



6 September 2010

Company Announcements Office
Australian Stock Exchange Limited
Level 5, Riverside Centre
123 Eagle Street
Brisbane QLD 4000

PACIFIC NIUGINI - PLACEMENT OF \$6 MILLION

Pacific Niugini Ltd (ASX:PNR) is pleased to announce that it has completed the capital raising of \$6 million by a placement of 30.45 million fully paid securities at \$0.20 per share with sophisticated and private Section 708 exempt investors, as announced on 1 September 2010.

Appendix 3B and Section 708 Cleansing Statement is attached.

Dennis Lovell – Company Secretary

Investor Enquiries:

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

PACIFIC NIUGINI LIMITED

ABN

30 003 207 467

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | (i) Fully Paid Ordinary Shares
(ii) Unlisted options over ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (i) 30,450,000 ordinary shares
(ii) 2,000,000 unlisted options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (i) Fully Paid Ordinary Shares
(ii) Unlisted Options exercisable at 28 cents expiring 31 March 2013 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(i) Ordinary shares will rank equally with ordinary shares already on issue.</p> <p>(ii) Options-Any fully paid ordinary shares issued on exercise of the unlisted options will rank equally from the date of issue. No dividend participation prior to date of exercise.</p>				
<p>5 Issue price or consideration</p>	<p>(i) Ordinary shares 20 cents per share</p> <p>(ii) Options issued free</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Working capital for expanded exploration, development and acquisitions for the Company's PNG and Pac-Rim exploration projects and strategy</p>				
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>9 September 2010</p>				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1433 989 1478">Number</th> <th data-bbox="989 1433 1283 1478">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1478 989 1697">233,634,922</td> <td data-bbox="989 1478 1283 1697">Ordinary shares</td> </tr> </tbody> </table>	Number	⁺ Class	233,634,922	Ordinary shares
Number	⁺ Class				
233,634,922	Ordinary shares				

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	23,719,745	Options (30 cents, 30 September 2011)
	17,950,100	Options (20 cents, 30 June 2014)
	1,500,000	Options (20 cents, 26 November 2012)
	2,240,000	Options (17 cents 23 February 2013)
	2,000,000	Options (28 cents 31 March 2013)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has +security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- | | | |
|----|---|--|
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |

+ See chapter 19 for defined terms.

32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?

33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38 Number of securities for which ⁺quotation is sought

39 Class of ⁺securities for which quotation is sought

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

+ See chapter 19 for defined terms.

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 6 Sept 2010.....
(Director/Company secretary)

Print name: ..Dennis Lovell
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ASX ANNOUNCEMENT
6 SEPTEMBER 2010

Notice pursuant to subsection 708A(5)(e) of the Corporations Act 2001 (Cth) (Act)

Pacific Niugini Limited (Company) advises that on 6 September 2010 it allotted 30,450,000 fully paid shares at an issue price of \$0.20 per share to sophisticated investor and professional investor clients of Williams Debroe, London, as announced on 1 September 2010.

As required by subsection 708A(6) of the Act the directors of the Company advise that:

- (i) *the Company issued the shares without disclosure to investors under Part 6D.2 of the Act;*
- (ii) *this Notice is being given pursuant to subsection 708A(5)(e) of the Act;*
- (iii) *as at the date of this Notice, the Company has complied with:*
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company, and
 - (b) section 674 of the Act; and
- (iv) *as at the date of this Notice, the Company is not in possession of any excluded information as defined in subsections 708A(7) and 708A(8) of the Act.*

Dennis Lovell – Company Secretary

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