

POMSOX ANNOUNCEMENT

For Immediate Release to the Market

Port Moresby – 11:00am Friday 14 November 2014

Issue of Notice for Special Meeting of Shareholders and accompanying Independent Expert's Report

Airlines of Papua New Guinea Limited (POMSoX: CGA) announced its plans for capital restructuring on 9 October 2014. The Company has subsequently prepared a Notice of Meeting and Explanatory Memorandum for a Special Meeting of Shareholders to consider the various resolutions required to effect that restructuring, and has had an Independent Expert's Report prepared in relation to matters to be considered under certain of those resolutions by Deloitte Corporate Finance Pty Limited, and submitted those draft documents to POMSoX for its examination pursuant to POMSoX Listing Rule 15.1.

POMSoX confirmed by letter dated 3 November 2014 that it had no objection to the draft Notice of Meeting and Explanatory Memorandum or to the draft Independent Expert's Report that were submitted to it.

The Company has begun to despatch to Shareholders the Notice of Meeting and Explanatory Memorandum accompanied by the Independent Expert's Report in the forms attached to this release, for a Special meeting of Shareholders to be held at **9:30am (Port Moresby time) on Thursday 18 December 2014 at Grand Papua Hotel, Mary Street, Port Moresby, Papua New Guinea.**

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