



25 July 2006

(ASX code: NXS)

NEXUS ENERGY CONFIRMS \$15.1 MILLION CAPITAL RAISING

Nexus Energy Limited (ASX:NXS) today announced that it has successfully finalised arrangements to raise a total of \$15.1 million.

The funds were raised under two capital raising arrangements. \$13.8 million was raised under an institutional and sophisticated investors placement where no prospectus or shareholder approval was required. The placement was arranged by Tolhurst Noall Limited. A further \$1.3 million was raised under the shareholder placement prospectus dated 9 June 2006, offering each eligible shareholder up to 8000 shares to raise up to approximately \$16.4 million.

A total of 24,408,355 ordinary fully paid shares are to be issued on 26 July 2006 all at 62c per share when cleared funds under the institutional and sophisticated investor placement are received.

The funds raised will be used to acquire long-lead inventory items to rapidly accelerate the drilling of the Crux appraisal well in the Timor Sea off the coast of north-west Western Australia later in the year.

“The support we have received in the market is encouraging. This additional funding enables us to capture immediate opportunities to secure materials and a rig slot necessary to drill a Crux appraisal well. The timely drilling of the Crux #2 well is necessary to achieve our plans for the rapid development of the Crux liquids project”, Nexus Managing Director Ian Tchacos said today.

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