

news release

5 August 2013

Drilling resumes at Kisaran

Drilling is underway at exploration well Parit Minyak-3 (PM-3) located in onshore Sumatra, Indonesia. The well was spudded at 6.00PM Saturday night local time.

The PM-3 well targets shallower sandstone reservoirs than those encountered in the Parit Minyak -2 (PM-2) well where drilling commenced in February. It is hoped that the PM-3 well will encounter aerially extensive oil accumulations after the PM-1 and PM-2 wells confirmed an active petroleum system in the region.

The well is expected to take around 40 days to drill to an expected total depth of 8160 feet (2487 metres).

New Zealand Oil & Gas Ltd has a 22.5 per cent stake in the joint venture through its subsidiary NZOG Asia Pty Ltd. The Kisaran Joint Venture partners are Pacific Oil & Gas (55 per cent and Operator) and Pacific Oil & Gas (Sumatera) Ltd, a subsidiary of Bukit Energy Inc. (22.5 per cent).

Hydraulic fracture stimulation operations at the drilled and completed Parit Minyak-2 well are expected to commence this week. Results will be released following execution, analysis and approval by the regulator SKKMigas

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NZOG stock symbols:

NZX shares – NZO
ASX shares – NZO