NEW HOLLAND MINING LIMITED

ABN 50 009 126 238

Tel: (03) 9614 0600 | Level 10, 500 Collins Street
MELBOURNE VIC 3000
Email: nhm@ozzienet.net | Fax: (03) 9614 0550

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ASX ANNOUNCEMENT

ACQUISITION OF ADDITIONAL INTEREST IN INDONESIAN GAS PROJECT – EXTENSION OF EXISTING OPTION

EXTENSION OF EXISTING OPTION TO ACQUIRE ADDITIONAL INTEREST IN L PARIGI GAS PROJECT

New Holland ("the Company") advises that it has extended its existing call option agreement to potentially acquire a further 55% of the Consortium that is seeking to finalise an equity interest in an off-shore gas project in Java, Indonesia, known as the "L Parigi Project".

On 25 May 2006, the Company announced that it had entered into a call option agreement to potentially acquire a further 55% of the Consortium.

The Company has the right to call on the option to acquire a further 55% of the Consortium for a period of a further three months, expiring 23 February 2007. Upon exercising the option to increase the Company's holding to up to 75% in the Consortium, New Holland is required to issue 175,000,000 ordinary shares to the vendors (Intrepid Capital Holdings Limited) which holds 55% of the Consortium. The call option agreement states that the 175,000,000 shares issued pursuant to the agreement will be issued at 0.5 cents ($0.005) per share. This will represent approximately 19% of the issued capital of the Company, subject to any further issues of share capital. In the event that the Company exercises the option to acquire an additional 55% of the Consortium, the vendor has agreed to a voluntary escrow period commencing from the date of issue of the shares to 30 September 2008, unless there is a genuine need, as agreed between the Company and the vendor to sell all or part of the shares prior to that date.

The Company will seek shareholder approval at its forthcoming Annual General Meeting under ASX Listing Rule 7.1 to the issue of the shares.

Kind regards

A. R. Fraser

Alan R Fraser
Managing Director