

26 October 2018

INDICATIONS OF GAS AT KOHATUKAI

The Kohatukai-1 well in PEP 55768, onshore northern Taranaki, New Zealand, has intersected the secondary objective Matapo Sandstone at a depth of 3,602 metres.

Elevated mud gas readings indicating the presence of gas were observed.

The rig is continuing to drill ahead to the planned hole section total depth.

Following that, a wireline formation evaluation (logging) program will be undertaken.

Following preliminary interpretation of the logging program, a downhole reservoir fluid sampling program may be undertaken. Data obtained from these potential activities will aid in establishing the fluid content and hydrocarbon saturation, and to an extent, the permeability and producibility of the reservoir.

Further updates will be issued once logging has been completed.

Participants in PEP 55768 are Mitsui E&P Australia Pty Ltd (Mitsui) 37.5%; AWE Holdings NZ Limited (AWE) 12.5% (Operator); New Zealand Oil & Gas 25%; and O.G. Oil and Gas Limited 25%. O.G. Oil & Gas is the largest shareholder in New Zealand Oil & Gas.