

28 April 2021

MAHATO PSC UPDATE - DEVELOPMENT UPDATE

New Zealand Oil & Gas subsidiary, Cue Energy Resources (ASX:CUE), has provided an update that the PB-5 development well in the Mahato PSC has recently been successfully drilled and tested at a gross rate of approximately 1000 barrels of oil per day (bopd). The well has been completed as an oil producer and connected to the production system. The update release is attached.

Cue has a 12.5% interest in the Mahato PSC. New Zealand Oil & Gas has a 50.04% interest in Cue.

For further information please contact the Company on:

email enquiries@nzog.com

phone +64 4 495 2424



ABN 45 066 383 971

28 April 2021

Mahato PSC development update

The PB-5 development well in the Mahato PSC was successfully drilled and tested at a gross rate of approximately 1000 barrels of oil per day (bopd). The well has been completed as an oil producer and connected to the production system.

Prior to PB-5, oil production in the PB field was approximately 1500 bopd from the PB-1 and PB-2 wells.

PB-5 was drilled to a depth of 5873 ftMD and successfully intersected and logged the oil bearing Bekasap A, B and C reservoirs, which are present in the PB-1 and PB-2 production wells in the field. The operator, Texcal, reported a production test of approximately 1000 bopd from the Bekasap C reservoir.

PB-4 development well

The PB-4 development well was drilled to a depth of 6178 ftMD during March and successfully intersected and logged the Bekasap A, B and C reservoirs consistent with other wells in the field.

Due to operational issues, the PB-4 well could not be completed at the time of drilling and the operator made the decision to move to the next well, PB-5, while extra equipment was mobilized. The rig will now return to PB-4 to undertake testing and completion activities.

“It is great to see the operator making continuing progress in developing an excellent asset, which has been in our exploration portfolio for 6 years” said Cue Chief Executive Matthew Boyall.

“We look forward to the results of the remaining 2 development wells in the current program, PB-4 and PB-3”.

Cue Energy, through its 100% owned subsidiary, Cue Mahato Pty Ltd, has a 12.5% participating interest in the Mahato PSC, located in Central Sumatra, Indonesia.

Authorised by Matthew Boyall, CEO

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 Stock Exchange (ASX:CUE) listed oil and gas exploration and production company. Cue's FY20 revenue was A\$24million from oil production in the Maari field, offshore New Zealand and gas production in the Sampang PSC, offshore Indonesia. Cue has operated and non-operated interests in exploration permits in the Carnarvon Basin, offshore Western Australia and onshore Indonesia.

Forward looking statements

Various statements in this report constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve unknown risks, expectations, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein.

Some of the more important of these risks, expectations and uncertainties are pricing and production levels from the properties in which the Company has interests and the extent of the recoverable reserves at those properties. In addition, the Company has a number of exploration permits. Exploration for oil and gas is expensive, speculative and subject to a wide range of risks. Individual investors should consider these matters in light of their personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional adviser as to the suitability for them of an investment in the Company.