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## Preferred Contractor for Kupe Gas & Oil Project

New Zealand Oil & Gas Limited advises that 'preferred contractor' status has been awarded to Technip Oceania Pty Ltd ("Technip") for construction of both the onshore and offshore components of the Kupe gas and oil project.

This follows the announcement last month of Technip as preferred tenderer for the construction of the Kupe production station and other onshore infrastructure.

The offshore component of the project – which has now been added to the original scope of work - involves the design, construction and commissioning of the offshore platform, the pipeline connecting the platform to the production station and the horizontal directionally drilled shore crossing.

Subject to a final investment decision and if Technip is awarded the contract for both the on and off-shore components of the project, the operator and Technip will form a joint implementation team (called an "Alliance Team").

The Alliance Team will be led by senior executives from the operator and Technip and resourced by personnel from both companies.

Using the same contractor for both the on and off-shore components of the Kupe project, and managing the construction under an alliance agreement, offers advantages through assisting in the identification and realisation of synergies between the work programs for those components. This is expected to lead to more effective execution of the project through cost and logistic efficiencies.

The Kupe joint venture believes having the project owners and the lead contractor working as one team, with shared objectives and shared risk/reward arrangements, is the best way of managing the currently challenging and competitive oil and gas construction market.

Technip Oceania is based in Western Australia and Malaysia and provides engineering and construction management services across Asia Pacific with access to the global resources of Technip, one of the world's largest project management and construction companies.

The award of a preferred contractor is another important step towards reaching a final investment decision on the Kupe project later this half-year.

**Participants are:**

Origin Energy Resources (Kupe) Limited	50% (Operator, a wholly owned subsidiary of Origin Energy Ltd)
Genesis Energy	31%
New Zealand Oil & Gas Limited	15%
Mitsui E&P New Zealand Limited	4%

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