

10 February 2023

HEADS OF AGREEMENT SIGNED FOR INITIAL GAS SALES FROM THE TANJUNG ENIM'S PLAN OF DEVELOPMENT 1

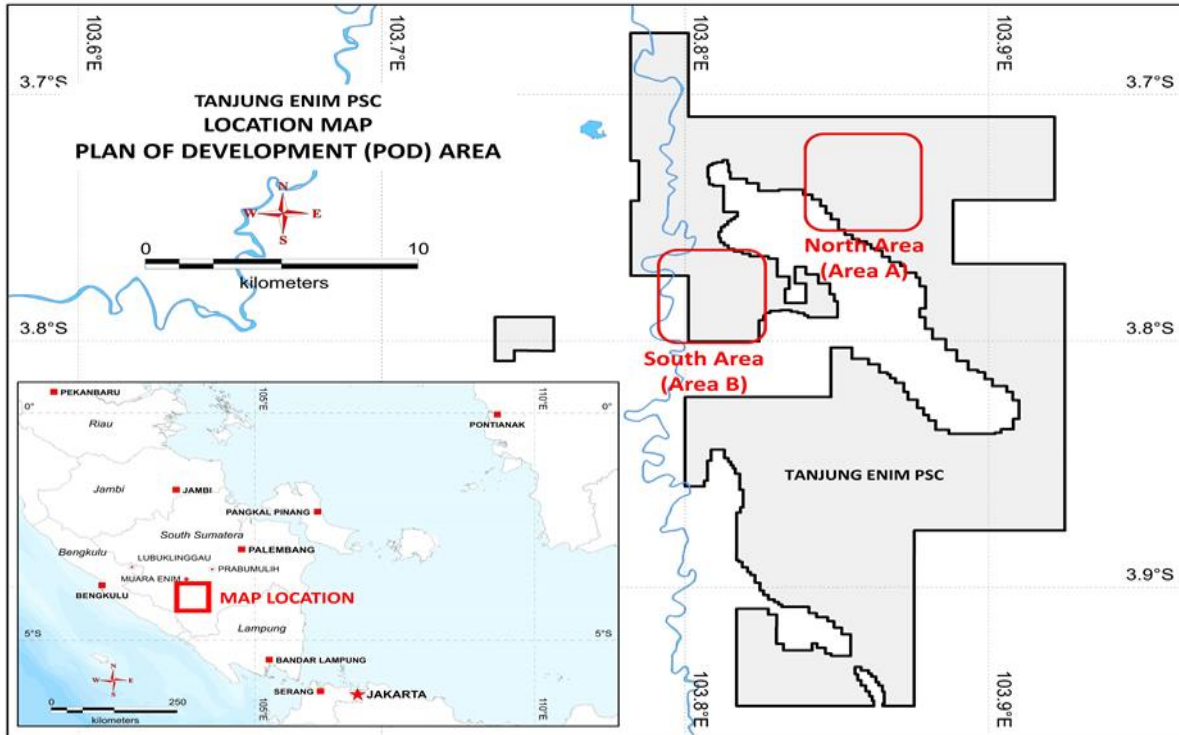
NuEnergy Gas Limited ("NuEnergy" ASX: NGY). NuEnergy is pleased to announce that its subsidiary, Dart Energy (Tanjung Enim) Pte Ltd ("Dart TE") has on 10 February 2023, signed a Heads of Agreement ("HOA") with PT Laras Ngarso Gede ("PT LARAS ENERGY"). Dart TE and PT LARAS ENERGY are hereinafter collectively referred to as the "Parties".

PT LARAS ENERGY, an affiliated company of PT National Energy Solutions ("NES"), was established in 2016 and is a national private company engaged in downstream natural gas and its derivative products. PT LARAS ENERGY currently operates in West Java, Jakarta, Bali, and East Kalimantan in downstream business activities such as distribution and operation of Liquefied Natural Gas ("LNG") and Compressed Natural Gas ("CNG").

The HOA whose salient terms and conditions shall eventually progress and be incorporated into a comprehensive Gas Sale and Purchase Agreement ("GSPA"), covers the supply and sale commitment by Dart TE and the purchase commitment by PT LARAS ENERGY, of coal bed methane ("CBM") produced from Dart TE's Plan of Development ("POD") 1, in the Tanjung Enim Production Sharing Contract ("PSC"), located in South Sumatra Indonesia. The HOA shall be effective from 10 February 2023 up to the date the GSPA is executed or 9 August 2023, whichever comes first. Dart TE and PT LARAS ENERGY are expecting to execute the GSPA in the second quarter of 2023. Under the HOA, Dart TE targets to commence the sale and delivery of CBM to PT LARAS ENERGY on 1 October 2023 or a date mutually agreed by all parties, and until the total contracted volume of CBM of 1.49 billion standard cubic feet has been fully delivered, whichever is earlier. The GSPA, which shall be for a period of 5 years may be extended by mutual agreement in writing.

PT LARAS ENERGY, upon receiving the CBM from Dart TE, will then compress the CBM into CNG and/or LNG, and transport it to the end-user. This initial phase of gas sale, estimated at 1 million standard cubic feet per day ("MMSCFD") of CBM, is targeting the energy needs of the underserved market in South Sumatra. The supply of the CBM to these areas will address not only the energy needs but will also help the industry in the vicinity to gradually migrate towards utilising clean energy in their operations/business. And this, in turn, will enable NuEnergy, Indonesia, and the world to take a step closer towards a low carbon future. This gas sale of 1 MMSCFD represents the initial and gradual progress in achieving the 25 MMSCFD of gas production as approved under the Tanjung Enim POD-1, by the Ministry of Energy and Mineral Resources Indonesia on 17 June 2021.

The Tanjung Enim POD I 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 PSC) where the Indonesia Research and Development Center for Oil and Gas Technology has confirmed and certified reserves totaling ~165 BSCF. In addition to this pleasing development, NuEnergy's management is in discussion with a number of gas buyers aimed at significantly increasing the total gas sales from our prospective acreage in South Sumatra.



ABOUT NUENERGY GAS

NuEnergy is an independent clean energy company focused on the development of Indonesian unconventional gas assets.

We were established with the goal of providing investors with superior value by safely, reliably and sustainably supplying clean energy to meet the growing energy demands in Indonesia, one of the world’s fastest growing economies and energy consuming markets.

We hold four (4) onshore coal bed methane (“CBM”) Production Sharing Contracts (“PSCs”), across South Sumatra, Indonesia. We are now fully focused on moving our high-value unconventional gas assets from exploration to the development stage, monetizing their reserves, delivering shareholder return, and in turn working capital to fund future developments and strategic acquisitions.

NuEnergy’s strategy is to integrate all its PSCs in South Sumatra as a CBM hub to supply sustainable clean energy to the local market and the country.

NuEnergy has a clear strategy to drive future growth and maximise shareholder return. We are fully committed to complete our first Plan of Development on our Tanjung Enim PSC, moving to first gas production and commercialization.

We are proud to be a pioneer of Indonesia's clean energy industry, helping deliver a reliable and robust energy supply to the people and businesses of Indonesia. Our focused strategy ensures we will soon become a significant Indonesian gas producer, maximizing shareholder value and return at every opportunity.

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