



24 September 2007

The Manager, Companies  
Australian Stock Exchange

## **Nexus Acquires Strategic Stake in Anzon Form 603 – Notice of Initial Substantial Holder**

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Nexus Energy Limited (“Nexus”) has acquired a relevant interest of 40.4 million shares in Anzon Australia Limited (“Anzon”). This strategic stake represents 10.91% of the current issued capital of Anzon.

The relevant interest of 10.91% has been acquired via on-market purchases and an off-market exchange of Nexus shares for Anzon shares.

The on-market purchase of 26.8 million shares was acquired at a volume weighted average price of just under \$1.69 per share.

The off-market acquisition of 13.6 million shares from a subsidiary of Viking Shipping Limited (“Viking”) in exchange for shares in Nexus based on an exchange ratio of 1.1 Nexus shares for 1 Anzon share.

The off-market acquisition of 13.6 million shares from Viking was acquired in two tranches: tranche one being the unconditional agreement to purchase 10.9 million shares and tranche two being the agreement to purchase 2.7 million shares which is conditional on FIRB approval.

Please refer attached Form 603 – Notice of Initial Substantial Holder.

For further information please contact:

**Ian Tchacos**  
Managing Director  
Phone: 03 9660 2500  
Fax: 03 9654 9303  
Website: [www.nexusenergy.com.au](http://www.nexusenergy.com.au)

**David Griffiths**  
Gryphon Management Australia  
Phone: 08 9382 8300  
Mobile: 0419 912 496  
Website: [www.gryphon.net.au](http://www.gryphon.net.au)

Or

**Ian Howarth**  
Farrington National  
Phone: 03 9223 2465  
Mobile: 0407 822 319  
Email: [ian.howarth@farrington.com.au](mailto:ian.howarth@farrington.com.au)

**Form 603**Corporations Act 2001  
Section 671B**Notice of initial substantial holder**To Company Name/Scheme Anzon Australia LimitedACN/ARSN 107 406 771**1. Details of substantial holder (1)**Name Nexus Energy Limited and its subsidiariesACN/ARSN (if applicable) 058 818 278The holder became a substantial holder on 20/09/2007**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully Paid Ordinary Shares	40,430,805	40,430,805	10.91%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Nexus Energy Limited	Holder of Shares	13,561,265 Ordinary Shares
	Power to control the exercise of right to vote and dispose of the securities	26,869,540 Ordinary Shares
Nexus Energy (Timor Sea 1) Pty Ltd	Holder of shares	26,869,540 Ordinary Shares

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Nexus Energy Limited	Nexus Energy Limited	Nexus Energy Limited	13,561,265 Ordinary Shares
Nexus Energy (Timor Sea 1) Pty Ltd	Nexus Energy (Timor Sea 1) Pty Ltd	Nexus Energy (Timor Sea 1) Pty Ltd	26,869,540 Ordinary Shares

## 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Nexus Energy Limited	21/09/2007		\$22,376,087*	13,561,265 Ordinary Shares * Please see the attached subscription share sale agreement which is based on Anzon Australia Limited share price of \$1.65 and a Nexus Energy Limited share price of \$1.50
Nexus Energy (Timor Sea 1) Pty Ltd	21/08/2007	\$642,602		555,000 Ordinary Shares
	22/08/2007	\$680,170		590,000 Ordinary Shares
	23/08/2007	\$709,860		594,912 Ordinary Shares
	24/08/2007	\$2,071,644		1,720,000 Ordinary Shares
	27/08/2007	\$95,010		77,175 Ordinary Shares
	17/09/2007	\$1,746,814		1,065,000 Ordinary Shares
	18/09/2007	\$3,397,057		2,000,000 Ordinary Shares
	19/09/2007	\$52,296		30,700 Ordinary Shares
	20/09/2007	\$489,169		289,396 Ordinary Shares
	20/09/2007	\$30,972,000		17,400,000 Ordinary Shares
	21/09/2007	\$4,467,682		2,547,357 Ordinary Shares

## 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Nexus Energy (Timor Sea 1) Pty Ltd	Wholly owned subsidiary of Nexus Energy Limited

## 7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Nexus Energy Limited	134-140 Little Lonsdale Street, Melbourne Vic 3000
Nexus Energy (Timor Sea 1) Pty Ltd	134-140 Little Lonsdale Street, Melbourne Vic 3000

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## Signature

print name	Ian Tchacos	capacity	Director
sign here		date	24/09/2007

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### DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
  - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
  - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
  - (4) The voting shares of a company constitute one class unless divided into separate classes.
  - (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
  - (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
  - (7) Include details of:
    - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
    - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
  - (8) If the substantial holder is unable to determine the identity of the person ( eg. if the relevant interest arises because of an option) write "unknown".
  - (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
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Subscription and Share Sale Agreement made on *21 September* 2007

**Parties**

**Nexus Energy Limited ACN 058 818 278** of 134 Little Lonsdale Street,  
Melbourne, Victoria ("**Company**")

**Vanguard Oil and Gas International Ltd** of OMC Chambers, P.O. Box 3152,  
Road Town, Tortola, British Virgin Islands ("**Subscriber**")

**Viking Shipping Limited** of OMC Chambers, P.O. Box 3152, Road Town,  
Tortola, British Virgin Islands ("**Viking**")

**Recitals**

- A. The Company is a public company incorporated under the Corporations Act and listed on the ASX.
- B. The Subscriber is the sole legal and beneficial owner and registered holder of the Tranche 1 Consideration Shares and Tranche 2 Consideration Shares.
- C. The directors of the Company have resolved to allot and issue the Tranche 1 Subscription Shares to the Subscriber and the Subscriber has agreed to subscribe for the Tranche 1 Subscription Shares in consideration for the transfer to the Company of the Tranche 1 Consideration Shares, on the terms and conditions of this Agreement.
- D. Subject to satisfaction of the Condition Precedent, the directors of the Company have resolved to allot and issue the Tranche 2 Subscription Shares to the Subscriber and the Subscriber has agreed to subscribe for the Tranche 2 Subscription Shares in consideration for the transfer to the Company of the Tranche 2 Consideration Shares, on the terms and conditions of this Agreement.

**The parties agree**

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**1. Definitions and interpretation**

**1.1 Definitions**

In this Agreement:

"**Anzon**" means Anzon Australia Limited ACN 107 406 771.

"**ASX**" means ASX Limited.

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

"**Business Day**" means a day which is not a Saturday, Sunday or public holiday, and on which all banks are open for business generally, in Perth, Western Australia and London, England.

"**Claim**" means a claim, action, proceeding or demand made against the Party concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

"**Condition Precedent**" means the condition precedent in clause 2.1.

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

"**Encumbrance**" means any mortgage, charge, pledge, lien, encumbrance, assignment, hypothecation, security interest, title retention, preferential right, trust arrangement, contractual right of set-off or any other security agreement or arrangement in favour of any person.

"EST" means Eastern Standard Time.

"Event of Insolvency" means:

- (a) a receiver, manager, receiver and manager, trustee or similar officer is appointed in respect of a person or any asset of a person;
- (b) a liquidator or interim liquidator is appointed in respect of a corporation;
- (c) any application (not being an application withdrawn or dismissed within 7 days) is made to a court for an order, or an order is made, or a meeting is convened, or a resolution is passed, for the purpose of:
  - (i) appointing a person referred to in paragraphs (a) or (b);
  - (ii) winding up a corporation; or
  - (iii) proposing or implementing a compromise with creditors (including a scheme of arrangement);
- (d) any event or conduct occurs which would enable a court to grant a petition, or an order is made, for the insolvency or sequestration of an individual or his estate under any Insolvency Provision;
- (e) a person has any material, final and unappealable judgment or award made against it and fails to satisfy such judgment or award within 14 days of the date on which it became aware of such judgment or award; or
- (f) a person becomes, or admits in writing that it is, is declared to be, or is deemed under any applicable law to be, insolvent or unable to pay its debts.

"Execution Date" means the date of execution of this Agreement by the last Party to sign it.

"Insolvency Provision" means any law relating to insolvency, sequestration, liquidation or bankruptcy (including any law relating to the avoidance of conveyances in fraud of creditors or of preferences, and any law under which a liquidator or trustee in bankruptcy may set aside, revoke or avoid transactions), and any provision of any agreement, arrangement or scheme, formal or informal, relating to the administration of any of the assets of any person.

"Party" means a party to this Agreement and their successors and permitted assigns.

"Related Body Corporate" has the meaning given in section 9 of the Corporations Act.

"Share" means a fully paid ordinary share in the capital of the Company.

"State" means the State of Victoria.

"Statute" means any legislation of any country, state or territory in force at any time, and in any rule, regulation, ordinance by-law, statutory instrument, order or notice at any time made under that legislation.

"Tranche 1 Completion Date" means 24 September 2007 or such other date as agreed by the Parties in writing.

"Tranche 1 Consideration Shares" means 10,909,091 fully paid ordinary shares in the capital of Anzon.

"Tranche 1 Subscription Shares" means 12,000,000 Shares.

**"Tranche 2 Completion Date"** means 2 Business Days after satisfaction of the Condition Precedent or such other date as agreed by the Parties in writing.

**"Tranche 2 Consideration Shares"** means 2,652,174 fully paid ordinary shares in the capital of Anzon.

**"Tranche 2 Subscription Shares"** means 2,917,392 Shares.

**"Warranty"** means:

- (a) in relation to those given by the Company, the warranties, representations and undertakings given by the Company, including those set out in clauses 6.1 and 6.2; and
- (b) in relation to those given by the Subscriber, the representations and warranties given by the Subscriber, including those set out in clause 6.1 and 6.3.

## 1.2 Interpretation

In this Agreement:

- (a) headings are for convenience only and do not affect interpretation;
- and unless the context indicates a contrary intention:
- (b) a reference to any Party includes that Party's executors, administrators, successors, substitutes and assigns, including any person taking by way of novation and where a Party executes this Agreement in its capacity as trustee, a reference to that Party includes any substituted or additional trustee;
  - (c) a reference to this Agreement or to any other agreement, deed or document includes, respectively, this Agreement or that other agreement, deed or document as amended, novated, supplemented, varied or replaced from time to time;
  - (d) words importing the singular include the plural (and vice versa), words denoting a given sex include the other sex, and words denoting individuals include corporations (and vice versa);
  - (e) reference to any legislation or to any section or provision of any legislation includes any statutory modification or re-enactment or any statutory provision substituted for it, and ordinances, by-laws, regulations, and other statutory instruments issued under any legislation;
  - (f) references to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Agreement, and a reference to this Agreement includes any schedule, exhibit and annexure;
  - (g) if any day appointed or specified by this Agreement for the payment of any money or doing of any thing falls on a day which is not a Business Day, the day so appointed or specified will be deemed to be the next Business Day;
  - (h) the word **"includes"** in any form is not a word of limitation; and
  - (i) if more than one person is under an obligation to act or not to act under this Agreement, the liability of those persons so identified binds each of them severally and every two or more of them jointly; if more than one person receives the same benefit under this Agreement the benefit is to be enjoyed by each of them severally.

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## **2. Condition Precedent**

### **2.1 Condition Precedent**

The obligation of the Company to allot and issue to the Subscriber the Tranche 2 Subscription Shares and the obligation of the Subscriber to subscribe for the Tranche 2 Subscription Shares and transfer to the Company the Tranche 2 Consideration Shares are subject to and conditional on the Subscriber obtaining written confirmation of the Commonwealth Treasurer not objecting to the Subscriber subscribing for the Tranche 2 Subscription Shares (either unconditionally or on conditions reasonably satisfactory to the Subscriber), or ceasing to be empowered under the Foreign Acquisitions and Takeovers Act 1975 (Cth) to make an order prohibiting the Subscriber subscribing for the Tranche 2 Subscription Shares.

### **2.2 Obligation to satisfy**

The Subscriber shall apply to the Commonwealth Treasurer in accordance with the Foreign Acquisitions and Takeovers Act 1975 (Cth) within 5 Business Days of the Execution Date and do all things reasonably necessary to obtain the satisfaction of the Condition Precedent as soon as practicable.

### **2.3 Obligation to notify**

The Subscriber shall notify the Company in writing within 1 Business Day of the satisfaction of the Condition Precedent.

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## **3. Subscription and Share Transfer**

### **3.1 Tranche 1**

The Company agrees to allot and issue to the Subscriber the Tranche 1 Subscription Shares and the Subscriber agrees to subscribe for the Tranche 1 Subscription Shares and transfer to the Company the Tranche 1 Consideration Shares, on the terms and conditions of this Agreement. The Company agrees to accept the transfer of the Tranche 1 Consideration Shares in full and final satisfaction and discharge of the amount payable by the Subscriber in subscribing for the Tranche 1 Subscription Shares.

### **3.2 Tranche 2**

Subject to satisfaction of the Condition Precedent, the Company agrees to allot and issue to the Subscriber the Tranche 2 Subscription Shares and the Subscriber agrees to subscribe for the Tranche 2 Subscription Shares and transfer to the Company the Tranche 2 Consideration Shares, on the terms and conditions of this Agreement. The Company agrees to accept the transfer of the Tranche 2 Consideration Shares in full and final satisfaction and discharge of the amount payable by the Subscriber in subscribing for the Tranche 2 Subscription Shares.

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## **4. Completion**

### **4.1 Time and place**

- (a) Tranche 1 Completion will take place at 12 noon EST on the Tranche 1 Completion Date at the offices of the Company at 134 Little Lonsdale Street, Melbourne or at any other time and place agreed by the Company and the Subscriber.
- (b) Tranche 2 Completion will take place at 12 noon EST on the Tranche 2 Completion Date at the offices of the Company at 134 Little Lonsdale Street, Melbourne or at any other time and place agreed by the Company and the Subscriber.

## **4.2 Obligations of Company at Completion**

- (a) Subject to the Subscriber satisfying its obligations under clause 4.3(a)(i), on the Tranche 1 Completion Date the Company must deliver to the Subscriber a holding statement or other evidence that the Tranche 1 Subscription Shares have been issued and allotted to the Subscriber and give the Subscriber any documents which the Subscriber reasonably requires to evidence the fact that the Tranche 1 Subscription Shares have been duly issued and allotted to the Subscriber free from any Encumbrances.
- (b) Subject to the Subscriber satisfying its obligations under clause 4.3(a)(ii), on the Tranche 2 Completion Date the Company must deliver to the Subscriber a holding statement or other evidence that the Tranche 2 Subscription Shares have been issued and allotted to the Subscriber and give the Subscriber any documents which the Subscriber reasonably requires to evidence the fact that the Tranche 2 Subscription Shares have been duly issued and allotted to the Subscriber free from any Encumbrances.
- (c) Without limiting clause 4.2(a) and (b), the Company must take all other steps required, including under the Corporations Act and the ASX Listing Rules, to reasonably constitute and evidence the Subscriber as the holder of a good and marketable title to the Tranche 1 Subscription Shares and the Tranche 2 Subscription Shares.

## **4.3 Obligations of Subscriber at Completion**

- (a) Subject to the Company satisfying its obligations under clause 4.2(a) and (c) (insofar as it pertains to the Tranche 1 Subscription Shares), on the Tranche 1 Completion Date the Subscriber must:
  - (i) give the Company absolute ownership of the Tranche 1 Consideration Shares and title to all Tranche 1 Consideration Shares free from any Encumbrances and give the Company any document which the Company reasonably requires to obtain good title to the Tranche 1 Consideration Shares and to have the Tranche 1 Consideration Shares registered in the name of the Company; and
  - (ii) take all other steps required, including under the ASTC Settlement Rules and the Corporations Act, to constitute and evidence the Company as the holder of the Tranche 1 Consideration Shares.
- (b) Subject to the Company satisfying its obligations under clause 4.2(b) and (c), on the Tranche 2 Completion Date the Subscriber must:
  - (i) give the Company absolute ownership of the Tranche 2 Consideration Shares and title to all Tranche 2 Consideration Shares free from any Encumbrances and give the Company any document which the Company requires to obtain good title to the Tranche 2 Consideration Shares and to have the Tranche 2 Consideration Shares registered in the name of the Company; and
  - (ii) take all other steps required, including under the ASTC Settlement Rules and the Corporations Act, to constitute and evidence the Company as the holder of the Tranche 2 Consideration Shares.

#### **4.4 Obligations of Subscriber after Completion**

- (a) After the Tranche 1 Completion Date and until the Tranche 1 Consideration Shares are registered in the name of the Company, the Subscriber must vote at any meeting convened by Anzon as directed by the Company and take any other action as registered holder of the Tranche 1 Consideration Shares that the Company may reasonably require.
- (b) After the Tranche 2 Completion Date and until the Tranche 2 Consideration Shares are registered in the name of the Company, the Subscriber must vote at any meeting convened by Anzon as directed by the Company and take any other action as registered holder of the Tranche 2 Consideration Shares that the Company may reasonably require.

#### **4.5 Title**

- (a) On the Tranche 1 Completion Date, beneficial ownership in the Tranche 1 Consideration Shares passes to the Company with all attached and accrued rights and free of any Encumbrances.
- (b) On the Tranche 2 Completion Date, beneficial ownership in the Tranche 2 Consideration Shares passes to the Company with all attached and accrued rights and free of any Encumbrances.

#### **4.6 Interdependence**

- (a) The requirements of clauses 4.2(a) and (c) (insofar as it pertains to the Tranche 1 Subscription Shares) and 4.3(a) are interdependent and must be carried out contemporaneously. In relation to the Tranche 1 Subscription Shares and Tranche 1 Consideration Shares, no delivery or transfer is deemed to have been made until all deliveries and transfers have been made.
- (b) The requirements of clauses 4.2(b) and (c) (insofar as it pertains to the Tranche 2 Subscription Shares) and 4.3(b) are interdependent and must be carried out contemporaneously. In relation to the Tranche 2 Subscription Shares and Tranche 2 Consideration Shares, no delivery or transfer is deemed to have been made until all deliveries and transfers have been made.

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### **5. Post Completion Obligations**

#### **5.1 Quotation of Subscription Shares**

- (a) The Company must apply for quotation of the Tranche 1 Subscription Shares on the ASX as soon as practicable after the Tranche 1 Completion Date and do all things reasonably necessary to ensure that the Tranche 1 Subscription Shares are quoted as soon as practicable on such terms and conditions as are usual for quotation of securities.
- (b) The Company must apply for quotation of the Tranche 2 Subscription Shares on the ASX as soon as practicable after the Tranche 2 Completion Date and do all things reasonably necessary to ensure that the Tranche 2 Subscription Shares are quoted as soon as practicable on such terms and conditions as are usual for quotation of securities.

#### **5.2 Cleansing Statement**

- (a) The Company must satisfy the conditions set out in section 708A(5) of the Corporations Act, and issue a notice that complies with the requirements under

section 708A(6) of the Corporations Act, within 2 Business Days after the Tranche 1 Completion Date.

- (b) The Company must satisfy the conditions set out in section 708A(5) of the Corporations Act, and issue a notice that complies with the requirements under section 708A(6) of the Corporations Act, within 2 Business Days after the Tranche 2 Completion Date.

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## 6. Warranties

### 6.1 General

Each Party represents and warrants to the other Party on the Execution Date, the Tranche 1 Completion Date and the Tranche 2 Completion Date that:

- (a) **(Incorporation)** It is a body corporate validly existing under the laws of its place of incorporation;
- (b) **(Legally binding obligation):** This Agreement constitutes its valid and legally binding obligation in accordance with its terms and subject to any necessary stamping is enforceable against it in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganisation, moratorium and other similar laws relating to or affecting enforcement of creditors' rights generally.
- (c) **(Execution, delivery and performance):** The execution, delivery and performance of this Agreement by it does not violate any Statute or law, or any document or agreement to which it is a party or which is binding on it or any of its assets.
- (d) **(Authorisation):** Subject to satisfaction of the Condition Precedent, all consents, licences, approvals and authorisations required to be obtained by it in connection with the execution, delivery and performance of this Agreement have been obtained and are valid and subsisting.
- (e) **(Power):** It has the power to enter into and perform its obligations under this Agreement and to carry out the transactions contemplated by it.
- (f) **(Corporate action):** It has taken all necessary corporate action to enter into and perform this Agreement.

### 6.2 Company warranties

The Company represents and warrants on the Execution Date, the Tranche 1 Completion Date and the Tranche 2 Completion Date that:

- (a) **(No breach):** Entry into and performance of this Agreement will not cause the Company to be in breach of:
  - (i) any contract or agreement to which it is a party or constitute grounds for termination of any such contract or agreement;
  - (ii) the constitution of the Company;
  - (iii) any law which applies to the Company; or
  - (iv) any regulatory consent or licence relating to the Company or its assets or business.

- (b) **(No restriction on allotment):** There is no restriction on the allotment and issue of the Tranche 1 Subscription Shares or Tranche 2 Subscription Shares to the Subscriber (subject to the Condition Precedent) and that the allotment and issue of the Tranche 1 Subscription Shares and Tranche 2 Subscription Shares does not need disclosure to investors under Part 6D.2 of the Corporations Act.
- (c) **(Subscription Shares rank equally):** The Tranche 1 Subscription Shares and Tranche 2 Subscription Shares will, once issued, rank equally with all other Shares and may be traded on ASX from the date of their quotation.
- (d) **(Issue of Subscription Shares):** The Company shall issue the Tranche 1 Subscription Shares and Tranche 2 Subscription Shares in accordance with:
  - (i) all applicable laws;
  - (ii) the ASX Listing Rules; and
  - (iii) the Company's constitution.
- (e) **(Disclosure):** The Company has complied with its obligations under all rules of any stock exchange, and any laws of any country, having application to the Company (including ASX Listing Rule 3.1).
- (f) **(No intention to resell):** The Company is not issuing the Tranche 1 Subscription Shares or Tranche 2 Subscription Shares for the purpose of any or all of those Shares being offered for re-sale or transfer.
- (g) **(No Event of Insolvency):** No Event of Insolvency has occurred in relation to the Company, nor is there any act which has occurred or any omission made which may result in an Event of Insolvency occurring in relation to it.

### 6.3 Subscriber warranties

The Subscriber represents and warrants to the Company on the Execution Date, the Tranche 1 Completion Date and the Tranche 2 Completion Date that:

- (a) **(Bound by constitution):** Upon being registered as the registered proprietor of the Tranche 1 Subscription Shares, the Subscriber will be bound by the Company's constitution.
- (b) **(No re-sale intention):** The Subscriber has no current intention to sell, transfer or offer for sale or transfer any interest in the Tranche 1 Subscription Shares or the Tranche 2 Subscription Shares.
- (c) **(Fully paid and duly issued):** To the best of the Subscriber's knowledge and belief the Tranche 1 Consideration Shares and Tranche 2 Consideration Shares are fully paid up and have been duly issued and allotted.
- (d) **(No Encumbrances):** The Subscriber is the registered holder and beneficial owner of the Tranche 1 Consideration Shares and Tranche 2 Consideration Shares and neither the Subscriber nor Viking has created, or is aware of the existence of, any Encumbrances affecting those shares.
- (e) **(No Claim):** To the best of the Subscriber's and Viking's knowledge and belief, no person has made a Claim to be entitled to an Encumbrance affecting a Tranche 1 Consideration Share or a Tranche 2 Consideration Share.
- (f) **(Power and authority):** The Subscriber has, subject to satisfaction of the Condition Precedent, complete and unrestricted power and right to transfer full

legal and beneficial ownership of the Tranche 1 Consideration Shares and Tranche 2 Consideration Shares to the Company.

- (g) **(No restriction on transfer):** The Subscriber is not aware of any restriction on the transfer of the Tranche 1 Consideration Shares or, subject to satisfaction of the Condition Precedent, the Tranche 2 Consideration Shares to the Company.
- (h) **(At Completion):**
  - (i) To the best of the Subscriber's and Viking's knowledge and belief, at the Tranche 1 Completion Date, the Company will receive absolute ownership of the Tranche 1 Consideration Shares and title to the Tranche 1 Consideration Shares:
    - A. free from any Claim of any person; and
    - B. free from any right of a person to acquire a Tranche 1 Consideration Share or to restrain someone from acquiring a Tranche 1 Consideration Share (including an option, a right of pre-emption or a right of first refusal, such as one in a shareholders' agreement or in a constitution).
  - (ii) To the best of the Subscriber's and Viking's knowledge and belief, at the Tranche 2 Completion Date, the Company will receive absolute ownership of the Tranche 2 Consideration Shares and title to the Tranche 2 Consideration Shares:
    - A. free from any Claim of any person; and
    - B. free from any right of a person to acquire a Tranche 2 Consideration Share or to restrain someone from acquiring a Tranche 2 Consideration Share (including an option, a right of pre-emption or a right of first refusal, such as one in a shareholders' agreement or in a constitution).
  - (iii) Neither the Subscriber nor Viking has done any act, matter or thing which would cause the warranties in clause 6.3(h)(i) or (ii) to be untrue.
- (i) **(No disposal):** The Subscriber has not disposed of, agreed to dispose of, or granted any option to purchase, any Tranche 1 Consideration Share or any Tranche 2 Consideration Share or any interest in any Tranche 1 Consideration Share or any Tranche 2 Consideration Share.

#### **6.4 Interpretation of Warranties**

The interpretation of any Warranty made is not restricted by reference to or inference from any other Warranty.

#### **6.5 Survival of Warranties**

Each of the covenants, warranties, representations and undertakings contained in this Agreement shall remain in full force and effect on and after the Tranche 1 Completion Date and the Tranche 2 Completion Date for a period of 3 years notwithstanding completion and is and will be given with the intent that liability thereunder is not confined to breaches discovered on or prior to the Tranche 1 Completion Date or the Tranche 2 Completion Date.

## **6.6 Separate**

Each representation and warranty in this Agreement is to be construed independently of each other representation and warranty in, and each other provision of, this Agreement. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.

## **6.7 Warranties limited**

The representations and warranties given by the Parties are limited to the Warranties expressly set out in this Agreement and all other warranties, representations or undertakings given by or on behalf of any Party are expressly excluded and negatived.

## **6.8 Acknowledgments**

The Parties acknowledge that:

- (a) each Party has entered into this Agreement in reliance on the Warranties given by the other Party; and
- (b) except where a Warranty expressly states otherwise, the Party gives all the Warranties to the best of its knowledge and belief.

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## **7. Public Announcements and Confidentiality**

### **7.1 Confidentiality obligations**

No Party shall disclose the terms of this Agreement, or any information disclosed during, or gained by that Party out of, the course of negotiations leading to this Agreement, or the carrying out of this Agreement, except:

- (a) to the extent specifically authorised in writing by the other Party prior to such disclosure;
- (b) if it is available to the public generally other than by breach of this clause 7 or by a breach of confidentiality generally;
- (c) where that Party is required by any applicable law to disclose it;
- (d) as may be required by applicable law or by the rules of any stock exchange on which the shares of a Party, or its ultimate holding company, are for the time being listed for quotation;
- (e) to a Related Body Corporate, provided that Related Body Corporate first agrees to be bound by this clause 7 in respect of such information; and
- (f) to any of the undermentioned persons whose legitimate interests reasonably require disclosure and who have first agreed to be bound by this clause 7 in respect of such information:
  - (i) any financier or bona fide prospective financier; or
  - (ii) any professional adviser.

### **7.2 Publicity**

Except as required under clause 7.1(d), each Party agrees that it shall not directly or indirectly make any press or other announcements or releases relating to this Agreement or otherwise directly or indirectly publish or comment on the terms of this Agreement or the transactions

contemplated by this Agreement or the offers, proposals, responses, representations or negotiations made in reaching or varying this agreement without first consulting, in good faith, with the other Parties as to the form and manner of the announcement or release and in any event will not make any such announcement prior to the Tranche 1 Completion Date.

### **7.3 Survival of confidentiality obligations**

The obligations of confidentiality imposed by this clause 7 survive the termination of this Agreement and any person who ceases to be a Party continues to be bound by those obligations.

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## **8. Notices**

Any notice or other communication which must be given, served or made under or in connection with this Agreement:

- (a) must be in writing in order to be valid;
- (b) is sufficient if executed by the Party giving, serving or making the notice or on its behalf by any attorney, director, secretary, other duly authorised officer or solicitor of such Party;
- (c) will be deemed to have been duly served, given or made in relation to a person if it is delivered or posted by prepaid post to the address, or sent by facsimile to the number of that person set out in this Agreement (or at such other address or number as is notified in writing by that person to the other parties from time to time); and
- (d) will be deemed to be served, given or made:
  - (i) (in the case of prepaid post) on the second Business Day after the date of posting;
  - (ii) (in the case of facsimile) when the sender receives a transmission report confirming successful transmission where the facsimile is transmitted in full between 9.00 am and 5.00 pm on a Business Day, or otherwise, at 9.00 am on the next Business Day after the sender receives a transmission report confirming successful transmission; and
  - (iii) (in the case of delivery by hand) on delivery.

The facsimile number of the Company is +613 9654 9303 and of the Subscriber is +44 20 7061 6283 and +61 2 9230 5333 or such other number as one Party may notify the other in writing from time to time.

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## **9. General**

### **9.1 Governing law**

This Agreement is governed by and is to be construed according to the laws of the State.

### **9.2 Jurisdiction**

- (a) **(Acceptance of jurisdiction):** Each of the Parties irrevocably submits to and accepts generally and unconditionally the non-exclusive jurisdiction of the courts and appellate courts of the State with respect to any legal action or proceedings which may be brought at any time relating in any way to this Agreement.

- (b) **(No objection to inconvenient forum):** Each of the Parties irrevocably waives any objection it may now or in the future have to the venue of any action or proceedings, and any claim it may now or in the future have that the action or proceeding has been brought in an inconvenient forum.

### **9.3 Amendments**

This Agreement may not be modified, amended or otherwise varied except by a document in writing signed by or on behalf of each of the Parties.

### **9.4 Waiver**

No waiver or indulgence by any Party to this Agreement is binding on the parties unless it is in writing. No waiver of one breach of any term or condition of this Agreement will operate as a waiver of another breach of the same or any other term or condition of this Agreement.

### **9.5 Further acts**

The Parties will promptly do and perform all further acts and execute and deliver all further documents required by law or reasonably requested by any other Party to carry out and effect the intent and purpose of this Agreement.

### **9.6 Approvals**

Subject to any law to the contrary and unless this Agreement expressly provides otherwise, where the doing or execution of any act, matter or thing is dependent on the consent or approval of a Party, that consent or approval may be given or withheld in the absolute discretion of that Party.

### **9.7 Counterparts**

This Agreement may be executed in any number of counterparts all of which taken together constitute one and the same document.

### **9.8 Expenses**

Each of the Parties will bear and pay its own expenses, including legal fees, costs and disbursements incurred by it in connection with the preparation and execution of this Agreement and any subsequent consent, agreement, approval, waiver or amendment to this Agreement.

### **9.9 Stamp duties**

The Company must pay all stamp duties (if any) assessed on or in relation to this Agreement or in connection with any of the matters or transactions or sale under this Agreement.

### **9.10 Set-off**

Any undisputed amounts due and payable by any Party ("**first party**") to another ("**second party**") under this Agreement may be set-off against any other undisputed amount that may be due and payable on the same day to the first party by the second party. The Party tendering payment must also give a statement setting out details of the gross amount owing and all individual amounts set-off against that amount.

### **9.11 Assignments**

The rights arising out of or under this Agreement are not assignable in whole or in part and whether by way of security or absolutely by a Party without the prior written consent of the other Party.

**9.12 Power of attorney**

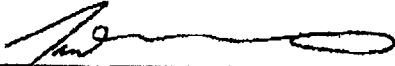
Each attorney who signs this Agreement on behalf of a Party declares that the attorney has no notice from the Party who appointed him that the power of attorney granted to him, under which the attorney signs this Agreement, has been revoked or suspended in any way.

**9.13 Entire agreement**

This Agreement constitutes the sole and entire agreement between the Parties in relation to the subscription for and the issue and allotment of the Tranche 1 Subscription Shares and the Tranche 2 Subscription Shares and in relation to the transfer of the Tranche 1 Consideration Shares and the Tranche 2 Consideration Shares and contains all of the representations, warranties, undertakings and agreements of and between the Parties. The Parties accept that they rely on only those matters expressly set out in this Agreement as this Agreement supersedes all prior negotiations, contracts, arrangements or understandings with respect to the subject matter dealt with in this Agreement. There are no representations warranties, undertakings or agreements between the parties, expressed or implied, except as set out in this Agreement.

Signed as an agreement.

Executed as an agreement by  
Nexus Energy Limited in accordance  
with section 127 of the *Corporations Act*:



Signature of Director

IAN TCHACOS

Name of Director in full

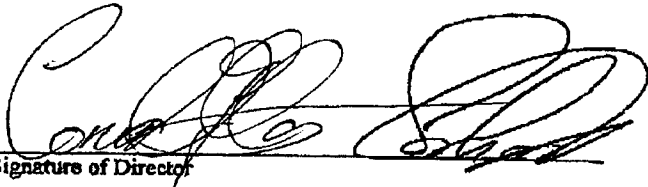


Signature of Director/Company Secretary

SUSAN ROBUTTI

Name of Director/Company Secretary in full

Executed as an agreement by  
Vanguard Oil and Gas International Ltd  
in accordance with its constituting documents



Signature of Director

Conrad CLAUSON David SALADA

Name of Director in full

Executed as an agreement by  
Viking Shipping Limited  
in accordance with its constituting documents



Signature of Director

David SALADA

Name of Director in full