

27 August 2019

## NEW ZEALAND OIL & GAS FY19 LOSS OF \$2.9 MILLION

New Zealand Oil & Gas has recorded a net loss of NZ\$2.9 million for the year ended 30 June 2019 compared to a net profit in the previous year of NZ\$4.8 million.

The net loss attributable to shareholders of New Zealand Oil & Gas was \$7.5 million, compared to a net profit of \$0.8 million last year.

Revenue for the 2018-19 year was \$43.3 million, up from \$35.8 million in the prior corresponding period.

The contributors to revenue were production from Kupe of \$15.9 million (up from \$9.2 million in the prior year) and Cue Energy's production of NZ\$27.4 million (up from \$26.6 million).

The impairment of the company's Kisaran development in Indonesia [\$7.2 million] and Kohatukai exploration [\$4.6 million] contributed to the loss.

The group had a cash balance of \$105.6 million at 30 June 2019, up from \$98.0 million in the previous year.

\$23.5 million from the group balance is committed for the New Zealand Oil & Gas share (including its carry of Cue Energy's share) of the Ironbark well, due to be drilled in Western Australia in late 2020. \$12.0 million is committed for Cue Energy's share after carry, and has been escrowed for this purpose.

No dividend will be paid this year.

New Zealand Oil & Gas and O.G. Oil & Gas (Singapore) Pte. Ltd. ["OGOG"] have entered into a scheme implementation agreement under which OGOG will acquire all of the fully paid ordinary shares of New Zealand Oil & Gas that it does not already own for NZ\$0.62 per share. The board of New Zealand Oil & Gas has formed a committee of the independent directors who have unanimously recommended shareholders vote in favour of the transaction, subject to the scheme price being within or above the valuation range specified by an independent adviser, and in the absence of a superior proposal.

The figures in financial statements released today have been shared with the independent adviser on the scheme of arrangement, Northington Partners. The independent adviser's report is expected to be published in late September.

During the year the Kohatukai well was drilled onshore in Taranaki. New Zealand Oil & Gas interests in Indonesian exploration and development were exited and the company farmed into the Ironbark joint venture.