



NuEnergy Gas Limited

ACN 009 126 238

HALF-YEAR FINANCIAL REPORT

31 December 2025

NuEnergy Gas Limited
Half Year Financial Report 31 December 2025

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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 2025 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 2025

DIRECTORS

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

COMPANY SECRETARY

Rozanna Lee

ACN:

009 126 238

REGISTERED/ADMINISTRATION OFFICE:

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 39 Brook Street
 Sunbury VIC 3429
 Australia

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 Email: ir@nuenergygas.com

SHARE REGISTRY

MUFG Corporate Markets (AU) Limited
 Level 12, QV1 Building
 250 St Georges Terrace
 Perth
 WA 6000

Phone: (08) 9262 6700

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 2025 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 138,293,481 new shares pursuant to a partially underwritten renounceable pro-rata entitlement offer of 2 new shares for every 19 shares held in the Company on 7 November 2025 at an issue price of \$0.025 for each new share, raising total cash proceeds of \$3,427,364 to the Company. With the completion on 28 November 2025, the Company has a total of 1,918,998,927 shares issued and paid-up post capital raise.

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)

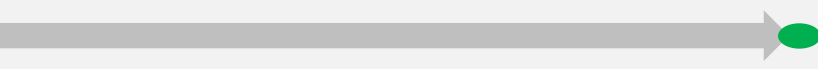
On 17 June 2021, NuEnergy achieved a major milestone as the Indonesian Ministry of Energy and Mineral Resources ("MEMR") approved NuEnergy's first POD for the Tanjung Enim PSC under a gross split scheme (referred to as Tanjung Enim POD 1) in South Sumatra. NuEnergy shall carry out the operations and commercial development of the Tanjung Enim POD 1 singly and exclusively.

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 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 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 details of which were announced on ASX on 20 June 2025. NuEnergy is not aware of any new information or data that materially affects the resources information included in the said announcement and that all material assumptions and technical parameters underpinning the estimates in the said announcement continue to apply and have not materially changed.

REVIEW OF OPERATIONS (CONTINUED)

The POD 1 is being implemented 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 clean energy. This initial volume is easily transportable and can be distributed in the form of compressed natural gas and/or liquefied natural gas.

COMMERCIALISATION PATHWAY

EXPLORATION	APPRAISAL	POD	DEVELOPMENT	PRODUCTION
				TANJUNG ENIM POD Approved
WORKSTREAMS				
G&G Studies: - Seismic - Well data Exploration Drilling	G&G Studies: - Seismic - Well data Appraisal Drilling	Commercial viability confirmation Transition from exploration to production status	Commercialisation Front-end Engineering and Design (FEED) Environmental Permitting Facility Construction Development Drilling	Production & Operations Maintenance Facility Upgrades and replacement Reservoir and production surveillance

NuEnergy's subsidiary, Dart Energy (Tanjung Enim) Pte Ltd ("Dart TE") has on 17 December 2025, signed a binding Gas Sales and Purchase Agreement with PT Perusahaan Gas Negara Tbk ("PGN") for the sale of 1 MMSCFD CBM to PGN ("Early Gas Sales Initiative"). PGN, listed on the Indonesia Stock Exchange, is a leading natural gas distribution and transportation player in Indonesia and is a subsidiary of PT Pertamina (Persero), Indonesia's state-owned oil and gas company. The Early Gas Sales Initiative forms the initial phase of the larger 25 MMSCFD planned production approved under the Tanjung Enim POD 1.



GSPA Signing Ceremony

Under the Early Gas Sales Initiative to-date, NuEnergy has completed the drilling of all 4 planned wells TE-B06-001, TE-B06-002, TE-B06-003 and TE-B01-003 by November 2025. Gas shows were observed at surface via surface logging equipment, confirming the presence of across multiple coal seams for all four wells. Dewatering operations have commenced and gas flaring was initiated as the dewatering operations reached a stable stage, evidenced by consistent casing pressure and sustained gas flow. The flaring is to establish the gas flow rates and overall, well performance.

REVIEW OF OPERATIONS (CONTINUED)



Dewatering and Gas Flaring Activities at Tanjung Enim Early Gas Sale

Subsequent to the period end, NuEnergy signed a collaboration agreement ("Agreement") with PT Beijing Energy Linking ("PT BJEL") on 8 January 2026, for the development of its CBM PSCs in South Sumatra Indonesia. Pursuant to the Agreement, NuEnergy shall appoint PT BJEL as the Lead EPCC (Engineering, Procurement, Construction and Commissioning) contractor for the development of the Tanjung Enim PSC and Muralim PSC subject to the terms and conditions of the respective PSC's EPCC Contract. PT BJEL shall finance 100% of the field development works at a capped contract price where the contract cost shall be repaid via future gas sales, to be agreed between NuEnergy and PT BJEL, which is to be stipulated in the respective PSC's EPCC Contract, with immediate focus on the full implementation of Tanjung Enim POD 1.

In the prior financial year, following the commencement of development activities, under the Early Gas Sales Initiative, the carrying value of the Tanjung Enim PSC is reclassified from Exploration and Evaluation Assets to Gas Assets under Development in the Group's Statement of Financial Position, in accordance with AASB 6, Exploration for and Evaluation of Mineral Resources and AASB 138, Intangible Assets. The reclassification was made as it had reached a stage where its technical feasibility and commercial viability were established.

REVIEW OF OPERATIONS (CONTINUED)

Muralim PSC

South Sumatra, Indonesia

NuEnergy Interest: 100%

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

During the period, NuEnergy applied a 12-month extension to complete the preparations of a plan of development and is currently pending the approval of the Ministry of Energy and Mineral Resources ("MEMR").



Gas Flaring MU-005TW



Regular monitoring to observe the gas rate readings and other relevant parameters during the dewatering process at MU-005TW

Muara Enim PSC

South Sumatra, Indonesia

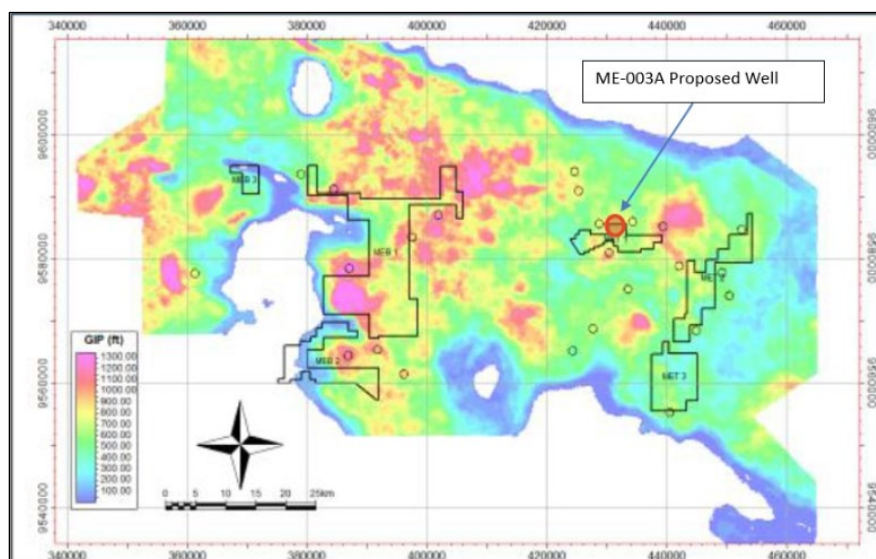
NuEnergy Interest: 40%

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

During the period, NuEnergy submitted a Preliminary Plan of Development ("Pre-POD"), in respect of its Muara Enim PSC to SKK Migas for review before proceeding to a comprehensive POD Proposal submission and concurrently applied for a 12-month extension to complete the preparations of the POD Proposal which is currently pending the approval of MEMR.

On 22 May 2023 the Directorate General of Oil & Gas from MEMR announced a new simplified gross revenue split proposal of 95% to contractor and 5% to the Indonesian Government for the unconventional gas industry, to enhance project profitability, flexibility and technological innovation for unconventional gas industry players. This represents an improvement of about 9% in the split for the contractor, on the previous framework. This new improved gross revenue split was finalised and approved by MEMR on 7 August 2024. In view of the finalisation of the new scheme, NuEnergy submitted an application for the conversion of its current cost-recovery based PSC to a gross split-based PSC on 2 August 2023. SKK Migas has informed that the approval for conversion if granted, will be given parallel to when a POD submission is made.

REVIEW OF OPERATIONS (CONTINUED)



MUARA ENIM PSC AREA

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 expired on 31 March 2019. Pending the extension of the PSC then, the Board took the approach to impair the full carrying value of Exploration and Evaluation expenditure in the financial year ended 30 June 2019 of \$6,231,964 and to record a provision for potential penalty of \$2,097,169 (USD1,500,000) in relation to the unfulfilled exploration commitment under the PSC. The exploration period of Muara Enim II was subsequently extended to 29 January 2025 but has since expired. The relevant government authorities are currently working with NuEnergy to extend this PSC.

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 2025. NuEnergy is currently appealing the termination.

Financial results and position

The Group has not commenced commercial production and reported a net loss attributable to owners of the Company ("net loss") of \$279,699 for the half year ended 31 December 2025 compared to a net loss of \$633,755 for the previous corresponding half year. At 31 December 2025, the Group has cash and cash equivalents of \$2,559,689 (30 June 2025: \$2,434,673) and net assets attributable to owners of the Company of \$33,654,686 (30 June 2025: \$31,523,174).

Significant events during the period

The Company has on 17 December 2025, signed a binding Gas Sales and Purchase Agreement with PGN, for the sale of 1 MMSCFD CBM to PGN under the Company's Early Gas Sales Initiative.

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

Significant events subsequent to period end

Subsequent to the period end, NuEnergy signed a collaboration agreement ("Agreement") with PT BJEL on 8 January 2026, for the development of its CBM PSCs in South Sumatra Indonesia. Pursuant to the Agreement, NuEnergy shall appoint PT BJEL as the Lead EPCC contractor for the development of the Tanjung Enim PSC and Muralim PSC subject to the terms and conditions of the respective PSC's EPCC Contract. PT BJEL shall finance 100% of the field development works at a capped contract price where the contract cost shall be repaid via future gas sales, to be agreed between NuEnergy and PT BJEL, which is to be stipulated in the respective PSC's EPCC Contract, with immediate focus on the full implementation of Tanjung Enim POD 1.

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

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 2026



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 2025 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.

KPMG

Kevin Pyeun

Partner

Sydney

13 March 2026

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	Note	31/12/2025 \$	31/12/2024 \$
EXPENSES			
Administration expenses		(285,261)	(187,359)
Directors' and employees' remuneration		(48,995)	(13,490)
Foreign exchange gain/(loss)		216,307	(273,365)
Net finance costs		(161,473)	(159,753)
Loss before income tax		(279,422)	(633,967)
Income tax benefit		-	-
Net loss after income tax		(279,422)	(633,967)
Other comprehensive (loss)/income Items that are or may be reclassified to profit or loss:			
- Foreign currency translation reserve		(1,016,159)	2,406,937
Total comprehensive (loss)/income for the period		(1,295,581)	1,772,970
Net (loss)/profit attributable to:			
- Owners of the Company		(279,699)	(633,755)
- Non-controlling interest		277	(212)
		(279,422)	(633,967)
Total comprehensive (loss)/income attributable to:			
- Owners of the Company		(1,295,852)	1,773,195
- Non-controlling interest		271	(225)
		(1,295,581)	1,772,970
Loss per share:			
- Basic/Diluted loss per share (cents per share)		(0.02)	(0.04)

The condensed notes on pages 15 to 26 are an integral part of these condensed consolidated half-year financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	31/12/2025 \$	30/6/2025 \$
ASSETS			
Cash and cash equivalents		2,559,689	2,434,673
Other receivables and prepayments	2	490,273	843,627
Total current assets		<u>3,049,962</u>	<u>3,278,300</u>
Gas assets under development	3	20,306,602	17,023,239
Exploration and evaluation assets	4	27,476,029	28,109,432
Other financial assets	5	340,560	429,944
Total non-current assets		<u>48,123,191</u>	<u>45,562,615</u>
Total assets		<u>51,173,153</u>	<u>48,840,915</u>
LIABILITIES			
Other payables		2,396,102	1,954,591
Related party payables	6	5,522,536	5,522,299
Provision for Production Sharing Contract penalties	7	9,177,787	9,419,080
Total current liabilities		<u>17,096,425</u>	<u>16,895,970</u>
Total liabilities		<u>17,096,425</u>	<u>16,895,970</u>
Net assets		<u>34,076,728</u>	<u>31,944,945</u>
EQUITY			
Share capital	8	115,822,560	112,395,196
Reserves	9	8,474,446	9,490,599
Accumulated losses		(90,642,320)	(90,362,621)
Equity attributable to owners of the Company		<u>33,654,686</u>	<u>31,523,174</u>
Non-controlling interests		<u>422,042</u>	<u>421,771</u>
Total equity		<u>34,076,728</u>	<u>31,944,945</u>

The condensed notes on pages 15 to 26 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 2025

	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 income/(loss):					
- 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
	Share Capital	Reserves	Accumulated Losses	Non- Controlling Interests	Total Equity
	\$	\$	\$	\$	\$
At 1 July 2025	112,395,196	9,490,599	(90,362,621)	421,771	31,944,945
Net (loss)/profit after income tax	-	-	(279,699)	277	(279,422)
Shares issued	3,427,364	-	-	-	3,427,364
Other comprehensive loss:					
- Foreign currency translation reserve	-	(1,016,153)	-	(6)	(1,016,159)
At 31 December 2025	115,822,560	8,474,446	(90,642,320)	422,042	34,076,728

The condensed notes on pages 15 to 26 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 2025

	Note	31/12/2025 \$	31/12/2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(279,422)	(633,967)
Adjustment for:			
Interest expense		161,473	159,753
Forex exchange (gain)/loss		(216,307)	273,365
		<u>(334,256)</u>	<u>(200,849)</u>
Term deposit released		80,133	-
Decrease/(increase) in other receivables and prepayment		318,879	(332,898)
Increase/(decrease) in other payables		579,327	(112,709)
Net cash generated from/(used in) operating activities		<u>644,083</u>	<u>(646,456)</u>
CASH FLOWS FROM INVESTING ACTIVITY			
Gas assets under development incurred	3	(3,805,609)	-
Exploration and evaluation expenditure Incurred	4	(128,531)	(567,106)
Net cash used in investing activity		<u>(3,934,140)</u>	<u>(567,106)</u>
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from issuance of shares		3,427,364	5,944,884
Net cash generated from financing activity		<u>3,427,364</u>	<u>5,944,884</u>
Net increase in cash and cash equivalents		137,307	4,731,322
Cash and cash equivalents at 1 July		2,434,673	145,794
Effect of exchange rate fluctuations on cash held		(12,291)	11,943
Cash and cash equivalents at 31 December		<u>2,559,689</u>	<u>4,889,059</u>
		=====	=====

The condensed notes on pages 15 to 26 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 2025

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 2025 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 2025 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 2025.

Save as disclosed below, the material accounting policies and disclosures adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2025.

Presentation of cash flows from operating activities have been changed from the direct method to indirect method to better reflect the financial operations of the Group.

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 2026.

(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 2025. 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 2025

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

(d) Going concern

At 31 December 2025 the Group had a working capital deficiency of \$14,046,463, net loss attributable to owners of the Company of \$279,422, net cash outflows from exploration and development activities of \$3,934,140 for the half year ended 31 December 2025 and has no ongoing source of operating income. However, the Group has net assets attributable to owners of the Company of \$33,654,686 which includes \$2,559,689 of cash and cash equivalents and overall net cash inflow of \$137,307.

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 \$3,427,364 with the issuance of 138,293,481 new shares pursuant to a partially underwritten renounceable pro-rata entitlement offer of 2 new shares for every 19 shares held in the Company, at an issue price of \$0.025 for each new share, which was completed on 28 November 2025.
- ii) At 31 December 2025, the Group had cash and cash equivalents of \$2,559,689;
- iii) The Directors have prepared a cash flow forecast for the 15-month period from 1 January 2026 to 31 March 2027 which includes:
 - planned capital raising of \$2,000,000; and
 - assumed proceeds from early gas sales initiative amounting to \$681,000

such that all planned exploration expenditure of \$456,000, uncommitted development expenditure of approximately \$1,351,000, and administrative overheads of \$2,322,000 for the 15-month period from 1 January 2026 to 31 March 2027 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 Production Sharing Contract ("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;
- iv) One of the Company's assets in Indonesia, the Tanjung Enim PSC which obtained approval in 2021 for its plan of development ("POD 1") on 17 June 2021, has embarked on an early gas sales initiative ("Early Gas Sales Initiative"), which targets initial gas sales of 1 million standard cubic feet per day ("MMSCFD") to quickly begin monetising its assets. This initiative represents the first phase of the broader 25 MMSCFD production plan approved under the Tanjung Enim POD 1. As announced, NuEnergy has completed the drilling of all 4 planned wells under its Early Gas Sales Initiative during the period, and dewatering for gas production and gas flaring are currently ongoing.
- v) During the financial period, the Company has on 17 December 2025, signed a binding Gas Sales and Purchase Agreement with PT Perusahaan Gas Negara Tbk ("PGN"), a leading natural gas distribution company in Indonesia, for the sale of 1 MMSCFD CBM to PGN under the Company's Early Gas Sales Initiative.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

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

(d) Going concern (Continued)

- vi) In addition, subsequent to the period end, NuEnergy signed a collaboration agreement ("Agreement") with PT Beijing Energy Linking ("PT BJEL") on 8 January 2026, for the development of its coalbed methane ("CBM") production sharing contracts in South Sumatra Indonesia. Pursuant to the Agreement, NuEnergy shall appoint PT BJEL as the Lead EPCC (Engineering, Procurement, Construction and Commissioning) contractor for the development of the Tanjung Enim PSC and Muralim PSC subject to the terms and conditions of the respective PSC's EPCC Contract. PT BJEL shall finance 100% of the field development works at a capped contract price where the contract cost shall be repaid via future gas sales, to be agreed between NuEnergy and PT BJEL, which is to be stipulated in the respective PSC's EPCC Contract, with immediate focus on the full implementation of Tanjung Enim POD 1. As the EPCC Contract has not been executed, the related cash flows have not been reflected in the forecast.
- vii) As at 31 December 2025, the Group has amounts totalling \$5,522,536 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. As such, the Directors have assumed no cash outflows relating to these related parties. 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;
- viii) The Directors have assumed no cash outflows related to the production sharing contract penalties. In the event that the provision for production sharing contract penalties of \$9,177,787 as referred to in Note 7 are called upon by the Indonesian Ministry, the ultimate parent, Globaltec Formation Berhad has provided written assurance to NuEnergy by way of a letter of financial support that it will support the Group in meeting these commitments should the need arise; and

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

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

(d) Going concern (Continued)

- ix) 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 commitment amounting to \$6.9 million will be required to be completed within 12 months from the date of this report. The Group will be given sufficient time to complete the commitments and upon completion of the commitments, the provision for penalty of \$6.9 million will no longer be required. Therefore the Directors have assumed no cash outflows related to this item.

After considering all the above factors, the Directors have concluded that the use of going concern assumption is appropriate.

Notwithstanding the above, there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's activities to continue as a going concern should any of the Group's current liabilities be called and 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 unable to realise its assets and discharge its liabilities in the normal course of business. 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 2 OTHER RECEIVABLES AND PREPAYMENTS

	31/12/2025 \$	30/6/2025 \$
Current		
Receivables	264,305	211,784
Prepayments	225,968	631,843
	490,273	843,627

Within total balance of \$225,968 (30 June 2025: \$631,843) in prepayments, \$196,319 (30 June 2025: \$626,831) relates to progressive payments made for drilling and site preparation activities for Gas assets under development, which were partially completed as at period end.

NOTE 3 GAS ASSETS UNDER DEVELOPMENT

	31/12/2025 \$	30/6/2025 \$
Balance at beginning of period	17,023,239	-
Additions	3,805,609	-
Transfer from exploration and evaluation assets	-	17,023,239
Exchange differences	(522,246)	-
Balance at end of period	20,306,602	17,023,239
Cost	20,306,602	17,023,239
Accumulated impairment loss	-	-
Carrying value	20,306,602	17,023,239

The gas assets under development comprise of:

PSC

	Carrying value 31/12/2025 \$	30/6/2025 \$
Tanjung Enim	20,306,602	17,023,239

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 3 GAS ASSETS UNDER DEVELOPMENT (Continued)

Impairment 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. Towards the end of financial year 2025, NuEnergy commenced with development activities as technical feasibility and commercial viability of the project was achieved. Before the accumulated costs were transferred to Gas assets under development, NuEnergy carried out impairment test. In 2025, NuEnergy performed a valuation of the asset 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 done in 2025. 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 of 31 December 2025 from the assessment at 30 June 2025 as there has not been any substantial changes in the assumptions since 30 June 2025.

As at 31 December 2025, as there were no impairment triggers, 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.

The said key assumptions are as follows:

- Minimum gas sales price of US\$5.46/MMBTU over the life of the model. The final gas price will be dependent on the prevailing market condition at the time when detailed gas sale agreements are concluded;
- Amount of recoverable reserves/resources and forecasted production quantities over identified time periods totalling 130.9 bcf and 111.53 bcf respectively, are supported by a reservoir study, reserves and production rates certified by geologists and experts;
- The estimated costs and schedules associated with the PSCs to develop, recover, and produce the quantities, including abandonment, decommissioning, and restoration (ADR) costs costing are based on past experience/records and latest quotations from vendors and comparisons made with existing third party PSCs and based on latest cost expectations;
- The project life/forecast period of financial year 2026 to financial year 2039 refers to the remaining production sharing contract period then together with the recoverable reserves/resources and production rates; and

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

Impairment assessment (continued)

Tanjung Enim PSC (continued)

- After-tax discount rate of 13% was applied in discounting the cash flows. The discount rate was determined based on the Group's weighted average cost of capital adjusted for the risk of the underlying assets.

NOTE 4 EXPLORATION AND EVALUATION ASSETS

	31/12/2025 \$	30/6/2025 \$
Balance at beginning of period	28,109,432	41,800,756
Additions	128,531	2,426,341
Transfer to gas assets under development	-	(17,023,239)
Exchange differences	(761,934)	(905,574)
Balance at end of period	<u>27,476,029</u>	<u>28,109,432</u>
Exploration and evaluation assets	52,648,905	53,282,308
Accumulated impairment loss	<u>(25,172,876)</u>	<u>(25,172,876)</u>
Carrying value	<u>27,476,029</u>	<u>28,109,432</u>

The exploration and evaluation assets comprise of:

PSC

	Carrying value	
	31/12/2025 \$	30/6/2025 \$
Muara Enim	22,608,134	23,159,758
Muralim	4,867,895	4,949,674
Total	<u>27,476,029</u>	<u>28,109,432</u>

Impairment Indicator Assessment

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 2025 assessed using a market based and cost valuation approach. The Board is of the opinion that the basis and assumptions used in the above said valuation reports are still relevant and support the carrying value of these PSCs.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 5 OTHER FINANCIAL ASSETS

	31/12/2025 \$	30/6/2025 \$
<i>Non-current</i>		
Term deposits related to performance bond guarantee for Indonesia PSC purposes	340,560	429,944

The term deposits are placed for a minimum period of two years or until the performance bond guarantee totalling \$5,260,095 (30 June 2025: \$5,398,741), are withdrawn.

NOTE 6 RELATED PARTY PAYABLES

		31/12/2025 \$	30/6/2025 \$
Amount due to ultimate parent company	6.1	113,841	101,237
Amount due to substantial shareholder	6.2	136,839	141,824
Loans from related corporations	6.3	5,271,856	5,279,238
		5,522,536	5,522,299

- 6.1 The amount due to the ultimate parent, GFB, is non-trade, unsecured, interest free and repayable on demand.
- 6.2 The amount due to the substantial shareholder, New Century Energy Resources Limited ("NCE") is non-trade, unsecured, interest free and repayable on demand.
- 6.3 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 2025

NOTE 7 PROVISION FOR PRODUCTION SHARING CONTRACT PENALTIES

	31/12/2025 \$	30/6/2025 \$
Current Production Sharing Contract penalties	9,177,787	9,419,080

The penalties were provided in financial year 2019, for the Bontang Bengalon PSC of \$6,938,849 (30 June 2025: \$7,121,743) and for the Muara Enim II PSC of \$2,238,938 (30 June 2025: \$2,297,337) to fulfil the remaining obligations under the PSC. The decrease in the provision is due to foreign exchange translation gains arising from movement in exchange rate.

NOTE 8 SHARE CAPITAL

	31/12/2025	30/6/2025
Issued and Paid Up Capital (number of shares)		
Balance at beginning of period	1,780,705,446	1,480,955,497
Issued during the period	138,293,481	299,749,949
Balance at end of period	1,918,998,927	1,780,705,446
Fully paid ordinary shares (\$)		
Balance at beginning of period	112,395,196	106,450,311
Issued during the period	3,427,364	5,944,885
Balance at end of period	115,822,560	112,395,196

NOTE 9 RESERVES

	31/12/2025 \$	30/6/2025 \$
Foreign Currency Translation Reserve	8,474,446	9,490,599

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 10 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 11 EXPENDITURE COMMITMENTS AND CONTINGENT LIABILITIES

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

	31/12/2025 \$	30/6/2025 \$
Not longer than 1 year	540,000	556,000
Longer than 1 year and not longer than 5 years	-	-
	540,000	556,000

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 contingent liabilities in the form of performance bond guarantees at the half year ended of \$5,260,095 (2025: \$5,398,741) obtained from licensed banks and financial institutions. These guarantees were issued in favour of the Government of Indonesia pursuant to the production sharing contract, to secure NuEnergy's obligation to complete the required exploration commitments. In the event that NuEnergy fails to fulfil these commitments, the Government of Indonesia may call upon the performance bond guarantees, in which case the issuing banks and financial institutions would be entitled to recover the amounts paid from NuEnergy.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 12 RELATED PARTIES

Dealings with related parties have been consistent with those disclosed in the 30 June 2025 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 \$38,275 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 \$1,300,644 as at 31 December 2025 (30 June 2025: \$1,355,555).
- ii) During the half-year ended, interest of \$123,198 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 \$3,971,212 as at 31 December 2025 (30 June 2025: \$3,923,683)
- iii) An amount of \$136,839 (30 June 2025: \$141,824) for technical service fees was payable at 31 December 2025 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 period.
- iv) An amount of \$113,841 (30 June 2025: \$101,237) for directors travelling and corporate expenditure was payable at 31 December 2025 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 \$24,749 (30 June 2025: \$3,141).
- v) The amount of fees and salaries due to Directors as at 31 December 2025 amounted to \$155,833 (30 June 2025: \$155,833). These amounts owing are non-interest bearing.

NOTE 13 LOSS PER SHARE

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

	Half Year Ended	
	31/12/2025	31/12/2024
	\$	\$
Net loss attributable to the owners of the Company	279,699	633,755
	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	1,780,705,446	1,480,955,497
- Issued during the period	25,554,230	172,682,036
- At end of period	1,806,259,676	1,653,637,533
Basic/Diluted loss per share (cents per share)	0.02	0.04

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 2025

NOTE 14 SIGNIFICANT EVENTS DURING THE PERIOD

During the financial period, the Company:

- i) issued 138,293,481 new shares pursuant to a partially underwritten renounceable pro-rata entitlement offer of 2 new shares for every 19 shares held in the Company on 7 November 2025 at an issue price of \$0.025 for each new share, raising total cash proceeds of \$3,427,364 to the Company. With the completion, the Company has 1,918,998,927 shares issued and paid-up.
- ii) has on 17 December 2025, signed a binding Gas Sales and Purchase Agreement with PGN, for the sale of 1 MMSCFD CBM to PGN under the Company's Early Gas Sales Initiative.

NOTE 15 SIGNIFICANT EVENTS SUBSEQUENT TO PERIOD END

Subsequent to the period end, NuEnergy signed a collaboration agreement ("Agreement") with PT BJEL on 8 January 2026, for the development of its CBM PSCs in South Sumatra Indonesia. Pursuant to the Agreement, NuEnergy shall appoint PT BJEL as the Lead EPCC contractor for the development of the Tanjung Enim PSC and Muralim PSC subject to the terms and conditions of the respective PSC's EPCC Contract. PT BJEL shall finance 100% of the field development works at a capped contract price where the contract cost shall be repaid via future gas sales, to be agreed between NuEnergy and PT BJEL, which is to be stipulated in the respective PSC's EPCC Contract, with immediate focus on the full implementation of Tanjung Enim POD 1.

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

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 26, 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 2025 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 2026

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 2025 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 2025
- 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 15 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 Condensed Half-year 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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have 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 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 2025 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 2026