



NuEnergy Gas Limited

ABN 50 009 126 238

HALF-YEAR FINANCIAL REPORT

31 December 2024

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NuEnergy Gas Limited
Half Year Financial Report 31 December 2024

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This Half Year Financial Report does not include all the notes of the type normally included in an annual Financial Report.

Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2024 and any public announcements made by NuEnergy Gas Limited during the half year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

CORPORATE DIRECTORY

31 December 2024

DIRECTORS

Kong Kok Keong (Non-Executive Chairman)
 Kee Yong Wah (Deputy-Executive Chairman)
 Goh Tian Chuan (Non-Executive Director)
 Chen Heng Mun (Non-Executive Director)
 Alan Fraser (Non-Executive Director)
 Dr Ian Wang (Non-Executive Director)

COMPANY SECRETARY

Rozanna Lee

ABN:

50 009 126 238

REGISTERED/ADMINISTRATION OFFICE:

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 39 Brook Street
 Sunbury VIC 3429
 Australia

Phone: (61) 412 635 000
 Email: ir@nuenergygas.com

SHARE REGISTRY

Link Market Services Limited
 QV1 Building, Level 12, 250 St Georges Terrace
 Perth WA 6000

Phone: (08) 9211 6654

AUDITOR

KPMG
 Tower 3, International Towers Sydney
 300 Barangaroo Avenue
 Sydney NSW 2000

STOCK EXCHANGE LISTING

NuEnergy Gas Limited shares are listed on the Australian
 Securities Exchange
 (ASX code: NGY)

WEBSITE

www.nuenergygas.com

DIRECTORS' REPORT

The directors of NuEnergy Gas Limited ("NuEnergy" or the "Company") present their report together with the consolidated financial statements of the Company and its controlled entities (collectively the "Group") for the half-year ended 31 December 2024 and the independent auditor's review report thereon.

Directors

The following persons were Directors of the Company (the "Board") during the financial period up to the date of this report unless otherwise:

Kong Kok Keong	Non-Executive Chairman
Kee Yong Wah	Deputy Executive Chairman
Goh Tian Chuan	Non-Executive Director
Chen Heng Mun	Non-Executive Director
Alan Fraser	Non-Executive Director
Dr Ian Wang	Non-Executive Director

Issue of Shares and Debentures

During the financial period, the Company issued 299,749,949 new shares pursuant to a partially underwritten renounceable pro-rata entitlement offer of 8 new shares for every 29 shares held in the Company on 30 August 2024 at an issue price of \$0.02 for each new share, raising total cash proceeds of \$5,994,998 to the Company. With the completion on 16 September 2024, the Company has a total of 1,780,705,446 shares issued and paid-up.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group during the financial period.

Review of operations

Tanjung Enim Production Sharing Contract ("PSC")

South Sumatra, Indonesia

NuEnergy Interest: 45%

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

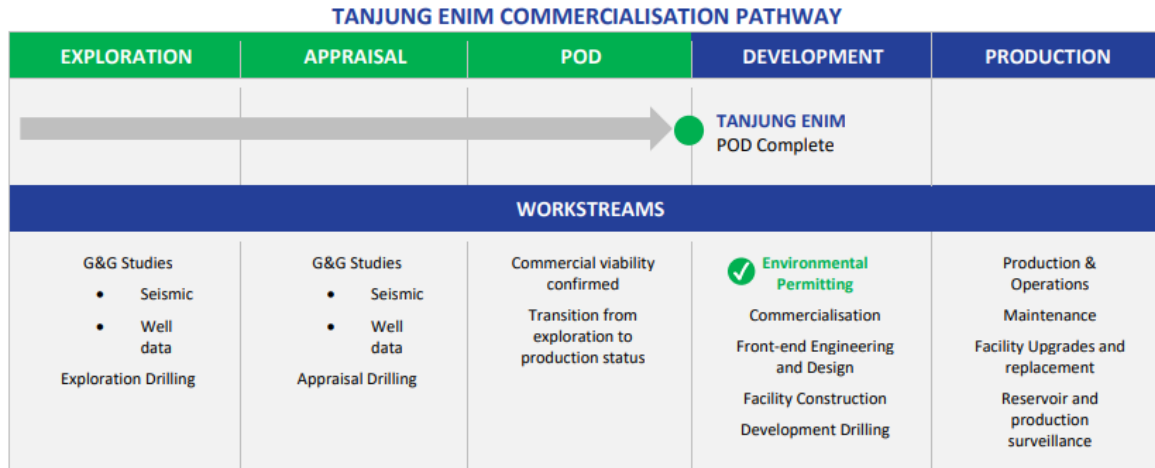
On 17 June 2021, the Indonesian Ministry of Energy and Mineral Resources ("MEMR") approved NuEnergy's first Plan of Development ("POD") for the Tanjung Enim PSC under a gross split scheme (referred to as Tanjung Enim POD 1) in South Sumatra which will allow the PSC to proceed to field development and surface facility construction.

The approval of the Tanjung Enim POD 1 also represents the first coal bed methane ("CBM") POD in Indonesia. The Tanjung Enim POD 1 approval covers the development of 209 wells in two target areas to achieve the 25 million standard cubic feet per day ("MMSCFD") of gas production, in the north and south of the contract area covering ~33km² (or 13% of the total acreage of the Tanjung Enim Gross Split PSC) where the Indonesia Research and Development Center for Oil and Gas Technology confirmed and certified reserves totalling ~164.89 Bscf in these areas.

The POD 1 implementation will be carried out in stages with the objective to achieve early gas sales by targeting the underserved market within South Sumatra which would help the industry in the vicinity to gradually migrate from using non-environmentally friendly fuel to cleaner energy. This initial volume is easily transportable and can be distributed in the form of compressed natural gas and/or liquefied natural gas.

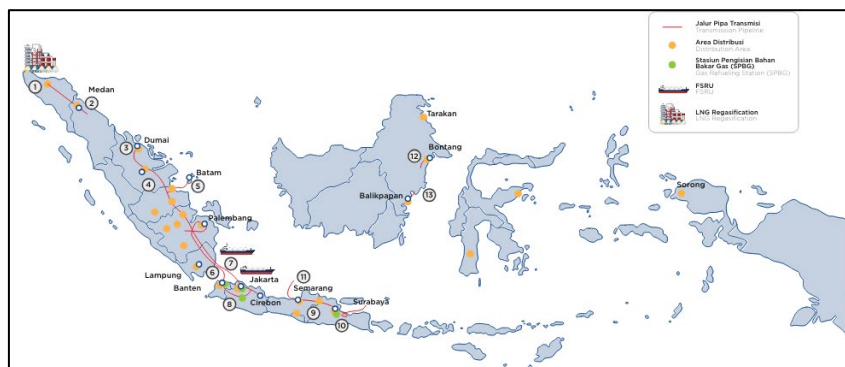
REVIEW OF OPERATIONS (CONTINUED)

NuEnergy on 2 October 2023, obtained the environmental permit for the Tanjung Enim POD 1, that enables NuEnergy to commence the development and commercialisation of Tanjung Enim POD 1.



NuEnergy on 28 June 2024 announced that its subsidiary, Dart Energy (Tanjung Enim) Pte Ltd ("Dart TE"), signed a Heads of Agreement ("HOA") with PT Perusahaan Gas Negara Tbk ("PGN") on 27 June 2024 for the sale and purchase of coal bed methane. Dart TE and PGN are hereinafter collectively referred to as the "Parties".

PGN (Stock code: PGAS:IJ), listed on the Indonesia Stock Exchange, is a leading natural gas distribution and transportation player in Indonesia. PGN is engaged in upstream oil and gas on midstream and downstream fields across Indonesia. PGN owns and operates natural gas pipelines of more than 12,000 km in total length. PGN has been a subsidiary of PT Pertamina (Persero) since 28 December 2018 as part of the Government of Indonesia's oil and gas holding initiatives.



PGN's Natural Gas Infrastructure

The HOA's salient terms and conditions shall eventually progress and be incorporated into a comprehensive Gas Sale and Purchase Agreement ("GSPA"), covering the supply and sale commitment by Dart TE and the purchase commitment by PGN, of CBM produced from Dart TE's POD 1, in the Tanjung Enim PSC, located in South Sumatra Indonesia.

REVIEW OF OPERATIONS (CONTINUED)

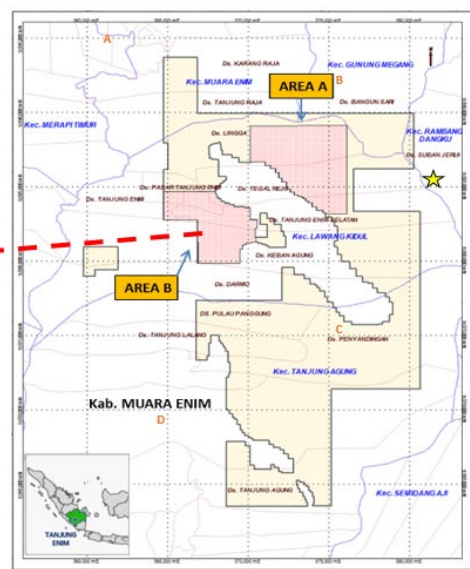
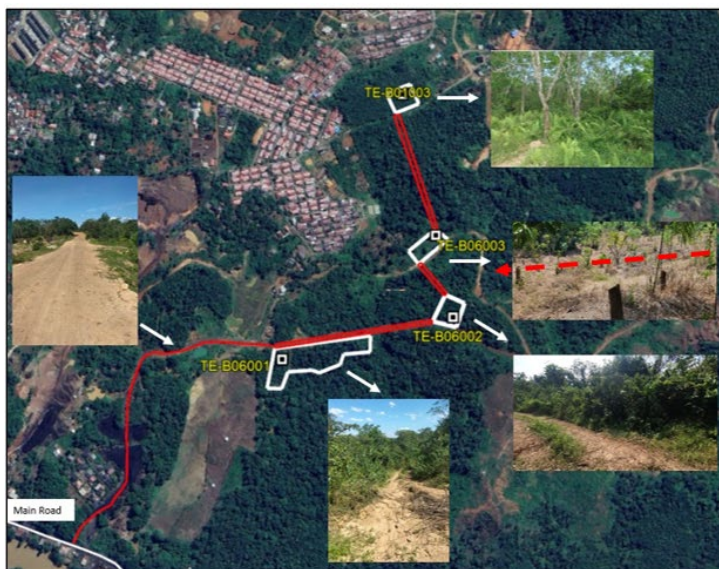
The HOA shall be effective from 27 June 2024 up to the date the GSPA is executed or expiration of the 12 (twelve) month period from the effective date and can be extended based on the written agreement of the Parties. The Parties have finalised the terms of the GSPA under the guidance of the Special Task Force for Upstream Oil and Gas Business Activities ("SKK Migas") on 31 December 2024.

NuEnergy submitted the application for gas allocation and price determination to SKK Migas on 8 July 2024 with PGN as the gas buyer. On 18 December 2024, SKK Migas, following its review, submitted Dart TE's application for gas allocation and price determination to MEMR for approval. Once MEMR grants the necessary approvals, Dart TE and PGN will proceed with the signing of the GSPA.



Meeting between NuEnergy and PGN on Finalising the Term of the GSPA

The supply of the CBM/natural gas will address not only the energy needs but will also help the industry in the vicinity to gradually migrate towards utilising cleaner energy in their operations/business and this, in turn, will enable NuEnergy, PGN, Indonesia, and the world to take a step closer towards a lower carbon future. This intended gas sale commencing at 1 MMSCFD represents the initial and gradual progress of gas production and this initial gas production is part of Dart TE's development phase that will increase to a total peak gas production of 25 MMSCFD.



REVIEW OF OPERATIONS (CONTINUED)

Muralim PSC

South Sumatra, Indonesia

NuEnergy Interest: 100%

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

NuEnergy continues the dewatering process to deliver gas production data. NuEnergy was granted in the previous financial year, an additional exploration period of 19 months, till 29 March 2025, from MEMR. The extension will enable NuEnergy to complete the exploration commitments and acquire necessary production data, which will then facilitate the submission of a POD proposal for the Muralim PSC, which is the final step required before entering the development phase for the asset.



Dewatering Process in MU-005 TW

Muara Enim PSC

South Sumatra, Indonesia

NuEnergy Interest: 40%

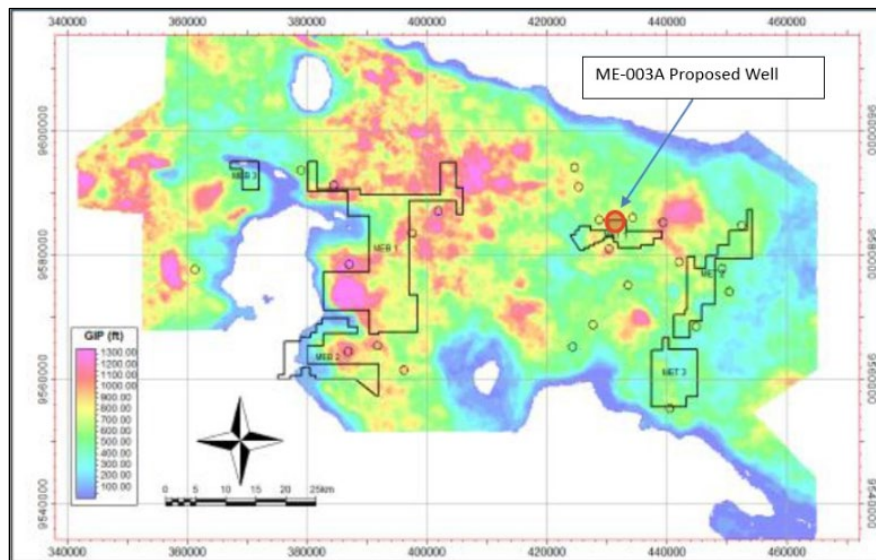
Operator: PT Trisula CBM Energi (a subsidiary of NuEnergy)

In the previous financial year, NuEnergy received the approval from MEMR through SKK Migas for an additional exploration period until 17 September 2025 for its Muara Enim PSC. NuEnergy is currently preparing for the drilling program and the environmental permit application for its Muara Enim 003A well. The objective of this well is to determine the gas productivity of the PSC to obtain reserve certification for submission of POD proposal. On 7 September 2024, a report and proposal in respect of the environmental permit application were submitted by NuEnergy to the Ministry of Environment and Forestry for their review and approval. Pursuant to the review, a revised report and proposal were submitted to the Ministry of Environment and Forestry on 24 December 2024. NuEnergy is currently awaiting verification by the ministry.



Environment Sampling Process

REVIEW OF OPERATIONS (CONTINUED)



MUARA ENIM PSC AREA

The location of Muara Enim 003A well was selected due to its proximity to the reference well ME-CBM-02 which already has some existing exploration and production data. The geological correlation from ME-CBM-02 well indicated good distribution of Mangus and Suban coal seam groups which is the targeted coal seams for gas production.

In addition, due to the increase in contractor's share of gross revenue to 95% under the revised gross split scheme, representing an improvement of about 9% in the split for the contractor, as advocated by MEMR coupled with value added taxes exemption granted until the commencement of gas sales accorded under the gross split scheme, NuEnergy submitted an application to SKK Migas during the financial year, for the conversion of the Muara Enim PSC to a gross split-based PSC. This conversion will not only bring additional financial benefits but also allow greater flexibility in carrying out NuEnergy's development activities. Currently, the application is awaiting approval from MEMR.

Muara Enim II PSC

South Sumatra, Indonesia

NuEnergy Interest: 30%

Operator: Indo CBM Sumbagsel 2 Pte Ltd (a subsidiary of NuEnergy)

The Muara Enim II PSC exploration period expired on 29 January 2025. NuEnergy is relinquishing its Muara Enim 2 PSC (NuEnergy has a 30% participating interest and is the operator). NuEnergy will work closely with SKK Migas to complete the relinquishment process in accordance with the PSC terms. The relinquishment will have no material impact on NuEnergy's profit or loss as all related exploration expenditures and penalty costs were fully impaired/provided for in the financial year ended 30 June 2019. Additionally, the anticipated restoration cost is expected to be immaterial. The relinquishment of Muara Enim 2 PSC represents NuEnergy's further effort to optimise its CBM assets portfolio by prioritising more advanced CBM projects with near term monetisation potential.

REVIEW OF OPERATIONS (CONTINUED)

Bontang Bengalon PSC

East Kalimantan, Indonesia

NuEnergy Interest: 100%

Operator: Dart Energy (Bontang Bengalon) Pte Ltd (a subsidiary of NuEnergy)

NuEnergy received the notice of termination of the Bontang Bengalon PSC from SKK Migas on 23 August 2019. With this termination, NuEnergy is required to immediately relinquish the contract area and fulfill the remaining obligations under the PSC. NuEnergy has not completed the remaining obligations and the carrying value of the Bontang Bengalon PSC exploration and evaluation assets have been fully impaired and a provision for potential penalty of USD 4,650,000, representing the balance costs of the remaining obligation, has been provided for in the financial year ended 30 June 2019 and remains subsisting as at 31 December 2024. NuEnergy is currently appealing the termination.

Financial results and position

The Group reported a net loss attributable to owners of the Company ("net loss") of \$633,755 for the half year ended 31 December 2024 compared to a net loss of \$411,805 for the previous corresponding half year. At 31 December 2024, the Group has cash and cash equivalents of \$4,889,059 (30 June 2024: \$145,794) and net assets attributable to owners of the Company of \$33,578,563 (30 June 2024: \$25,860,484).

Significant events during the period

Except for the issuance of shares as mentioned earlier, the Company is not aware of any material events that have occurred during the period ended.

Significant events subsequent to period end

The Muara Enim II PSC exploration period expired on 29 January 2025. NuEnergy is relinquishing its Muara Enim 2 PSC (NuEnergy has a 30% participating interest and is the operator). NuEnergy will work closely with SKK Migas to complete the relinquishment process in accordance with the PSC terms. The relinquishment will have no material impact on NuEnergy's profit or loss as all related exploration expenditures and penalty costs were fully impaired/provided for in the financial year ended 30 June 2019. Additionally, the anticipated restoration cost is expected to be immaterial.

Save as disclosed above, the Company is not aware of any material events that have occurred subsequent to the period.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 10.

Signed in accordance with a resolution of Board of Directors.



Kong Kok Keong

Non-Executive Chairman

Dated this 13th day of March 2025



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of NuEnergy Gas Limited

I declare that, to the best of my knowledge and belief, in relation to the review of NuEnergy Gas Limited for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review

The KPMG logo, consisting of the letters 'KPMG' in a bold, blue, sans-serif font, with a stylized graphic of four blue squares arranged in a 2x2 grid to the left of the text.

KPMG

A handwritten signature in black ink, appearing to read 'Kevin Pyeun'.

Kevin Pyeun

Partner

Sydney

13 March 2025

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Note	31/12/2024 \$	31/12/2023 \$
EXPENSES			
Administration expenses		(200,849)	(130,311)
Fair value changes on other investment		-	(191,413)
Foreign exchange (loss)/gain		(273,365)	179,823
Net finance costs		(159,753)	(268,495)
		<u>(633,967)</u>	<u>(410,396)</u>
Loss before income tax		-	-
Income tax benefit		-	-
		<u>(633,967)</u>	<u>(410,396)</u>
Net loss after income tax		<u>(633,967)</u>	<u>(410,396)</u>
Other comprehensive income			
Items that are or may be reclassified to profit or loss:			
- Foreign currency translation reserve		2,406,937	(921,180)
		<u>1,772,970</u>	<u>(1,331,576)</u>
Total comprehensive income/(expense) for the period		<u>1,772,970</u>	<u>(1,331,576)</u>
Net loss attributable to:			
- Owners of the Company		(633,755)	(411,805)
- Non-controlling interests		(212)	1,409
		<u>(633,967)</u>	<u>(410,396)</u>
Total comprehensive income/(expense) attributable to:			
- Owners of the Company		1,773,195	(1,332,928)
- Non-controlling interests		(225)	1,352
		<u>1,772,970</u>	<u>(1,331,576)</u>
Loss per share:			
- Basic/Diluted loss per share (cents per share)		(0.04)	(0.03)

The condensed notes on pages 15 to 23 are an integral part of these condensed consolidated half-year financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31/12/2024 \$	30/6/2024 \$
ASSETS			
Cash and cash equivalents		4,889,059	145,794
Other receivables and prepayments	2	507,287	65,945
Total current assets		<u>5,396,346</u>	<u>211,739</u>
Exploration and evaluation assets	3	45,464,571	41,800,756
Other financial assets	4	450,736	420,937
Total non-current assets		<u>45,915,307</u>	<u>42,221,693</u>
Total assets		<u>51,311,653</u>	<u>42,433,432</u>
LIABILITIES			
Other payables		1,939,071	1,837,644
Related party payables	5	5,497,621	5,091,510
Provision for Production Sharing Contract penalties	6	9,874,601	9,221,772
Total current liabilities		<u>17,311,293</u>	<u>16,150,926</u>
Total liabilities		<u>17,311,293</u>	<u>16,150,926</u>
Net assets		<u>34,000,360</u>	<u>26,282,506</u>
EQUITY			
Share capital	7	112,395,195	106,450,311
Reserves	8	11,238,624	8,831,674
Accumulated losses		(90,055,256)	(89,421,501)
Equity attributable to owners of the Company		<u>33,578,563</u>	<u>25,860,484</u>
Non-controlling interests		<u>421,797</u>	<u>422,022</u>
Total equity		<u>34,000,360</u>	<u>26,282,506</u>

The condensed notes on pages 15 to 23 are an integral part of these condensed consolidated half-year financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Share Capital	Reserves	Accumulated Losses	Non- Controlling Interests	Total Equity
	\$	\$	\$	\$	\$
At 1 July 2023	106,450,311	9,105,208	(88,614,163)	419,403	27,360,759
Net (loss)/profit after income tax	-	-	(411,805)	1,409	(410,396)
Other comprehensive income:					
- Foreign currency translation reserve	-	(921,123)	-	(57)	(921,180)
At 31 December 2023	106,450,311	8,184,085	(89,025,968)	420,755	26,029,183
	Share Capital	Reserves	Accumulated Losses	Non- Controlling Interests	Total Equity
	\$	\$	\$	\$	\$
At 1 July 2024	106,450,311	8,831,674	(89,421,501)	422,022	26,282,506
Net loss after income tax	-	-	(633,755)	(212)	(633,967)
Shares issued	5,944,884	-	-	-	5,944,884
Other comprehensive expense:					
- Foreign currency translation reserve	-	2,406,950	-	(13)	2,406,937
At 31 December 2024	112,395,195	11,238,624	(90,055,256)	421,797	34,000,360

The condensed notes on pages 15 to 23 are an integral part of these condensed consolidated half-year financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	31/12/2024 \$	31/12/2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(646,456)	(298,373)
Term deposit released		-	206,777
Net cash used in operating activities		<u>(646,456)</u>	<u>(91,596)</u>
CASH FLOWS FROM INVESTING ACTIVITY			
Payments for exploration and evaluation expenditure	3	(567,106)	(890,094)
Net cash used in investing activity		<u>(567,106)</u>	<u>(890,094)</u>
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from issuance of shares		5,944,884	-
Net cash generated from financing activity		<u>5,944,884</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		4,731,322	(981,690)
Cash and cash equivalents at 1 July		145,794	1,440,843
Effect of exchange rate fluctuations on cash held		11,943	(2,448)
Cash and cash equivalents at 31 December		<u>4,889,059</u>	<u>456,705</u>
		=====	=====

The condensed notes on pages 15 to 23 are an integral part of these condensed consolidated half-year financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

(a) Reporting entity

NuEnergy Gas Limited (the "Company" or "NuEnergy") is a company domiciled in Australia. These Condensed Consolidated Half-Year Financial Statements ("half-year financial statements") as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in the exploration, appraisal and development of hydrocarbons with a primary focus on unconventional gas on coal seam gas also known as coal bed methane ("CBM").

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2024 are available upon request from the Company's registered office at Unit 3, 39 Brook Street, Sunbury VIC 3429, Australia or at www.nuenergygas.com.

(b) Basis of preparation

These half-year financial statements are general purpose financial statements prepared in accordance with AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*, and with IAS 34: *Interim Financial Reporting*.

They do not include all of the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

These half-year financial statements are presented in Australian dollars.

These half-year financial statements were authorised for issue by the Company's Board of Directors on 13 March 2025.

(c) Material Accounting Policies

During the period, the same accounting policies and methods of computation have been followed in this half-year financial report as were applied in the Group's consolidated financial statements as at and for the year ended 30 June 2024. The application of the amendments to standards and interpretations does not have a material effect on the financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (Continued)

(d) Going concern

At 31 December 2024 the Group had a working capital deficiency of \$11,914,947, loss of \$633,755, net cash inflows of \$4,731,322 for the half year ended 31 December 2024 and has no ongoing source of operating income. However, the Group has net assets attributable to owners of the Company of \$33,578,563 which includes \$4,889,059 of cash and cash equivalents.

The financial statements have been prepared on a going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business and at the amounts stated in the financial statements.

The Directors believe the going concern basis is appropriate for the following reasons:

- i) During the financial period, the Company raised equity funds of \$5,994,998 with the issuance of 299,749,949 new shares pursuant to a partially underwritten renounceable pro-rata entitlement offer of 8 new shares for every 29 shares held in the Company, at an issue price of \$0.02 for each new share, which was completed on 17 September 2024.
- ii) At 31 December 2024, the Group had cash and cash equivalents of \$4,889,059;
- iii) As at 31 December 2024, the Group has amounts totalling \$5,497,621 due to related parties. The major shareholders, Globaltec Energy Resources Sdn Bhd and New Century Energy Resources Limited have agreed on behalf of these related parties that these amounts will not be called on, if in doing so, would place the Company into insolvency or a position where the Company could not satisfy its commitments as and when they are due. In addition, the ultimate parent, Globaltec Formation Berhad ("GFB") will continue to provide continuous financial support to enable the Group to operate on a going concern and to meets its obligations;
- iv) The Directors have prepared a cash flow forecast for the 15-month period from 1 January 2025 to 31 March 2026 which includes:
 - planned capital raising of \$5,500,000; and
 - assumed proceeds from early gas sales initiative amounting to \$428,000

such that all planned exploration expenditure of \$1,423,000, uncommitted appraisal and development expenditure of approximately \$4,079,000, and administrative overheads of \$1,602,000 for the 15-month period from 1 January 2025 to 31 March 2026 can be met. In the event that further planned capital raisings are delayed, the Directors believe that the Group will have the ability to scale back its operations, postpone the initial Tanjung Enim PSC development plans and move some of the appraisal and exploration expenditure under the other PSCs to future years as these PCSs are either been extended or granted additional times to submit a plan of development;
- v) In the event that the provision for production sharing contract penalties are called upon by the Indonesian Ministry, the ultimate parent, GFB has provided written assurance to NuEnergy by way of a letter of financial support that they will support the Group in meeting these commitments should the need arises; and

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (Continued)

(d) Going concern (Continued)

- vi) The Bontang Bengalon PSC has been terminated and fully impaired in financial year 2019. The Group has responded and appealed to the Government for amongst others, the transfer of the commitments to another PSC or another PSC of the Group located in South Sumatra. The appeal is currently ongoing. Should the appeal be successful, it is unlikely that the said commitments will be required to be completed within 12 months from the date of this report.

After considering all the above factors, the Directors have concluded that the use of going concern assumption is appropriate. There is a material uncertainty that may cast significant doubt on the Group's activities to continue as a going concern should access to equity or financial support be reduced or not forthcoming or if the Bontang Bengalon PSC appeal is not successful. Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the consolidated financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Group be unable to continue as a going concern and meet its debt obligations as and when they fall due.

(e) Significant Assumptions and Key Estimates

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values that are not apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised of the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTE 2 OTHER RECEIVABLES AND PREPAYMENTS

	31/12/2024 \$	30/6/2024 \$
Current		
Receivables	507,287	65,945
Prepayments	-	-
	507,287	65,945

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 3 EXPLORATION AND EVALUATION ASSETS

	31/12/2024 \$	30/6/2024 \$
Balance at beginning of period	41,800,756	40,724,784
Additions	567,106	1,427,678
Exchange differences	3,096,709	(351,706)
Balance at end of period	45,464,571	41,800,756
Exploration and evaluation assets	70,637,447	66,973,632
Accumulated impairment loss	(25,172,876)	(25,172,876)
Carrying value	45,464,571	41,800,756

The exploration and evaluation assets comprise of:

PSC

	Carrying value 31/12/2024 \$	30/6/2024 \$
Tanjung Enim	15,918,601	14,394,978
Muara Enim	24,409,047	22,629,759
Muralim	5,136,923	4,776,019
Total	45,464,571	41,800,756

Impairment Indicator Assessment

Tanjung Enim PSC

NuEnergy has obtained the approval for its plan of development for its Tanjung Enim PSC POD 1 on 17 June 2021. In 2020, NuEnergy engaged an independent professional valuer in determining the recoverable amounts of its PSCs. In 2023, NuEnergy performed an update of the valuation and which was carried out by an independent professional valuer. In accordance with valuation guidance provided under the Society of Petroleum Engineers' internationally recognised Petroleum Management System and Section 8.3 of the VALMIN Code, 2015 Edition, "Appropriate Valuation Approach", Table 1, and as the Tanjung Enim PSC is a development-ready asset (as defined by the VALMIN Code), the valuation methodologies applicable to the Tanjung Enim PSC, shall be the Income-based Approach and/or Market-based Approach. Since Tanjung Enim PSC's POD 1 is the first and only CBM POD in Indonesia, there are no market comparable transactions that can be used to perform the valuation for Tanjung Enim PSC. All other CBM assets in Indonesia are still under exploration phase. Therefore, only the Income-based approach is considered in the valuation. The Income-based approach uses discounted cash flow model, which is the value in use of the Tanjung Enim PSC, to derive the recoverable amount of the Tanjung Enim PSC ("Tanjung Enim Recoverable Amount") and the Board is of the view that there is no significant change in the Tanjung Enim Recoverable Amount as at 31 December 2024 as there has not been any substantial changes in the assumptions since 30 June 2023.

As at 31 December 2024, as there were no impairment triggers and that the Tanjung Enim Recoverable Amount was higher than its carrying amount and hence, no impairment loss was recognised. The Board is of the opinion that the key assumptions used in the abovesaid valuation report in arriving at the recoverable amount are still fair and reasonable.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 3 EXPLORATION AND EVALUATION ASSETS (Continued)

Impairment Indicator Assessment (Continued)

Muara Enim and Muralim PSCs

Recoverability of the carrying amount of these PSCs are dependent on the successful development and commercial exploitation, or sale of CBM. Management have obtained updated external valuation reports for the Muara Enim and Muralim PSCs as at 30 June 2023 assessed using a market based and cost valuation approach. The Board is of the opinion that the basis and assumptions used in the said valuation reports are still relevant and support the carrying value of these PSCs.

NOTE 4 OTHER FINANCIAL ASSETS

	31/12/2024 \$	30/6/2024 \$
<i>Non-current</i>		
Term deposits related to performance bond guarantee for Indonesia PSC purposes	450,736	420,937

The term deposits are placed for a minimum period of two years or until the performance bond guarantee totalling \$8,068,271 (30 June 2024: \$7,534,863), are withdrawn. The effective interest rates range from 4.5% to 5.3%.

NOTE 5 RELATED PARTY PAYABLES

		31/12/2024 \$	30/6/2024 \$
Amount due to ultimate parent company	5.1	98,661	93,213
Amount due to substantial shareholder	5.2	153,854	140,513
Loans from related corporations	5.3	5,245,106	4,857,784
		5,497,621	5,091,510

- 5.1 The amount due to the ultimate parent, GFB, is non-trade, unsecured, interest free and repayable on demand.
- 5.2 The amount due to the substantial shareholder, New Century Energy Resources Limited ("NCE") is non-trade, unsecured, interest free and repayable on demand.
- 5.3 Loans from related corporations inclusive of interest accrued are unsecured and repayable on demand with financing cost of 10% per-annum charged on the outstanding loan computed on a daily and non-compounding basis.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 6 PROVISION FOR PRODUCTION SHARING CONTRACT PENALTIES

	31/12/2024 \$	30/6/2024 \$
Current Production Sharing Contract penalties	9,874,601	9,221,772

The penalties were provided in financial year 2019, for the Bontang Bengalon PSC of \$7,466,162 (30 June 2024: \$6,972,559) and for the Muara Enim II PSC of \$2,408,439 (30 June 2024: \$2,249,213) to fulfil the remaining obligations under the PSC. The increase in the provision is due to unrealised foreign exchange translation losses.

NOTE 7 SHARE CAPITAL

	31/12/2024	30/6/2024
Issued and Paid Up Capital (number of shares)		
Balance at beginning of period	1,480,955,497	1,480,955,497
Issued during the period	299,749,949	-
Balance at end of period	1,780,705,446	1,480,955,497
Fully paid ordinary shares (\$)		
Balance at beginning of period	106,450,311	106,450,311
Issued during the period	5,944,884	-
Balance at end of period	112,395,195	106,450,311

NOTE 8 RESERVES

	31/12/2024 \$	30/6/2024 \$
Foreign Currency Translation Reserve	11,238,624	8,831,674

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 9 SEGMENT INFORMATION

Operating segments are reported in a manner that is consistent with internal reporting to the chief operating decision maker ("CODM"), which has been identified by the Board of Directors. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, or whose operating results are regularly reviewed by the entity's CODM to make decisions about resources to be allocated to the segment and assess its performance. The Group operated in one segment being the CBM exploration in Indonesia. The measure used by the CODM to evaluate the performance is the CBM exploration meeting the commitments under the PSC.

Geographical location

The exploration assets of the Group are predominantly located in Indonesia. The Company's principal and registered office is located in Australia. All the non-current assets of the Group are located in Indonesia. The Group is currently under the exploration and appraisal phase and has no revenues from external customers.

NOTE 10 EXPENDITURE COMMITMENTS AND CONTINGENT LIABILITIES

Minimum expenditure commitments contracted for under the PSC not provided for in the financial statements:

	31/12/2024 \$	30/6/2024 \$
Not longer than 1 year	166,000	155,000
Longer than 1 year and not longer than 5 years	1,565,000	1,462,000
	1,731,000	1,617,000

The Group's minimum expenditure commitments are the firm commitments as set forth in the Production Sharing Contracts with the Government of Indonesia for which the Group is committed and obligated to complete. The firm commitments under the Indonesian Production Sharing Contract may be moved into future years after negotiation with the Indonesian Oil and Gas Regulator.

The Group has performance bond guarantees at the half year ended of \$8,068,271 (30 June 2024: \$7,534,863) issued to the Government of Indonesia pursuant to the Production Sharing Contract to guarantee the firm commitments that are required to be completed by NuEnergy during the exploration period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 11 RELATED PARTIES

Dealings with related parties have been consistent with those disclosed in the 30 June 2024 financial statements.

GFB is the ultimate parent of the Company.

The transactions and balances for the half year ended were as follows:-

- i) During the half-year ended, interest of \$38,827 was payable to PT Indotech Metal Nusantara, a wholly owned subsidiary of GFB and related party to the Company's directors, Goh Tian Chuan and Chen Heng Mun. The total principal and interest payable was \$1,271,060 as at 31 December 2024 (30 June 2024: \$1,228,423).
- ii) During the half-year ended, interest of \$121,036 was payable to AIC Corporation Sdn Bhd, a wholly owned subsidiary of GFB and related party to the Company's directors, Goh Tian Chuan and Chen Heng Mun. The total principal and interest payable was \$3,974,046 as at 31 December 2024 (30 June 2024: \$3,629,351).
- iii) An amount of \$153,854 (30 June 2024: \$140,513) for technical service fees was payable at 31 December 2024 to NCE, a subsidiary of the ultimate parent, GFB and related party of the Company's directors, Kee Yong Wah, Goh Tian Chuan, Chen Heng Mun and the Company's Chairman Kong Kok Keong. There were no technical service fees charged during the year.
- iv) An amount of \$98,661 (30 June 2024: \$93,213) for directors travelling and corporate expenditure was payable at 31 December 2024 to GFB, the ultimate parent and a related party of the Company's directors Goh Tian Chuan, Chen Heng Mun and the Company's Chairman Kong Kok Keong. The amount of travelling and corporate expenditure incurred for the financial year amounted to \$779 (30 June 2024: \$6,452).
- v) The amount of fees and salaries due to Directors as at 31 December 2024 amounted to \$155,833 (30 June 2024: \$155,833). These amounts owing are non-interest bearing.

NOTE 12 LOSS PER SHARE

Income and share data used in the calculations of basic and diluted loss per share:

	Half Year Ended	
	31/12/2024	31/12/2023
	\$	\$
Net loss attributable to the owners of the Company	(633,755)	(411,805)
	Number of	Number of
	shares	shares
Weighted average number of ordinary shares used in the calculation of basic/diluted average number of ordinary shares:		
- At beginning of period	1,480,955,497	1,480,955,497
- Issued during the period	172,682,036	-
- At end of period	1,653,637,533	1,480,955,497
Basic/Diluted loss per share (cents per share)	(0.04)	(0.03)

Diluted loss per share is the same as basic as the Company has not issued any dilutive instruments.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 13 SIGNIFICANT EVENTS DURING THE PERIOD

During the financial period, the Company issued 299,749,949 new shares pursuant to a partially underwritten renounceable pro-rata entitlement offer of 8 new shares for every 29 shares held in the Company on 30 August 2024 at an issue price of \$0.02 for each new share, raising total cash proceeds of \$5,994,998 to the Company. With the completion, the Company has 1,780,705,446 shares issued and paid-up.

NOTE 14 SIGNIFICANT EVENTS SUBSEQUENT TO PERIOD END

The Muara Enim II PSC exploration period expired on 29 January 2025. NuEnergy is relinquishing its Muara Enim 2 PSC (NuEnergy has a 30% participating interest and is the operator). NuEnergy will work closely with SKK Migas to complete the relinquishment process in accordance with the PSC terms. The relinquishment will have no material impact on NuEnergy's profit or loss as all related exploration expenditures and penalty costs were fully impaired/provided for in the financial year ended 30 June 2019. Additionally, the anticipated restoration cost is expected to be immaterial.

Save as disclosed above, the Company is not aware of any material events that have occurred subsequent to the period.

DIRECTORS' DECLARATION

In the opinion of the directors of NuEnergy Gas Limited ("the Company"):

- (1) the condensed consolidated financial statements and notes, as set out on pages 11 to 23, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six months ended on that date; and
 - (b) complying with Australian Accounting Standards AASB 134: *Interim Financial Reporting* and the Corporations Regulations 2001; and
- (2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Kong Kok Keong
Non-Executive Chairman
Dated this 13th day of March 2025



Independent Auditor's Review Report

To the shareholders of NuEnergy Gas Limited

Conclusion

We have reviewed the accompanying **Condensed Half-year Financial Report** of NuEnergy Gas Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Half-year Financial Report of NuEnergy Gas Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2024 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Half-year Financial Report** comprises:

- Condensed Consolidated statement of financial position as at 31 December 2024
- Condensed Consolidated statement of profit or loss and other comprehensive income, Condensed Consolidated statement of changes in equity and Condensed Consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 14 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises NuEnergy Gas Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Material uncertainty related to going concern

We draw attention to Note 1(d), "Going Concern" in the Condensed Half-year Financial Report. The events or conditions disclosed in Note 1(d), indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Condensed Half-year Financial Report. Our conclusion is not modified in respect of this matter.

Responsibilities of the Directors for the Condensed Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001
- such internal control as the Directors determine is necessary to enable the preparation of the Condensed Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Condensed Half-year/Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Half-year Financial Report does not comply with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the Half-Year ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a Condensed Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Kevin Pyeun

Partner

Sydney

13 March 2025