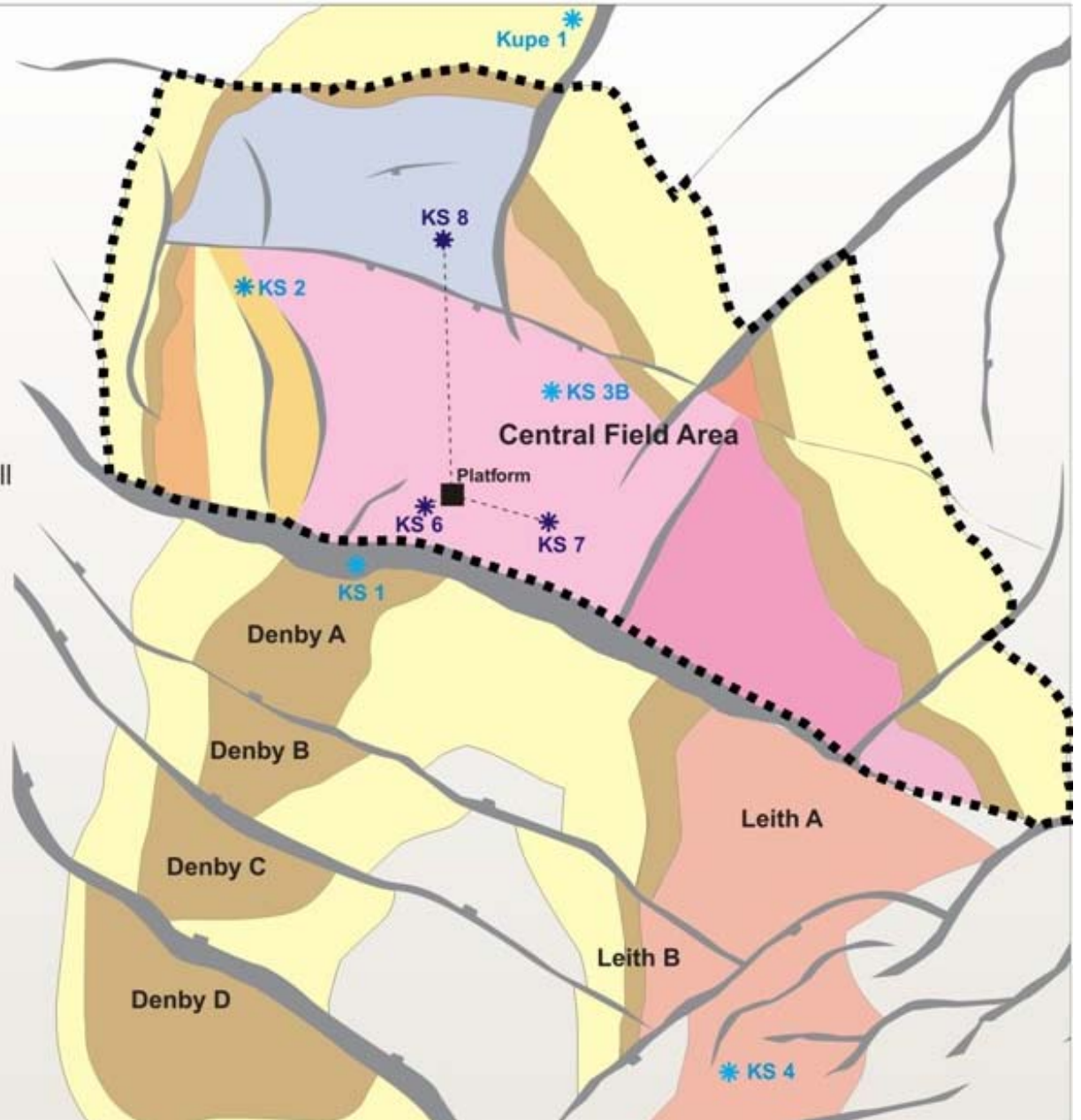


Central Field Area of Kupe Development PML 38146

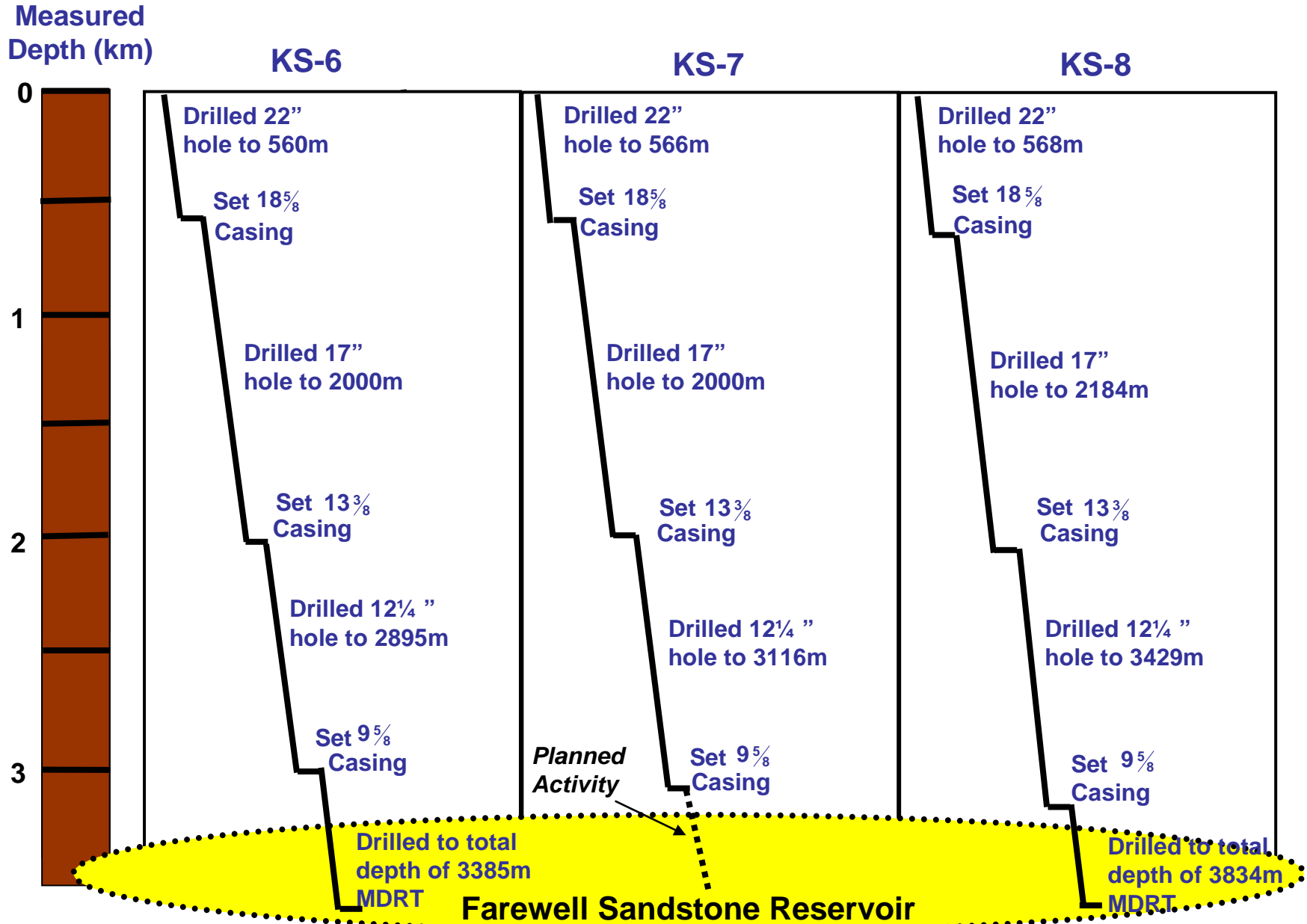


Drilling locations shown here are the approximate envisaged Top Farewell Formation intersections

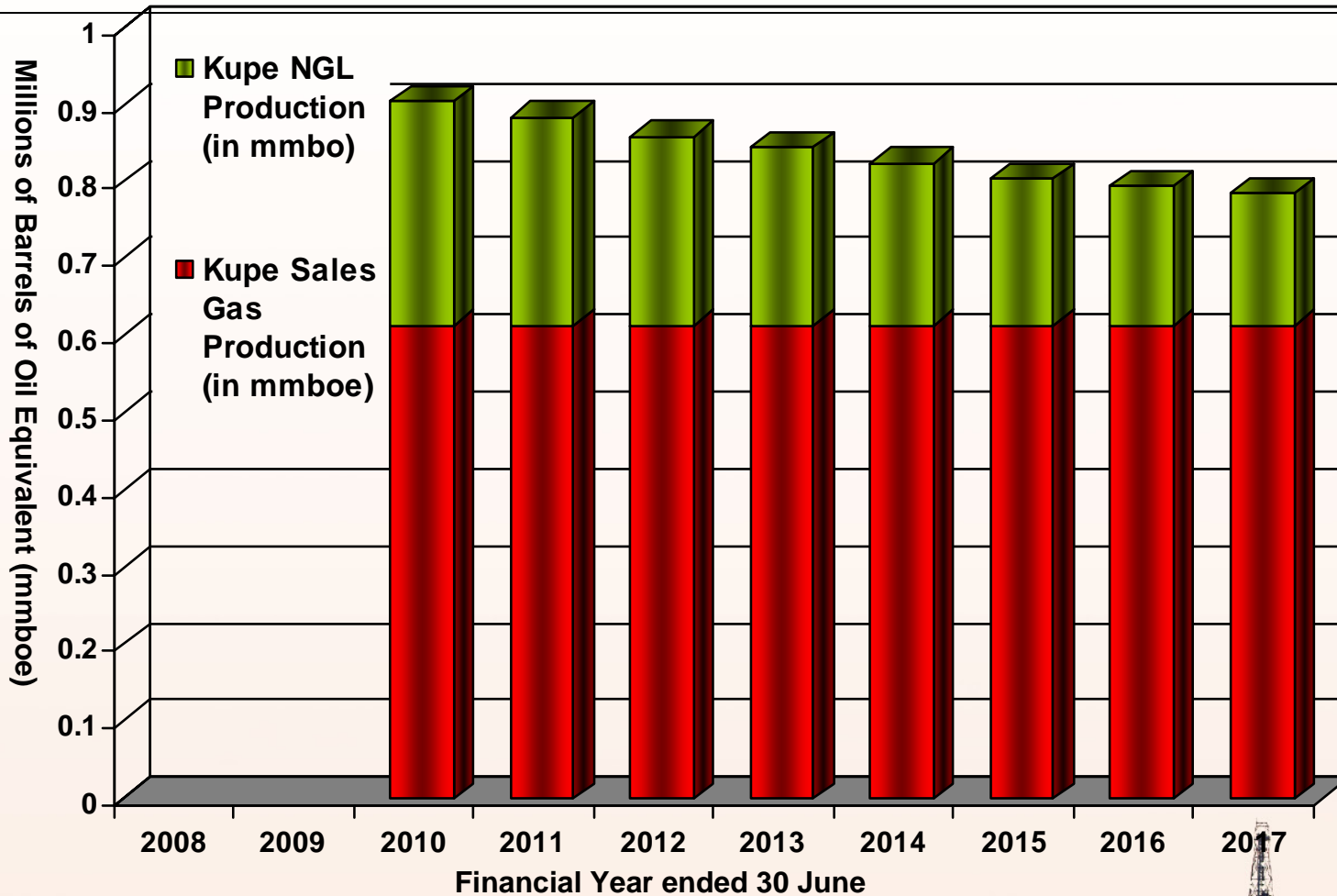
- * Existing wells
- * First-round drilling
- ■ ■ ■ CFA - Central Field Area



Kupe Development Wells Drilling Progress as at: 26 Mar 2008



NZOG 2P Kupe Reserves ~ 10.0 mmboe

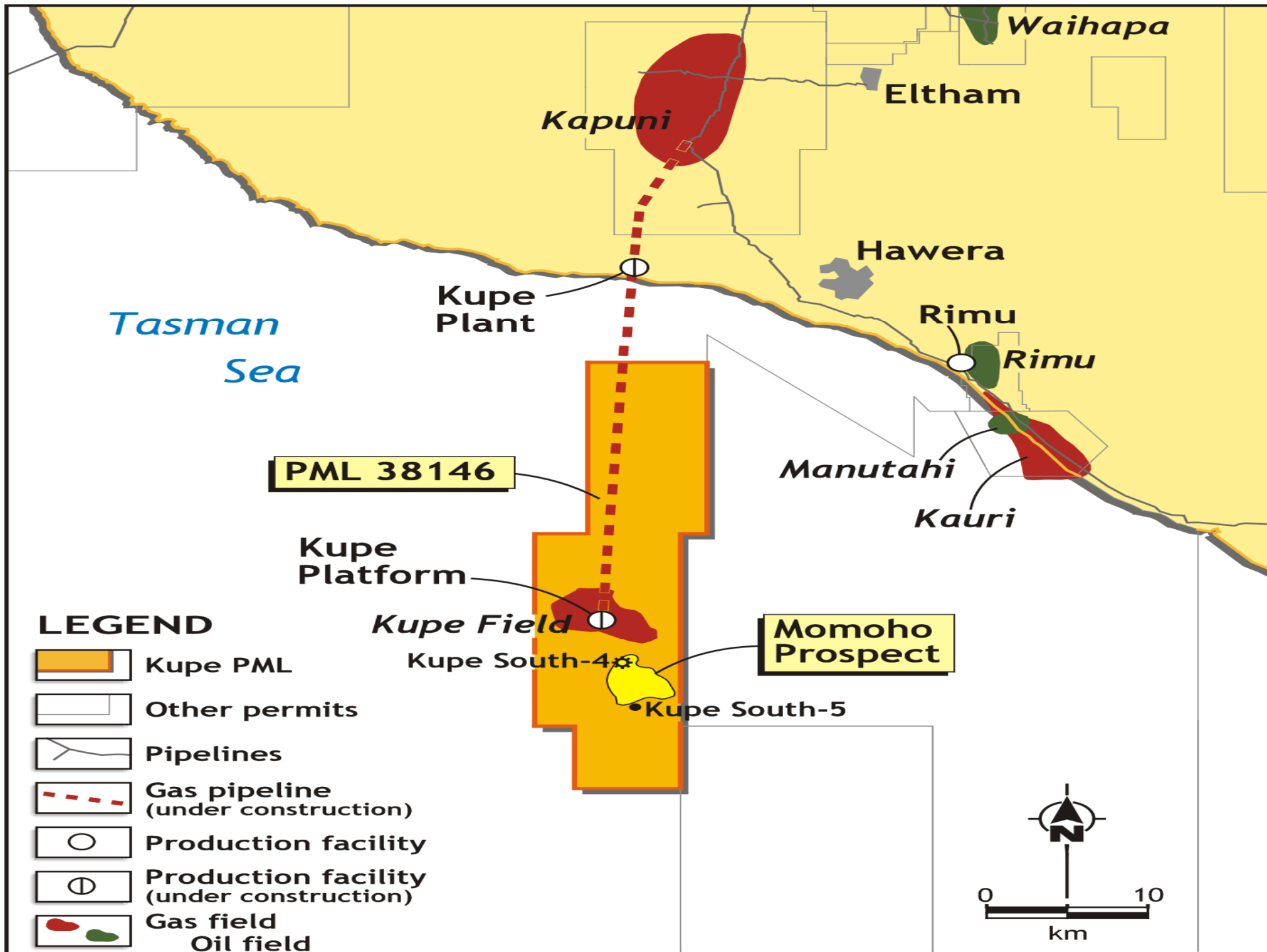


Source:

NZOG has calculated the approximate barrels of oil equivalent for Kupe production forecasts from the Kupe operator (Origin Energy).

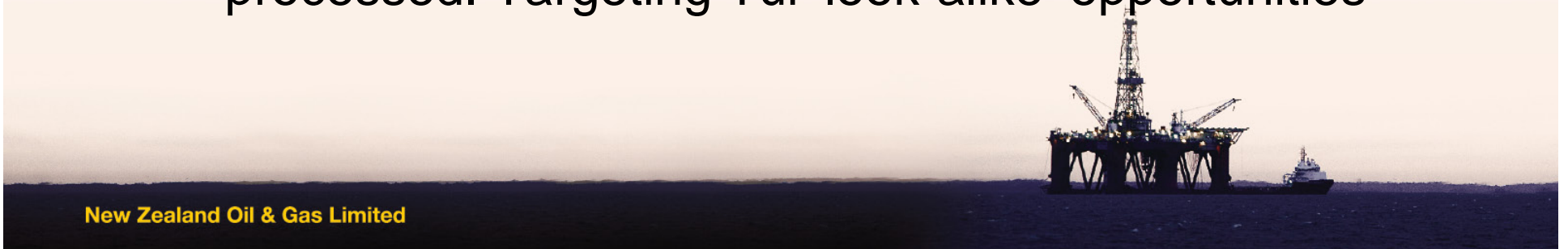
→ Production expected to at least 2025





Exploration: Taranaki Basin

- Permit PML38146 (Kupe Area)
 - Momoho prospect to be drilled May 2008
- Permit PMP38158 (Tui Area)
 - Seismic data being remapped to better define leads such as Oi and Kahu. Drill-mature prospects could be targeted in 2009
- Permit PEP38499
 - Between Tui and Maui fields. Contains Toke, Matuku and Kakapo leads. Seismic data currently being processed. Targeting Tui 'look-alike' opportunities

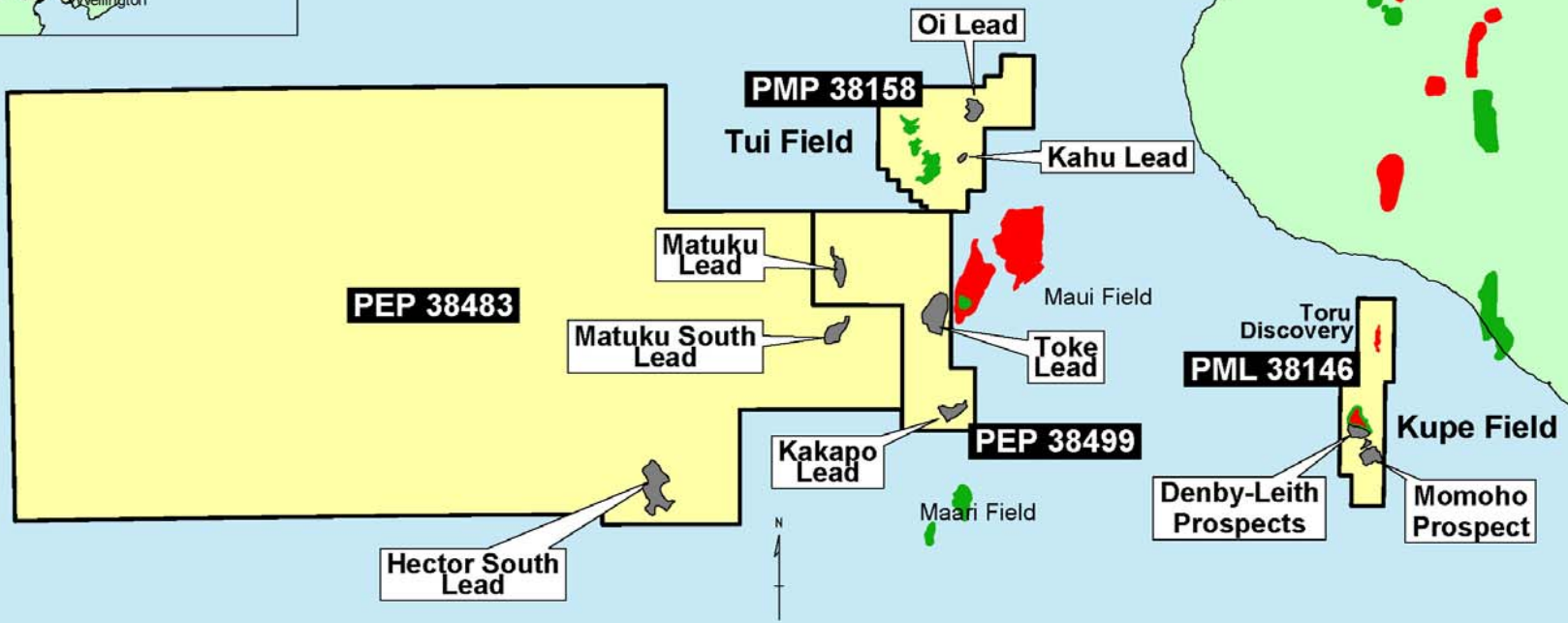




NZOG Taranaki Basin Permits



- NZOG Permit
- Gas Fields
- Oil Fields
- Prospects and Leads



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KILOMETRES

A NZ Focus – why?

- The Global risks are accumulating:
 - Geopolitical instability
 - Concentration of existing reserves in a few hands
 - New oil & gas sources more difficult to access
 - Technology requirements increasingly complex
 - Human resources stretched
 - Massive infrastructure investment needed
 - Environmental constraints indeterminate
- New Zealand looking a better and better option...



A NZ Focus – why?

- NZ relatively under-explored
 - Identified basins with good potential
 - Further resource potential in Taranaki
 - Bigger potential in frontier basins but high risk/costs
- Technology advances open up new opportunities
- NZ offers a safe, secure location

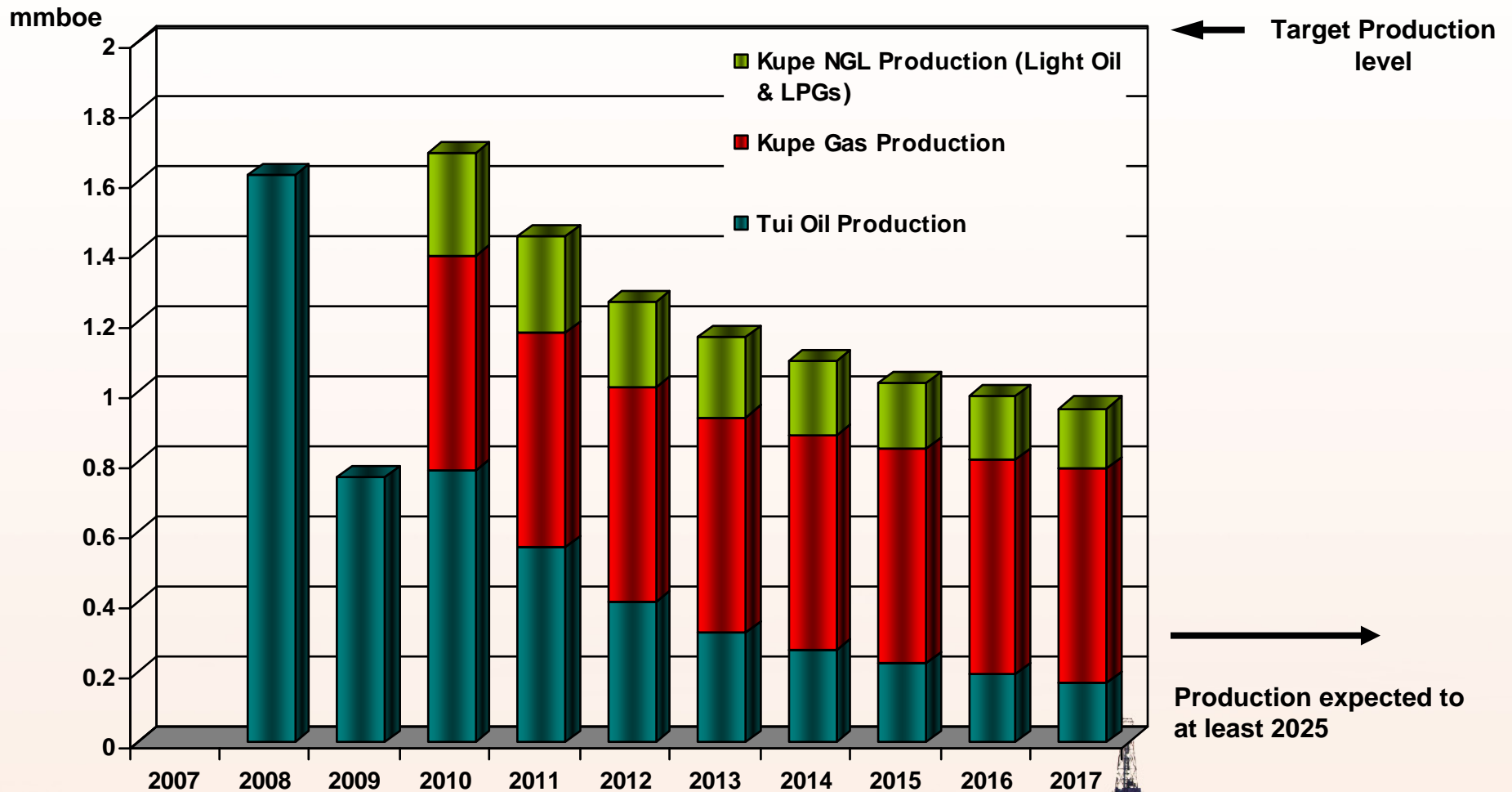
= Excellent prospects for further NZ exploration



NZOG's Plans for the Future

- Board approved growth strategy
- Staffed and funded for growth
- Looking for opportunities:
 - exploration
 - asset purchase
 - corporate acquisition
- Ambitious but achievable 2012 targets:
 - Increase reserves to at least 25 mmboe
 - Increase production output to at least 2 million barrels per yr

Production Forecast



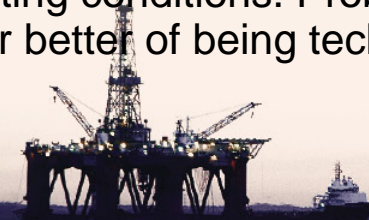
Current Reserves

NZOG Proved and Probable (2P) Reserves as at 27 February 2008

	Oil & Condensate (million barrels)	Natural Gas (petajoules)	LPG (kilotonnes)	Million Barrels of Oil Equivalent*
Tui (developed)	4.1			4.1
Kupe (undeveloped)	2.2	38	159	9.9
Total				14.0

*Million barrels of oil equivalent has been calculated as the total oil equivalent of the oil, condensate (light oil), natural gas and LPG figures

Proven reserves are the estimated quantities of oil and gas which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs, under existing economic and operating conditions. Probable reserves are defined as those which have a 50% chance or better of being technically and economically producible.



Summary

- Tui shows that E&P can be highly profitable for a NZ-based and focused company
- Worldwide hunt for oil & gas in ‘benign’ environments ensures interest in NZ
 - A local partner has much to contribute
- NZ has good remaining prospectivity
- NZOG resourced and ready to pursue a NZ-based growth path



Questions?



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