

# Nexus Granted Longtom Production Licence

**N**exus Energy has been granted a production licence for petroleum permit VIC/L29 in relation to the Longtom gas field, bringing the development of its Longtom project one more step forward.

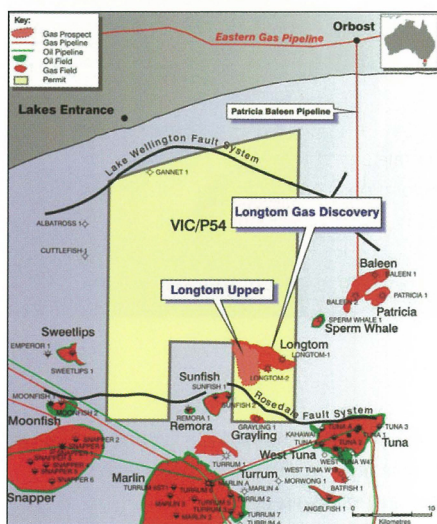
Under the terms of a gas sales agreement with Santos, Nexus has provided Santos with an option to purchase up to 35% equity in the Longtom field for A\$70 MM. Santos has until the end of November to exercise the option.

Nexus has also secured a rig slot for an appraisal well targeting additional resource potential in the Longtom field and exploration potential in the Longtom Upper prospect. The drilling is being undertaken in conjunction with Longtom development drilling, with a view to increasing Nexus' marketable reserves base at Longtom.



Meanwhile, preparation for the pipeline installation is continuing according to plan, with all pipeline and subsea components currently being manufactured. The installation vessel is expected to be in the field in March 2008 with all activities scheduled to finish before the end of May 2008.

The Longtom-4 development well is scheduled to spud in May 2008 and be ready for first gas during the quarter commencing July 2008. ■



The Longtom field and Nexus acreage.