



New Zealand Oil & Gas Independent Directors unanimously recommend increased offer from O.G. Oil & Gas

- OGOG will increase offer price for New Zealand Oil & Gas to NZ\$0.78 per share
- New Zealand Oil & Gas Independent Directors unanimously recommend that shareholders accept OGOG's increased offer

9 October 2017

OGOG AGREES TO INCREASE OFFER PRICE FOR NZOG

O.G. Oil and Gas (Singapore) Pte. Ltd. ("OGOG") is pleased to announce that it has agreed to increase the price it will offer to shareholders of New Zealand Oil & Gas Limited under its partial takeover offer for up to 67.55% of the New Zealand Oil & Gas shares that it does not already hold or control.

The increased offer price is NZ\$0.78 per New Zealand Oil & Gas share, up from NZ\$0.77 per share.

This offer price is within the independent advisor's valuation range identified in the independent adviser's report contained in the New Zealand Oil & Gas Target Company Statement prepared in response to the offer by Zeta Energy Pte. Limited ("Zeta") dated 5 September 2017. The price represents a premium of 24.8% over the closing share price on 9th August 2017, being the last date prior to Zeta publicly releasing its notice of intention to make a takeover offer, and a premium of 28.5% over the VWAP for the one-month period up to and including 9th August 2017.

OGOG already owns shares representing approximately 4.29% of New Zealand Oil & Gas' fully paid ordinary shares. Under OGOG's offer, OGOG's holding may increase to a maximum of 70% of the fully paid ordinary shares. While OGOG's offer allows for it to hold up to 70% of the fully paid ordinary shares, the minimum acceptance threshold will be met once acceptances result in OGOG holding or controlling more than 50% of the voting rights in New Zealand Oil & Gas.

OGOG's offer document, including the revised terms, is expected to be released to NZX later this week and mailed to shareholders early next week. New Zealand Oil & Gas' target company statement, setting out the reasons for the Independent Directors' recommendation, will be released and posted at the same time.

The offer will be open for 30 days from the date of the offer document (unless extended in accordance with the Takeovers Code) and remains conditional upon, amongst other things, OGOG obtaining all consents required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005.

Alastair McGregor, Chief Executive of OGOG, said: “We believe the increased offer for New Zealand Oil & Gas is fair and one that we are confident that shareholders will find attractive. OGOG believes strongly in the potential of the New Zealand Oil & Gas assets and is excited to have the opportunity to invest in New Zealand, a country where OGOG affiliates have worked successfully in the past.”

INDEPENDENT DIRECTORS UNANIMOUSLY RECOMMEND THAT SHAREHOLDERS ACCEPT OGOG’S INCREASED OFFER

The Independent Directors of New Zealand Oil & Gas unanimously recommend that shareholders accept OGOG’s revised offer of NZ\$0.78 per New Zealand Oil & Gas share.

“The Independent Directors have unanimously voted to support the OGOG offer,” New Zealand Oil & Gas Chairman Rodger Finlay said. “We are pleased that OGOG’s vision for New Zealand Oil & Gas aligns strongly with our own strategy. I am confident that with OGOG’s backing we will see New Zealand Oil & Gas invest in exciting new opportunities for growth.”

“I encourage all shareholders to read the target company statement carefully, in making their own decision on the OGOG offer. Personally, I think it is important that the OGOG offer succeeds, so I will accept the OGOG offer for all of the New Zealand Oil & Gas shares that I own or control (comprising approximately 0.5% of the total New Zealand Oil & Gas shares).”

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ABOUT OGOG

OGOG is the oil and gas arm of the Ofer Global Group, a privately-held portfolio of international businesses chaired by Mr. Eyal Ofer. In addition to its oil and gas activities, the Ofer Global Group has global interests in shipping, real estate, hospitality and banking.

The Ofer Global Group is a multi-generational family organisation that invests significant capital over long time horizons. Each of the businesses that make up the Ofer Global Group embodies an owner/operator ethos and believes that their success is predicated upon developing, retaining and supporting talented managers. The Ofer Global Group is excited about the prospect of welcoming NZOG and its talented staff to the OGOG team.

The long-term focus of the Ofer Global Group necessitates the prioritisation of corporate and social responsibility, community investment, and awareness of and respect for the concerns of local stakeholders. For decades, the Ofer Global Group, both through its affiliated companies as well as through the Eyal and Marilyn Ofer Family Foundation, has reinforced these values by supporting initiatives in various communities where the Ofer Global Group operates. The Ofer Global Group looks forward to the prospect of carrying on that tradition in New Zealand.

Further information: www.oferglobal.com

ABOUT NEW ZEALAND OIL & GAS

New Zealand Oil & Gas is New Zealand's only listed oil and gas exploration and production company. Established in 1981, and headquartered in Wellington, New Zealand Oil & Gas has production interests in two fields offshore from South Taranaki, New Zealand, and offshore production in Indonesia. It has exploration interests offshore New Zealand and West Australia and onshore Indonesia. It operates the Clipper permit east of Oamaru, which is New Zealand's largest announced hydrocarbon prospect. Along with its Ironbark prospect in Australia, New Zealand Oil & Gas has exposure to two of the world's top ten high impact prospects.

New Zealand Oil & Gas applies its New Zealand values to build enduring relationships with communities where it operates. It builds mutual understanding through relationship agreements with those who have a stake in the company's activity. Community reference panels set expectations for New Zealand Oil & Gas and publicly report on its performance in achieving them.

Further information: www.nzog.com