

NuEnergy Gas (ASX:NGY) gets major backing to accelerate pivotal Indonesian CBM development

In a transformational agreement NuEnergy Gas signed terms with PT Beijing Energy Linking to be EPCC contractor for Indonesia's first CBM gas project.

MELBOURNE, VICTORIA, AUSTRALIA, January 8, 2026 /EINPresswire.com/ -- In a significant

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*NuEnergy Gas Limited CEO
Lim Beng Hong*

milestone for NuEnergy Gas Limited (ASX: NGY) the Company has signed a collaboration agreement with PT Beijing Energy Linking (PT BJEL) to develop its coalbed methane (CBM) Production Sharing Contracts (PSCs) in South Sumatra, Indonesia.

The collaboration represents a significant milestone in the progress at Indonesia's first CBM Plan of Development (POD), the Tanjung Enim Plan of Development 1 (POD 1). It will facilitate a seamless transition from Early Gas Sales of approximately 1 million standard cubic feet per day (MMSCFD) to a materially higher plateau production rate of 25 MMSCFD, as approved under the POD 1.

The agreement is additionally set to play a key role in meeting Indonesia's rapidly growing energy needs and net zero transition commitments.

Under the agreement, NuEnergy will appoint PT BJEL as Lead Engineering, Procurement, Construction and Commissioning (EPCC) contractor for the development of the Tanjung Enim PSC and Muralim PSC.

Importantly, PT BJEL will finance 100% of the field development works at a capped contract price.

Repayment of contract costs will be made through future gas sales, to be agreed between NuEnergy and PT BJEL, and formalised within the relevant PSC EPCC contracts.

The collaboration will initially focus on the full implementation of Tanjung Enim POD 1.

The field development scope includes, among other activities, the drilling of vertical and horizontal wells, construction of surface facilities and installation of in-field pipelines. The scope will then cover all integration and testing required to achieve first gas and a ramp-up to a sustainable plateau production rate, as approved under the POD.

The Indonesian Ministry of Energy and Mineral Resources approved NuEnergy's first POD for the Tanjung Enim PSC under a favourable 95:5 contractor-government split scheme.

The approval marked Indonesia's first CBM POD and covers the development of 209 wells across two target areas to achieve gas production of up to 25 MMSCFD, within approximately 33 km², representing around 13% of the total PSC area.

CBM burns with significantly fewer air pollutants (such as sulfur dioxide, nitrogen oxides and particulates) and emits less CO₂ per unit of energy than coal, making it an important transition fuel.

NuEnergy Gas Limited CEO Lim Beng Hong said the collaboration with PT BJEL marked a transformational step for the Company and for Indonesia's emerging CBM industry.

"This agreement is a major milestone for NuEnergy, providing the funding certainty and execution capability required to progress Indonesia's first CBM POD from early gas sales into full-scale production," he said.

"The appointment of PT BJEL as Lead EPCC contractor, together with their commitment to fully fund field development at a capped cost, materially de-risks delivery of Tanjung Enim POD 1 and enables a seamless transition from our current early gas production of around 1 MMSCFD to a targeted plateau rate of 25 MMSCFD.

"This partnership brings together NuEnergy's first-mover position in Indonesian CBM with PT BJEL's engineering, construction and financing capabilities, allowing us to focus on execution, commercialisation and long-term value creation for shareholders.

"By accelerating development at Tanjung Enim, NuEnergy is well positioned to support Indonesia's growing domestic energy demand while contributing to the country's net-zero ambitions."

The NGY- PT BJEL agreement may be terminated by mutual written consent of the parties; failure to finalise and sign the Tanjung Enim POD 1 EPCC contract within 120 days of the agreement date; material breach under any EPCC contract related to the PSCs; or insolvency or winding-up of either party.

About NuEnergy Gas Limited

NuEnergy is an independent clean energy Company focused on the development of Indonesian

unconventional gas assets. The Company holds three onshore CBM PSCs in South Sumatra, Indonesia, and is progressing its portfolio from exploration to development and commercialisation.

NuEnergy's strategy is to integrate its South Sumatra PSCs into a CBM hub supplying sustainable clean energy to the domestic Indonesian market. The Company is fully committed to completing Tanjung Enim POD 1, achieving first gas production and commercialisation, and delivering long-term shareholder value.

NuEnergy is proud to be a pioneer of Indonesia's CBM and clean energy sector, supporting economic growth in one of the world's fastest-growing energy markets.

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