

2 November 2018

Annual Meeting – Chair

New Zealand Oil & Gas Annual Meeting 2018

**Te Wharewaka Function Centre,
Odlins Square, 109 Jervois Quay,
Wellington**

10.00am on Friday, 2 November 2018.

Kia ora! Good morning, and thank you for coming to the New Zealand Oil & Gas annual meeting.

I now declare the meeting open.

I am Samuel Kellner, and I'm the chair of this meeting.

I'm joined by members of our board:

- Marco Argentieri,
- Rebecca DeLaet,
- Alastair McGregor,
- Rod Ritchie,
- and Andrew Jefferies, our managing director.

Dr Rosalind Archer is joining is by video conference from Kigali in Rwanda.

In addition, this meeting is being webcast live on the Internet.

Shortly, we will hear from Andrew Jefferies, and then we will take questions from the floor.

Following that, we have six resolutions to discuss.

I will ask each of the directors seeking election to address the meeting.

You will be able to ask questions before we vote.

Then I hope you will join us for refreshments.

Before we move on with further business, I would like to take a moment to set out the board's vision for the company and remind everyone why O.G. Oil & Gas decided to invest in it.

As you know, O.G. Oil & Gas increased its shareholding in the company to just under 70% at the beginning of this year and we are delighted that our offer was successful.

We made this investment because we believe that New Zealand Oil & Gas is in an enviable position, with the right leadership and sufficient capital to take advantage of this attractive point in the exploration and development cycle.

We see opportunities in front of the company that are simply too interesting to ignore.

Examples are the Barque prospect off the South Island, and Cue Energy's Ironbark prospect off West Australia.

We believe it is important that New Zealand Oil & Gas maintains its public listing.

By remaining a public company, listed on the NZX, we will be able to access new capital to fund future growth.

This will give investors the opportunity to participate as the business develops.

Many of you will be interested in O.G. Oil & Gas. It is the oil and gas arm of Ofer Global, a privately held portfolio of international businesses chaired by Mr Eyal Ofer. In addition to our oil and gas activities, the group has interests throughout the world in shipping, real estate, hospitality and banking.

Ofer Global is not a financial investor looking to make a quick profit. Nor is it a private equity fund looking to turn a business around and sell it. It is a multi-generational family organisation. We are willing to invest significant capital over long time horizons.

We believe our success is predicated upon developing, retaining and supporting talented management teams.

Because we take a long-term focus, we prioritise corporate and social responsibility, community investment, and respect for local stakeholders.

We have been active in New Zealand for many years through our affiliate Omni Offshore Terminals.

Omni is a global leader in the provision of FSO and FPSO units, and for several years it owned and operated the FPSO Raroa at the Maari Field, where Cue Energy has an interest.

It was through the Maari FPSO project that we first met members of the New Zealand Oil & Gas management team, while they were employed at OMV, and came to appreciate their values and capabilities.

We have had more recent opportunities to work with the team, such as at the Kohatukai onshore well in Taranaki, where we co-invested alongside New Zealand Oil & Gas.

That is an excellent prospect and this week we received encouraging news, as you will have seen from our market releases.

Andrew Jefferies will say more about what we have seen.

Our experience has confirmed our belief in the capability of New Zealand Oil & Gas.

The company has the right leadership to cultivate substantial value. And we believe now is the right time in the exploration and development cycle to invest in the oil and gas sector.

Last week you saw another example of investment when New Zealand Oil & Gas farmed into Cue's Ironbark prospect. We want to see Ironbark drilled. It is a major prospect, with excellent economics, in a location where some giant fields have been developed.

That's exactly the use of our capital that we want to see more of.

After many years of lean investment, we feel there is a unique opportunity for companies that are willing and able to deploy resources prudently.

Alongside our potentially transformational exploration opportunities, we are planning to acquire producing assets.

Our preference is for those where we can add value through development.

The world's demand for energy is changing, but it still needs energy.

For further information please contact:

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We will pursue opportunities in all corners of the energy arena where we identify quality investment opportunities.

Our growth strategy will likely be capital intensive.

We are planning for acquisition and development costs considerably in excess of our current, substantial, cash reserves.

Ofer Global is supporting the growth of New Zealand Oil & Gas through our global reach, significant resources, wide-ranging relationships and depth of experience.

This allows the company to pursue attractive opportunities -- both in New Zealand and further afield.

We believe that together we are creating an attractive investment proposition.

I know that you will be interested in the detail of where we see growth coming from.

So for this, I am going to hand over to Andrew Jefferies, managing director of the company, and I will ask him to come forward now.

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