

Discovering Our Energy Future

New Zealand Oil & Gas Limited
Annual Meeting 26 October 2007

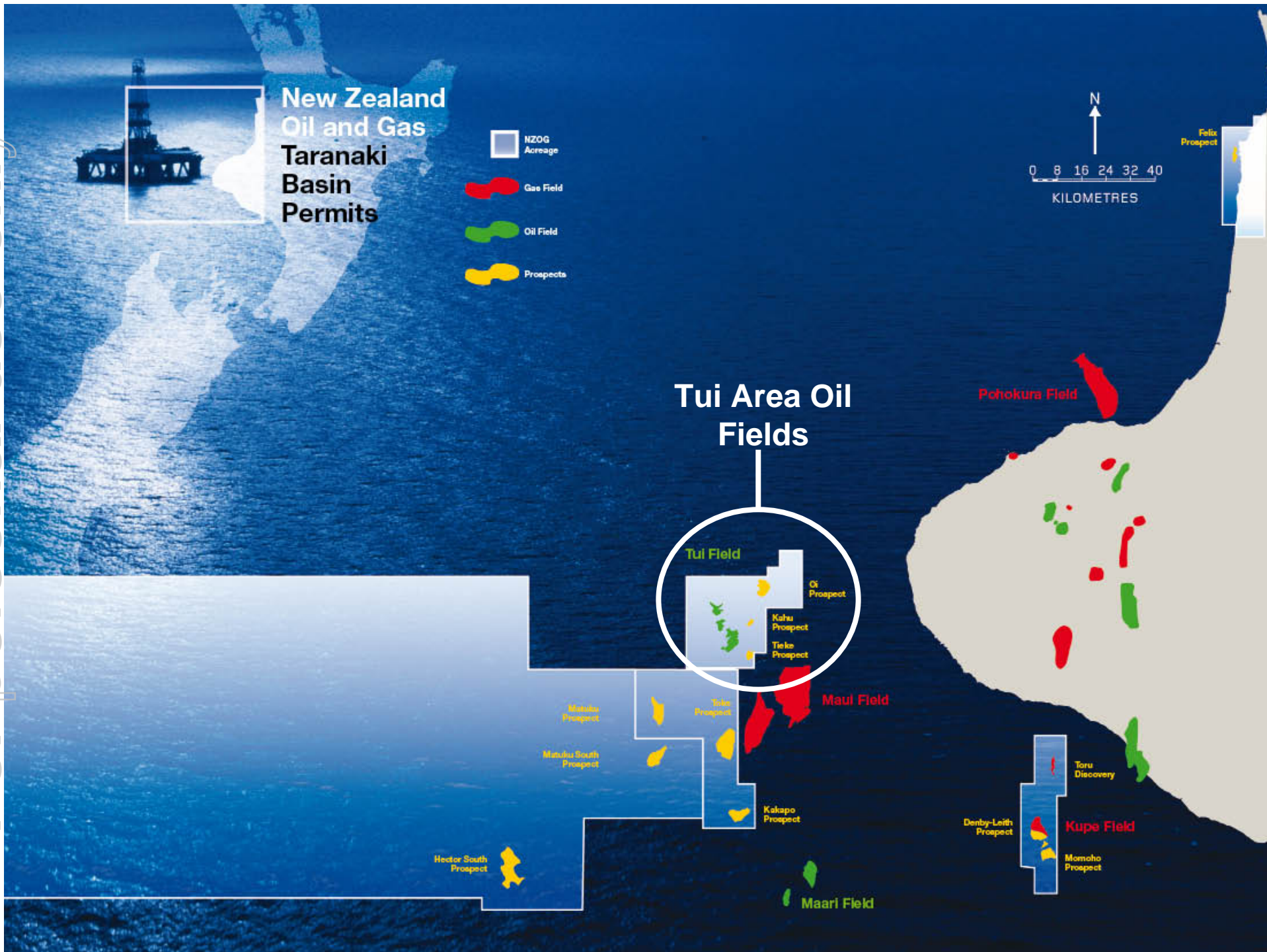
Chief Executive's Address
David Salisbury



Building on the Success

- Three key assets provide a solid and diversified platform for growth
- Committed to enhancing exploration portfolio
- Board approved growth strategy in place







Tui Area Oil Fields Development

Oil Tanker
Transporting
Oil to Markets

FPSO Production
and Storage Vessel

Coastline 50km



Anchors

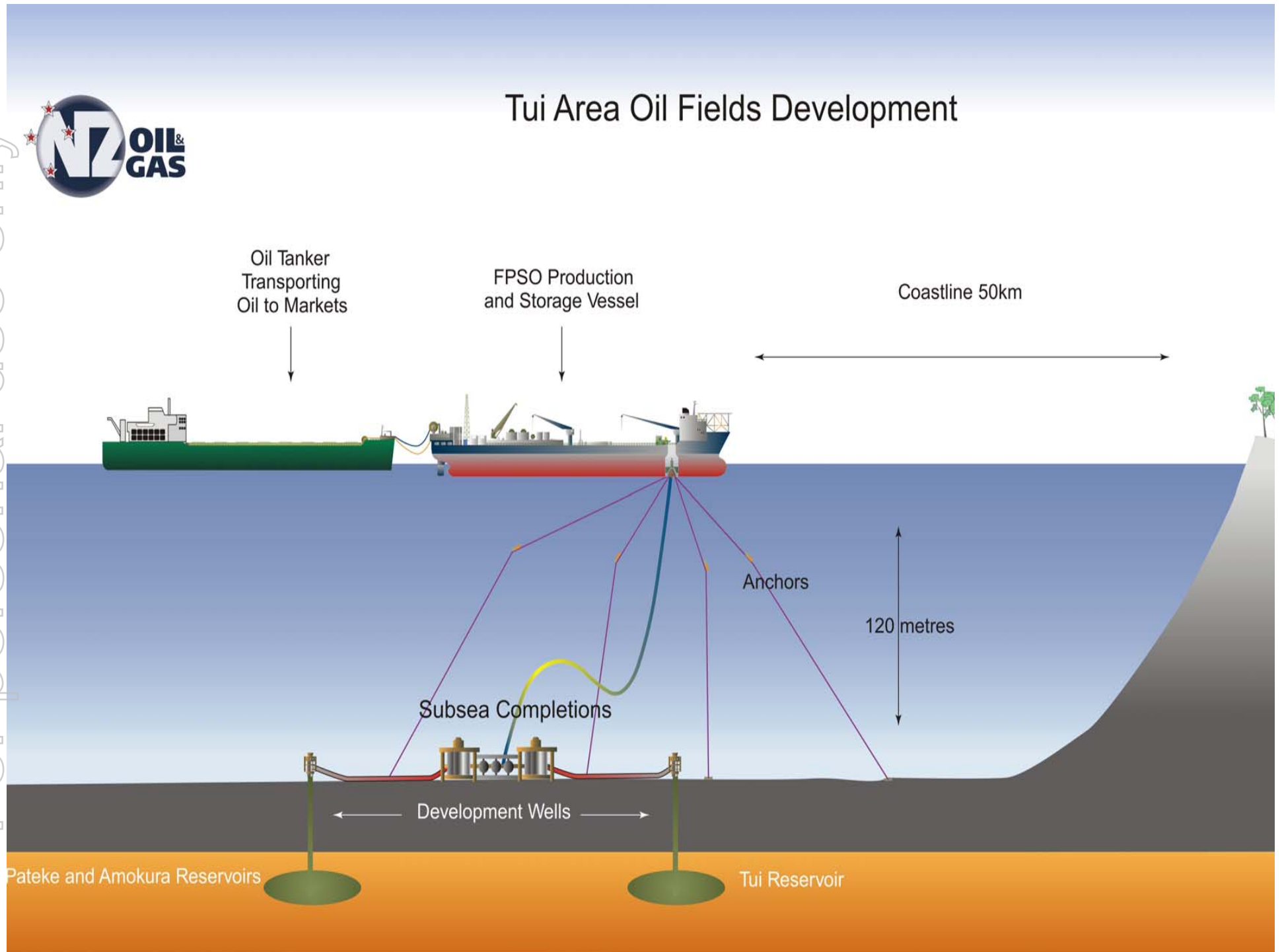
120 metres

Subsea Completions

Development Wells

Pateke and Amokura Reservoirs

Tui Reservoir



Tui Area Oil Fields

- NZOG Interest: 12.5%
- First oil flowing 30 July 2007
- 9 shipments to date – over 2.5 million barrels
 - NZOG share 316,000 barrels



Tui Area Oil Fields

- Oil marketed to various refineries, sold against Tapis benchmark crude
- Revenue accrued commercially sensitive
- Cash received by NZOG Sept Quarter - US\$7.5m
- NZOG revenue from Tui expected to exceed \$100m in 2007/08

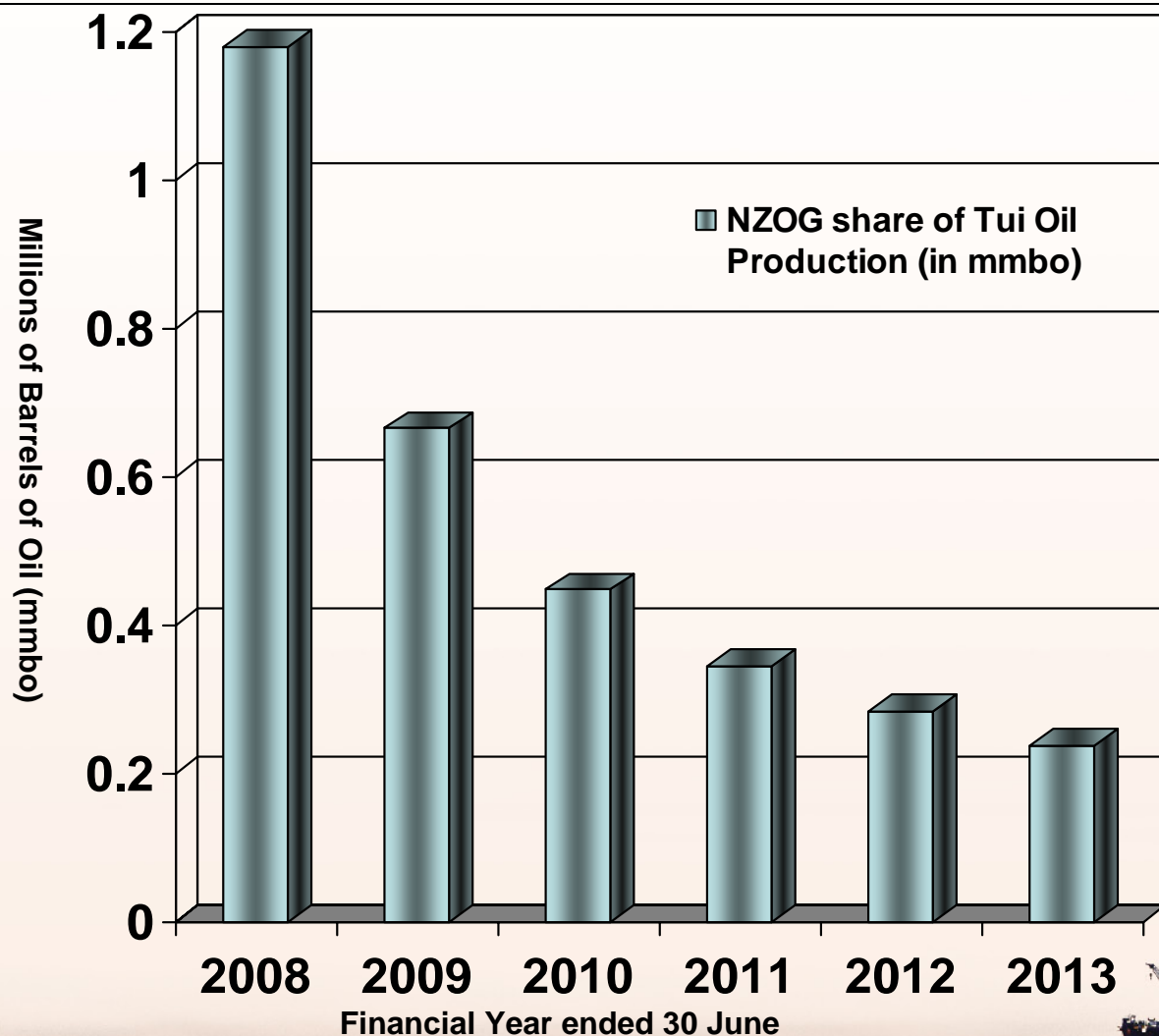


Tui Area Oil Fields

- Developed proved and probable (2P) oil reserves recently upgraded to 32 million barrels
 - NZOG net interest 4 million barrels
- Tui operator evaluating economic potential of undeveloped reserves
 - Results expected before end of the year



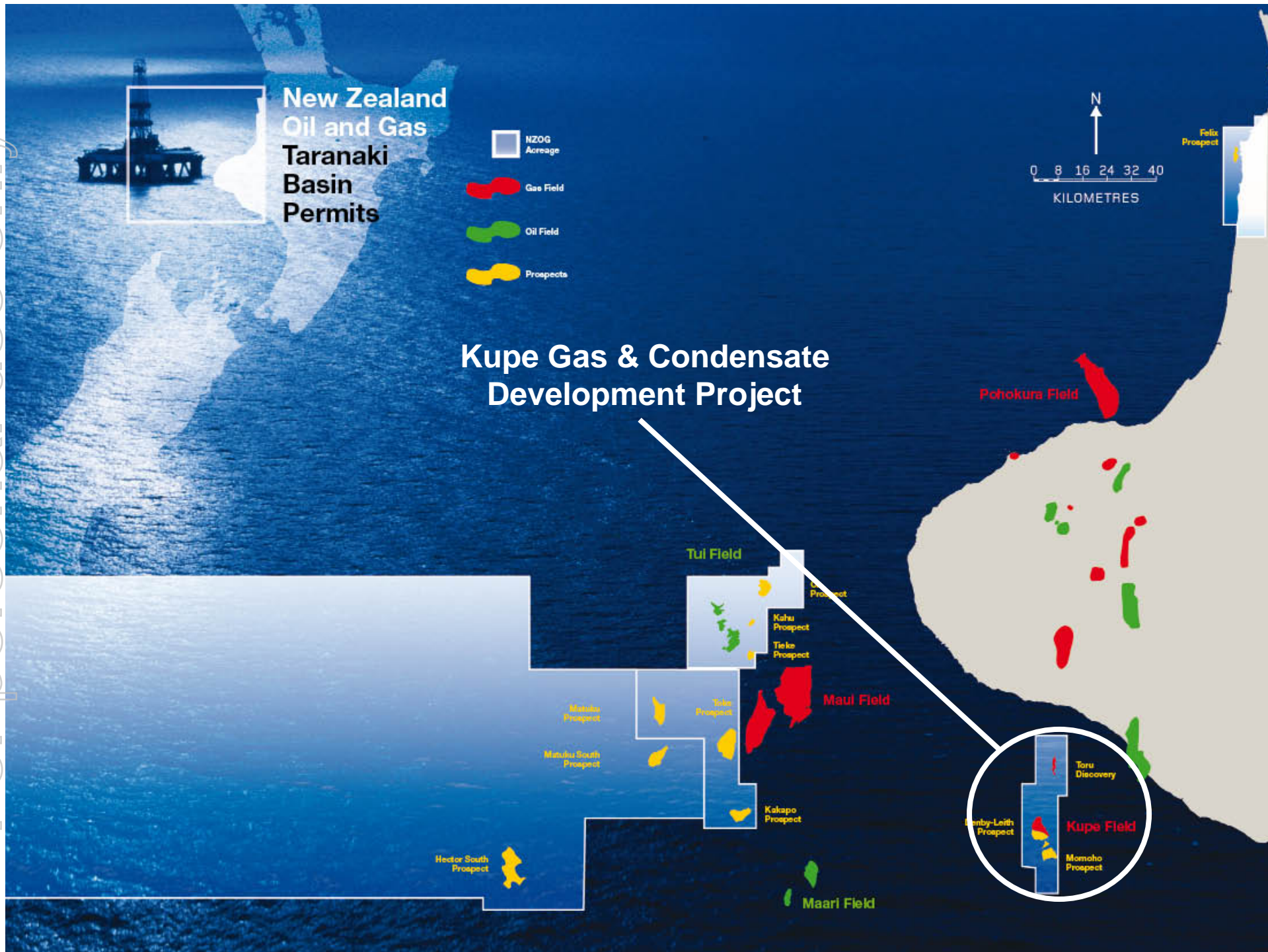
NZOG Developed 2P Tui Oil Reserves ~ 4.0 mmbo



Source:
Tui oil production
forecast from Tui
operator (AWE).

Production expected
to at least 2017



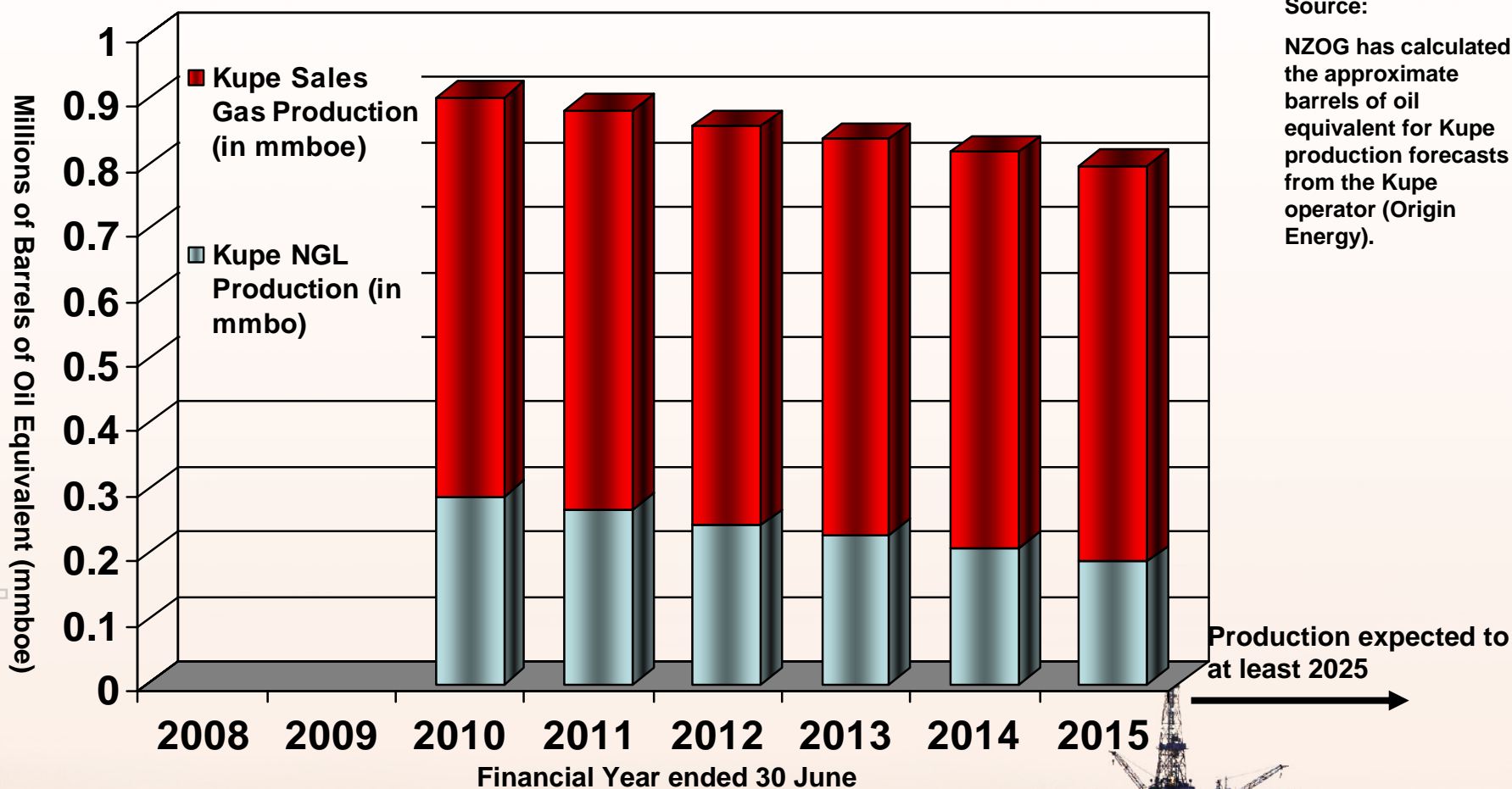


Kupe Gas & Condensate Field

- NZOG Interest: 15%
- On target for first production mid-2009
- Project costs increased by approx 10%
- Genesis Energy long-term gas sales contract



NZOG 2P Kupe Reserves ~ 10.0 mmboe



Source:

NZOG has calculated the approximate barrels of oil equivalent for Kupe production forecasts from the Kupe operator (Origin Energy).

Production expected to at least 2025

Kupe Project Schematic

Kupe Wellhead Platform

- Unmanned platform (operated from Production Station)
- 3 wells at start-up
- Water depth - 35m
- No production facilities

LPG & Condensate export by road tanker

Sales Gas pipeline to Kapuni

Kupe Production Station

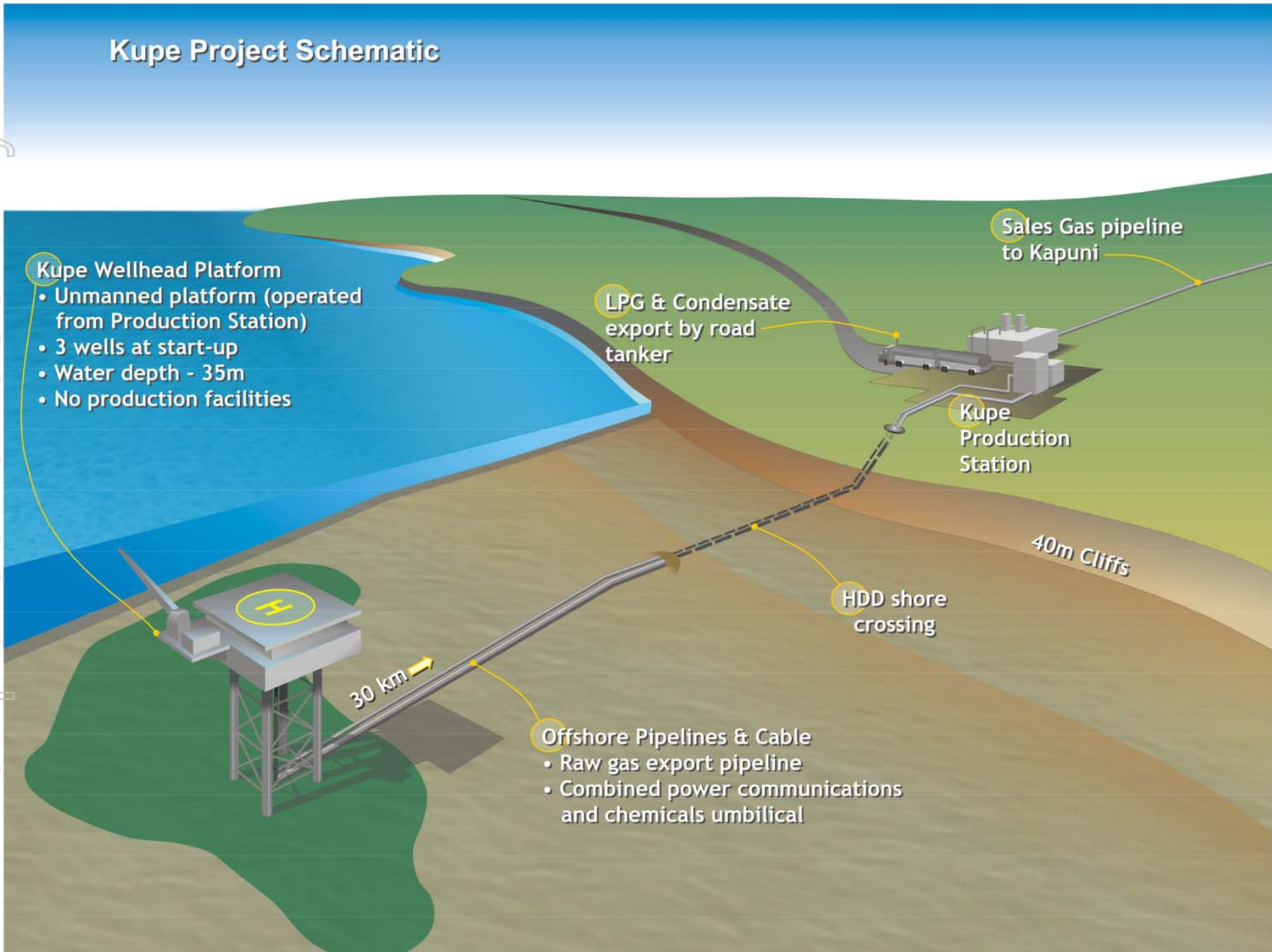
40m Cliffs

HDD shore crossing

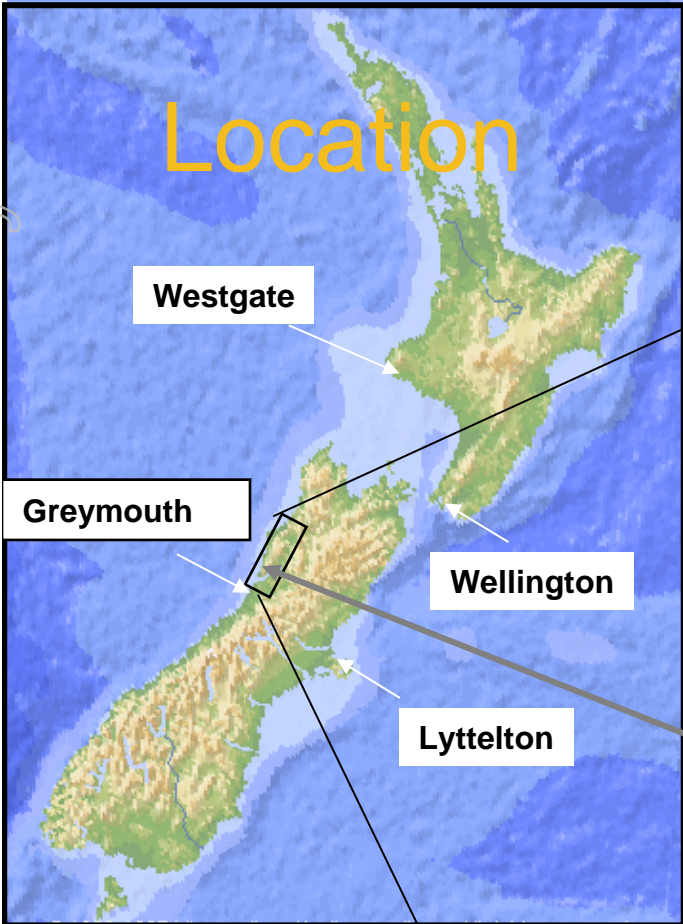
30 km

Offshore Pipelines & Cable

- Raw gas export pipeline
- Combined power communications and chemicals umbilical



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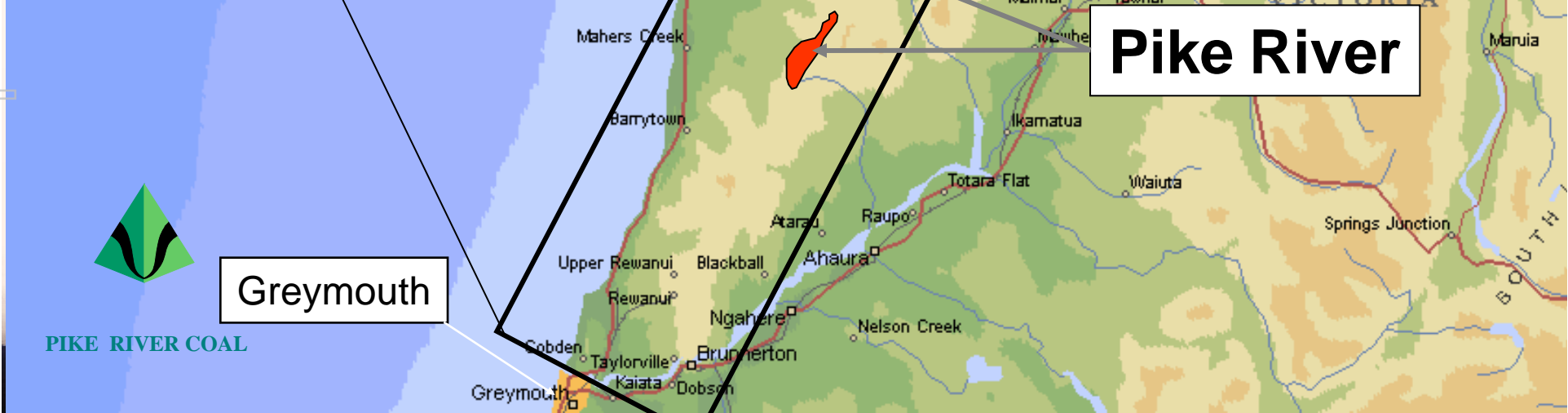
Location

Westgate

Greymouth

Wellington

Lyttelton



Pike River

Greymouth

PIKE RIVER COAL



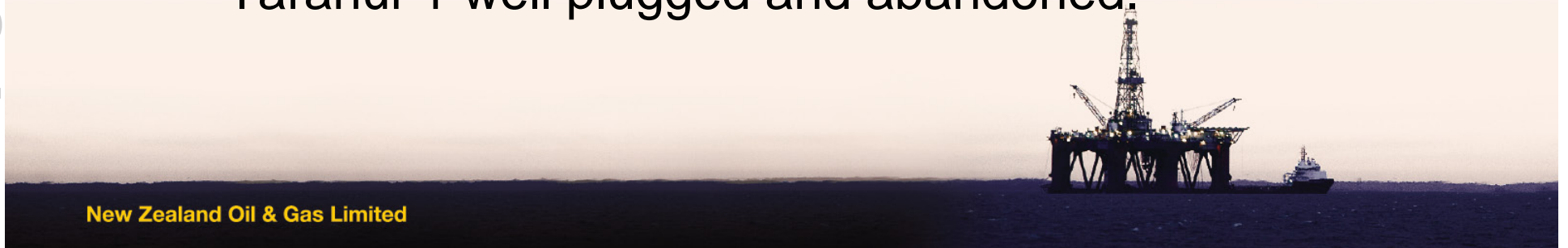
Investment: Pike River Coal

- Listed NZX and ASX
- IPO successfully completed July 2007
 - Fully oversubscribed NZ\$85 million
- NZOG Interest:
 - 62 million shares (31% of ordinary shares)
 - 11 million options
 - 3.5 million convertible notes
- NZOG potential funding support of up to \$25m to complete mine

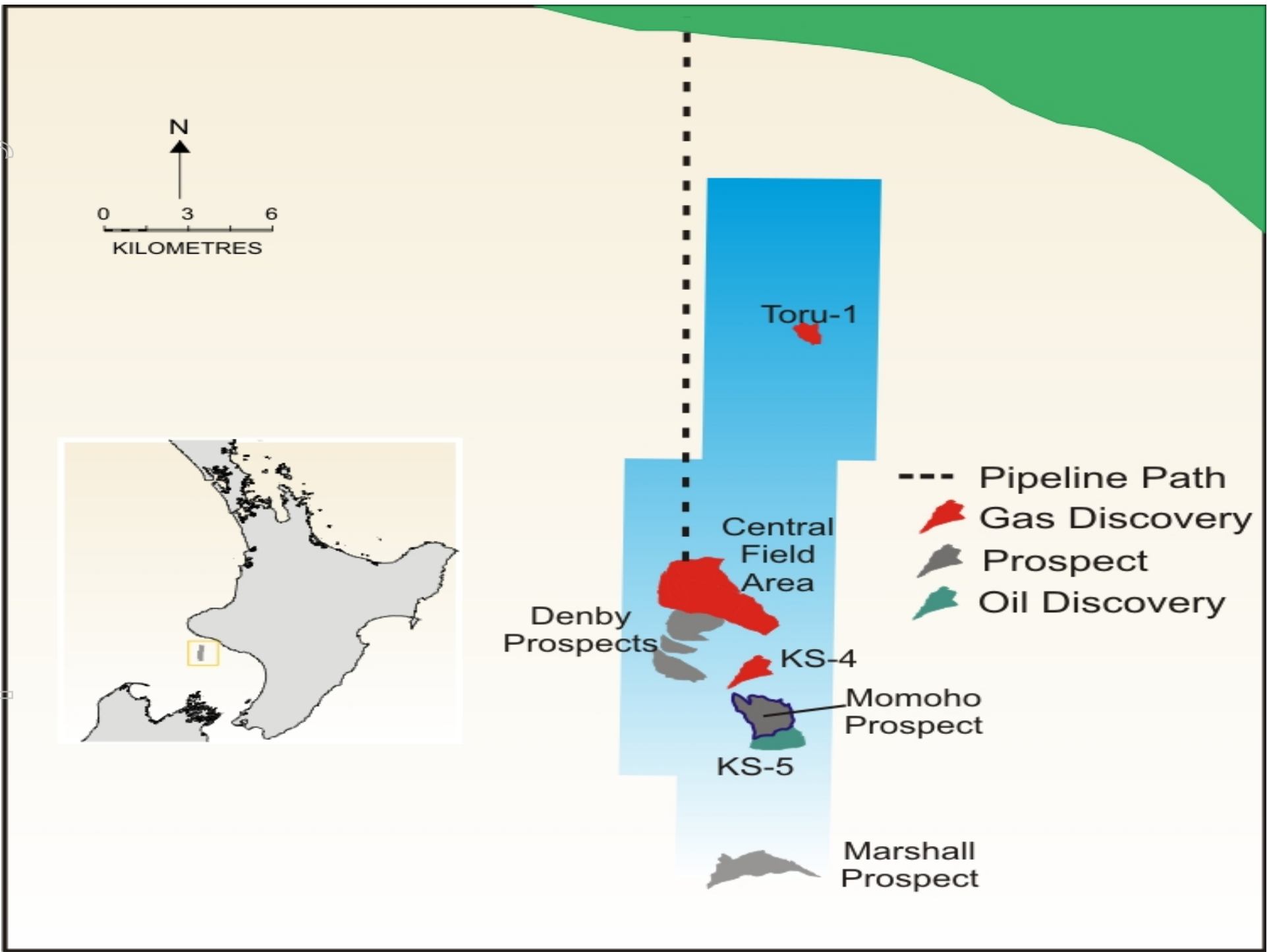


Exploration: Taranaki Basin

- Tieke Prospect (Tui Area)
 - Drilled 4Q 2006: Minor hydrocarbon shows. Awaiting decision to sidetrack.
- Hector Prospect
 - Drilled 2Q 2007: No significant hydrocarbon shows. Hector-1 well plugged and abandoned.
- Taranui Prospect
 - Drilled 3Q 2007: No significant hydrocarbon shows. Taranui-1 well plugged and abandoned.



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Exploration Opportunities

- Momoho Prospect
 - Gas/light oil prospect next to Kupe field. Drill Date 2Q 2008.
- Denby A, B, C, D Prospects
 - Gas/condensate prospects next to Kupe. Awaiting further evaluation.
- Multiple Kupe discoveries
 - Including Toru, KS-4, & KS-5. Awaiting further evaluation.
- Matuku, Toke and Kakapo leads (PEP 38499)
 - Seismic survey and G&G studies to mature leads into drillable prospects.

NZOG intends to build its portfolio and is actively seeking further exploration opportunities



The Future

- Board approved growth strategy
 - Increase reserves to at least 25 mmbo by 2012
 - Increase production output to at least 2 million barrels per year by 2012
- Recruited for growth
 - Senior technical and corporate employees
- New Zealand has good remaining prospectivity for oil and gas
- Looking for opportunities: exploration, asset purchase, corporate acquisition



Energy Strategy

- Good and bad news for Exploration sector
- NZ gas market remains supply constrained in the medium term
- Exploration economics for NZOG remain good
- New Zealand under-explored

Summary

- Tui cashflows + Kupe development + Pike River investment = solid/diversified base
- Growth targets, development strategy and budget approved
- Recruited for growth
- Actively raising profile
- Looking for opportunities

