

June 2015

HIGHLIGHTS

- **Conditional Agreement to Acquire Coal Bed Methane PSCs From Dart**
- **Drilling Commences in Rengat PSC, Central Sumatra and Tanjung Enim PSC, South Sumatra**
- **Focus on Indonesian PSCs**

CHAIRMAN'S COMMENTS

NuEnergy was pleased to conclude the signing of the conditional Share Purchase Agreement ("SPA") with Dart Energy International Limited ("Dart") in May 2015 to acquire 100% of the issued share capital of Dart Energy (Indonesia) Holdings Pte Ltd ("Dart Indonesia"). This proposed acquisition was undertaken with the view of integrating Dart Indonesia's Production Sharing Contracts ("PSCs") and NGY's PSCs to potentially create a large scale CBM development in the South Sumatra basin which is unprecedented. Furthermore, these PSCs are strategically located in the most prolific basin in Indonesia where major oil and gas concessions are operating.

During the previous quarter, NuEnergy commenced drilling operations in the Rengat PSC and Tanjung Enim PSC seeking to establish early gas reserves and identifying coal seam continuity.

NuEnergy is currently in an expansive operation mode focussed on achieving the early commercialization of CBM in Indonesia.

Conditional Share Purchase Agreement with Dart Energy

In May 2015, NuEnergy signed a conditional SPA with Dart to acquire the whole of Dart Indonesia. Through its group controlled companies, Dart Indonesia has the participating interest in the following PSCs and joint evaluation ("JE") covering 1,559 and 482 square kilometres.

- a) 45% participating interest in Tanjung Enim CBM PSC, South Sumatra;
- b) 50% participating interest in Muralim CBM PSC, South Sumatra;
- c) 100% participating interest in Bontang-Bengalon CBM PSC, East Kalimantan; and
- d) rights to the JE of Bungamas CBM, South Sumatra

The acquisition of Dart Indonesia was for a cash consideration of USD \$1million to be funded from NGY's available cash.

With the acquisition, NuEnergy now has six PSCs and the right to one JE reinforcing its position and strategy to acquire, explore, appraise and develop CBM acreage in Indonesia.

INDONESIA

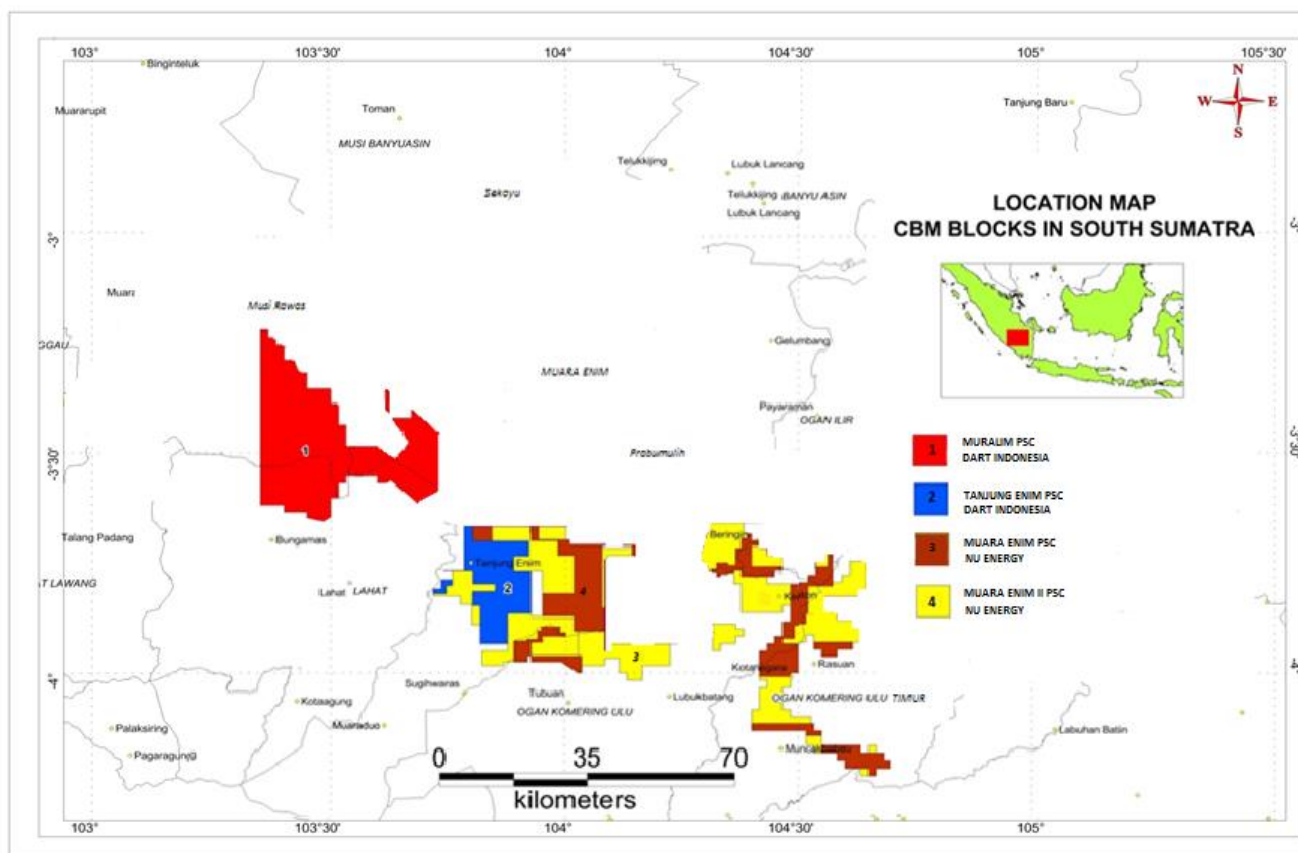
South Sumatra

As part of the recapitalisation plan, NuEnergy's core PSCs in South Sumatra will be the primary focus with the aim to drill additional pilot wells at the Muara Enim II PSC, including the focus on Tanjung Enim PSC located on the western area.

Following the acquisition of Dart Indonesia, drilling for a core well commenced at the Tanjung Enim PSC in late June 2015 with the mobilisation of the rig in mid-June to well TE-008C which is located approximately 185 km west of Palembang, Indonesia. The truck mounted rig is currently being used to drill TE-008C to prove the potential of shallower coal seams for early commercialisation. TE-008C is the first of three core wells to be drilled this quarter in the Tanjung Enim PSC with a view of further development in the PSC and the establishment of a gas reserve prior to early commercialisation.

Drilling is set to commence at the Muara Enim II PSC during the next quarter with the drilling preparation at the finalization stage.

Location of NuEnergy PSCs in South Sumatra



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Rengat PSC

Drilling commenced at the first exploratory well RE-CBM-01CE at the Rengat PSC in Central Sumatra, Indonesia. Mobilisation of the rig started in early June to well RE-CBM-01CE which is located approximately 195 km South of Pekanbaru, Indonesia.

The MCQ 700 fully hydraulic automated truck mounted rig is currently being used to drill to a depth of 495 meters targeting known coal seams. The hydraulic rig was selected as it is ideally suited to CBM operations. It is equipped with both coring and drilling top drives, requiring less manpower on site and provides a smaller footprint including the ease of inter-well mobilization. The hydraulic rig will be mobilised to the second well, RE-CBM-02CE located 30 km southwest of RE-CBM-01CE upon completion of drilling.

Rig Site at RE-CBM-01



Rengat PSC covers 2,395 km² of the Central Sumatra Basin and lies in between prolific oil and gas concessions located in the Central Sumatra Basin in the vicinity of a major gas pipeline from Jakarta to the Chevron Duri Steam Flood project and related infrastructure.

The Rengat Drilling Program is spearheaded by a team from New Century Energy Resources Limited who have vast experience in drilling CBM wells in Asia.

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ABOUT NUENERGY GAS LIMITED

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 coal bed methane opportunities.

Shareholder Enquiries

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