



ASX ANNOUNCEMENT (ASX: KPL) 14th March, 2014

PPL 338 Exploration and Farmin Update

Kina Petroleum Limited ("KPL") is pleased to provide an update in relation to PPL 338 exploration and farmin activities.

The seismic program over the potential Triceratops extension was completed in late 2013 and the data from the program has, been processed and interpreted. KPL's interpretation of the seismic data shows potential for an updip carbonate presence extending from Triceratops into PPL 338. Kina also sees higher risk reef development potential to the north of Triceratops on the footwall of the leading edge of the frontal fold belt.

KPL believes that geological control supports a well that can be drilled using mobile slim-hole drilling technology, the cost of which will be significantly lower than for a conventional rig.

KPL's priority is to drill the prospects identified in the licence. Forward work program options have been reviewed and the farmin agreement with Oil Search Limited has now lapsed which will allow KPL, as licence holder and having a 100% participating interest, to pursue the expressions of interest already received from other parties in respect of the licence and develop a forward program which includes early drilling of the prospects that have been identified.

In addition to the extension to Triceratops, these prospects include the previously identified candidates of Nipa, Mangrove and Crocodile all of which will be influenced by the Raptor well soon to be spudded by InterOil.

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

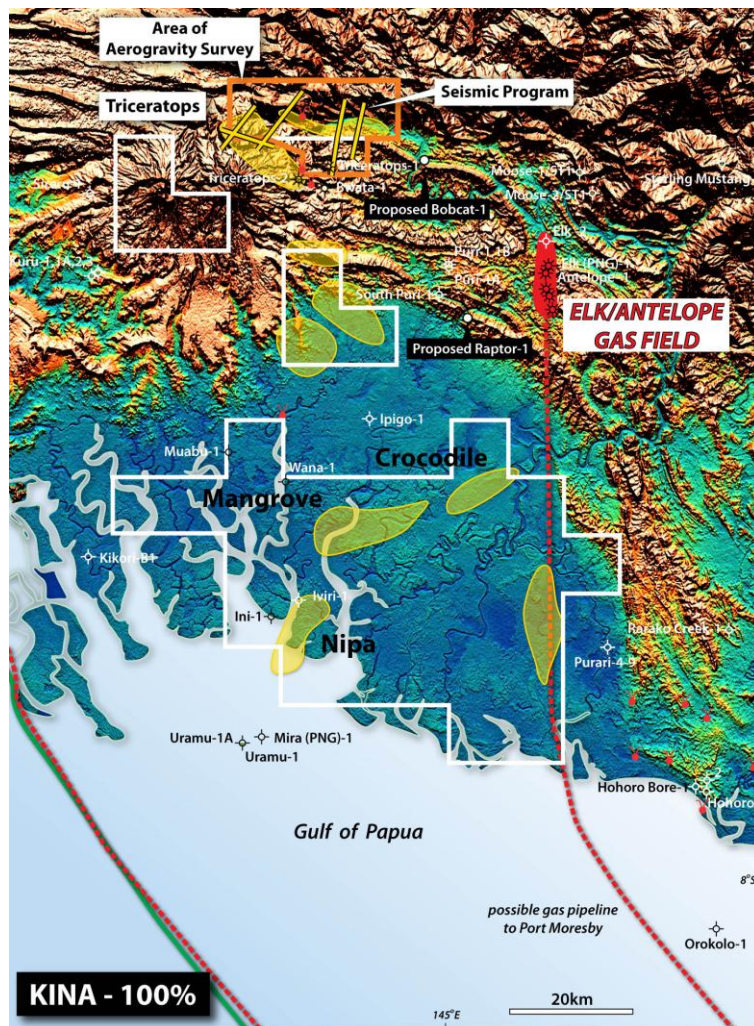
Kina remains excited by the prospectivity and value of PPL 338 particularly in view of the amounts being paid for entry into neighbouring PRL 15. Kina believes mapping reef potential is difficult using seismic, and presence of reefs is best proved by drilling.

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Kina has developed a good portfolio of leads and prospects that can be tested at relatively shallow depth. Kina and its partners will test slim hole technology mid year in PPL 337 and Kina will apply what it learns in PPL 337 to test some of its shallower depth targets in PPL 338."

Map of the PPL 338 licence area, including prospects and leads.



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