



NuEnergy Gas Limited

ABN 50 009 126 238

HALF-YEAR FINANCIAL REPORT

31 December 2013

CORPORATE DIRECTORY

ABN: 50 009 126 238

DIRECTORS:

Graeme Robertson (Non-Executive Chairman)
Alan Fraser (Non-Executive Director)
Jonathan Warrand (Non-Executive Director)
Peter Cockcroft (Non-Executive Director)

COMPANY SECRETARY:

Rozanna Lee

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AUDITORS:

Hall Chadwick Chartered Accountants
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STOCK EXCHANGE LISTING:

Australian Securities Exchange Ltd
Level 8, Exchange Plaza
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PERTH WA 6000

ASX CODE: NGY

Ordinary shares: 335,020,698

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DIRECTORS' REPORT

The directors present their report together with the consolidated Financial Report of the economic entity for the half-year ended 31 December 2013.

Directors

The directors of the Company in office during and since the half-year are as follows:

Graeme Robertson – Chairman and Non-Executive Director (appointed 29 March 2011)

Alan Fraser – Non-Executive Director (Director since 1992)

Peter Cockcroft – Non-Executive Director (appointed 12 April 2011)

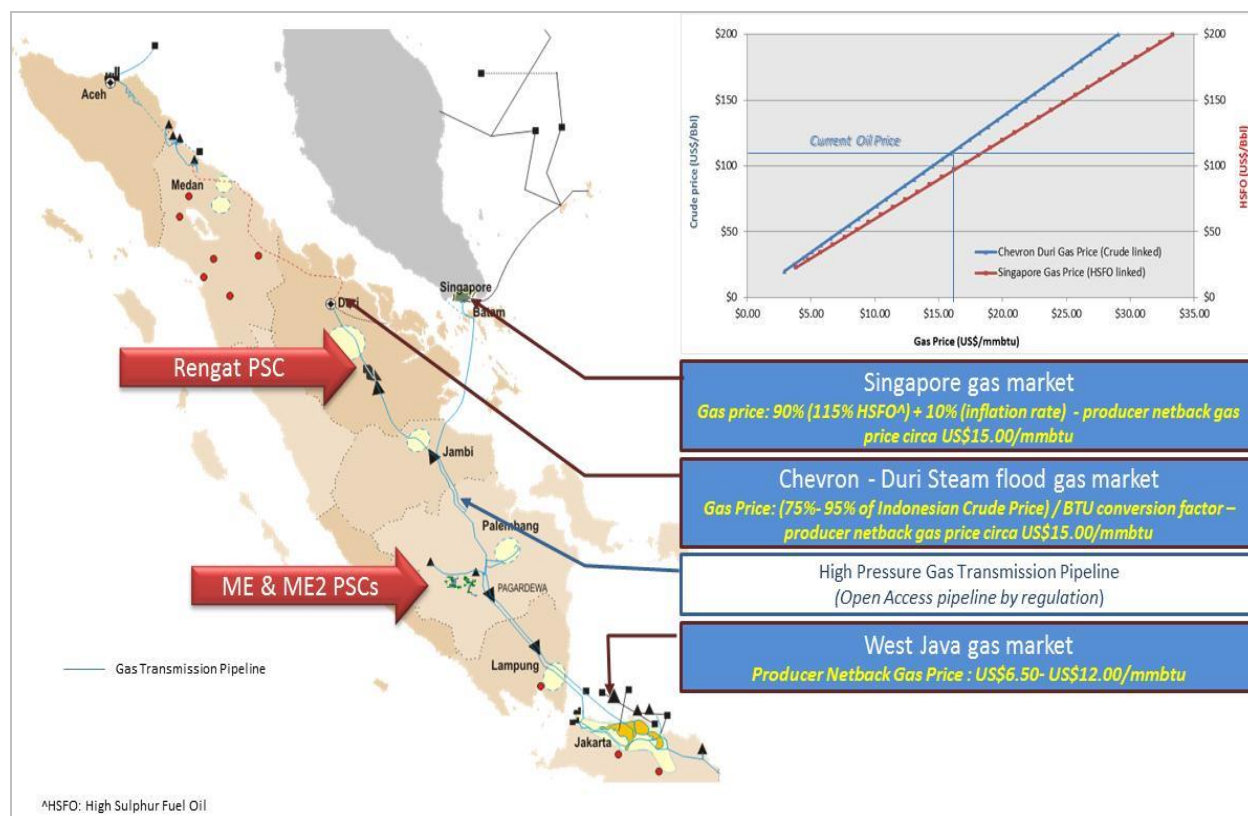
Jonathan Warrand – Non-Executive Director (appointed 15 June 2011)

REVIEW OF OPERATIONS

Indonesian Operations

NuEnergy Gas Limited ("NuEnergy" or "the Company") has three operated Production Sharing Contracts (PSCs) in Indonesia:

- Muara Enim PSC (40% participating interest) - South Sumatra
- Muara Enim II PSC (30% participating interest) - South Sumatra
- Rengat PSC (100% participating interest) - Central Sumatra



Location Map – NuEnergy's Indonesian PSCs and surrounding infrastructure

South Sumatra

Pilot Well #2 at the Muara Enim PSC in South Sumatra was successfully drilled to the target total depth of 802 metres. A total of 46 metres of net coal seams were identified with the Suban J seam showing 13 metres of continuous coal.

First gas flows from the Pilot Well #2 coal seams occurred during finalisation of well completions.

NuEnergy successfully installed fishbone completions across the J coal seam and installed pre perforated casing across the H, J, K and L coal seams. Permeability was tested across all of these seams and the results, determined by the official Indonesian certifier PT Lemigas, demonstrated permeability ranging between 2.44 and 30.15 mD. The upper end of the permeability range recorded in this well is 275% greater than the permeability test result recorded in the Muara Enim PSC Pilot Well #1. This result should enable the well to flow gas at a commercial rate once the appropriate level of dewatering has occurred.

The Company continues to assess the behaviour of the well with the dewatering process commencing on 27 December.

In addition to the testing of Pilot Well #2, the Company continued its extensive exploration campaign with geological and geophysical (G&G) work completed by reservoir consultants, JMJ Petroleum. Results were positive, showing total coal thickness of up to 150 metres from multiple seams in the western areas of our Muara Enim and Muara Enim II PSCs.

Rengat PSC

Rengat PSC is located in the central Sumatra coal basin. NuEnergy has a 100% interest in Rengat. The PSC covers an area of 3,000 square kilometres and is in the vicinity of key infrastructure including a major gas pipeline from Jakarta to Duri. During the half-year, a new G&G study was completed across the Rengat PSC producing improved results with a continuous 15m coal seam identified. The results are very encouraging as the Company looks to farm-out this PSC in the first half of calendar year 2014.

Africa

NuEnergy's African business continues to grow with a Memorandum of Understanding signed in Mozambique that allows the Company to have the first option to explore CBM opportunities in the Tete Province.

The Tete Province is the 5th largest coal reserve in the world. Major producers including Vale and Rio Tinto which are both currently developing substantial coking coal reserves. NuEnergy is also evaluating other prospective regions in Mozambique for unconventional gas.

The development of the agreements in Mozambique are very significant to the Company as this opens one of the world's leading regions for coal bed methane operations in the Karoo coal formation which potentially hosts large resources of unconventional gas. NuEnergy aims to have CBM concessions finalised within the next 6 months in prospective regions.

In Eastern Africa, NuEnergy also has:

- an existing Exclusive Prospecting Licence in Malawi, on the border with Mozambique; and
- two operating agreements with a Tanzanian coal producer as well as two exploration applications in Tanzania along the southern border area with Mozambique.

EVENTS SUBSEQUENT TO BALANCE DATE

The Company is not aware of any material events that have occurred subsequent to balance date, except for the following:

- In January 2014, NuEnergy received \$700,000 from the underwriters of the December 2013 Rights Issue which closed on 27 December 2013.
- On 9 February 2014, NuEnergy signed a Letter of Intent with a strategic Asian investor. The main terms of the agreement include a 10% share placement at 4 cents per share and a farm-out of 49.9% of the Rengat PSC. The agreement is subject to certain conditions precedent and the necessary regulatory approvals. Total potential funds raised will be circa \$4 million.

CAPITAL STRUCTURE

Set out below is the Company's current capital structure:

Ordinary Shares		335,020,698
Options:		
<i>Exercise Price</i>	<i>Expiry date</i>	
\$0.48	14 January 2014	1,250,000
\$0.60	1 June 2014	1,250,000
\$0.80	1 December 2014	1,250,000
\$0.80	28 February 2014	500,000
\$0.12	20 December 2014	500,000
\$0.12	12 December 2017	5,050,000

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is attached to this report.

Signed in accordance with a resolution of Board of Directors.



Graeme Robertson

Chairman

Date this 4th day of March 2014

**NUENERGY GAS LIMITED
ACN 009 126 238
AND ITS CONTROLLED ENTITIES**

**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, during the half year ended 31 December 2013 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.



Hall Chadwick
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Sydney NSW 2000



DREW TOWNSEND

Partner

Dated: 4 March 2014

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE HALF-YEAR ENDED 31 December 2013**

	Note	31/12/2013 \$	31/12/2012 \$
Revenues	2	55,789	104,468
Expenses	3	(1,024,914)	(1,699,314)
		<hr/>	<hr/>
Loss before income tax		(969,125)	(1,594,846)
Income tax benefit		71,016	83,510
		<hr/>	<hr/>
Net loss after income tax		(898,109)	(1,511,336)
		<hr/>	<hr/>
Other comprehensive income for the period, net of income tax:			
Items that may be reclassified subsequently to profit or loss:			
Movement in fair value of available for sale financial assets		(9,948)	-
Foreign currency translation reserve		(290,327)	157,577
		<hr/>	<hr/>
Total comprehensive loss for the period		(1,198,384)	(1,353,759)
		<hr/>	<hr/>
Loss attributable to:			
Members of the parent entity		(890,039)	(1,501,846)
Non-controlling interest		(8,070)	(9,490)
		<hr/>	<hr/>
		(898,109)	(1,511,336)
		<hr/>	<hr/>
Loss per share (cents per share, basic and diluted)		(0.32)	(0.75)

The Consolidated Statement of profit or loss and other comprehensive Income should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 December 2013

	Note	31/12/2013 \$	30/06/2013 \$
CURRENT ASSETS			
Cash and cash equivalents		1,563,946	4,484,302
Trade and other receivables		841,095	164,784
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		2,405,041	4,649,086
		<hr/>	<hr/>
NON-CURRENT ASSETS			
Available for sale financial assets		19,896	29,844
Plant and equipment		431,129	430,279
Exploration and evaluation expenditure	4	56,878,147	53,894,234
Other financial assets		1,978,350	1,895,746
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		59,307,522	56,250,103
		<hr/>	<hr/>
TOTAL ASSETS		61,712,563	60,899,189
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade and other payables		1,527,148	1,237,198
Provisions		112,789	146,992
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		1,639,937	1,384,190
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Deferred tax liabilities		10,274,587	10,345,603
Provisions		10,000	10,000
		<hr/>	<hr/>
TOTAL NON-CURRENT LIABILITIES		10,284,587	10,355,603
		<hr/>	<hr/>
TOTAL LIABILITIES		11,924,524	11,739,793
		<hr/>	<hr/>
NET ASSETS		49,788,039	49,159,396
		<hr/>	<hr/>
EQUITY			
Issued capital	6	72,913,899	71,086,872
Reserves	7	13,167,446	13,467,721
Accumulated losses		(36,605,637)	(35,715,598)
		<hr/>	<hr/>
Parent Entity Interest		49,475,708	48,838,995
Non-controlling interest		312,331	320,401
		<hr/>	<hr/>
TOTAL EQUITY		49,788,039	49,159,396
		<hr/>	<hr/>

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 December 2013

	Issued Capital	Prepaid Share Reserves	Accumulated Losses	Reserves	Non- Controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$
At 1 July 2012	65,459,528	-	(33,041,662)	11,229,786	338,447	43,986,099
Total comprehensive income (loss) for the period, net of income tax	-		(1,501,846)	478,169	(9,490)	(1,033,167)
Shares issued	17,250	-	-	-	-	17,250
Equity issue costs	-	-	-	-	-	-
At 31 December 2012	65,476,778	-	(34,543,508)	11,707,955	328,957	42,970,182
At 1 July 2013	71,086,872	-	(35,715,598)	13,467,721	320,401	49,159,396
Total comprehensive income (loss) for the period, net of income tax	-	-	(890,039)	(300,275)	(8,070)	(1,198,384)
Shares issued	1,167,627	-	-	-	-	1,167,627
Pre-paid share capital		700,000	-	-	-	700,000
Equity issue costs	(40,600)	-	-	-	-	(40,600)
At 31 December 2013	72,213,899	700,000	(36,605,637)	13,167,446	312,331	49,788,039

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 December 2013

	31/12/2013 \$	31/12/2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	11,062	143,211
Payments to suppliers and employees	(851,427)	(1,154,451)
Net cash (used in) operating activities	<u>(840,365)</u>	<u>(1,011,240)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Exploration and Evaluation	(3,235,018)	(3,780,436)
Net cash (used in) investing activities	<u>(3,235,018)</u>	<u>(3,780,436)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issues of shares	1,167,627	-
Payments for costs associated with equity issues	(12,600)	-
Net cash provided by financing activities	<u>1,155,027</u>	<u>-</u>
Net decrease in cash and cash equivalents	(2,920,356)	(4,791,676)
Cash and cash equivalents at the beginning of the period	4,484,302	8,144,777
Cash and cash equivalents at the end of the period	<u>1,563,946</u> =====	<u>3,353,101</u> =====

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 December 2013

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

(a) Basis of Accounting

The half-year financial report is a general purpose financial report, prepared in accordance with the requirements of the Corporation Act 2001, Accounting Standard AASB134 'Interim Financial Reporting' and other mandatory professional reporting requirements. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial year.

The half-year financial report should be read in conjunction with the Annual Financial Report of NuEnergy Gas Limited as at 30 June 2013.

It is also recommended that the half-year financial report be considered together with any public announcements made by NuEnergy Gas Limited and its controlled entities during the half-year ended 31 December 2013 in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

(b) Significant Accounting Policies

(a) Changes in accounting policy and disclosures

1. Basis of consolidation

Adoption of AASB 10 resulted in change in the definition of control. Under the new definition, the group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The consolidated group has reviewed its investments in other entities to assess whether the consolidated treatment in relation to these entities is different under AASB 10 than under the previous applicable standard. No differences were found and therefore no adjustments to any of the carrying amounts in the financial statements are required as a result of adoption of AASB 10.

(b) New and amended standards and interpretations

The accounting policies and methods of computation adopted in the preparation of the interim financial statements are consistent with those adopted and disclosed in the annual financial statements of NuEnergy Gas Limited for the year ended 30 June 2013, except for the adoption of new standards as of 1 July 2013. The significant new standards adopted as of 1 July 2013 are detailed below:

- AASB 11: Joint Arrangements
- AASB 12: Disclosure of Interests in Other Entities
- AASB 13: Fair Value Measurement
- AASB 119: Employee Benefits (revised 2011)
- AASB 2012-2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities
- AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (CONT'D)

The adoption of these standards has not had a material impact on the financial statements of the consolidated group. Where required, new disclosures introduced by these standards have been included in these interim financial statements.

(c) Going concern

The consolidated entity has recorded a loss of \$898,109, had net cash outflows from operations of \$840,365 for the half year ended 31 December 2013, and has no ongoing source of operating income. At 31 December 2013 the consolidated entity had net assets of \$49,788,039.

The financial report has 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:

- At 31 December 2013 the consolidated entity had cash and cash equivalents of \$1,563,946.
- In January 2014 underwriting proceeds of \$700,000 were received relating to the December 2013 Rights Issue
- The directors have prepared cash flow forecasts which include further capital raising initiatives planned for the first half of 2014 to meet all planned expenditure programs. These initiatives include a share placement and farm-out of the Rengat PSC for which a Letter of Intent was signed on 9 February 2014, with the offer expected to raise circa \$4 million.

Based on the above, the directors are satisfied that the consolidated entity will be able to fund its operations and continue as a going concern, and it is appropriate that the financial statements have been prepared on that basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 December 2013

	31/12/2013 \$	31/12/2012 \$
NOTE 2 REVENUE		
Non-Operating Activities		
Bank Interest	55,789	104,468
Total revenues	<u>55,789</u>	<u>104,468</u>

	31/12/2013 \$	31/12/2012 \$
NOTE 3 EXPENSES		
Consultants	50,331	376,181
Directors & executives remuneration	474,115	306,638
Legal expenses	42,277	106,985
Administration expenses	329,989	488,435
Travel expenses	40,395	83,591
Foreign Exchange losses	19,140	31,431
Depreciation	68,667	10,490
Share based payments	-	295,563
Total expenses	<u>1,024,914</u>	<u>1,699,314</u>

	31/12/2013 \$	30/6/2013 \$
NOTE 4 EXPLORATION AND EVALUATION EXPENDITURE		
Exploration and evaluation expenditure	<u>56,878,147</u>	<u>53,894,234</u>
Opening balance (excluding Exploration Rights)	13,645,982	5,885,343
Exploration Rights	40,321,313	40,248,252
Expenditure incurred during the period	2,694,134	6,972,400
VAT receivable ¹	216,718	788,239
Closing balance	<u>56,878,147</u>	<u>53,894,234</u>

¹ VAT receivable is eligible to be claimed back from SKKMIGAS (The Indonesian Oil and Gas Regulator) upon production of gas on a commercial basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 December 2013

NOTE 5 SEGMENT INFORMATION

The consolidated group has identified its operating segments based on the internal reports that are reviewed and used by the management team in assessing performance and determining the allocation of resources.

The operating segments are identified by management based on the manner in which the expenses are incurred and resources allocated. Discrete financial information about each of these operating segments is reported to the Board on a regular basis.

The reportable segments are based on aggregated operating segments determined by similarity of expenses, where expenses in the reportable segments exceeds 10% of the total expenses for either the current and/or previous reporting period.

Business segment	Oil & Gas		Mineral Exploration		Corporate		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$
Segment revenue	-	-	-	-	55,789	104,468	55,789	104,468
Segment result	(204,975)	(251,265)	-	-	(764,150)	(1,343,581)	(969,125)	(1,594,846)
	Dec 2013	June 2013	Dec 2013	June 2013	Dec 2013	June 2013	Dec 2013	June 2013
	\$	\$	\$	\$	\$	\$	\$	\$
Segment assets	59,646,611	56,228,266	10,000	10,000	2,055,952	4,487,566	61,712,563	60,899,189
Segment liabilities	11,508,800	11,477,568	10,000	10,000	405,724	252,225	11,924,524	11,739,793

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 December 2013

	31/12/2013 \$	30/6/2013 \$
NOTE 6 SHARE CAPITAL		
Issued and Paid Up Capital (number of shares)	335,020,698	281,659,907
Fully paid ordinary shares (\$)	72,913,899	71,086,872

The Company has 9,800,000 unlisted options on issue as at 31 December 2013.

	31/12/2013 \$	30/6/2013 \$
NOTE 7 RESERVES		
Foreign Currency Translation Reserve	2,105,512	2,395,839
Available for Sale Financial Asset Reserve	(104,454)	(94,506)
Option Premium Reserve	11,166,388	11,166,388
	<u>13,167,446</u>	<u>13,467,721</u>

NOTE 8 EVENTS SUBSEQUENT TO BALANCE DATE

The Company is not aware of any material events that have occurred subsequent to balance date, except for the following:

- In January 2014, NuEnergy received \$700,000 from the underwriters of the December 2013 Rights Issue which closed on 27 December 2013.
- On 9 February 2014, NuEnergy signed a Letter of Intent with a strategic Asian investor. The main terms of the agreement include a 10% share placement at 4 cents per share and a farm-out of 49.9% of the Rengat PSC. The agreement is subject to certain conditions precedent and the necessary regulatory approvals. Total potential funds raised will be circa \$4 million.

NOTE 9 COMMITMENTS AND CONTINGENT LIABILITIES

There were no significant changes in commitments and contingent liabilities since the last reporting period. Commitments under the Indonesian Production Sharing Contracts (PSC) can be moved into future years after negotiation with the Indonesian gas regulator. NuEnergy has managed to postpone various commitments until future periods and has met the required commitments for the current period to 31 December 2013.

NOTE 10 RELATED PARTIES

Dealings with related parties have been consistent with those disclosed in the 30 June 2013 Financial Report.

On 27 November 2013, Farjoy Pty Ltd, an associate of NuEnergy's Chairman, Graeme Robertson, entered into an Underwriting Agreement with the Company to partially underwrite the Rights Issue which closed on 27 December 2013.

As at 31 December 2013, NuEnergy owed Farjoy Pty Ltd \$16,000 in underwriting fees.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of NuEnergy Gas Ltd, I state that:
In the opinion of the Directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2013 and the performance for the half-year ended on that date of the consolidated entity; and
 - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors.



Graeme Robertson
Chairman

Date this 4th day of March 2014

**NUENERGY GAS LIMITED AND ITS CONTROLLED ENTITIES
ACN 009 126 238**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
NUENERGY GAS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of NuEnergy Gas Limited, which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of NuEnergy Gas Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410: Review of an Interim and other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of NuEnergy Gas Limited's financial position as at 31 December 2013 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of NuEnergy Gas Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.

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NUENERGY GAS LIMITED AND ITS CONTROLLED ENTITIES
ACN 009 126 238

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
NUENERGY GAS LIMITED

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of NuEnergy Gas Limited is not in accordance with the Corporations Act 2001 including:

- a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- b. complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001

Emphasis of Matter

Without modifying our conclusion, we draw attention to note 1 in the half year financial report which indicates that the consolidated entity incurred a net loss of \$898,109 and incurred net cash outflows from operations of \$840,365 and has no ongoing source of operating income for the half year ended 31 December 2013 to meet all the planned expenditure programs. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.



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Drew Townsend
Partner
Date: 4 March 2014