

Discovering Our Energy Future

Excellence in Oil and Gas Conference

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1 March 2011

Sydney

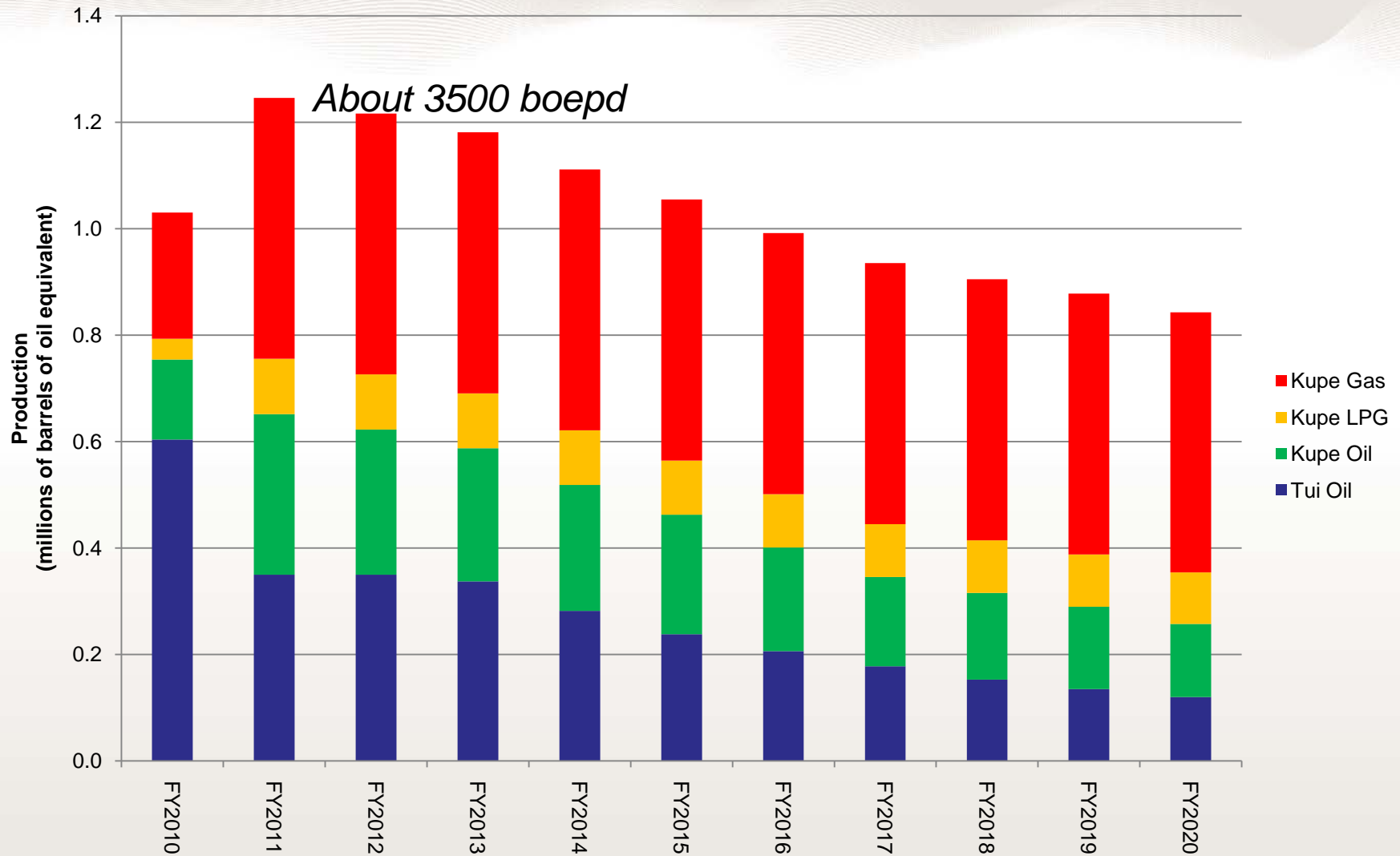


NZOG (New Zealand Oil & Gas Ltd)



Issued Capital:	383 million shares
Listed:	ASX and NZX
Shareholders:	~15,500 ~ 25% institutions
Market cap:	~NZ\$350 million
Head Office:	125 The Terrace Wellington, New Zealand
Website:	www.nzog.com

Production Forecast – Kupe and Tui provide solid revenue streams



Our Strategy



Two-pronged business strategy:

- Maximising value extraction from our existing asset portfolio
- Securing new value-adding business opportunities

NZOG has a 30 year track record leading the discovery of oil and gas fields in New Zealand through fresh in-depth basin and petroleum systems analysis.

We are generating excellent cash flows from our retained, non-operated interests in the Kupe and Tui fields offshore Taranaki, and have two new play exploration focus areas in offshore Taranaki and exposure to the most promising of New Zealand's extensive frontier basins, with drilling opportunities across the risk spectrum over the next two years.

NZOG is on the cusp of initiating an international exploration project and continues to screen suitable international new ventures with a resolve to further diversify our upstream portfolio.

Kupe

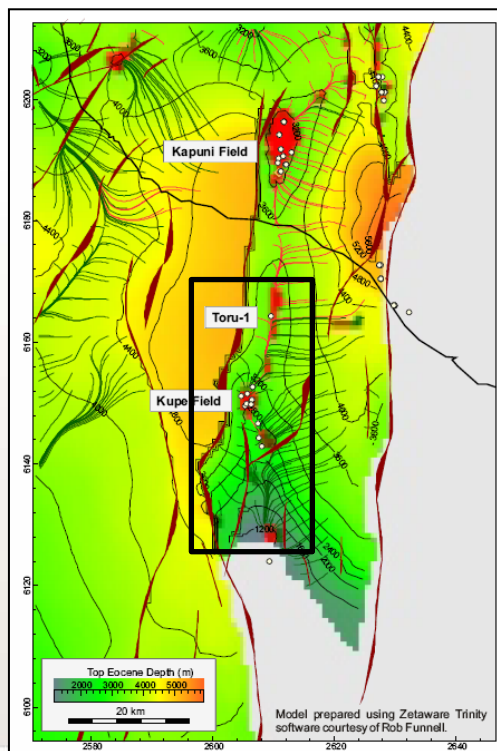
- Discovered by NZOG, 1986
- 15% non-operated interest
- Production began Dec 2009
- Significant Reserves upgrade in 2010
- Production to date (to 31/1/11, NZOG's share):
 - Sales Gas 2.9 PJ
 - LPG 11,500 tonnes
 - Light oil 315,000 barrels
- NZOG's main revenue source
- Estimated FY11 Revenue:
 - ~ NZ\$60m



Kupe Field

Promising additional prospects within the Kupe permit area

– Target to drill in 2012/13



Developed Central Field Area (3 producing wells)

Denby prospects

KS5 oil pool (1989)

Toru gas pool (1989)

Ngahue, Makaro prospects

KS4, Momoho gas pools (1989, 2007)

Marshall prospect



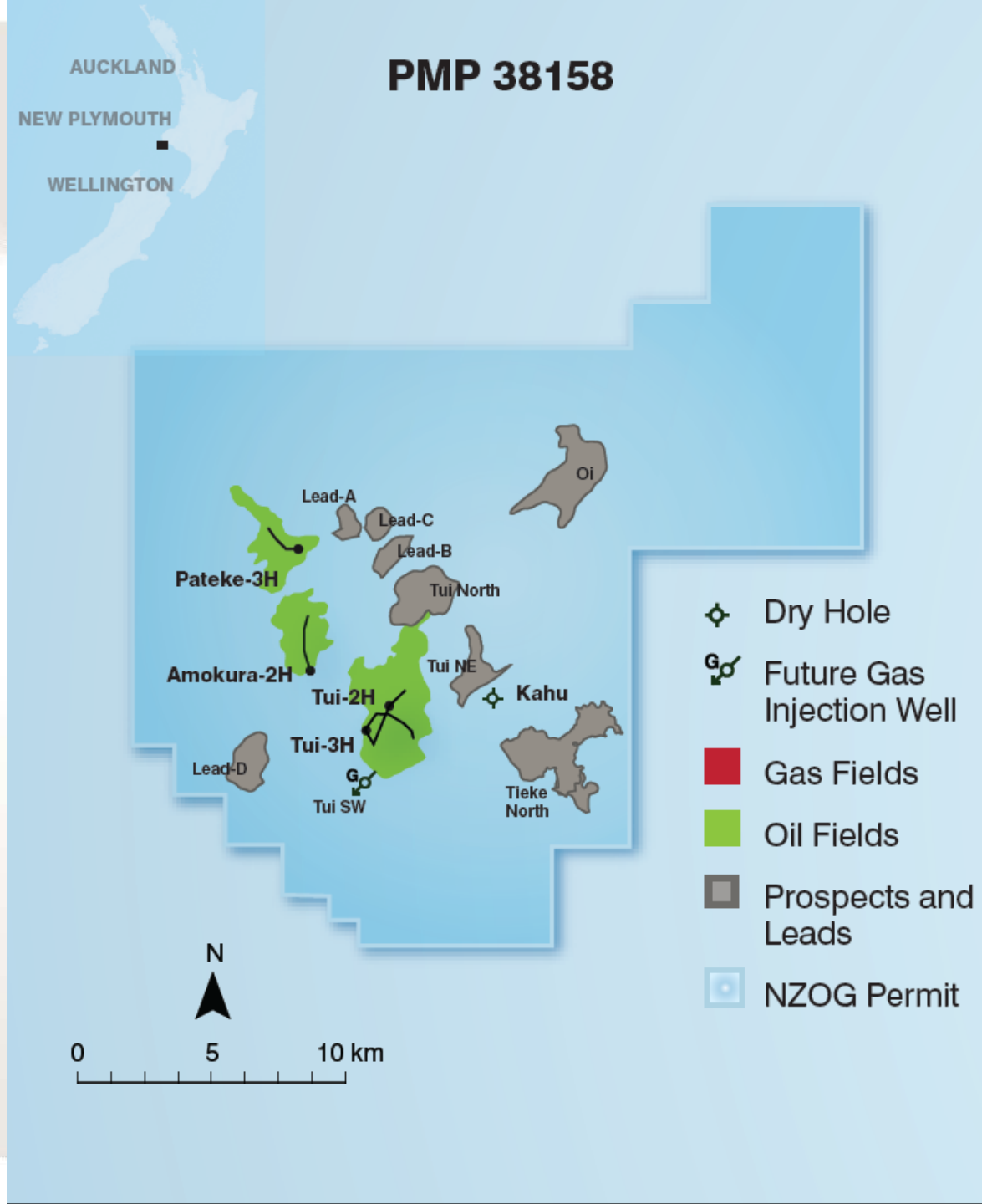
Tui

- Exploration west of Maui initiated by NZOG, 1996
- Discoveries (3), 2003/2004
- Production began July 2007
- Total production to date: ~30mmbbls
 - NZOG's 12.5% share: 3.75mmbbls
- Estimated 20 mmbbls of 2P recoverable reserves remain
- NZOG's estimated FY11 Revenue:
 - ~ NZ\$35m



Tui

- 4 producing horizontal wells
- Other prospects within permit area being re-evaluated with comprehensive G&G studies during 2011
- Site surveys completed over three possible drilling targets



Pike River Coal

- Coking Coal mine on West Coast of South Island, NZ
- Former NZOG subsidiary, separately listed 2007
- Mine explosions Nov 2010, 29 men killed
 - Various inquiries underway
- NZOG's investment in PRC:
 - \$82m equity
 - \$64m loans
- NZOG appointed receivers Dec 2010
- Working with receivers to recover investment, over time

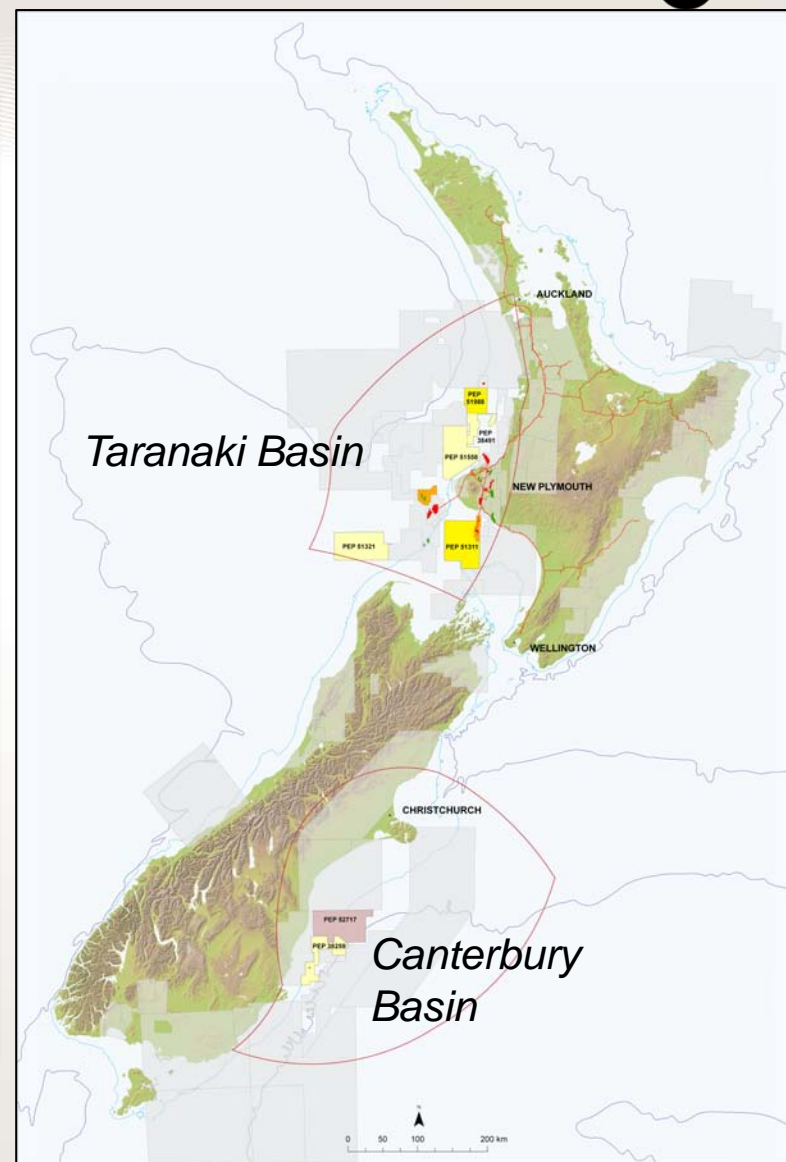
Pursuing Growth



- Built a team with strong technical and commercial capabilities
 - Wellington head office
 - Two very experienced ‘scouts’ in UK and Canada
- Assessing opportunities across the spectrum
 - exploration
 - development assets
 - producing fields
 - corporate acquisitions

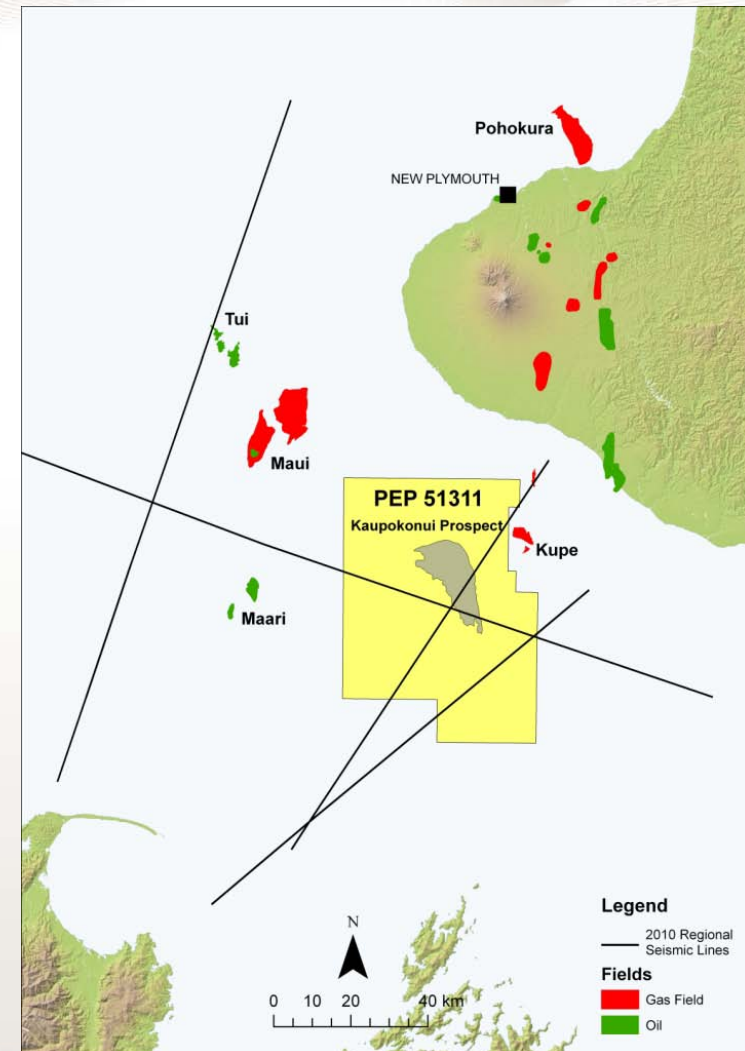
Exploration Portfolio

Permit	NZOG Stake
Taranaki Basin	
PMP 38158 Tui	12.5%
PML 38146 Kupe	15%
PEP 51311 Kaupokonui	90%
PEP 51988 Mangaa	100%
PEP 38491 Albacore	44%
PEP 51558 Parihaka	20%
PEP 51321 Kahurangi	18.9%
Canterbury Basin	
PEP 38259 Barque	40%
PEP 52717 Application	40%



Southern Taranaki Basin

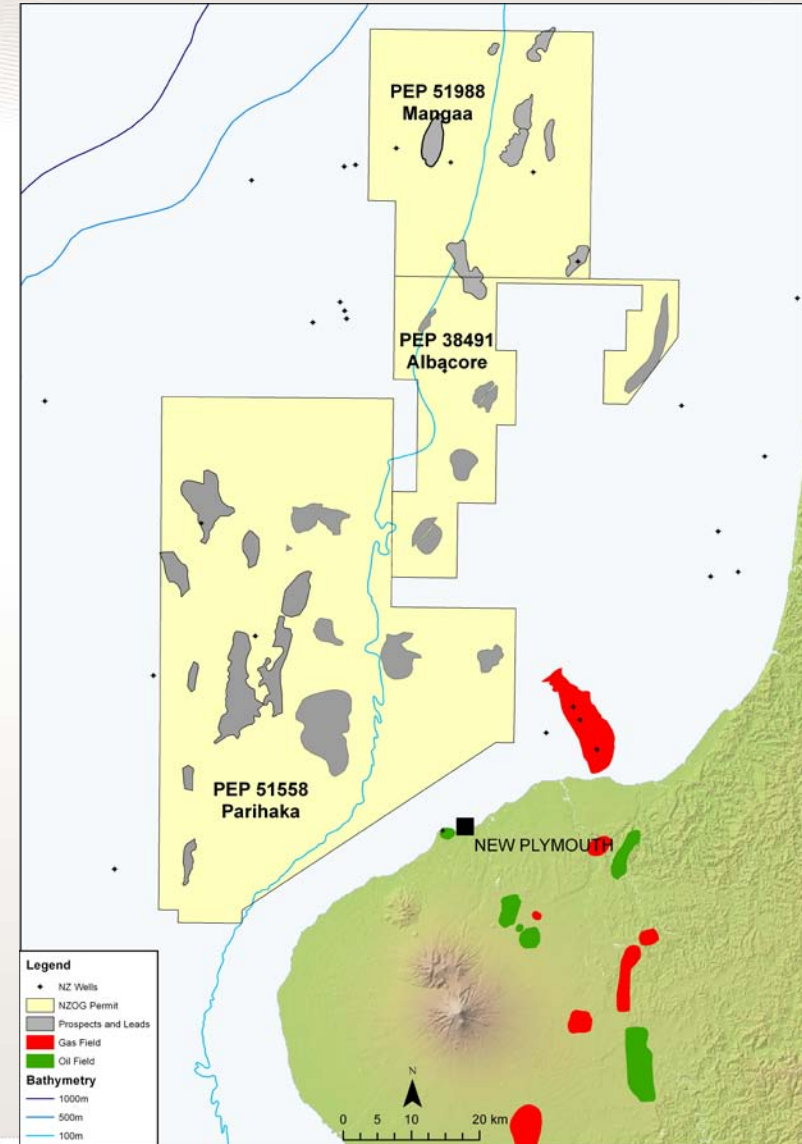
- 600km of regional seismic lines in 2010, tied into previous wells
- Kaupokonui prospect
 - Over 200 mmbbls oil in mean case (unrisked)
- Peak Oil & Gas Ltd farmed-in
 - 10% stake for 20% of first well costs (promote capped at US\$15m)
- Seeking further partners



Northern Taranaki Basin

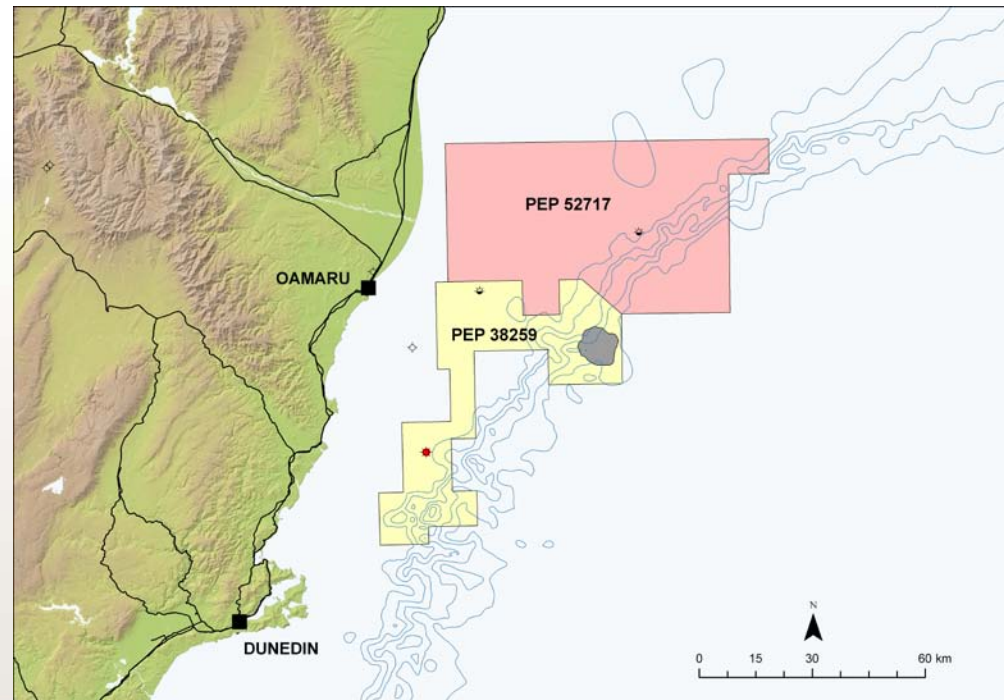
- Albacore (44%*)
 - Acquired August 2009
 - Albacore-1 drilled Dec 09
- Mangaa (100%)
 - Acquired January 2010
- Parihaka (20%*)
 - Acquired June 2010

**These interests are being consolidated with further assignments to NZOG subject to Ministerial consent*



Canterbury Basin

- PEP 38259 Barque (40%)
 - Drill or drop decision subject to discussions with government
 - NZOG to assume operatorship
- PIT Application (40%)
 - Expect to be awarded
 - NZOG operator



Overseas Opportunities

- Available opportunities in NZ not sufficient
- Strategic goal of establishing one or two new core areas
- Continual assessment of a range of overseas opportunities
 - Most rejected because prize too small or risk too great
 - Currently finalising approvals to acquire attractive northern hemisphere acreage
 - Other promising investments also under active consideration

Investment Criteria

- Proven hydrocarbon systems
- Quality business partners
- Suitably attractive fiscal regime
- Access to markets and infrastructure
- Manageable regulatory and political risk
- Manageable financial exposure
- Near term payback as opposed to long term horizons

Conclusion

- Underlying value of company remains strong
 - Kupe and Tui revenue producing assets
 - Promising exploration portfolio
 - In final stages of establishing overseas presence
 - healthy cash balance
- Continuing to identify potential investments and working hard to secure the best of them
- Striving to create value and to have that value recognised

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