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market disclosure

30 May 2008

TUI REASSESSMENT STILL UNDERWAY

Having become aware of an Australian news report which speculated on a Tui reserves upgrade, New Zealand Oil & Gas Ltd advises that at this time the proven and probable reserves (2P) for the Tui Area Oil Fields are 47 million barrels and a further reserves reassessment of the Tui is still to be completed.

The 2P reserves were increased to 47 million barrels on 21 May 2008, as a result of an extension of the charter for the Floating Production Storage and Offloading (FPSO) vessel, "Umuroa".

The field operator, AWE, on behalf of the joint venture, is continuing to review the Tui reserves. This review was initiated in March because of the continued strong production performance of the reservoirs.

An announcement will follow the completion and consideration by the joint venture of the review. At this stage, NZOG expects that this will be completed by around the end of June 2008.

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%)

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