

9 April 2019

APPROVAL RECEIVED FOR IRONBARK TIMETABLE

An important milestone has been reached in plans to drill the giant Ironbark prospect offshore West Australia next year.

The operator has received approval for a 24-month suspension and extension to the permit, WA-359-P.

The approval fulfils the final material condition of previously announced agreements between Cue Energy, BP Developments Pty Ltd, Beach Energy and New Zealand Oil & Gas to form a joint venture to drill the prospect.

Cue estimates Ironbark contains 15tcf of prospective recoverable gas resource [Best estimate. See Note: Prospective Resource Estimates Cautionary Statement below.]

A well is currently planned for late 2020. Applications have been submitted for the remaining title transfer approval condition. BP is expected to become operator once the transfers have been approved.

New Zealand Oil & Gas chief executive Andrew Jefferies says Ironbark will be transformational for New Zealand Oil & Gas if it is successful.

“The well is fully-funded with high quality partners. Permit tenure is secure. The Ocean Apex drilling rig has been contracted and BP has begun environmental planning for the well site survey and drilling activities.

“This is a 15tcf prospect, at a great address close to some enormous discoveries and only 50 kilometres from existing LNG infrastructure. New Zealand Oil & Gas will have a 15% direct interest, as well as our indirect interest through our 50.04% interest in Cue Energy.”

Cue, BP, Beach Energy and New Zealand Oil & Gas announced a co-ordination agreement on 26 October 2018. It provides for BP to act as operator on behalf of Cue in planning the Ironbark-1 well prior to title transfers and creation of a formal joint venture. When title transfers are approved, the coordination agreement provides for BP to become operator. The joint venture participating interests in permit will then be:

BP [operator]	42.5%
Cue	21.5%
Beach Energy	21%
New Zealand Oil & Gas	15%

Note: Prospective Resource Estimates Cautionary Statement

The estimated quantities of petroleum that may potentially be recoverable by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

For further information please contact:

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