

26th March 2015

Termination of Garaina Farm-in Agreement in PNG

The Board of Pacific Niugini advises that it has terminated the Garaina farm-in agreement with MGL Limited. Although MGL had expended a large portion of the \$6 million requirement and advanced the project knowledge, they failed to meet the minimum requirements to earn any interest in the project. Pacific Niugini retains a 100% interest.

Work completed on the project to date has confirmed significant epithermal gold and copper-gold porphyry mineralisation in a classical transfer fault break through the Owen-Stanley Ranges.

Pacific Niugini has had a number of approaches and is in discussions with other parties who have expressed an interest in the project. The board is considering options for the further development of Garaina, while focusing on the successful development and operation of the Nicolsons Mine near Halls Creek in Western Australia.

Ends

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