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## NEW ZEALAND OIL & GAS HALF-YEAR RESULT

New Zealand Oil & Gas has announced a net loss of NZD$0.7 million for the six months to 31 December 2017.

The net loss attributable to shareholders for the period was $2.5 million, compared to a loss of $18.0 million in the prior corresponding period.

If the performance of the Kupe asset had been included for the entire period, the Group would have declared a net profit of $0.8 million for the six months. The acquisition date of 4 per cent of Kupe asset was determined to be in December. Economic performance of the asset from the effective date of 1 January 2017 to the acquisition date has been recognised as an adjustment to purchase price, in line with standard accounting policies.

Revenue was down 19% to $15.4 from $19.1 million a year ago.

The Group had a cash balance of $83.6 million at balance date, compared to $81.1 million in the prior corresponding period.

New Zealand Oil & Gas chief executive Andrew Jefferies says the company is focused on growth.

"Having been through an extended period of restructuring, cost reduction and changes in our asset base since the oil price downturn in 2014 we now have a strong balance sheet, and the support from our new major shareholder to refocus on acquisition and growth.

"In Barque, Toroa and Ironbark we have three world class exploration assets and we are continuing to screen production assets suitable for our capabilities."

Operating costs including amortisation in the six months were down compared to the prior corresponding half year, from $12.7 million to $10.4 million. Exploration expenses in the six months were $3.5 million, down from $5.3 million in the previous year, while other expenses, including corporate costs, were $5.2 million, down from $8.1 million the year before.

Cash receipts were $12.9 million, down from $55.3 million in the first half of the previous financial year mainly because of the sale of mature Taranaki assets Kupe and Tui.

ASX-listed Cue Energy, in which New Zealand Oil & Gas has a 50.04% interest, contributed a net profit of $3.6 million to the half year result, as lower administration costs and a tax benefit offset the impact of reduced production.

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