

22nd October 2012

ASX : NAE

ASX ANNOUNCEMENT**Completion of \$7.5M Capital Raising**

New Age Exploration Limited ("NAE" or "the Company") is pleased to announce that it has entered into binding agreements for the placement of 108,384,615 new shares at 6.5 cents per share to raise a total of \$7,045,000. This is in addition to the \$455,000 raised via a placement of 7,000,000 shares at 6.5 cents per share announced on 15th October 2012 bringing the total raising to \$7,500,000 before associated costs.

The total of \$7,500,000 being raised will ensure that the Company's Lochinvar and Colombia work programs are now fully funded for the next year.

Placement Details

A total of \$7,500,000 will be raised via placement of shares at 6.5c per share in 3 tranches:

1. Placement of 7,000,000 shares at 6.5 cents per share (\$455,000) to 3 Australian based private investors who are clients of JA Advisory Pty Ltd, a Sydney based equity advisory group. The Company expects to issue these shares on receipt of funds this week from its existing 15% capacity under the ASX Listing Rules.
2. Placement of 77,591,051 shares at 6.5 cents per share (\$5,043,418) which will be subject to shareholder approval at the Company's forthcoming Annual General Meeting expected to be held on or about 28th November 2012 as follows:
 - Placement of 28,809,359 shares at 6.5 cents per share (\$1,872,608) to Resource Capital Fund V. L.P. ("RCF V"). RCF V is an existing shareholder and this placement, which will be conducted directly with the Company, if approved by shareholders, will take RCF V to an ownership level of 19.9%.
 - Placement of 27,474,000 shares at 6.5 cents per share (\$1,785,810) to 6 UK based institutional investors who are clients of Ocean Equities Ltd, a London based Institutional Broker.
 - Placement of 11,307,692 shares at 6.5 cents per share (\$735,000) to an Australian institutional investor who is a client of Patersons Securities. An additional placement of 1,384,615 shares at 6.5 cents per share (\$90,000) will be placed to the same investor upon receiving shareholder approval for the third tranche of the placement (see 3 below).
 - Placement of 10,000,000 shares at 6.5 cents per share (\$650,000) to an Australian based private investor who is a client of JA Advisory Pty Ltd
3. Placement of an additional 29,408,949 shares at 6.5 cents per share (\$1,911,582) to RCF V subject to a separate shareholder approval at an extraordinary shareholders meeting expected to be convened in late December 2012 or in January 2013. This placement, if approved by shareholders, will take RCF V to an ownership level of 29%.

Broker fees of up to 5% are payable on the above placements other than the placements to RCF on which no fees are payable.

All shares pursuant to the placement are required to be issued subject to, and in accordance with, the requirements of the ASX Listing Rules and the Corporations Act 2001. NAE intends to apply to the ASX to have all securities the subject of the Agreement quoted on the ASX at the appropriate time.

Funds raised will be applied to the Lochinvar Coking Coal Project in UK, the Company's Colombian coal projects, new opportunities, corporate costs and working capital.

Managing Director, Gary Fietz, said; *"We are very pleased to have completed agreements to raise a total of \$7.5M which will see our work program at Lochinvar in the UK and also our Colombian projects fully funded for the next year. This is a very important step in advancing the Company's projects".*

"I would especially like to thank RCF V for their continued support as a major shareholder. Furthermore, the support of Ocean Equities, JA Advisory and Patersons Securities with this placement has been outstanding and I would like to thank them for all their efforts. We especially welcome our new UK based shareholders and their support for our UK based Lochinvar project".

ENDS

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