



5 January 2010

The Company Announcements Office
ASX Limited

Commencement of seismic program for PPL 266

New Guinea Energy Limited (**NGE**) is pleased to announce the commencement of a joint seismic program with Talisman Niugini Limited (**Talisman**) in relation to NGE's wholly owned PPL 266.

Talisman will extend its current seismic program in respect of its adjoining licence, PPL 261, to include the north-east of PPL 266. This cooperative program between NGE and Talisman is an opportunity for NGE to achieve operational synergies and cost savings whilst pursuing its aim of identifying leads and elevating leads to drillable prospect status.

NGE anticipates completion of the PPL 266 seismic program by the end of the first quarter 2010.

NGE has entered into farm-in agreements with Talisman in relation to PPLs 268 and 269. The key terms of these farm-in agreements are detailed in NGE's announcement to the ASX of 18 September 2009.

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

Lucy Rowe
Company Secretary

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