

NEW ZEALAND OIL & GAS LIMITED
DIRECTORS' REPORT
HALF YEAR TO 31 DECEMBER 2004

DIRECTORS' REPORT

The Directors' Report is the Chairman's Report and Operations Report contained in the attached Half Year Report to Shareholders for the six months to 31 December 2004, and is signed by R A Radford on behalf of the directors as authorised by resolution dated 7 March 2005.

DIRECTORS

The names of the Directors of the Company in office during the six months to 31 December 2004 and until the date of this report are:

R A Radford
R F Meyer
P G Foley
S J Rawson
D R Scoffham

DIRECTORS' DECLARATION

In the opinion of the directors of New Zealand Oil & Gas Limited:

- (1) The financial statements and notes, set out in pages 7 to 25 of the Half Year Report comply with the accounting standards issued by the Institute of Chartered Accountants of New Zealand, and
- (2) The financial statements for the six months to 31 December 2004 and the notes to those financial statements give a true and fair view of the financial position and performance of the company, and
- (3) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors dated 10 March 2005 and is signed for and on behalf of the Board of Directors.

AUDITOR'S REVIEW

The Auditor's Review Report for the Half Year to 31 December 2004 is incorporated in the attached Half Year Report to Shareholders.

A handwritten signature in black ink, appearing to read 'R A Radford', is positioned above a vertical dotted line.

R A Radford
For and on behalf of the Board of Directors.