Discovering Our Energy Future

Interim Results 2013



HY2013 Financial Results Highlights



- 3 cps interim dividend
- Solid cash flows from operations
- Investment in Cosmos expensed
- Large cash reserves
- Able to pay dividends <u>and</u> reinvest in growth

Interim Div



- 3 cents per share
- Fully imputed
- Paid on 5 April to shareholders at 15 March

Financial Summary



			Restated*		
		1H13	1H12	Change	
Production	mmboe	0.5	0.6	-16%	
Ave Sales Price (oil & light oil)	US\$/bbl	111.6	113.0	-1%	
In NZ\$ million					
Revenue		47.9	54.6	-12%	
EBITDAX		27.9	33.0	-15%	
Exploration write-offs		(6.5)	(0.6)	-983%	
EBITDA*		21.4	32.4	-34%	
EBIT		10.5	18.0	-42%	
Net Profit After Tax		7.7	1.7	353%	
Normalised Profit After Tax**		7.1	19.1	-63%	
Net Operating Cash Flow		25.2	26.5	-5%	

Abnormal Items

In NZ\$ million	1H13	1H12
PRCL related gains/(losses)		
- Net fair value loss on bonds	-	(4.1)
- Secured and Unsecured debt and interest	2.0	(18.1)
PRCL related gains/(losses)	2.0	(22.2)
Foreign Exchange gains/(losses) (net of tax)	(1.4)	4.8
Total Abnormal Items	0.6	(17.4)

^{*} Earnings Before Interest, Tax, Depreciation and Amortisation and Exploration write-offs

^{**} Net Profit After Tax excluding Abnormal Items

Producing Assets Contribution by field



In NZ\$ million	Kupe	Tui	Other	1H13
Revenue	31.2	16.6		47.9
EBITDAX	22.7	10.2	(5.0)	27.9
Exploration write-offs			(6.5)	(6.5)
Depreciation and Amortisation	(8.4)	(2.4)	(0.0)	(10.8)
EBIT	14.3	7.8	(11.5)	10.5

In NZ\$ million	Kupe	Tui	Other	1H12
Revenue	37.1	17.5		54.6
EBITDAX	24.7	12.2	(3.9)	33.0
Exploration write-offs			(0.6)	(0.6)
Depreciation and Amortisation	(10.8)	(3.6)	(0.1)	(14.5)
EBIT	14.0	8.6	(4.6)	18.0

Cash Flows



In NZ\$ million	1H13	1H12
Cash flows from operating activities	25.2	26.5
Cash flows from investing activities	1.6	25.3
Cash flows from financing activities	(24.1)	(15.3)
Net Increase in cash and cash equivalents	2.7	36.5

Investments, Cash and Debt



Investments

\$18m in Exploration and Evaluation Assets

\$11m in Pan Pacific Petroleum (PPP)

Cash Position at 31 December 2012

\$209 million cash balance (including US\$87m)

\$38 million debt facility, fully drawn

\$171 million net cash

The search for new assets



Our job is to balance a range of risks:

Overseas exploration.

New NZ basins.

Timeline and resource to bring discoveries to production

New producing assets needed medium term.

Portfolio development



Offshore

Drilling underway in Kisaran

NZ activity

New Taranaki permits

Return to onshore

Interest in entering new basins

Portfolio development



Even with success, new exploration is 5-8 years from producing

We are seeking new producing assets.