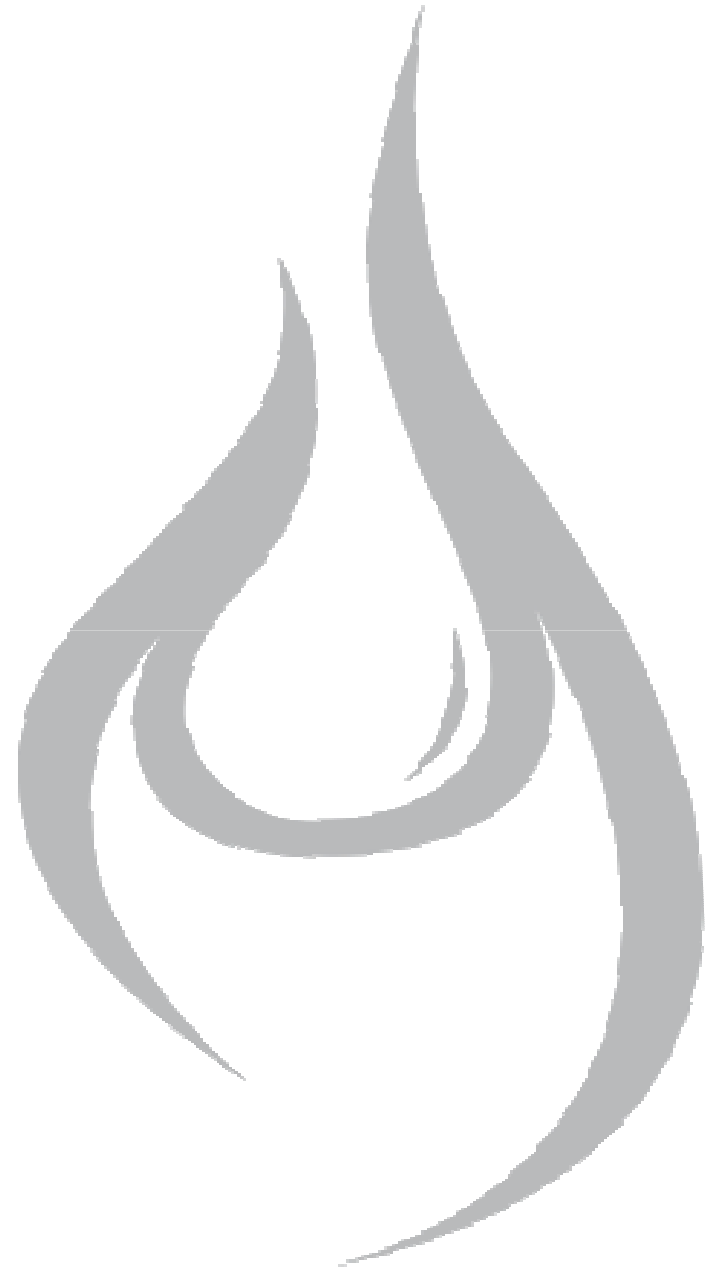




Resources and Energy Symposium

Broken Hill, 23 - 25th May 2011



Company Overview



NZX/ASX listed company

\$100m NZD market capitalisation

Dual focus exploration strategy – Conventional & unconventional hydrocarbons

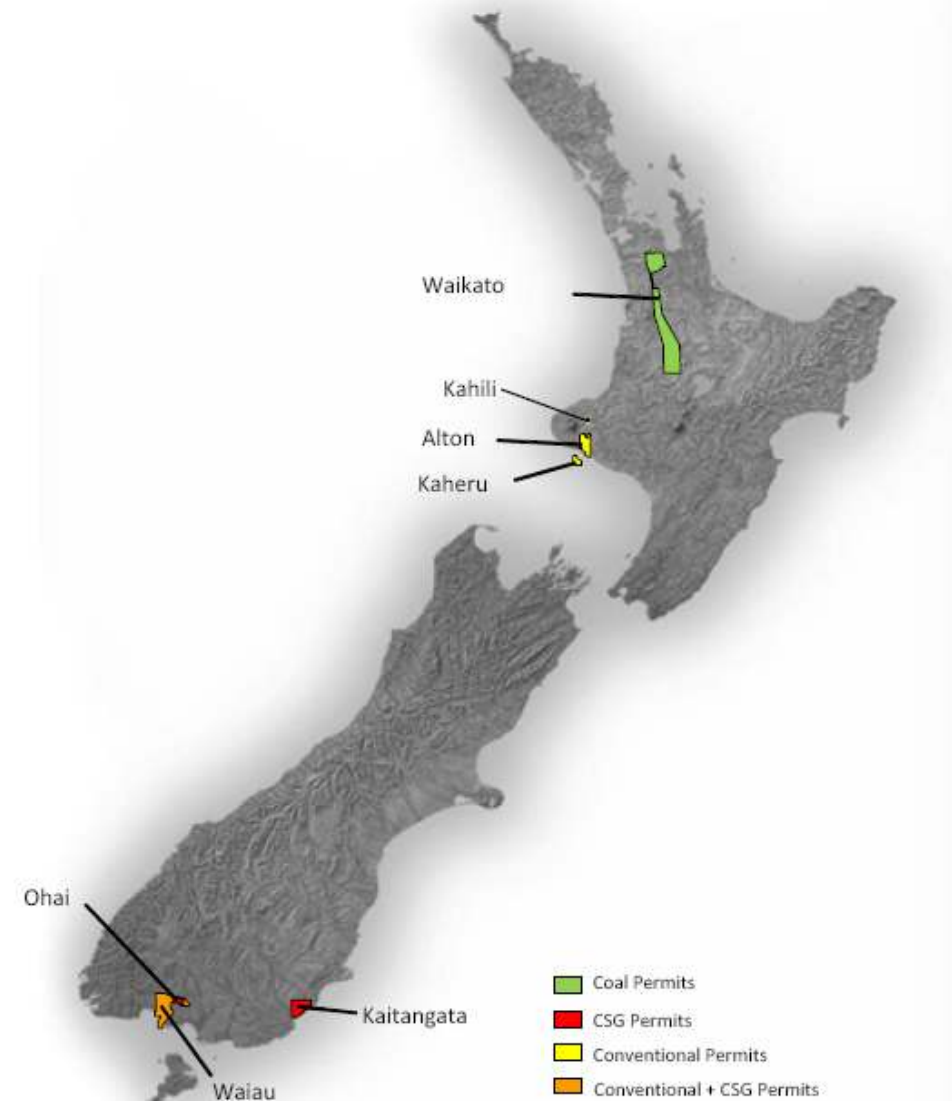
High quality acreage, Strategically located

S. Island certified 3P reserves 274 PJ

CSG portfolio located near high value market opportunities

Fully funded 2011 work programme

Nil debt



Conventional

Waiau – 38226
(100%)

Kahili -53247
(25%)

Kaheru - 52181
(15%)

Alton - 51151
(50%)

300bcf target

Blocks offer
award

Offshore
Taranaki

Onshore
Taranaki

Early cash
possible

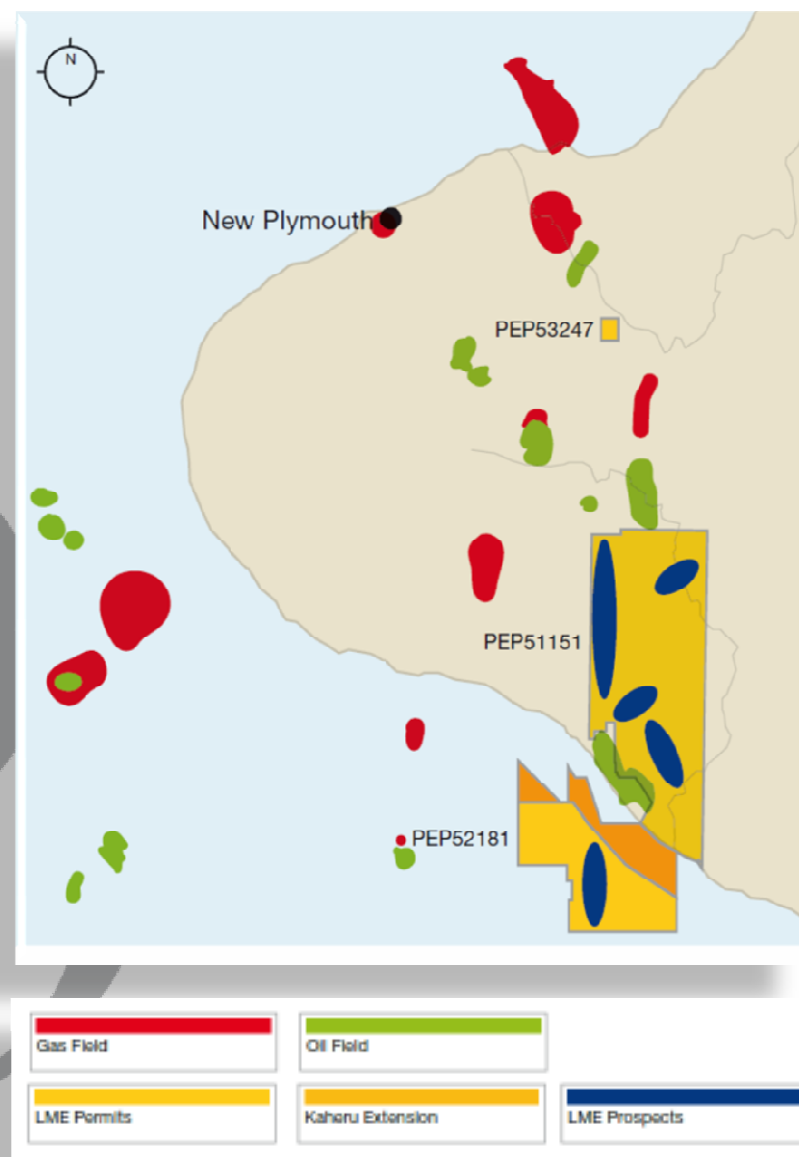
~45MMbbl
target

Shallow oil
targets

Close to Kupe
field

Close to
facilities

Plan to drill Mid
'11



Coal Seam Gas

38219 (100%)

Appraisal
extension

38226 (100%)

Significant 3P
upside potential

Coals extend
from adjoining
Ohai permit

Larger resource
base increases
development
options

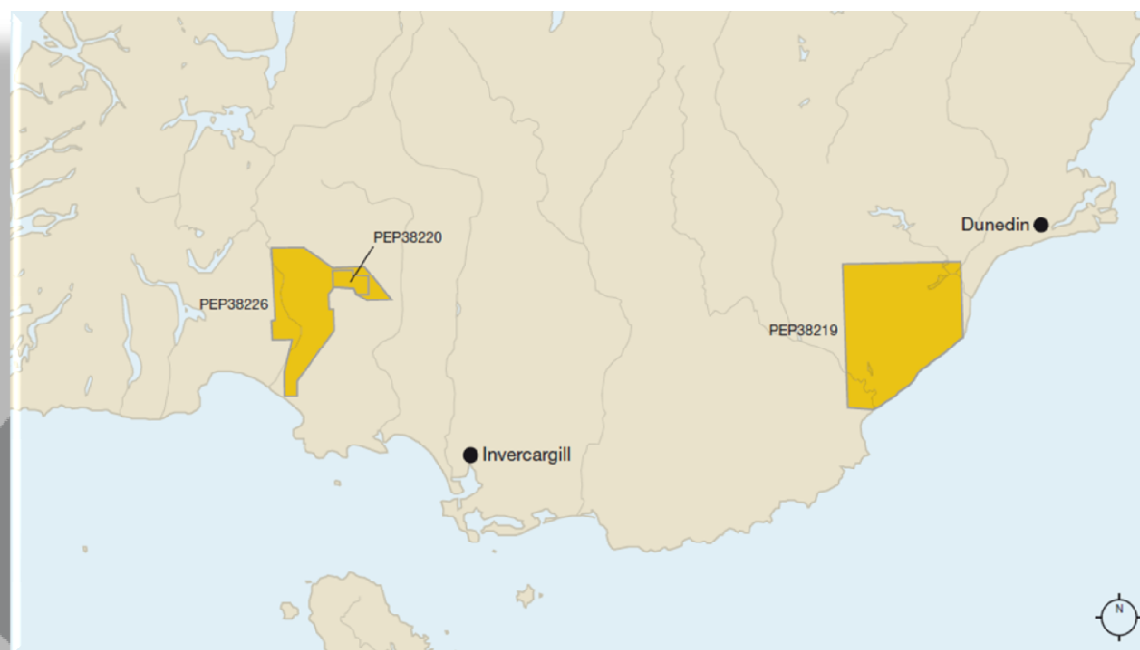
38220 (100%)

274PJ 3P
Certified

Pilot project
underway

Initial off-take
agreement in
place

First mover
advantage



Southland (Ohai) CSG Play

Currently 274 PJ (3P) of certified CSG reserves – New Zealand's first

Upside potential in combined permits

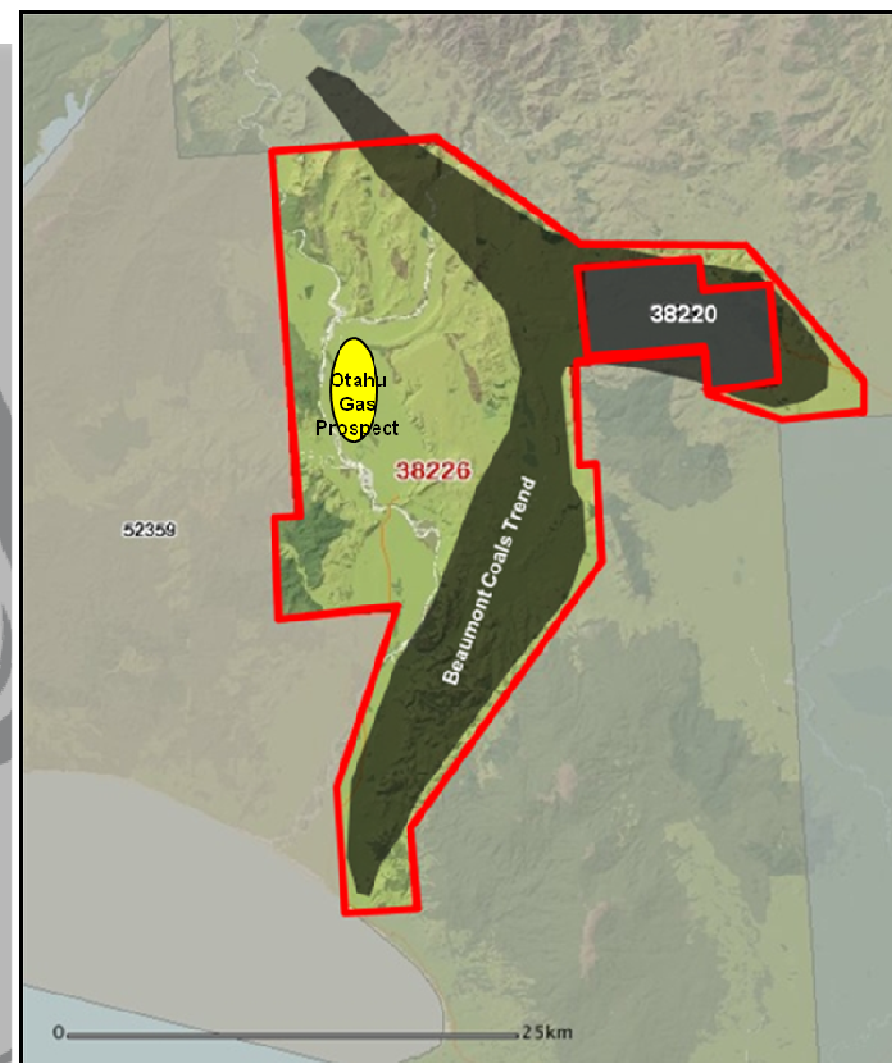
Large range of development options

3P reserves from deep coals in 38220

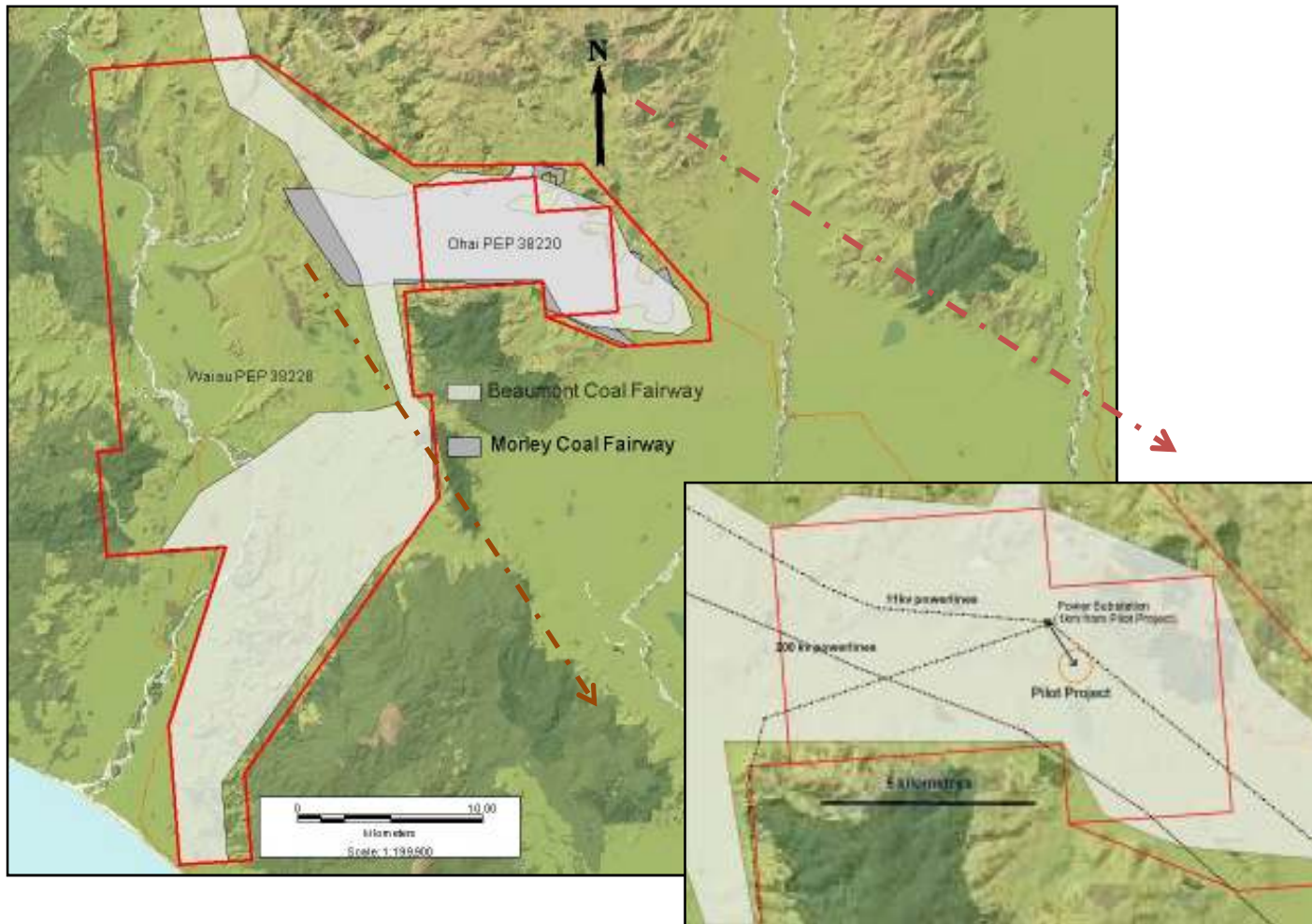
3P reserves potential in shallow coal

Both coals extend into 38226

2P reserves programme underway – pilot project



Ohai CSG pilot underway



Determine gas
production profile

Refine completion
method

Input data for 2P
reserves certification

Define development
template

Where is the market for the gas?

First mover presence in South Island enables LME to take advantage of strong gas and electricity prices and the potential gas supply / demand imbalance in New Zealand

Market for South Island CSG

Onsite power generation

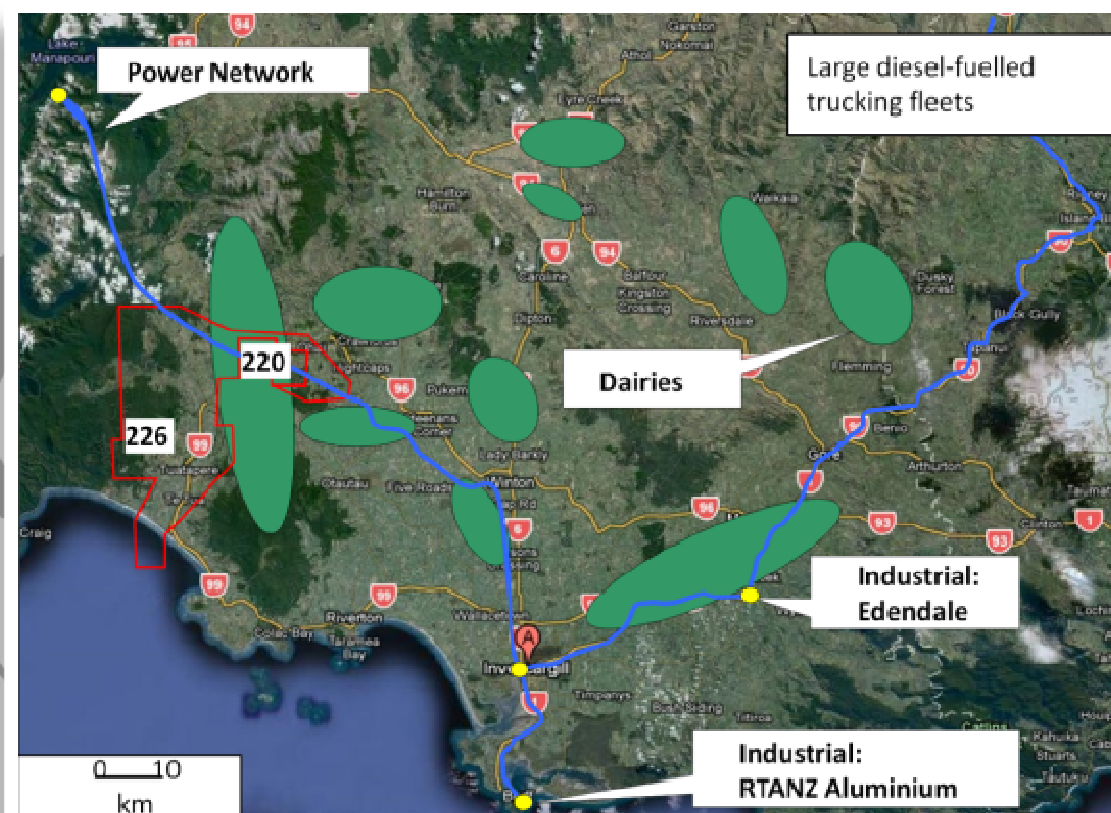
Supplant/support imported LPG

Replace industrial lignite, cogeneration

Improved ETS considerations

Transport fuel (CNG or LNG)

Petrochemicals



Summary



Dual focused with high quality exploration portfolio

Acreage is strategically located near market and infrastructure

Near term cash flow opportunities

Unique position on the S. Island with first certified reserves: 274 PJ (3P)

High value CSG offtake opportunities

Fully funded for 2011 work programme





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