

Update on Blue Creek PSA

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New World Oil and Gas Plc ('New World' or 'the Company')

Update on Blue Creek Project PSA

New World Oil and Gas Plc, an oil and gas operating company, announces an update with regards to its Blue Creek Project in Belize ("Blue Creek"). The Company previously reported the date by which the Blue Creek Production Sharing Agreement ("PSA") will terminate, unless an additional well is spudded before that time, or unless extended by agreement with the Belize Government, as being 12 October 2015.

Further to recent legal advice in Belize, however, the Company has been informed that the definition of "term" in the PSA refers to a period of 8 contract years. The contract year commences on the first day of the first calendar month following the effective date. Since the effective date is 12 October 2007, then the contract year commenced on 1 November and so the termination would be 31 October 2015.

New World will be discussing options on continuing its participation in the licence during the course of this week with the Belize Government.

The Company also confirms it is continuing to negotiate and discuss with potential partners participation in the drilling of a well on a drillable prospect at Blue Creek before the deadline to spud a well.

It should be noted that there is no certainty that the Blue Creek PSA will be retained. In the event that it does lapse, then New World will cease to have any trading businesses and so will be treated as an investing company under AIM Rule 15.

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