



Cue Energy Resources Limited

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FACSIMILE TRANSMISSION

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Sydney NSW 2000

FAX: DD#0

DATE : 24 July 2003

PAGES (including this page): 2

FROM : Andrew Knox

RE : **Kimu Methanol Study**

Dear Sir

Attached please find Cue Energy Resources Limited's release with respect to the above mentioned.

Yours faithfully

A handwritten signature in black ink, appearing to read "Andrew Knox".

Andrew M Knox
Chief Financial Officer



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RELEASE

Kimu Methanol Study

Cue welcomes the Oil Search agreement with Mitsubishi Gas Chemical Company Inc and Itochu Corporation of Japan to complete a feasibility study into the potential for using gas from the Kimu gas field in Papua New Guinea for methanol manufacture.

Cue has a 10.72% interest in PRL -8 which contains the Kimu field. Kimu is estimated to have approximately 1 trillion cubic feet of recoverable natural gas which contains no sulphur or carbon dioxide.

Joint Venture participants in PRL -8 are :

Oil Search Limited	44.60% Operator
Mosaic Oil Niugini Ltd	28.6%
Gedd (PNG) Ltd	16.10%
Omati Oil Pty Ltd	10.72% a wholly owned subsidiary of Cue Energy Resources Limited

Robert J Coppin
Chief Executive Officer

24 July 2003