

11 June 2024

NEW ZEALAND OIL & GAS BUYS MORE OF THE MEREENIE GAS FIELD

Highlights

- **Acquisition previously announced has completed.**
- **Further 25% interest in the Mereenie gas field acquired.**
- **A\$63 million debt facility entered with initial drawdown of A\$49.5 million, which includes cash to pay the A\$5 million first contingent payment due end of June 2024.**
- **Further contingent and deferred payment of A\$4 million outstanding.**

As announced on 14 February 2024, New Zealand Oil & Gas agreed to purchase a further 25% equity interest in the Mereenie licences, located in the Amadeus Basin in Australia's Northern Territory. The purchase is from Macquarie Mereenie and this transaction was subject to certain conditions, which have been fulfilled and the transaction has completed.

Horizon Oil is also announcing completion of the acquisition of 25% equity interest in the Mereenie licenses, which leaves Macquarie Mereenie with no equity interest.

The participating interests in the Mereenie project are now:

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|--------------------------------|-------|
| • New Zealand Oil & Gas | 42.5% |
| • Horizon Oil | 25% |
| • Central Petroleum (Operator) | 25% |
| • Cue Energy Resources (Cue) | 7.5% |

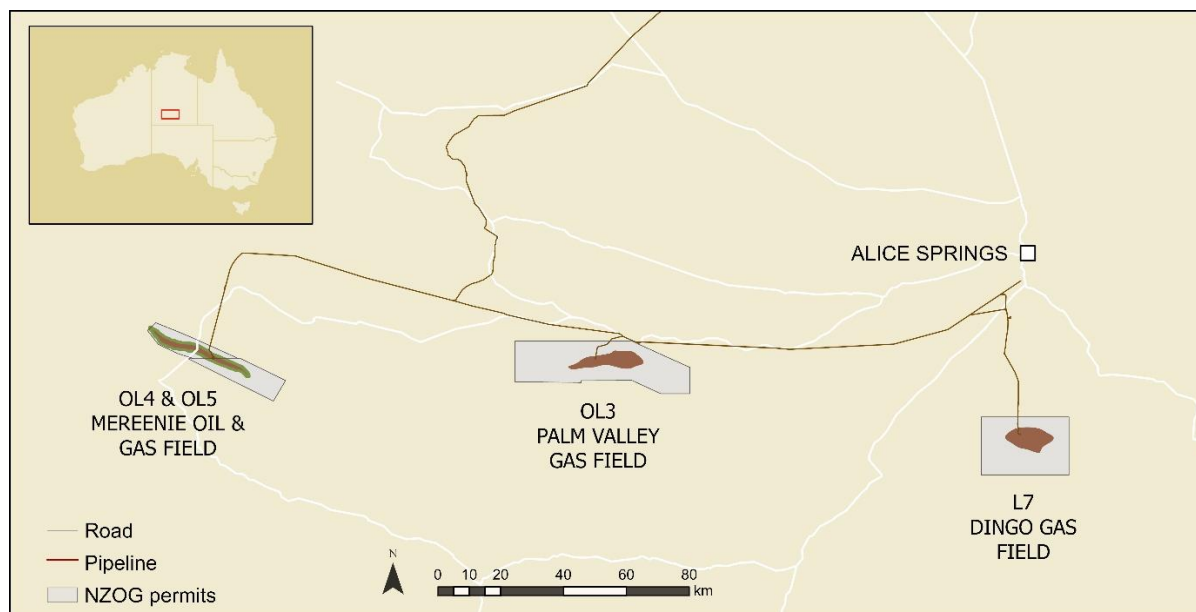
Including Cue's 7.5% interest, the New Zealand Oil & Gas Group's interest in Mereenie is 50%.

This has increased total 2P Group reserves by 41% to 23mmboe as at 1 July 2023. The acquisition will double the New Zealand Oil & Gas Group's reserves and production from the Mereenie field.

MEREENIE 2P RESERVES AT 1 JULY 2023	Before Transaction	With Acquisition
Developed Gas (PJ)	35.4	70.7
Developed Oil & Condensate (mmstb)	0.4	0.7
Undeveloped Gas (PJ)	3.5	7.0
Undeveloped Oil & Condensate (mmstb)	0.0	0.0
Total Equivalent (mmboe)	6.7	13.4

The reserves indicated are for New Zealand Oil & Gas Group which includes Cue Energy Resources Ltd 7.5% interest, New Zealand Oil & Gas has a 50.04% interest in Cue.

See reserves disclosure statement in the New Zealand Oil & Gas 2023 Annual Report, p. 14, available at <https://www.nzog.com/investor-information/company-reports/annual-reports/>



New Zealand Oil & Gas has made an upfront payment of A\$42.5 million for the asset, adjusted for inventory and working capital on 1 April 2023, and for cashflow from the asset since 1 April 2023. New Zealand Oil & Gas will make further contingent payments to Macquarie Mereenie of A\$9 million, subject to certain conditions being met.

As previously announced, Macquarie Bank has provided vendor financing for 100% of the purchase price (including contingent payments), third party transaction costs and future development activity up to a total debt of A\$63 million. The 7-year debt facility is secured by all New Zealand Oil & Gas Amadeus Basin assets. It may be repaid, redrawn or cancelled in whole or part.

New Zealand Oil & Gas has drawn down A\$49.5 million from the debt facility, which includes cash to cover costs incurred to date and to cover the first A\$5 million of the A\$9 million contingent payments, which is due 30 June 2024.

“I’m very happy to be growing our footprint in these assets that we like”, New Zealand Oil & Gas Chief Executive Andrew Jefferies says. “Australia needs gas to power its future in our transitioning world, as spelt out in the Federal Government’s ‘Future Gas Strategy’. The Amadeus basin has been reliably supplying that for decades, keeping lights and air conditioners on, crocodile steaks poached, and industry’s wheels turning. We see opportunity for this to continue in the decades to come, gas providing high quality heat for processing the minerals we all need for an electric future, and clean fast start firming power for when the sun isn’t shining and the wind isn’t blowing. Gas is a three letter word for transition.”



Compliance Statements

Oil and gas reserves, are reported as at 1 July 2023 and follow the SPE PRMS Guidelines (2018).

This resources statement is approved by, based on, and fairly represents information and supporting documentation prepared by New Zealand Oil & Gas Assets & Engineering Manager Daniel Leeman. Daniel is a Chartered Engineer with Engineering New Zealand and holds Masters' degrees in Petroleum and Mechanical Engineering as well as a Diploma in Business Management and has over 15 years of experience. Daniel is also an active professional member of the Society of Petroleum Engineers and the Royal Society of New Zealand. New Zealand Oil & Gas reviews reserves holdings twice a year by reviewing data supplied from the field operator and comparing assessments with this and other information supplied at scheduled Operating and Technical Committee Meetings.

Daniel is currently an employee of New Zealand Oil & Gas Limited whom, at the time of this report, are a related party to Cue Energy. Daniel has been retained under a services contract by Cue Energy Resources Ltd (Cue) to prepare an independent report on the current status of the entity's reserves. As of the 17th of January 2017, NZOG held an equity of 50.04% of Cue.

In the Amadeus basin, New Zealand Oil & Gas Group now holds 50% equity in the Mereenie field. The operator here is Central Petroleum. Net reserves are net of equity portion, royalties, taxes and fuel and flare (as applicable).

Estimates are based on all available production data, the results of well intervention campaigns, seismic data, analytical and numerical analysis methods, sets of deterministic reservoir simulation models provided by the field operators, and analytical and numerical analyses. Forecasts are based on deterministic methods.

At all fields, economic modelling has been conducted to determine the economically recoverable quantities. For the conversion to equivalent units, standard industry factors have been used of 6Bcf to 1mmboe, 1Bcf to 1.05PJ, 1 tonne of LPG to 8.15 boe and 1TJ of gas to 163.4 boe. All reserves and resources reported refer to hydrocarbon volumes post-processing and immediately prior to point of sale. The volumes refer to standard conditions, defined as 14.7psia and 60°F.

The extraction method at the Mereenie field is that gas is gathered from the wells and ultimately collated into the Amadeus Gas Pipeline where sales vary to different customers within the region and further afield. Oil & Condensate are trucked to the sales point within Australia.

Tables combining reserves have been done arithmetically and some differences may be present due to rounding.

Andrew Jefferies, CEO

For further information please contact enquiries@nzog.com or +64 4 495 2424.

About New Zealand Oil & Gas Limited

New Zealand Oil & Gas Limited (NZX/ASX:NZO) is a nimble Australasia-focused energy commodity exploration and production company, headquartered in Wellington, New Zealand. The company is committed to undertaking development and exploration activities that are ethical and values-based, and underpinned by quality relationships, skills and values. It also strives to deliver strong ESG standards that meet the benchmarks expected by communities and regulators.

The company's portfolio comprises a spread of wholly- and partly-owned onshore and offshore oil and gas assets, located in Australia, New Zealand and Indonesia. These stakes are held either directly by the company, or indirectly through its circa 50% stake in ASX-listed Cue Energy Resources Limited (ASX:CUE).

New Zealand Oil & Gas' team of experienced energy sector experts, along with those of its key partners, are now working together to explore and develop multiple assets on the company's books. These activities have comprised multiple exploration programs that continue to validate prospectivity within New Zealand Oil & Gas' asset portfolio. At the same time, the company along with its joint venture partners remain on the lookout for opportunities to acquire additional value-accretive producing and exploration assets.

To learn more, please visit: www.nzog.com/