

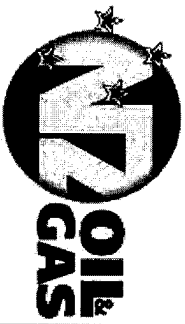
EXPLORATION AND PRODUCTION FOR THE 21st CENTURY



WOO ON THE MOVE!

18/19 September 2006
New Zealand Oil & Gas Ltd

Tony Radford
Jonathan Salo



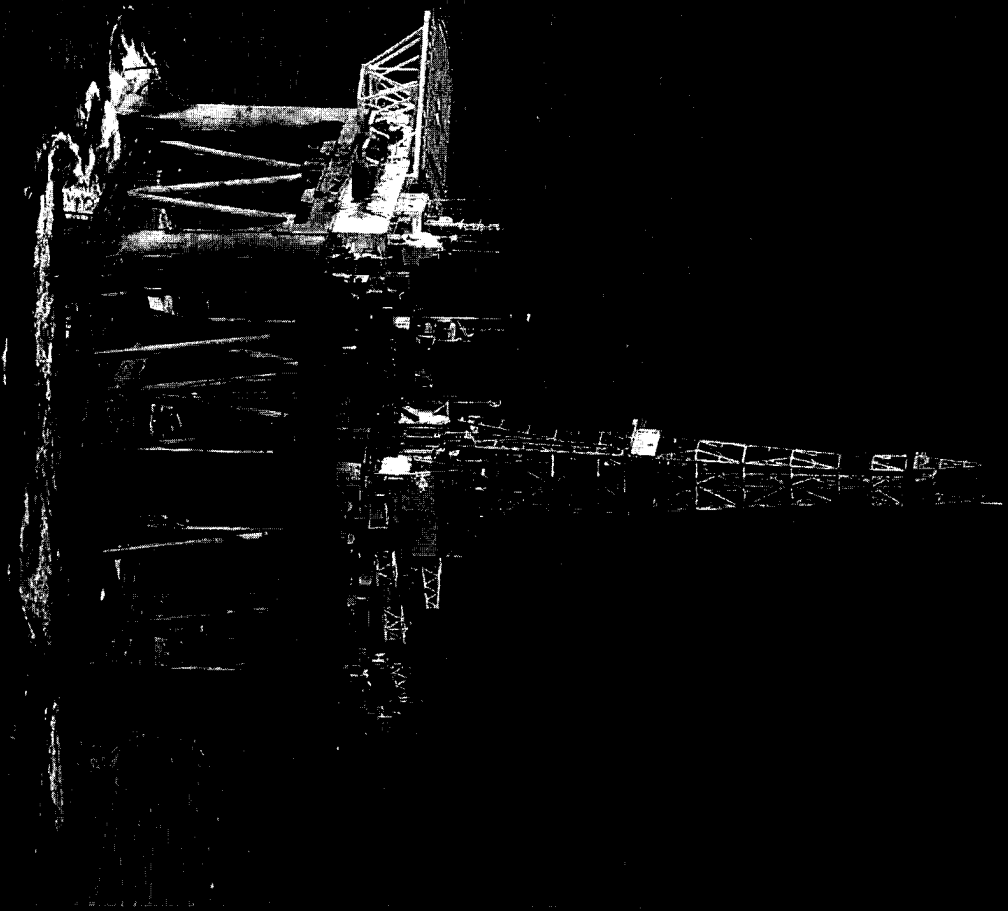
NZOG 2006 – 2007 Drilling

3 Oil Development Wells

3 Gas/Condensate/Light Oil
Development Wells

3 Exploration Wells

1-3 Possible Additional
Exploration Wells





NEW ZEALAND OIL & GAS LTD.

Company Profile

Listed

NZX and ASX

Market Cap

NZ \$200m (10/9/06)

Shareholders

**11,300 including 14%
institutional shareholders**

Major Developments

**Tui Oil
Kupe Gas
Pike River Coal**

Exploration

Premium prospects inventory

Commodities

**Oil, gas, and coking coal
at near-record prices**

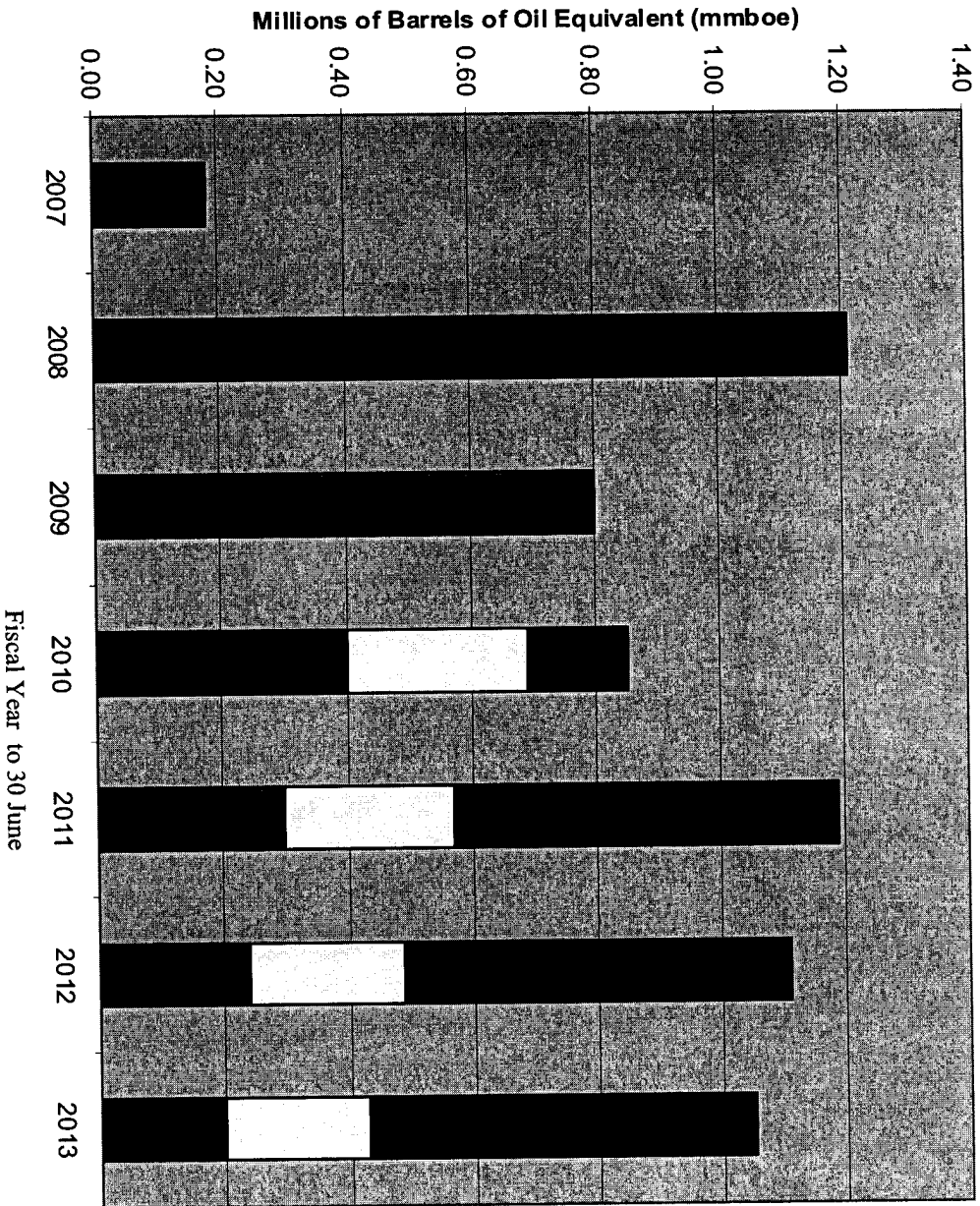


NZOG's Major Growth Assets

Project	Final Investment Decision Made	First Production Target
Pike River Coal (61%)	Sep 2005 Qtr	Late 2007
Tui Oil Fields (12.5%)	Dec 2005 Qtr	Mid 2007
Kupe Gas/Oil (15%)	Jun 2006 Qtr	Mid 2009

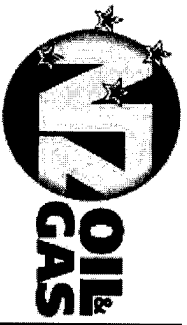


NZOG Oil & Gas Production Forecast



- Kupe Sales Gas Production (in mmboe)
- Kupe Light Oil Condensate Production (in mmbo)
- Tui Oil Production (in mmbo)

* Source: Tui oil production forecast from Tui Operator (AWE). NZOG has calculated the approximate barrels of oil equivalent for Kupe gas production forecasts from the the Kupe Operator (Origin Energy).

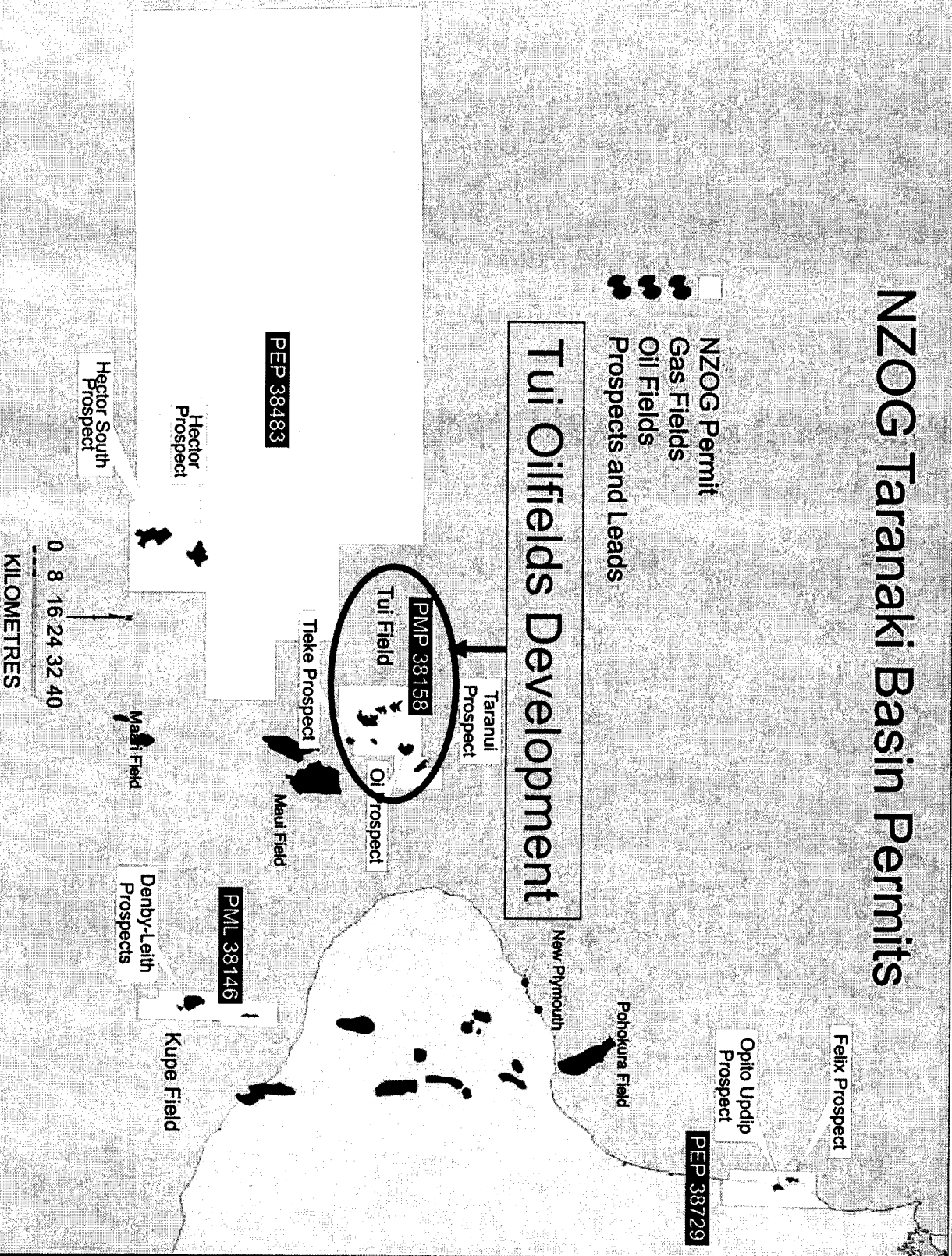


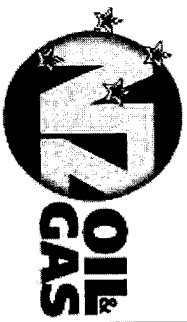
NZOG Production & Exploration Permit Locations

NZOG Taranaki Basin Permits

- NZOG Permit
- Gas Fields
- Oil Fields
- Prospects and Leads

Tui Oilfields Development





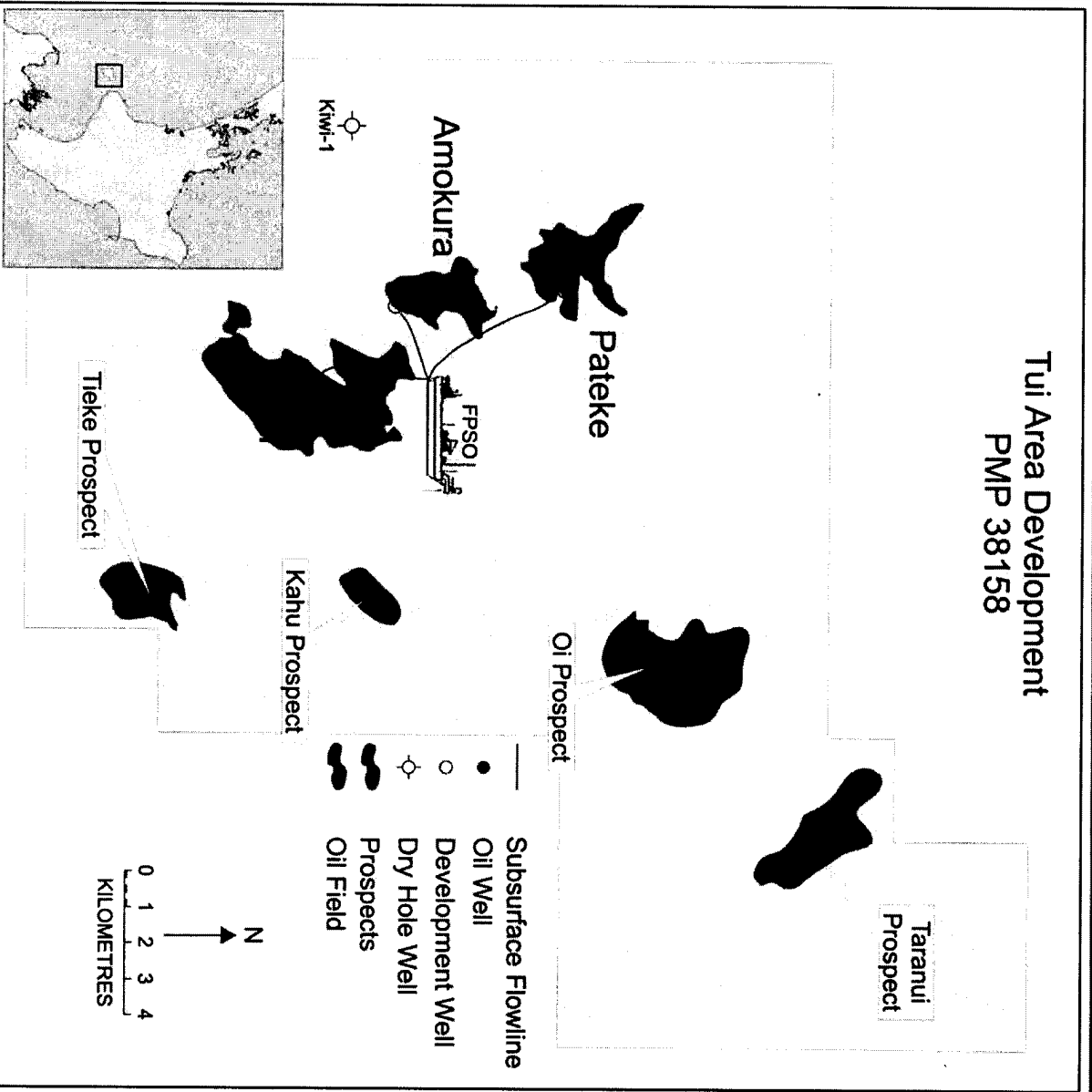
PMP 38158: Tui Oilfield Development



The Ocean Patriot (pictured flaring during a DST test) will drill the Tui Oilfield horizontal production wells 4Q 2006 – 2Q 2007.

Tui Oilfields Location

Tui Area Development
PMP 38158





Tui Oilfields Development

Oil recovery 27.9 million barrels

Capex US\$204m (under review)

First oil mid-2007

Initial oil rate 50,000 barrels of oil/day

Maximum rate 120,000 bbls liquids/day

PMP 38158 NZOG 12.5%

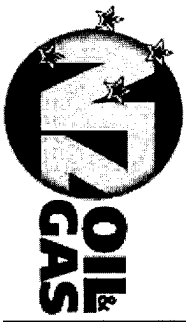


Tui Oilfield Development Program 2006-2007

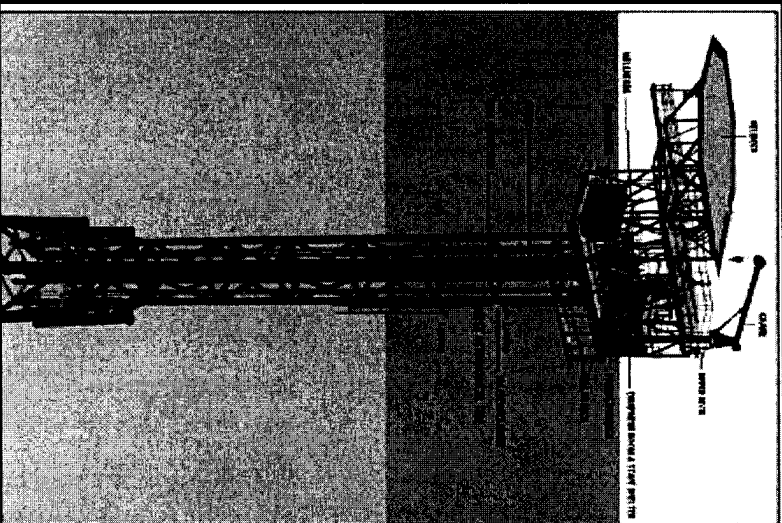
4 horizontal production wells being drilled by the Ocean Patriot 2006-2007

FPSO (floating production, storage, and offloading) vessel allows robust - flexible plan for concurrent production of 3 accumulations (Tui, Amokura, Pateke)

Completion program allows for an additional tie-back for additional discoveries in the permit



Kupe Gas & Oil Field



Unmanned Offshore
Production Platform

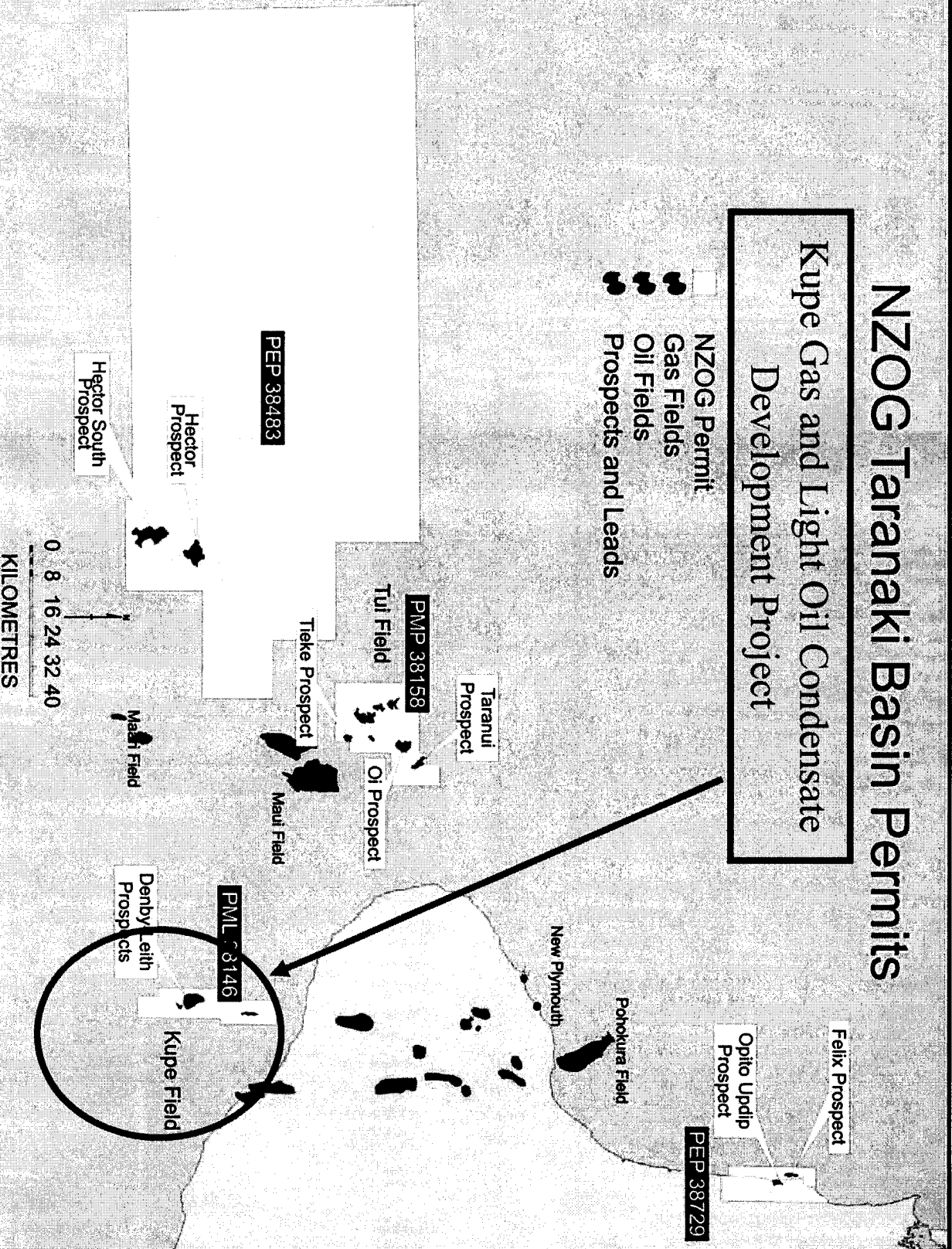
Gas & Light Oil Condensate
Development Project

Kupe Field Location

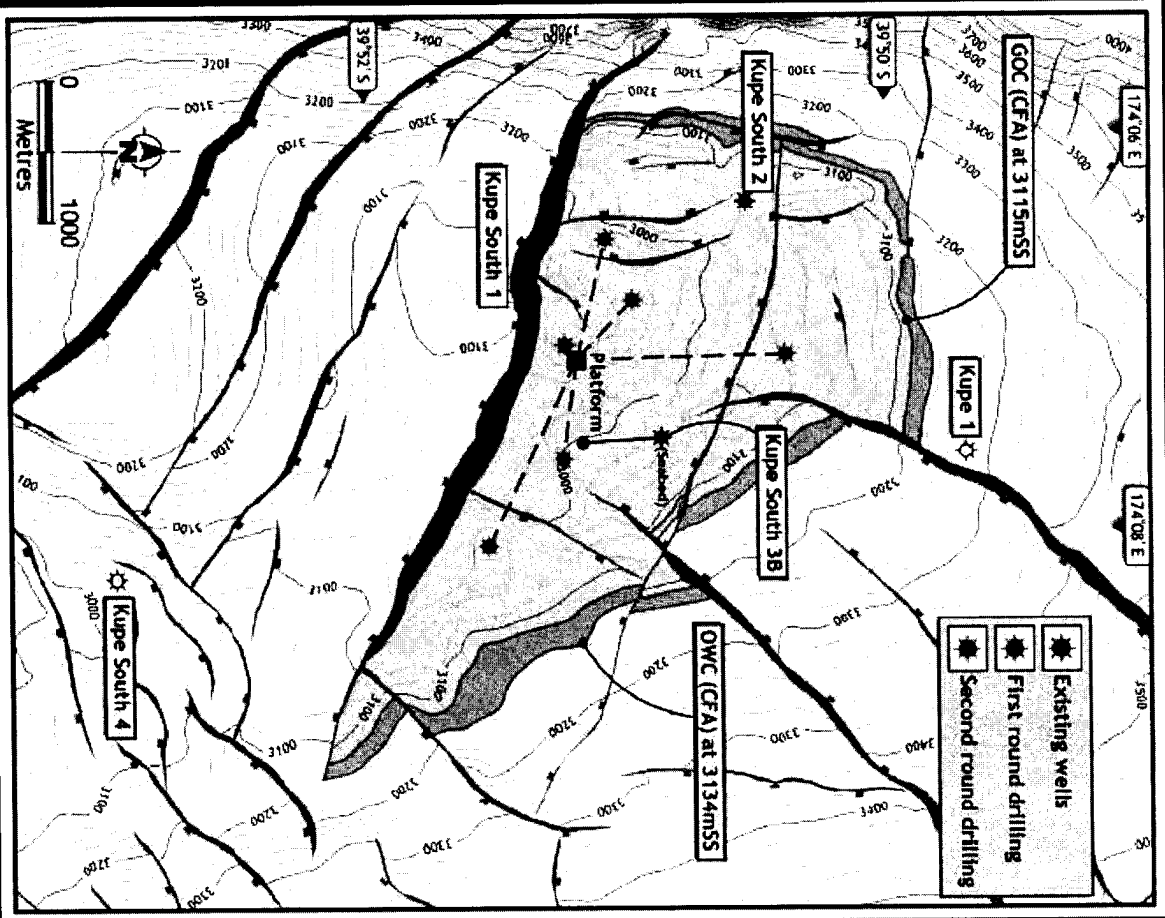
NZOG Taranaki Basin Permits

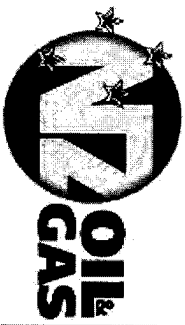
Kupe Gas and Light Oil Condensate Development Project

-  NZOG Permit
-  Gas Fields
-  Oil Fields
-  Prospects and Leads



Kupe Central Field Area (CFA)





Kupe Development Project

Development drilling in mid-2007

3 production wells to be drilled

Initial production estimated 2009

Initial production

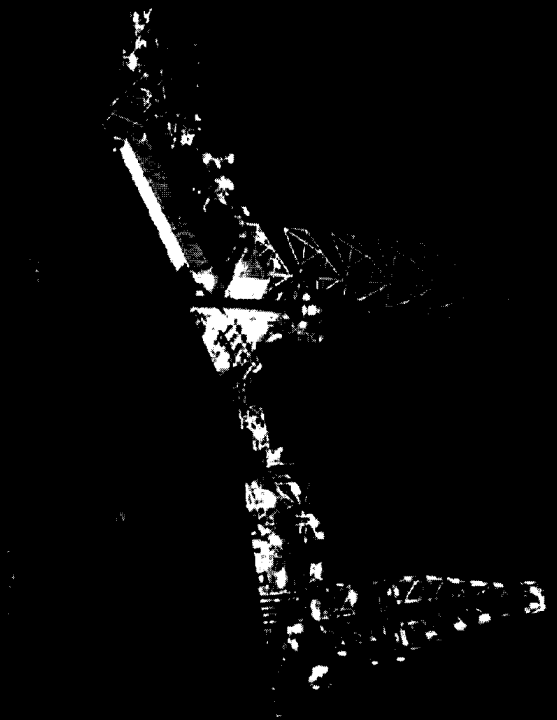
20 PJ sales gas p.a.

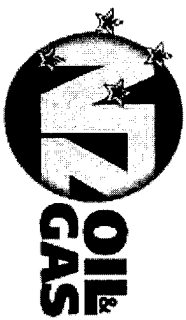
1.7 mmbbl condensate p.a.

90,000 tonnes LPG p.a.

3 additional production wells to be drilled in later phase of development

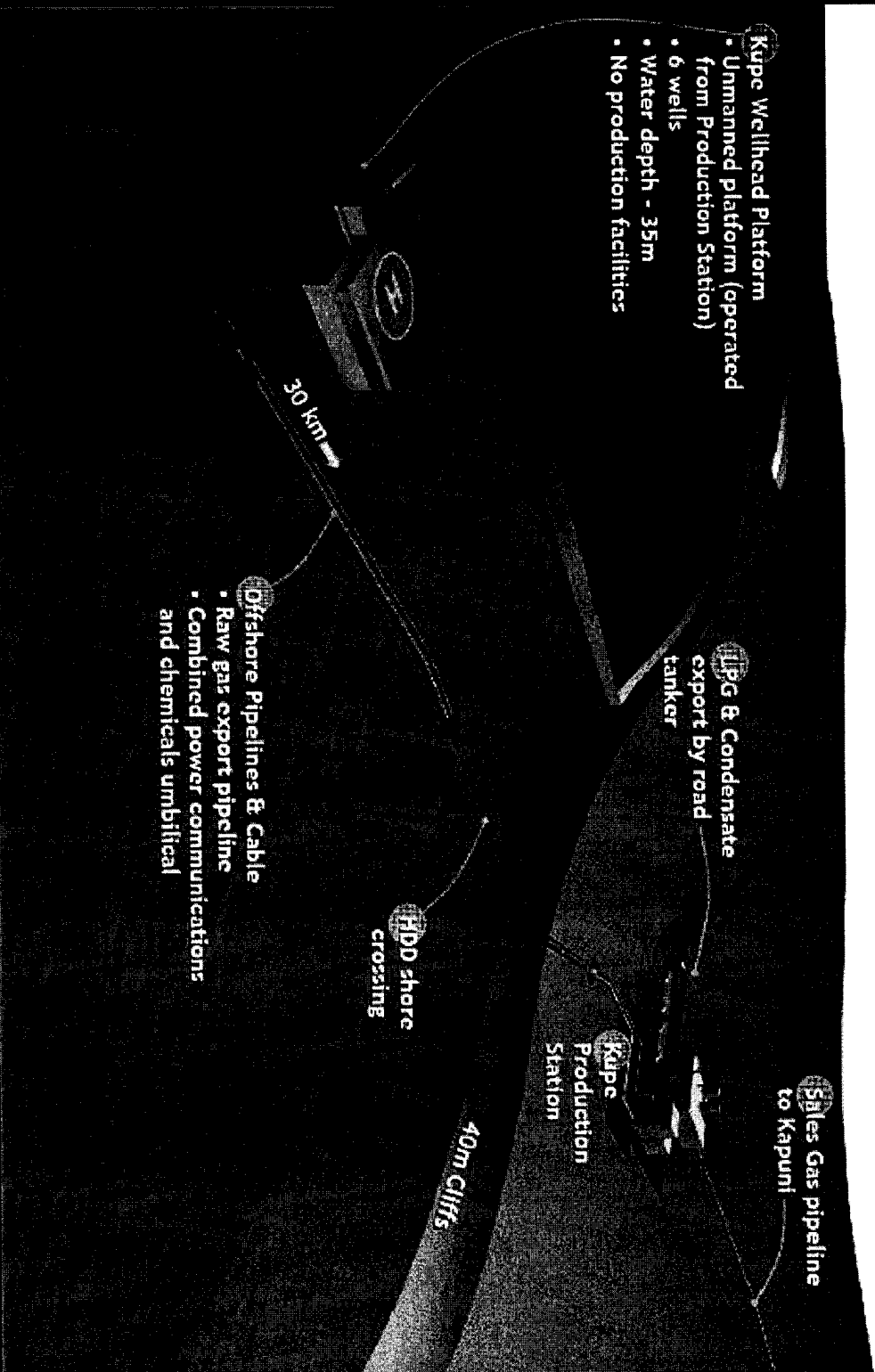
The ENSCO-107 jackup drilling rig at night in the shipyard at Singapore.

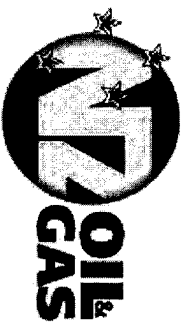




Kupe Development Project

Kupe Project Schematic





Kupe Development Project

Capex

NZ\$980 million (nominal)

FID Reached

29 June 2006

Total Sales Gas

254 petajoules (PJ)

Total Light Oil Condensate

14.7 million barrels

Total LPG

1062 kilotonnes

PML 38146

NZOG 15%

Gas Sales Contract

Long-term gas sales contract with Genesis Energy for proved & probable reserves. Genesis will provide NZOG up to NZ\$20m in funding.

Kupe Joint Venture Parties

NZOG **Origin Energy**
Genesis Energy **Mitsui E&P NZ**



Kupe Development Project

Gas products via underground pipeline.
Light Oil condensate products via truck

Light oil – via road tankers to appropriate facility

or



Light oil – underground pipeline to appropriate facility

Kupe Oil and Gas Development

New Production Station Onshore

Pipeline to shore

Coastline 30km

Platform

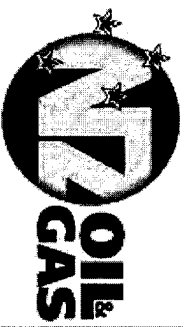
35 metres

Development wells

Kupe reservoir

Sales gas – underground pipeline to network mainline

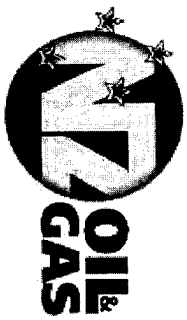




NZOG Exploration Summary 2006-2007

NZOG Exploration Activity Poised to Take-Off!

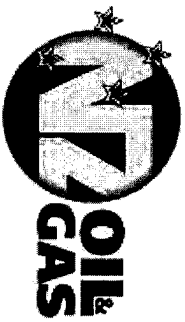




NZOG's New Exploration

Includes:

- best prospects in proven reservoirs and fairways**
- new geographic locations previously under-explored**
- new stratigraphic intervals previously untapped**
- new reservoir types**
- new trapping mechanisms**
- new technology & methodology**



Premium Exploration Prospect & Lead Inventory

Hector Prospect – Kapuni C oil prospect on western oil fairway
2006-2007 Drill Date : Estimated Mean Rec Res 50 - 60 mmb0

Tieke Prospect (Tui Area) – Kapuni F oil prospect 7km east of Tui
2006-2007 Drill Date : Estimated Mean Rec Res 5 – 15 mmb0

Taranui Prospect (Tui Area) - Kapuni F oil prospect northeast of Tui
2006-2007 Drill Date : Estimated Mean Rec Res 5 – 25 mmb0

Denby Prospect - gas/light oil condensate prospects next to Kupe field
Possibly drilled in 2007?

Leith Prospect – gas/light oil condensate prospects next to Kupe field
Possibly drilled in 2007?

Felix – oil targets include Kapuni C oil sands
Decision to drill in early 2007

Hector South Prospect (Hector Extension) - oil prospect on western oil fairway. Next likely target if Hector is a discovery

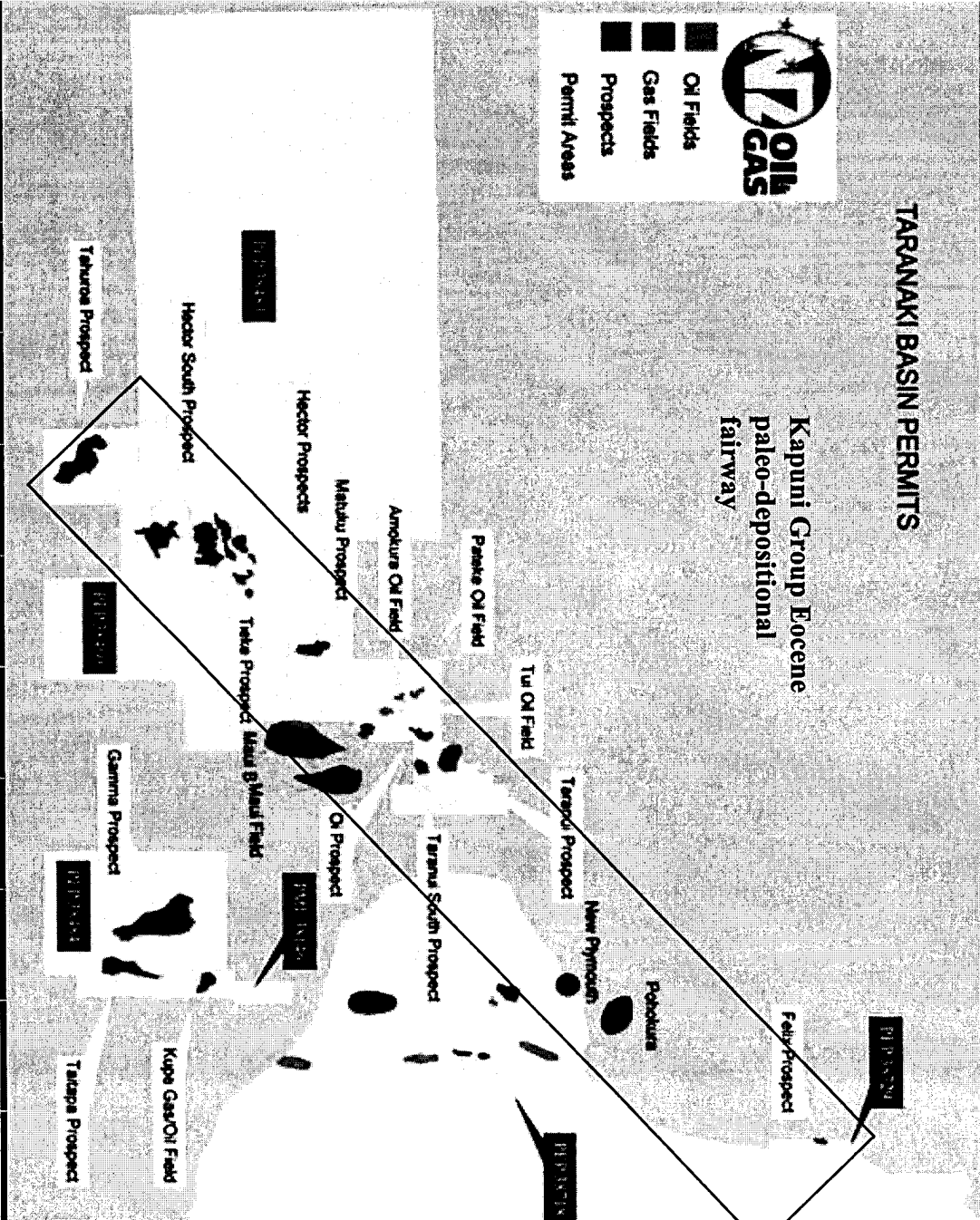
Multiple Kupe Prospects & leads including Toru & KS-5 oil prospect

Western Hector permit leads favourable for seismic survey if Hector proves up western fairway play concept



Premium Exploration Prospects

NZOG PETROLEUM PERMITS



Many of NZOG's Taranaki prospects and leads lie on the Kapuni Sandstone paleodepositional fairway (bracketed by black rectangle).

This is good for the potential geological chance of success and also for known reservoir production quality



Tui Permit: Tieke & Taranui Exploration Prospects





Multiple Prospects/Leads Tui Permit

Tieke Prospect (Ocean Patriot 2006-2007 Drilling)

- 7 km SE of Tui
- Similar structures as encountered in Tui area
- Tieke up-dip of Tui
 - good possibility of oil charge
 - potential of 5-15 mmbbl recoverable oil
 - quick tie-in to Tui development FPSO

Taranui Prospect (Ocean Patriot 2006-2007 Drilling)

- 20 km NE of Tui
 - good possibility of oil charge
 - potential of 5-25 mmbbl recoverable oil
 - quick tie-in to Tui development FPSO

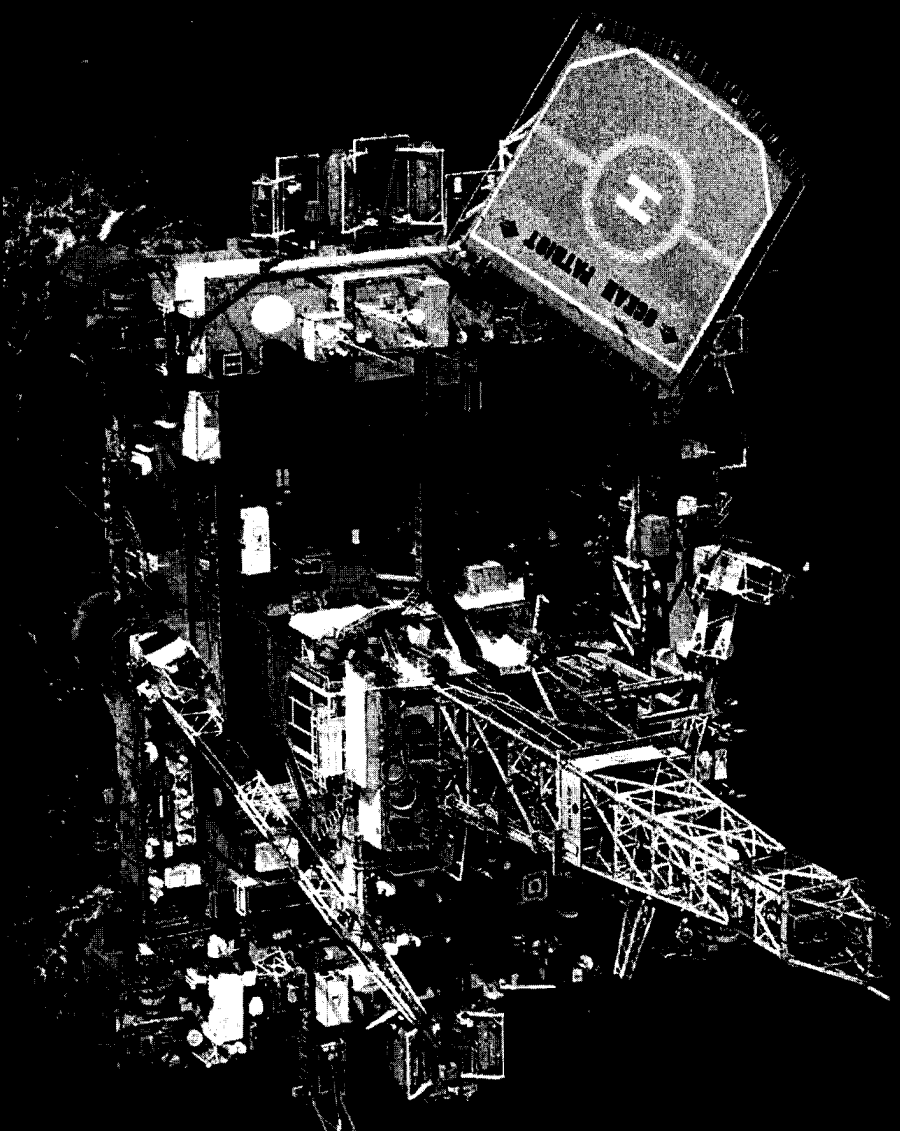
Kahu and Oi Prospects

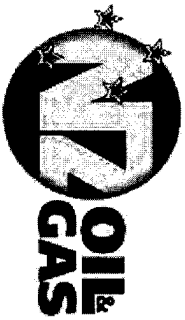
- Between Tui, Tieke, and Taranui structures
 - good possibility of oil charge
 - potential for eventual later tie-in to Tui development FPSO



Hector Permit Prospect

New Location! New Migration Fairway! New Play Type!





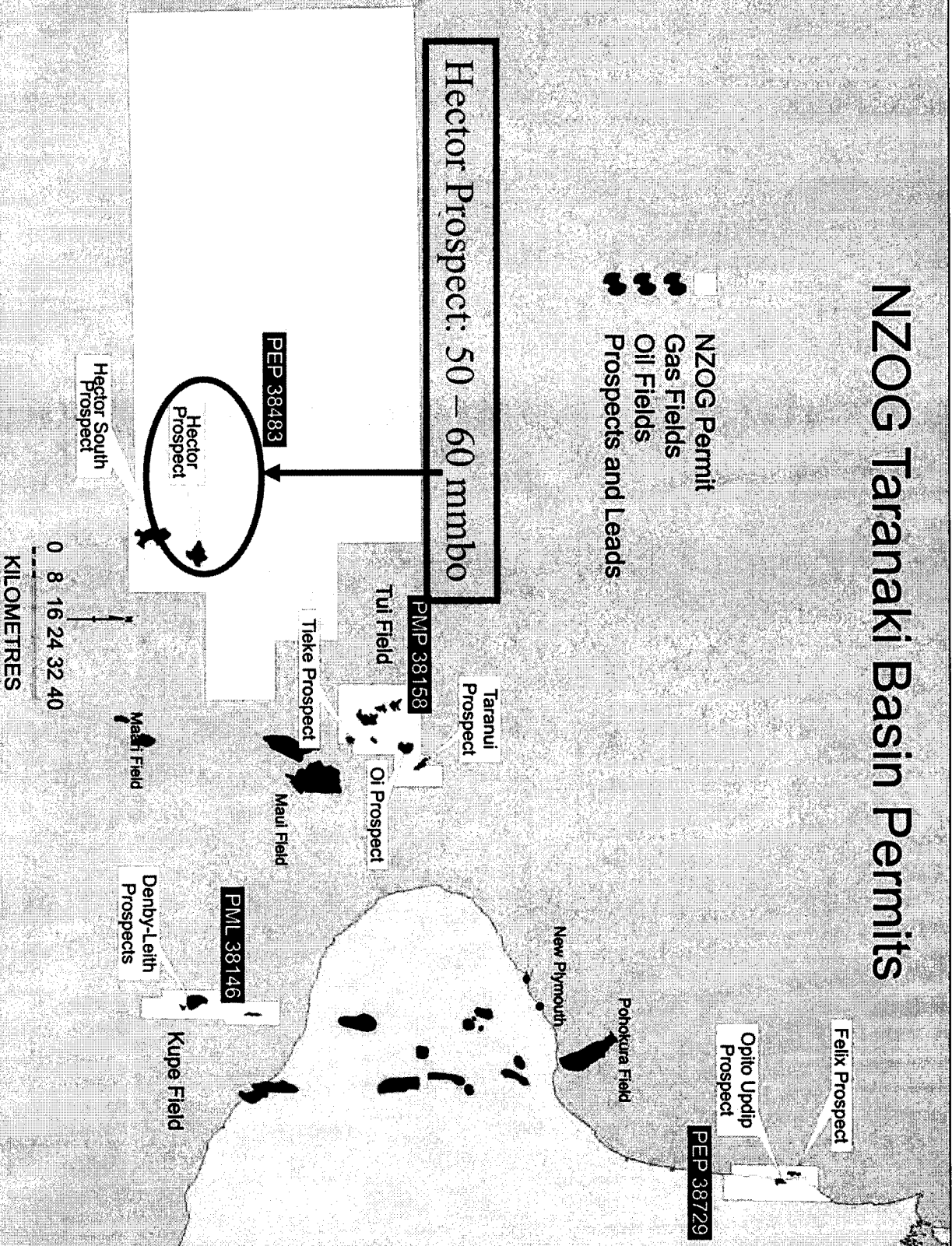
Hector Permit Location

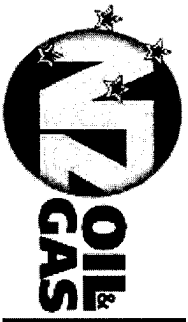
NZOG 18.9%

NZOG Taranaki Basin Permits

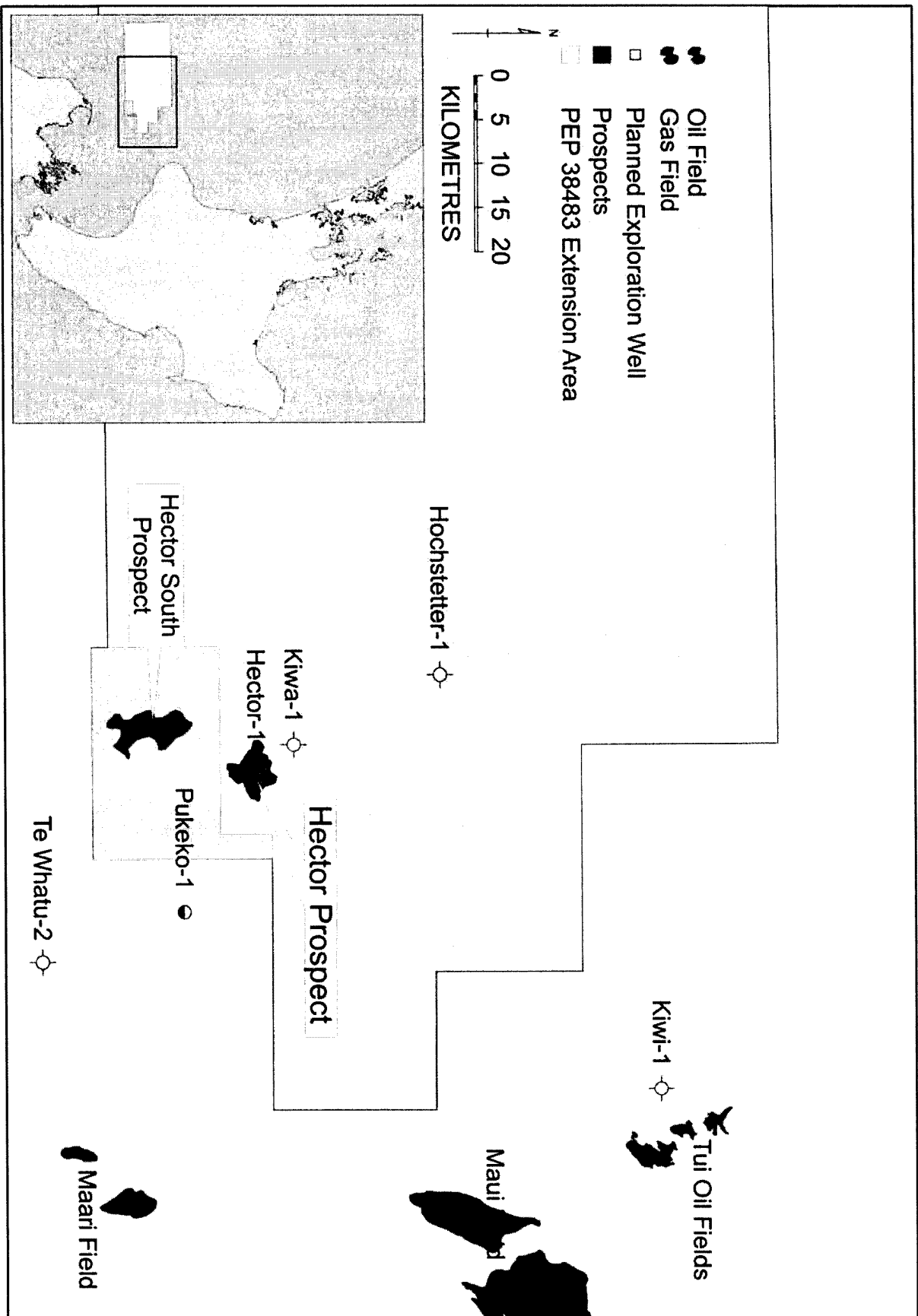
- NZOG Permit
- Gas Fields
- Oil Fields
- Prospects and Leads

Hector Prospect: 50 – 60 mmbo





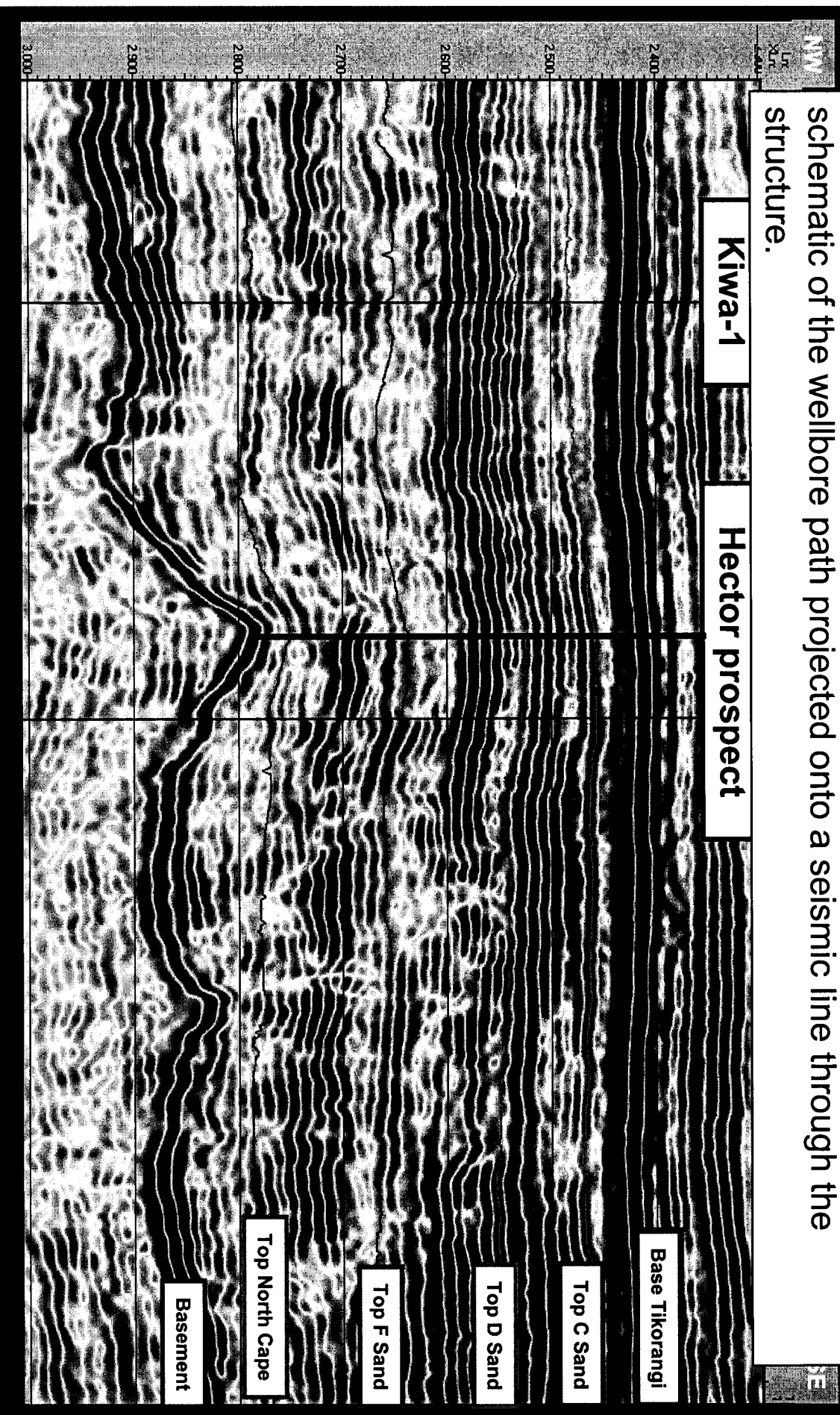
Hector Prospect Location





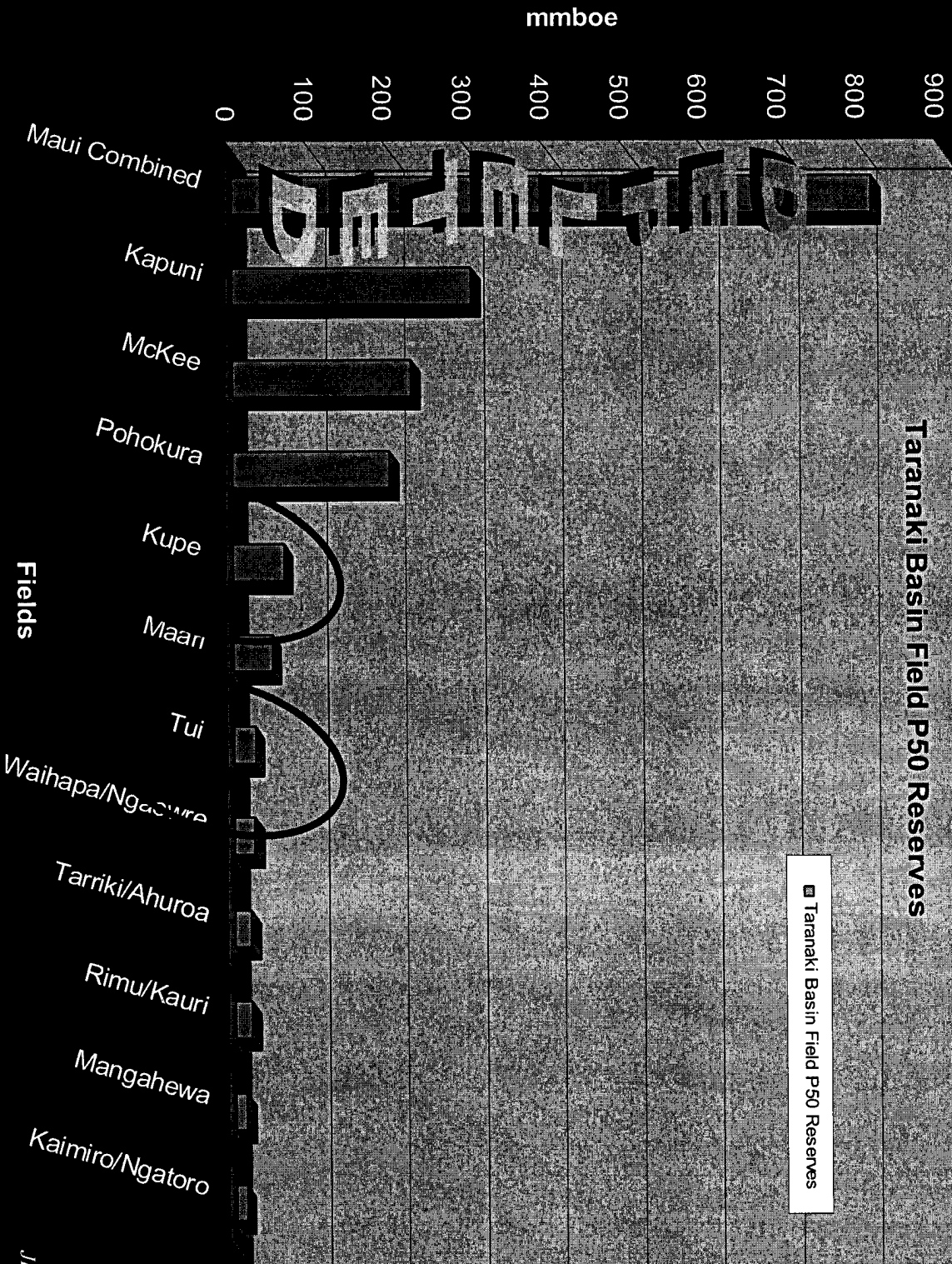
Hector Prospect

NW to SE seismic line through Hector Prospect showing approximate schematic of the wellbore path projected onto a seismic line through the structure.





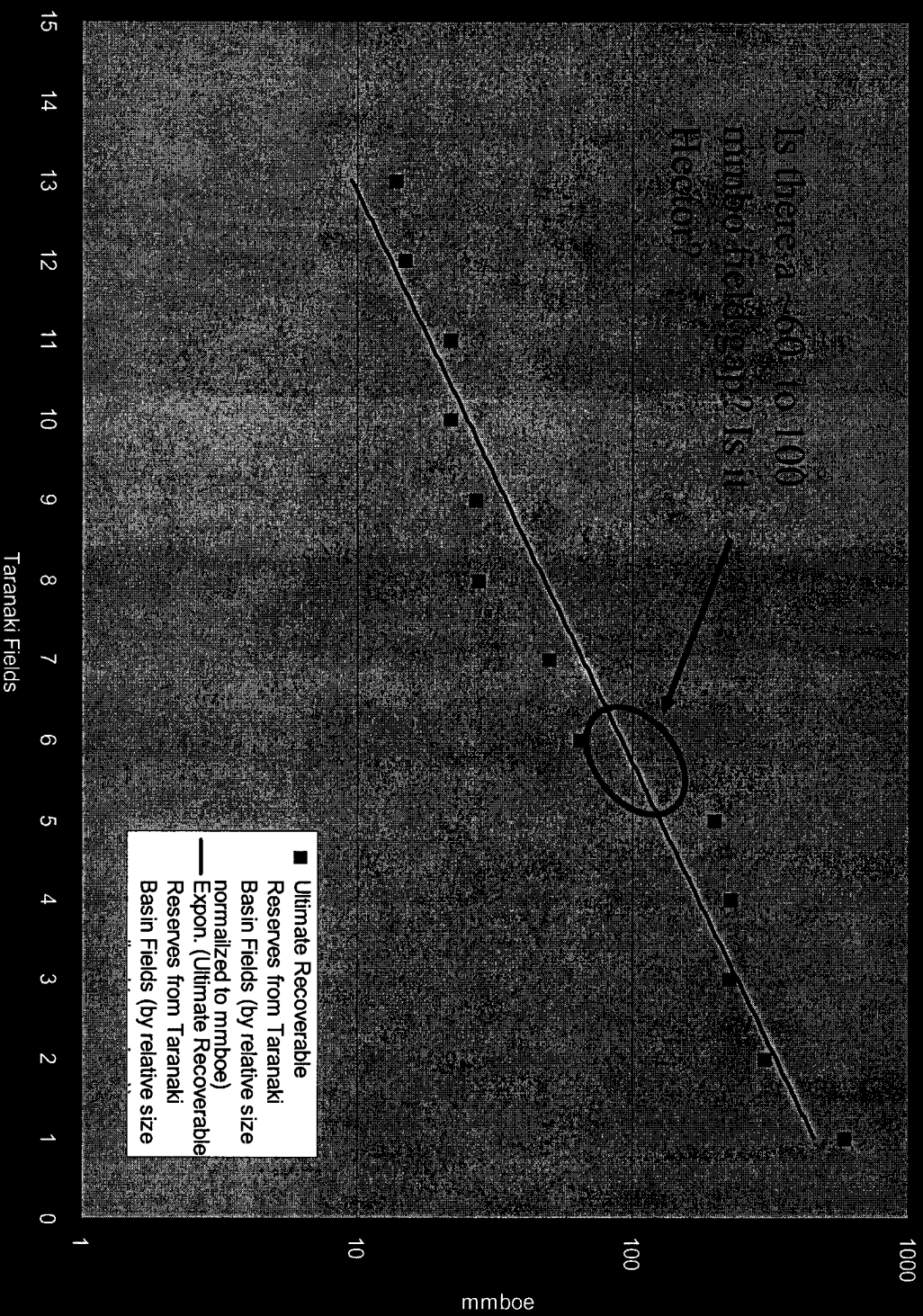
EXPLORATION AND PRODUCTION FOR THE 21st CENTURY





EXPLORATION AND PRODUCTION FOR THE 21st CENTURY

Taranaki Basin Reative Field Sizes





Kupe Permit Exploration Prospects

**Kupe Permit: Prime Exploration
Prospects & Leads (with proven
discoveries)**



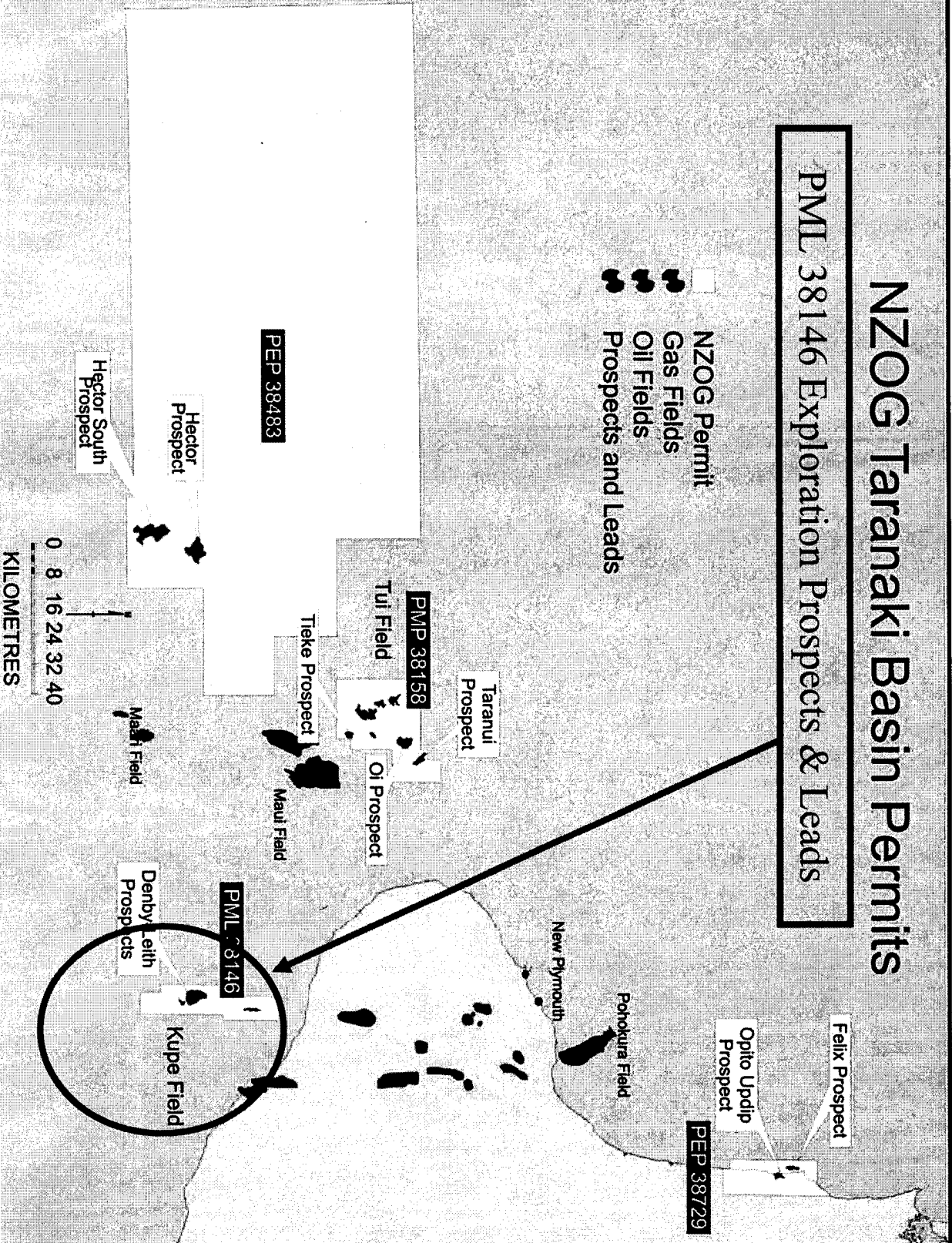
**The ENSCO-107 jackup drilling rig
at night in the shipyard at Singapore.**

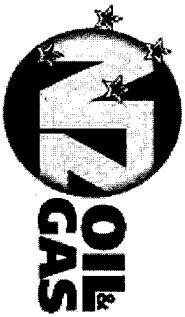
Kupe Permit Location

NZOG Taranaki Basin Permits

PML 38146 Exploration Prospects & Leads

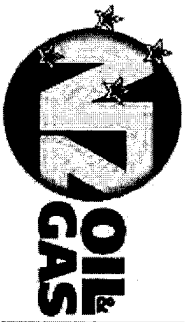
- NZOG Permit
- Gas Fields
- Oil Fields
- Prospects and Leads





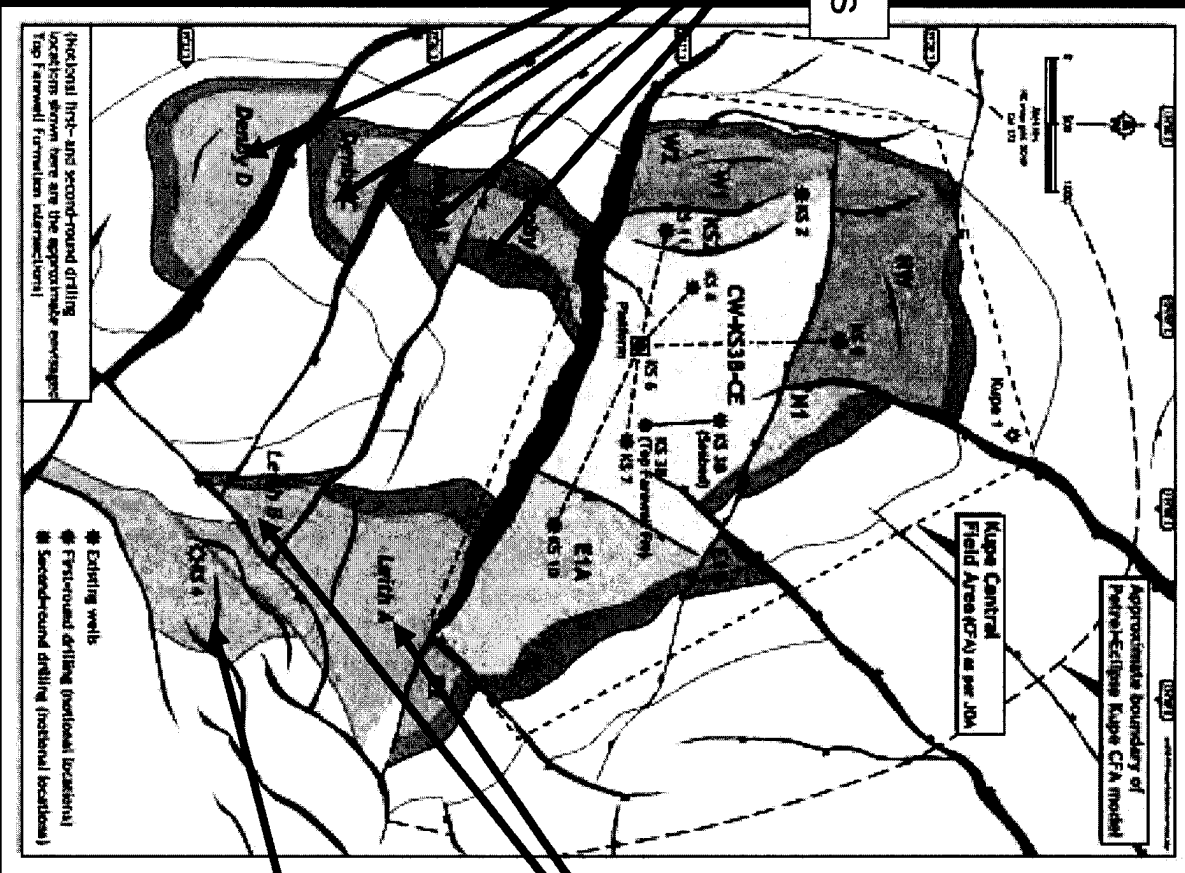
Kupe Permit Exploration Prospects

- Three discovery wells already drilled in the Kupe Central Field Area (CFA) (KS-3 flowed 25mmscfd, 4500bopd)
- 2 wells on structures south of the Kupe CFA, flowed 10 mmscfd (KS-4), 2300 bopd (KS-5), respectively
- Additional prospects/leads are located adjacent to the CFA development area (Denby, Leith, KS4, Stent, Marshall, etc), with spare production capacity built-in to the CFA development program



Multiple Prospects/Leads Near CFA

Denby Prospects



Leith Prospects

KS-4 Prospect

Horizontal first- and second-round drilling locations shown here are the approximate envisaged Top Ferrowell formation interwell.

- ◆ Existing wells
- ◆ First-round drilling (horizontal locations)
- ◆ Second-round drilling (horizontal locations)



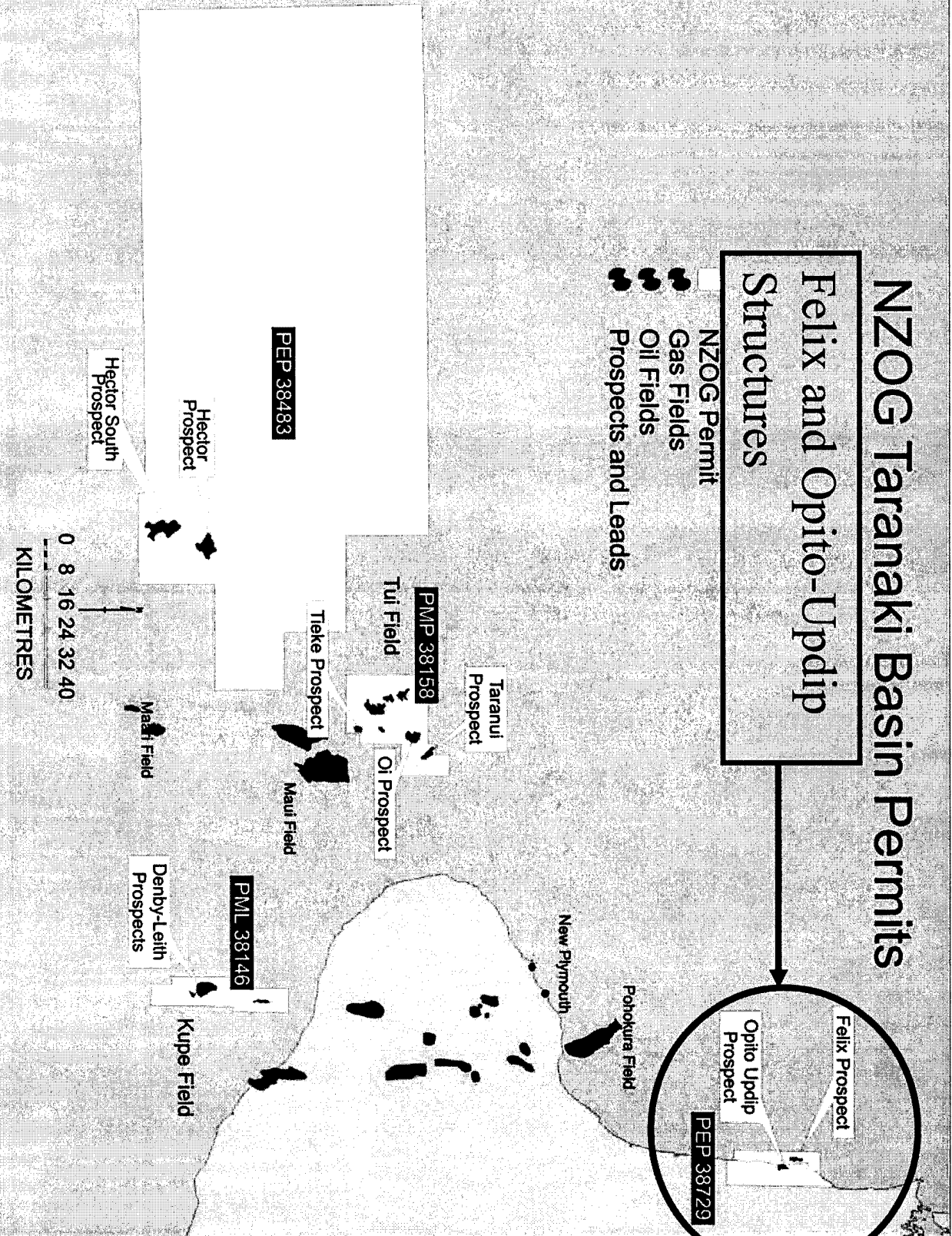
PEP 38729: Excellent Exploration Potential in Felix and Opito-Updip Structures

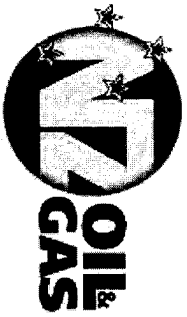


Felix Permit Location

NZOG Taranaki Basin Permits Felix and Opito-Updip Structures

- NZOG Permit
- Gas Fields
- Oil Fields
- Prospects and Leads





Felix Permit NZOG 75%

Transition zone seismic survey being processed.

Drilling decision in early 2007.

Helicopter ferrying equipment for the transition zone seismic survey in August 2006.



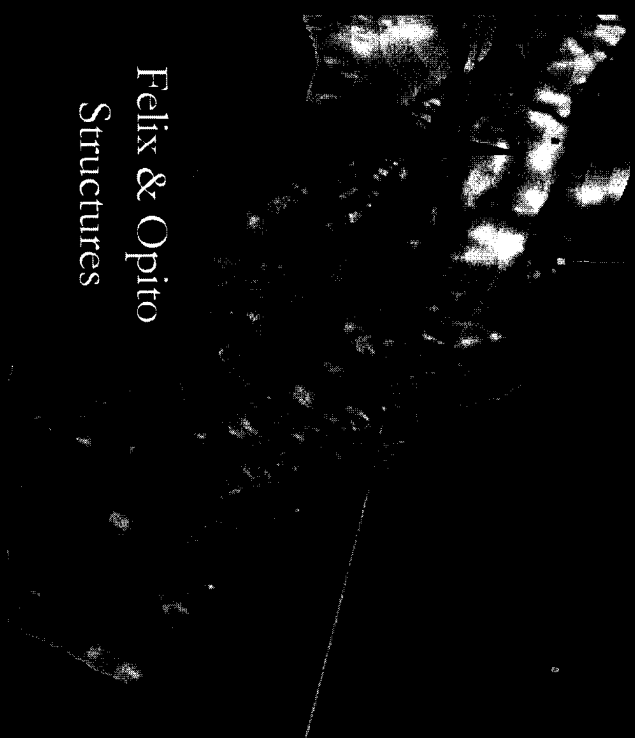
Felix Permit

Northern Taranaki Oil Fairway

Felix and Opito-Updip Structures

Prospects lie on the trend of Kapuni-C paleodepositional fairway (NE extension of Tui/Mau sandstone corridor)

10-70 mmbbl estimated potential recoverable oil in Kapuni C-sand



C-sand depth structure

Felix & Opito
Structures



NZOG Financial Position

- NZOG cash position (30 June 2006)
NZ\$43 million
- Tui finance facility US\$37.5 million
(NZ\$60 million)
- NZOG's share of gross oil sales revenues from Tui in 1st full year of production are NZD\$70 million.



New Production plus New Prospects

