



18 July 2011

Manager of Company Announcements
ASX Limited
Level 5, Riverside Centre
123 Eagle Street
Brisbane QLD 4000

Press Release – EL 1616 “Bulolo”

Pacific Niugini Limited (“PNR”) through its wholly owned subsidiary, Pacific Niugini Minerals (PNG) Pty Ltd (“PNM”) is the owner of EL1616 – Bulolo.

PNR wishes to advise that it has received notice that the National Court of Justice at Waigani in Papua New Guinea has granted PNG Forest Products Limited (“the Plaintiff”) leave to apply for a Judicial Review of the decision to grant PNM an extension of the term of EL1616.

PNM is named as the 6th defendant in the action. Other parties to the action are:
1st Defendant - The Registrar of Tenements
2nd Defendant - The Mining Warden
3rd Defendant - The Chairman of the Mining Advisory Council
4th Defendant - The Minister for Mining
5th Defendant – The Independent State of Papua New Guinea

The Plaintiff is a competing land user having grazing rights over a portion of EL1616. PNR has previously advised that it has continually been frustrated in its attempts to explore and evaluate the resource potential on EL1616 in the area of competing land use despite numerous rejected attempts to discuss and resolve fair compensation to the pastoralist for hindrance caused by its exploration activities. The Mining Act grants the holder of an exploration tenement exclusive access for exploration purposes, and PNR has made repeated attempts to agree amicable arrangements with the Plaintiff and believes that its refusal to enter into discussion and negotiation is itself a breach of the Mining Act.

Exploration activities on EL1616 are focused on both the discovery of primary gold mineralization well away from the grazing activities as well as attempts to evaluate the potential for gold production from the Bulolo Gravels Project. Over 2 million ounces of gold were mined from the Bulolo Gravels between 1934 and 1965.

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Ironically, it was gold dredging in this area which spawned the establishment of forestry, grazing, farming and essential infrastructure services in this region.

PNR believes that all due process in the extension of the tenement was followed, and intends to strongly defend its position.

For and on behalf of the Board



Dennis Lovell
Company Secretary

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