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NEW ZEALAND OIL & GAS SIGNS EXTENSION TO KUPE GAS SALES AND THE KUPE JV COMMITS TO A DRILLING RIG

- New Zealand Oil & Gas signs an extension to the Gas Supply Agreement with Genesis Energy for supply of gas from the Kupe field
- Three-year extension from 1 October 2023 for delivery into the New Zealand gas market at a fixed price
- The Kupe Joint Venture signs a drilling contract with Valaris for drilling the KS-9 well

New Zealand Oil & Gas Limited (ASX:NZO, NZX:NZO) is pleased to announce that it has executed an extension of its Gas Supply Agreement with Genesis Energy Limited. The agreement has been extended for three years from 1 October 2023 and covers all New Zealand Oil & Gas' 4% interest in gas production at the Kupe field. The price reflects market conditions. The agreement is subject to regulatory approval.

The Kupe Joint Venture has also executed a drilling rig agreement with Valaris Limited to use the Valaris 107 jack-up rig for the Kupe KS-9 infill well, the same rig that originally drilled up the field (then called the Ensco 107). We currently expect drilling in the second half of CY2023, subject to final regulatory approvals and rig availability.

Chief Executive Andrew Jefferies said "Great to see a plan come together. Committing to the rig to drill KS-9 at the Kupe field and extending our sales relationship with Genesis Energy, the long-standing high-quality buyer of our gas. This gas will be vital to avoid disruption and energy price inflation due to the forecast decline in New Zealand's gas production capacity. Gas that is vital for industry, heating showers, cooking salmon, and providing reliable power, supporting renewable generation. Gas is a three-letter word for transition."

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