

Embargoed for release: 1350 on 29 May 2013

**Northern Petroleum Plc  
("Northern" or "the Company")**

**Northern to be Issued 5,800 km<sup>2</sup> Shale Oil Licence**

The Government of South Australia has announced a wholly owned subsidiary of Northern Petroleum Plc (AIM:NOP) as the successful bidder for 100% of Petroleum Exploration Licence (PEL) 629 covering an area of 5,800km<sup>2</sup> with shale oil prospectivity in a so far lightly explored but producing portion of the onshore Otway Basin with five gas fields having significant amounts of condensate. Only five stratigraphically deep exploration wells have been drilled within the licence and some 4,468 line kilometres of 2-D seismic data recorded. The award is for an initial period of five years

PEL 629 is also prospective for conventional oil and gas, but Northern will focus on the unconventional potential of the Late Jurassic to Early Cretaceous Casterton and Sawpit Formations. The initial programme will be detailed geochemical analysis and seismic reprocessing, combined with state of the art wireline log processing for evaluating the potential unconventional shale sequences for light oil, condensate and gas potential.

The Otway Basin is South Australia's second most prospective onshore oil and gas province with land releases attracting competitive bids from both Australian and international petroleum explorers.

Derek Musgrove, Managing Director of Northern Petroleum stated:

"Northern's first steps into shale oil came through an increasing recognition of the high potential within its licences in the West Netherlands Basin. The Company rapidly developed an understanding and some in-house expertise in the geological requisites for a good shale oil play.

With these newly acquired strengths on board it was natural to extend our investigations into our licensed areas of the south of England and suitable basins elsewhere that fitted our business model screening factors of low entry cost and early stage commitments, attractive legal and fiscal terms, a pre-existing petroleum infrastructure in the basin, good cultural compatibility and a projected ability to bring in new partners to bear much of the higher costs.

Australia was quickly identified and a local highly experienced consultant well known to the Company was retained and the helpfulness of the South Australian state authorities a benefit.

The Otway Basin is seen as particularly attractive for its existing infrastructure and possibilities for the rapid development of any discoveries. Northern will bring to the project its considerable successful experience and high standards of operating in collaboration with its

neighbours in beautiful and environmentally sensitive areas, including The Southdowns National Park in the south of England.

Further opportunities to acquire acreage by application elsewhere in the onshore and offshore continue to be examined aided by the presence of supportive state and federal governments and an attractive well organised system of release of seismic and well data at low costs.”

In accordance with the AIM Rules – Guidance for Mining and Oil & Gas Companies, the information contained in this announcement has been reviewed and signed off by the Exploration and Technical Director of Northern, Mr. Graham Heard CGeol. FGS, who has over 35 years experience as a petroleum geologist. He has compiled, read and approved the technical disclosure in this regulatory announcement. The technical disclosure in this announcement complies with the SPE/WPC standard.

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Notes to Editors:

Northern is a full cycle oil and gas company currently holding numerous licences in a number of low risk areas and is continuing with its strategy of adding and securing value for shareholders as it engages with projects at all stages of the E&P value chain.

Comprehensive information on Northern and its oil and gas operations, including all press releases, annual reports and interim reports are available from Northern's website at [www.northpet.com](http://www.northpet.com).