

17 June 2021

NUENERGY SECURES FIRST COAL BED METHANE PLAN OF DEVELOPMENT IN INDONESIA

NuEnergy Gas Limited (“NuEnergy” ASX: NGY). Further to our announcement on 20 May 2021, NuEnergy is pleased to announce that the Indonesian Ministry of Energy and Mineral Resources has on 17 June 2021, approved the Company’s first Plan of Development (“POD”) for the Tanjung Enim Production Sharing Contract (“PSC”) under a gross split scheme (referred to as Tanjung Enim POD I) in South Sumatra which will allow the project to proceed to field development and surface facility construction. NuEnergy shall carry out the operations and commercial development of the Tanjung Enim POD 1 singly and exclusively. The approval of the Tanjung Enim POD I also represents the first Coal Bed Methane (“CBM”) POD in Indonesia.

In addition, NuEnergy together with its partners, PT Pertamina Hulu Energi Metra Enim (“PT Pertamina”) and PT Bukit Asam Metana Enim (“PT Bukit Assam”) has also on 17 June 2021, executed the Amended and Restated Tanjung Enim Production Sharing Contract under a gross split scheme (“Gross Split PSC”) in respect of the Tanjung Enim PSC with the Indonesian Special Task Force for Upstream Oil and Gas Business Activities (“SKK Migas”).

The Tanjung Enim POD I approval covers the development in two target areas, in the north and south of the contract area covering ~33km² (or 13% of the total acreage of the Tanjung Enim Gross Split PSC) where the Indonesia Research and Development Center for Oil and Gas Technology (commonly referred to as LEMIGAS) has confirmed and certified reserves totalling ~164.89 Bscf in these areas.

The development will consist of drilling 209 wells for the gas production and delivery to a plateau up to 25 MMSCFD over 10 years. The gas will be transported and sold through a new 24 km pipeline to be built to the north of the contract area linking the nearby existing infrastructures including PT Pertamina Gas’s (commonly referred to as Pertagas) transmission pipeline situated in the north of the contract area, which has greater market access and flexibility within the South Sumatra region.

With the Tanjung Enim POD I approval, NuEnergy can negotiate commercial terms for gas sales with interested parties.

NuEnergy, Deputy Executive Chairman, Kee Yong Wah commented: *“With the Tanjung Enim POD I approval, we look forward to NuEnergy’s first gas sales. Together with our Muralim Gross Split PSC and Muara Enim PSC, which are located adjacent to the Tanjung Enim Gross Split PSC, and which are moving towards submitting their own POD in the near future, we are progressively realising our strategy to create a large size CBM development in South Sumatra, Indonesia.”*

Mr. Kee further states *“CBM being a form of clean energy is in line with the Company’s and global efforts to reduce carbon emission and mitigate adverse climate change”*.

For details of the LEMIGAS reserves certification, kindly refer to the Company’s ASX announcement made on 19 January 2018. In accordance with ASX Listing Rule 5.43.2, NuEnergy confirms that it is not aware of any new information or data that materially affects the information included in the ASX

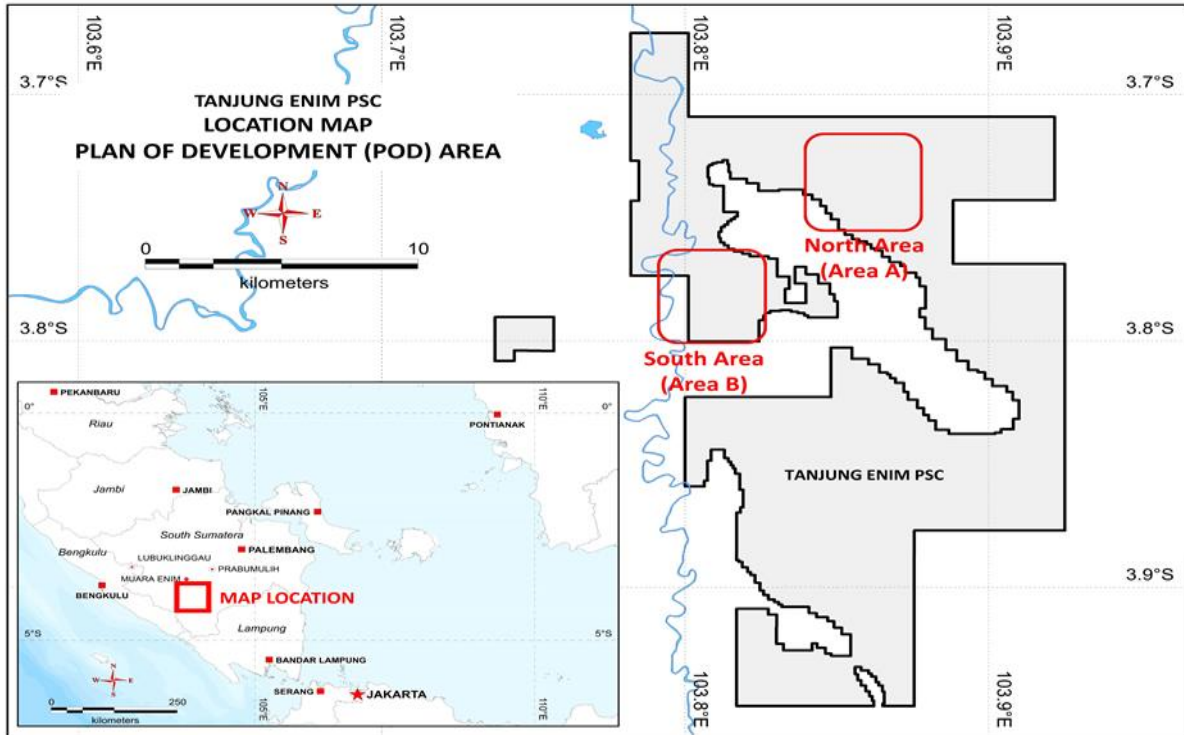
Corporate Office

Suite 2001, Level 20 Australia Square
264 George Street, SYDNEY 2000
AUSTRALIA

T: (+612) 9199 5522
F: (+612) 9247 8966
E: info@nuenergygas.com

announcement made on 19 January 2018, and that all the material assumptions and technical parameters underpinning the reserve estimates continue to apply and have not materially changed.

Tanjung Enim PSC POD I Development Areas



NuEnergy, alongside PT Pertamina and PT Bukit Assam as its partners to the Tanjung Enim PSC, and the Indonesian Government, have agreed to amend and restate the Tanjung Enim PSC to the Gross Split PSC scheme. The Gross Split PSC scheme will provide flexibility to the business and the regulatory processes as well as operational execution in order to achieve the highest level of efficiency which is required by the low cost and fast-moving CBM industries in Indonesia.

In 2017, the Indonesian Ministry of Energy and Mineral Resources issued new regulations, introducing a new PSC scheme based on a “Gross Split” scheme. The Gross Split PSC represents an alternative to the existing cost recovery scheme. The Gross Split scheme streamlines the operational approval processes and facilitates better flexibility for vendors/sub-contractor selection to ensure cost effective and value-added products/services to the project. The conversion of the Tanjung Enim PSC to the Gross Split PSC is a step in the right direction that will provide the opportunity to strengthen the project economics while at the same time increasing the efficiency of the project execution.

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This announcement has been approved for release by the Board of Directors

ABOUT NUENERGY GAS

NuEnergy Gas Limited (“NuEnergy”) is an emerging ASX listed gas and ancillary power generation development company with an immediate focus on establishing unconventional gas production in Indonesia.

NuEnergy has a strategy to acquire, explore, appraise and develop Coal Bed Methane (“CBM”) acreage in this region. It is listed on the Australian Securities Exchange (ASX: NGY) with offices in Sydney (Australia) and Jakarta (Indonesia).

The Company’s overall strategy is to explore and establish commercial resources/reserves over its CBM projects, construct production facilities and commence production as soon as possible.

The Company is led by a team of experienced executives with a track record of successfully identifying and developing projects around the world. This team is complemented by the skills of our Indonesian partners to maximise the value of the company's CBM opportunities.

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