



Closing of fully underwritten non-renounceable rights issue

Nexus Energy Limited ("Nexus") announces that its fully underwritten non-renounceable rights issue ("Rights Issue") closed on 13 October 2009. The Prospectus for the Rights Issue was lodged with the Australian Securities and Investments Commission and ASX on 11 September 2009, along with the Supplementary Prospectus on 9 October 2009, to raise approximately \$43.5 million (before costs and expenses).

At the close of the Rights Issue, Nexus has received applications from eligible shareholders for 139,885,441 ordinary shares. The shortfall of 58,026,225 shares is fully underwritten by Southern Cross Equities Limited and sub-underwritten by Azure Capital Pty Ltd. As set out in the Prospectus, the proposed directors who were entitled to subscribe for 31,499,305 shares under the Rights Issue have elected not to take up their rights under the Rights Issue, but instead have entered into sub-underwriting arrangements under which they will subscribe for their entitlement. Accordingly the Rights Issue take up, including those entitlements that will be taken up by the proposed directors, equates to an overall participation rate of approximately 87% of Rights available to be taken up.

Trading of the new shares is expected to commence on 22 October 2009.

Nexus' chairman Michael Fowler said, "The results of the Rights Issue are pleasing as the funds raised in combination with imminent production at Longtom will significantly enhance the company's financial position. We continue to work towards the positioning of Nexus as a stable producer with strong material asset positions and strong growth opportunities".

Susan Robutti
Company Secretary

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