

18 April 2017

RENOUNCEABLE PRO-RATA ENTITLEMENT OFFER – NOTICE OF MAILINGS TO SHAREHOLDERS

NuEnergy Gas Limited (“the Company”) advises that the following letters were sent to shareholders in accordance with notice requirements for the Company’s recently announced renounceable pro-rata entitlement offer.

Yours sincerely



Rozanna Lee
Company Secretary

For further information please contact:

Shareholder Enquiries

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18 April 2017

Dear Shareholder

**Notice to Eligible Shareholders
Renounceable Pro-Rata Entitlement Offer**

NuEnergy Gas Limited (NGY) announced on 13 April 2017 a renounceable Entitlement Offer of 575 million New Shares to raise approximately \$20 million.

Under the Entitlement Offer, NGY will offer Eligible Shareholders, with a registered address in Australia or New Zealand, one (1) fully paid new ordinary share for every two (2) fully paid ordinary shares in NGY held at 7pm (AEDT) on 20 April 2017 (Record Date) at an issue price of \$0.035 per New Share.

The Entitlement Offer is being made by NGY without a prospectus or disclosure document under Section 708AA of the Corporations Act 2001 (Cth) as modified by ASIC Class Order [CO 08/35]. NGY has prepared an Offer Document for the Entitlement Offer which was lodged with Australian Securities Exchange (ASX) on 13 April 2017. If you are an Eligible Shareholder you will receive an Offer Document and personalised Entitlement and Acceptance Form. If you wish to participate in the Entitlement Offer as an Eligible Shareholder, please read the Offer Document when you receive it and carefully follow the instructions. The Entitlement Offer is expected to close at 5 pm (AEDT) on 5 May 2017 (Closing Date).

The Entitlement Offer is renounceable. Accordingly, entitlements can be traded on the ASX or otherwise transferred. Eligible Shareholders may also elect to participate in the shortfall facility and apply for New Shares in excess of their pro rata entitlements under the Entitlement Offer. Shareholder approval is not required for NGY to make the offer.

The Entitlement Offer has not been underwritten.

Key dates for Eligible Shareholders

| Event | Date (2017) |
|---|---------------|
| Announce Entitlement Offer, lodge Appendix 3B, cleansing notice and Offer Document with ASX | 13 April 2017 |
| Letter of entitlement to Shareholders | 18 April 2017 |
| “Ex” date for securities trading and rights trading commences | 19 April 2017 |
| Rights trading commences. | 19 April 2017 |
| Record Date | 20 April 2017 |
| Complete despatch of Offer Document with Entitlement and Acceptance Form and ASX announcement | 26 April 2017 |
| Rights trading ends | 28 April 2017 |
| Last day to extend the offer closing date | 2 May 2017 |
| Close of offer (5 pm) | 5 May 2017 |
| Notify ASX of under/over subscriptions | 10 May 2017 |
| Issue of New Shares under the Entitlement Offer | 12 May 2017 |
| Trading of New Share commences | 15 May 2017 |

Dates are subject to change and are indicative only.

If you are an Eligible Shareholder and wish to participate in the Entitlement Offer, it will be necessary for you to complete a personalised Entitlement and Acceptance Form which will accompany the Offer Document and

return it, with the appropriate application money, to NGY's share registry, Link Market Services Limited, before the Closing Date.

This notice will be mailed to all Eligible Shareholders today.

We look forward to your participation in the Entitlement Offer.

Yours sincerely



Kong Kok Keong
Chairman

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18 April 2017

Dear Shareholder

**NUENERGY GAS LIMITED (ASX: NGY)
Notice to Ineligible Shareholders
Renounceable Pro-Rata Entitlement Offer**

NuEnergy Gas Limited (NGY) announced on 13 April 2017 a renounceable Entitlement Offer of 575 million New Shares in NGY to raise approximately \$20 million (Entitlement Offer).

Under the Entitlement Offer, NGY will offer Eligible Shareholders with a registered address in Australia or New Zealand, one (1) fully paid new ordinary share for every two (2) fully paid ordinary shares that they hold at 7 pm (AEDT) on 20 April 2017 (Record Date) at an issue price of \$0.035 per New Share.

The Entitlement Offer is being made by NGY without a prospectus or disclosure document under section 708AA of the Corporations Act 2001 (Cth) as modified by ASIC Class Order [CO 08/35]. NGY has prepared an Offer Document for the Entitlement Offer which was lodged with Australian Securities Exchange (ASX) on 13 April 2017.

In compliance with ASX Listing Rule 7.7.1(b), NGY wishes to advise you that you will not be able to subscribe for New Shares under the Entitlement Offer because you have a registered address as a NGY shareholder outside Australia or New Zealand. NGY has determined that it is not reasonable to make or extend the Entitlement Offer to shareholders with a registered address outside Australia or New Zealand (Non-Participating Shareholders), having regard to the number of such shareholders, the size of their shareholdings and the compliance costs required to offer the New Shares under the Entitlement Offer to those shareholders.

Unfortunately, according to our records you are a Non-Participating Shareholder and therefore ineligible to participate in the Entitlement Offer. As such the Offer Document and Entitlement and Acceptance Form will NOT be sent to you.

The Company has appointed Berne No. 132 Nominees Pty Ltd as nominee for the purpose of s.615 of the Corporations Act (Nominee) which appointment has been approved by ASIC. The Nominee will receive the Entitlements of all Ineligible Shareholders and will sell those Entitlements during the rights trading period. Any net sale proceeds realised by the Nominee upon the sale of any of those Entitlements will be remitted to the Company to then pay to the Ineligible Shareholders on a pro rata basis. The Nominee may not be able to sell any or all of those Entitlements.

This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You do not have to take any further action in relation to the Entitlement Offer.

Yours sincerely



Kong Kok Keong
Chairman

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