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Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street,
Sydney NSW 2000

PACIFIC NIUGINI UNDERTAKES PRIVATE PLACEMENT OF 45 MILLION SHARES

Pacific Niugini Ltd (ASX:PNR) is pleased to announce that it has undertaken a capital raising of \$2.34 million by a placement of securities with sophisticated and private Section 708 exempt investors.

The sole book-runner for the placement is Merchant Capital Markets, Perth. Investors have subscribed for a total of 45 million fully paid ordinary shares in Pacific Niugini at \$0.052 per share. Settlement is due in 7 days, and shares are expected to be allotted and will commence trading on the 6th of June 2014.

The placement is being conducted using available placement capacity under ASX listing rules 7.1 and 7.1A, and was closed over-subscribed.

The placement will provide working capital to enable the company to rapidly advance towards production at its recently acquired Nicolson's Gold Mine near Halls Creek in Western Australia.

Managing Director Paul Cmrlec said "We are delighted by the strong support that we have received to advance the Halls Creek Project to production in these tough market conditions. Management will pull out all stops to achieve our production goals and deliver acceptable returns for our share holders. We thank our long term share holders for their support in this placement, and welcome new participants in this exciting time for the company."

Final details of the placement will be announced once all investor applications and funds have been received.

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