

5 December 2017

Bridget Irving
Convenor, Southern Community Panel
Galloway Cook Allan Lawyers
PO Box 143
DUNEDIN, 9054

Dear Bridget,

I am writing to acknowledge the 2017-18 Letter of Expectations (LOE) from the Southern Community Panel, recently received by New Zealand Oil & Gas, and to thank you for your part in co-ordinating feedback from the Panel which forms the content of the letter.

As with the previous two LOE from 2015-16 and 2016-17 you have clearly set out the behaviours that are expected of us, and expectations for the way in which we will engage with the Panel. The letter also highlights specific areas for us to work together, including environmental impacts and climate change responses.

We are committed to meeting these expectations. We will work over the coming year to provide the Panel information outlining risk, mitigation and management of key environmental issues, and will keep you informed on progress made in relation to wider climate change issues. We look forward to exploring both investment and mitigation opportunities, and will collaborate with the Panel on these.

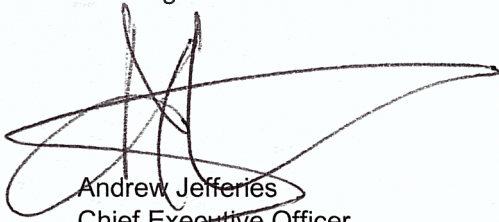
It is our intention to continue the process of reviewing our performance against the LOE through a review at the end of the financial year. As with other years this feedback will be made publicly available.

I appreciate the Panel's collaboration with our company on local community investment opportunities in the Southern region. I am pleased to confirm that we will continue to resource the Panel at the same level as previous years, being \$50,000 plus GST.

As you know the last few years have been challenging for the industry, with delays experienced on many projects. The year has also presented significant change for our company. We appreciate that the Panel has remained engaged in the process, as well as contributing to wide ranging discussions over that time. The feedback we have received from the Panel has resulted in New Zealand Oil & Gas having a greater understanding of community perspectives, and responding to these more effectively where we can.

We look forward to working with you over 2017-18.

Kind regards



Andrew Jefferies
Chief Executive Officer
New Zealand Oil & Gas