



Cue Energy Resources Limited

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DATE : 22 August 2008

PAGES (including this page): 2

FROM : Andrew Knox

RE : **Weekly Drilling Report Cobra -1A ST3: 22nd August 2008**

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

Weekly Drilling Report Cobra -1A ST3: 22nd August 2008

Oil Search, the operator for PPL190, reports as at 0600 on 21st August 2008 that:

“Cobra -1A ST3 well was at total depth of 2,836 metres and an electric logging program was underway. Progress for the week was 70 metres.

Preliminary interpretation of the log data indicates the Hedinia sandstone interval intersected in Cobra -1A ST3 is similar to that in Cobra -1A ST2 and better quality and thicker to that in Cobra -1A and Cobra -1A ST1. Elevated gas readings up to C5 were encountered within the upper section of the Hedinia sandstone.

The forward plan is to complete the formation evaluation program to determine the fluid type within the interval where elevated gas readings have been recorded.”

Cobra -1A ST3 is located in PPL 190 and lies 13 kilometres east of the SE Gobe oil field and 7 kilometres east of the Bilip oil discovery.

The participants in PPL 190 are:

| | |
|-------------------------------|---------|
| Oil Search Limited (Operator) | 62.556% |
| Murray Petroleum Company | 26.497% |
| Cue PNG Oil Company | 10.947% |

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. Coppin'.

Robert J Coppin
Chief Executive Officer

22nd August 2008