

7 October 2020

Dear Shareholder,

I am pleased to invite you to the 2020 Annual General Meeting (**AGM**) of NuEnergy Gas Limited (**NGY**). The meeting will be held on **Monday, 16 November 2020 at 3pm (AEDT)**.

As previously communicated, the Ngy Board has decided that the 2020 AGM will be held as a virtual meeting. Shareholders will not be able to attend the 2020 AGM physically, but will instead be able to participate in the virtual meeting online. This approach is in line with temporary modifications to the law and current regulatory guidance.

You will be able to participate in the meeting real-time on your computer or mobile device through an online platform that allows you to submit questions and vote. Further information on how you can participate in the AGM (including how to register, vote and ask questions both prior to and during the meeting) is set out on the following pages.

The items of business to be considered at the AGM are set out in the following pages, which also include explanatory notes and the Board's voting recommendations. All resolutions will be determined by poll.

I look forward to hosting you online at Ngy's 2020 AGM.

Yours sincerely



Kong Kok Keong
Chairman

NOTICE OF 2020 ANNUAL GENERAL MEETING 16 November 2020



NuEnergy Gas Limited
ABN 50 009 126 238

NuEnergy Gas Limited ("NGY" or the "Company") will hold its 2020 Annual General Meeting of Shareholders ("AGM") at 3pm (AEDT) on Monday, 16 November 2020 as a virtual meeting, online at <https://agmlive.link/NGY20>. The online AGM will transact the business set out in this Notice of Meeting. Online registrations to access the AGM live will commence at 2.30pm (AEDT) on the day of the AGM.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement forms part of this Notice of Meeting.

The terms and abbreviations used in this Notice and Explanatory Statement are defined in the attached Glossary.

How to participate in the 2020 AGM

PARTICIPATE LIVE ONLINE

Shareholders and proxyholders can listen, vote, make comments and ask questions during the virtual AGM via the online platform at: <https://agmlive.link/NGY20>

To do this, you will need a computer or mobile/tablet device with internet access.

Shareholders: When you log into the online platform, you will need to provide your details (including SRN/HIN and postcode) to be verified as a Shareholder. Shareholders with a registered address outside of Australia should click "Outside Australia" and select the country of their registered address.

Proxyholders: When you log into the online platform, you will need your "Proxy Number" which will be provided to you by Link Market Services by email before the AGM.

More information about how to use the AGM online platform is available in the Virtual Meeting Online Guide, which is available at:

www.nuenergygas.com/annual-general-meeting.php

OTHER OPTIONS FOR VOTING

Shareholders who are unable to join us at the AGM are encouraged to cast a vote prior to the meeting, or alternatively, to appoint a proxy to attend and vote on your behalf. If you direct your proxy how to vote, your votes will be cast at the meeting in accordance with your directions.

Shareholders can appoint a proxy online at www.linkmarketservices.com.au. These must be submitted by no later than 3pm (AEDT) on Saturday, 14 November 2020 to be valid.

Even if you plan to attend the virtual Meeting, you are still encouraged to submit a directed proxy in advance of the Meeting so that your votes can still be counted if for any reason you cannot attend (for example, if there is an issue with your internet connection on the day of the Meeting).

OTHER OPTIONS FOR ASKING QUESTIONS

As in prior years, Shareholders are also able to submit written questions to the Company or the Auditor in advance of the Meeting. Questions may be submitted online at www.linkmarketservices.com.au. Questions should be submitted no later than 5pm (AEDT) on Monday, 9 November 2020.

We will endeavor to address the questions during the course of the Meeting. However, there may not be sufficient time at the Meeting to address all of the questions raised. Please note that individual responses may not be sent to Shareholders.

Shareholders and proxyholders will be given an opportunity to ask questions during the meeting. Further information on how to ask questions can be found in the Virtual Meeting Online Guide, which is available at:

www.nuenergygas.com/annual-general-meeting.php

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ITEMS OF BUSINESS

Financial Statements and Other Reports

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2020 together with the reports of the Directors and Auditor, as set out in the Annual Report.

Note: *There is no requirement for Shareholders to approve these financial statements and reports.*

Resolution 1 - Remuneration Report

To consider, and if thought fit, pass the following Resolution as an **ordinary** resolution:

"That the Remuneration Report, as contained in the Company's Annual Financial Report for the year ended 30 June 2020, be adopted."

Note: *The vote on this Resolution is advisory only and does **not** bind the Directors or the Company. A voting exclusion applies to this resolution – see page 4 for details.*

The Directors unanimously recommend that Shareholders VOTE IN FAVOUR of the adoption of the Remuneration Report.

Resolution 2 – Re-election of Director – Alan Fraser

To consider, and if thought fit, pass the following Resolution as an **ordinary** resolution:

"That Alan Fraser, who offers himself for re-election in accordance with clause 6.3(c) and 6.3(f) of the Company's Constitution, and being eligible for re-election, be re-elected as a Director of the Company."

The Directors (other than Mr Fraser given his personal interest in the Resolution) unanimously recommend that Shareholders VOTE IN FAVOUR of Resolution 2.

Resolution 3 – Amendment to Constitution

To consider, and if thought fit, to pass the following Resolution as a **special** resolution:

"That clause 2.8 of the Company's Constitution be repealed and replaced with a new clause 2.8, tabled in a document at the Meeting and signed by the Chairman of the Meeting for the purposes of identification, with effect from the close of the Meeting."

Resolution 4 - Approval of the Issue of Equity Securities for the purpose of ASX Listing Rule 7.1A

To consider and, if thought fit, to pass the following Resolution as a **special** resolution:

"That for the purposes of Listing Rule 7.1A and for all other purposes, the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the prescribed formula in Listing Rule 7.1A.2, be approved on the terms set out in the Explanatory Statement."

A voting exclusion applies to this resolution – see page 4 for details.

The Directors unanimously recommend that Shareholders VOTE IN FAVOUR of Resolution 4.

By order of the Board

Rozanna Lee

Company Secretary
NuEnergy Gas Limited
Date: 7 October 2020

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EXPLANATORY STATEMENT

Eligibility to Vote

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the Register of Shareholders as at **3pm (AEDT) on Saturday, 14 November 2020**. Accordingly, Share transactions registered after that time will be disregarded in determining the Shareholders entitled to attend and vote at the AGM.

If a Share is held jointly, only one joint Shareholder may vote. If more than one joint Shareholder votes, only the vote of the first person named on the Register of Shareholders counts.

Registration

Shareholders can register to attend the AGM virtually and vote via the online platform at <https://agmlive.link/NGY20>. Online registration to attend the AGM will commence from **2.30pm (AEDT) on Monday, 16 November 2020**.

How to Vote

Live Voting Online – during the AGM

If you attend the virtual Meeting by logging into the online platform at <https://agmlive.link/NGY20>, you will be able to vote in real-time during the Meeting when invited by the Chairman. You will be able to vote for, against or abstain on each item through the online platform.

Appointing a Proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the Meeting.

You can appoint a proxy online at www.linkmarketservices.com.au. To log in, you will need your Shareholder number and the postcode for your shareholding. To appoint your proxy via this website you will need to follow the instructions on the website and submit the appointment by **3pm (AEDT) on Saturday, 14 November 2020**.

A proxy need not be a Shareholder of the Company and may be an individual or a body corporate. If you are entitled to cast two or more votes, you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you appoint two proxies and do not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half of the votes.

Your proxy may only exercise your vote in the manner you have directed. If no direction is given, the proxy may vote as it sees fit, subject to any voting restrictions applicable to the proxy.

The Corporations Act places certain restrictions on the ability of Key Management Personnel (**KMP**) and their Closely Related Parties to vote on resolutions connected directly or indirectly with the remuneration of the Company's KMP. For those reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and consider appointing someone other than one of the Company's KMP as those proxies may not be able to vote undirected proxies.

The Remuneration Report identifies the Company's KMP for the financial year to 30 June 2020 in the Company's Annual Report which is available on the "Annual Report" section of the NGY website: www.nuenergygas.com/annual-general-meeting.php

If you appoint the Chairman as your proxy and do not direct him how to vote, you are providing authorisation for the Chairman to cast your undirected proxy on all proposed Resolutions.

This express authorisation acknowledges that the Chairman may exercise your proxy in relation to Resolution 1 even though the Chairman may have an interest in the outcome of this Resolution, since it relates to the remuneration of a member of the KMP. Votes cast by the Chairman on Resolution 1 (other than as an authorised proxy holder) will be disregarded because of his interest (or potential interest) in the outcome of the Resolution.

Chairman's voting intentions

The Chairman intends to vote undirected proxies on, and in favour of, all Resolutions set out in this Notice. If there is a change to how the Chairman intends to vote undirected proxies, NGY will make an announcement to the market.

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Questions from Shareholders

Shareholders may direct questions during the Meeting to the Chairman about the operations and management of NGY, or to NGY's Auditor about the content of the Auditor's Report. Questions may also be submitted in advance of the Meeting online at www.linkmarketservices.com.au. If you wish to ask a written question in advance of the Meeting, it should be submitted no later than 5pm (AEDT) on Monday, 9 November 2020. We will endeavor to address as many of the questions as possible during the course of the Meeting. However, there may not be sufficient time at the Meeting to address all of the questions raised. Please note that individual responses may not be sent to Shareholders.

Voting Exclusions

Voting exclusions apply to Resolutions 1 and 4 as set out below.

Resolution 1

The Company will disregard any votes cast on Resolution 1:

- by or on behalf of a member of the KMP whose remuneration details are included in the Remuneration Report for the year ended 30 June 2020 (or a Closely Related Party of that member of the KMP), regardless of the capacity in which the vote is cast; or
- as proxy by a person who is a member of the KMP as at the date of the Meeting or a Closely Related Party of a member of the KMP,

unless the vote is cast as proxy for a person entitled to vote on Resolution 1, either:

- in accordance with directions given to the proxy when completing the online proxy appointment process referred to above; or
- by the Chairman in accordance with an express authorisation provided through the online proxy appointment process to vote as the proxy decides, even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 4

The Company will disregard any votes cast on Resolution 4:

- by a person (and any Associates of such person) who is expected to participate in or who will obtain a material benefit as a result of, the proposed issue under the 10% Placement Capacity (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of Resolution 4 by:

- a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on Resolution 4 as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 4; and
 - the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

As at the date of this Notice, the Company does not yet know, nor has it formed an intention in relation to how it will decide, which parties it may approach to participate in any issue that may ultimately be made.

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EXPLANATORY STATEMENT - BUSINESS

Financial Statements and Other Reports

The Corporations Act requires the following reports in respect of the financial year ended 30 June 2020 to be laid before the AGM:

- the Financial Report (which includes the Directors' declaration);
- the Directors' Report (which includes the Remuneration Report); and
- the Auditor's Report.

There is no requirement either in the Corporations Act or the Constitution for Shareholders to approve the Financial Report, the Directors' Report (other than a non-binding vote on the Remuneration Report which is considered as a separate resolution) or the Auditor's Report. The reports referred to above are included in the Annual Report sent to those Shareholders who have elected to receive a hard copy. A copy of the Annual Report is also available on the "Annual Reports" section of the NGY website: www.nuenergygas.com/annual-general-meeting.php

Shareholders will be provided with a reasonable opportunity at the Meeting to ask questions about these reports. The Company's Auditor will be available at the Meeting to answer any questions in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

RESOLUTION 1 - REMUNERATION REPORT

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company (**Key Management Personnel**). The Remuneration Report is part of the Directors' Report contained in the Annual Report of the Company for the financial year ending 30 June 2020.

The vote on this Resolution is advisory only and the outcome will **not** be binding on the Board or the Company. However, the Board will take the outcome of the vote into consideration when reviewing NGY's remuneration practices and policies.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution ("spill resolution") that another meeting be held within 90 days of the second of those AGMs at which all of the Company's Directors (who are Directors at the second AGM, other than the Managing Director) must stand for re-election.

The Directors unanimously recommend that Shareholders eligible to do so VOTE IN FAVOUR of the adoption of the Remuneration Report.

RESOLUTION 2 - RE-ELECTION OF DIRECTOR – ALAN FRASER

Resolution 2 seeks Shareholder approval for the re-election of Alan Fraser as a Director of the Company. Mr Fraser is eligible for re-election and offers himself for re-election as a Director of the Company.

Qualifications:

Term: Joined the Board of NGY in 20 January 1992 and served variously as Chairman and Managing Director prior to 2011.

Independence: Although Mr Fraser has held a Board position since 1992, the Board has made an assessment that this does not impact his independence as a Director on the Board.

Committees: As stated in the Company's Corporate Governance Statement, the full Board assumes the role of separate Committees at this point.

Other Material Directorships: Intra Energy Corporation Limited (ASX:IEC).

Experience: Mr. Fraser has over 30 years' experience in green field mineral exploration, project management and mine construction. He has managed coal, base metal and gold exploration projects through the stages of tenement acquisition, joint venture negotiation, obtaining regulatory approvals and the management of field exploration programs, at times in remote locations and has worked extensively across the Asia-Pacific region, especially in both Australia and Indonesia. Mr Fraser served as CEO of NuEnergy Gas Ltd formerly New Holland Mining Limited, when it first started to look at unconventional gas and coal assets in Indonesia. He stepped aside to ensure new leadership could move the company forward with its focused gas strategy.

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Mr. Fraser has vast knowledge of working with ASX listed companies and in helping create value for the Australasian investment community.

The Board supports the re-election of Mr Fraser. The Directors consider Mr Fraser's skills and background have enabled him to play an ongoing invaluable role in NGY's operations over the years.

The Directors (other than Mr Fraser given his personal interest in the Resolution) unanimously recommend that Shareholders VOTE IN FAVOUR of Resolution 2.

RESOLUTION 3 – AMENDMENT TO CONSTITUTION

Resolution 3 seeks to repeal clause 2.8 of the Constitution and replace it with a new clause 2.8 in order to bring the clause in line with recent amendments to the Listing Rules. It is a requirement under the new Listing Rule 9.1(a) that ASX listed entities must include in its constitution the provisions set out in Listing Rule 15.12. Listing Rule 15.12 prescribes the required clause for the Constitution on Restricted Securities. Listing Rule 15.12 has also been amended, and it is those amendments that are captured in the new clause 2.8 of the Constitution.

The new clause 2.8 is to read:

2.8 Restricted Securities

The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities. Without limiting the generality of the above and despite any other provision of this Constitution:

- (a) a holder of Restricted Securities must not dispose of, or agree or offer to dispose of, the Restricted Securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the ASX;
- (b) if the Restricted Securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;
- (c) the Company must refuse to acknowledge any disposal (including, without limitation, to register any transfer) of the Restricted Securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the ASX;
- (d) a holder of Restricted Securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the ASX; and
- (e) if a holder of Restricted Securities breaches a restriction deed or a provision of this Constitution restricting a disposal of those securities the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.

The Directors unanimously recommend that Shareholders VOTE IN FAVOUR of Resolution 3.

RESOLUTION 4 – APPROVAL OF THE ISSUE OF EQUITY SECURITIES FOR THE PURPOSE OF ASX LISTING RULE 7.1A

Overview

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its Shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its Annual General Meeting, to increase this 15% limit by an extra 10% to 25%.

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An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. NGY is an eligible entity for these purposes. Resolution 4 seeks [shareholder/unitholder] approval by way of special resolution for NGY to have the additional 10% capacity ("**10% Placement Capacity**") provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval. If Resolution 4 is passed, NGY will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval. If Resolution 4 is not passed, NGY will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Shareholder Approval

The ability to issue Equity Securities under Listing Rule 7.1A is subject to Shareholder approval by way of special resolution at the Annual General Meeting. Approval cannot be sought at any other Shareholder's meeting and Equity Securities issued under the approval (if obtained) must be issued within 12 months after the date of the Annual General Meeting.

No Equity Securities can be issued under Listing Rule 7.1A before the special resolution is passed. The issue of securities under this rule cannot be subsequently approved by security holders and then be treated as if the issue had received prior approval.

Equity Securities

Any Equity Securities issued by the Company under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of the Notice the Company has only one class of Equity Securities on issue being Shares.

Formula for calculating the 10% Placement Capacity

The Company may issue Equity Securities during the 12 month period after the date of approval calculated in accordance with the following formula as contained in ASX Listing Rule 7.1A.2:

$(A \times D) - E$

A is the number of fully paid ordinary Securities on issue 12 months before the date of issue or agreement to issue:

- plus the number of fully paid ordinary Securities issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary Securities that became fully paid in the 12 months;
- plus the number of fully paid ordinary Securities issued in the 12 months with approval of holders of ordinary securities under Listing Rule 7.1 or 7.4;
- less the number of fully paid ordinary Securities cancelled in the 12 months.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with approval of holders of ordinary Securities under Listing Rule 7.1 or 7.4.

Additional Disclosure

For the purpose of Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Capacity:

- **Minimum issue price**

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph a, the date on which the Equity Securities are issued.

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▪ **Risk of dilution**

If the Company issues Equity Securities under the 10% Placement Capacity, there is a risk that the economic and voting power of existing Shareholders will be diluted.

There is also a risk that:

- the market price for the Company's Equity Securities in that class may be significantly lower on the issue date than the date of approval under Listing Rule 7.1A at the Annual General Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

The below table shows the risk of dilution to existing Shareholders if the Company issues Equity Securities under the 10% Placement Capacity on the basis of:

- the current market price of Shares and the current number of Shares calculated in accordance with Listing Rule 7.1A.2 variable "A";
- a 50% decrease in the current market price of Shares and a 50% increase in the current number of Shares calculated in accordance with Listing Rule 7.1A.2 variable "A"; and
- a 100% increase in the current market price of Shares and a 100% increase in the current number of Shares calculated in accordance with Listing Rule 7.1A.2 variable "A".

Variable "A" in Listing Rule 7.1A.2		Dilution / Effect		
		\$0.006 50% decrease in Issue Price	\$0.013 Issue Price	\$0.026 100% increase in Issue Price
Current Issued Capital (Variable A) 1,480,955,497 Shares	Shares Issued under LR 7.1A (10%)	148,095,550	148,095,550	148,095,550
	Funds Raised	\$888,573	\$1,925,242	\$3,850,484
50% increase in current Issued Capital (Variable A) 2,221,433,246 Shares	Shares Issued under LR 7.1A (10%)	222,143,325	222,143,325	222,143,325
	Funds Raised	\$1,332,860	\$2,887,863	\$5,775,726
100% increase in current Issued Capital (Variable A) 2,961,910,994 Shares	Shares Issued under LR 7.1A (10%)	296,191,099	296,191,099	296,191,099
	Funds Raised	\$1,777,147	\$3,850,484	\$7,700,969

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
- The table does not show any examples of the dilution that may be caused to a specific Shareholder based on that Shareholder's holding at the date of the Annual General Meeting.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table only shows the effect of issues under Listing Rule 7.1A and does not consider the effect of any issues under the 15% placement capacity under Listing Rule 7.1 during the 12 month period or any other issues.

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- The Issue Price of the Shares is \$0.013, being the closing price of the Shares on ASX on 18 September 2020.

▪ **Final issue date**

The final date that the Company can issue Equity Securities under the 10% Placement Capacity is 12 months from the date of the Annual General Meeting, being 15 November 2021.

The approval under Resolution 4 will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

▪ **Purpose of the issue**

The Company may seek to issue the Equity Securities for the following purposes:

- cash consideration to be applied to the expenditure associated with exploration, drilling, development and the production of gas at the Company's existing asset base in Indonesia; or
- non-cash consideration for the acquisition of new resources, assets or investments.

If the Equity Securities are issued for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration which demonstrates that the issue price of the securities complies with Listing Rule 7.1A.3.

▪ **Allocation policy**

The Company's allocation policy for the issue of Equity Securities pursuant to the 10% Placement Capacity is largely dependent on the prevailing market conditions and the circumstances of the Company at the time of any proposed issue. The time frame over the 12-month period which the Company expects to make placements under the Resolution 4 approval therefore cannot yet be accurately determined.

As at the date of the Notice the Company has not formed an intention to issue securities under a placement pursuant to Listing Rule 7.1A to any particular party. The Company may approach existing Shareholders, a class or group of existing Shareholders, or new investors who have not previously been Shareholders to participate in a placement of Equity Securities.

When determining to issue the 10% Placement Capacity securities the Company will have regard to a range of factors including but not limited to:

- the effect of the issue of Equity Securities on the control of the Company;
- the financial circumstances of the Company;
- whether the raising of funds could be carried out by means of a pro-rata entitlement offer or other similar issue to allow existing Shareholders to participate;
- advice from the Company's corporate, financial and professional advisors;
- whether a placement of Equity Securities to a vendor(s) as non-cash consideration for the acquisition of new resources, assets or investments is the best alternative for the Company.

▪ **Previous approval**

For the purposes of Listing Rule 7.3A.6 the following information is provided.

The Company obtained Shareholder approval for the 10% Placement Capacity at its 2019 Annual General Meeting. During the 12 months prior to the date of this Meeting, the Company has not issued any Equity Securities.

A voting exclusion statement is set out on page 4 of this Notice.

The Directors unanimously recommend that Shareholders VOTE IN FAVOUR of Resolution 4.

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GLOSSARY

In this Notice of Meeting:

\$ means Australian Dollars.

AEDT means Australian Eastern Daylight Time

AGM, General Meeting or Meeting means the Annual General Meeting of Shareholders convened for the purposes of considering the Resolutions.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2020.

ASIC means the Australian Securities and Investments Commission.

Associate has the same meaning as in the Corporations Act.

ASX means ASX Limited ACN 008 624 691 or the market it operates known as the Australian Securities Exchange, as applicable.

Auditor means the auditor of the Company.

Auditor's Report means the auditor's report on the Financial Report.

Board or Board of Directors means the board of Directors of the Company.

Chair or Chairman means the person appointed the chair of the Meeting convened by this Notice.

Closely Related Party has the meaning given in section 9 of the Corporations Act.

Company or NGY means NuEnergy Gas Limited
ACN 009 126 238.

Constitution means the constitution of the Company.

Control has the same meaning as in the Corporations Act.

Corporations Act means *the Corporations Act 2001* (Cth).

Director means a Director of the Company.

Directors' Report means the annual Directors' report.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means the Explanatory Statement accompanying the Notice of Meeting.

Financial Report means the annual financial report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel or KMP means key management personnel as identified in the Remuneration Report for the financial year ended 30 June 2020.

Listing Rules means the Listing Rules of the ASX.

Managing Director means the Managing Director of the Company.

Notice of Meeting or Notice means the notice convening the Annual General Meeting accompanying this Explanatory Statement.

Proxy Form means a proxy form accompanying this Notice of Meeting.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution to be considered at the Annual General Meeting as contained in the Notice of Meeting.

Share means a fully paid ordinary share in the Company.

Shareholder means a person registered as a holder of a Share.

In this Notice and the Explanatory Statement words importing the singular include the plural and vice versa.