

Discovering Our Energy Future

New Zealand Oil & Gas Limited

Excellence in Oil & Gas
Conference

Sydney 27 May 2008



New Zealand Oil & Gas Ltd

Listed	NZX and ASX
Shares issued	262m Shares & 139m Options
Shareholders	~12,000
Market cap	~A\$350 million
Head Office	125 The Terrace Wellington, New Zealand

www.nzog.com



A diversified E&P Company

- Production
 - Tui Area Oil Fields
- Development
 - Kupe Gas & Condensate Field
- Investment
 - Pike River Coal
- Exploration
 - Taranaki off-shore drilling programme



2007/08 – a transformational year...

Operational Achievements:

- Staff recruitment successfully completed
- Tui Oil Fields exceeding production estimates
- Kupe Project well advanced
- Pike River Coal floated



2007/08 – a transformational year...

Financial Achievements:

- Revenue to 31 March 08: NZ\$153.7m
 - Tui \$141.8m
 - Gain from float of Pike River \$11.2m
- Capital investment NZ\$84m (mostly Kupe)
- All funding requirements in place
 - No exposure to sub-prime turmoil
- Approx \$85m of accumulated tax losses used
- 5.0c dividend per ordinary share



Share Performance



Share Performance



Share Performance

- 60% rise in last 4 months
- Increased trading volumes
 - 670,000 per day average on NZX
 - 240,000 per day average on ASX
- Increased analyst coverage

Company	Valuation (\$NZ)	Recommendation
Credit Suisse	\$1.97	Buy
McDouall Stuart	\$1.88	Buy
Macquarie	\$1.89	Buy
Aspect Huntley	\$1.73	Hold

- Other brokers are initiating coverage



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
- First production 30 July 2007

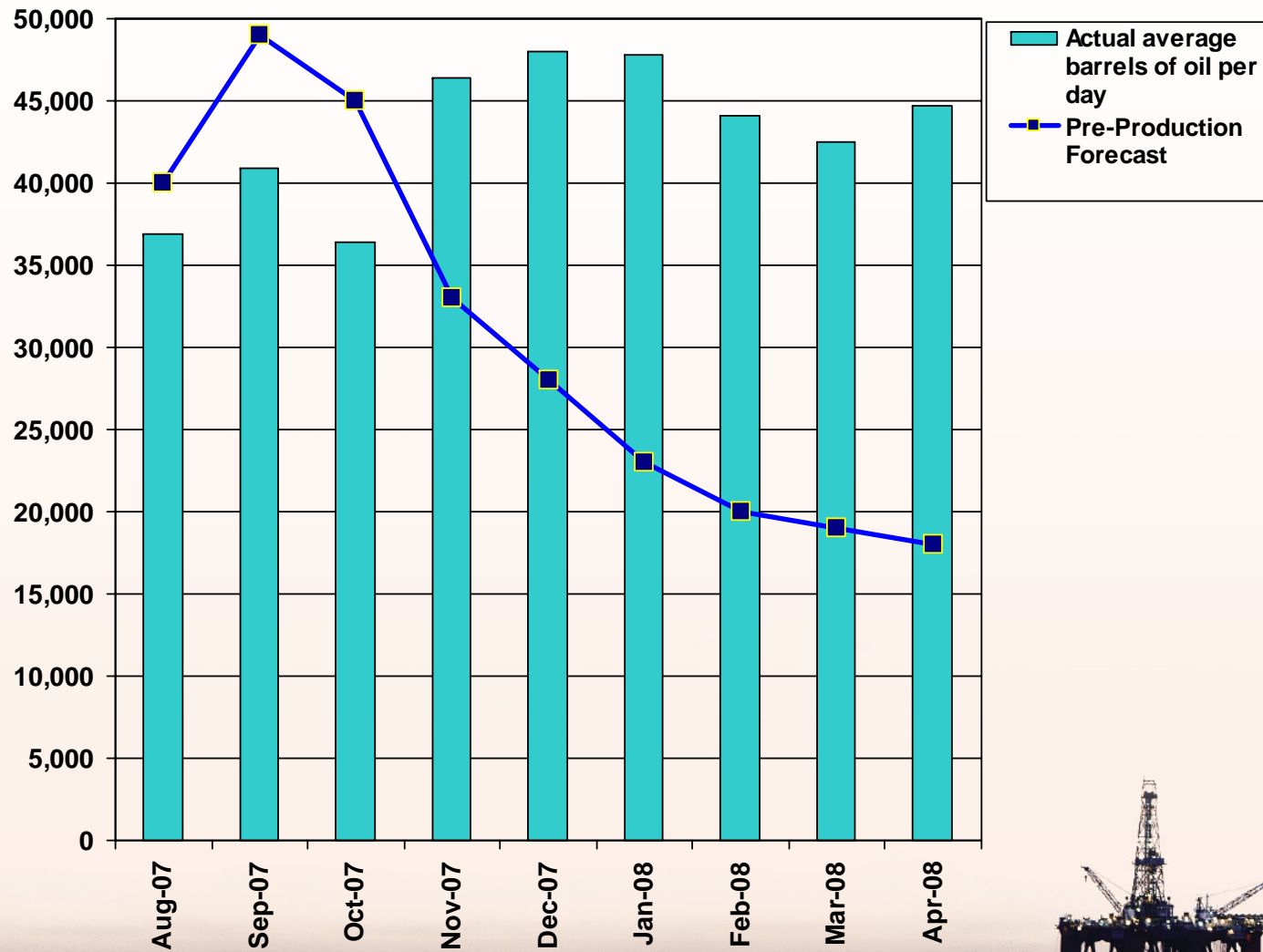


NZOG Success Story 1- Tui

- NZOG's total Exploration & Development costs: \$52m
 - Project payback achieved in 4 and a half months
- Production rates exceeded forecasts
 - 12.9 mmbbls produced so far
 - NZOG share of production to date – 1.6 million barrels
- Proved & probable (2P) reserves upgraded to 47 mmbbls
 - NZOG net interest 5.9 mmbbls
 - Another reserves review to be completed next month
- Opex significantly below US\$10 a barrel budget
- Average net price per barrel to date over US\$93



Production: Tui Area Oil Fields



NZOG Success Story 2 - Kupe

- Kupe Project:
 - Discovered by NZOG in 1986
 - Not economic during Maui era
 - Investment decision June 2006
 - Commercial 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 almost three-quarters complete
 - Offshore platform installed
 - 30km offshore pipeline and umbilical laid
 - Three development wells 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

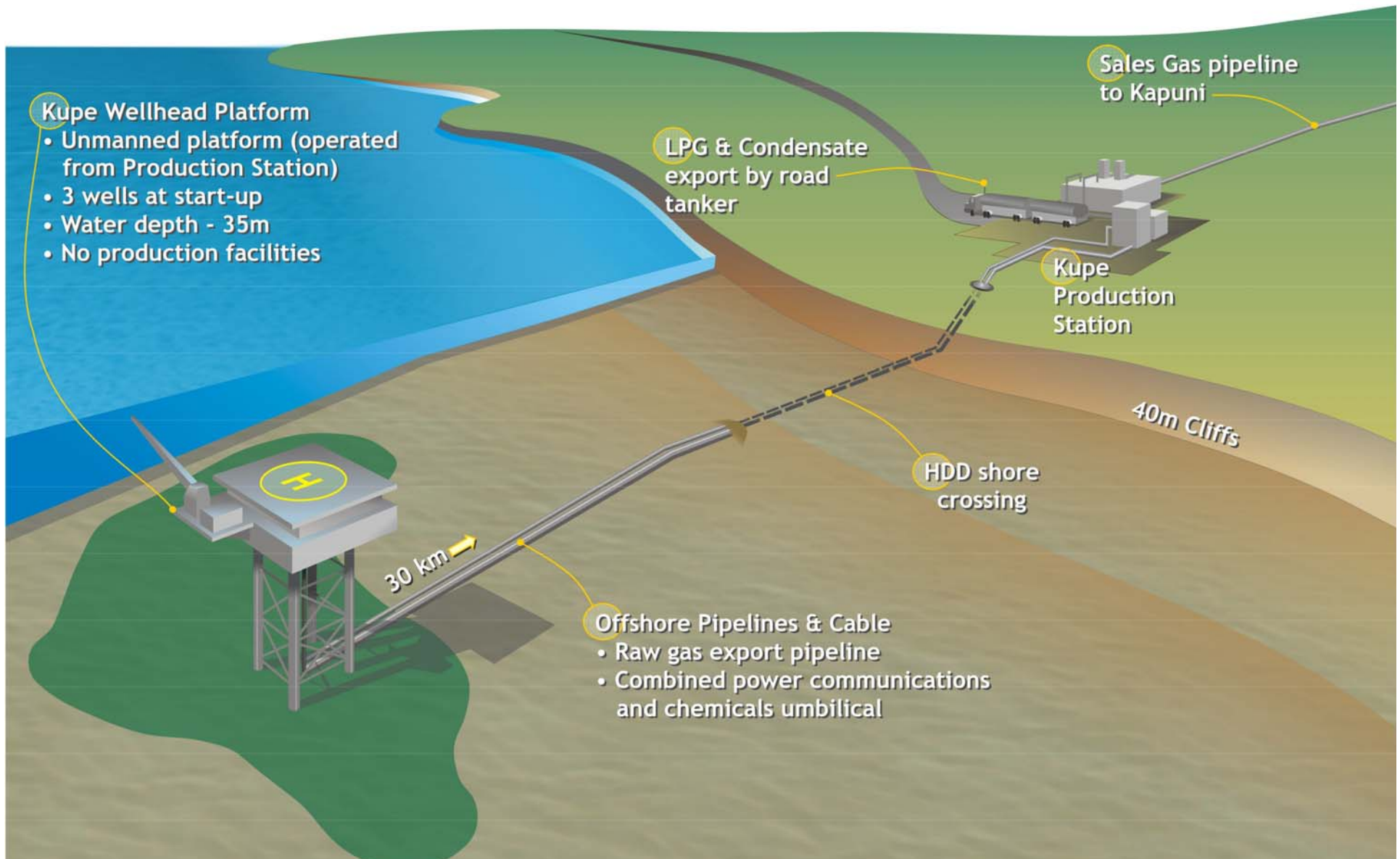
40m Cliffs

HDD shore crossing

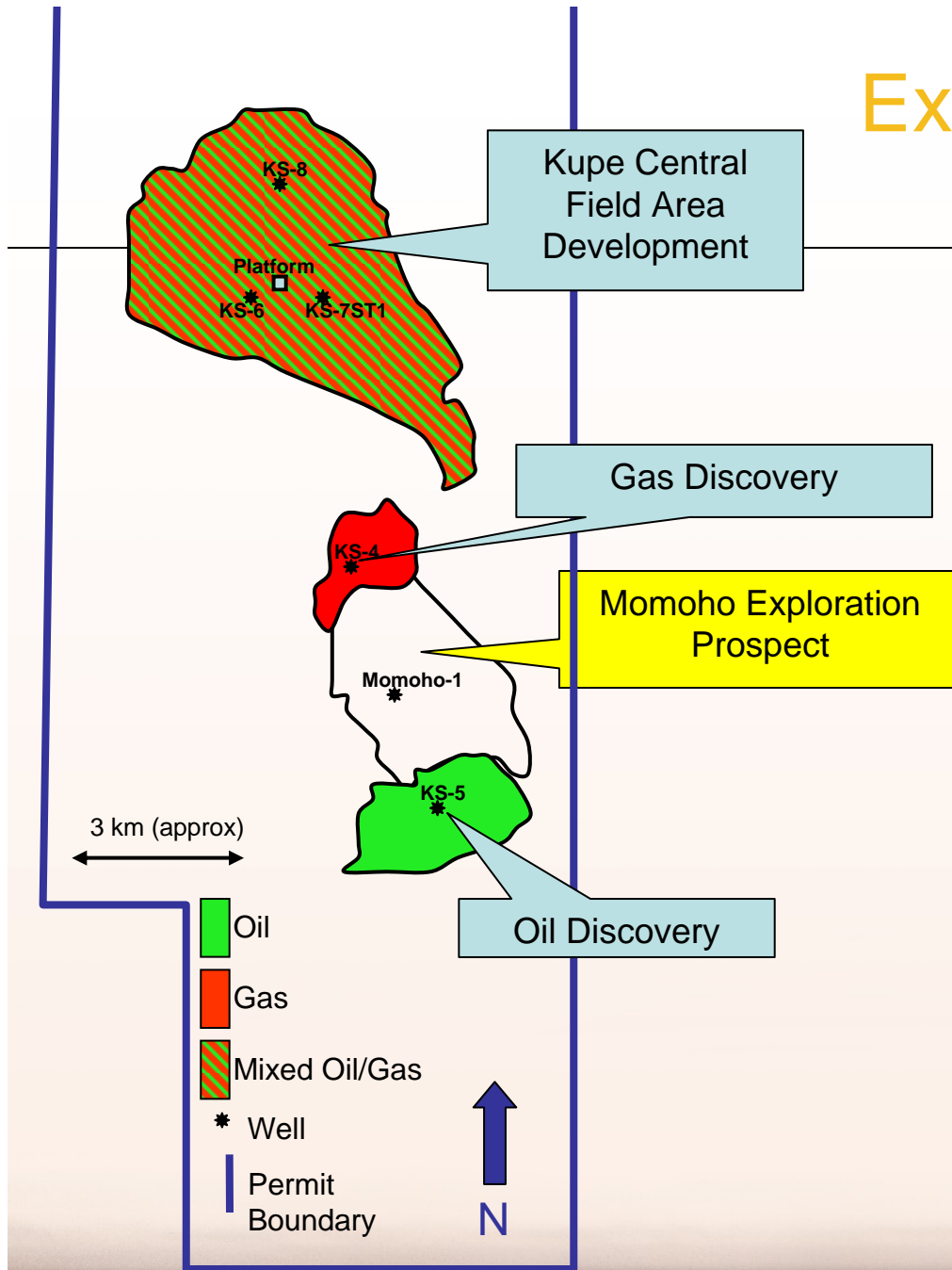
30 km

Offshore Pipelines & Cable

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



Exploration: Taranaki Basin



- Permit PML38146
- Momoho lies between a gas and an oil discovery
- Only 6km from Kupe Central Field



Exploration: Taranaki Basin

- 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
- Permit PEP38483
 - Remodelling and reviewing a number of prospects and leads

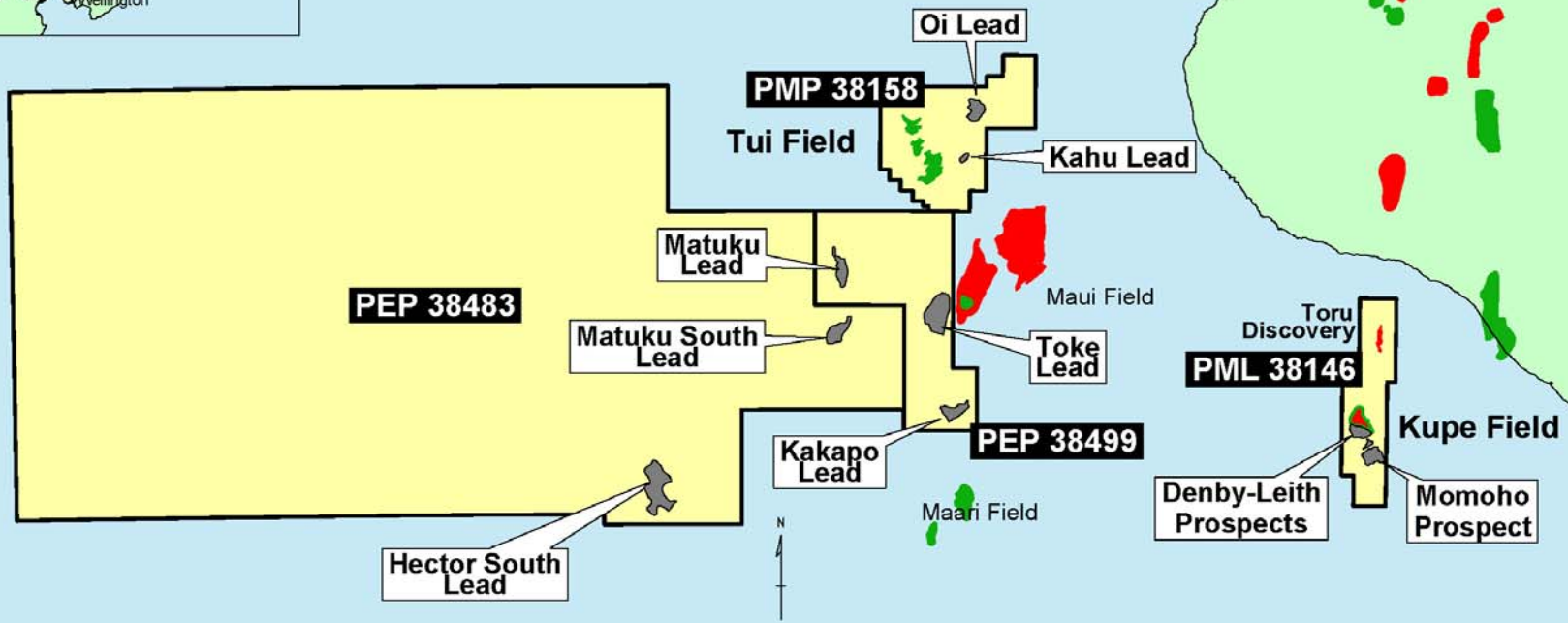




NZOG Taranaki Basin Permits

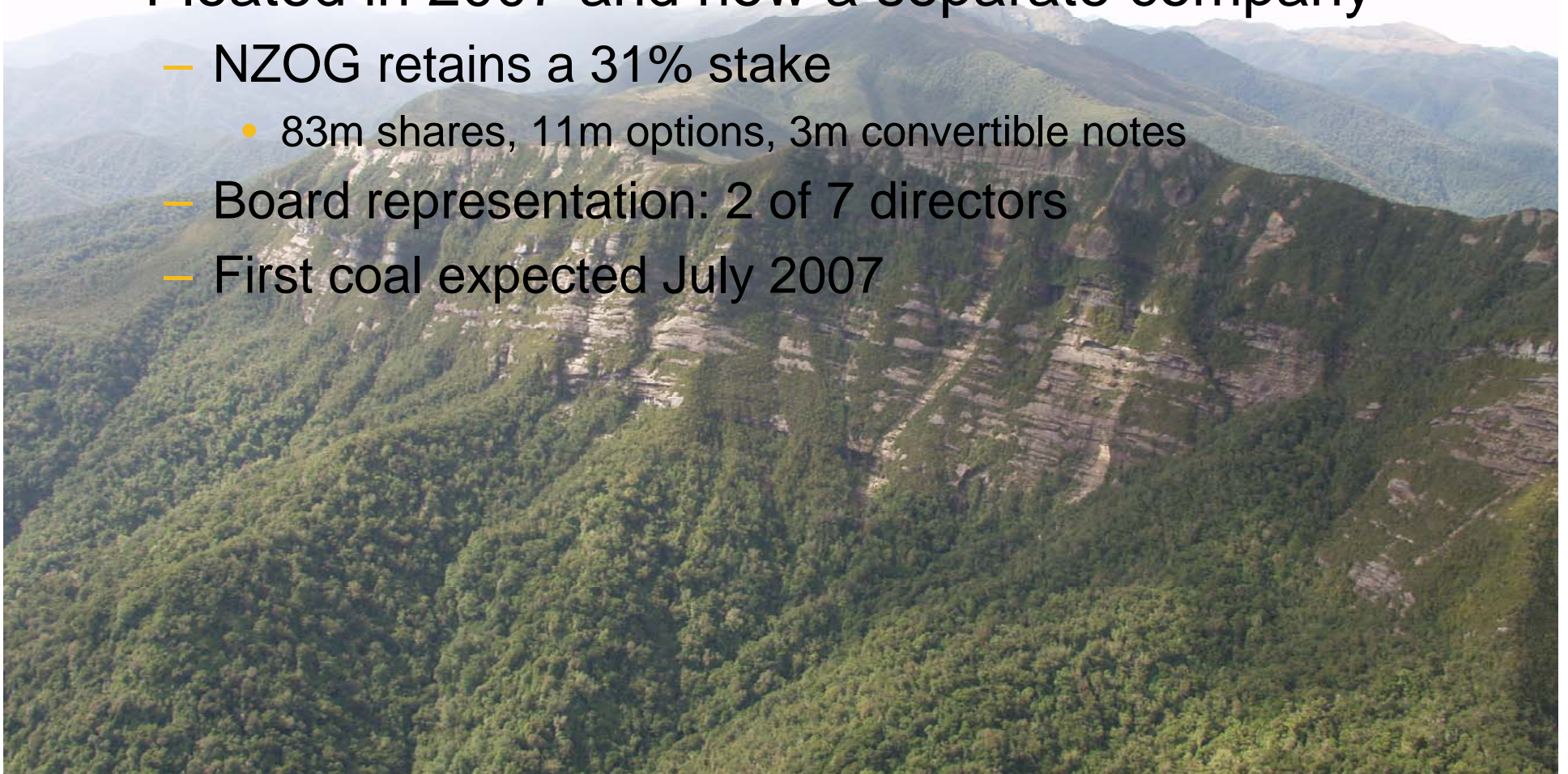


- NZOG Permit
- Gas Fields
- Oil Fields
- Prospects and Leads



Pike River Coal

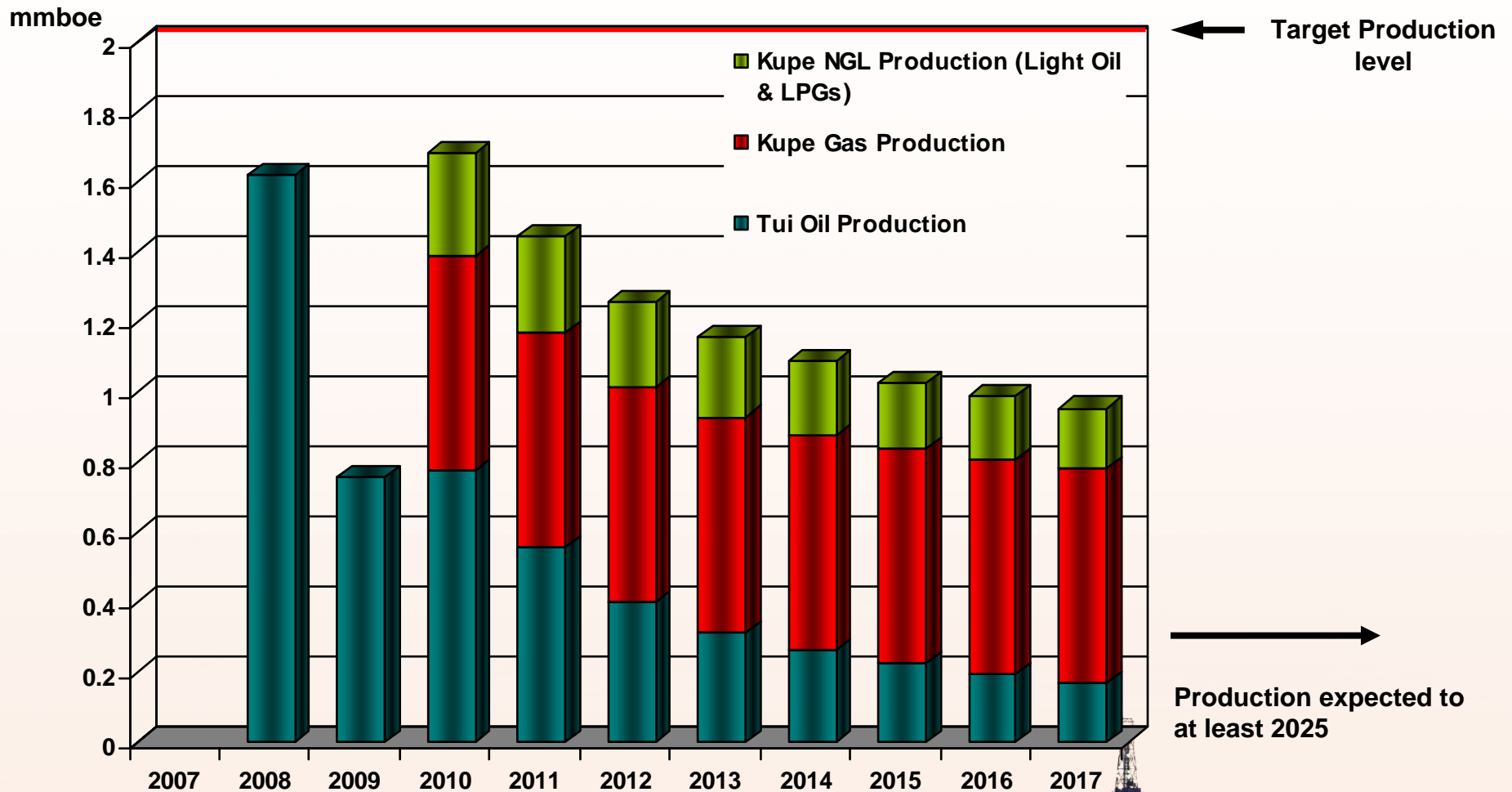
- Coking Coal Mine on South Island's West Coast
- Floated in 2007 and now a separate company
 - NZOG retains a 31% stake
 - 83m shares, 11m options, 3m convertible notes
 - Board representation: 2 of 7 directors
 - First coal expected July 2007



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



Disclaimer

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Questions?

