NEW ENERGY MINERALS

Update on Fura and Balama Transactions

3 June 2019

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New Energy Minerals Limited ("**New Energy**", the "**Company**") (**ASX:NXE FRA:GGY**) announces the further extension of the Drop Dead Date, under the Merger of Ruby Assets Amending Agreement dated 26 November 2018 ("**MRAA**" or "**Fura Transaction**"), as amended with Fura Gems Inc ("Fura") ("**Amending Agreement**").[1]

Fura has given the Company written notification of the extension of the Drop Dead Date, for closing of the ruby assets sale transaction with Fura under the Amending Agreement from 31 May 2019 to 30 June 2019, to allow for the satisfaction of the outstanding conditions precedent, principally the receipt of a binding tax opinion from the tax authorities in Mozambique, and Ministerial approval. The Company wishes to confirm that it has lodged all required documents with the tax authorities and the Ministry of Minerals and Energy.

Furthermore, the Company can confirm that it is in the final stages of preparing its applications to the Mozambican authorities on the Balama sale transaction as these are the only major conditions precedent to closing.

As previously announced, the Company again wishes to confirm that, following consultation with the independent expert and the Company's legal advisors, the equal capital reduction announced concurrently with the Share Sale and Purchase plan for the sale of the remaining 50% of Balama Resources[2], will only be made after (and subject to) the completion of the Fura Transaction. The Company aims to close the Fura transaction before the closing of the Balama transaction. However, it is important that the Company draws the attention of Shareholders to this requirement and the potential impact on the timing of the equal capital reduction.

Bernard Olivier

Dr Bernard Olivier
Managing Director

[1] Refer to ASX Announcement dated 28 November 2018 for details of the Amending Agreement

[2] Refer to ASX Announcement dated 8 February 2019 for details of the Balama sale agreement

FOR FURTHER INFORMATION, PLEASE CONTACT:

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