



8 September 2006

Kupe contract awarded to Technip

The Kupe Joint Venture has awarded the US\$200 million contract for the overall development of the project to global construction specialists, Technip.

This follows Technip Oceania Pty Ltd elevation to 'preferred contractor' status in May 2006.

The contract, to be executed in an alliance arrangement with Technip and the operator's executives leading a team resourced from both companies, comprises the design, engineering, procurement, installation, construction, pre-commissioning and commissioning of:

- an unmanned wellhead platform with capacity for up to 6 wells, plus 3 tie-ins which could be used for future satellite pools
- a 12" multiphase pipeline to shore and umbilical from the platform to shore
- a horizontal, directionally drilled shore crossing
- onshore processing facilities to meet planned production of 70TJ/day
- an export pipeline for sales quality natural gas
- loading bays for LPG and condensate

The operator has stated that the alliance structure, incorporating shared objectives and risk/reward arrangements, will lead to more effective project execution in today's challenging oil and gas construction market.

Installation of the offshore platform is expected to commence in the first quarter of 2007 and construction of the production station in the fourth quarter of 2007, with commercial production expected by mid-2009.

The \$980 million Kupe Gas and Condensate Project was granted final approval to proceed by the joint venture parties in June 2006.

Participants are:

Origin Energy (via subsidiaries)	(Operator)	50%
Genesis Energy (via subsidiaries)		31%
New Zealand Oil & Gas Limited (via subsidiaries)		15%
Mitsui E&P New Zealand Limited		4%

FOR FURTHER INFORMATION PLEASE CONTACT:

Tony Radford or Gordon Ward
Telephone: (04) 495 2424 Toll free 0800 000 594

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