

**March 2021**

## HIGHLIGHTS

- Continued focus to secure approval for Tanjung Enim's Plan of Development 1
- Continuing efforts to secure approval for Tanjung Enim Contract Amendment to a Gross Split Contract
- Spudded the MU-005 Twin well for Muralim PSC
- Acknowledgement of gas discovery and completion of exploration firm commitment for Muara Enim PSC

During the quarter, NuEnergy Gas Limited ("NuEnergy") continued to focus on efforts to secure approval of the Tanjung Enim Production Sharing Contract ("PSC") Plan of Development 1 ("POD 1"). This milestone will be a first for Indonesia in the unconventional gas sector and marks a significant step forward for NuEnergy.

NuEnergy is also a step closer to amending the Tanjung Enim PSC contract and moving forward on a Gross Split Contract with ongoing discussions with the authorities on a draft gross split basis.

In addition, NuEnergy spudded the MU005 (Twin) well in its Muralim PSC.

On a further note, as at 27 April 2021, NuEnergy has sold 23,900 of its 467,730 Metalla Shares that were obtained as part of the proceeds from the recent disposal of NuEnergy's gold royalty, for a total cash consideration of about \$0.3 million. As at 27 April 2021, the remaining 443,830 Metalla Shares have a market value of \$5.4 million.

## Operations Report During the Quarter

### **Tanjung Enim PSC**

**South Sumatra, Indonesia**

**NuEnergy Interest: 45%**

**Operator: Dart Energy (Tanjung Enim) Pte Ltd (a subsidiary of NuEnergy)**

NuEnergy continued its engagement with the Government of Indonesia to secure approval of Tanjung Enim Gross Split PSC and POD 1. The ongoing discussion and engagement with the PSC partners, the Special Task Force for Upstream Oil and Gas Business Activities ("SKK Migas"), the Directorate General of Oil and Gas ("Migas") and the Ministry of Energy and Mineral Resources ("MEMR") office has moved to the final stage towards the Tanjung Enim POD 1 approval.

With the above progress, we are hopeful the Tanjung Enim POD 1 should soon become the first Coal Bed Methane ("CBM") Plan of Development ("POD") to be approved in Indonesia.

### **Muralim PSC**

**South Sumatra, Indonesia**

**NuEnergy Interest: 100%**

**Operator: Dart Energy (Muralim) Pte Ltd (a subsidiary of NuEnergy)**

NuEnergy spudded MU-005 (Twin) well on 23 March 2021. The MU005 (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 ("ESD") proposal for the Indonesian Government's approval by

2022 as NuEnergy is expected to be granted an extension of one year from 7 May 2021 to submit the ESD proposal, and 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.

**Muara Enim PSC**

**South Sumatra, Indonesia**

**NuEnergy Interest: 40%**

**Operator: PT Trisula CBM Energi (a subsidiary of NuEnergy)**

As announced by the Company on 21 January 2021, NuEnergy received an Acknowledgement Letter from the Indonesian authorities in connection with its 40% working interest in the 587 km<sup>2</sup> Muara Enim PSC located in South Sumatra, which:

- i) confirmed the discovery of natural gas in the Muara Enim PSC area;
- ii) acknowledged the completion of the exploration firm commitment by NuEnergy in respect of the Muara Enim PSC; and
- iii) allows NuEnergy to submit a POD within the next 3 years from 18 January 2021.

This development marks the second POD possibility for NuEnergy on its CBM assets and represents a positive move by the authorities to advance the industry opportunities in the unconventional gas sector in Indonesia.

**ABOUT NUENERGY GAS LIMITED**

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 of Indonesia, one of the world's fastest growing economies and energy consuming markets.

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

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

We are proud to be a pioneer of Indonesia's clean energy industry, helping deliver 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.

**Shareholder Enquiries**

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