



Cue Energy Resources Limited

A.B.N. 45 066 383 971

Level 21
114 William Street
Melbourne Victoria 3000
Australia

Telephone: (03) 9670 8668
Facsimile: (03) 9670 8661
Email: mail@cuenrg.com.au
Website: www.cuenrg.com.au

TO : Company Announcements Office
10th Floor
20 Bond Street
Sydney NSW 2000

DATE : 06 April 2006

PAGES (including this page):3

FROM : Andrew Knox

RE : **Dukuh -1 Begins Drilling**

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

Yours faithfully

A handwritten signature in black ink that reads "Andrew Knox". The signature is written in a cursive, flowing style.

Andrew M Knox
Public Officer



Cue Energy Resources Limited

A.B.N. 45 066 383 97

RELEASE

Dukuh -1 Begins Drilling

Cue is pleased to announce that the Dukuh -1 exploration well began drilling on 5 April 2006. Dukuh -1 is located in the Sampang PSC, offshore East Java, Indonesia, in 42 metres of water. The well is approximately 10 kilometres south of the Jeruk oil discovery and approximately 40 kilometres south east of the city of Surabaya.

Dukuh -1 will test sandstone objectives in a four way dip closure and is expected to take 44 days to reach a total depth of 3200 metres (subsea).

Participants in the Sampang PSC are:

Santos (Sampang) Pty Ltd	40.5% (Operator)
Singapore Petroleum Sampang Ltd	36%
Cue Sampang Pty Ltd	13.5%
PT Petrogas Oyong Jatim*	10%

*Subject to finalization of legal documentation

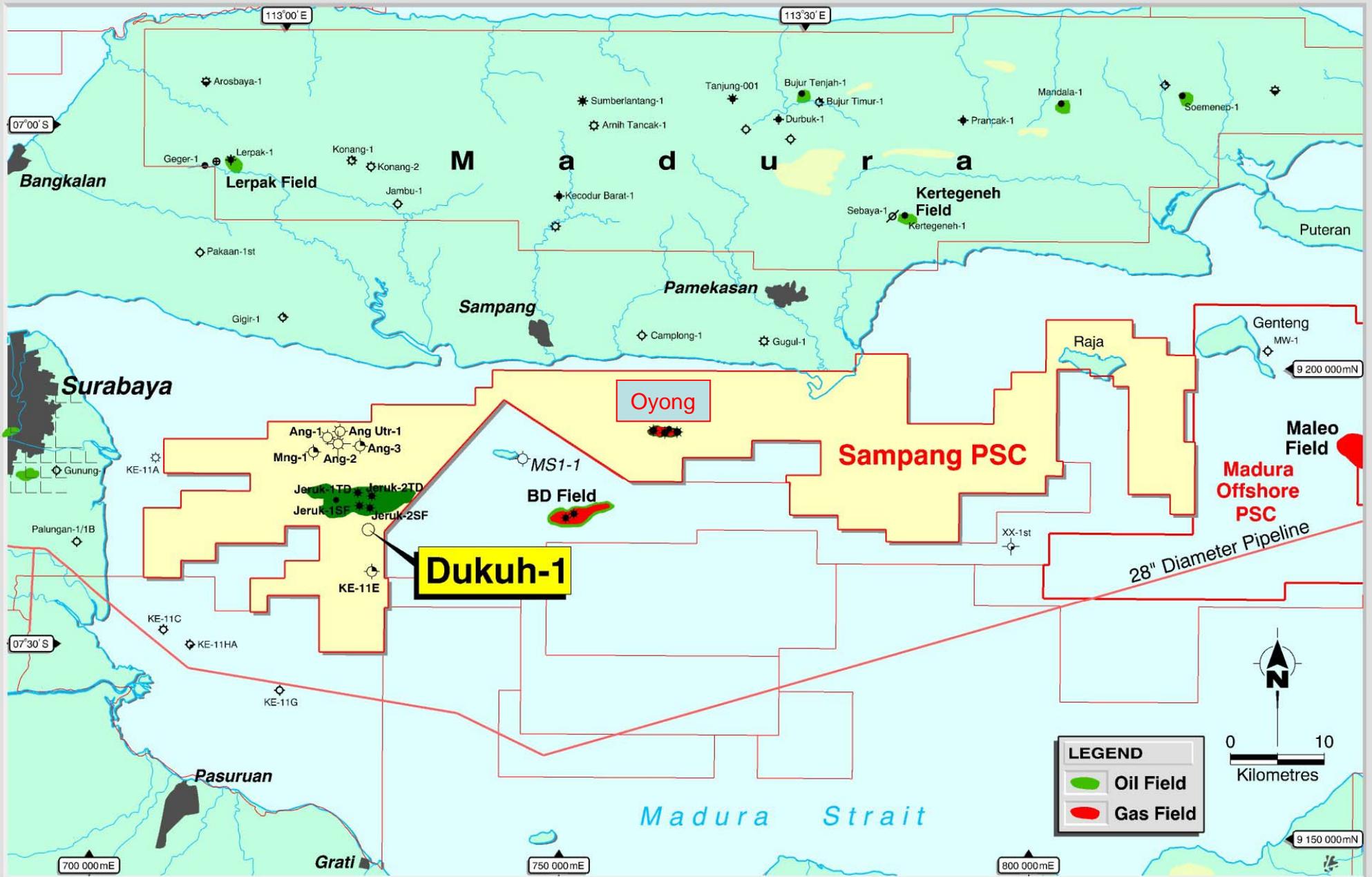
A location map is attached.

Any queries regarding the announcement should be directed to the Company on (03) 9670 8668 or email at mail@cuenrg.com.au.

A handwritten signature in blue ink, appearing to read "R. J. Coppin".

Robert J Coppin
Chief Executive Officer

6 April 2006



Dukuh-1

Oyong

Sampang PSC

Maleo Field
Madura Offshore PSC

28" Diameter Pipeline

LEGEND

- Oil Field
- Gas Field

