



25 May 2007

NZOG EXPANDS TARANAKI EXPLORATION WITH NEW PERMIT ADJACENT TO MAUI

New Zealand Oil & Gas Ltd ("NZOG") is pleased to report that the Ministry of Economic Development has awarded the Petroleum Exploration Permit 38499 Offshore Taranaki to a joint venture including NZOG. This is in line with NZOG's strategy of exploration led expansion.

The permit has several promising leads. It is located adjacent to the prolific Maui gas/oil field as shown on the attached map. At least two of the permit's leads, Matuku and Toke, will be delineated by 400km of marine 2D seismic survey planned for mid 2007 and the reprocessing of more than 300km of existing seismic data.

ENDS

Participants in PMP 38499 are:

New Zealand Oil & Gas Ltd (through its subsidiary Stewart Petroleum Co. Ltd)	12.5%
AWE * (Operator)	42.5%
Mitsui E & P New Zealand Ltd	35.0%
Pan Pacific Petroleum NL (through its subsidiary WM Petroleum Ltd)	10.0%

* New Zealand Overseas Petroleum Pty Ltd (22.5%)
AWE New Zealand Pty Limited (20.0%)

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NZOG stock symbols: NZX shares - NZO options - NZOOD
ASX shares - NZO options - NZOO

