



4 May 2022

Cue commences gas sales into East Coast trading markets

Cue Energy, through the Mereenie Joint Venture, has entered into agreements to enable sales of uncontracted gas into East Coast trading hubs, including Brisbane and Sydney Short Term Trading Markets (STTMs), which currently offer premium gas pricing.

The first East Coast spot market sale was conducted on 3 May 2022 and achieved an ex-field price (sales price net of all transportation costs) of over \$13/GJ, well above joint venture's current average uncontracted portfolio sales price. Pricing at the various hubs available is currently in excess of \$16/GJ and reached a high of almost \$20/GJ in Sydney and Brisbane during April.

Approximately 85% of Mereenie gas is contracted under firm gas supply contracts with the remaining uncontracted volumes previously limited to sales in the Northern Territory. These new agreements provide the opportunity to bring new supply into the East Coast spot market while increasing margins for uncontracted production.

More details are included in Central Petroleum's ASX release appended to this document. Cue thanks Central Petroleum, the operator of the Mereenie Joint Venture, for their work in putting the new trading and transportation agreements in place.

Authorised by the CEO, Matthew Boyall

Any queries regarding this announcement should be directed to the Company on +61 3 8610 4000 or email mail@cuenrg.com.au.

About Cue Energy

Cue Energy Resources Limited is an Australian Securities Exchange (ASX:CUE) listed oil and gas production and exploration company based in Melbourne. Cue's H1 FY2022 revenue was A\$18 million from gas and oil production in Indonesia and onshore Australia and oil production offshore New Zealand.

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4 May 2022**Gas Sales Commence into the East Coast Trading Markets**

Central Petroleum Limited (**Central**) (**ASX: CTP**) announces that it, on behalf of the Mereenie Joint Venture, has negotiated as-available transportation and market trading arrangements that allow for the sale of non-firm gas from the Mereenie gas field into the high-priced east coast trading hubs, including Brisbane and Sydney Short Term Trading Markets (STTMs).

Central completed its maiden east coast spot sale on Tuesday, 3 May 2022, achieving an ex-field price (i.e., sale price net of transportation costs) of over \$13/GJ. Central highlights the following key points:

- Central's gas marketing strategy targets selling 15% of production capacity on a non-firm basis. Sales of non-firm volumes have been limited to delivery in the Northern Territory due to a lack of flexible non-firm gas transportation into the east coast market.
- Central and its Mereenie Joint Venture partners have recently entered into gas transportation arrangements allowing for the cost-efficient delivery of up to 7TJ/d (gross JV) of non-firm gas on a day-to-day basis into eastern Australia for an initial term of 2 years.
- Central and its Mereenie Joint Venture partners have also entered into a master gas sales agreement with Strategic Gas Market Trading Pty Ltd allowing for the sale of non-firm gas through the Brisbane, Sydney, and Melbourne trading hubs (including the Brisbane and Sydney STTMs).
- These arrangements help Central maximise sales and margins for non-firm gas, potentially providing more cashflow to invest in further exploration, appraisal, and development activities.
- Monday's ex-field price reflects what we believe are strong gas market fundamentals, as well as elevated volatility due to recent global events in Europe. Pricing at the various hubs is currently in excess of \$16.00/GJ, having reached a high of almost \$20/GJ in Sydney and Brisbane on 8 April 2022 (refer to Figure 1).
- An ex-field price (net of transportation) of over \$13/GJ is roughly double the average price Central received for non-firm gas in the March Quarter. Based on this pricing dynamic, an average of 1TJ/d of spot sales sold over 12 months could generate over \$2m in additional profit.

Comments from the CEO

Mr Leon Devaney, Central's Managing Director, commented "This is a very exciting development for the Mereenie Joint Venture. Commencement of the Northern Gas Pipeline in 2019 was a milestone for the company as it unlocked the opportunity for firm gas sales into the broader east coast market. We haven't had the same ability to sell non-firm gas into the east coast spot market, which as we have seen over the past few months can be very attractive. Today's announcement is another milestone for gas marketing from Mereenie, with non-firm production now able to go to those east coast markets with the greatest need."

Figure 1: Short Term Trading Market (STTM) pricing for 1 January to 3 May 2022



Source: AEMO Data Dashboard, <https://aemo.com.au/en/energy-systems/gas/short-term-trading-market-sttm/data-sttm/data-dashboard-sttm>

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This ASX announcement was approved and authorised for release by Leon Devaney, Managing Director and Chief Executive Officer.

About Central Petroleum

Central Petroleum Limited (Central) is an established ASX-listed Australian oil and gas producer (ASX: CTP) with exploration and appraisal permits in the Northern Territory (NT) and Queensland. Central has grown to become the largest onshore gas Operator in the NT, supplying residential and industrial customers in the NT and wider Australian east coast market.

Central is seeking to become a major domestic energy supplier, in addition to helium and naturally occurring hydrogen, with exploration, appraisal and development plans across 180,000 km² of tenements in Queensland and the NT, including some of Australia’s largest known onshore conventional gas prospects in the Amadeus Basin and prospective CSG resources in the Surat Basin.

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