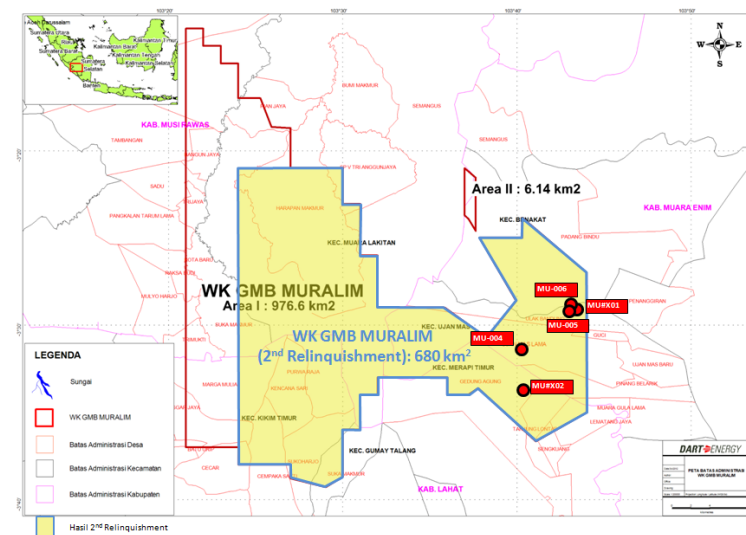


Preparation towards Plan of Development at Muralim Production Sharing Contract

- Drilling of a production well MU-005 (Twin) next to MU-006 well
- Conduct permeability and production tests to complete the commitments agreed by SKK Migas in readiness for Plan of Development (“POD”) submission

NuEnergy Gas Limited (“NuEnergy” ASX: NGY) is pleased to announce the spudding of MU-005 (Twin) well, in its Muralim Production Sharing Contract (“PSC”), South Sumatra, Indonesia. This campaign is part of the ongoing strategy to develop the company’s Coal Bed Methane (“CBM”) assets in South Sumatra.

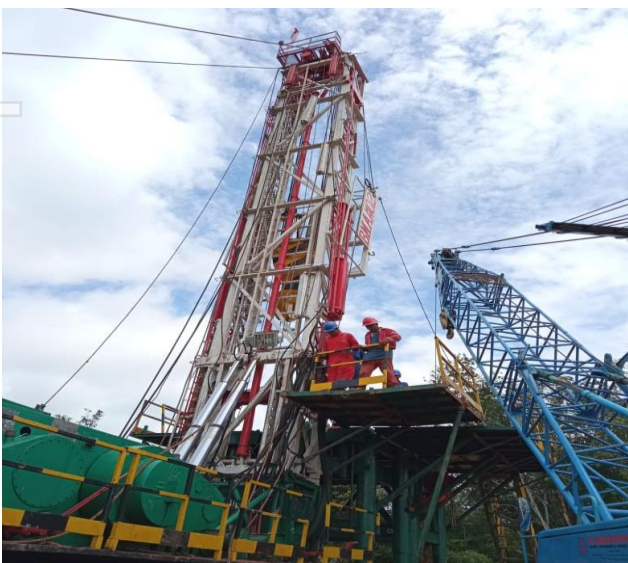
The drilling rig was mobilised on 14 February 2021, to a location which is the same drill pad as MU-006 well. To date, there are a total of six wells that have been previously drilled in the Muralim PSC.



Map of Muralim PSC



Aerial view of the MU-005 (Twin) well site



Spudding activity at the MU-005 (Twin) Well Site

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The MU-005 (Twin) well is a production well from which NuEnergy will conduct permeability tests on coal formations and perform a few months of dewatering to determine the gas productivity for future development. It is anticipated this activity will be followed by the submission of an Exploration Status Decision proposal for the Indonesian government's approval by May 2021, followed by a POD proposal, which upon approval will allow the exploitation and production of CBM. Together with Tanjung Enim PSC and Muara Enim PSC, our strategy is to create a large size CBM development in Indonesia.

NuEnergy has a 100% working interest in the Muralim PSC, covering an area of 835.24 km² located in South Sumatra which is in the vicinity of a major gas pipeline. The original PSC contract has been converted to a Gross Split contract which allows the Company greater flexibility to operate in a more efficient manner. NuEnergy has to-date drilled two core hole wells, three exploration wells and one production well in the Muralim PSC area.

NuEnergy's Chief Executive Officer, Dr Ian Wang commented: *"We are extremely enthusiastic given the encouraging data from previous wells and noting the Muralim PSC's close proximity to NuEnergy's other assets in South Sumatra namely the Muara Enim and Tanjung Enim PSC's. We are also happy that NuEnergy's CBM assets are progressing positively with its Tanjung Enim PSC awaiting POD approval and its Muara Enim PSC having completed its exploration activities, moving towards development and having obtained approval from the Indonesian Government to submit the first POD."*

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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