



ASX ANNOUNCEMENT (ASX: KPL) 31 July, 2015

Increased Participating Interests in PPL 435 and PPL 436

Kina Petroleum Limited ("KPL") is pleased to announce that its participating interest in both PPL 435 and PPL 436 will increase from 50% to 100%.

Cott Oil and Gas (PNG) Limited, which held a 50% participating interest in both licences, will withdraw from the licences to focus on other parts of its portfolio. The withdrawal will occur with immediate effect, subject to government approval.

KPL will shortly commence a seismic re-processing program in each licence aimed at delineating regions which will be the focus of future seismic acquisition programs. Both the re-processing and future seismic acquisition programs will focus on the Aiambak and Lake Murray East leads in PPL 435 and the Dalbert, Sturt, Alligator and Oriomo prospects in PPL 436.

Kina Petroleum's Managing Director, Richard Schroder, commented:

"The Western Province of PNG remains relatively under-explored and we are pleased to be able to consolidate our interests in the PPL 435 and 436 licences."

Both licences contain leads which are of considerable size and which are commercially attractive due to their accessibility, relatively shallow depth and proximity to discovered hydrocarbons in Western Province."

The upcoming seismic re-processing and acquisition programs will provide us with further clarity of the prospectivity of these leads ahead of drilling. Clearly, in the event of a discovery, the licences are well located for potential inclusion in any development either on a stand-alone basis or as part of a Western Province aggregation strategy."

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