

8 JUNE 2011

ASX : NAE

ASX ANNOUNCEMENT**Successful Acquisition of Additional Colombian Coal Project**

New Age Exploration Limited (“NAE” or “the Company”) is pleased to announce that it has entered into a binding agreement to acquire an additional exploration and mining concession within the Cesar thermal coal basin in Colombia through its partnership with Aurora (“NAE-Aurora Partnership”).

This acquisition represents NAE's second step in building a portfolio of Colombian thermal and coking coal projects and builds on the Company's recently announced initial transaction (11th May 2011) of two coal concessions in the Cesar Basin.

Highlights

- **NAE-Aurora Partnership completes acquisition of 100% of the 2,544 hectare La Miel concession (GJP-151) located within the Guaimaral block of the Cesar thermal coal basin**
- **Conceptual exploration target of 50 to 200 million tonnes export quality thermal coal has been identified within the La Miel concession**
- **Initial due diligence has confirmed the potential for the La Miel concession to host the target coal bearing sequence at depths accessible via conventional underground mining methods**
- **The La Miel acquisition represents an important addition to our coal project portfolio in the Cesar basin where we now hold a total of 6,675 hectares in three highly prospective concessions**

NAE's Managing Director Gary Fietz commented “We are pleased that we have successfully followed up our first Colombian acquisition with the La Miel acquisition.”

“NAE now has a 90% interest in three concessions in the Cesar basin totalling 6,675 hectares; the La Miel concession, GJP-151 (2,544 hectares), and the two initial Cesar Project concessions GHN-121 (1,544 hectares) and GIK-103 (2,587 hectares). The La Miel concession is located approximately 35km to the north of the Cesar Project concessions and potentially has exploration and development synergies with the two initial Cesar Project concessions.”

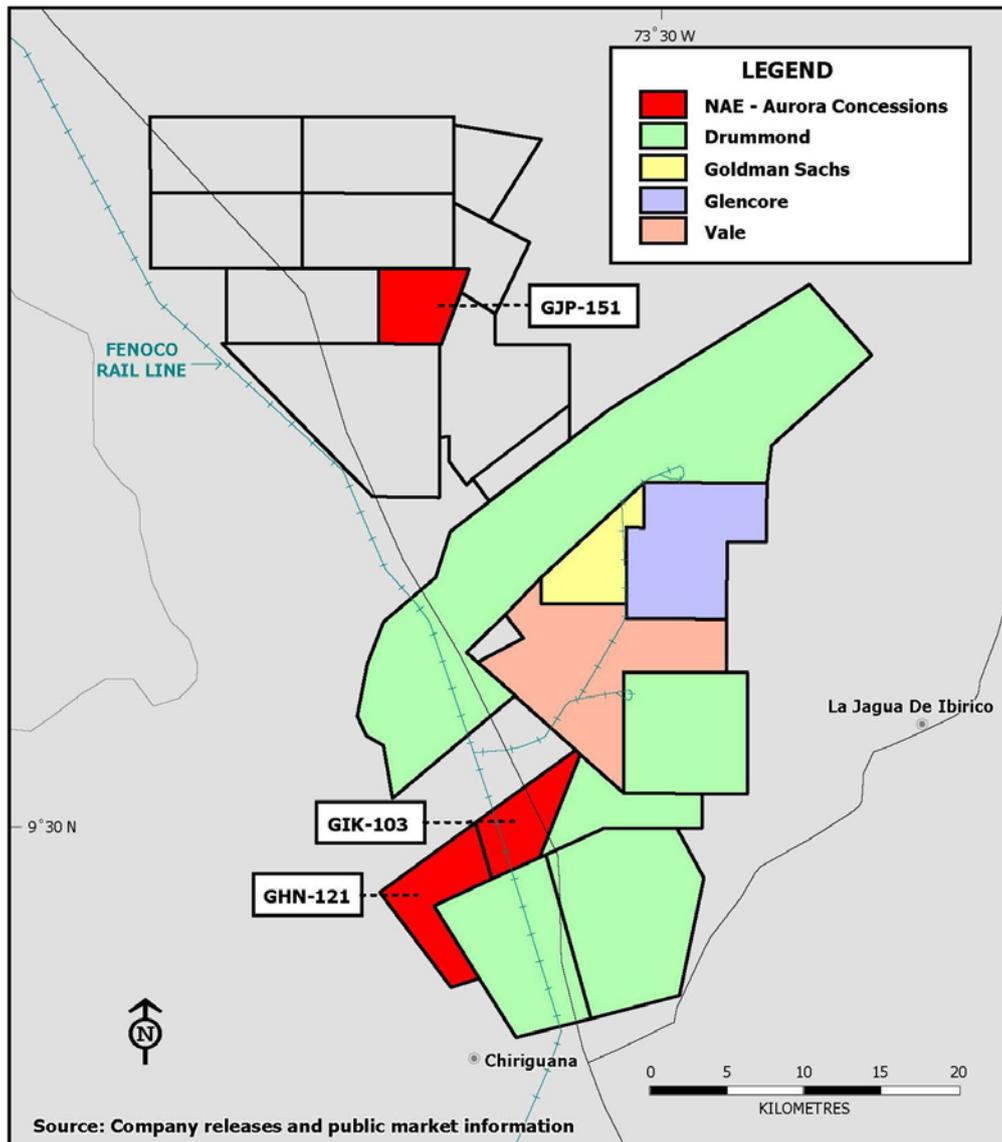
“We are very excited by the potential of these concessions to host economic quantities of export quality thermal coal and we now intend to progress exploration and drilling.”

“We continue to remain focussed on building our Colombian project portfolio and are reviewing a number of other potential opportunities within Colombia, with a particular focus on adding coking coal and thermal coal opportunities to our portfolio of assets.”

The La Miel Concession

The La Miel concession (GJP-151) is located in the Guaimaral Block which is a sub-basin of the Cesar Coal Basin in the Cesar department of northern Colombia. A summary of the Cesar Coal Basin and the world class thermal coal deposits which it hosts are contained in NAE's 11th May 2011 announcement.

Figure 1 - Location of the La Miel Concession



CoalCorp Colombia undertook limited exploration on the La Miel concession during 2008, which included interpretation of three existing seismic lines that run through the concession. CoalCorp Colombia concluded that the La Miel concession held the potential to host the Middle Los Cuervos Formation (“MLCF”) at depths from 220m. In the main Cesar basin, the MLCF typically contains multiple coal seams between 2m and 6m thick with a total coal thickness of up to 35m.

Seismic interpretations indicate the MLCF is likely to be present on the concessions at depths generally accessible via conventional underground mining methods.

A conceptual exploration target of 50 to 200 million tonnes of export quality thermal coal has been identified at the La Miel concession.

La Miel Project Concession Logistics

The La Miel concession is located in the Cesar Department of northern Colombia approximately 7km from the main north-south highway to the Atlantic coast ports, located approximately 140km to the north. It is also located 9km from the FENOCO operated railway connecting to ports between Cienaga and Santa Marta, approximately 140km to the north.

Figure 2 - La Miel Concession Transportation Logistics



Investigations undertaken by NAE indicate that trucking via sealed highway to existing ports at Barranquilla would be possible at the following indicative costs:

Trucking Cost	US\$15/tonne
Port Charge	US\$10/tonne
Total Indicative Transport and Port Costs	US\$25/tonne

NAE believes that trucking will be a viable option, however if access to the FENOCO operated railway is possible, then the above transportation costs above may reduce significantly. A summary of the transportation logics for the Cesar Basin are contained in NAE's 11th May 2011 announcement.

Transaction Overview

NAE and Aurora have signed a binding agreement to acquire 100% of the following concession granting the right to explore and mine coal in the Cesar Basin.

Concession	Area (Hectares)	Date Granted	Initial Term	Extension Available
GJP-151 ("La Miel")	2,544	January 3, 2008	30 Years	+ 30 Years

The key terms of the agreement are as follows:

- Initial Payment of US\$100,000 in cash plus US\$100,000 in NAE shares⁽¹⁾
- Second Payment of US\$150,000 in cash or NAE shares⁽²⁾ on completion of 6 month due diligence period
- Third Payment of US\$500,000 in cash or NAE shares⁽²⁾ on 18 month anniversary of execution of the agreement
- Payment of US\$0.075 – US\$0.125 per tonne of underground JORC Measured Resource or US\$0.125 per tonne of open pit JORC Measured Resource with a strip ratio of less than 10 bcm waste : 1 tonne coal
- Total Measured Resource payments (underground and open pit) are capped at US\$30 million and are due on announcement of JORC Measured Resource statement(s) by NAE
- Payment of US\$500,000 in cash or NAE shares⁽²⁾ on commencement of commercial production
- Royalty payable of US\$1.00 per tonne produced
- NAE holds a 90% interest and Aurora holds a 10% interest in the concessions with NAE-Aurora's combined interest governed by the terms of the recently announced NAE-Aurora Partnership Agreement

(1) NAE shares will be issued at the volume weighted average share price (VWAP) calculated for one trading day prior to transaction announcement

(2) Vendor may elect to have these payments made in NAE shares instead of cash. NAE shares will be priced at a 10% discount to the 10 day NAE VWAP prior to the date of the payment

The transaction structure involves only small payments prior to definition of a JORC Measured Resource, allowing the majority of initial investment to be spent on exploration and development until such time as there is a high level of geological confidence in the resource.

Next Steps

The NAE-Aurora Partnership has commenced acquiring historical seismic data for the La Miel concession and has engaged geophysical consultants to reprocess and interpret the data. NAE anticipates that this process will take 1-2 months.

Upon completion, the seismic data will be used to plan an initial drilling program to confirm the presence of the MLCF and target seams and commence the delineation of a JORC resource for the La Miel concession.

Competent Person Statement:

Information in this document that relates to Exploration Results is based on information compiled by Dr Frederick Smith, who is a Fellow of the Institute of Materials, Minerals and Mining. Dr Smith is a Director and Shareholder of Aurora Energy S.A and the Managing Director and Principal Consultant of FWS Consultants Ltd. Dr Smith has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Smith consents to the inclusion in the documents of the matters based on his information in the form and context in which it appears.

The potential quantity and grade of the exploration target is conceptual in nature as there has been insufficient exploration conducted to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

The conceptual exploration target estimate above is based mainly upon (a) third party interpretation of legacy seismic profiles (ca. 30 years old) to assess the likely geological structure; (b) legacy boreholes sunk on nearby concessions; and (c) comparisons with the coal-bearing sequences exploited in nearby areas. The project is at an early stage, and so the target tonnages relate to coal in situ, in seams likely to be of workable thickness, but do not include any allowances for mining layout, recovery, support areas, or currently unforeseen geological losses. The range in the tonnage estimate reflects chiefly the current uncertainty (without direct borehole evidence) of the total thickness of mineable coal, and on the precise extent of the coal-bearing sequence beneath the licence block.

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