28 May 2008

The Manager, Companies
Australian Stock Exchange

NEXUS ENERGY LIMITED ANNOUNCES INSTITUTIONAL PLACEMENT TO RAISE APPROXIMATELY $140 MILLION

Please refer to the attached announcement.

Yours sincerely

Susan Robutti
Company Secretary

Nexus Energy Limited ABN 64 058 818 278 ● 134-140 Little Lonsdale Street Melbourne Victoria 3000
Phone: +613 9660 2500 Fax: +613 9654 9303
Website: www.nexusenergy.com.au

NEXUS ENERGY LIMITED ANNOUNCES INSTITUTIONAL PLACEMENT TO RAISE APPROXIMATELY $140 MILLION

Nexus Energy Limited ("Nexus") today announced the launch of an institutional placement of 83.4 million shares to raise approximately $140 million.

The institutional placement will be conducted by way of a bookbuild to institutional and other non-retail investors, both domestically and offshore.

Nexus also intends to offer eligible Australian or New Zealand registered shareholders the opportunity to subscribe for up to $5,000 worth of shares through a share purchase plan ("SPP"). Further details of the SPP will be mailed to shareholders following completion of the institutional placement. The record date for determining eligibility to participate in the SPP will be Thursday 5 June 2008.

Proceeds from the capital raising will principally be used to fund the continued development of Nexus' key projects and working capital, including:

- The remaining equity requirement for Longtom to enable drawdown of project finance and delivery of first gas sales in April 2009
- The acceleration of long lead time items and further progress towards project sanction and completion of FID process at Crux by late 2008
- Other exploration and appraisal initiatives including Libra, Garfish near field exploration and Sidestep exploration, and the acceleration of Echuca Shoals and greater Crux appraisals

For further information please contact:

Ian Tchacos
Managing Director
Phone: 03 9660 2500
Fax: 03 9654 9303
Website: www.nexusenergy.com.au

David Griffiths
Gryphon Management Australia
Phone: 08 9382 8300
Mobile: 0419 912 496
Website: www.gryphon.net.au

Or

Ian Howarth
Farrington National
Phone: 03 9223 2465
Mobile: 0407 822 319
Email: ian.howarth@farrington.com.au

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