



06 November 2007

FURTHER UPDATE ON DISCHARGE INCIDENT

New Zealand Oil and Gas Ltd (NZOG) has been advised by AWE Ltd, the operator of the Tui Area Oil Project, that the clean-up of oil along a section of the Taranaki coast has been completed.

While Maritime New Zealand is conducting further tests, the Tui Joint Venture accepts that the source of the degraded oil was a discharge of oil-contaminated water from the Floating Production, Storage and Offtake vessel *Umuroa* on Sunday 21 October.

Immediate measures have been taken to guard against any repeat of this incident.

Production operations at Tui have continued uninterrupted since the incident. The integrity of the production wells and facilities is not in question.

AWE is co-operating fully with Maritime New Zealand and the clean-up costs will be met in full. These costs are not expected to be material. A decision on whether or not there will be any further action lies with Maritime New Zealand.

ENDS

Participants in Tui Area Oil Fields are:

New Zealand Oil & Gas Ltd (through its subsidiary Stewart Petroleum Co. Ltd)	12.5%
AWE * (Operator)	42.5%
Mitsui E & P Australia Pty 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%)

FOR FURTHER INFORMATION PLEASE CONTACT:

David Salisbury
CEO and Managing Director

or

Chris Roberts
Public Affairs Manager

Telephone: (04) 495 2424 Toll free 0800 000 594

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

For personal use only
market release