

QUARTERLY REPORT OF CONSOLIDATED CASH FLOWS
NEW ZEALAND OIL & GAS LIMITED
For Quarter ended 31 March 2017

Quarterly Report of Consolidated Cash Flows prepared in accordance with NZSX Listing Rule 10.10.4. These figures are based on accounts which are unaudited. All figures are in New Zealand dollars. The Company has a formally constituted Audit Committee of the Board of Directors.

NZSX Ref	Notes	Cash Flows Relating to Operating Activities	Current Quarter Mar-17 \$NZ'000	Year to Date (9 months) \$NZ'000
1(a)		Receipts from product sales and related debtors	9,861	65,178
1(b)		Payments for		
		(a) exploration and evaluation	(2,583)	(6,584)
		(b) development	(1,254)	(4,259)
		(c) production	(3,869)	(25,065)
		(d) administration	(3,386)	(12,049)
1(c)		Dividends received	-	-
1(d)		Interest and other items of a similar nature received	396	637
1(e)		Interest and other costs of finance paid	-	-
1(f)		Income taxes (paid)/received	629	(9,944)
1(g)		Royalties	(104)	(2,092)
1(h)		Other	(216)	(108)
1(i)		Net Operating Cash Flows	(526)	5,714
		Cash Flows Related to Investing Activities		
2(a)		Cash paid for purchases of: (a) prospects	-	-
		(b) equity investments	(35)	(1,251)
		(c) other fixed assets	-	(12)
2(b)		Cash proceeds from sale of: (a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	153,919	154,837
2(c)		Loans to other entities	-	-
2(d)		Loans repaid by other related entities	-	-
2(e)		Other	-	-
2(f)		Net Investing Cash Flows	153,884	153,574
		Total Operating and Investing Cash Flows	153,358	159,288
		Cash Flows Related to Financing Activities		
3(a)(i)		Cash proceeds from issue of NZOG shares	(1)	(3)
3(a)(ii)		Buyback of NZOG shares	-	(9,447)
3(b)		Proceeds from sale of forfeited shares	-	-
3(c)		Borrowings	-	-
3(d)		Repayment of borrowings	-	-
3(e)		Dividends paid	-	(13,512)
3(f)		Other	-	-
3(g)		Net Financing Cash Flows	(1)	(22,962)
4(a)		Net Increase/(Decrease) in Cash Held	153,357	136,326
4(b)		Cash at beginning of quarter/year	81,102	96,811
4(c)		Exchange rate adjustments to Items 4(b) above	(453)	869
4(d)		Cash at End of Quarter	234,006	234,006

Notes:

2(b)(c) represents proceeds from the sale of the Company's 15% interest in the Kupe oil and gas field as well as proceeds and compensation payment from the sale of the Company's 27.5% interest in the Tui oil field. Sales transaction costs are included. Some of the working capital settlements relating to these sales were received after 31 March 2017.

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Non-Cash Financing and Investing Activities

5(a) Provide details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

5(b) Provide details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

6 **Financing Facilities Available**

Provide details of used and unused loan facilities and credit standby arrangements, adding such notes as are necessary for an understanding of the position.

	Notes	Amount Available \$ million	Amount Used \$ million
None		N/A	N/A

Notes:

7 **Estimated Outlays for Specified Quarter**

	Notes	Current Quarter \$NZ'000	Following Quarter \$NZ'000
Exploration and evaluation		2,605	897
Development	1	1,900	177
Total		4,505	1,074

The outlays to be shown in this column are the estimates made for this quarter in the previous quarterly report. When these estimates differ by more than 15% from the actual outlays reported in Item 1(b) of this report, provide an explanation of the reason(s) for these differences as an attachment to this report.

Notes:

1. Timing of development costs different to forecast

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8 **Reconciliation of Cash**

For the purposes of this statement of cashflows, cash includes:
bank bills, cash on hand and at bank, short term deposits and government stock less any overdraft.

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:	Current Quarter \$NZ'000	Previous Quarter \$NZ'000
Cash on hand and at bank	3,561	5,562
Deposits at call, term and bank bills	230,423	69,078
Bank overdraft	-	-
Other – Joint venture cash	22	6,462
Total: Cash at End of Quarter (Item 4(d)/4(b))	234,006	81,102

The above cash at end of quarter includes cash held in the following material currencies:	Current Quarter '000	Previous Quarter '000
New Zealand Dollars	NZD 168,341	NZD 9,324
United States Dollars	USD 42,906	USD 48,783
Australian Dollars	AUD 2,617	AUD 1,507
Indonesian Rupiah	IDR 3,968,934	IDR 691,927

9 **Changes in Interests in Mining Tenements**

Note

	Tenement Reference	Nature of Interest	Interest at Beginning of Quarter %	Interest at End of Quarter%	
9(a)	Interests in mining tenements relinquished, reduced or lapsed	PML 38146 (Kupe field)	Petroleum mining	15	0
		PMP 38158 (Tui field)	Petroleum mining	27.5	0
		PEP 55793 (Vulcan)	Petroleum exploration	30	0
		WA-409-P	Petroleum exploration	100	20
9(b)	Interests in mining tenements acquired or increased				

9(c) The Company's "Petroleum Interests" as at 31 March 2017 are set out below.

PETROLEUM INTERESTS AT 31 March 2017

	GROSS AREA SQ KM	DIRECT INTEREST %
1. PETROLEUM MINING PERMITS		
Sampang PSC	535	15
PMP 38160 (Maari)	80	5
2. PETROLEUM EXPLORATION PERMITS		
PEP 52717 (Clipper)	3,423	50
PEP 55793 (Vulcan)	2,418	30

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PEP 55794 (Toroa)	9,835	30
Kisaran PSC	2,179	22.5
Bohorok PSC	5,022	45
Palmerah Baru PSC	989	36
MNK Kisaran PSC	2,179	11.25
Mahakam Hilir PSC	222	100
Mahato PSC	5,600	12.5
WA-359-P	645	100
WA-389-P	1,939	40
WA-409-P	565	20

10 **Issued and Quoted Securities at End of Current Quarter – 31 March 2017**
(NEW ZEALAND OIL & GAS LIMITED ONLY)

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Note	Number Issued	Number Quoted	Value (cents)	Paid-Up Value (cents)
Ordinary Securities	327,275,243	318,855,243	N/A	N/A
Fully paid during quarter	-	-	-	-
Cancelled during quarter	-	-	-	-
Partly Paid Securities (included in ordinary securities, but not part of quoted ordinary securities)	8,420,000	-	56.8-113.00	1.0
Issued during quarter	1,000,000	-	74.4	-
Fully paid during quarter	-	-	-	-
Options	-	-	-	-
Issued during quarter	-	-	-	-
Exercised during quarter	-	-	-	-
Expired during quarter	-	-	-	-



Catherine McKelvey
Chief Financial Officer
28 April 2017