

news release

14 January 2014

Matuku progress report

Since the weekly progress report was issued yesterday, the Matuku-1 well in PEP 51906 offshore Taranaki has drilled into the Kapuni Group Farewell F Sands at 3935 metres.

The F sands were found to be porous, but there were no significant gas or oil shows.

The well is continuing to drill ahead to a total depth of 4754 metres. Drilling will be followed by wireline logging.

The Kan Tan IV began drilling operations on Saturday, 30 November. Matuku-1 is in 130 meters of water.

Participants in PEP 51906 are OMV New Zealand (Operator) 65 per cent; Octanex 22.5 per cent; and New Zealand Oil & Gas 12.5 per cent. If Matuku-1 is successful, either New Zealand Oil & Gas or Octanex may exercise an option for New Zealand Oil & Gas to acquire a further 5 per cent of Octanex's share, which would equalise each company's interest at 17.5 per cent.

For further information please contact:

John Pagani, External Relations Manager, DDI: +64 4 471 8333, MOB: +64 21 570 872
Andrew Knight, CEO, PH: +64 4 495 2424, TOLL FREE: 0800 000 594 (NZ)

NZOG stock symbols:

NZX shares – NZO
ASX shares – NZO