

26 May 2025

Commenced Spudding Of TE-B06001 Well for Early Gas Sales Initiative – Indonesia's First Commercial Coalbed Methane Project

NuEnergy Gas Limited ("NuEnergy" or "the Company") (ASX: NGY) is pleased to announce the commencement of drilling operations for the TE-B06001 well at its Tanjung Enim Production Sharing Contract ("PSC") Plan of Development 1 ("Tanjung Enim POD 1") contract area, marking a significant milestone in the development of both NuEnergy's and Indonesia's **first** commercial coal bed methane ("CBM") project. The TE-B06001 well is the first of four planned CBM wells under NuEnergy's Early Gas Sales Initiative, which targets initial gas sales of 1 million standard cubic feet per day ("mmscfd").

A hydraulic drilling rig, specially modified for CBM operations and equipped with a TopDrive system to enhance safety and efficiency, was mobilised to site on 30 April 2025, with rig-up and function tests completed by 21 May 2025. On 22 May 2025, the Ministry of Energy and Mineral Resources, through the Directorate General of Oil and Gas, conducted an inspection to assess the readiness for the drilling of the well with favourable results. The rig, delivering 750 horsepower, commenced spudding of the TE-B06001 well on 25 May 2025.



Photos of Rig-up activities and MIGAS Inspection

The TE-B06001 well will be drilled vertically to a planned total depth of approximately 463 metres, targeting multiple coal seams located between 288 and 400 metres. The well will be completed using an “open hole” method - a proven technique optimised for gas recovery in CBM formations.

This drilling campaign highlights NuEnergy’s commitment to delivering sustainable and cleaner energy solutions while supporting Indonesia’s domestic gas supply strategy. The successful execution of the TE-B06001 well will lay the foundation for future development under Tanjung Enim POD 1 and further validate the commercial viability of NuEnergy’s CBM assets. All operations are being conducted under strict safety, environmental, and community engagement standards in line with the Company’s core operational values.

The Tanjung Enim POD 1, with a planned production of 25 mmscfd, covers approximately 33 km², representing 13% of the total PSC area. Reserves totalling 164.89 billion standard cubic feet have been certified within the POD 1 area by Indonesia’s Research and Development Center for Oil and Gas Technology (See NuEnergy’s ASX Announcements dated 15 January 2018 and 19 January 2018). The POD 1 was approved by the Ministry of Energy and Mineral Resources (“MEMR”) in July 2021, and is located approximately 218 km from Palembang, South Sumatra. As Indonesia’s first commercial-scale CBM development, this project is a strategic step towards achieving the country’s energy transition goals through cleaner, unconventional gas sources.

On the commercial front, NuEnergy signed a Heads of Agreement with PT Perusahaan Gas Negara Tbk (“PGN”) - Indonesia’s largest publicly listed gas utility and a subsidiary of PT Pertamina (Persero) on 27 June 2024.

NuEnergy’s Chairman, Mr Bernard Kong commented “This is a proud moment for NuEnergy and for Indonesia, as we officially commence drilling at the nation’s first commercial CBM project. TE-B06001 well is the beginning of a transformational journey - not only for our Company but also for Indonesia’s gas sector, which is embracing the future of cleaner, domestically-sourced energy. With the strong support of regulators, and the local community, we are confident in delivering a project that meets environmental and operational standards. As we progress toward first gas and commercial delivery, NuEnergy remains committed to responsible development and long-term value creation for all stakeholders.”

ABOUT NUENERGY GAS

NuEnergy is an independent clean energy company focused on the development of Indonesian unconventional gas assets.

NuEnergy was established with the goal of providing investors with superior value by safely, reliably and sustainably supplying clean energy to meet the growing energy demands in Indonesia, one of the world’s fastest growing economies and energy consuming markets.

NuEnergy hold three (3) onshore coal bed methane (“CBM”) Production Sharing Contracts (“PSCs”), across South Sumatra, Indonesia. NuEnergy is now fully focused on moving our high-value unconventional gas assets from exploration to the development stage, monetizing their reserves, delivering shareholder return, and in turn working capital to fund future developments and strategic acquisitions.

NuEnergy's strategy is to integrate all its PSCs in South Sumatra as a CBM hub to supply sustainable clean energy to the local market and the country.

NuEnergy has a clear strategy to drive future growth and maximise shareholder return. NuEnergy is fully committed to complete the first Plan of Development on the Tanjung Enim PSC, moving to first gas production and commercialization.

NuEnergy is proud to be a pioneer of Indonesia's clean energy industry, helping deliver a 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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