

SHARE HOLDER REPORT 2015







New Zealand Oil & Gas Limited Shareholder Report

4	Financial Overview
6	Supporting Science in our Seas
9	Chairman's Review
11	CEO's Review
12	Directors
15	Reserves and Production
22	Permit Maps
24	Project Locations
28	Shareholder Information
32	Financial Summary
34	Corporate Directory



Our Values

Integrity And Trust

Pono Me Te Tika

We are honest, transparent and ethical. We respect the culture, values, laws and regulations of the countries we operate in. We operate safely without harm to people or the environment.

Communication

Te Reo Whakawhitihiti

We foster active collaboration and understanding of others. We are open, transparent and listen. We put the big issues on the table so they can be resolved.

People and Passion

Tāngata Auaha

We are inclusive, acting with consistency and respecting the opinions of others. We encourage, care for, and motivate each other. We have fun and work with passion.

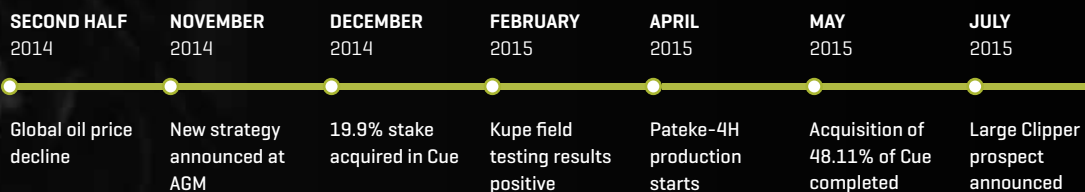
Commercial Focus

Arumoni Hāngai

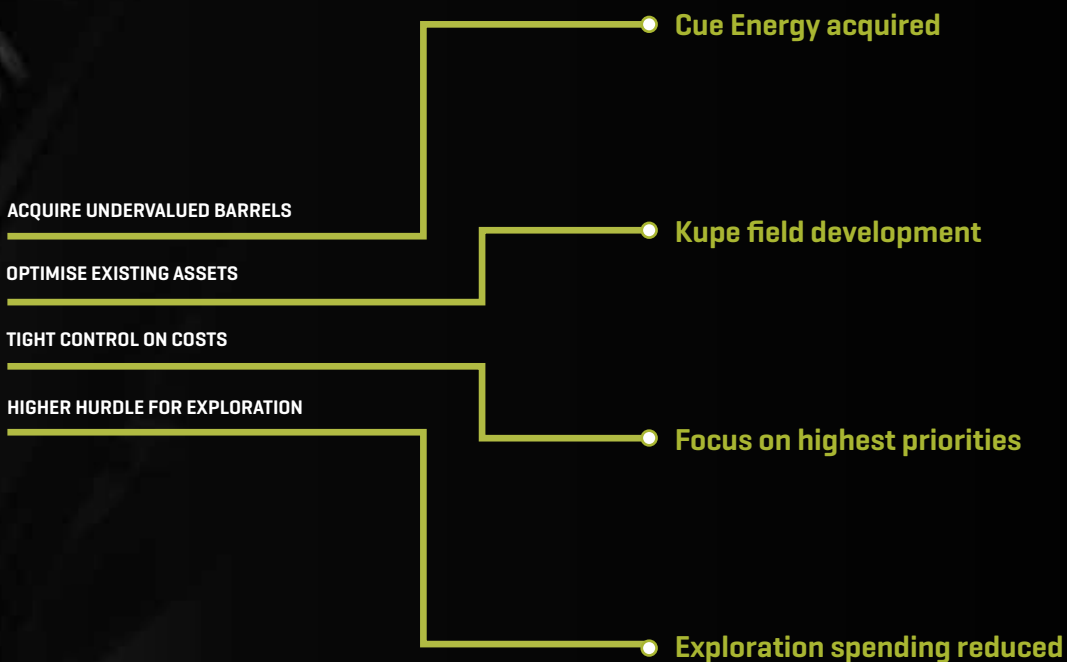
We actively seek out to deliver on opportunities. We develop mutually beneficial relationships with key stakeholders and partners. We develop and utilise our technical competencies.



2014-15 Timeline



Strategy in Action

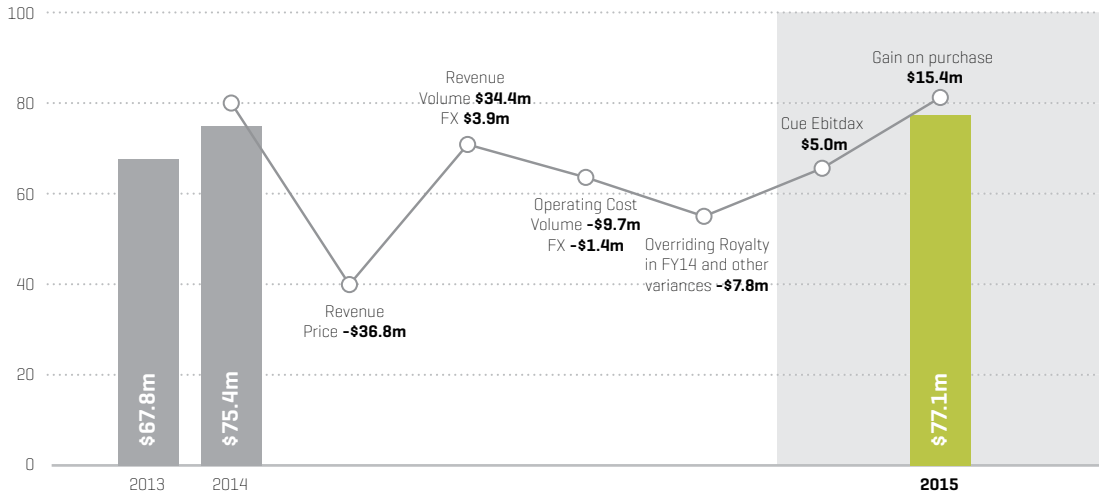


Financial Overview

All figures expressed in New Zealand dollars

EBITDAX

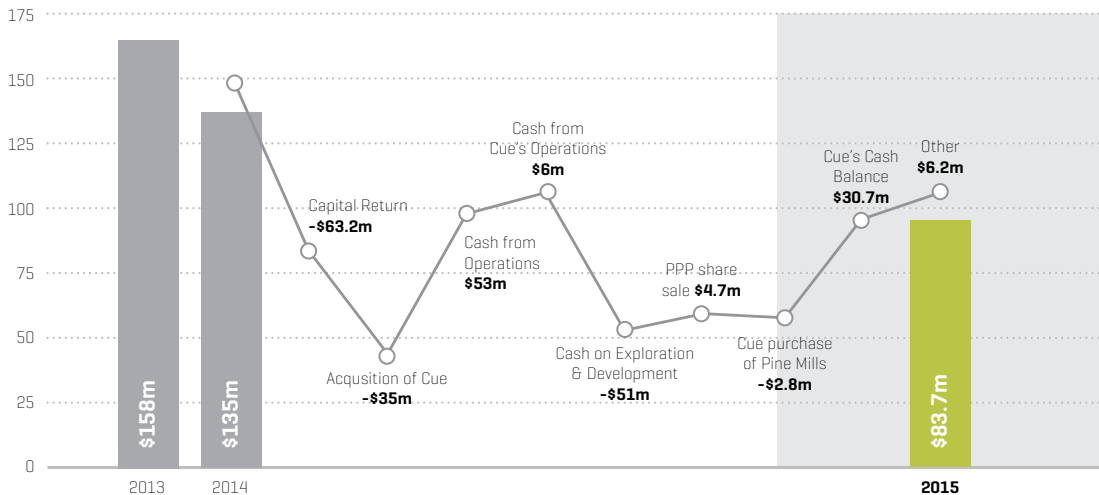
\$77.1 million, up 2.25% on FY14



Earnings Before Interest, Tax, Depreciation, Amortisation and Exploration Expenses

Net Cash Balance

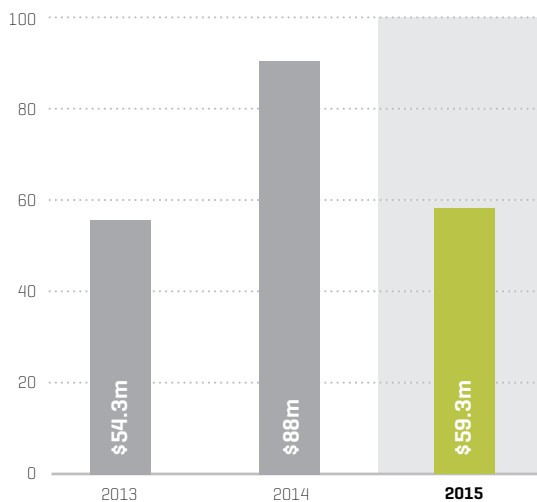
\$83.6 million



As at 30 June 2015, the New Zealand Oil & Gas cash balance was NZ\$83.7 million, with cash holdings held in both NZ and US dollar accounts. NZ\$30.7 million is held by Cue. New Zealand Oil & Gas had no outstanding debt at the end of the period.

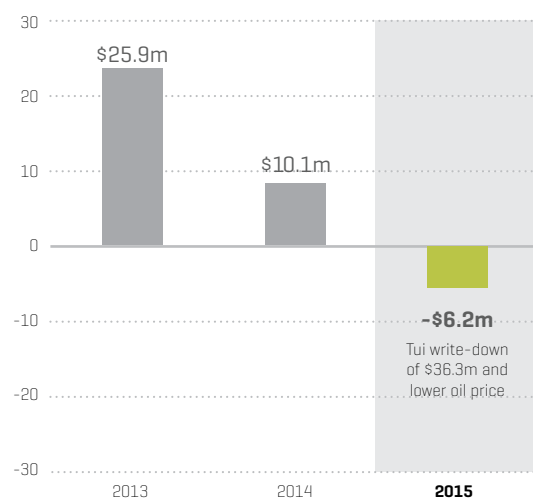
Cash Flows from Operations

\$59.3 million



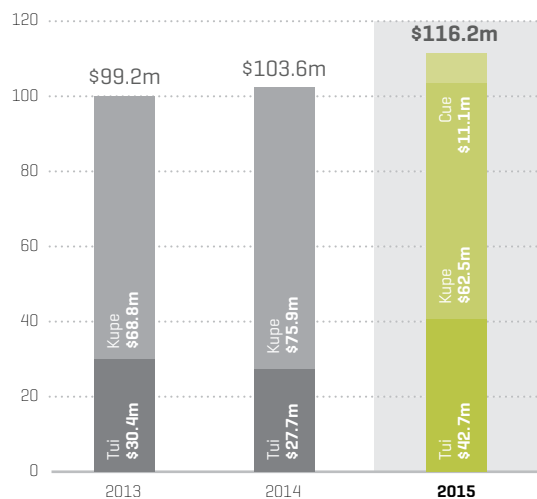
Net loss after Tax

-\$6.2 million



Revenue

\$116.2 million up 12% on FY14



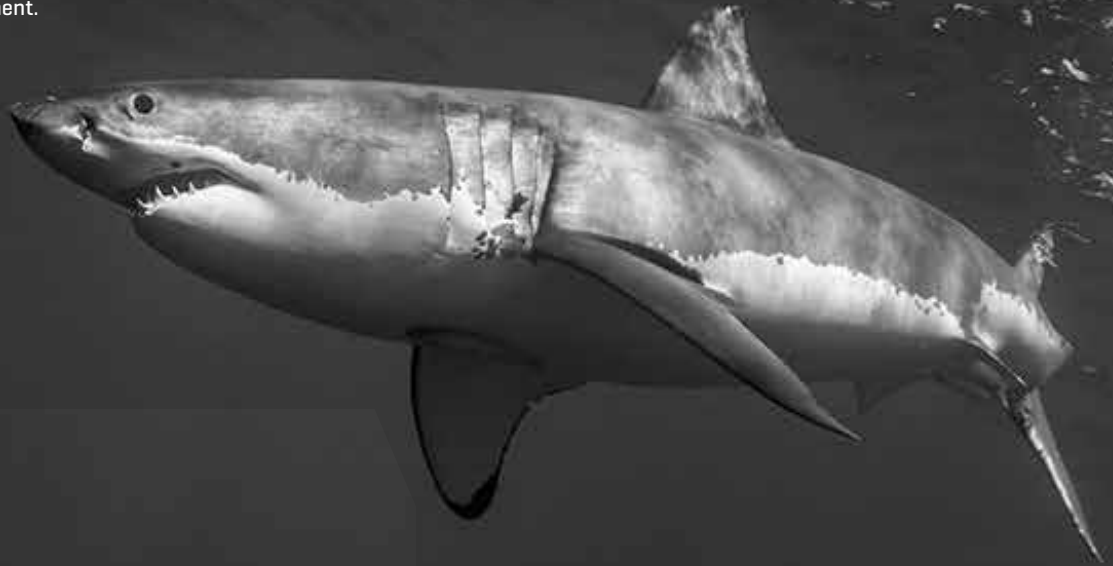
New Zealand Oil & Gas operating revenue for the year was NZ\$116.2 million. This included revenue from the sale of Tui oil of NZ\$42.7 million, revenue from the sale of Kupe sales gas, LPG and light oil of NZ\$62.5 million and recognition of Cue's revenue for Q2 2015 of NZ\$11.1 million.

More financial information is contained in the consolidated financial statements.

SUPPORTING SCIENCE IN OUR SEAS

New Zealand Oil & Gas is proud to support scientists who are studying the habitat of great white sharks.

As a science-based exploration business we support science and discovery – especially science that leaves our environment in better condition because of our involvement.



Tagged for success

Sometimes the journey is as important as the destination.

So it has been for young Great White Sharks, Caitlan and Thomas D as they glide in—or perhaps near—the azure waters of Kaipara Harbour.

It was here in this estuary complex on the northwestern side of the North Island these two beautiful monsters were tagged this year by Clinton Duffy and his fellow researchers. The sharks measure in at 2.1m and 2.2m respectively, and tagging them was a lengthy affair too.

Here, as elsewhere over the past decade, the sharks were lured to the side of a boat with a mix of tuna oil and minced tuna. When they got close enough, a long pole was then used to stab the tag into each of them, injecting it under the skin in the muscle below the dorsal fin, fitting each with a GPS wildlife-tracking device.

So the journey of discovery begins. The scholars give the marine creatures alphanumeric codes and nicknames. Nicknames are fun and easier to remember, explains Clinton, a shark scientist with the Department of Conservation whose work is actively supported by New Zealand Oil & Gas.

Nicknames also create a bit of an extra bond during the tracking process, during which data on light levels, temperature and depth experienced by the shark are transmitted to an ARGOS satellite, which emails the data back to the scientists, which can go on for up to nine months.

His work adds verifiable information on how effective the conservation status appears to be, as well as valuable insight into fishing-industry activity.

The ocean is vast, much of it undiscovered, and so is what we still don't understand about great white sharks, says Dr Duffy, whose lifelong passion was originally spurred as a child frolicking on the beaches of the Wairarapa coast. Today it is part of a wider research project that began in earnest in 2005.

Initially, he began reporting on population figures and migratory behaviour of the protected species to assess how many sharks were being killed in fishing nets and lines.

Until the research project nothing was known about great white sharks in New Zealand, he explains. Within two years the animal had become protected.

His work adds verifiable information on how effective the conservation status appears to be, as well as valuable insight into fishing-industry activity. It adds to the worldwide store of scientific knowledge, too.

That's important because the great white shark is a versatile and adaptable creature, as much so as it is an endangered species, and what might be discovered in New Zealand will often throw new light on similar work being undertaken in foreign waters.

Trophy hunting, shark control programmes, accidental capture in gill nets and vulnerability to over-fishing are all contributors to this fearsome and awe-inspiring marine creature's demise.

It also—perhaps—leads to Clinton's marine friends turning up in surprising places.

"I've tagged two or three of them just off the runway at Auckland Airport"

"I've tagged two or three of them just off the runway at Auckland Airport," he laughs. "And that's not the only place. I've been sitting in boats looking at sheep and cows grazing in paddocks on Stewart Island or the Chatham Islands ... clear blue water, waves crashing, albatrosses flapping overhead ... and lo and behold, one will turn up."

The exploratory journey continues.

CHAIRMAN'S & CEO'S REVIEW



Chairman's Review



The company has had an active year adopting a new strategic posture that is appropriate for the current, challenging economic conditions.

With most informed market commentators predicting the oil price may remain in lower ranges for a longer period, our strategy places more focus on reducing costs and spending only on high quality, transformative opportunities.

The industry is experiencing challenging pricing conditions, and in a time like this New Zealand Oil & Gas is fortunate to have a mix of oil and gas production to support our income.

The net earnings for the year were delivered from increased production volumes, and reductions in costs, but negatively influenced by the lower oil prices achieved.

Our existing producing assets are running well and delivering greater volumes.

Gas production from Kupe was solid, and gas prices have not been affected in the same way as oil prices. Increased yield was also achieved at Kupe following the down hole work completed there over summer.

In the Tui oil fields, production began from the Pateke-4H well ahead of schedule and it is performing above expectations.

Both these increases in production are making up for lower prices driven by the fall in global commodities. We will continue to seek more value from our existing production.

Last year we announced our intention to buy existing production that was undervalued by the market. Our first target was Cue Energy.

Our takeover secured over 48 per cent of the stock and control of the company. The successful acquisition of Cue has brought with it production from the Maari oil field off Taranaki, New Zealand, and the Sampang gas and oil field in Indonesia.

We believe our controlling stake was acquired at an attractive price and we are extending our influence on the future direction of the company. New directors have been appointed to the Cue board. We expect Cue to follow the same strategic themes of careful control of costs, tighter focus for exploration opportunities, and optimisation of existing assets.

We have refined our exploration portfolio to concentrate only on opportunities that have the potential to deliver transformative change for the company. One exciting example is in the Clipper permit off the east coast of the South Island, where we announced that our work has uncovered a substantial structure. In our June Quarterly Report we were able to disclose the unrisks 2P size of the Barque structure is 530 million barrels of oil equivalent (265 million barrels net to New Zealand Oil & Gas).*

A successful discovery at Barque has the potential not only to transform our company, it would also have a profoundly positive impact on the national economy. Farm out activities are well advanced and we are encouraged by the level of interest from experienced deep water operators. We hope to be able to make an announcement about the future of Clipper in the near future.

In Indonesia, we are moving to realise value from our efforts across our portfolio. We are particularly encouraged by prospects identified in the Bohorok permit. In conjunction with our JV partners we are completing development plans for the Kisaran discovery. A decision on the next steps is expected late in the year.

* New Zealand Oil & Gas is not aware of new information or data that materially affects this announcement. All material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

Chairman's Review continued

New Zealand Oil & Gas is well positioned to deliver improving results in the future despite a lower oil price.

We are seeing more opportunities from our broader set of producing assets in the coming year. We have identified opportunities in the Kupe field and the joint venture is continuing to review resources and a field development plan. Increased production can also be expected from the Maari and Sampang fields.

Next year exploration will be prudently managed, limited to already committed activities, and focused on transformative opportunities or those that have short development paths.

We will continue to seek further acquisition opportunities as the lower oil price induces others to bring attractive assets to market.

We will continue to keep tight control of costs in the current conditions and position the company to capture value for shareholders.



Peter Griffiths
Chairman



It has been a challenging year for the oil industry. Oil prices today are down by more than half compared to when we reported a year ago.

Fortunately we started out the year with solid cash flows and a strong balance sheet.

We have been able to weather the downturn with continued good cashflows and increased production to offset lower oil prices.

We reported a 12 per cent increase in revenue, and steady Ebitda performance.

We had good operational performance this year from Tui and Kupe. Three quarters of Kupe volumes are gas and LPG, where pricing has been less affected by the oil price decline.

The Pateke well was successfully connected into Tui for production in April. This provided a healthy boost to Tui reserves.

Revenue from oil sales at Tui was up by 54 per cent on a sales volume increase of 124 per cent. However, the carrying value for our interest in the Tui oil field was written down by over \$36 million for the full year because lower forecast oil prices have brought forward the date when production from Tui is expected to become uneconomic. The industry as a whole is working through the impact of declining oil prices, and asset valuations are very much dependent on future oil prices. Sustained lower prices could see further impairments.

Cashflows into the business remain sound, with cash from operations totalling more than \$59 million in the year, \$83 million of cash at hand at the end of the year (including around \$30 million held by Cue Energy), and no debt. In February the company was able to return \$63.2 million of capital to shareholders.

In the last quarter of the financial year we consolidated Cue Energy, which we acquired in the first quarter of 2015. This added 12 per cent to revenue.

Looking ahead, we have cut back on exploration spending and we are focusing on reducing costs. We still have elevated production from the Pateke-4H well, which is performing better than expected, and Kupe is performing steadily. Next financial year we will add in Cue's revenue for the full year, while looking for further gains to be achieved from this investment.

Our screening has identified further opportunities to acquire under-valued assets, and our cash flows and balance sheet provide the ability to capture significant value, although we are prepared to be patient.

The well intervention programme at Kupe early in 2015 showed increased gas and condensate rates and wellhead pressures, suggesting more resource may be recoverable. We are looking at options for more development. I expect to see more value from our producing assets in the coming year.

Exposure to exploration is being carefully managed to match the reduced risk tolerance in this part of the pricing cycle. We want to focus on our truly significant value add opportunities. During the year we abandoned three permits that no longer fit our portfolio priorities or where capital commitments could not be sufficiently reduced. Some legacy commitments remain in our portfolio to be worked through.

This past year has been about refocusing our strategy to respond to the global market downturn in oil prices.

Looking ahead, our strong cashflows and elevated levels of production, together with our interest in Cue, emphasis on controlling costs, and reduced spending on exploration should ensure the business is well placed.

Andrew Knight
Chief Executive

Directors



Peter Griffiths

Chairman

Peter Griffiths joined the board of New Zealand Oil & Gas in December 2009, having retired after 21 years with BP, the last 10 years of which he was managing director of BP New Zealand. Peter was previously involved in offshore oil and gas field operations in Australasia, Malaysia and the United Kingdom. He is Chairman of Z Energy, Deputy Chair of the Civil Aviation Authority, and is on the boards of Marsden Maritime Holdings Ltd, and New Zealand Diving and Salvage Ltd. He holds a BSc (Hons) from Victoria University in Wellington.



Dr Rosalind Archer

Independent Director

Dr Rosalind Archer joined the board of New Zealand Oil & Gas in November 2014. Rosalind graduated with a BSc from University of Auckland. Rosalind holds a PhD in Petroleum Engineering, and PhD minor in Geological and Environmental Studies from Stanford University. She is a professor at the University of Auckland, and head of its Department of Engineering Science. Rosalind runs a consulting practice as a reservoir engineer with clients locally and internationally. She regularly speaks on reservoir engineering topics at international conferences. Rosalind is also director of the University of Auckland Geothermal Institute.



Rodger Finlay

Independent Director

Rodger Finlay joined the board of New Zealand Oil & Gas in February 2012. Rodger has more than thirty years experience in the financial services industry including senior investment banking and funds management positions with major institutions, specialising in the global natural resource sectors. Rodger has a Bachelor of Commerce [Accounting and Finance] from the University of Otago. He is a Fellow of Chartered Accountants Australia and New Zealand, and a Chartered Member of the Institute of Directors. He is currently Chairman of Mundane Asset Management, Deputy Chairman of Rural Equities Limited, and a director of Moeraki Limited.



Andrew Knight

Chief Executive

Andrew Knight joined the board of New Zealand Oil & Gas in January 2008. He is a chartered accountant and graduate of Waikato University with a BMS [Hons]. Andrew had his own consultancy business and previously held executive management roles with Vector and NGC and worked in New Zealand and Australia with The Australian Gas Light Company, Fletcher Challenge Energy and Coopers & Lybrand. His other directorships include the Petroleum Exploration and Production Association of New Zealand, Gas Industry Company Ltd, Taranaki Iwi Holdings Management Ltd and Sea Group Holding Ltd. He is a member of Chartered Accountants Australia and New Zealand.



Rod Ritchie

Independent Director

Rod Ritchie joined the board of New Zealand Oil & Gas in 2013. He graduated with a BSc, University of Tulsa. He has 36 years of experience as a line manager and a Health, Safety, Security and Environment executive in the oil and gas industry – including being the corporate senior vice president of HSSE at OMV based in Vienna. He is a member of the Society of Petroleum Engineers.



Duncan Saville

Non-independent Director

Duncan is a Chartered Accountant with extensive experience in corporate finance and asset management and is an experienced non-executive director who has held directorships in the utility, water, airport & technology sectors. He is a founding director of Infratil Limited and is currently a director of listed companies, Touchcorp Limited, Somers Limited, West Hamilton Holdings Limited and New Zealand Oil & Gas which he joined in November 2014. In addition, he is a director of HRL Morrison & Co, ICM Limited, Vix Technology & Zeta Energy Pte Limited. He holds Honours degrees in both Science & Financial Accounting and is a Fellow of both Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors.



Mark Tume

Independent Director

Mark joined the board of New Zealand Oil & Gas in February 2012. Over a 25-year career in infrastructure and finance, Mark has held a variety of senior roles in areas such as investment banking, capital markets, asset and liability management, and risk control. Mark is a full time director, Chairman of Infratil and on the boards of the New Zealand Refining Company, and the Guardians of New Zealand Superannuation. Mark holds a Bachelor of Business Studies and a Diploma in Banking Studies (Treasury Management) from Massey University and was awarded the Hunter Fellowship from Victoria University in 2008.

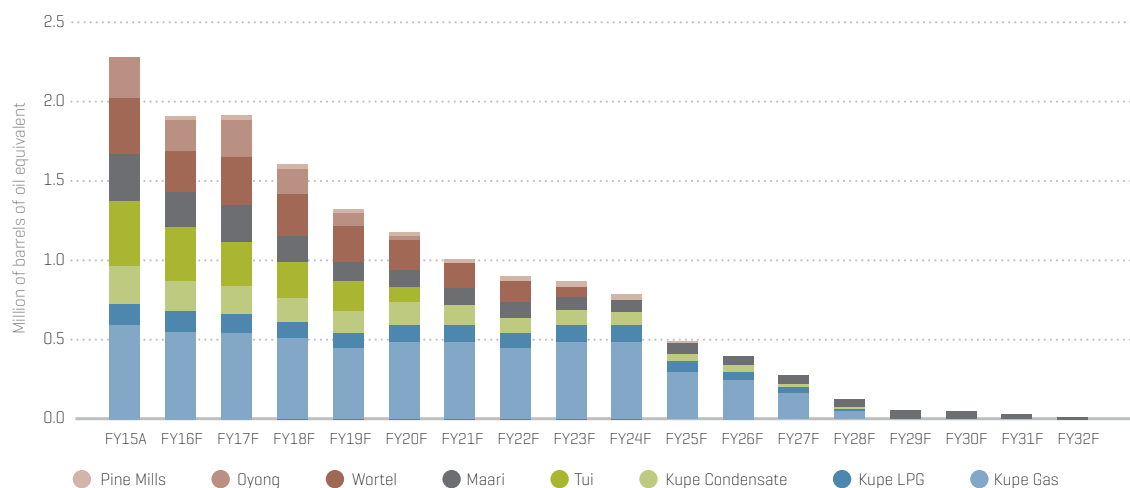


RESERVES & PRODUCTION



Production

Actual and Forecast 2P Production



Taranaki Basin Production

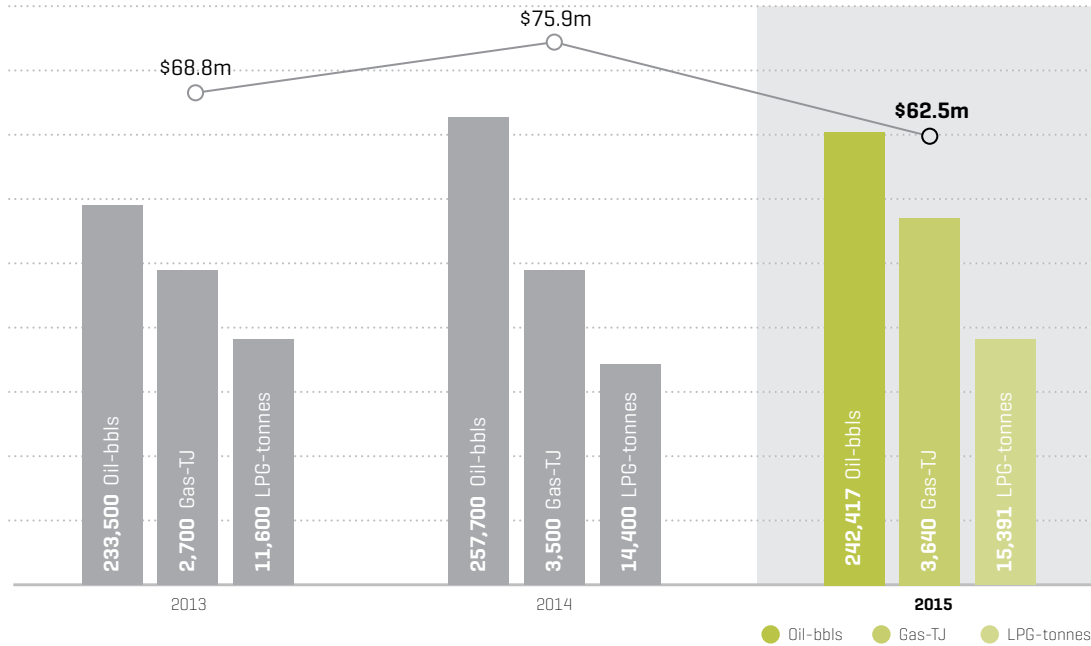
New Zealand Oil & Gas share	2013	2014	2015	Change
Tui [oil-bbbls]	208,500	300,000	401,240	34%
Kupe [oil-bbbls]	233,500	257,700	242,417	-5.9%
Kupe [Gas-tj]	2,700	3,500	3,640	4%
Kupe [LPG - tonnes]	11,600	14,400	15,391	7%
Maari [oil-bbbls]*	-	-	234,000	-
Sampang PSC [oil-bbbls]*	-	-	96,000	-
Sampang PSC [gas-mmcf]**	-	-	4,501	-
Pine Mills [oil-bbbls]*	-	-	-	-

* New Zealand Oil & Gas has a 48.11 per cent interest in Cue's share of production. Cue's full interest is shown.

** mmcf = million cubic feet.

Taranaki Basin Kupe Production

Kupe Production



KUPE PRODUCTION HAS IMPROVED

15%	New Zealand Oil & Gas
50%	Origin Energy (Operator)
31%	Genesis Energy
4%	Mitsui

Production has been stable throughout the year with excellent plant availability.

Throughout December and January there were planned outages and capacity reductions relating to a well intervention programme. Preliminary results of testing at the Kupe gas and oil field, demonstrated improved well productivity, increased gas and condensate rates and potential access to previously untapped gas reserves.

This means ultimate recovery from existing reservoirs may be higher than forecast to date. Reserves assessment work is due to be completed in the coming 2015-16 summer.

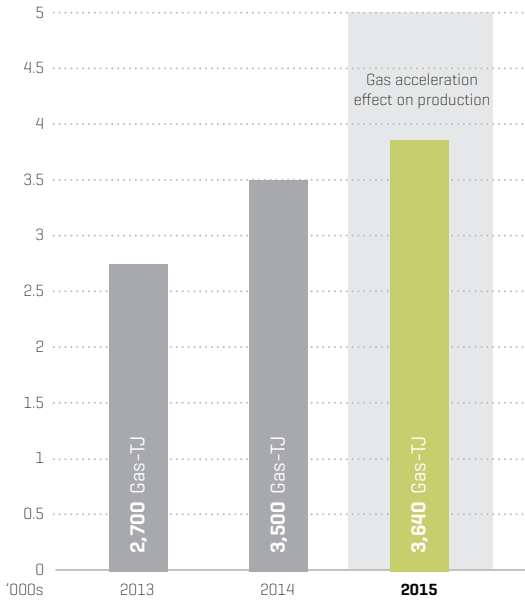
Since the well intervention work Kupe has averaged 73 terajoules per day of sales gas. Full year average rate is 67 terajoules per day.

The primary driver for improved gas and LPG production at Kupe is the execution of the accelerated gas sales agreement effective from January 2015. Condensate volumes are slightly down from FY14 due to natural decline in condensate yield from the gas.



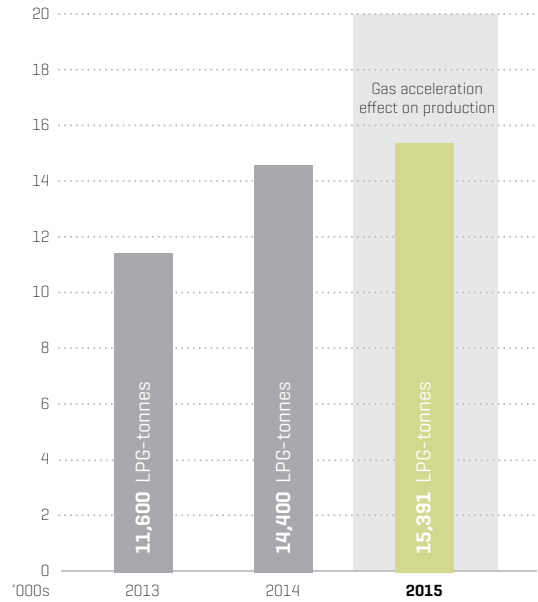
Natural Gas

New Zealand Oil & Gas Share (terajoules)



LPG

New Zealand Oil & Gas Share (tonnes)



Condensate

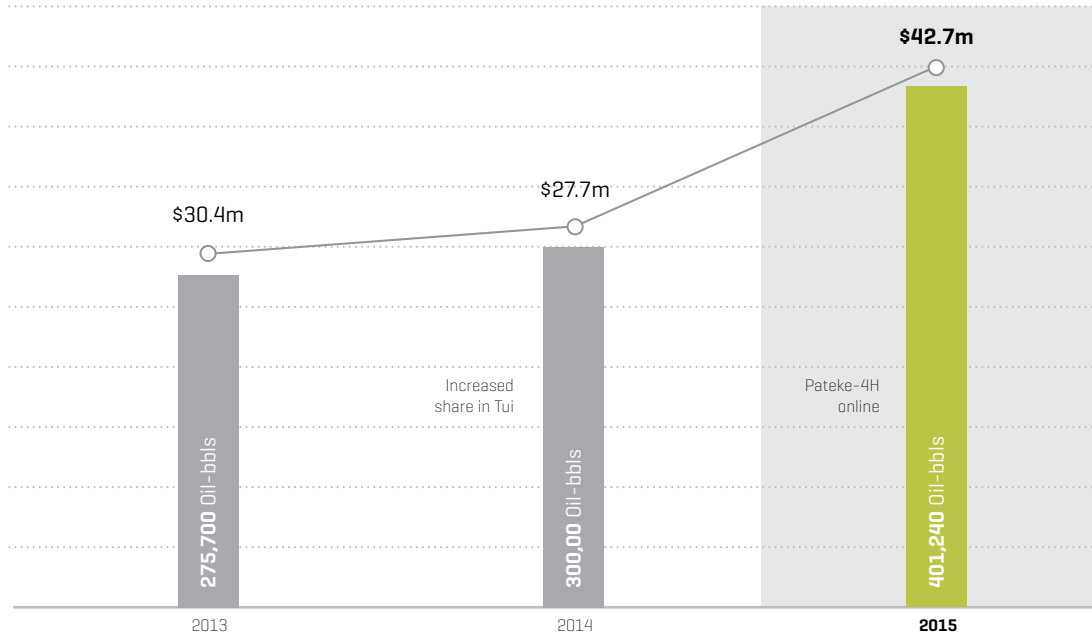
New Zealand Oil & Gas Share (000s barrels)



Since the conclusion of work in late January Kupe has averaged 73 terajoules per day of sales gas owing to an accelerated gas sales contract.

Taranaki Basin Tui Production

Tui Production



TUI PERFORMANCE UP ON PATEKE-4H PRODUCTION

27.5%	New Zealand Oil & Gas
57.5%	AWE (Operator)
15%	Pan Pacific Petroleum

Total oil production at Tui for the financial year was 1,459,056 barrels of oil [New Zealand Oil & Gas share was 401,240 barrels].

Tui field production for the year was in line with expectations for the depletion of resources in the field. The second half of the year was affected by small outages due to the Pateke-4H tie-back project.

The Pateke-4H extension of the existing Tui area oil fields was successfully completed on schedule and first production began in April. Tie-back and installation was completed with no safety or environmental incidents.

The project involved the installation of 1,312 metres of flexible flow line, a gas lift umbilical and production

manifold, integrated controls and ancillary equipment in water depths of about 124 metres. All infrastructure was successfully tested and commissioned prior to starting production.

Though the production from the Pateke-4H well has exceeded operator expectations in terms of early flush production and a slower water cut development, the current price forecast and economic factors have led to a downgrade of reserves from the Tui field by 0.3 million barrels [New Zealand Oil & Gas share].

The Tui development includes five production wells from three separate oil accumulations; Tui, Pateke and Amokura.

Cue Production

Maari

5%	Cue Energy
10%	Horizon Oil
69%	OMV New Zealand (Operator)
16%	Todd Maari

Production commenced in February 2009 from three producing reservoirs to a single wellhead platform adjacent to the Maari field, before connecting to the Floating Production Storage and Offloading (FPSO) vessel, approximately 80 kilometres offshore Taranaki.

The Maari joint venture is working on the Maari Growth Project. Over the 15-month long project, a total of four new production wells were drilled using the Ensco 107 jack-up rig. The joint venture is planning to further increase the field's production rate up to 20,000 barrels of oil per day with the optimisation of production from an existing well and an upcoming 2015 work-over campaign. The Ensco 107 demobilised from the Maari field on 11 July 2015 and the work-over campaign was scheduled to commence in August.

Sampang PSC

15%	Cue Energy
45%	Santos Sampang (Operator)
40%	Singapore Petroleum Co.

The Sampang PSC is located in the Madura Strait offshore Madura Island in East Java, Indonesia. It is composed of two producing fields: Oyong oil and gas field and Wortel gas field.

Gas produced from Oyong is transported via a 60 kilometre pipeline to the Grati Onshore Gas Facility and sold to PT Indonesia. Oil is piped to a Floating Storage and Offloading (FSO) vessel for storage and export.

Oil production from the Oyong field commenced in 2007, followed by gas production in 2009. The oil field is in natural decline and a programme of well interventions and recompletions is currently underway. The planned workovers are expected to increase Oyong oil production and extend field life for an additional one to two years until 2017.

Wortel gas production commenced in 2012. Gas is transported through a 7 kilometre pipeline to the Oyong platform then piped to onshore facilities. The joint venture

is investigating the potential for development of the Jeruk oilfield, which is technically challenging due to high formation pressures, fractured reservoirs and impurities in the hydrocarbons. The main technical issues to be resolved are the range of uncertainty in the size of the accumulation and the connectivity of the fracture network which will control the quantity of oil which may be recovered by each well and the flow rates that can be achieved.

Pine Mills

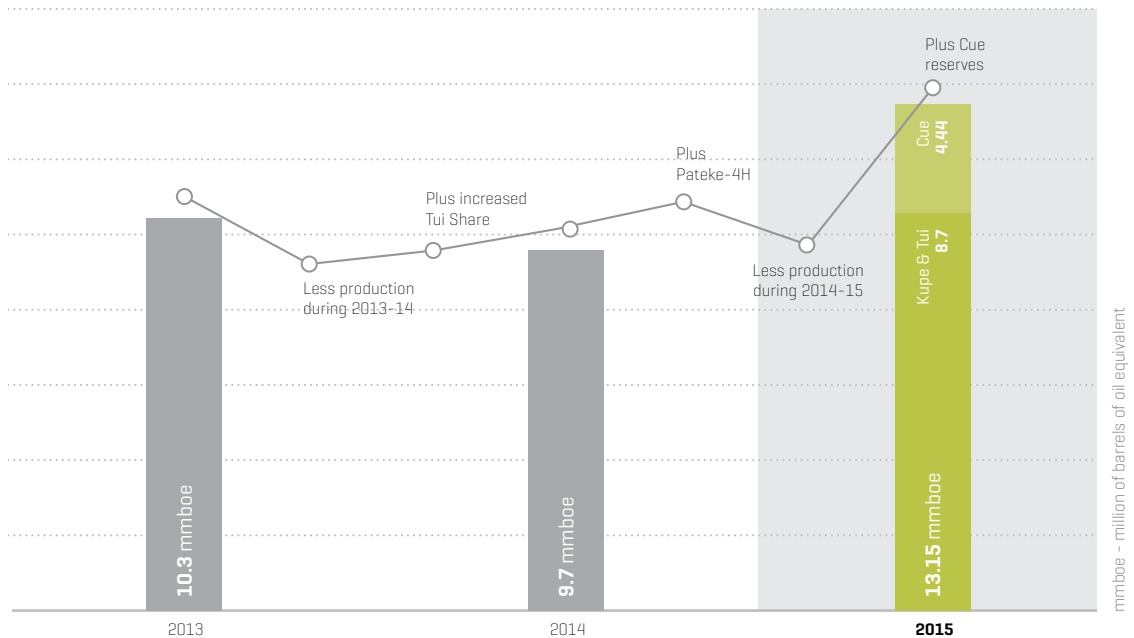
80%	Cue Energy (Operator)
20%	Gale Force Petroleum

Cue acquired an 80 per cent share of the producing Pine Mills area oil fields in East Texas, USA in June 2015.

The Pine Mills field includes 14 currently producing, conventional, vertical wells, two water injection wells and a further 13 currently inactive wells. Cue believes that there is opportunity to increase production from the Pine Mills field through the low cost workover of producing and inactive wells.

Reserves

New Zealand Oil & Gas Reserves



New Zealand Oil & Gas remaining Proven and Probable (2P) Oil & Gas Reserves as at 30 June 2015

Geographical area	Oil & Condensate [million barrels]	Natural Gas [petajoules]	LPG [Kilotonnes]	Million Barrels of Oil Equivalent*
New Zealand				
Kupe	1.31	31.61	135.32	7.58
Tui	1.13	-	-	1.13
Maari**	1.74	-	-	1.74
Indonesia**				
Sampang PSC	0.08	11.79	-	2.00
USA**				
Pine Mills	0.70	-	-	0.70
Total	4.96	43.40	135.32	13.15

* Million barrels of oil equivalent have been calculated as the total oil equivalent of the oil, condensate/light oil, natural gas and LPG figures, using conversion facts consistent with the Society of Petroleum Engineers (SPE) guidelines.

** New Zealand Oil & Gas has a 48.11 per cent interest in Cue's reserves. Cue's full interest is shown.

Developed and undeveloped reserves 2014-2015

Geographical Location	Statement Date	Production	1P			2P			
			FY2014/15	Developed	Un-developed	Total	Developed	Un-developed	Total
2014									
New Zealand	30/6/2014	Oil - mmbbl	0.5	1.8	0.1	1.9	2.3	0.6	2.8
New Zealand	30/6/2014	Gas - PJ	3.5	20.1	3.9	24.0	22.0	13.2	35.2
New Zealand	30/6/2014	LPG - Ktonnes	14.4	86.8	15.8	102.6	95.1	55.4	150.6
2015*									
New Zealand**	30/6/2015	Oil - mmbbl	0.88	2.14	0.15	2.28	3.28	0.90	4.18
Indonesia	30/6/2015	Oil - mmbbl		0.01		0.01	0.07		0.08
USA	30/6/2015	Oil - mmbbl		0.57		0.57	0.70		0.70
	30/6/2015	Oil - mmbbl				2.85			4.96
New Zealand	30/6/2015	Gas - PJ	3.64	16.46	3.93	20.39	18.41	13.19	31.60
Indonesia	30/6/2015	Gas - PJ		6.18		6.18	8.37	3.42	11.79
	30/6/2015	Gas - PJ				29.31			43.40
New Zealand	30/6/2015	LPG - Ktonnes	15.39	71.48	15.80	87.28	79.86	55.46	135.32

Mmbbl – Million barrels of oil PJ – Petajoules Kt – Kilotonnes

* New Zealand Oil & Gas has a 48.11 per cent interest in Cue Energy Resources. Cue's full interest is shown.

** Reserves changed due to addition of Maari reserves from acquisition of Cue.

Reserves are the quantities of petroleum anticipated to be commercially recoverable from known accumulations from a given date forward; that are judged to be discovered, recoverable, commercial and remaining.

Proven [1P] reserves are the estimated quantities of oil and gas which the geological and engineering data demonstrate with reasonable certainty [90% chance] to be recoverable in future years from known reservoirs, under existing economic and operating conditions. Probable [2P] reserves are defined as those which have a 50% chance or better of being technically and economically producible.

Developed reserves are those expected to be recoverable from existing wells and facilities.

Undeveloped reserves are those that will be recovered through future investments [e.g. through installation of compression, new wells into different but known reservoirs, or infill wells that will increase recovery]. Total reserves are the sum of developed and undeveloped reserves at a given level of certainty.

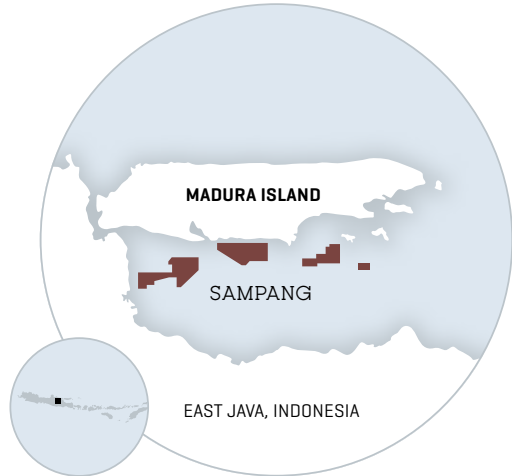
Oil and gas reserves are reported as at 30 June 2015.

The Kupe reserves estimate is based on information provided by the field operator. It is the result of deterministic reservoir simulation modelling by the operator using a compositional simulator, matched with full production history on a well-by-well basis. Kupe field reserves and the development plan are currently under review by the operator.

The Tui reserves estimate is based on the latest information provided by the field operator. The estimate is the result of deterministic decline curve analysis of the Tui area reservoirs, including the recent Pateke-4H well production performance data.

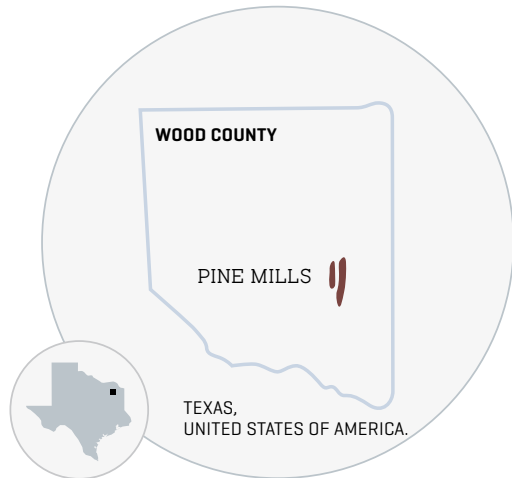
The Maari, Sampang and Pine Mills reserves report is based on information provided by Cue Energy Resources. The Oyong estimates are based on the operator’s probabilistic reservoir simulations. Maari is independently assessed using probabilistic well-by-well decline curve analysis. The Wortel and Pine Mills estimates are based on deterministic decline curve analysis.

This reserves statement is approved by, based on, and fairly represents information and supporting documentation prepared by New Zealand Oil & Gas Vice President & General Manager, Exploration & Production Andrew Jefferies BEng (Mech Hons), MSc Pet Eng MBA, an SPE (Society of Petroleum Engineers) Certified Petroleum Engineer with over 23 years of industry experience. Mr Jefferies, reviews reserves holdings twice a year by reviewing data supplied and comparing assessments at scheduled Technical Committee Meetings.



Sampang Production Sharing Contract

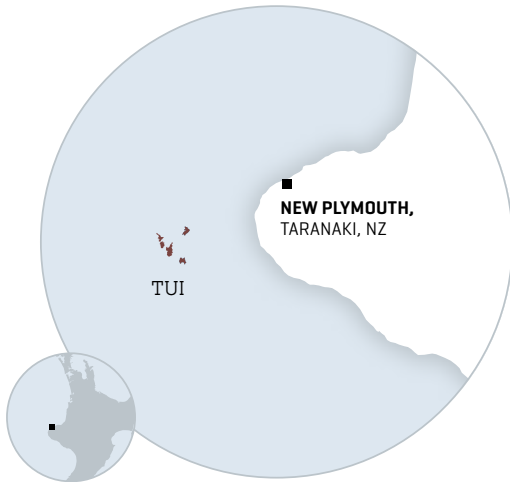
15%	Cue Energy*
45%	Santos Sampang (Operator)
40%	Singapore Petroleum Company



Pine Mills

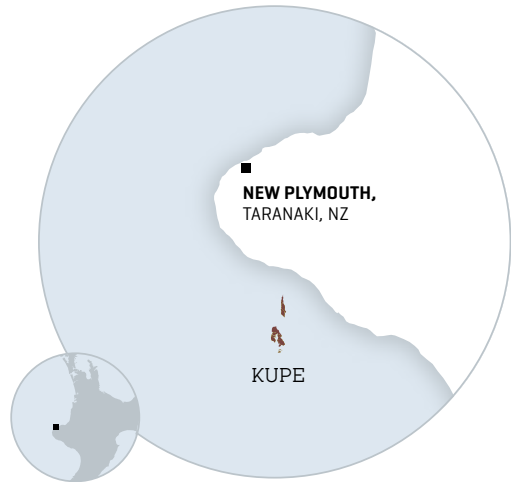
80%	Cue Energy (Operator)*
20%	Gale Force Petroleum

* New Zealand Oil & Gas has a 48.11 per cent interest in Cue Energy



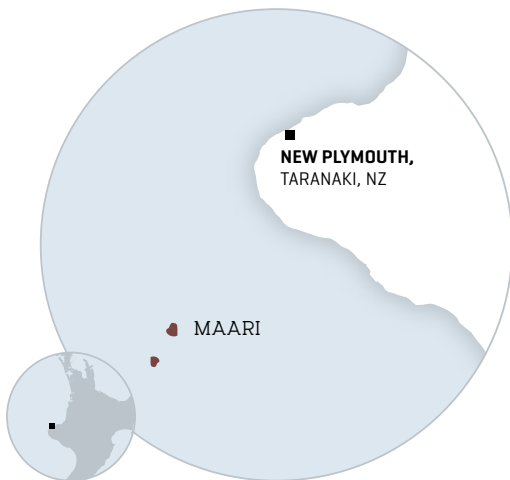
Tui

27.5%	New Zealand Oil & Gas
57.5%	AWE (Operator)
15%	Pan Pacific Petroleum



Kupe

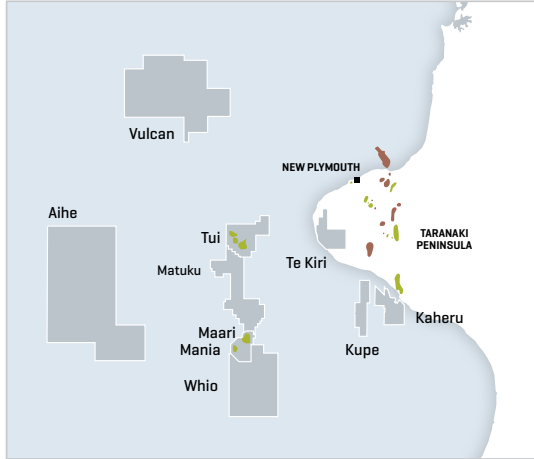
15%	New Zealand Oil & Gas
31%	Genesis Energy
50%	Origin Energy (Operator)
4%	Mitsui



Maari

5%	Cue Energy*
10%	Horizon Oil International
69%	OMV New Zealand (Operator)
16%	Todd Maari

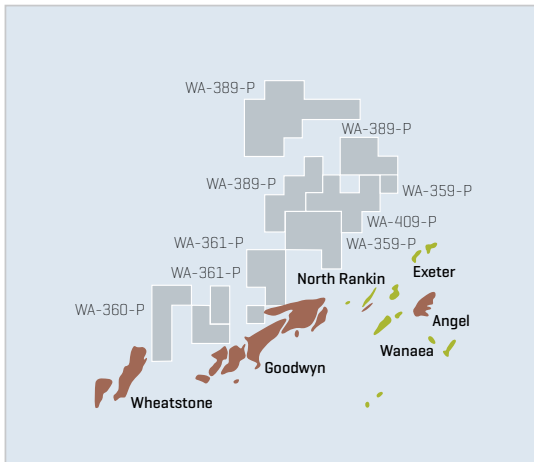
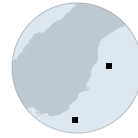
Project Locations



OFFSHORE TARANAKI BASIN
NEW PLYMOUTH



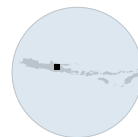
OFFSHORE CANTERBURY - GREAT SOUTH BASIN
CANTERBURY

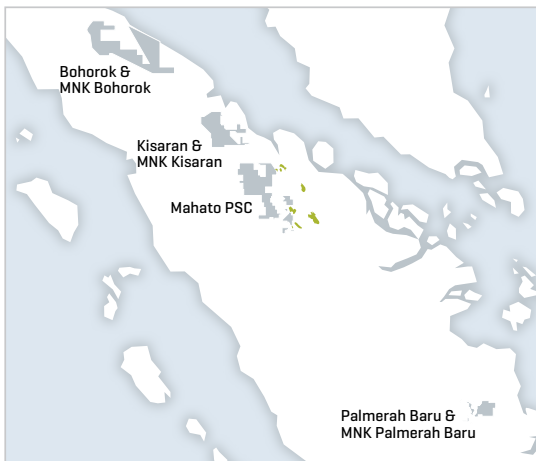


AUSTRALIA

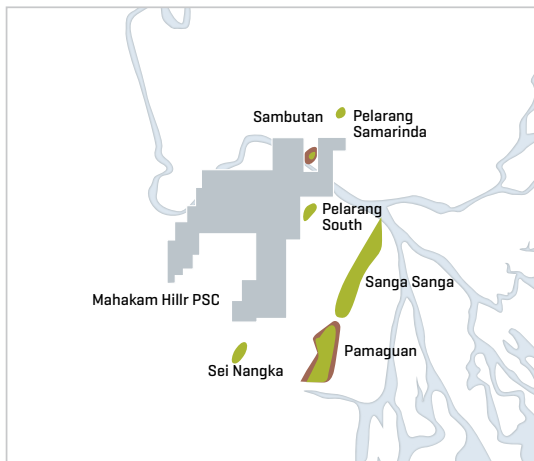


JAVA





SUMATRA



KALIMANTAN



TEXAS



MAP LEGEND

- Permits
- Oil Field
- Gas Field

New Zealand Oil & Gas Interests at 30 June 2015

Name	Region	Country	Type	Interest
Kupe PML 38146	Taranaki Basin	New Zealand	Mining Licence	15%
Tui PMP 38158	Taranaki Basin	New Zealand	Mining Permit	27.5%
Matuku PEP 51906	Taranaki Basin	New Zealand	Exploration Permit	12.5%
Kaheru PEP 52181	Taranaki Basin	New Zealand	Exploration Permit	35% Operator
Maari PMP 38160**	Taranaki Basin	New Zealand	Mining Permit	Cue Energy 5%
Aihe PEP 54865**	Taranaki Basin	New Zealand	Exploration Permit	Cue Energy 20%
Whio PEP 51313 **	Taranaki Basin	New Zealand	Exploration Permit	Cue Energy 14%
Te Kiri PEP 51149 **	Taranaki Basin	New Zealand	Exploration Permit	Cue Energy 20%
Vulcan PEP 55793	Taranaki Basin	New Zealand	Exploration Permit	30%
Clipper PEP 52717	Canterbury Basin	New Zealand	Exploration Permit	50% Operator
Galleon PEP 55792	Canterbury Basin	New Zealand	Exploration Permit	100% Operator
Toroa PEP 55794	Great South Basin	New Zealand	Exploration Permit	30%
MNK Bohorok	North Sumatra	Indonesia	Joint Study Agreement	20.25%
MNK Kisanan	Central Sumatra	Indonesia	Production Sharing Contract	11.25%
MNK Palmerah	South Sumatra	Indonesia	Production Sharing Contract	15.84%
Bohorok PSC	North Sumatra	Indonesia	Production Sharing Contract	45%
Kisanan PSC	Central Sumatra	Indonesia	Production Sharing Contract	22.5%
Palmerah Baru PSC	South Sumatra	Indonesia	Production Sharing Contract	36%
Sampang PSC**	East Java Basin	Indonesia	Production Sharing Contract	Cue Energy 15%
Mahato**	Central Sumatra Basin	Indonesia	Production Sharing Contract	Cue Energy 12.5%
Mahakam Hilir**	Kutei Basin	Indonesia	Production Sharing Contract	Cue Energy 100% Operator
WA-359-P**	Carnarvon Basin	Australia	Exploration Permit	Cue Energy 100% Operator
WA-360-P**	Carnarvon Basin	Australia	Exploration Permit	Cue Energy 37.5%
WA-361-P**	Carnarvon Basin	Australia	Exploration Permit	Cue Energy 15%
WA-389-P**	Carnarvon Basin	Australia	Exploration Permit	Cue Energy 40%
WA-409-P**	Carnarvon Basin	Australia	Exploration Permit	Cue Energy 100% Operator
Pine Mills**	Pine Mills area oil fields, East Texas	USA	Mining Permit	Cue Energy 80% Operator

■ Producing asset

** New Zealand Oil & Gas has a 48.11 per cent interest in Cue Energy.

SHAREHOLDER INFORMATION



Shareholder Information

Stock Exchange Listing

The Company's securities are listed on the New Zealand Stock Exchange [NZX] and the Australian Securities Exchange [ASX].

Securities On Issue

As at 26 August 2015 New Zealand Oil & Gas Limited had the following securities:

Listed Ordinary Shares:	Unlisted Partly Paid Shares:
338,029,482	7,835,000
13,262 holders	25 holders

Top 20 Shareholders

Top 20 registered holders of Listed Ordinary Shares as at 26 August 2015

	Name	Shares Held	% of issued Capital
1	JPMorgan Chase Bank NA NZ Branch - NZCSD	55,534,553	16.42
2	Citibank Nominees (New Zealand) Limited - NZCSD	13,537,859	4
3	New Zealand Superannuation Fund Nominees Limited - NZCSD	10,306,164	3.04
4	National Nominees New Zealand Limited - NZCSD	9,761,030	2.88
5	HSBC Nominees (New Zealand) Limited - NZCSD	9,161,730	2.7
6	Leveraged Equities Finance Limited	8,971,860	2.65
7	Resources Trust Limited	8,378,346	2.47
8	BNP Paribas Nominees (NZ) Limited - NZCSD	4,771,747	1.41
9	Accident Compensation Corporation - NZCSD	4,666,091	1.38
10	HSBC Nominees (New Zealand) Limited A/C State Street - NZCSD	4,338,516	1.28
11	Sik-On Chow	4,280,000	1.26
12	Resource Nominees Limited	3,731,329	1.1
13	FNZ Custodians Limited	3,689,305	1.09
14	Citicorp Nominees PTY Limited	3,363,304	0.99
15	Riuo Hauraki Limited	3,200,000	0.94
16	Custodial Services Limited	2,685,360	0.79
17	Custodial Services Limited	2,077,834	0.61
18	Chung King Tan	1,627,200	0.48
19	ASB Nominees Limited	1,604,712	0.47
20	ASB Nominees Limited	1,600,000	0.47

In the above table the holdings of New Zealand Central Securities Depository Limited have been reallocated to the applicable holder.

Substantial Shareholders

Substantial Product Holding Notices are received pursuant to the Financial Markets Conduct Act 2013. Shareholders are required to disclose their holding to the issuer and the issuer's registered exchanges when:

- they have a substantial holding [5% of more of the listed voting securities];
- subsequent movements of 1% or more in a substantial holding from prior notification;
- any change is made in the nature of any relevant interest in the substantial holding; and
- they cease to have a substantial holding.

The following Substantial Product Holder Notices were received since the date of the last Annual Report, in respect of holdings of ordinary shares of New Zealand Oil & Gas Limited:

Date	Shareholder	Shares Held	% of Issued Capital
8 September 2014	Zeta Energy Pte Ltd	76,261,118	18.33
2 October 2014	Zeta Energy Pte Ltd	82,230,147	19.53
9 December 2014	Zeta Energy Pte Ltd	83,678,288	19.87

As at 26 August 2015 there were no other Substantial Product Holders with 5% or more of the Ordinary Shares [JPMorgan Chase Bank NA NZ Branch are above 5% but hold the shares on behalf of a number of beneficial shareholders].

Distribution of Security Holders

As at 26 August 2015:

Number of Shares	Holders of Listed Ordinary Shares	Holding Quantity of listed Ordinary Shares %	Holders of Unlisted Partly Paid Shares	Holding Quantity of Unlisted Partly Paid Shares %
1 to 99	191	0%		
100 to 199	72	0%		
200 to 499	1010	0.12%		
500 to 999	1789	0.39%		
1,000 to 1,999	2050	0.86%		
2,000 to 4,999	2949	2.87%		
5,000 to 9,999	2018	4.3%		
10,000 to 49,999	2540	15.68%	5	2%
50,000 to 99,999	337	6.87%	5	5%
100,000 to 499,999	253	14.51%	12	41%
500,000 to 999,999	25	5.02%	2	13%
1,000,000 to 999,999,999	28	49.37%	1	38%
Total	13,262	100%	25	100%

On 26 August 2015 there were 3062 holders with less than a minimum holding of shares as determined by the NZX (under 1000 shares), and 3,932 holders with less than a marketable parcel as determined by the ASX (under A\$500 in value).

Voting Rights

Article 16 of the Company's Constitution states that a shareholder may exercise the right to vote at a meeting of shareholders either in person or through a representative. Where voting is by show of hands or by voice every shareholder present in person or by representative has one vote. In a poll every shareholder present in person or by representative has one vote for each fully paid share and, in respect of partly paid shares, each part paid share carries only a fraction of the vote equivalent to the proportion of the share paid. Unless the Board determines otherwise, shareholders may not exercise the right to vote at a meeting by casting postal votes. The Board has determined, for the purpose of the 2015 Annual Meeting, that postal voting will be permitted.

Trading Statistics

For the 12 months ended 30 June 2015	High	Low	Volume
NZX [Trading Code NZO]	0.79	0.54	125,019,539
ASX [Trading Code NZO]	0.74	0.48	5,501,234

Share Buy-backs

There was not an on-market buy-back scheme in operation during the financial year. On 28 August 2015, shareholders approved a buy back scheme that authorises the Board to buy back up to 64 million shares at any time during a four year period.

FINANCIAL SUMMARY



Financial Summary

All numbers are quoted in NZ dollars and millions

Summary of Financial Performance	FYE15	FYE14	FYE13	FYE12	FYE11
Revenue from continuing operations	134.1	115.4	108.9	117.3	108.9
Royalties expense	[6.6]	[7.7]	[9.4]	[12.1]	[8.0]
Earnings before interest, tax, depreciation, amortisation and exploration	77.1	75.7	67.8	70.5	58.5
Exploration Expenditure	[15.6]	[29.5]	[15.1]	[2.4]	[3.4]
Asset Impairment	[36.3]	-	-	-	-
Earnings before tax, interest, depreciation and amortisation	25.2	46.2	52.7	68.1	55.0
Depn & Amort (net of amortisation in stock movement)	[40.1]	[26.4]	[22.4]	[28.1]	[23.7]
Earnings before tax and interest	[14.9]	19.8	30.3	40.0	31.3
Net finance income/(costs)	2.9	[2.4]	5.9	[7.7]	[102.7]
Net (Loss)/Profit before tax	[12.0]	17.4	36.2	32.4	[71.4]
Tax	5.8	[7.3]	[10.2]	[12.5]	[5.1]
Net (Loss)/Profit after tax*	[6.2]	10.1	25.9	19.9	[76.5]

* In FY15 Net (Loss)/Profit after tax includes non-controlling interest of -\$0.07m

Summary of Financial Position	FYE15	FYE14	FYE13	FYE12	FYE11
Assets					
Cash and cash equivalents	83.7	135.1	158.0	209.2	149.4
Other current assets	38.4	35.8	32.1	21.4	26.5
Convertible Bond	0.0	0.0	0.0	2.5	35.1
Exploration and evaluation assets	70.2	54.9	44.5	14.9	7.3
Oil and gas assets	289.4	223.8	198.6	218.5	238.8
Fixed Assets, including intangibles	1.7	1.8	0.7	0.4	0.3
Other financial assets	1.9	9.8	11.9	18.1	15.7
Total Assets	485.3	461.2	445.8	485.0	473.2
Liabilities					
Current liabilities	35.0	32.6	20.3	19.1	15.3
Borrowings	1.0	0.8	0.2	46.8	63.3
Restoration and rehabilitation provision	78.9	41.2	30.2	32.4	25.6
Other Provisions	6.9	-	-	-	-
Deferred tax liability	35.6	44.5	37.2	31.8	27.1
Total Liabilities	157.4	119.1	87.9	130.0	131.4
Equity					
Share capital	319.0	377.7	370.7	358.6	358.2
Non-controlling	36.5	-	-	-	-
Reserves and retained earnings	[27.6]	[35.6]	[12.7]	[3.6]	[16.4]
Total Equity	327.9	342.1	358.0	355.0	341.8
Statement of Cash flow	FYE15	FYE14	FYE13	FYE12	FYE11
Net cash inflow/[outflow] from operating activities	59.3	88.0	54.3	63.2	68.6
Net cash inflow/[outflow] from investing activities	[52.6]	[86.6]	[34.0]	17.5	[32.9]
Net cash inflow/[outflow] from financing activities	[71.2]	[18.3]	[71.7]	[24.3]	[15.5]
Net increase/[decrease] in cash and cash equivalents	[64.5]	[16.9]	[51.4]	56.4	20.2
Cash and cash equivalents at the beginning of the year	135.1	158.0	209.2	149.4	142.4
Cash increase/[decrease] with exchange rate change	13.1	[6.0]	0.2	3.4	[13.2]
Cash and cash equivalents at the end of the year	83.7	135.1	158.0	209.2	149.4

FYE - Financial Year End

Corporate Directory

Directors

Peter Griffiths,
Chairman

Dr Rosalind Archer

Rodger Finlay

Andrew Knight,
Chief Executive

Roderick Ritchie

Duncan Saville

Mark Tume

Management

Andrew Knight,
Chief Executive

Andre Gaylard,
Chief Financial Officer

Andrew Jefferies,
*Vice President & General Manager, Exploration
and Production*

Dr Chris McKeown,
General Manager South East Asia

Ralph Noldan,
General Counsel and Company Secretary

John Pagani,
External Relations Manager

Michael Wright,
Commercial Manager

Registered and Head Office

Level 20, 125 The Terrace
PO Box 10725
Wellington, New Zealand

Telephone: +64 4 495 2424
Facsimile: +64 4 495 2422

Auditors

KPMG

KPMG Centre, 10 Customhouse Quay
PO Box 996, Wellington, New Zealand

Share Registrar

New Zealand

Computershare Investor Services Ltd
Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland 1142

Telephone: +64 9 488 8777

Freephone: 0800 467 335 (within NZ)

Facsimile: +64 9 488 8787

Email: enquiry@computershare.co.nz

Australia

Computershare Investor Services Pty Ltd
GPO Box 3329
Melbourne, VIC 3001

Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067

Freephone: 1 800 501 366 (within Australia)

Telephone: +61 3 9415 4083 (investors)

Facsimile: +61 3 9473 2500

Manage your shareholding online

To change your address, update your payment instructions and to view your registered details including transactions, please visit:

www.investorcentre.com/nz

General enquiries can be directed to:
enquiry@computershare.co.nz

Please assist our registry by quoting your CSN or shareholder number when making enquiries.