

29 September 2009

## 33% take-up of Dividend Reinvestment Plan

On 26 August 2009, NZOG (New Zealand Oil & Gas Ltd) announced that a dividend of 5 cents per ordinary share would be paid on 2 October 2009, to shareholders on record at 18 September 2009.

Since July 2009, NZOG has offered a Dividend Reinvestment Plan (DRP) to shareholders. The Plan provides a convenient way for NZOG shareholders to reinvest dividends in additional shares, without incurring brokerage charges. In addition, until determined otherwise, new shares issued under the DRP are offered at a discount.

For the 2009 dividend, the number of additional shares has been calculated at a 2.5% discount to the weighted average sale price for shares sold on the NZSX on each of the first five business days immediately following the dividend record date.

At 18 September 2009, 4,729 shareholders (30% of the registered shareholders), with 125,798,583 shares (33% of the issued capital) had returned acceptance forms for the DRP.

The weighted average sale price for NZOG shares sold on the NZSX on following five business days was NZ\$1.63872. With a 2.5% discount, the issue price for the new shares is therefore NZ\$1.59775.

As an example, a \$100 dividend is reinvested in 63 additional shares.

3,919,213 new shares will be issued by NZOG on Friday 2 October 2009, at \$1.59775 each. Dividend payments to shareholders who did not take up the DRP will be made on the same date, either by direct credit to a bank account or by mailed cheque.

ENDS.