

13 April 2018

## Minimum shareholdings and Gone No Address holders

New Zealand Oil & Gas has written to shareholders who have less than a minimum holding, and shareholders whose mail is being returned 'Gone No Address'.

A copy of the letters to the relevant shareholders is attached.

### MINIMUM SHAREHOLDINGS

Around half the shareholders on the New Zealand Oil & Gas register hold fewer than 500 shares. Some small shareholders have expressed concern about the difficulty they face in selling their shares. The cost of brokerage in any sale would significantly reduce or eliminate the proceeds of that sale. Their shareholdings are essentially locked-in unless New Zealand Oil & Gas provides a facility to enable an economic sale.

The company has decided to operate a scheme that will enable those shares to be sold free of brokerage charges, in accordance with its powers under clause 9.9 of its constitution.

### GONE NO ADDRESS HOLDERS

Some of the Gone No Address holdings date back to shares purchased in the 1980s and 1990s. While most GNA holdings are small, a few are significant.

Shareholders who believe they may have historical New Zealand Oil & Gas holdings, but haven't heard from the company in the past year, should contact Computershare at these numbers or email addresses:

#### **New Zealand**

Freephone: 0800 467 335 (within New Zealand)

Telephone: +64 9 488 8777

Email: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

#### **Australia**

Freephone: 1 800 501 366 (within Australia)

Telephone: +61 3 9415 4083

Email: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

13 April 2018



<<Mailing Name>>  
<<Address Line1>>  
<<Address Line2>>  
<<Address Line3>>  
<<Address Line4>>  
<<Address Line5>>

Dear Shareholder,

## IMPORTANT INFORMATION - PROPOSED SALE OF YOUR SHARES IN NEW ZEALAND OIL & GAS

We are writing to you because you hold less than 500 shares in New Zealand Oil & Gas. This means you have less than a "minimum holding" of shares.

New Zealand Oil & Gas has decided to operate a scheme that will enable your shares to be sold free of brokerage charges.

The scheme will involve New Zealand Oil & Gas arranging for the sale of your shares if you still hold less than 500 shares at 5pm [New Zealand time] on 20 July 2018.

This letter sets out important information about why New Zealand Oil & Gas is operating the scheme, and the options available to you.

### **There are many small shareholders because of the OGOG takeover offer**

As you will be aware, in January 2018 O.G. Oil & Gas [Singapore] Pte. Ltd. [OGOG] successfully completed a partial takeover offer for up to 67.55% of the shares in New Zealand Oil & Gas it did not already hold or control.

The number of shares accepted into the offer was slightly more than the maximum number OGOG offered to acquire. This meant a "scaling" process was applied. This scaling process reduced the number of shares actually acquired from shareholders who accepted the offer in respect of more than 67.55% of their shares.

As a result of the scaling, a large number of New Zealand Oil & Gas shareholders retained only a very small number of shares. In fact, approximately 50% of New Zealand Oil & Gas shareholders currently hold less than 500 shares.

### **New Zealand Oil & Gas now wishes to help small shareholders sell their remaining shares**

Some small shareholders have expressed concern about the difficulty they face in selling their shares. The cost of brokerage in any sale would significantly reduce or eliminate the proceeds of that sale. Their shareholdings are essentially "locked-in" unless New Zealand Oil & Gas provides a facility to enable an economic sale.

New Zealand Oil & Gas has therefore decided to operate a sale scheme in accordance with its powers under clause 9.9 of its constitution. The scheme will involve New Zealand Oil & Gas arranging for the sale of any shareholdings that are still less than a minimum holding [500 shares] as at 5pm on 20 July 2018.

The scheme offers a simple way for small shareholders to sell their shares, while also providing a clear pathway for those who wish to retain a shareholding.

**Option 1:**

**Do nothing and New Zealand Oil & Gas will arrange for the sale of your shares**

If you do not take any action by 5pm on 20 July 2018 and at that time you still hold less than 500 shares, New Zealand Oil & Gas will arrange for the sale of your shares through NZX.

You will receive the proceeds from the sale of your shareholding as soon as practicable after the sale process is completed. The price that you receive for your shares will be the average price of all shares sold through the scheme. New Zealand Oil & Gas will pay all brokerage charges associated with the sale of shares through the scheme.

The proceeds from the sale of your shareholding will be deposited into the bank account Computershare has on record for you. You should therefore ensure these details are up to date. If no bank account is recorded you will receive payment by cheque.

Any tax consequences from the sale of your shares will be your responsibility.

**The scheme is subject to change**

Please note that New Zealand Oil & Gas may suspend or terminate the sale of shares as proposed in this letter, either generally or in specific cases.

New Zealand Oil & Gas reserves the right to change any of the dates referred to in this letter by notice to NZX.

**Who should you contact if you have questions?**

Please consult your legal, financial or tax advisor if you have questions about the scheme in the context of your personal circumstances or if you require information about the possible taxation implications from the sale of your shares.

If you require further information about your shareholding you can contact Computershare on:

**New Zealand**

Computershare Investor Services Limited  
Freephone: 0800 467 335 (within New Zealand)  
Telephone: +64 9 488 8777  
Email: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)  
Website: [www.investorcentre.com/nz](http://www.investorcentre.com/nz)

**Australia**

Computershare Investor Services Pty Limited  
Freephone: 1 800 501 366 (within Australia)  
Telephone: +61 3 9415 4083  
Email: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)  
Website: [www.investorcentre.com/nz](http://www.investorcentre.com/nz)

If you have any questions for New Zealand Oil & Gas about this letter, please contact John Pagani, External Relations Manager, at [john.pagani@nzog.com](mailto:john.pagani@nzog.com).

Yours sincerely



**Andrew Jefferies**

Chief Executive Officer  
On behalf of the board

**Option 2:**

**Increase your shareholding prior to 20 July 2018**

You may choose to increase your holding to, or above, 500 shares by purchasing additional New Zealand Oil & Gas shares before 20 July 2018. Please contact your NZX broker or financial adviser if you wish to purchase additional shares (you will have to pay applicable brokerage charges and any other costs). New Zealand Oil & Gas is unable to provide a facility for this.

The purchase would need to be settled prior to 20 July 2018 and be registered in the same holding as your existing shares.

If your shareholding is at least 500 shares by 20 July 2018 then your shares will not be sold through the scheme.

13 April 2018

<<Mailing Name>>  
<<Address Line1>>  
<<Address Line2>>  
<<Address Line3>>  
<<Address Line4>>  
<<Address Line5>>

Dear Shareholder,

## IMPORTANT - PLEASE CONFIRM YOUR CONTACT DETAILS

We are writing to you because you hold shares in New Zealand Oil & Gas, but correspondence we have sent to this address has been "returned to sender". You may also have not collected dividends payable in respect of your shares.

It is important that you respond to this letter, either to confirm that this is your correct mailing address or to update your mailing address.

### **Please confirm your mailing address by email or letter**

You can confirm your mailing address in one of two ways:

**Email:** Email [john.pagani@nzog.com](mailto:john.pagani@nzog.com) with your name and mailing address.

**Post:** Complete the form enclosed and send back using the reply paid envelope provided.

### **Your shares may ultimately be sold if we do not receive a response from you**

If New Zealand Oil & Gas does not receive a response to this letter from you by **20 June 2018**, it will proceed to deal with your shares in accordance with the process provided for under the New Zealand Oil & Gas constitution. Subject to the terms of the constitution, this process may ultimately culminate in the compulsory sale of your shares.

If you have any questions for New Zealand Oil & Gas about this letter, please contact John Pagani, External Relations Manager, at [john.pagani@nzog.com](mailto:john.pagani@nzog.com).

Yours sincerely



**Andrew Jefferies**

Chief Executive Officer  
On behalf of the board

**CONFIRMATION OF SHAREHOLDER CONTACT DETAILS**
**Confirmation for:** <<Holder Name>>

**Mailing address on record:** <<Mailing Name>>  
 <<Address Line1>>  
 <<Address Line2>>  
 <<Address Line3>>  
 <<Address Line4>>  
 <<Address Line5>>

**Reference:** <<Identity Num-

**1) MAILING ADDRESS**

Please confirm that this is your correct mailing address or provide an updated mailing address, by marking the relevant tick box below [and updating your address, if relevant].

<b>I confirm that the mailing address recorded above is my correct and current mailing address.</b>	<input type="checkbox"/>
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<b>Please update my mailing address to the address set out below. All future postal correspondence from New Zealand Oil &amp; Gas should be sent to this address.</b>	<input type="checkbox"/>
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Correct mailing address:
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**2) EMAIL ADDRESS**

You may also wish to provide us with your email address.

By providing your email address you are electing to receive all New Zealand Oil &amp; Gas shareholder communications by email, including by way of links to these communications. At the Company's discretion, communications sent electronically may include the annual report, interim report, transaction statements, payment advices and any other company-related information that New Zealand Oil &amp; Gas deems appropriate to send by electronic means.

<b>Please add my email address to the shareholder records for New Zealand Oil &amp; Gas. My email address is set out below.</b>	<input type="checkbox"/>
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Email address:
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**SIGNED** by .....  
 [All shareholders must sign] <<Holder Name>>  
 Signature[s] of

 .....  
 Date