2012 Interim Results

For the six months ended 31 December 2011

Briefing Presentation

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nzog
New Zealand Oil & Gas Ltd

2012 Interim Results Summary

- Kupe & Tui fields
  - Steady revenues and sustained operating earnings
- NZ Exploration
  - Active farmout campaigns for Kakapo and Barque
- International Expansion
  - Cosmos development in Tunisia (FID due mid-2012)
  - Increasing presence in Indonesia
- Corporate
  - Strong balance sheet

Financial Highlights

Financial Summary

Amounts in NZ$ millions	Half Y/E 31 Dec 11	Half Y/E 31 Dec 10	Y/E Jun 11
Revenue	**54.6**	40.5	106.5
EBITDAX*	**33.1**	15.7	58.5
Exploration Write offs	**(0.6)**	(2.6)	(3.4)
Depreciation and Amortisation	**(13.3)**	(11.9)	(22.4)
EBIT**	**19.2**	1.2	32.6
Net Profit/(Loss) After Tax	**2.3**	(99.0)	(75.9)
Add back Abnormal Items***	**17.4**	103.8	106.5
Normalised Profit After Tax* **	**19.7**	4.8	30.6
Net Operating Cash Flow	**26.5**	23.1	68.6

** Earnings before interest, tax, depreciation, amortisation and exploration*
*** Earnings before interest and tax.*
**** Abnormal Items comprising foreign exchange losses and gains and Pike River Coal Limited related losses.*

Contribution by Field

Amounts in NZ$ millions	Kupe	Tui	Other	Half Y/E Dec 11
Revenue	37.1	17.5	-	**54.6**
EBITDAX*	24.7	12.2	(3.8)	**33.1**
Exploration Write offs	-	-	(0.6)	**(0.6)**
Depreciation and Amortisation	(10.3)	(2.8)	(0.2)	**(13.3)**
EBIT**	14.4	9.4	(4.6)	**19.2**

** Earnings before interest, tax, depreciation, amortisation and exploration*
*** Earnings before interest and tax.*

Abnormal Items

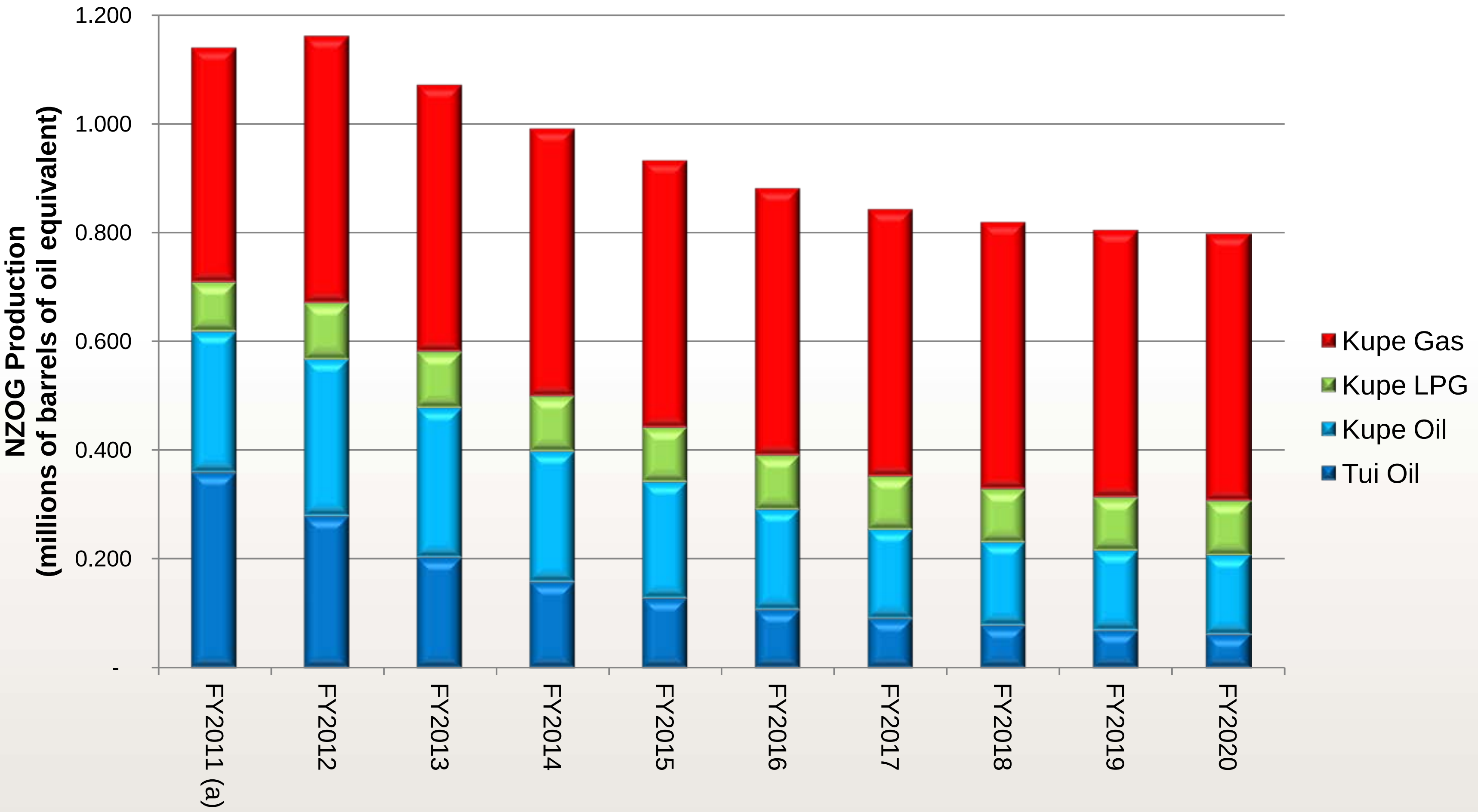
Amounts in NZ$ millions	Half Y/E 31 Dec 11	Half Y/E 31 Dec 10	Y/E Jun 11
Pike River Coal Ltd related losses:			
- Equity Investment impairment	**-**	(77.1)	(77.1)
- Net Fair Value loss on Bonds	**(4.1)**	(7.5)	(6.4)
- Impaired debt and interest	**(18.1)**	(13.3)	(14.6)
- Coal Option Impairment	**-**	(0.7)	(0.7)
Total PRCL Losses	**(22.2)**	(98.6)	(98.8)
Foreign Exchange Gains (losses)	**4.8**	(5.2)	(7.7)
Total Abnormal Items	**(17.4)**	(103.8)	(106.5)

Cash & Debt Position 31 Dec 2011

- Total Cash (NZ$)
  - $191.5 million cash balance at 31 December 2011
  - 40% held in US dollars, balance in NZ dollars
- Debt Position (NZ$)
  - $8.5 million paid off Westpac Debt Facility during period
  - Remaining balance $54.8 million to be repaid by March 2015
- Net Cash (NZ$)
  - $136.7 million at 31 December 2011
  - Includes $41.0 million recovered from PRCL
  - Up from $49 million in Dec 2010 and $86 million in June 2011

Production Forecast

- On track to meet FY2012 forecasts
- Two fields provide strong long-term cashflows



Operational Highlights

Kupe Gas and Oil Field

NZOG 15%

- NZOG's largest revenue source
  - $37.1 million for six month period
- NZOG's share of production for half year:
  - 1.45 PJ of sales gas
  - 139,000 barrels of light oil
  - 6,300 tonnes of LPG
- Slightly higher production expected in second half
- Kupe contribution to earnings
  - $14.4 million EBIT

Tui Area Oil Fields

NZOG 12.5%

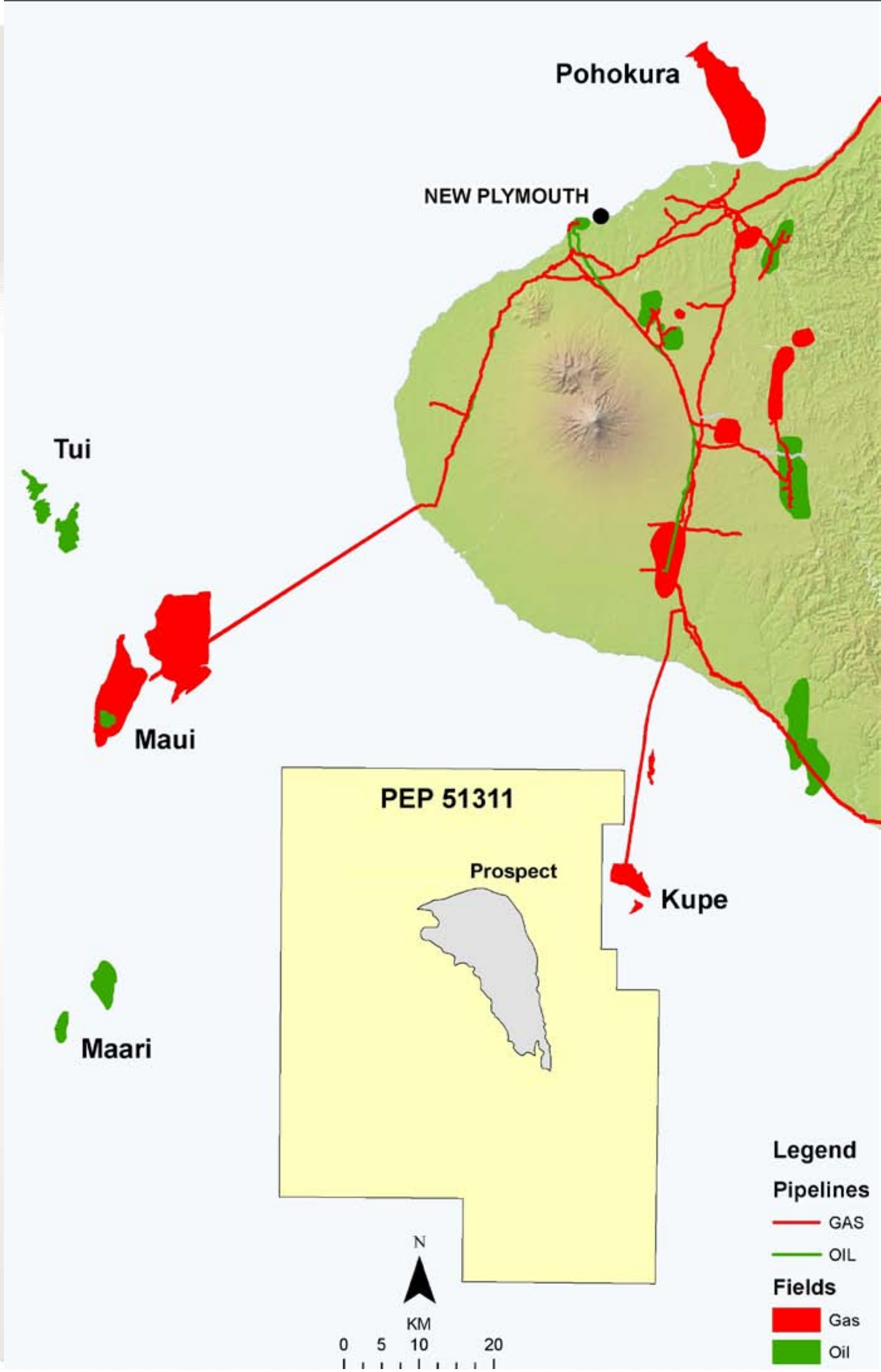
- Tui continues to make valuable contribution
  - $17.5 million for six month period
- NZOG's share of production for half year:
  - 148,000 barrels
- On track to achieve full year forecast of 275,000 barrels
- Tui contribution to earnings
  - $9.4 million EBIT

Portfolio Development

- Lower cost exploration acreage in Indonesia
- Promising development opportunity and exploration acreage in Tunisia
- Active farm out campaigns for Kakapo in Taranaki Basin and Barque in Canterbury Basin
- Focus on New Zealand opportunities ongoing

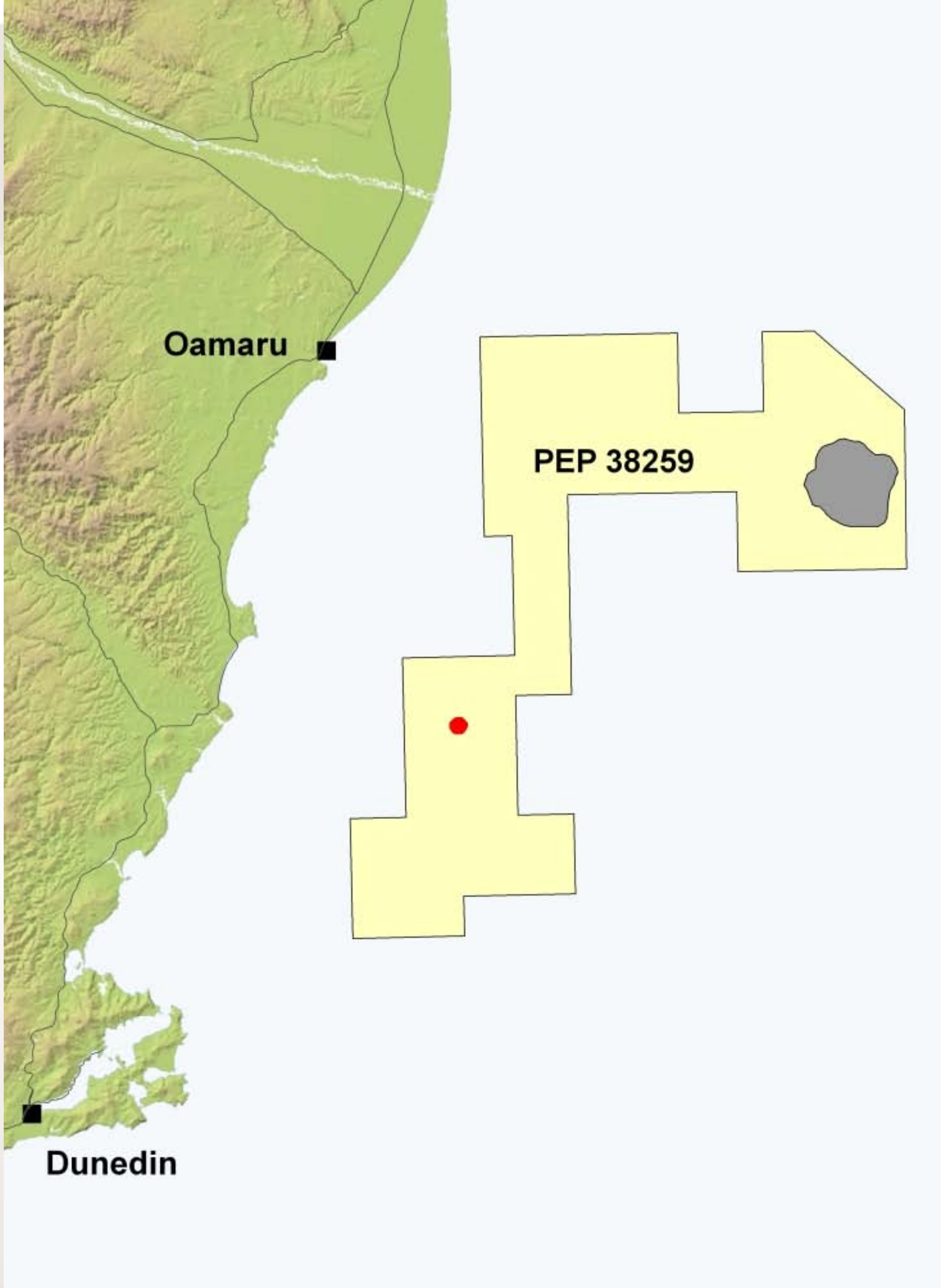
NZ: Kakapo

- Kakapo prospect has estimated mean prospective resources over 200 mmbbls
- NZOG seeking suitable drilling rig and additional partner
- Looking at drilling in 2012/13 summer



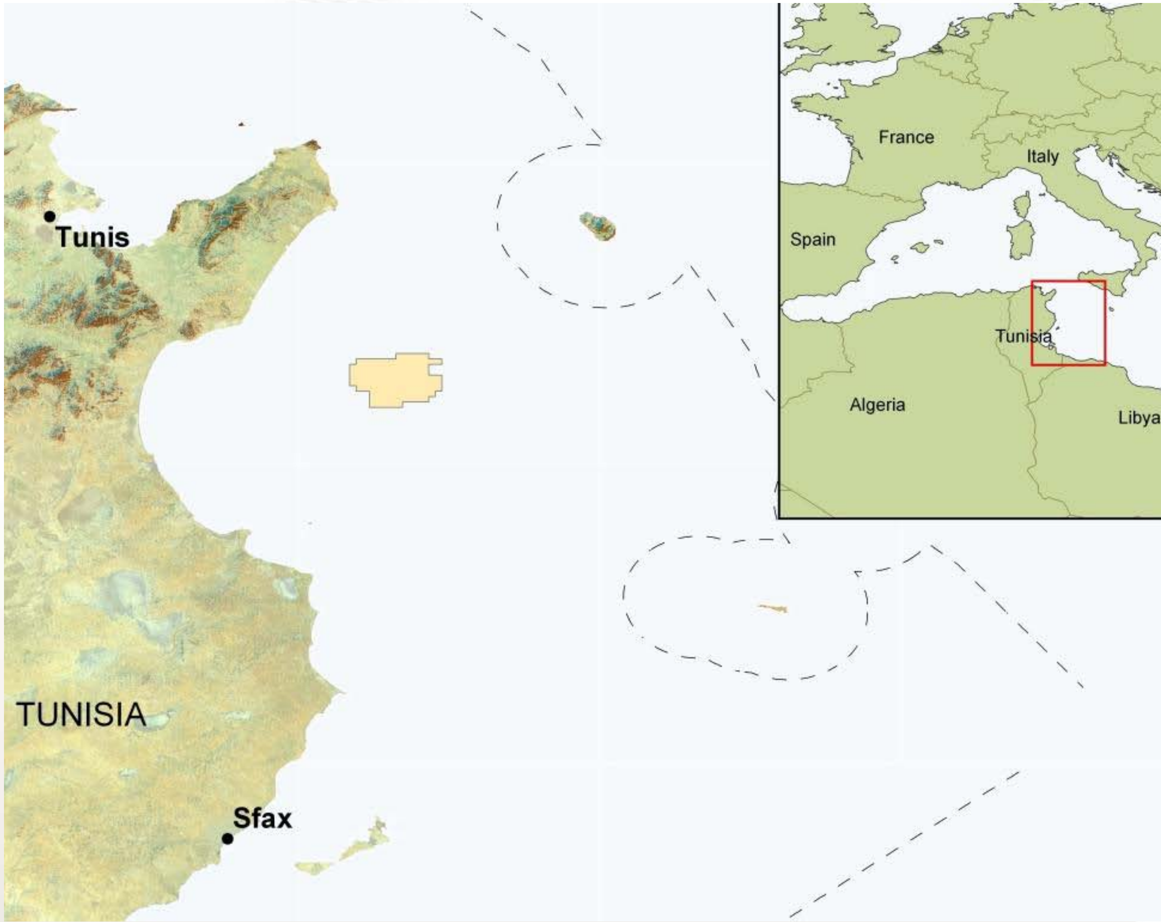
NZ: Barque

- NZOG has taken on Operatorship
- International campaign to attract additional partner into joint venture
- “Drill or drop” decision required by August



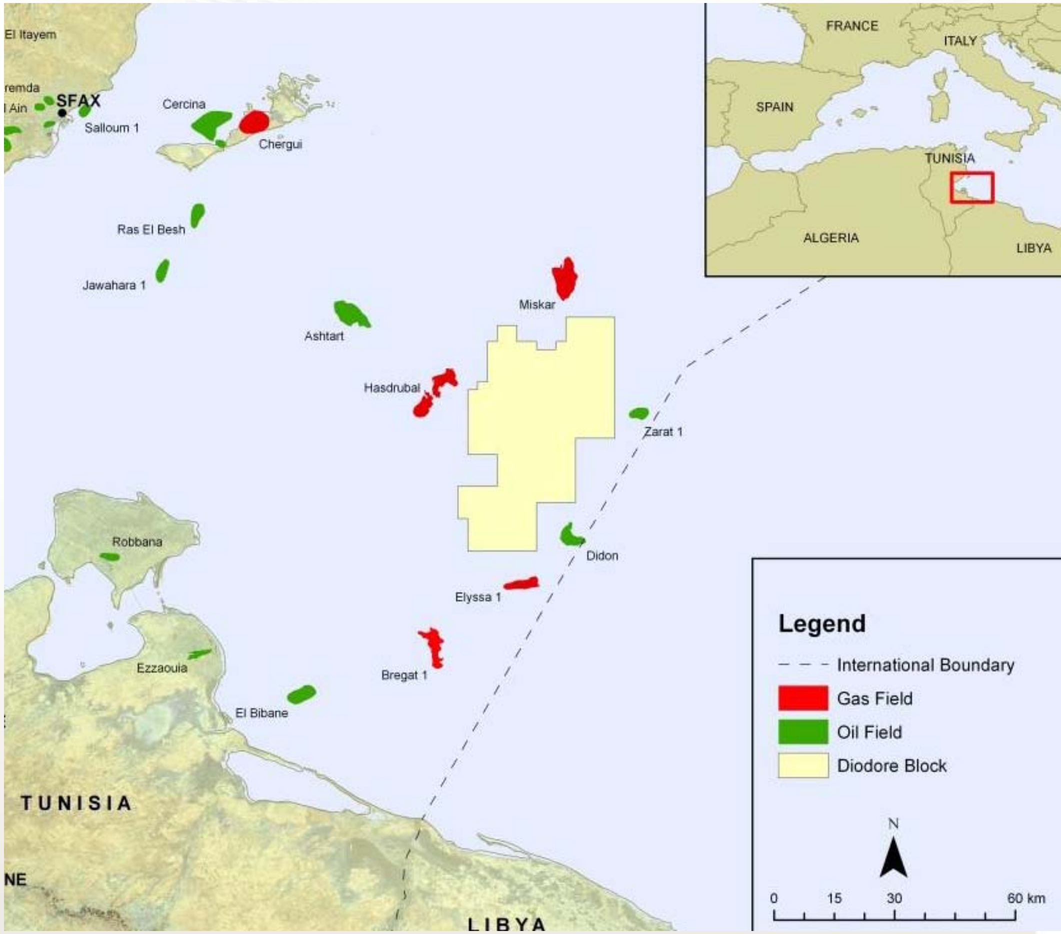
Tunisia: Cosmos Concession

- Existing discovery
  - 6.3 mmbbls with potential upside
- 40% stake acquired
  - US$3m upfront payment
  - US$19m contribution to partner’s cost if development proceeds
- Reservoir assessment and engineering design under way
  - FID decision mid-2012



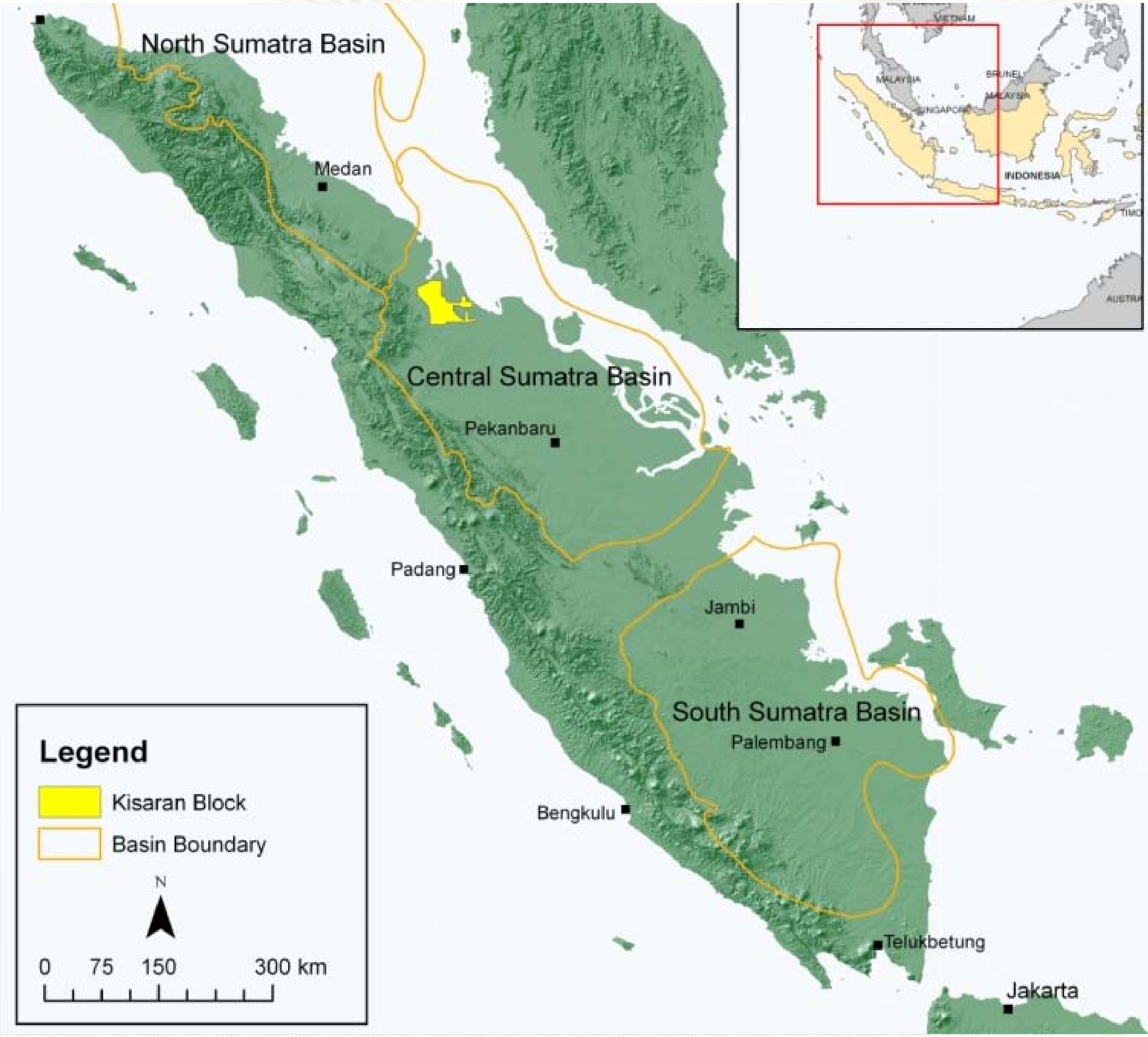
Tunisia: Diodore Block

- 2 year prospecting permit
- On trend with producing fields
- Existing 2D & 3D seismic coverage
- New 470km 2D Seismic Survey completed
- Analysis will determine whether an exploration permit is applied for
- NZOG will look to farm-down ahead of drilling



Indonesia

- Working with Indonesian-focused partner
- Current focus on Sumatra
- 22.5% stake in permit with drilling imminent
- Two Joint Study Agreements (JSA) awarded and 3rd applied for
- Other opportunities under assessment



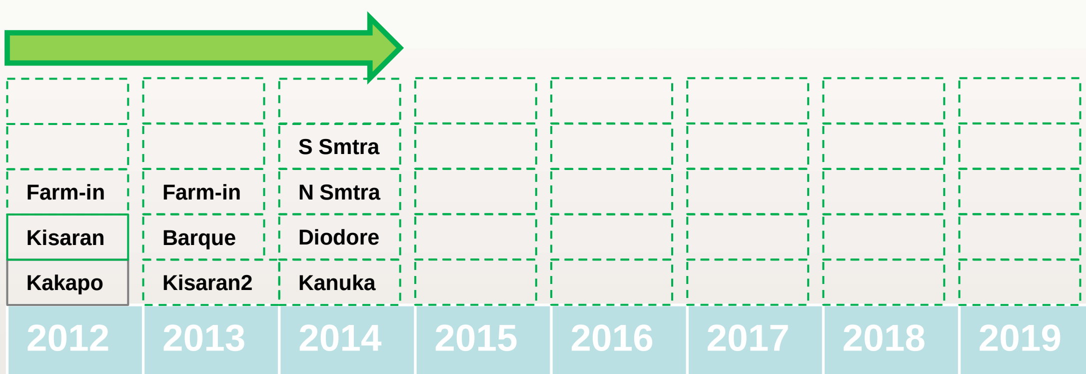
Delivering on a growth promise

- Evolution of the Strategy - a change of emphasis
  - NZOG has been focused in last two years on opportunity assessment (acquisition) to achieve country entry
  - With core areas established, the focus is now on enhancing market position (capability), and
  - Building our own exploration opportunities to increase value and supplement acquisitions
- Exploration activities
  - Higher value achieved when successful
  - Portfolio of different types of activity
  - Within a targeted activity set

  (Three regions, mostly conventional, gas or oil, onshore and offshore)

Delivering on a growth promise

- Aim for about NZ$35m/year in exploration investment
- Say, 5 projects averaging NZ$7m (NZOG share)
- Some generated internally (and farmed down)
- Farm in or other acquisition deals to fill portfolio gap



Outlook – the year ahead

- 2012 activity:
  – Possible drilling in offshore Taranaki (Kakapo)
  – Assessment of NZ blocks offer
  – Cosmos oil field development decision in Tunisia
  – Seismic data analysis for Diodore block, Tunisia
  – Exploration drilling in Indonesia (Kisaran block)
  – Indonesia studies and possible acreage acquisition

- NZOG has resources and capability to do more
  – Actively pursuing further opportunities
  – Build substantial portfolio to provide diversity, spread risk and create long term shareholder value

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