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ASX ANNOUNCEMENT (ASX: KPL) 12th March, 2012
PRL 21 - Joint Venture Parties Update

Kina refers to its announcement dated 23rd February 2012 referring to a release made by Talisman Energy Inc. ("Talisman") outlining the terms of a Strategic Joint Venture they had entered into with Mitsubishi Corporation ("Mitsubishi") whereby Mitsubishi were to enter into nine of Talisman's licences in Papua New Guinea's onshore Western Province via a farmout.

As part of these farmout arrangements Kina can now confirm that Diamond Gas Niugini B.V. ("Diamond Gas"), a wholly owned subsidiary of Mitsubishi Corporation will acquire a 7.5% undivided interest in PRL 21 and a 7.5% undivided interest in the PRL 21 Joint Operating Agreement dated November 2, 2011.

Kina understands the purchase price for Diamond Gas's interest was equal to US$2.951M per % point acquired, a price, Kina's Managing Director Mr Schroder, commented "reflected the perceived value prior to the recently successful Elevala 2 results"

Upon the sale process being approved by the relevant authorities, the resulting participants in PRL 21 will be:

Participant	**% Interest**
Horizon Oil (Papua) Limited[1]	45.0%
Talisman Energy Niugini Limited	32.5%
Kina Petroleum Limited	15.0%
Diamond Gas Niugini B.V	7.5%
	100.0%

[1] A wholly owned subsidiary of Horizon Oil Limited (ASX: HZN)

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