11 March 2015

Market Announcements Office
ASX Limited

Completion of Sale of 50% Interest in PPL 269

New Guinea Energy Limited (**NGE**) is pleased to advise shareholders that its wholly owned subsidiary, Kirkland Limited (**Kirkland**), today completed the sale of its 50% interest in Petroleum Prospecting Licence (**PPL**) 269 to Barracuda Limited - a subsidiary of Santos Limited (**STO**).

Under the terms of the sale and purchase agreement, STO has now acquired Kirkland's 50% participating interest in PPL 269 in exchange for a total consideration of:

- payment of US$32 million cash on Completion;
- future payment of US$2 million cash if a Petroleum Retention Licence (**PRL**) is granted over any area of PPL269; and
- future payment of a further US$6 million cash if a Petroleum Development Licence (**PDL**) is granted over any area of PPL269. (However, if a PDL is granted prior to a PRL, a one off payment of US$8 million cash will be payable instead).

"We are very pleased to have reached Completion of the sale of our interest in PPL 269, today, to a subsidiary of Santos Limited. The funds secured from this transaction now give the Company the ability to consider future growth opportunities and we look forward to updating shareholders of these considerations in the near future", commented Executive Chairman, Michael Arnett.

Should you have any queries, please contact the Company Secretary on +61 2 9252 0010.

Lucy Rowe
Company Secretary

New Guinea Energy Ltd
ABN 31 112 618 238

Suite 401, Level 4, 2-10 Loftus Street, Sydney NSW 2000 T +61 2 9252 0010 ׀ F:+61 2 9252 0039
PO Box 592 Port Moresby, NCD, Papua New Guinea T: (675) 321 1785 ׀ F: (675) 321 1782
www.ngenergy.com.au