

PRODUCTION TEST COMMENCES AT TANJUNG ENIM PSC

- TE-01 & TE-02 workover operations successful
- Production test and dewatering facilities commissioning completed
- Gas produced following 72 hours of production test facilities commissioning

NuEnergy Gas Limited (ASX: NGY) ("**NuEnergy**") is pleased to announce the production test and dewatering facilities commissioning at the Tanjung Enim Production Sharing Contract ("PSC") tenement in South Sumatra has successfully commenced following the completion of workover operations from the TE-01 and TE-02 wells. Coal Bed Methane (CBM) production from TE-01 commenced at 1900 EST on 14 November 2015, 72 hours after the start of the commissioning period. This was then followed by CBM production from TE-02 on 18 November 2015. This early gas production result exceeds our expectations and the gas and water production parameters are currently being monitored for reservoir modelling purposes.

Gas produced circa 72 hours after dewatering commencement at site TE-01 and TE-02



TE-01 Well



TE-02 Well

NuEnergy's Chief Executive Officer Dr Ian Wang commented: *"The early gas production clearly demonstrates that the South Sumatra basin is one of the most prolific hydrocarbon producing basins in Indonesia and Tanjung Enim is no exception. This result significantly fast-tracks our objectives in booking early gas reserves and evaluating our commercialization proposals and enhances our reservoir understanding and modelling. In the coming months, we will continue to assess the performance of the wells based on permeability data and flow rates to determine viable project economics"*

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ABOUT NUENERGY GAS

NuEnergy is an emerging ASX listed gas and ancillary power generation development company with an immediate focus on establishing unconventional gas production in Indonesia.

NuEnergy has a strategy to acquire, explore, appraise and develop Coal Bed Methane ("CBM") acreage in this region. It is listed on the Australian Securities Exchange (ASX: NGY) with offices in Sydney (Australia) and Jakarta (Indonesia).

The Company's overall strategy is to explore and establish commercial resources/reserves over its CBM projects, construct production facilities and commence production as soon as possible.

The Company is led by a team of experienced executives with a track record of successfully identifying and developing projects around the world. This team is complemented by the skills of our Indonesian partners to maximise the value of the company's coal bed methane opportunities.

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