



Annual General Meeting Operations Update

10 Dec 2019

Cue Energy Resources Limited
www.cuenrg.com.au

Disclaimer and Important Notice



This presentation is for the sole purpose of preliminary background information to enable recipients to review the business activities of Cue Energy Resources Limited (ASX: CUE). The material provided does not constitute an invitation, solicitation, recommendation or an offer to purchase or subscribe for securities

Various statements in this document constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known 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 Cue Energy Resources Limited has interests, and the extent of the recoverable reserves at those properties. In addition, Cue Energy Resources Limited 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 Cue Energy Resources Limited.

Cue Energy Resources Limited and its directors and representatives accepts no responsibility to update any person regarding any error or omission or change in the information in this presentation or any other information made available to a person or any obligation to furnish the person with further information.

Prospective Resource Estimates Cautionary Statement

The estimated quantities of petroleum that may potentially be recoverable by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

Corporate overview

ASX:CUE



Capital Structure

Share Price (6 Dec 2019)	12.0c
Shares on Issue	698,119,720
Market capitalisation (6 Dec 2019)	A\$83.7 million
Cash (Sept 30 2019)	A\$28.5 million

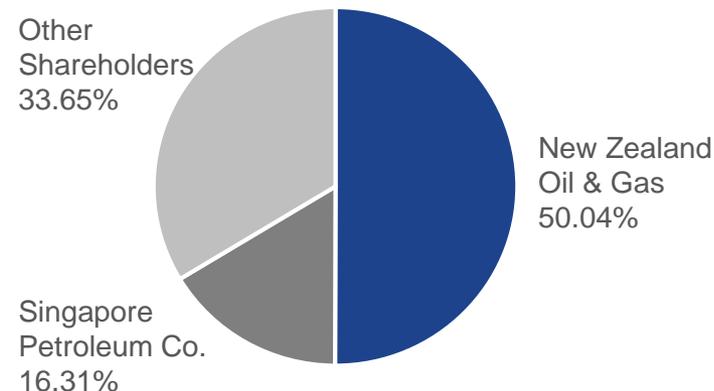
Directors

Alastair McGregor Non Exec Chairman	<ul style="list-style-type: none"> Chief Executive O.G Energy Director – New Zealand Oil & Gas
Andrew Jefferies Non Exec Director	<ul style="list-style-type: none"> MD - New Zealand Oil & Gas Petroleum Engineer
Peter Hood Non Exec Director	<ul style="list-style-type: none"> 45 years resource experience Past APPEA Vice Chair
Rebecca DeLaet Non Exec Director	<ul style="list-style-type: none"> CFO O.G Energy Director – New Zealand Oil & Gas
Richard Malcolm Non Exec Director	<ul style="list-style-type: none"> Geoscientist 30+ years experience Woodside, Ampolex, OMV
Rod Ritchie Non Exec Director	<ul style="list-style-type: none"> HSE Executive 30+ years experience Director – New Zealand Oil & Gas
Samuel Kellner Non Exec Director	<ul style="list-style-type: none"> Chairman – New Zealand oil & Gas Director – O.G Energy

Share price and volume



Shareholders



FY19 Production

- \$25.7 million production revenue
- \$12.8m net cash flow from operations

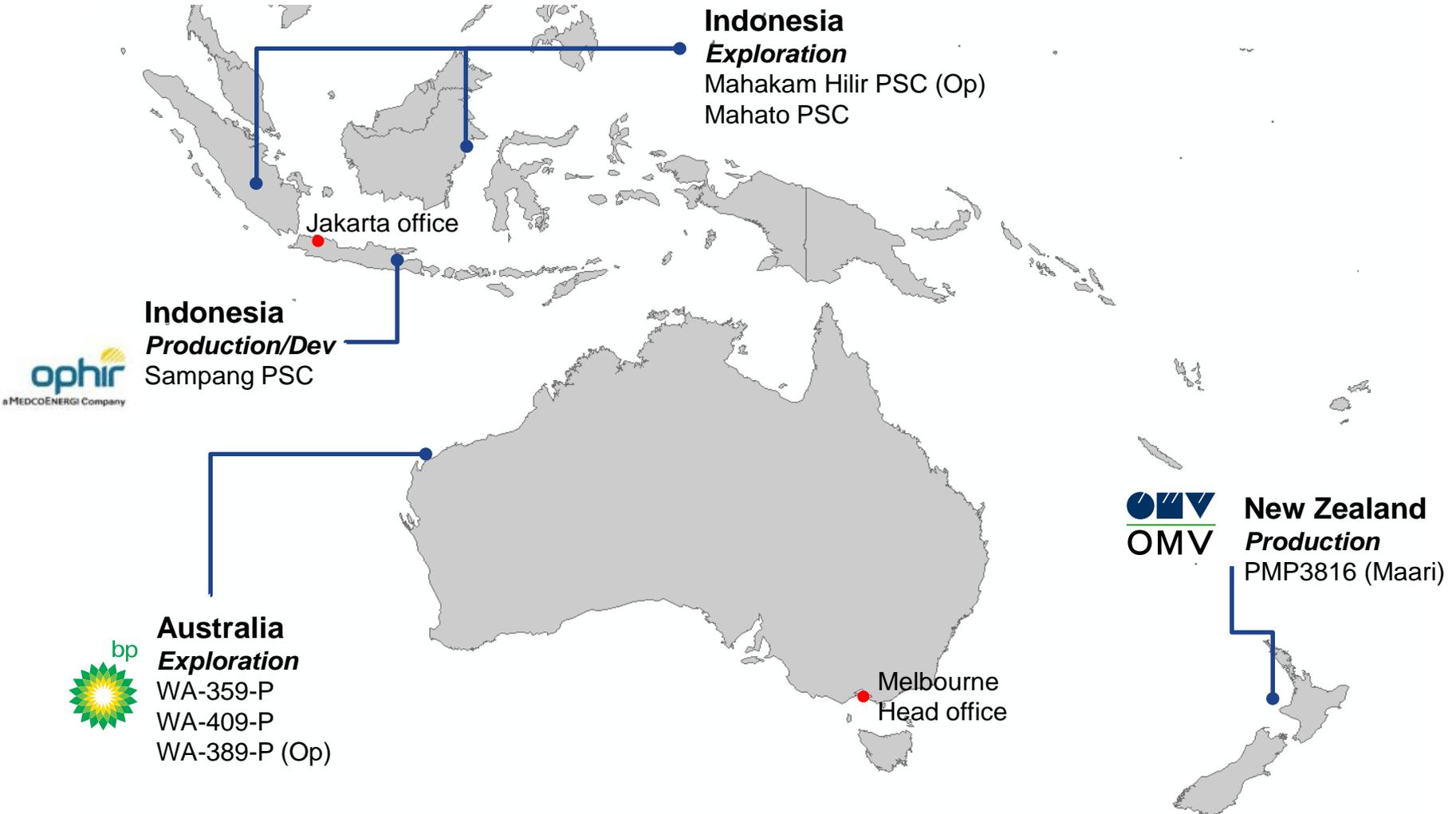
Development

- Paus Biru gas discovery

Exploration

- Farmouts secured and Ironbark-1 drilling 2020
- PB-1 well spud November 2019

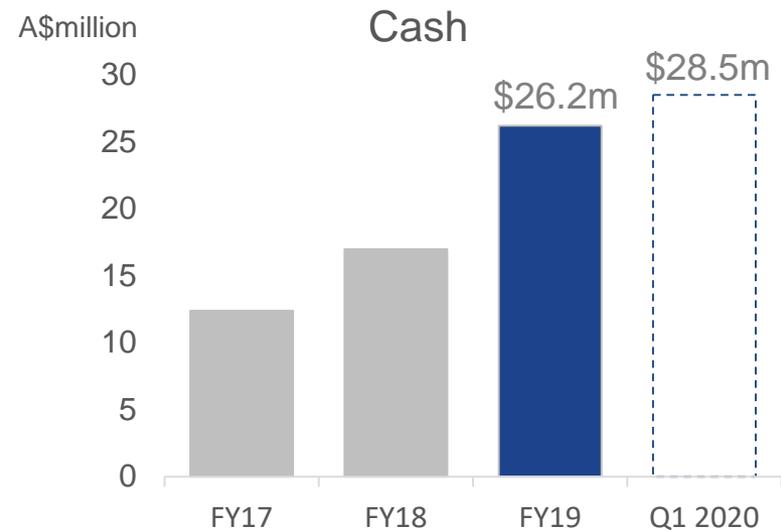
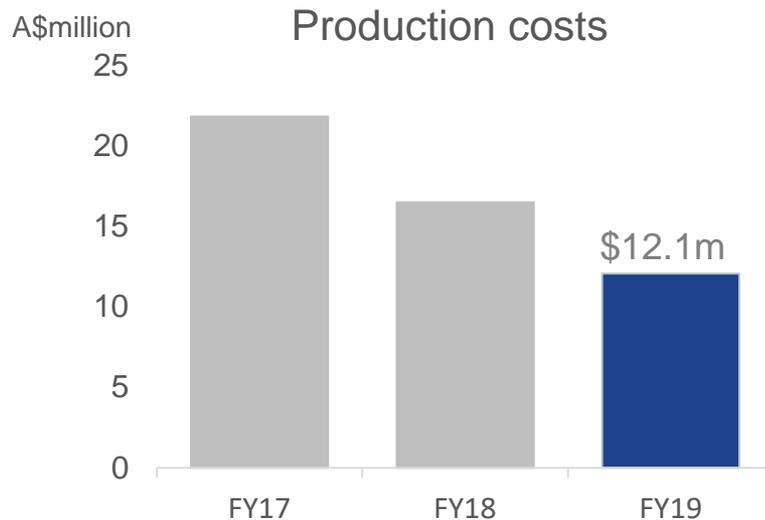
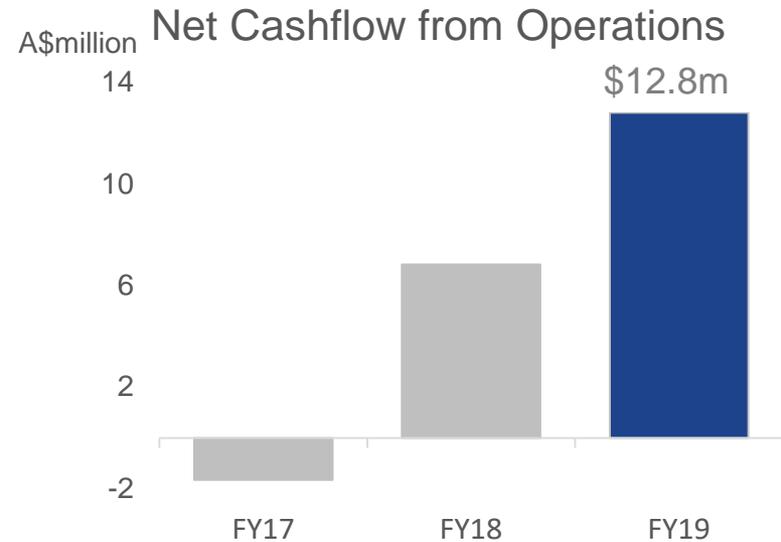
Regional Assets



FY19 Full Year Results

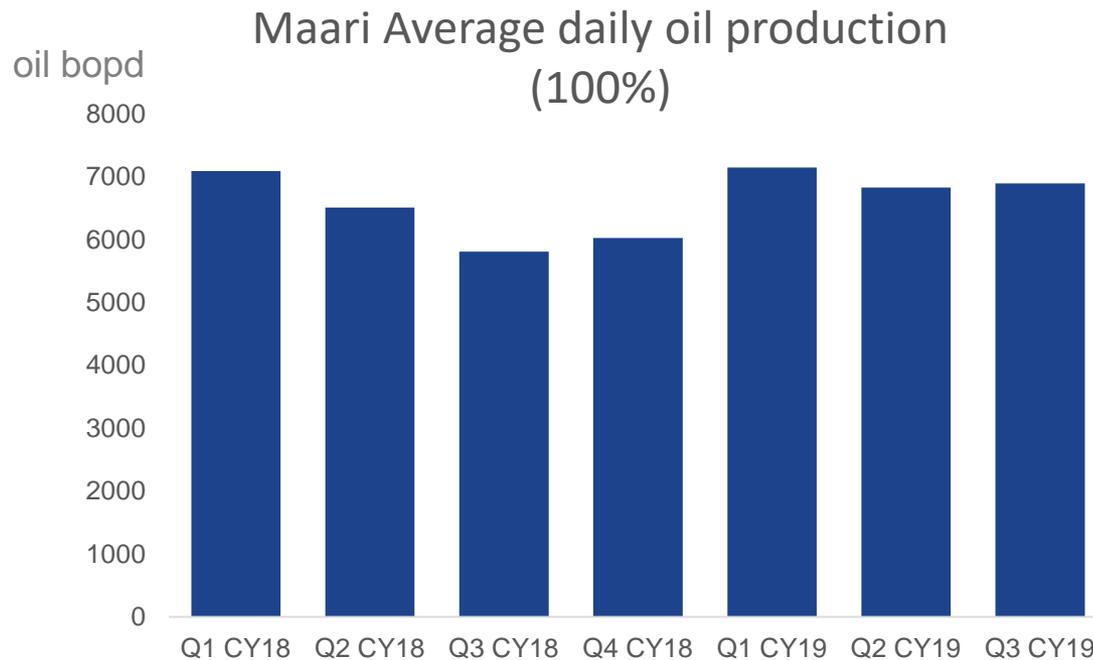


- Revenue \$25.7 million
- Profit \$8.5 million
- Production costs down 27%
- 54% increase in cash
- No debt

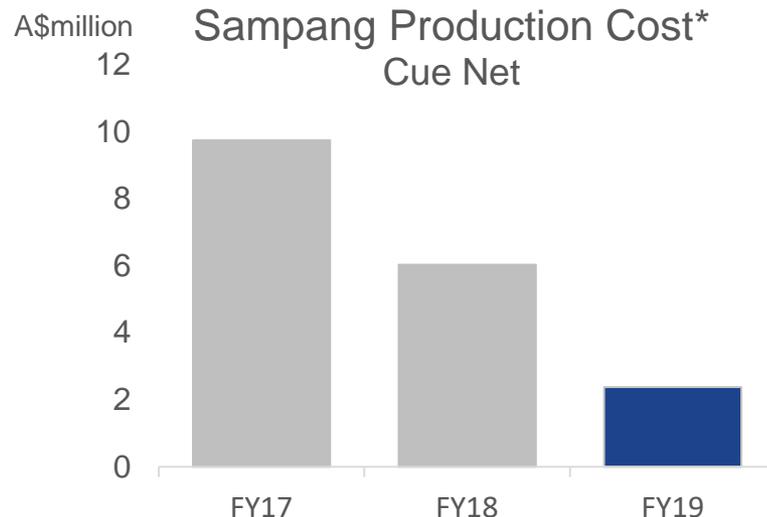


Production

- \$11 million FY19 revenue
- Significant production increase in 2019 attributable to
 - MR6A ESP upgrade
 - MR5 Conversion to water injector & increased injection rates
- Sustained increase in production has focussed JV on planning for a longer life asset
- OMV has announced the sale of its 69% participating interest to Jadestone Energy



- \$15 million FY19 revenue from Oyong and Wortel gas fields
- Direct production costs down 60% YoY due to simplified gas production system
- Fixed priced gas contracts with high demand electricity producer
- Additional compression at Grati onshore processing plant aimed at enhancing long term recovery. Project near completion
- Further near field exploration under review



Oyong Well Head platform as a simplified gas production system.

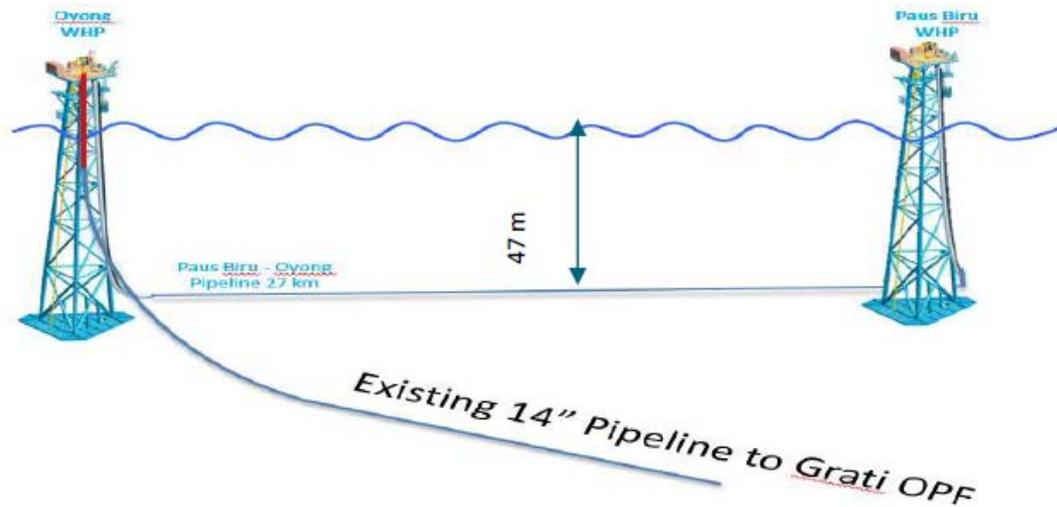
Development

Paus Biru Gas Discovery

- Paus Biru-1 exploration well in the Sampang PSC, Indonesia, drilled to 710m
- Gas discovery with 13.8 mmcf/d flow achieved on test
- Estimated net gas pay of 29 metres intersected across the primary Mundu reservoir target
- Plan of Development being prepared by JV for Indonesian Government approval
- Paus Biru production to provide new cash flow and enhance later life Oyong and Wortel economics

Paus Biru Development Planning

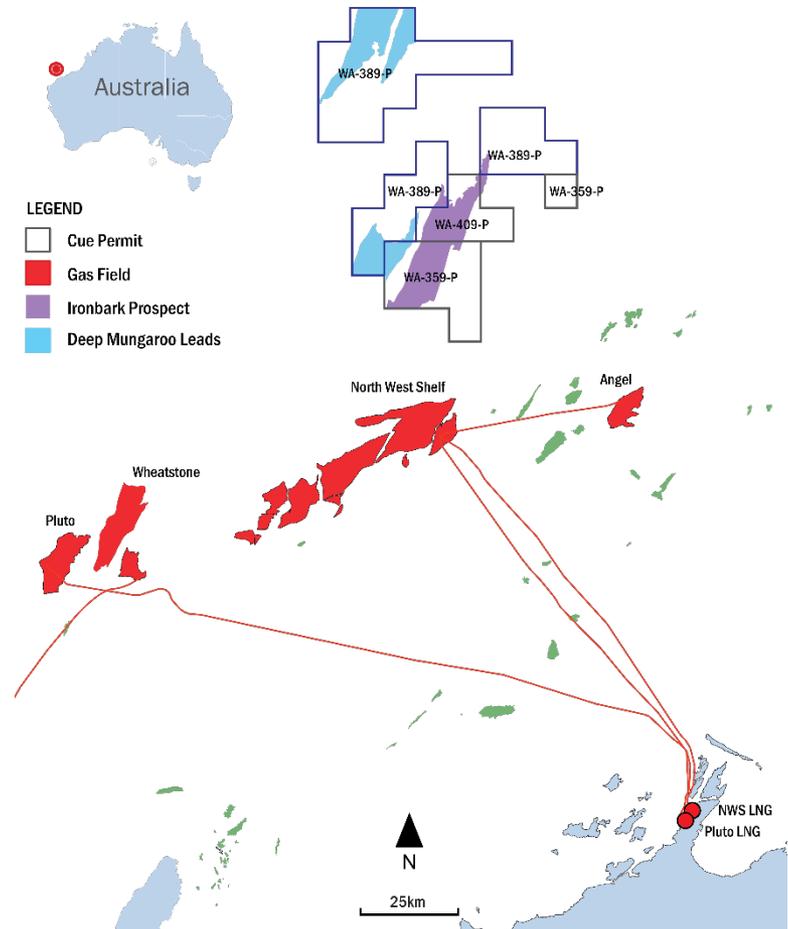
- Paus Biru Plan of Development (POD) process underway
- Simple, proven, development concept is being considered
 - Single production well with well head platform (WHP)
 - 27km pipeline to existing Oyong WHP
- Commercialisation through existing onshore Grati gas processing plant into existing customer or other high demand market



Exploration

Ironbark (WA-359-P)

- Ironbark prospect: 15tcf best case prospective recoverable gas resource
- Success case value has potential to be multiples of Cue current value
 - ✓ Farmout Complete
 - ✓ International Operator
 - ✓ Strong partners
 - ✓ Ironbark-1 well fully funded
 - ✓ Cue's well cost carried + US\$8m cash already escrowed
- Ironbark -1 site survey proceeding soon
- Ocean Apex drilling rig contracted
- Ironbark-1 scheduled for late 2020 drilling



Prospective Resource Estimates Cautionary Statement

The estimated quantities of petroleum that may potentially be recoverable by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

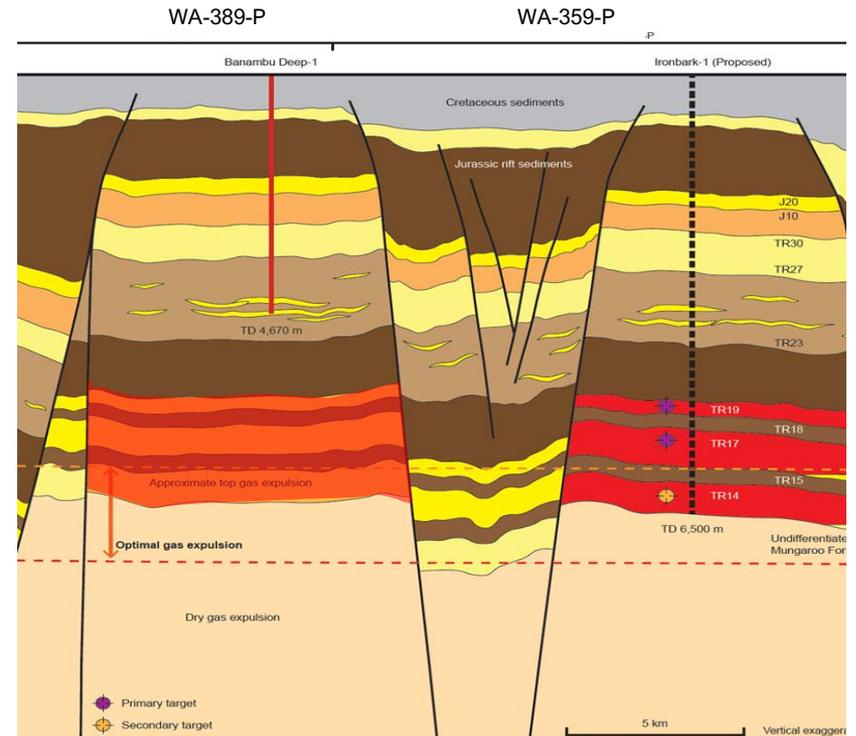
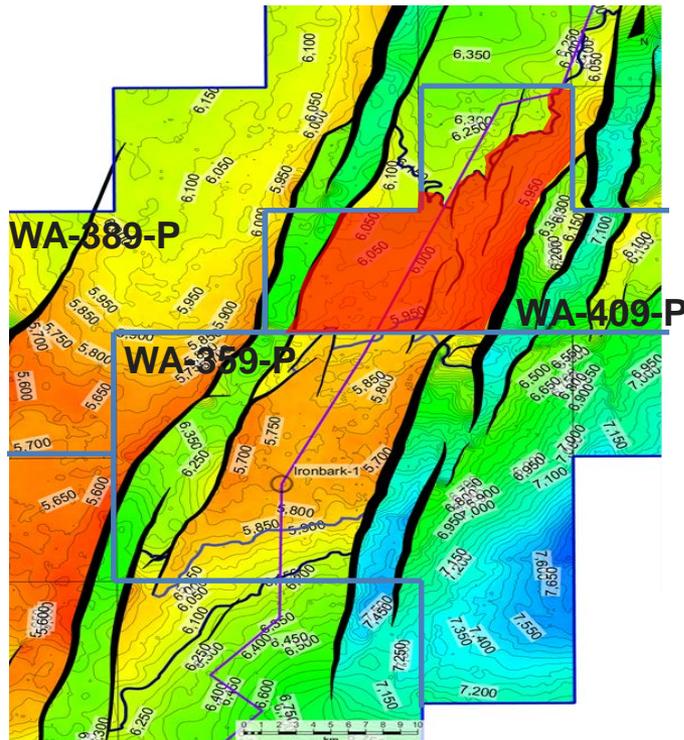
Ironbark Upside Potential

WA-409-P (Cue 20%*, BP 80%)

- Adjoining permit north of WA-359-P
- Suspension, Extension and Variation of commitments granted
- Contingent exploration well would require commitment in October 2021

WA-389-P (Cue 100%)

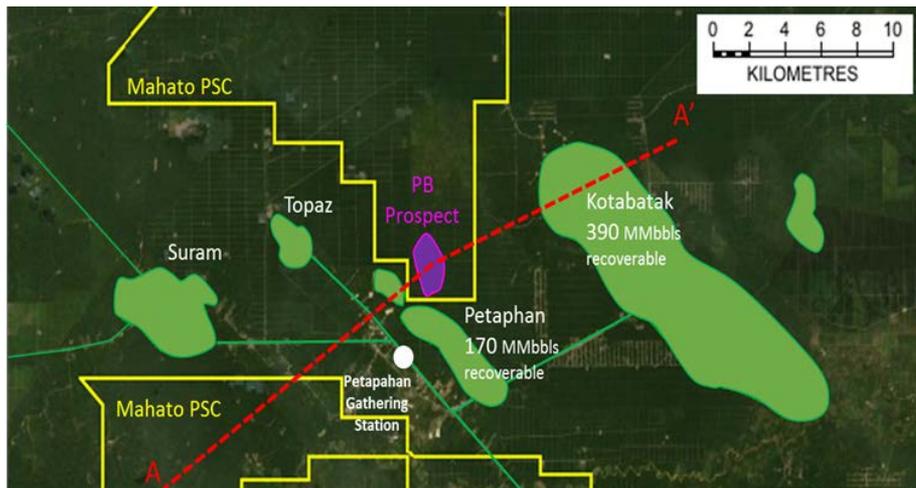
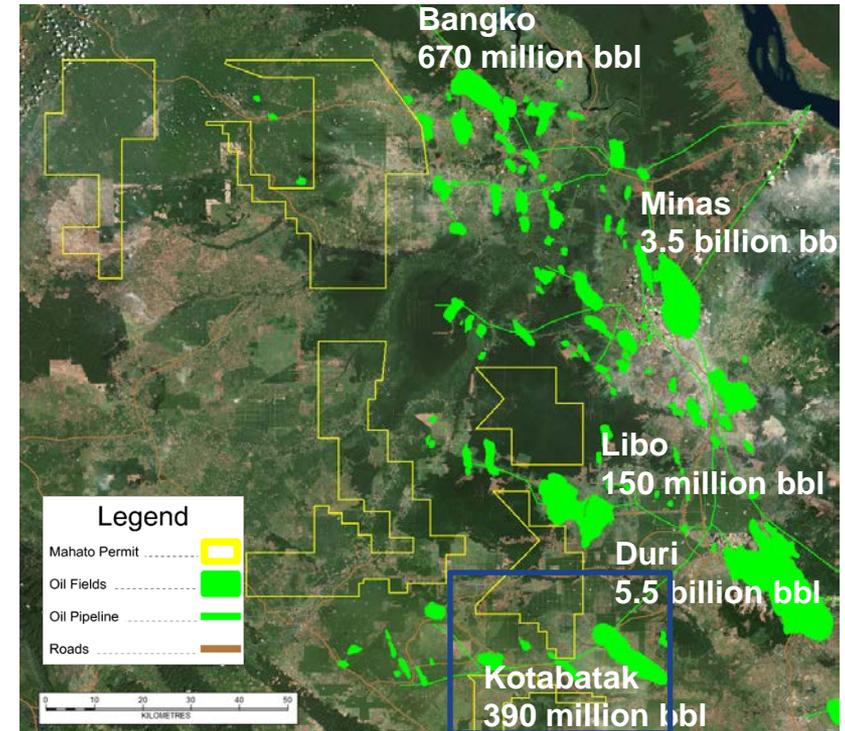
- Adjoining permit northwest of WA-359-P
- Suspension, Extension and Variation of commitments granted
- Seismic reprocessing and G&G work commitment to April 2021



*Subject to option agreements with Beach Energy and New Zealand Oil & Gas

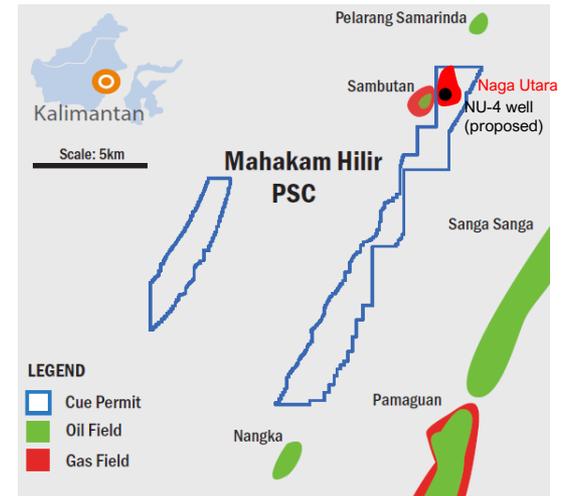
Mahato PSC

- Located in the heart of the most prolific petroliferous basin in South East Asia with nearby multi billion barrel producing fields
- Underexplored since the 1980s
- Permit targets typically expected to be 5 - 20mmbbl oil
- PB-1 exploration well commenced 19 November 2019

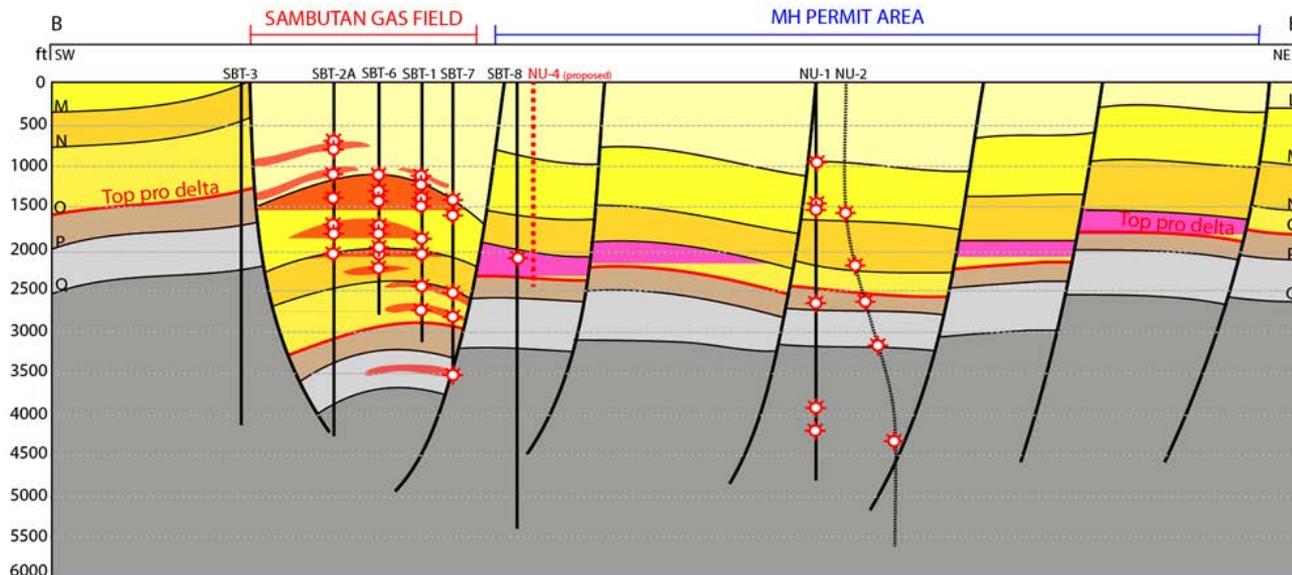


Mahakam Hilir PSC

- Onshore Kutei Basin, East Kalimantan, a proven petroleum province
- East Kalimantan announced as new Indonesian capital city – increased demand from 1 to 2 million people
- Low cost Naga Utara 4 (NU-4) well planned as appraisal of 100m interpreted gas pay in Sambutan-8 well
- Gas processing plant and established market access <1km from well site
- Data room open with farm out process underway



Mahakam Hilir PSC Location



Schematic section through Sambutan and Naga Utara Prospect

- Stable revenue and strong cashflow
- Cash for growth and no debt
- Paus Biru gas discovery POD underway
- PB-1 exploration well commenced
- Ironbark: potential company changing well in 2020



Level 3, 10 Queen Street, Melbourne

VICTORIA – AUSTRALIA 3000

P. (+61) 3 8610 4000

F. (+61) 3 9614 2142

E. mail@cuenrg.com.au

W. www.cuenrg.com.au