



NEW ZEALAND
OIL & GAS

RIGHTS ISSUE OFFER DOCUMENT

You should read the whole document before deciding whether to subscribe for shares. If you have any doubts about what to do, please consult your financial or legal adviser.

9 MAY 2022

THIS IS AN IMPORTANT DOCUMENT



3	IMPORTANT INFORMATION
5	CHAIRMAN'S LETTER
6	SECTION 1: Key Terms of the Offer
9	SECTION 2: Terms of the Offer
14	DEFINED TERMS

General Information

This document has been prepared by New Zealand Oil & Gas Limited ["NZO"] in connection with a 1 for 2.7625 renounceable rights offer of new ordinary shares to Eligible Shareholders. The Offer is made under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 [the "FMCA"] and, in Australia, under section 708AA of the Corporations Act 2001 [Cth] [the "Corporations Act"], as notionally modified by Australian Securities and Investments Commission ["ASIC"] Instrument 22-0327 and ASIC Corporations [Non-Traditional Rights Issues] Instrument 2016/84.

This document:

- is not a product disclosure statement for the purposes of the FMCA; and
- is not a product disclosure statement or prospectus for the purposes of the Corporations Act and has not been lodged with ASIC.

It does not contain all of the information that an investor would find in a product disclosure statement or prospectus or which may be required in order to make an informed investment decision about the Offer or NZO.

Additional information available under continuous disclosure obligations

NZO is subject to continuous disclosure obligations under the NZX Main Board Listing Rules. The ASX Listing Rules also require that NZO immediately provides to ASX all the information which it provides to NZX that is, or is to be, made public. Market releases by NZO, including its most recent financial statements, are available at www.nzx.com and www.asx.com.au under stock code NZO.

NZO may, during the period of the Offer, make additional releases to the NZX and ASX. To the maximum extent permitted by law, no release by NZO to the NZX or ASX will permit an applicant to withdraw any previously submitted application without NZO's prior consent.

Offering restrictions

No action has been taken to permit a public offering of the New Shares in any jurisdiction outside New Zealand and Australia. The distribution of this document (including an electronic copy) in a jurisdiction outside New Zealand or Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

In particular, this Offer Document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside of New Zealand or Australia or as NZO may otherwise determine in compliance with applicable laws.

No person may subscribe for, purchase, offer, sell, distribute or deliver New Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the New Shares, in any jurisdiction unless in compliance with all applicable laws and regulations. This document may not be sent into or distributed in the United States.

No Guarantee

There is no guarantee that the Offer will proceed nor any guarantees about the future performance of NZO or any return on any investment made under this document. Subject to compliance with all applicable laws, NZO reserves the right, in its absolute discretion, to withdraw all or any part of the Offer and to alter the dates set out in this Offer Document.

Decision to participate in the Offer

The information in this document does not constitute financial product advice or a recommendation to acquire New Shares. This document has been prepared without taking into account the investment objectives, financial, or taxation situation or particular needs of any applicant or investor.

Forward Looking Statements

This document contains certain statements that relate to the future. Such forward looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of NZO and which may cause the actual results, performance or achievements of NZO to differ materially from those expressed or implied by such statements.

Under no circumstances should you regard the inclusion of forward looking statements in this document as a guarantee of future performance.

Privacy

Any personal information provided by Eligible Shareholders online will be held by NZO and/or Computershare at the addresses set out in the Directory. This information will be used for the purposes of administering your investment in NZO and will be disclosed to third parties only with your consent or if required by law. Under the Privacy Act 2020 [New Zealand] and the Australian Privacy Act 1988 [Cth], you have the right to access and correct any personal information held about you.

Dividend Policy

As announced by NZO in May 2021, NZO does not anticipate declaring dividends in the near-term (approximately 1-3 years) as NZO embarks on its growth trajectory.

Enquiries

Enquiries about the Offer can be directed to an NZX Firm, ASX broker or your financial or legal adviser. If you have any questions about submitting an online application, please contact Computershare [see Directory].

Dates, times and currency

All references to times and dates in this document are to times and dates in New Zealand. Unless otherwise stated, all references to currency are to New Zealand dollars.

Defined terms

Capitalised terms used in this document have the specific meaning given to them in the Defined Terms at the back of this document or in the relevant section of this document. A term defined in the Defined Terms or in any section of this document, will have that meaning throughout this document.



Dear shareholders

New Zealand Oil & Gas rights issue

On behalf of the directors of New Zealand Oil & Gas Limited ["NZO"], I am pleased to share with you the Offer contained in this booklet.

If you are an Eligible Shareholder, you will have the opportunity to participate in the renounceable rights issue at an issue price of NZ\$0.42 [A\$0.38] per share.

Since NZO completed the acquisition of Amadeus Basin assets in 2021, our enthusiasm for the assets has grown. We are also seeing markets for oil and gas strengthening. The Board believes the time is right to further invest in development of our portfolio, and the rights offer will support that activity.

We committed to further development of Amadeus assets as part of the acquisition. We now propose to go further. We also see a potential development well at Kupe, in New Zealand, which would further extend the life of production there. Looking further out, we anticipate that our Cue subsidiary may choose to invest further in its portfolio and the Board of NZO wants to have the strategic flexibility to support its subsidiary if required.

These activities require funding and so we are undertaking an equity raising of approximately NZ\$25 million through a rights issue of 1 New Share for every 2.7625 Existing Shares held.

Eligible Shareholders may take up 1 New Share for every 2.7625 Existing Shares held, and may apply for additional shares at that price. If Eligible Shareholders choose not to invest, the dilution after the Offer will be about 27%, if the Offer is fully taken up.

Under this Offer, all shareholders [other than a small number of ineligible overseas shareholders] will have the opportunity to participate on a pro rata basis.

I am pleased to inform you that the Company's major shareholder, O.G. Oil & Gas [Singapore] Pte. Ltd., is supportive of the Offer. It has committed to subscribe for all of the New Shares that it is entitled to. It has also agreed to provide a limited underwrite for the Offer, in the event of a shortfall.

These commitments are subject to applicable regulatory restrictions, as described below.

On behalf of the Board, I encourage you to consider this opportunity.

Kind regards and with best wishes,

Samuel Kellner, Chairman
New Zealand Oil & Gas Limited

SECTION 1: KEY TERMS OF THE OFFER

The Offer A pro rata renounceable rights issue of 1 New Share for every 2.7625 Existing Shares held on the Record Date.

Eligible Shareholders Shareholders as at the Record Date:

[a] with registered addresses in New Zealand or Australia; and

[b] who are not in the United States and not acting for the account or benefit of a person in the United States;

or as NZO may otherwise determine in compliance with applicable laws.

Issue Price NZ\$0.42 or A\$0.38 per New Share

Offer Size The maximum amount to be raised under the Offer is NZ\$25,000,000.

Oversubscriptions If you accept your entitlement in full, you may apply for any number of Additional New Shares pursuant to the Oversubscription Facility.

Shares currently on issue quoted on the NZX Main Board 164,430,718

Maximum number of New Shares being offered 59,522,432 New Shares

When to apply Applications must be received by 5.00pm on the Closing Date [23 May 2022, unless extended].

How to apply Applications may be made online at www.shareoffer.co.nz/nzog. To complete an online application, you will be required to enter your CSN/Holder number or SRN/HIN. Payment for applications must be made by direct credit.

While participation in the Offer is optional, if Eligible Shareholders choose not to take up the Offer their shareholdings will be diluted.

IMPORTANT DATES

Announcement of the Offer: 27 April 2022

Record Date for determining eligibility: 7.00pm on 5 May 2022

Opening Date and mailing/emailing of Offer documentation: 9 May 2022

Closing Date [last day for online applications with payment], unless extended: 5.00 pm on 23 May 2022

Allotment and issue of New Shares: 27 May 2022

Quotation of New Shares on NZX: 27 May 2022

Quotation of New Shares on ASX: 30 May 2022

Statements mailed/emailed: By 3 June 2022

These dates are subject to change and are indicative only. NZO reserves the right to amend this timetable [including by extending the Closing Date] subject to applicable laws, the rules of the NZX Main Board and the ASX Listing Rules. NZO reserves the right to withdraw the Offer at any time before the Issue Date in its absolute discretion.

SECTION 2: TERMS OF THE OFFER

SECTION 2: TERMS OF THE OFFER

1. The Offer

The Offer is an offer of New Shares in NZO to Eligible Shareholders under a pro rata renounceable rights issue. Under the Offer, Eligible Shareholders are entitled to subscribe for 1 New Share for every 2.7625 Existing Shares held on the Record Date (with any fractional entitlements rounded down) and may apply for Additional New Shares pursuant to the Oversubscription Facility.

The New Shares are of the same class as (and rank equally with) NZO's Existing Shares which are quoted on the NZX Main Board. NZO will take any necessary steps to ensure that the New Shares are, immediately after the issue, quoted. The maximum number of New Shares being offered under the Offer is 59,522,432.

The Rights will not be quoted on the NZX Main Board or on the ASX.

2. Issue Price

The Issue Price is NZ\$0.42 or A\$0.38 per New Share. Eligible Shareholders may subscribe in either NZ dollars or Australian dollars, at the NZ\$ Price or the A\$ Price.

The A\$ Price has been set by applying the NZ\$:A\$ exchange rate published by the Reserve Bank of New Zealand on its website for 5 May 2022 (the Record Date) to the NZ\$ Price, and rounding to the nearest whole cent.

New Shares will be issued to the branch register (Australia or New Zealand) where your Existing Shares are held on the Record Date. Eligible Shareholders applying for New Shares who are on the New Zealand branch register may however elect to move their entire holding (including New Shares) to the Australian branch register.

The Issue Price must be paid in full by direct credit for any online application.

NZO may accept late applications and application monies, but has no obligation to do so. NZO may accept or reject (at its discretion) any online application which it considers is not completed correctly.

If an Eligible Shareholder fails to accept any New Shares and pay the associated application monies by the Closing Date (5.00pm on 23 May 2022, unless extended), their Rights will lapse.

As required by the Listing Rules, if NZO receives, before the Closing Date, a renunciation and an acceptance in respect of the same Right(s), the renunciation shall be given priority to the acceptance.

Application monies received will be held in a trust account with Computershare until the corresponding New Shares are allotted or the application monies are refunded. Interest earned on the application monies will be for the benefit, and remain the property, of NZO and will be retained by NZO whether or not the issue of New Shares takes place. Any refunds of application monies will be made within 5 Business Days of the issue of New Shares (or such earlier date that the decision not to proceed with the Offer is made).

3. Eligibility

The Offer is only open to Eligible Shareholders, being those persons who are registered as Shareholders at the Record Date:

- with registered addresses in New Zealand or Australia; and
 - who are not in the United States and not acting for the account or benefit of a person in the United States;
- or as NZO may otherwise determine in compliance with applicable laws.

NZO considers that the legal requirements of other jurisdictions in which Shareholders have a registered address are such that it would be unduly onerous for NZO to make the Offer, having regard to the low number of such Shareholders, the number and value of New Shares such Shareholders would be offered, the financial resources of NZO and the costs of complying with overseas legal requirements. Shares which would otherwise be offered to such Shareholders will be allocated first to the Oversubscription Facility, then to any new investors and then to OGOG under its limited underwrite, at the Issue Price.

4. Oversubscription Facility

Eligible Shareholders who accept their full Entitlement (apart from OGOG) may also apply for Additional New Shares (in excess of their Entitlement) at the Issue Price pursuant to the Oversubscription Facility. Applicants may apply for any number of Additional New Shares, but there is no guarantee that applicants will be allocated any or all of the Additional New Shares for which they apply.

The number of New Shares available under the Oversubscription Facility will equal the number of New Shares for which valid applications are not received by the Closing Date. No applicant for Additional New Shares will be allocated any greater number of Additional New Shares than the number for which they have applied and paid.

If the total number of Additional New Shares applied for exceeds the total number of New Shares in the Oversubscription Facility, NZO may scale the oversubscription applications in such manner as the directors consider equitable and in the interests of NZO. In undertaking such scaling, the directors will have regard to:

- the number of NZO shares held by applicants for Additional New Shares as at the Record Date;
- optimisation of NZO's share register, and anticipated future support for NZO;
- encouraging retail participation in the Oversubscription Facility;
- any applicable restrictions under the Takeovers Code, Overseas Investment Act or other applicable laws; and
- such other factors as may be considered relevant.

The directors' decision on scaling will be final.

5. OGOG Underwrite

OGOG has committed to take up its Entitlement under the Offer. OGOG has also committed to take up any New Shares not taken up under the Offer after:

- all valid applications for New Shares under the Oversubscription Facility have been satisfied; and
- any other commitments to take up shortfall Shares under the Offer have been satisfied.

OGOG's commitments are subject to regulatory restrictions under the Takeovers Code and Overseas Investment Act. In effect these restrictions would only permit OGOG to increase its stake in NZO by 5%, from 69.86% to 74.86% of the Shares. Depending on how many New Shares are taken up under the Offer and other commitments to take up shortfall Shares, OGOG's ability to accept its full Entitlement may abate under these restrictions.

This clause is not enforceable by any party other than by NZO subject to and in accordance with the Firm Commitment Letter entered into by OGOG. NZO notes that the Firm Commitment Letter is terminable by OGOG in certain circumstances. If the Firm Commitment Letter is terminated, then OGOG will not be required to submit an application under the Offer (if it has not already submitted one) and will have no obligation to underwrite the Offer.

6. Opening and Closing Dates

The Offer will open for receipt of acceptances on 9 May 2022 (the "Opening Date"). The last day for receipt of applications made online with payment by direct credit is 5.00pm on 23 May 2022, unless extended (the "Closing Date"), subject to NZO varying those dates in accordance with the NZX Main Board Listing Rules.

Any online application made by an Eligible Shareholder is irrevocable and unconditional (i.e. it cannot be withdrawn).

7. Issue of New Shares

New Shares are expected to be allotted and issued on 27 May 2022 (the "Issue Date").

In the event that the Offer is extended, NZO reserves the right to issue New Shares on or about 27 May 2022, under applications received before that date, and weekly thereafter as any further applications are received, until the date up to 5 Business Days after any extended closing date. NZO may also delay issuance of New Shares under the Oversubscription Facility until 5 Business Days after the final Closing Date.

8. Terms and Ranking of New Shares

New Shares allotted and issued will be fully paid and will be the same class as (and rank equally in all respects with) other Shares on issue that are quoted on the NZX Main Board on the Issue Date. They will give the holder the right to one vote on a resolution at a meeting of shareholders (subject to any restrictions in NZO's constitution or the Listing Rules), the right to dividends authorised by the Board and the right to a proportionate share in any distribution of surplus assets of NZO on any liquidation.

9. Partial acceptance

If you are an Eligible Shareholder, you are not required to subscribe for all of the New Shares to which you would be entitled under the Offer. You may subscribe for a proportion of your New Shares or allow your Entitlement to lapse.

10. Minimum amount raised

There is no minimum amount that must be raised for the Offer to proceed.

11. NZX Main Board Quotation

The New Shares have been accepted for quotation by NZX and will be quoted upon completion of allotment procedures. The NZX Main Board is a licensed market operated by NZX, which is a licensed market operator regulated under the FMCA.

NZX accepts no responsibility for any statement in this Offer document.

12. ASX quotation

NZO has been admitted to the official list of ASX as a New Zealand foreign exempt listing.

An application will be made to ASX for quotation of the New Shares issued under the Offer and NZO expects that the New Shares will be quoted upon completion of allotment procedures. It is expected that trading on ASX of the New Shares will commence on 30 May 2022.

ASX accepts no responsibility for any statement in this document. The fact that ASX may approve the New Shares for quotation is not to be taken in any way as an indication of the merits of NZO.

13. Holding statements and trading

Holding statements for New Shares allotted under the Offer will be issued and mailed as soon as practicable after allotment, and in any case in accordance with the Listing Rules. You should ascertain your allocation before trading in the New Shares. You can do this by contacting Computershare [see Directory].

14. No Rights trading

The Rights will not be quoted on the NZX Main Board or on the ASX and accordingly there will be no established market for Rights. If you wish to sell your Rights privately to a buyer you identify, you should contact Computershare [see Directory] to request a Security Renunciation Form. Any renunciation must be made before the Closing Date.

15. Regulatory Restrictions

Eligible Shareholders are not permitted to take up the Offer, and subscribe for New Shares, to the extent this would breach the Takeovers Code or Overseas Investment Act. Any application may be scaled by NZO to the extent necessary to achieve such compliance.

16. NZX Listing Rules

The issue of New Shares under the Offer is being undertaken under NZX Listing Rules 4.3.1(a) and 4.4.1.

17. Amendments to the Offer and waiver of compliance

Notwithstanding any other term or condition of the Offer NZO may, at its discretion:

- make non-material modifications to the Offer on such terms and conditions it thinks fit [in which event applications for Shares under the Offer will remain binding on the applicant notwithstanding such modification and irrespective of whether an online application was received by Computershare before or after such modification is made]; and/or
- suspend or terminate the Offer at any time prior to the issue of the Shares under the Offer [including by reviewing the timetable for the Offer]. If the Offer is terminated, application monies will be refunded to applicants without interest within 5 Business Days of termination.

NZO reserves the right to waive compliance with any provision of these terms and conditions.

NZO will notify NZX of any waiver, amendment, variation, suspension, withdrawal or termination of the Offer.

18. Governing Law

These terms and conditions will be governed by and construed in accordance with the laws of New Zealand.

DEFINED TERMS

"A\$ Price" means the Australian dollar price of A\$0.38 per New Share.

"Additional New Shares" means New Shares which an applicant applies for over and above their Entitlement under the Oversubscription Facility.

"ASIC" means the Australian Securities and Investments Commission.

"ASX" means ASX Limited or the market it operates [as the context requires].

"ASX Listing Rules" means the official listing rules of ASX as they apply to NZO as a foreign exempt listed issuer, as amended or waived from time to time and for so long as NZO is admitted to the official list of ASX.

"Business Day" has the meaning given to that term in the Listing Rules.

"Central Petroleum" means Central Petroleum Limited, a company listed on ASX.

"Closing Date" means 5.00pm on 23 May 2022 (unless extended beforehand by notice released to NZX).

"Computershare" means Computershare Investor Services Ltd.

"Corporations Act" means the Australian Corporations Act 2001 [Cth].

"Cue" means Cue Energy Resources Ltd, a company listed on ASX in which NZO has a 50.04% shareholding.

"Eligible Shareholder" means a Shareholder of NZO as at the Record Date:

[a] with a registered address in New Zealand or Australia; and

[b] who is not in the United States and not acting for the account or benefit of a person in the United States;

or as NZO may otherwise determine in compliance with applicable laws. For the avoidance of doubt, NZO has determined that OGOG may participate in the Offer.

"Entitlement" means the number of Rights to which Eligible Shareholders are entitled.

"Existing Share" means a fully paid share in NZO on issue on the Record Date.

"Issue Date" means 27 May 2022.

"Issue Price" means the NZ\$ Price or the A\$ Price.

"Listing Rules" means the NZX listing rules, as amended from time to time and for so long as NZO is listed by NZX.

"New Share" means an ordinary share in NZO offered under the Offer of the same class as [and ranking equally in all respects with] NZO's quoted Existing Shares at the time of the issue of the New Shares.

"NZ\$ Price" means the New Zealand dollar price of NZ\$0.42 per New Share.

"NZO" means New Zealand Oil & Gas Limited [New Zealand company number 37842].

"NZX" means NZX Limited.

"NZX Firm" means any entity designated as an NZX Firm under the Participant Rules of NZX.

"NZX Main Board" means the main board equity security market operated by NZX.

"Offer" means the offer to subscribe for New Shares to Eligible Shareholders as at the Record Date, pursuant to this document.

"OGOG" means O.G. Oil & Gas [Singapore] Pte. Ltd.

"Opening Date" means 9 May 2022.

"Overseas Investment Act" means the Overseas Investment Act 2005.

"Oversubscription Facility" means the facility that entitles an Eligible Shareholder (other than OGOG) who accepts their Entitlement in full to also apply for an additional number of New Shares comprising in aggregate no more than any shortfall in the Offer.

"Record Date" means 7.00pm on 5 May 2022.

"Right" means the renounceable right to subscribe for one New Share at the Issue Price, issued pursuant to the Offer.

"Share" means one ordinary fully paid share in NZO.

"Shareholder" means a registered holder of Shares on issue.

Any references to legislation are references to New Zealand legislation unless stated or defined otherwise.



**NEW ZEALAND
OIL & GAS**

ENQUIRIES

Enquiries about this Offer should be directed to an NZX Firm or your financial or legal adviser.

ISSUER

Registered Office:
Level 1
36 Tennyson Street
Wellington 6011 New Zealand
Telephone: +64 [4] 495 2424
Website: www.nzog.com

DIRECTORS

Andrew Jefferies
Dr Rosalind Archer
Marco Argentieri
Samuel Kellner
Alastair McGregor
Roderick Ritchie

SHARE REGISTRAR

New Zealand

Computershare Investor Services Ltd
Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Victoria Street West
Auckland, New Zealand

Telephone: +64 9 488 8777
Freephone: 0800 650 034
Email: nzog@computershare.co.nz

Website: www.investorcentre.com/nz

Australia

Computershare Investor Services Pty Ltd
GPO Box 3329
Melbourne, VIC 8060
Australia

Freephone: 1 800 501 366 [within Australia]
Telephone: +61 3 9415 4083
Email: nzog@computershare.co.nz

Website: www.investorcentre.com/nz

LAWYERS

Simpson Grierson
Level 24, HSBC Tower 195 Lambton Quay Wellington 6011
New Zealand