2 May 2006

PIKE RIVER COAL – APPOINTMENT OF INDEPENDENT CHAIRMAN

New Zealand Oil & Gas Limited is pleased to announce that its subsidiary, Pike River Coal Limited, has appointed Denis Wood as a director. Mr Wood has accepted the role of independent chairman of Pike River Coal Limited in advance of the planned Initial Public Offering for that company.

Mr Wood has over 20 years experience in the New Zealand investment banking industry, and has a Master of Arts (Hons) degree in economics from Canterbury University. Mr Wood recently retired as an executive director at Ernst & Young Corporate Finance Limited, and prior to that role was an executive director at UBS Warburg. Mr Wood served on the Market Surveillance Panel of the New Zealand Stock Exchange for six years, and is a former member of the New Zealand Stock Exchange.

Mr Wood is a director of Tower Limited, and is chairman of Mercy Healthcare Auckland Limited a charitable hospice and aged care organisation.

NZOG chairman Tony Radford said "Mr Wood brings a depth of experience and commercial talent that will be invaluable in launching Pike River Coal as a public company in its own right. Additionally the fact that Mr Wood was born and bred in Greymouth makes his appointment most appropriate. Existing directors welcome Mr Wood to his role as independent chairman of Pike River Coal Limited."

R A Radford

news release

FOR FURTHER INFORMATION PLEASE CONTACT:

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