

19 October 2015

Disclosure of NZX Waiver

On 3 February 2015 New Zealand Oil & Gas Limited (**NZO**) received a waiver from NZX Regulation (**NZXR**) in connection with its on-market offer to acquire all of the shares in Cue Energy Resources Limited (**Cue**) that it did not already own at that time (**Transaction**). NZXR granted NZO a waiver from the requirement in Rule 9.2.1 to obtain shareholder approval for the Transaction.

Under the Transaction, the offer being made to all Cue shareholders was also being made on identical terms to Zeta Energy Pte Limited (**Zeta**) as a 12.7% shareholder in Cue and Zeta is also a 19.87% shareholder in NZO. Duncan Saville, a director of NZO, is also a director of Zeta. Shareholder approval would otherwise have been required under Rule 9.2.1 (a) because each of Zeta and Mr Saville are Related Parties of NZO and the offer to all Cue shareholders was a material transaction under Rule 9.2.2.

The waiver was granted by NZXR on the condition that the directors of NZO, other than Mr Saville, certify to NZXR that they are not “interested” in the Transaction (in terms of Rule 3.4.3); NZO’s entry into, and its execution of the Transaction is fair and reasonable to, and in the best interests of, NZO and its shareholders who are not related to, or Associated Persons of, Zeta or with Mr Saville; NZO will pay and receive fair value under the Transaction; NZO was not influenced in its decision to make the offer under the Transaction by the interests of Zeta or Mr Saville; Mr Saville did not participate in discussions in respect of the Board’s decision to proceed with the Transaction, and he did not vote on any resolution to approve the Transaction; and the Transaction will be offered to all shareholders in Cue on identical terms.

ENDS