



Quarter ended 31 March 2024



NEW ZEALAND
OIL & GAS

Quarterly Report

ASX:NZO | NZX:NZO

Quarter Highlights

- Further 25% interest in Mereenie announced
- Arafura GSA signed
- Half year net profit after tax [NPAT] up 112%
- Special dividend declared

Overview



Mereenie plant located in the Amadeus Basin, Northern Territory, Australia.

A cornerstone achievement this quarter has been the declaration of a special dividend underpinned by robust cashflows within the Group [NZO & Cue]. In April, a A\$14 million dividend was paid by subsidiary Cue Energy Resources [Cue] to its shareholders. New Zealand Oil & Gas [NZO] received A\$7 million and subsequently paid A\$6.7 million to its shareholders. These dividends reflect our commitment to efficient capital allocation while also highlighting the strength of our financial performance. The market has responded positively with a sustained uptick in our share price.

During the quarter, NZO has continued to execute its strategic vision, which has resulted in achieving significant milestones and positive outcomes for our stakeholders.

In the quarter, we executed a Gas Supply Agreement [GSA] with Arafura Rare Earths subsidiary Arafura Nolans Project Pty Limited [Arafura].

Mereenie field joint venture [JV] will supply up to 27.4 petajoules [PJ] of gas to Arafura, subject to satisfying certain conditions precedent. The GSA commences in 2026 for a 3-year term, with a further 2-year extension subject to gas reserves being available.

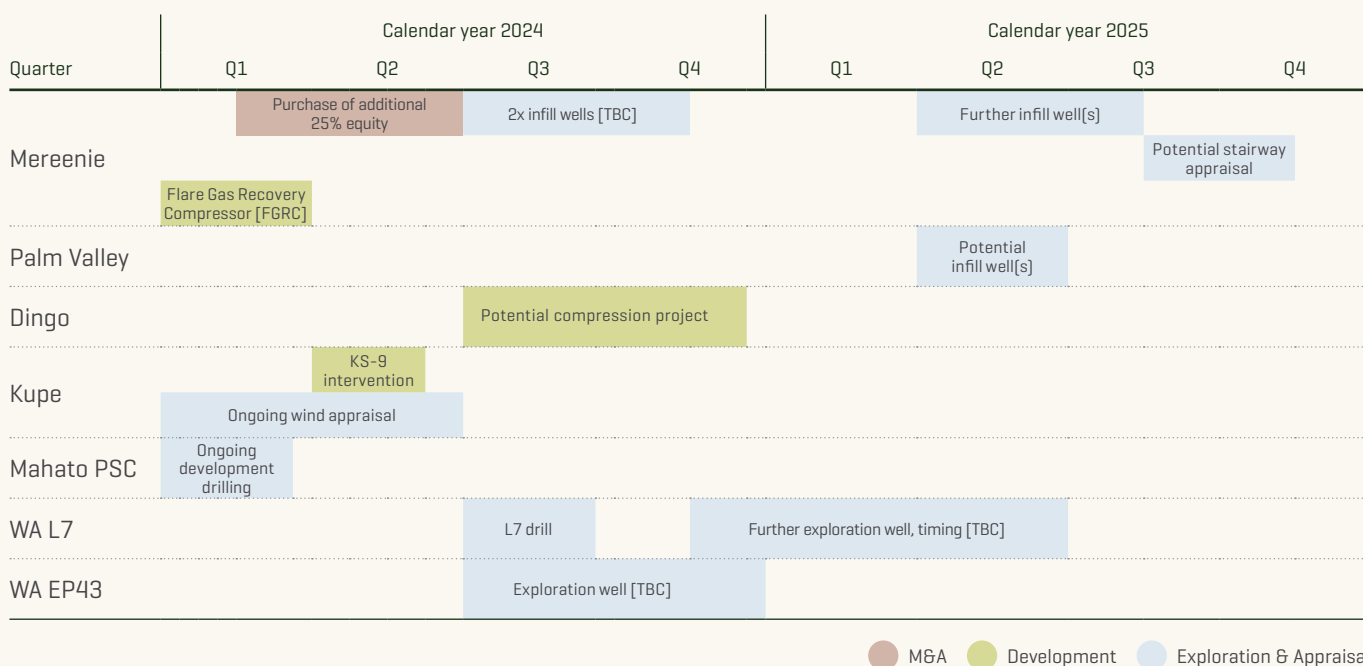
In the Amadeus Basin we've been actively managing the Northern Gas Pipeline [NGP] shutdown by securing a GSA with Power and Water Corporation [PWC] to support local Northern Territory [NT] customers.

On the back of the Arafura GSA being executed, NZO agreed to purchase from Macquarie Mereenie a further 25% equity interest in the Mereenie licenses, in the Amadeus Basin in Australia's Northern Territory. The acquisition will increase total 2P Group reserves by 41% to 23 million barrels of oil equivalent [mboe] as at 1 July 2023, more than doubling reserves from the Mereenie field. Completion of this transaction is anticipated within the current quarter. NZO has taken advantage of acquisition financing from Macquarie Bank.

At Kupe, the KS-9 well was brought online in the quarter and its performance is under investigation.

Production volumes for the quarter remained robust at 314,674 barrels of oil equivalent [boe], with an average daily output of 3,458 boe.

Future Activities Timeline – NZO & Cue



Financial Performance

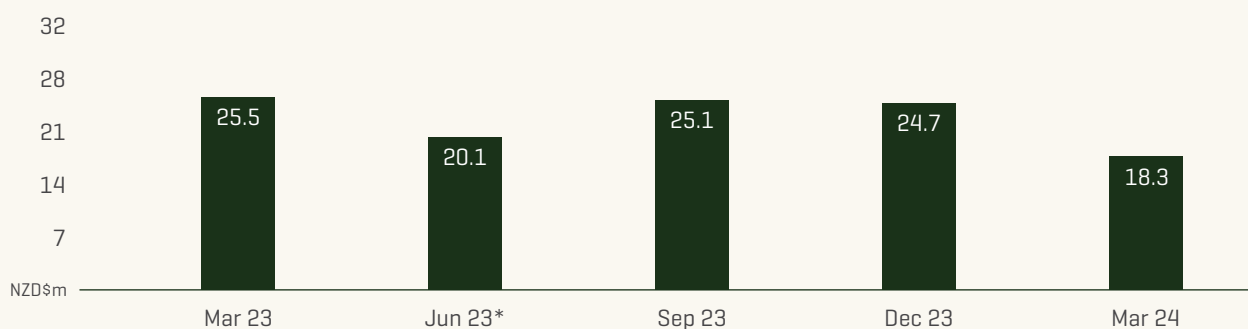
In the quarter, the half year results were released, highlighting a 112% increase in NPAT on prior year. The cash balance of NZ\$45.1 million at 31 March 2024 is in line with the previous quarter and up NZ\$10.0 million on the previous year. Cue contributes NZ\$26.9 million to the cash balance with a decrease on the previous quarter, due to no production receipts from Mahato.

In March, dividends were declared by the Group of A\$14million. In April, dividends were paid out of the Group which will reduce cash by A\$13.7million.

Production receipts for the quarter are NZ\$18.3 million, down 21% on the on previous year. Mahato receipts of A\$6.8 million are expected to be recieved shortly.

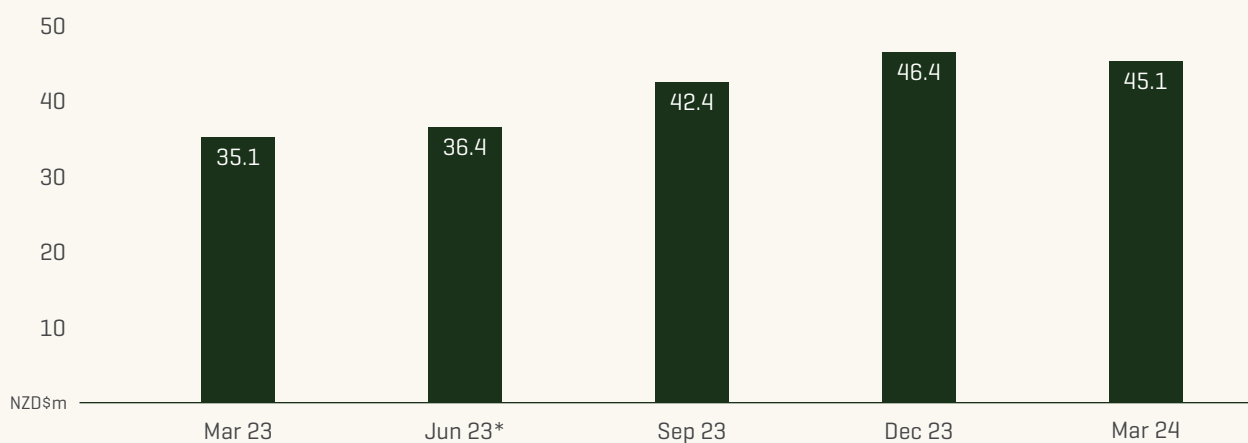
A one-off A\$2.6 million payment for stamp duty for the additional acquisition of Mereenie was paid in the quarter. Kupe receipts are up NZ\$2m or 180% on the previous quarter, following the 4-year statutory shutdown in November 2023 and interruptions associated with KS-9 dilling activities. Development costs are down NZ\$2.7 million on the previous quarter, as planned, due to reduced activities.

Production receipts by quarter



*Jun 23 quarter includes audit adjustment.

Cash balance by quarter



*Jun 23 quarter includes audit adjustment.

Production

FIELD		Total field this quarter [gross]	Our share previous quarter [net]	Our share current quarter [net]
Kupe Taranaki, New Zealand	Oil Barrels	100,232	1,626	4,009
	Gas Petajoules	4.47	0.07	0.18
	LPG Tonnes	19,147	294	766
	Production receipts NZ\$m		1.1	3.1
Maari* Taranaki, New Zealand	Oil Barrels	457,247	23,550	22,862
	Production receipts AU\$m		3.5	3.0
Sampang* Java, Indonesia	Oil Barrels		301	307
	Gas Petajoules		0.23	0.23
	Production receipts AU\$m		2.4	2.4
Mahato* Sumatra, Indonesia	Oil Barrels		48,205	44,305
	Production receipts AU\$m		8.5	-
Mereenie** Amadeus, NT, Australia	Oil Barrels	20,800	6,387	5,200
	Gas Petajoules	1.71	0.55	0.43
Palm Valley** Amadeus, NT, Australia	Gas Petajoules	0.73	0.44	0.36
Dingo** Amadeus, NT, Australia	Gas Petajoules	0.43	0.17	0.22
Amadeus Basin**	Production receipts AU\$m		7.3	8.8
Total production receipts NZ\$m equivalent			24.7	18.3
Total production equivalent	Volume in boe		322,037	314,674
	Daily equivalent in boe per day		3,500	3,458

* Interest held by Cue. New Zealand Oil & Gas has a 50.04% interest in Cue. Cue's full interest is shown.

** The share indicated is for the Group, NZO & Cue's full interest.

Australia

Amadeus Basin

Mereenie (OL4 & OL5)

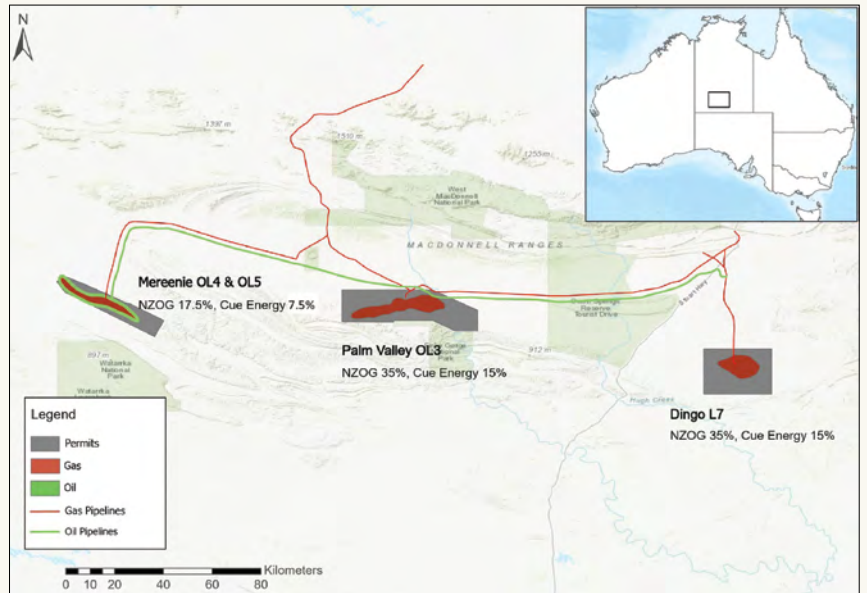
- 17.5% New Zealand Oil & Gas
- 7.5% Cue Energy Resources*
- 50% Macquarie Mereenie
- 25% Central Petroleum (Operator)

Palm Valley (OL3)

- 35% New Zealand Oil & Gas
- 15% Cue Energy Resources*
- 50% Central Petroleum (Operator)

Dingo (L7)

- 35% New Zealand Oil & Gas
- 15% Cue Energy Resources*
- 50% Central Petroleum (Operator)



At Mereenie, NZO announced during the quarter the acquisition of an additional 25% equity in the field, increasing our net 2P Total Reserves by 41%. Production is lower this quarter, largely due to an extended outage of the NGP. After the quarter, the execution of the PWC GSA was announced which will improve gas sales from the field. The FGRC was brought online increasing sales capacity and reducing emissions profiles. Planning continues for further development drilling in the field; two near term infill wells, subject to JV approval and rig availability.

At Palm Valley, sales have also been impacted by the NGP outage. Review work has been undertaken for investigation and production adding opportunities within the field, as well as scoping for potential future infill drilling.

At Dingo, sales have increased on the previous quarter due to stronger demand from the gas buyer.

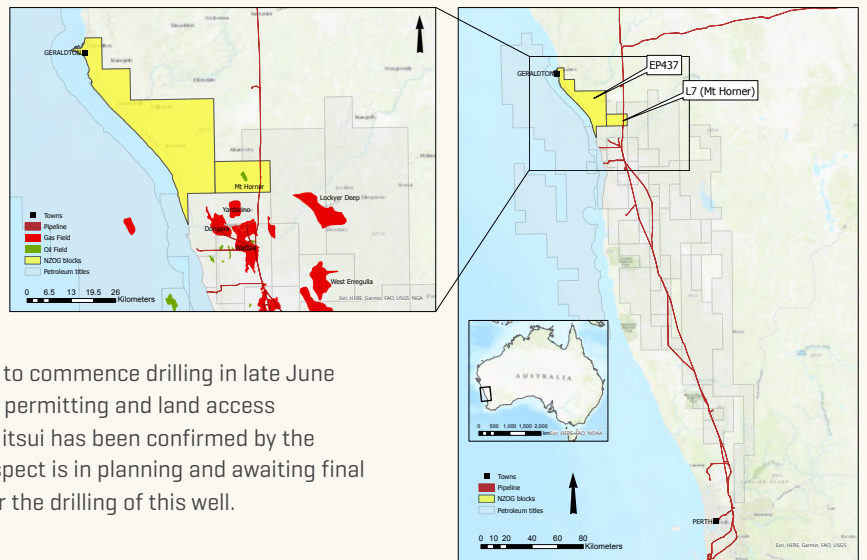
Perth Basin

L7

- 25% New Zealand Oil & Gas
- 25% Strike Energy
- 50% Triangle Energy Global (Operator)

EP437

- 25% New Zealand Oil & Gas
- 25% Strike Energy
- 50% Triangle Energy Global (Operator)



In the Perth Basin, the Booth prospect is expected to commence drilling in late June 2024. All long lead items had been ordered with all permitting and land access agreements now in place. A rig assignment from Mitsui has been confirmed by the operator. A well in permit EP437 on the Becos prospect is in planning and awaiting final approvals. The operator is assessing rig options for the drilling of this well.

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Indonesia

Sampang PSC

15%	Cue Sampang Pty Ltd*
85%	Medco Energi Sampang Pty Ltd [Operator]

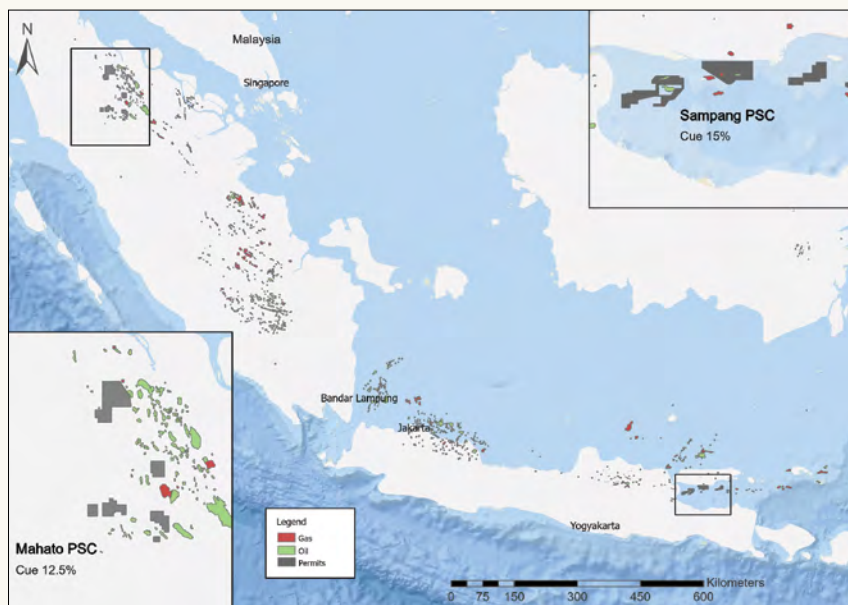
The Oyong and Wortel fields continue to produce gas as expected and consistently supply gas to Indonesia Power for electricity generation.

Permit extension discussions between the Production Sharing Contract (PSC) Operator, Medco Energi, and the Indonesian government are ongoing. The JV is now expected to apply for a production permit extension for the existing Oyong and Wortel fields, as well as Paus Biru, when developed. This proposal has government support, though the regulations for implementing it are still being finalised.

Subject to approval of a permit extension for the producing fields, the JV will seek changes to the terms of the PSC for the Paus Biru development.

The PSC amendments and extension are critical steps in allowing the JV to proceed with a Final Investment Decision (FID) on the project.

The Paus Biru development will include a single well and wellhead platform at the Paus Biru gas field, as well as a 27-kilometre subsea pipeline connecting the well to existing Oyong field infrastructure. Subject to final approvals, gas production from Paus Biru is expected to commence at a rate of 20-25 million cubic feet per day [mmcf/d].



Mahato PSC

12.5%	Cue Mahato Pty Ltd*
87.5%	Texcal Mahato EP Ltd [Operator]

Oil production net to Cue from the PB field was lower than in the previous quarter due to field decline and individual well maintenance.

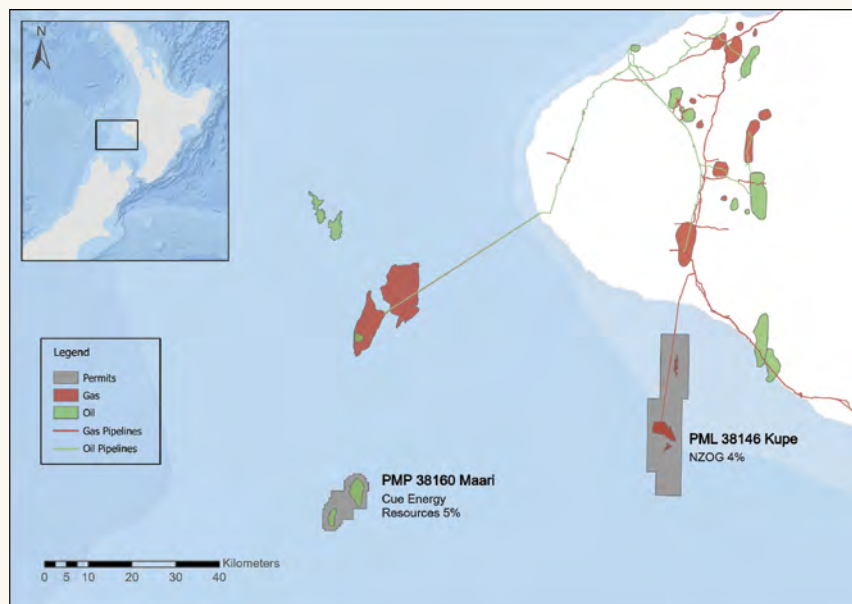
The PB-16 water injection well, the final well under the current development plan, was drilled this quarter. Oil was encountered in the well, and it has been completed as an oil production well.

The operator is conducting a review of current field performance and subsurface model calibration, with the potential for more development wells to be proposed.

In October 2023, Texcal, the Mahato PSC operator, and Riau Petroleum, an Indonesian local government-owned entity, signed an agreement to transfer a share of the Mahato PSC's Participating Interest to Riau Petroleum, as required by the PSC and government regulations. The approvals process for this transfer is ongoing.

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New Zealand



Kupe oil and gas field (PML 38146)

4%	New Zealand Oil & Gas
50%	Beach Energy [Operator]
46%	Genesis Energy

Overall Kupe production is up on the previous quarter, which had included the major plant turnaround. The KS-9 was drilled and completed safely and within budget however it has not met expectations. An investigation is being conducted into the well as of April 2024. Results will be incorporated into the annual reserves review.

Maari and Manaia oil fields (PMP 38160)

5%	Cue Taranaki Pty Ltd*
26%	Horizon Oil International
69%	OMV New Zealand Limited [Operator]

Gross oil production averaged approximately 5025 barrels of oil per day [bopd] this quarter.

During the quarter, a workover on the MR6a well, aimed at suspending the existing production zone and perforating the Matapo and Kap100 reservoirs in order to produce oil from these zones, was delayed as workover unit repairs were undertaken. The workover is now planned to be completed by the end of July.

Work to extend field life beyond the current December 2027 permit expiry continued throughout the quarter, including the preparation of licence extension documentation.

The Maari JV continues to evaluate and prioritise value-added projects, such as potential production enhancement, cost reduction, and CO₂ reduction opportunities.

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Quarterly Activities Report, for quarter ended 31 March 2024.

Authorised for publication on behalf of the Board by Andrew Jefferies, CEO and Managing Director.

New Zealand Oil & Gas Limited

36 Tennyson St, Wellington 6011, New Zealand | +64 4 495 2424 | enquiries@nzog.com | www.nzog.com

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