



Cue Energy Resources Limited

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TO : Company Announcements Office
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20 Bond Street
Sydney NSW 2000

DATE : 6 January 2011

PAGES (including this page): 3

FROM : Andrew Knox

RE : **Cue Completes WA-389-P Transaction**

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".

Andrew M Knox
Public Officer



Cue Energy Resources Limited

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RELEASE

Cue Completes WA-389-P Transaction

(ASX:CUE; NZX:CUE; POMSOX:CUE; ADR/OTC:CUEYY)

Cue Energy Resources Limited is pleased to announce that all regulatory approvals have now been received for Woodside Burrup Pty Ltd to farm into Cue's WA-389-P permit in the offshore Carnarvon Basin of Western Australia. This transaction was initially announced on 27 April, 2010.

Following receipt of the approvals Woodside has paid Cue US\$5 million to cover back costs. Woodside has become operator of the permit.

The WA-389-P permit contains the Caterina prospect and several other prospects that have potential to contain multi trillion cubic feet volumes of natural gas. Woodside is expected to begin acquiring a 1440 square kilometre 3D seismic survey in the permit in around February 2011 and a firm well is expected to be drilled in late 2011/2012.

Participants in the permit are now:

Woodside Burrup Pty Ltd	65% (Operator)
Cue Exploration Ltd	35% (<i>a 100% owned affiliate of Cue Energy Resources Ltd</i>)

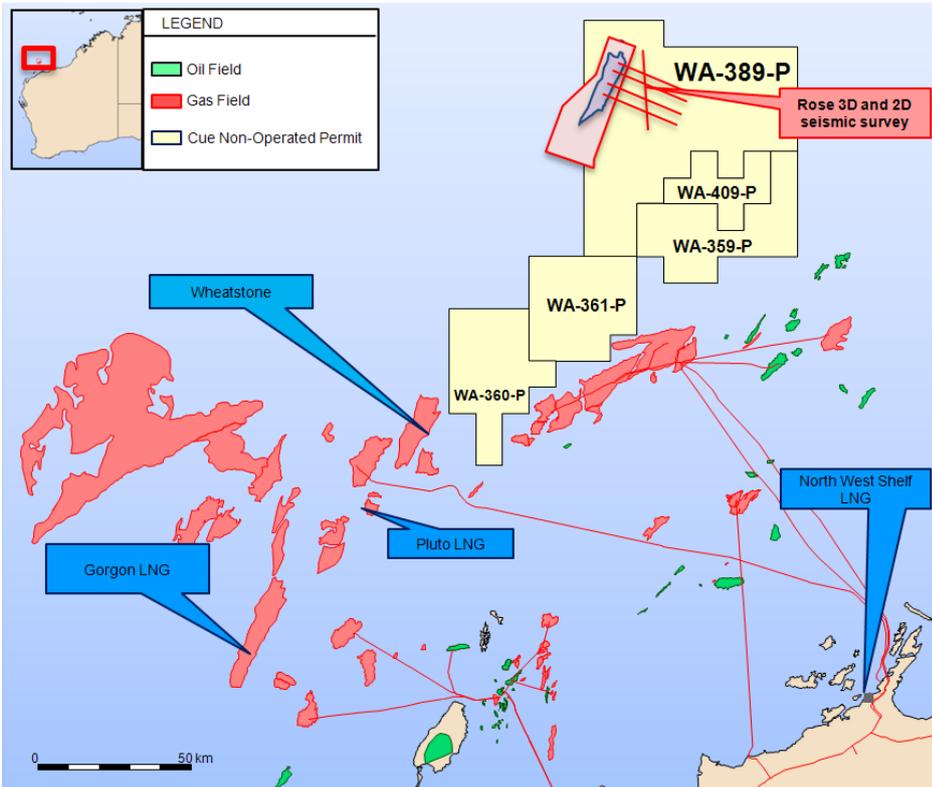
A map of the Carnarvon Basin and WA-389-P is attached.

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

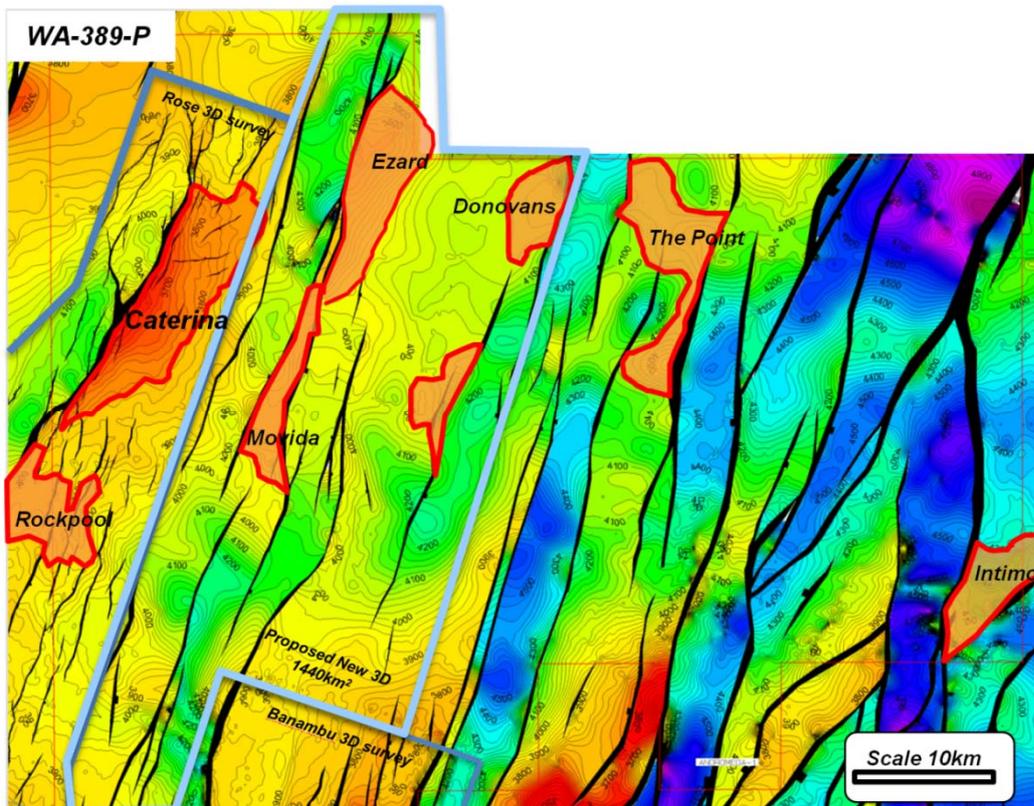
A handwritten signature in blue ink, appearing to read "R. J. Coppin".

Robert J Coppin
Chief Executive Officer

6 January 2011



Map 1. Carnarvon Basin Permits



Map 2. WA-389-P Prospects and Leads