

ENERGY WORLD CORPORATION LTD.

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Energy World Corporation MOVES FORWARD WITH PROPOSED 3 MTPA LAND BASED MODULAR LNG PLANT

The Directors of Energy World Corporation Limited (EWC) are pleased to announce that EWC has signed a Project Funding and Construction Agreement (PFCA) and a Shareholders Agreement with InterOil Corporation (NYSE:IOC) (POMSoX:IOC) and Liquid Niugini Gas Ltd., the Joint-Venture liquefied natural gas project company of InterOil Corporation and Pacific LNG Operations, LTD., to construct a three million tonne per annum (mtpa) land-based LNG plant in the Gulf Province of Papua New Guinea (PNG), which will be developed in two phases using EWC's modular 500,000tpa LNG trains. Phase one will have a total capacity of 2mtpa, and phase two a further 1mtpa expansion will follow immediately thereafter.

The agreements follow EWC's September 2010 announcement on the formation of the partnership with InterOil Corporation and Liquid Niugini Gas Ltd.


The Train 1 LNG plant will process an estimated 2.25 trillion cubic feet (Tcf) of natural gas over 15 years. In return for its commitment to fully fund the plant, the agreements provide that EWC is entitled to a fee of 14.5% of the proceeds from the sale of LNG from the plant, less agreed deductions, and subject to adjustments based on timing and execution.

The Train 1 LNG project with InterOil Corporation and Liquid Niugini Gas Ltd., for the development of a modular LNG plant, is designed to take gas from the proposed condensate stripping plant (CSP) being pursued by InterOil Corporation in joint venture with Mitsui and accelerate the intended monetization of the Elk and Antelope resource, while eliminating the need for gas reinjection. The agreements provide a framework for the possible expansion of the plant's capacity to 8 mtpa of LNG.

Stewart Elliott, Chairman, Managing Director and CEO of Energy World Corporation Limited, said "These agreements signed today with InterOil and Liquid Niugini Gas will enable EWC to take another step forward in our previously announced plan to bring clean and green energy to Asia. Our modular LNG plant model has been chosen by InterOil and Liquid Niugini Gas as it will enable the economical development of the Elk and Antelope gas fields in a much shorter time frame as compared to a conventional LNG approach."

The PFCA and Shareholder Agreements with InterOil Corporation and Liquid Niugini Gas Ltd. are conditional upon reaching FID no later than 31 December 2011. However, as previously disclosed the current joint venture project schedule is for FID to occur simultaneously for the LNG plant and CSP by June 30, 2011 and combined plant start-up approximately 30 months after FID.

Yours faithfully,
For and on behalf of
ENERGY WORLD CORPORATION LTD.


Ian W. Jordan
Director and Company Secretary