



14 April 2010

The Company Announcements Office  
ASX Limited

### **Signing of Drilling Contract**

New Guinea Energy Limited (**NGE**) is pleased to announce that it has finalised the terms of and executed a drilling contract with Australian Drilling Services Pty Ltd (**ADS**).

As announced on 17 February 2010 NGE had previously entered into an option agreement with ADS to secure their Kremco K650 rig (Rig 6) for NGE's 2010 drilling program on its wholly owned Panakawa Prospect in PPL 267.

NGE is currently organising required equipment and materials as part of the initial stages of this drilling program and a timetable has now been drawn up as follows:

<b>ACTION</b>	<b>DATE</b>
MOBILISATION	Late April
SPUD DATE	Mid May

All dates in the above timetable are subject to the timely completion of obligations by third parties, environmental factors such as inclement weather as well as unforeseeable technical issues which are all inherent exploration risks.

Attached are photos of the rig in its prior location in Queensland and of the Panakawa drill site.

New Guinea Energy Ltd  
ABN 31 112 618 238

Level 22, Gold Fields House, 1 Alfred Street, Sydney NSW 2000 T +61 2 9250 1800 I F:+61 2 9250 1838  
PO Box 592 Port Moresby, NCD, Papua New Guinea T: (675) 321 1785 I F: (675) 321 1782  
[www.ngenergy.com.au](http://www.ngenergy.com.au)



Australian Drilling Services Rig 6.



Panakawa-1 proposed well location (red arrow) in log yard of the Rimbunan Hijau Plywood Mill (view to south). Well pad construction is currently underway with heavy equipment on location. Note Wawoi River adjacent to site provides access to barges up to 3000 tons.



Further details with respect to NGE's drilling program will be announced as they are finalised.

Should you have any queries please contact Lucy Rowe or Gillian Nairn on 02 9250 1800.

Lucy Rowe  
Company Secretary

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