



ABN 45 066 383 971

## FY18 Full Year Results

- \$7.74 million Full Year Profit
- \$6.83 million Net Cashflow from Operations
- Cash position increased by 37% to \$16.98 million

### 24<sup>st</sup> August 2018

**Cue Energy Resources Ltd (ASX:CUE):** Cue Energy Resources Limited is pleased to release its Full Year financial results for the year ending 30 June 2018, reporting a 145% increase in profit over the previous year.

With these results, Cue has achieved the strategic goals of stabilising and building a sustainable, cash flow positive business while maintaining exposure to step change opportunities

Cue reported a net profit after tax of \$7.74 million for the financial year an increase of \$25.04 million over its \$17.30 million loss in 2017. Net cashflow from operations was \$6.83million, resulting in an increase in cash of \$4.56 million.

Both the Maari field in New Zealand and Sampang PSC in Indonesia contributed to the strong results, with Sampang undergoing a significant change during the year, ceasing high cost oil production and becoming a gas only project.

The Ironbark prospect in WA-359-P continued to be a main focus for Cue and significant support was achieved with Beach Energy executing a farmout agreement for 21% equity. Cue also extended BP's option over 42.5% equity and was granted a suspension and extension to the Permit term until April 2019.

Overhead and administration costs were reduced significantly from previous years as Cue operated under a simplified and more focused model

### Summary of Results for Year ended 30 June 2018

		2018	2017
		\$'000	\$ '000
Revenues from ordinary activities	Down 29.9% to	24,547	35,000
Profit/(Loss) from ordinary activities after tax attributable to the owners of Cue Energy Resources Limited	Up 144.7% to	7,739	(17,299)
Profit/(Loss) for the year attributable to the owners of Cue Energy Resources Limited	Up 144.7% to	7,739	(17,299)
EBITDA	Up 470.4% to	10,502	(2,835)

Revenue of \$24.55 million was a reduction on the previous year due to the cessation of oil production from Oyong field and lower Sampang gas production associated with production system changes. The Oyong and Wortel fields are now stabilised at their long term production rates and annual revenues are not expected to have such a significant change in future years.

Reported productions costs of \$16.53 million are 24% lower than the previous year, due to six months contribution of reduced operating costs in Sampang PSC after the removal of the oil production infrastructure.



## Cash Position

Cue achieved positive cashflow of \$4.56 million for the year, increasing its cash position by 37% to \$16.98 million.

The company has no debt.

	2018	2017
	\$ '000	\$ '000
<b>Cash Position at 30 June</b>	<b>16,983</b>	<b>12,420</b>

## FY19 Outlook

During FY18, Cue has re-established a sustainable business with stable revenue from two production assets. This is expected to continue during the current year, with activities underway at both Maari and Sampang to enhance existing production and reduce costs.

The Ironbark prospect in WA-359-P will continue to be a focus during the year as a potential company changing opportunity. Cue continues to consider options for the remainder of the funding of the Ironbark-1 well, representing 25% of the estimated well cost if BP exercises its option and the Beach agreement completes.

The Paus Biru-1 well in the Sampang PSC, which is due to spud in late October, could add to the existing resource and further add to the value of the Sampang asset. The company is also optimistic about exploration proceeding in the highly prospective Mahato PSC, which has stalled over the past few years.

Cue Chief Executive Officer Matthew Boyall commented on the results;

*“This is a strong set of results for Cue and displays the benefits of recent activities to simplify and focus the portfolio and maintain costs. Cue is uniquely positioned with cash flow from two production assets to support ongoing growth activities.*

*The Ironbark prospect in WA-359-P is the largest potential near term value driver for Cue and will continue to be a focus during the year. We also hope to be able to advance exploration opportunities to add value from our existing Indonesian portfolio, with Paus Biru-1 in the Sampang PSC due to spud within months and potential progression of activities in the Mahato PSC.”*