

---

## Conditional SGH Waivers in Connection with Crux Drilling Cost and Timing Variations

---

Nexus Energy Limited (ASX:NXS) (**Nexus**) refers to its announcement of 2 June 2014 titled "*Crux Asset (AC/RL9) Drilling Cost and Timing Update*" and the notification received from the operator of the Crux Joint Venture, Shell Development (Australia) Pty Limited (**SDA**), of proposed changes to the forward activity plan with respect to potential timing of drilling activities and cost increases for the Crux project (the **SDA Crux Notice**).

### Conditional Scheme and finance waivers

Nexus advises that Seven Group Holdings Limited (**SGH**) and its subsidiary Network Investment Holdings Pty Ltd (**NIH**) have informed Nexus they will grant waivers in respect of the matters notified in the SDA Crux Notice, to the extent required under the Merger Implementation Agreement, the Bridge Facility Agreement and the Senior Facility Agreement (in each case being those documents referred to in Nexus' announcement of 31 March 2014), subject to shareholders approving the proposed Scheme at the Scheme Meeting to be held on Thursday 12 June 2014. Conversely, SGH and NIH have indicated that they will not grant those waivers if shareholders do not approve the proposed Scheme at the Scheme Meeting.

If shareholders approve the Scheme at the Scheme Meeting, the effect of these waivers will be that:

- SGH will have no right to terminate the Merger Implementation Agreement in reliance on the matters the subject of the SDA Crux Notice; and
- that the matters the subject of the SDA Crux Notice will not constitute an Event of Default under the Bridge Facility Agreement or Senior Facility Agreement.

Regardless of whether any waivers are granted by SGH and NIH in relation to the matters the subject of the SDA Crux Notice, if shareholders do not approve the Scheme at the Scheme Meeting:

- in the absence of an alternative proposal available to Nexus that provides adequate and immediately available funding, the Nexus Board would be required to appoint administrators to the Company; and
- SGH has indicated it will look to acquire all of the shares in Nexus or its assets through the administration process or via the enforcement of its rights as secured creditor.

### Approval of variations

The Crux joint venture parties have not met to consider the variations proposed in the SDA Crux Notice. The meeting of the Crux joint venture parties is currently scheduled to be held on 16 June 2014. Nexus will continue to keep the market informed in compliance with its continuous disclosure obligations and will advise Nexus shareholders of any material updates with respect to the Scheme and the matters contained in the SDA Crux Notice.

### Consent

SGH has given and has not before the date of this announcement withdrawn its consent to the inclusion in this announcement of the statements attributed to SGH in the form and context in which they are included.

**Lucio Della Martina**  
Managing Director & Chief Executive Officer

**For further information please contact:**  
**Susan Robutti**  
Chief Financial Officer & Company Secretary