**NuEnergy Gas Limited**

**ASX:NGY**

**Terms and Conditions of Options**

The Options issued to sophisticated and professional investors by NuEnergy Gas Limited (**Company**) on 11 September 2026 are issued pursuant to the following terms and conditions. The Company notified ASX of the issue of the Options in the Appendix 3G lodged with ASX together with these terms and conditions.

**Terms and Conditions of Options**

1. (**Entitlement**): Each Option entitles the holder to subscribe for one Share upon exercise of the Option

2. (**Exercise Price**): Subject to these terms and conditions, the amount payable upon exercise of each Option is $0.06 (**Exercise Price**).

3. (**Expiry Date**): Each Option will expire at 5:00pm AEST on 10 September 2028. Options not validly exercised on or before the Expiry Date will automatically lapse and be cancelled.

4. (**Exercise Period**): Each Option is exercisable at any time and from time to time on or prior to the Expiry Date.

5. (**Notice of Exercise**):

5.1 The Option Holder may exercise their Options in accordance with these terms and conditions by providing the Company a notice of exercise form attached to these Terms and Conditions (Notice of Exercise Form).

5.2 Options may be exercised by the Option Holder validly completing the Notice of Exercise Form and delivering it to the Company to be received prior to the Expiry Date. Once delivered, a valid Notice of Exercise Form cannot be withdrawn.

5.3 The Notice of Exercise Form must state the number of Options to be exercised, which number of Options must be a multiple of 100,000 if only part of the Option Holder's total Options are exercised (unless the Option Holder exercises all Options held or remaining).

5.4 The Notice of Exercise Form by an Option Holder must be accompanied by a payment in full of the Exercise Price for the Options being exercised to the nominated bank account of the Company contained in the Notice of Exercise Form.

5.5 An Option will be deemed to have been exercised on the date the Company receives a valid Notice of Exercise Form and full payment in cleared funds of the Exercise Price.

5.6 The exercise of less than all of the Option Holder's Options will not prevent the Option Holder from exercising the whole or any part of the balance of the Option Holder's Options before the Expiry Date.

6. (**Issue of Shares on exercise**):

6.1 Subject to clause 6.2 and 6.3, within 10 Business Days after the later of the following:

6.1.1 The Exercise Date; and

6.1.2 if excluded information in respect of the Company (as defined in section 708A(7) of the Corporations Act (if any) exists at the time of exercise of the Options, the date such information ceases to be excluded information,

the Company will:

6.1.3 allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

6.1.4 if admitted to the official list of ASX at the time, apply for official quotation on ASX of the Shares issued pursuant to the exercise of the Options in accordance with the Listing Rules; and

6.1.5 if admitted to the official list of ASX at the time, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act.

6.2 If the Company is unable to deliver a notice under section 6.1.5 or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC a “cleansing prospectus” prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where a “cleansing prospectus” is required, any Shares issued on exercise of Options will be subject to a holding lock until such time as a prospectus is issued by the Company and is effective.

6.3 If the Company is unable to lodge a “cleansing prospectus” under clause 6.2, the Shares issued on exercise of Options will be subject to a holding lock for a period of 12 months, or (if earlier) until such time as an offer for sale of the Shares will not require disclosure to investors.

7. (**Reorganisation of capital**): If at any time the issued capital of the Company is reorganised, all rights of an Option Holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation, and the rights of an Option Holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of reorganisation.

8. (**Participation in new issues**): There are no participation rights or entitlements inherent in the Options and Option Holders will not be entitled to participate in new issued of capital offered to Shareholders during the currency of the Options without exercising the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be set in accordance with the minimum time afforded by the Listing Rules. This will give the holders of Options the opportunity to exercise their Options prior to the record date, being the date for determining entitlements to participate in any such issue in accordance with the Listing Rules.

9. (**Adjustment for bonus issues of Shares**): If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

9.1 The number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for the bonus issue; and

9.2 No change will be made to the Exercise Price.

10. (**Adjustment for entitlements issue**): If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which clause 9 will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.

11. (**No quotation of Options**): The Company will not apply for quotation of the Options on ASX.

12. (**Transferability of Options**): The Options are not transferable, except with the prior written consent of the Company and subject to any restrictions imposed by the ASX or under applicable Australian securities law. The Company will not consent to a transfer of Options that may breach s 707 of the Corporations Act.

13. (**Holding Statement**): The Option Holder has been issued a Transaction Confirmation Statement in respect of the Options to which these terms and conditions are attached.

14. (**Governing Law**) These terms and conditions are governed by the law of New South Wales, Australia, and the Option Holder and company submits themselves to the non-exclusive jurisdiction of the courts of New South Wales and any appellate court of competent jurisdiction.

15. (**Defined Terms**): in these terms and conditions:

**AEST** means Australian Eastern Standard Time

**ASIC** means the Australian Securities and Investments Commission

**ASX** means the Australian Securities Exchange Limited or the market operated by it, as the context requires

**Company** means NuEnergy Gas Limited (ASX:NGY)

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Exercise Date** means the date on which the Company receives valid Notice of Exercise Form and the Exercise Price in cleared funds in respect of the Options being exercised.

**Exercise Price** means $0.06.

**Expiry Date** has the meaning given in clause 3.

**Listing Rules** means the listing rules of ASX.

**Option** means the options over Shares issued to the Option Holder on the terms and conditions contained in this document.

**Option Holder** means the holder of the Options described in the holding statement.

**Share** means a fully paid ordinary share in the capital of the Company, quoted on ASX under the code NGY.

**Shareholder** means a holder of Shares.

Authorised for release by the Board of Directors.

Yours sincerely

Rozanna Lee
*Company Secretary*