



## **PRESS RELEASE – 19 Dec 2011**

### **Kina Petroleum List on POMSoX.**

The inaugural listing of Kina Petroleum Limited (**KPL**) on the Port Moresby Stock Exchange (POMSoX) was held today – **Monday 19<sup>th</sup> December 2011**.

KPL recently concluded an Initial Public Offer which was jointly staged in PNG and Australia to raise funds for its oil and gas exploration projects in PNG. KPL is a Papua New Guinean oil and gas exploration company in based in PNG. The Company was officially admitted to POMSoX official list in the General Admission category. KPL was also admitted to the official list of the Australian Securities Exchange (ASX) today.

KPL listed 75,778,575 ordinary shares and 20,510,155 options which will trade under the code “KPL” for its ordinary shares and “KPLO” for its options. The company has issued ordinary shares at A\$0.20 per ordinary share or kina equivalent of K0.47 per ordinary share with one free attaching option with an exercise price of A\$0.20 (K0.47 equivalent) and expiry date of 30 November 2012, for every three ordinary shares subscribed for. Funds raised the Initial Public Offering will be used to develop the company’s oil and gas projects as well as to provide working capital for the company.

KPL has 100% interest in four, onshore Petroleum Prospecting Licenses (“PPL’s”) being PPL 337, PPL 338, PPL 339 and PPL 340. In October 2010, KPL entered into Farm-In Agreements with ASX listed & POMSoX listed Oil Search Ltd (“OSH”) in relation to PPL’s 338 and 339. These agreements set out the terms upon which OSH may earn up to a 70% participating interest in these two PPL’s, essentially by undertaking a seismic program, and depending on the results of this program, fund the majority of a two well drill program on PPL’s 338 and 339. In addition, on March 18th 2011, KPL was awarded a 20% participating interest in Petroleum Retention Lease (“PRL”) PRL 21. KPL’s Joint Venture Partners in PRL 21 are Horizon Oil (Papua) Limited, Talisman Energy Niugini Inc.

PRL 21 encompasses two stranded gas fields (Elevala and Ketu) which were discovered by British Petroleum Development Ltd (BP) in the early 1990's. KPL and its JV Partners intend to appraise the Elevala and Ketu discoveries and subject to the outcome of the appraisal drilling, attempt to undertake early development of the liquids contained within the reservoirs which may lead to early cash flow.

In admitting the company to the exchange's official list, the General Manager of POMSoX, Mr. Geoff Mason said "that the listing of KPL extends the number of listed companies to 19. The listing provides an additional opportunity for Papua New Guinean investors to buy shares in the company and contribute toward developing the entity's projects in PNG.

Mr. Mason continued "The listing also signals the confidence that KPL has in the local exchange and its ability to provide a growing competitive market. The admittance and listing of KPL to the exchange's official listing brings the total market capitalization to K106 billion".

**END**