Nexus Energy Limited
Annual General Meeting

Please find attached the presentation to be delivered at the 2008 Annual General Meeting in Melbourne by Mr Michael Fowler, Chairman, and Mr Ian Tchacos, Managing Director.

Susan Robutti
Company Secretary

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Nexus Energy Limited
Annual general meeting

20 November 2008

River Room 1 & 2
Crown Towers
8 Whiteman Street
Southbank Victoria

Annual general meeting program

Open meeting and 2008 highlights	Michael Fowler - Chairman
Corporate and asset update	Ian Tchacos – Managing Director
Notice of meeting formal business	Michael Fowler – Chairman
	Ian Tchacos – Managing Director
Shareholder questions	Michael Fowler – Chairman
	Ian Tchacos – Managing Director

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The reserves information contained in this presentation in relation to the Crux liquids project and the Longtom gas project has been compiled by Graham Bunn, Chief Petroleum Engineer. Mr Bunn's qualifications include a degree in physics from the Imperial College of Science and Technology, London and more than 28 years of relevant experience. Graham Bunn is a full time employee of Nexus and has consented in writing to the inclusion of this information in this presentation

All dates in this presentation are for calendar years unless stated FY for financial year.

All references to $ are in Australian currency, unless stated otherwise.

FY08 highlights – year in brief

Projects	Crux - successful appraisal, reserves booked, long-lead items ordered and drilling rig secured. First production by end first half 2011.
	Longtom - gas project production licence awarded, first gas expected mid 2009.
HSEC	No lost time cases, no severe safety incidents and no significant environmental incidents.
Finance	Over $500 million in financing secured via equity raisings, asset sales and new debt facilities.
People	New chairman and director appointed, new organisation structure established and planned additions to senior leadership team completed.

Corporate and asset update

Presented

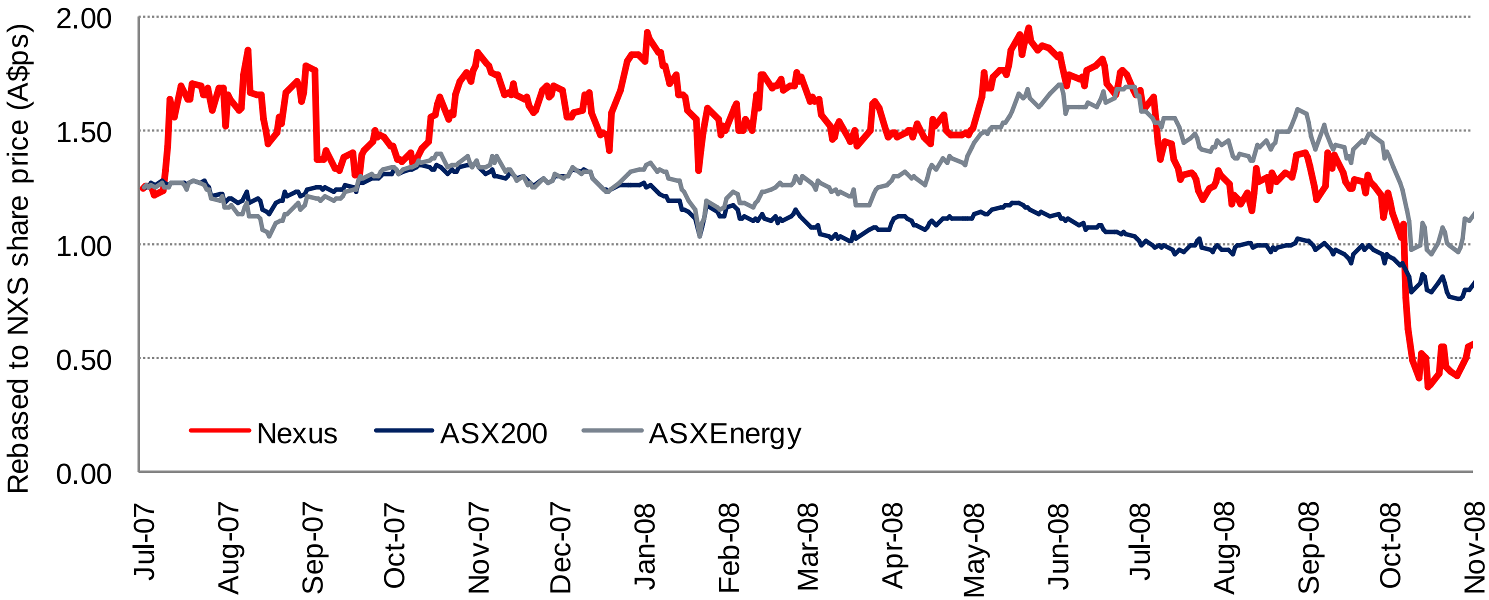
By

Ian Tchacos – Managing Director

Recent events

Sharp pull back in Nexus share price

- Withdrawal of AC/P23 purchaser citing financial conditions
- Resulting questions over funding
- Global reduced availability of debt financing
- Decline in oil price driven by assumed slower economic growth



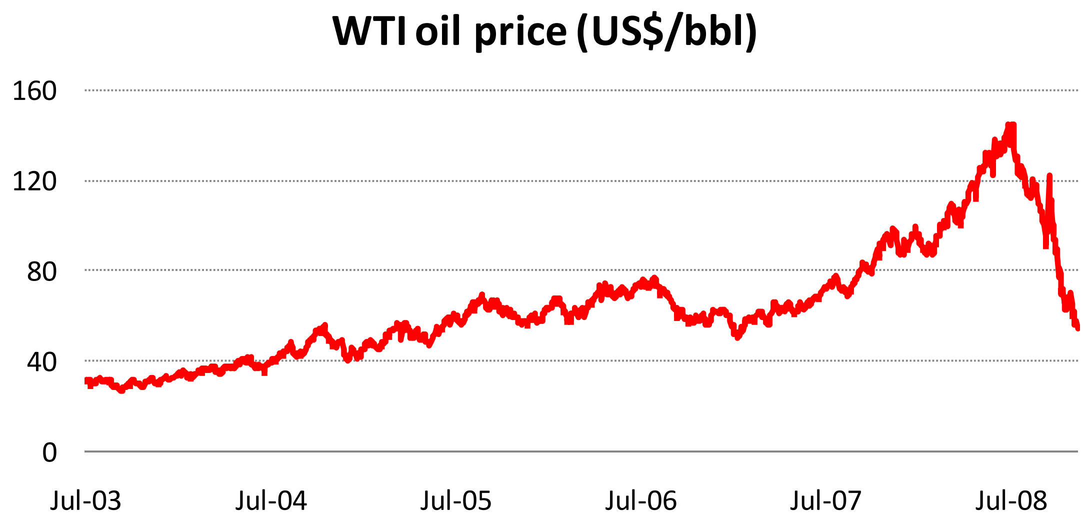
Nexus board and management response

- Withdrawal of AC/P23 purchaser citing financial conditions
  - Global sales process commenced with Deutsche Bank
- Resulting questions over funding
  - Farm-out of AC/P41 to Mitsui and Shell
  - Further funding opportunities under consideration
- Global reduced availability of debt financing
  - Lowered Crux debt requirements by offering higher percentage interest for sale in AC/P23
  - Finance for well structured oil projects expected to be available in 2009
- Decline in oil price driven by assumed slower economic growth
  - Crux economic at US$40/bbl
  - Longtom gas pricing not impacted

Industry will value the Crux asset via the sale process,
this will create a valuation benchmark for the Nexus share price

Oil price outlook

- Oil prices have fallen 60% from a peak in July 2008 to US$55/bbl
  - Today's spot price is not critical to Nexus given Crux project start-up in 2011
- International Energy Agency is still forecasting global demand growth in 2009, and predicting decrease in non-Opec supply
- Investment in the oil sector has declined sharply with market conditions
- Oil projects being delayed, scaled down or cancelled
- Falling crude prices expected to result in supply destruction



Oil and gas industry conditions

- Companies trading at significant discount to NPVs
- Capital program reductions announced
- Gas investment remains strong; longer term strategic value as environmentally favourable fuel
- Some capital cost reduction becoming evident and construction capacity improving

Nexus response to capital constrained world

- Reduce costs and delay discretionary expenditure
  - Limited exploration & appraisal expenditure in 2009 from farm-outs and deferrals
- Preference to secure funding from industry rather than equity markets
  - Nothing new for Nexus
- Reposition Nexus for growth in a capital constrained environment
- Utilise the Crux sales process to determine corporate opportunities which deliver more immediate shareholder value

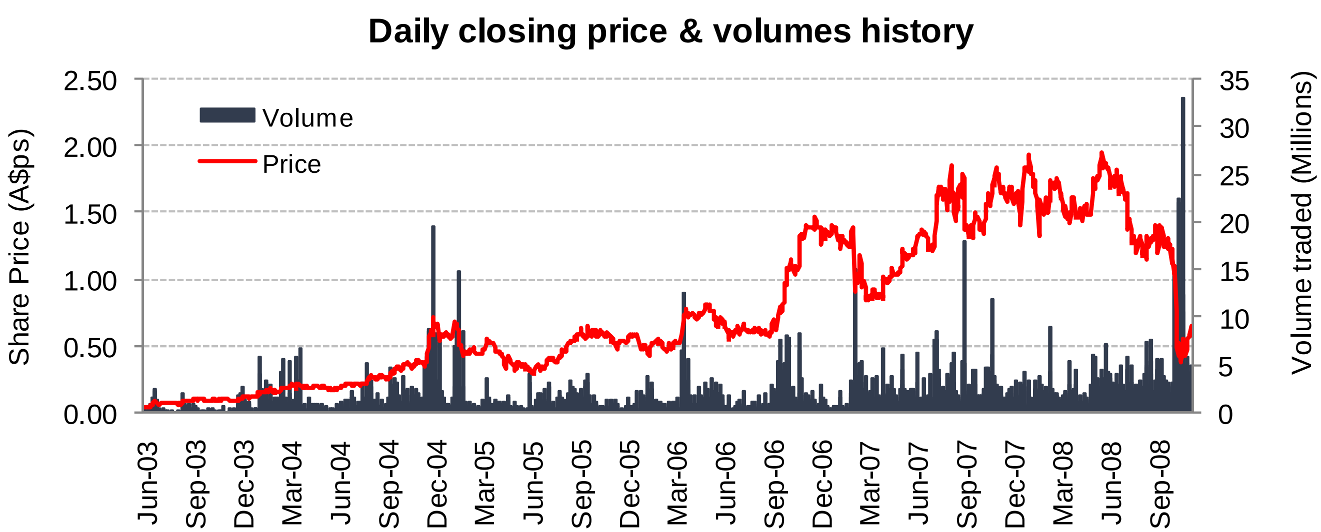
Corporate overview

As at 18 November 2008

Shares on issue	645 million
Options on issue	38 million
Market cap ($0.52 ps)	$339 million
Liquidity (% traded over prior mth)	19%

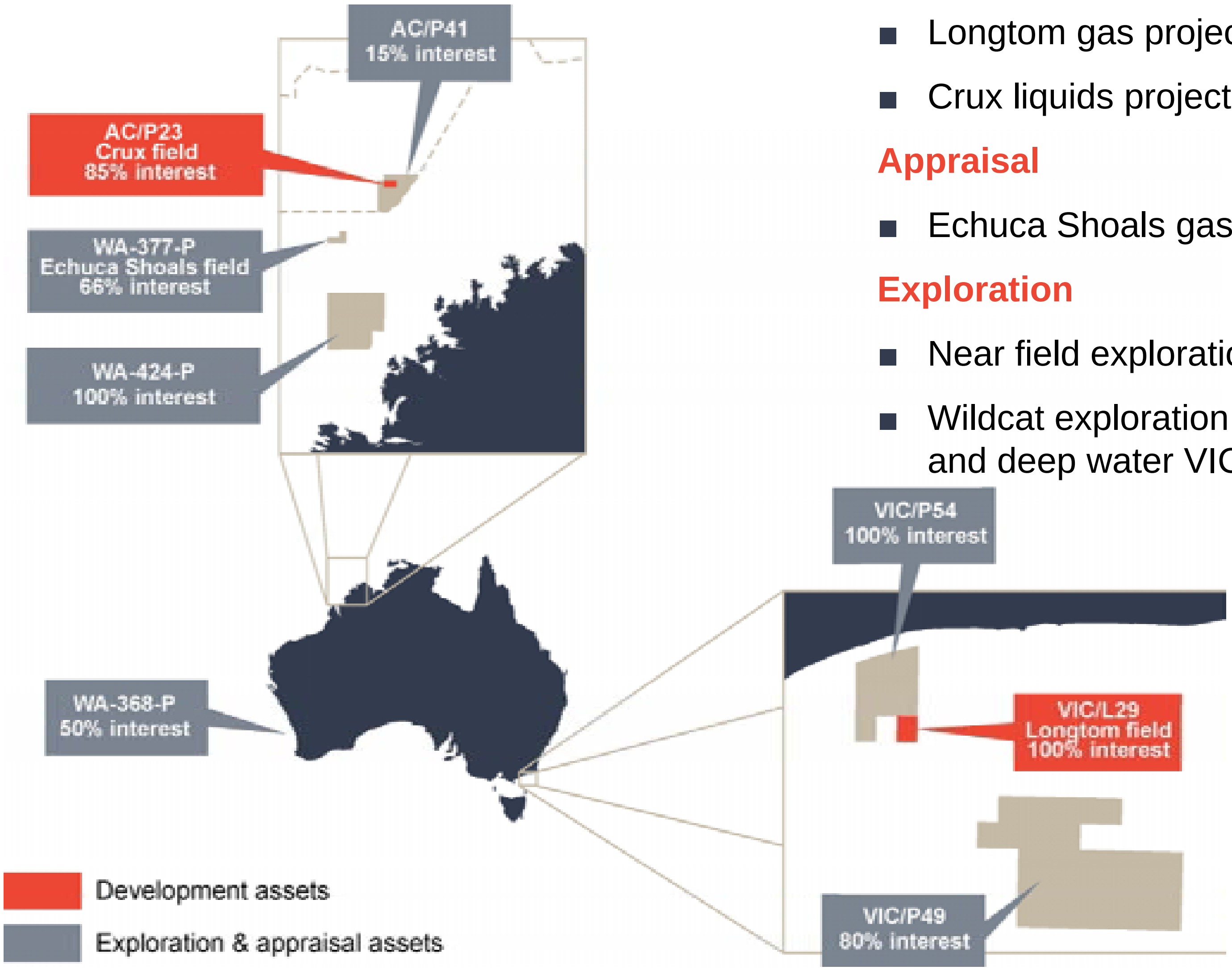
Key assets and liabilities

Net 2P reserves	122 MMboe
Cash as at 30 September 2008	$53 million
ROC shares (56.4m at $0.68 ps)	$38 million
Finance drawn as at 30 Sep	$156.5 million



Nexus is currently trading on an EV/boe ~ A$3.30/boe

Focus of Nexus' activities



Two development projects

- Longtom gas project – Gippsland Basin
- Crux liquids project – Browse Basin

Appraisal

- Echuca Shoals gas condensate field

Exploration

- Near field exploration around the Crux field
- Wildcat exploration WA-424-P, WA-368-P and deep water VIC/P49

Current asset status

Crux liquids project

- A significant, technically robust and commercially attractive project
- Longer term viability unaffected by short term delays
- Given production plateau in 2011-2014, relevant oil price will be influenced by purchaser’s long term oil assumptions
- Sales process intended to generate competitive pressure
- Weaker steel prices, lower vessel prices and improved contractor capacity may yield lower project capital costs

Longtom gas project

- Project due for first gas in mid 2009
- Predictable revenues due to fixed price contract, gas ~80% of revenue

Echuca Shoals gas/condensate field

- Technical studies justify further appraisal

Asset funding strategy

Crux liquids project

- Project mature for FID in late 2008 / early 2009
- Sell down to secure funding & reduce exposure to future costs
- Project delay from sales process not likely to have a material effect on value
  - A 3 to 6 month delay will result in less than a 5% loss of NPV

Longtom gas project

- Funding secured via equity already contributed plus debt financing
- Annual cash flow pre corporate tax estimated at $70 million

Echuca Shoals gas/condensate field

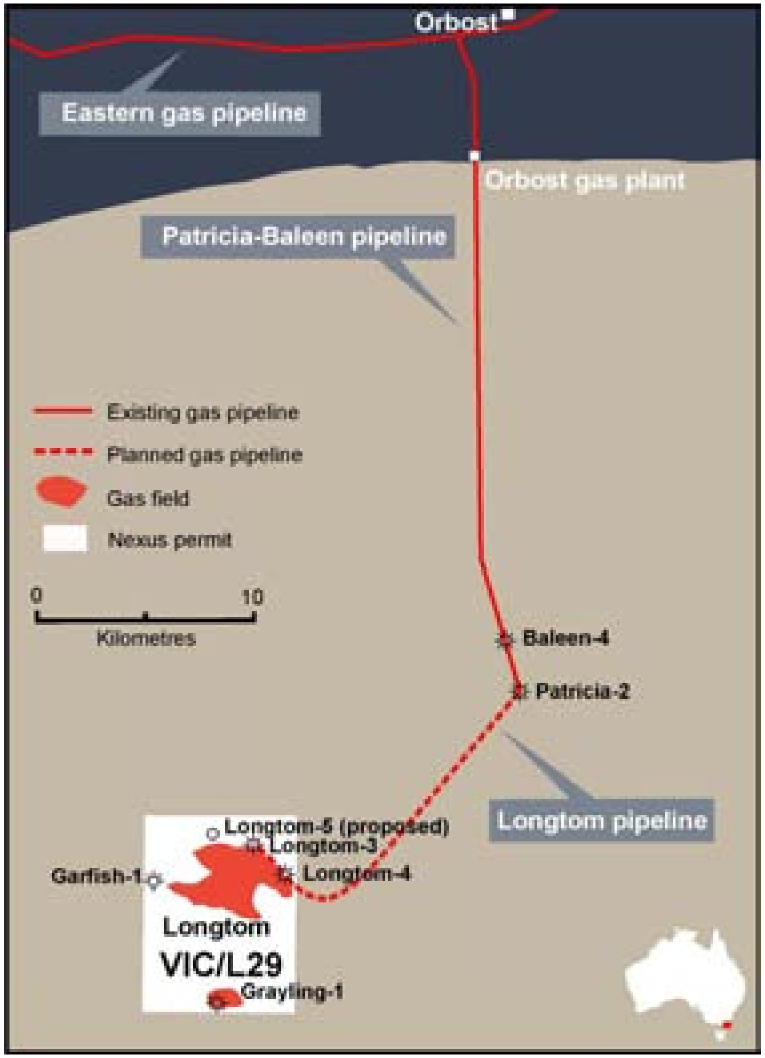
- Asset generating significant industry interest
- Farm down and further appraisal expected in late 2009

Exploration

- Future AC/P41 wells funded via recent farm-outs
- Strategy of early entry & farm down, well trodden path appropriate for organic growth

Longtom gas project

✓	Final investment decision
✓	Reserves booked
✓	Production licence issued
✓	Offshore environmental approvals
✓	Onshore planning approvals
✓	Longtom-4 drilled and flow tested
1Q09	Pipe lay
Mid-09	First gas production

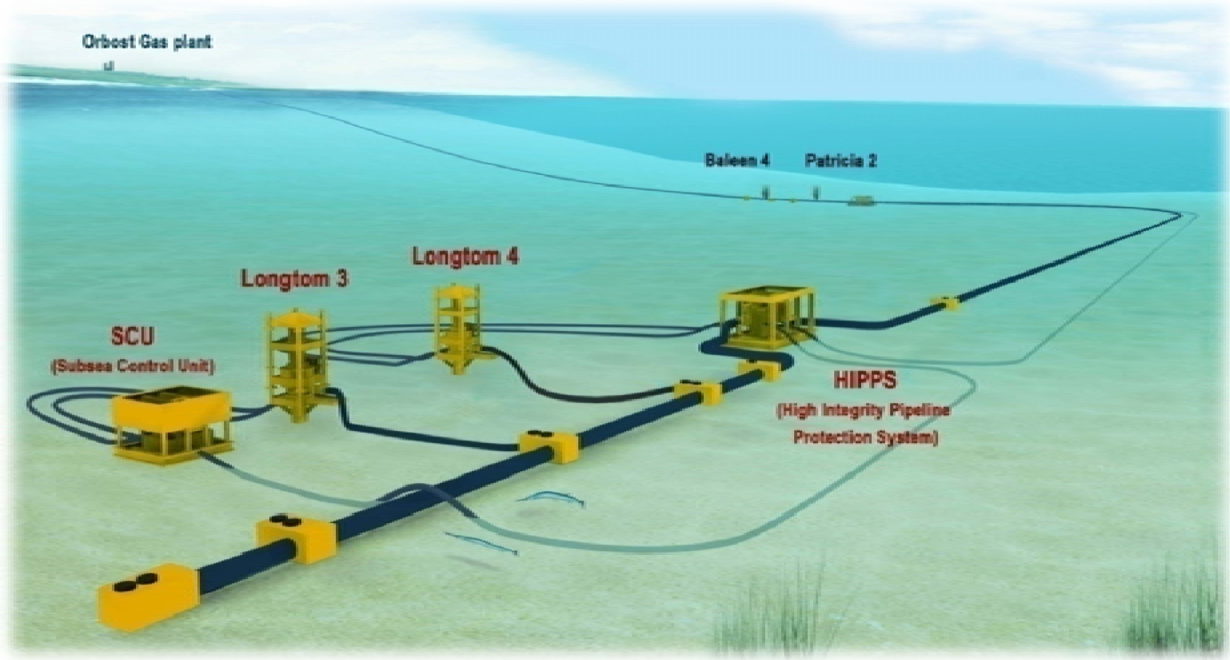


Longtom gas project

Gross metrics	
2P gross reserves	350 PJ / 4 MMbbl
Contract flow rate	68 TJ/d
Total capex	US$237 million
Avg pre-tax cash flow pa*	~A$70 million

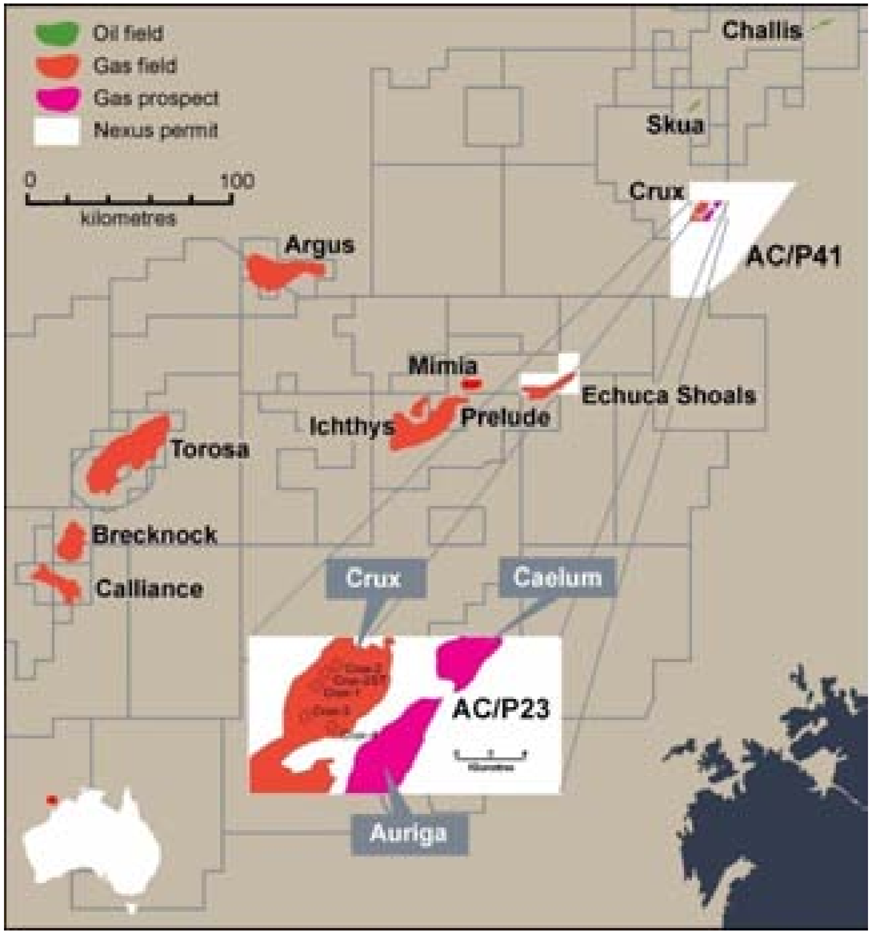
*assumes US$85/bbl & AUD 0.75

- Nexus currently holds 100% equity in the project
- Provides long-term stable cash flow



Crux liquids project

✓	Offshore environmental approvals
✓	Crux-3 & Crux-4 wells drilled
✓	Reserves increased to 75.2MMbbl
✓	Long-lead items secured
✓	Field development plan submitted
1Q09	Finalise partial sell down
1Q09	FID
1H11	First light oil production

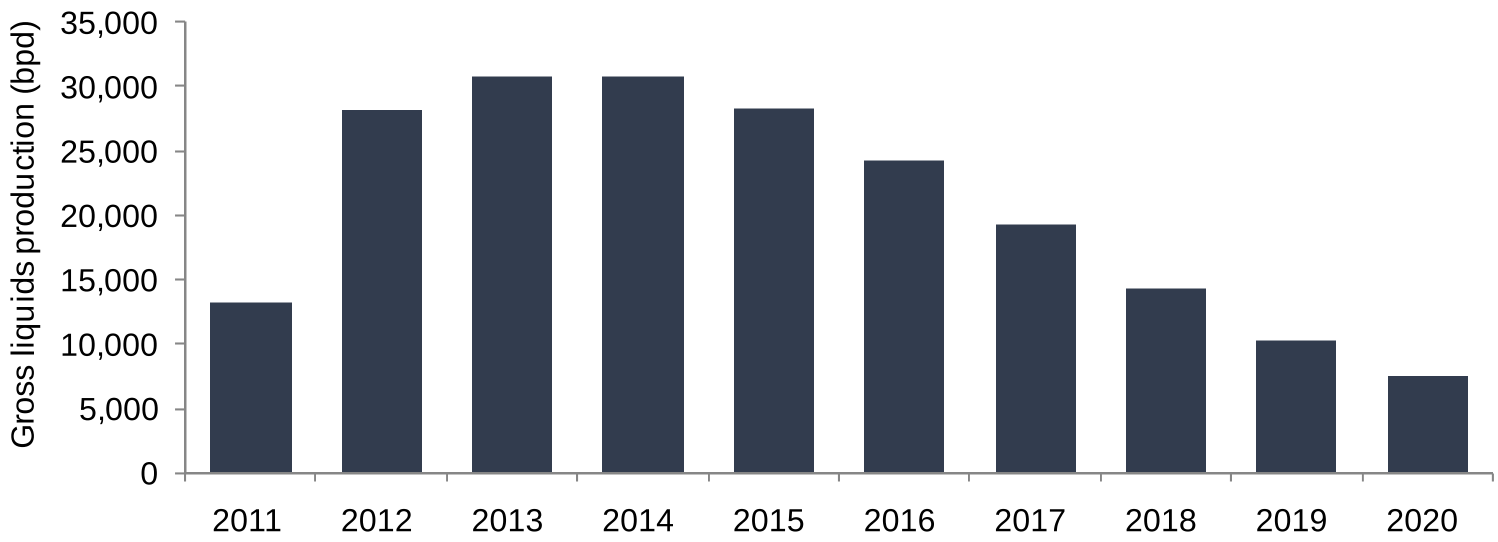


Crux liquids project summary

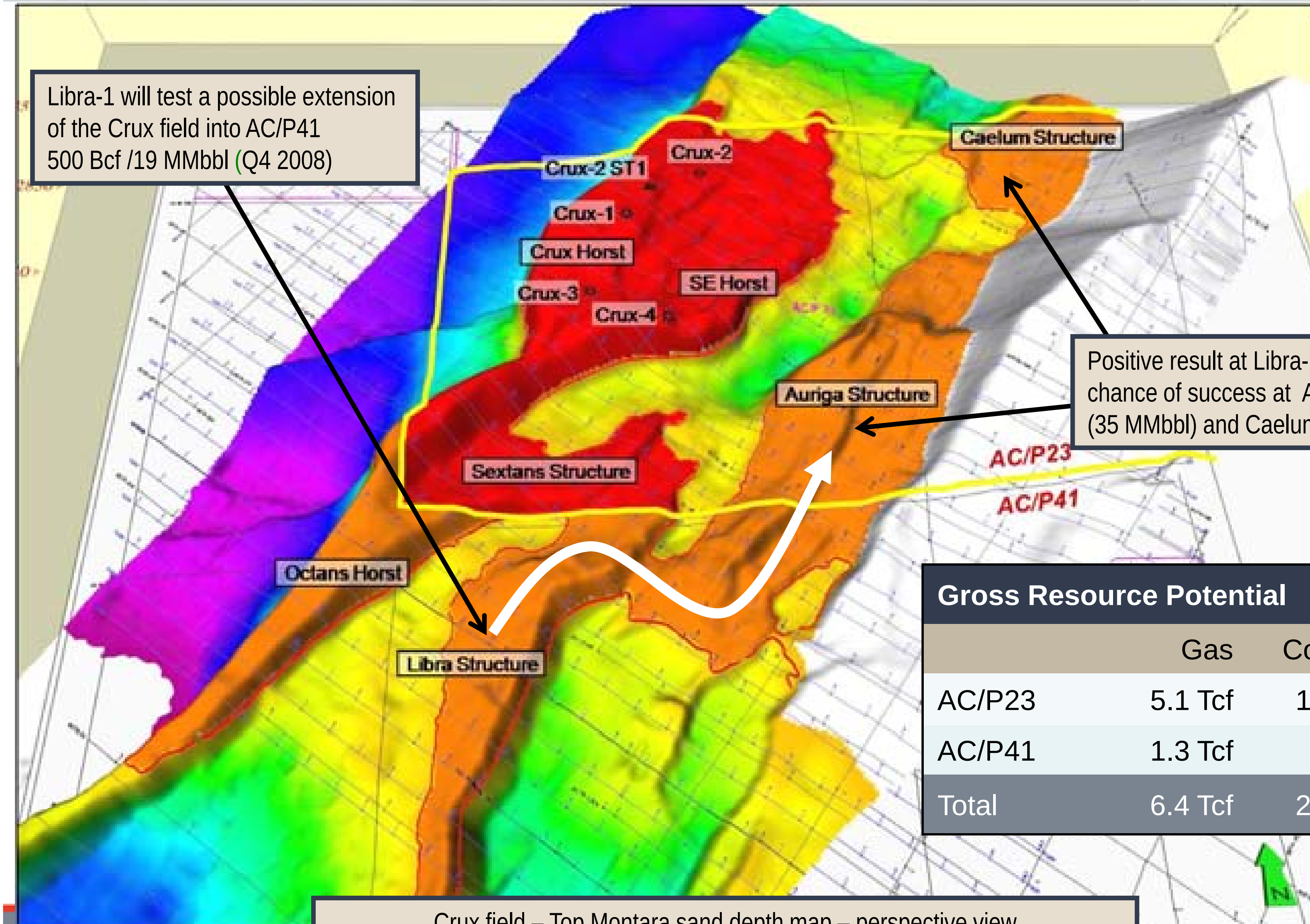
Gross metrics	
2P gross reserves	75.2 MMbbl
Project capacity – gas recycle	1,100 MMscf/d
Project capacity – liquids rate	39,400 bpd
Upstream capex	US$650-700 million
Avg pre-tax cash flow pa*	~A$740 million

*assumes US$85/bbl & AUD 0.75

- Nexus currently holds 85% equity in the project
- Global sales process underway



Libra prospect and other Crux near field exploration



Libra-1 will test a possible extension of the Crux field into AC/P41
500 Bcf /19 MMbbl (Q4 2008)

Positive result at Libra-1 increases chance of success at Auriga (35 MMbbl) and Caelum (28 MMbbl)

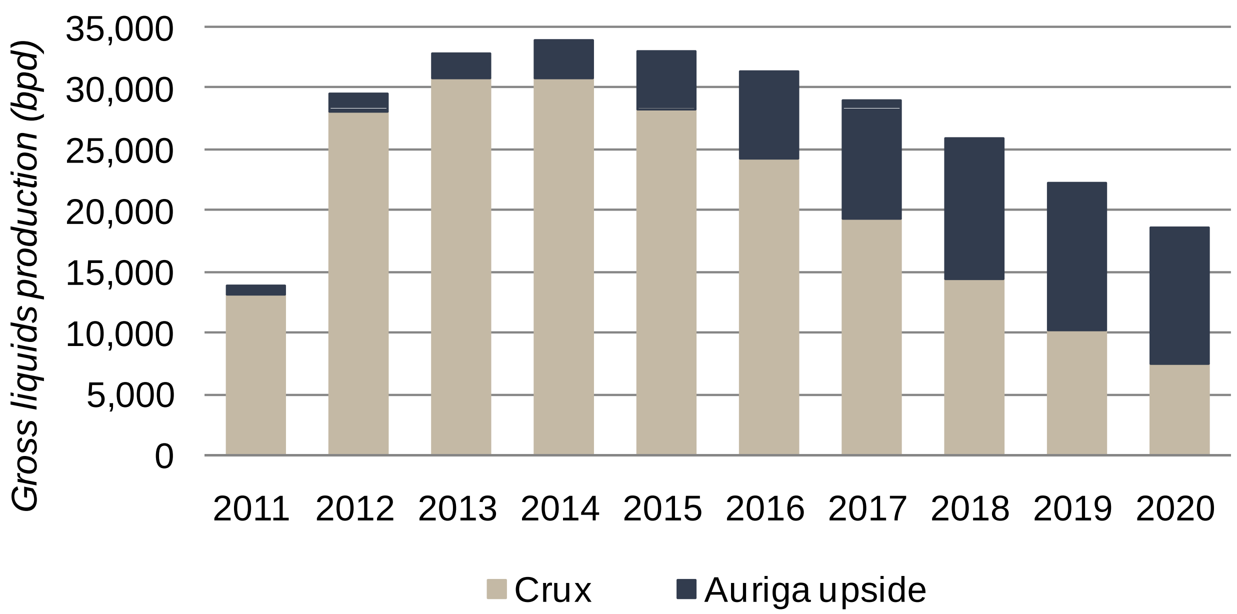
Gross Resource Potential

	Gas	Condensate
AC/P23	5.1 Tcf	175 MMbbl
AC/P41	1.3 Tcf	45 MMbbl
Total	6.4 Tcf	220 MMbbl

Crux field – Top Montara sand depth map – perspective view

Implications of Libra to the Crux project

- A successful result at Libra would significantly enhance the likelihood of encountering hydrocarbons in the adjacent Auriga and Caelum prospects within exploration permit AC/P23
- Contracted drilling rig available for Auriga appraisal/development well in 2009
- Potential tie-in of Auriga to Crux liquids project extends production plateau



Progress on sale of interest in Crux asset

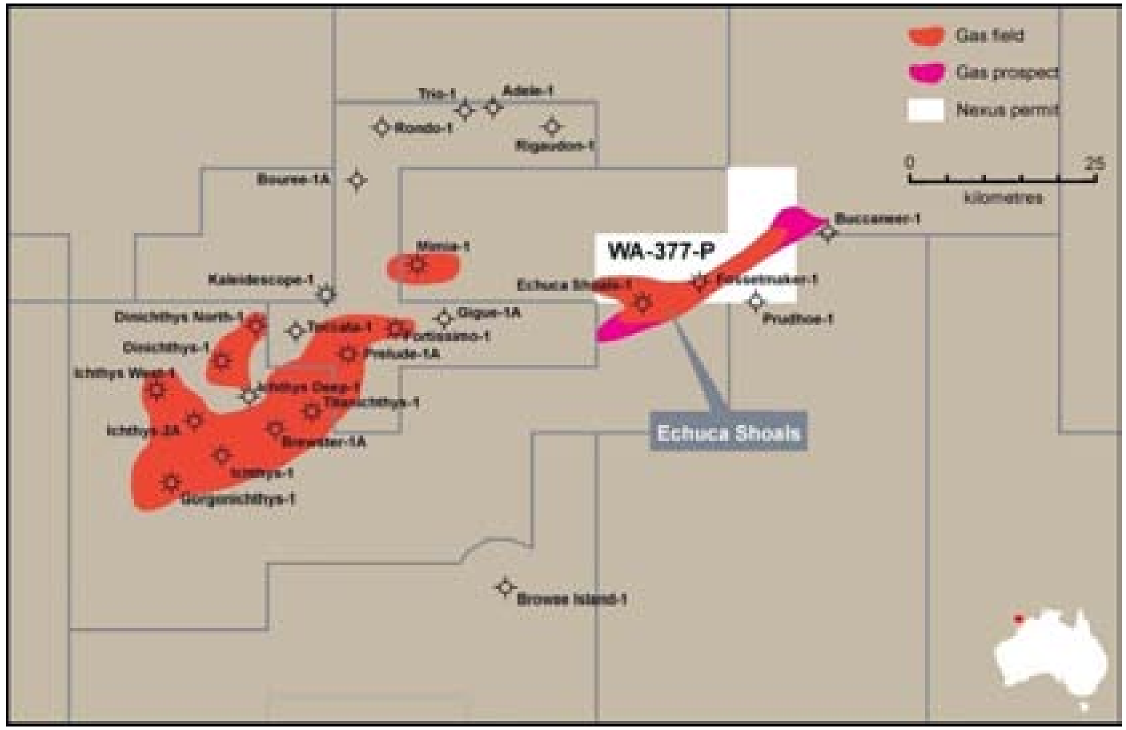
- Strong interest from a range of international parties
- Large Independents and National Oil Companies
- Data room process underway
- Libra success likely to affect process and asset value
- Interest at a corporate level also expressed

Echuca Shoals update

nexus ENERGY

The opportunity

- 2 Tcf of gas in place within WA-377-P identified, plus 2 Tcf of exploration potential
- Gas gravity indicates potential high liquids content
- Targeting drilling in late 2009



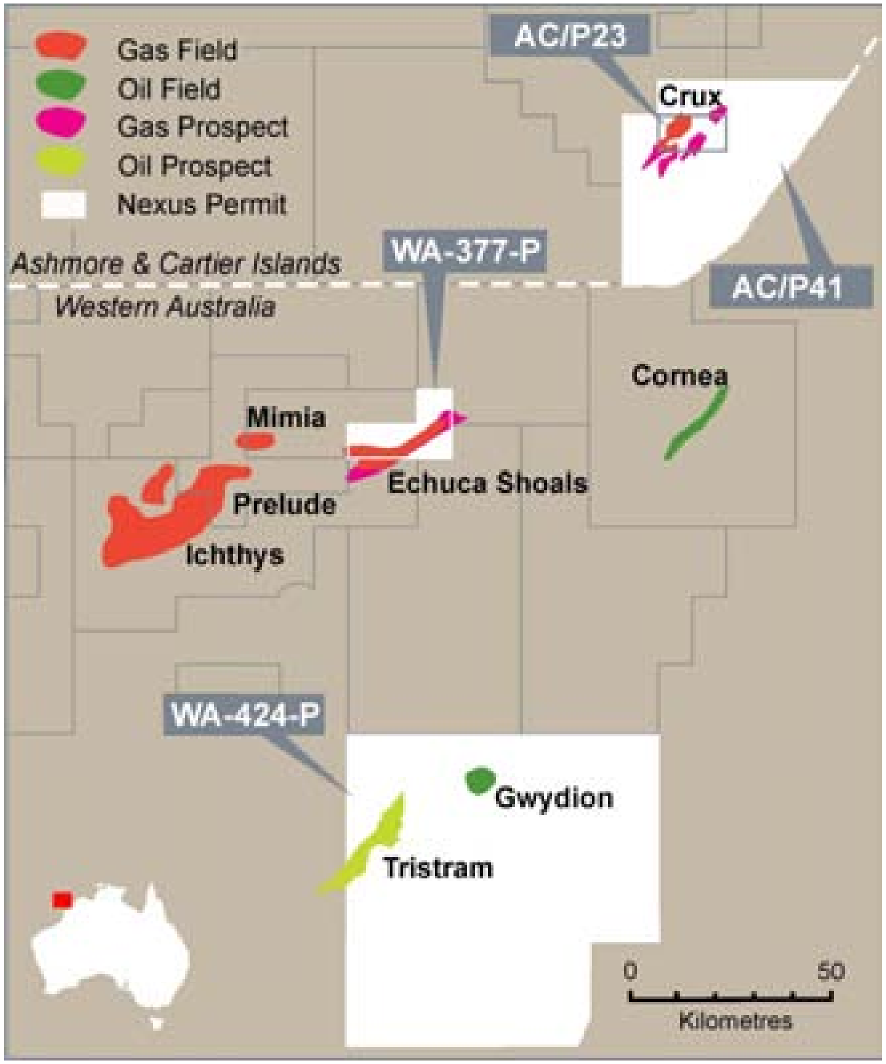
LNG potential

- Appraise gas resource potential around greater Crux and / or Echuca Shoals
- Utilise Floating LNG (FLNG) technology
- Gas resource of 1.5-3.0 Tcf would justify a 1.5mtpa FLNG
- Effective way to monetise small stranded gas assets

New exploration permit Browse Basin

WA-424-P Browse Basin

- Nexus 100% equity holder
- Oil and gas potential
- Large oil prospect at Tristram identified on existing 2D seismic data
- Existing oil discovery at Gwydion confirms oil potential in permit
- Strengthens Nexus' position in high profile basin close to existing giant gas fields
- Work program includes an exploration well in year two



Funding overview

Recent funding

- Subordinated notes (Jan-08) $110 million
- Equity placement (Jun-08) $143 million
- Longtom project finance $160 million *(covers remaining costs)*

Debt repayment

- Crux pre-development and Anzon/Roc loan

Current resources

- Current cash: $35 million plus $15 million restricted to Longtom
- Investment in Roc: 56.4 million shares

New resources under consideration

- Crux: new interim facility and full project financing post FID
- Asset sales
  - AC/P41 farm-outs have raised approximately $70 million in current quarter
  - AC/P23 sell down to raise capital

Near term corporate goals

- Source funds, strengthen balance sheet and create valuation benchmark with the introduction of a new partner to the Crux liquids project
- Cash flow from start-up of the Longtom gas project in mid 2009
- Continue organic growth, enhance operational skills and seek consolidation opportunities
  - put expanding capability to work

Near term events

Development activities

Asset Sale and Crux FID	→	**Q1 2009**
Longtom pipeline installation	→	**Q1 2009**
Start – up of Longtom gas project	→	**mid 2009**
Crux development drilling	→	**Q3 2009**

Appraisal & exploration activities

Libra exploration well	→	**Now**
Auriga exploration well	→	**Q3 2009**
AC/P41 2nd well	→	**1H 2009**

Transformational work program across asset base

“Ambitions shaped by a passion for growth and technical innovation

with a foundation of business and operational integrity”

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