

**Re-Opening**

**\$100,000,000**



**Province of New Brunswick**

**4.80% Debentures Series HB to mature June 3, 2041**

**To be dated February 2, 2012**

**Price: \$119.865 to yield approximately 3.686%**

The Provincial Loans Act provides for a Sinking Fund, by payment annually of a sum equal to at least 1% of the principal amount of the Debentures outstanding in each of the years 2012 to 2041 inclusive.

The Debentures will be issued in the form of a fully registered global certificate (the "Global Debenture"), registered in the name of CDS & Co. as nominee of CDS Clearing and Depository Services Inc. ("CDS") and held by CDS. Beneficial interests in the Global Debenture will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants of CDS. Owners of beneficial interests in the Global Debenture will not be entitled to have Debentures registered in their names, will not receive or be entitled to receive Debentures in definitive form and will not be considered holders thereof except in limited circumstances as described in the Global Debenture.

Principal and semi-annual interest (June 3 and December 3) on the Global Debenture will be payable in lawful money of Canada to the registered holder, CDS, with the first interest payment being for the period from December 3, 2011 to June 3, 2012. Owners of beneficial interests in the Global Debenture will receive payment in accordance with customary procedures of CDS.

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**Legal opinion of: Stewart McKelvey**

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We, as principals, offer these Debentures, subject to prior sale, if, as and when issued and accepted by us and subject to the approval of Counsel. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice. It is expected that the Global Debenture will be available for delivery on or about February 2, 2012.

*January 26, 2012*