



20 July 2010

The Company Announcements Office
ASX Limited

Capital Raising – Private Placement to Macquarie Bank Limited to raise A\$3,000,000.

New Guinea Energy Ltd (**NGE**) is pleased to announce that it has reached agreement to raise \$3million by way of private placement of 15,000,000 at \$0.20 per share to Macquarie Bank Limited (MBL), a professional investor, in accordance with section 708 of the Corporations Act 2001 (**Act**).

In accordance with Listing Rule 3.10.3, NGE provides the following details of the placement:

Class of Securities: Ordinary Fully Paid

Number to be issued: 15,000,000

Principal Terms: The shares issued will rank equally with existing Ordinary Fully Paid shares on issue.

Shareholder Approval: Approval was obtained for the issue and allotment of the shares at the Annual General Meeting held on 14 May 2010.

Issue to Class: The issue is not being made to a class of security holders.

Funds raised pursuant to this private placement of shares will provide the Company with additional working capital to fund its continuing exploration activities.

A handwritten signature in blue ink, appearing to read "Michael Arnett". The signature is fluid and cursive, with a prominent initial 'M'.

Michael Arnett
Executive Chairman