



Longtom – Interruption to production update

Following the announcement made on 27 April 2010 that low levels of mercury were detected in test samples from the Longtom-4 well, Nexus Energy Limited ("Nexus") advises that testing of samples from Longtom-3 well has also resulted in the detection of mercury. As such, Nexus expects that the Longtom field will remain shut-in until mercury removal equipment is installed at Santos' Patricia Baleen facilities ("Plant").

As previously advised, the Plant design allows for the installation of mercury removal equipment. Santos, as operator of the Plant is responsible for installation of mercury removal equipment and has advised Nexus that engineering work is underway. Further, Santos has informed Nexus that they cannot yet provide guidance on the likely cost or schedule for the installation of this equipment.

Nexus is confident it will be able to manage its obligations throughout this period.

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