



Cue Energy Resources Limited

A.B.N. 45 066 383 971

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TO : Company Announcements Office
10th Floor
20 Bond Street
Sydney NSW 2000

DATE : 11 June 2009

PAGES (including this page): 4

FROM : Andrew Knox

RE : **Notice to Shareholders – Non-renounceable Entitlement Offer**

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



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Dear Shareholder,

Re: Notice to Shareholders – Non-renounceable Entitlement Offer

Today Cue Energy Resources Limited (*Cue Energy*) notified the Australian Securities Exchange (*ASX*) that it will undertake a 1 for 5 non-renounceable entitlement offer to raise up to approximately \$18,847,170 through the issue of up to 125,647,801 fully paid ordinary shares (*New Shares*) at \$0.15 each (*Entitlement Offer*). Eligible shareholders will be offered the opportunity to purchase 1 New Share for every 5 shares held by them as at the record date of 19 June 2009 (*Record Date*). Eligible shareholders (other than Todd Petroleum Mining Company Limited and its associates) will also be entitled to subscribe for additional New Shares attributable to entitlements which are not taken up by shareholders under the Entitlement Offer (*Shortfall Offer*).

The New Shares issued under the Entitlement Offer and the Shortfall Offer will rank equally in all respects with the existing Cue Energy ordinary shares on issue. All fractional entitlements to New Shares will be rounded down to the nearest whole number.

The Entitlement Offer and the Shortfall Offer will not be underwritten.

Only those shareholders with registered addresses in Australia, New Zealand, Papua New Guinea and Singapore will be entitled to participate in the Entitlement Offer and the Shortfall Offer. Cue Energy's directors have determined that it would be unreasonable to make the offers to shareholders in other countries given the number and value of New Shares that would be offered and the cost of complying with legal and regulatory requirements in other countries.

Cue Energy currently has 628,239,007 ordinary shares on issue, all of which are quoted on ASX. Upon completion of the Entitlement Offer and the Shortfall Offer, Cue Energy could have up to 753,886,808 ordinary shares on issue. Application will be made to the ASX for quotation of all New Shares issued under the Entitlement Offer and the Shortfall Offer.



Funds raised from the Entitlement Offer and the Shortfall Offer will be applied with existing funds to augment working capital, and in particular, to assist in the development of the Wortel gas field in Indonesia, appraisal of the Manaia oil discovery in New Zealand and ongoing exploration.

The proposed timetable for the Entitlement Offer is as follows:

Event	Date
Announcement of the Entitlement Offer, Appendix 3B and Cleansing Notice under section 708AA with ASX	11 June 2009
Dispatch of notice to Eligible Shareholders informing them of the Entitlement Offer and details of Appendix 3B	12 June 2009
Shares trade "ex rights"	15 June 2009
Record Date (7.00pm AEST)	19 June 2009
Offer Document (including Entitlement and Acceptance Forms) dispatched to Eligible Shareholders	25 June 2009
Closing Date (5.00pm AEST)	9 July 2009
Shares quoted on a deferred settlement basis	10 July 2009
Notify ASX of under-subscriptions	15 July 2009
Allotment and issue of New Shares	16 July 2009
Despatch holding statements	20 July 2009
Normal trading of New Shares commences	21 July 2009



The dates above are indicative only and, subject to the ASX Listing Rules and the *Corporations Act 2001 (Cth) (Corporations Act)*, Cue Energy reserves the right to change any date, including to extend the closing date, to close the offer early without prior notice or to accept late applications.

The Record Date for determining eligibility to participate in the Entitlement Offer and the Shortfall Offer is 19 June 2009.

Cue Energy will not prepare a prospectus or other disclosure document for the Entitlement Offer and the Shortfall Offer as they will be made under section 708AA of the Corporations Act (as modified by ASIC Class Order 08/35) to all eligible shareholders. Cue Energy will prepare and send an offer document to eligible shareholders on 25 June 2009, as set out in the timetable above.

Your New Share entitlement will be shown on the personalised Entitlement and Acceptance Form which will accompany the offer document mailed to you.

If you require any further information, please do not hesitate to contact Cue Energy.

Yours sincerely

A handwritten signature in black ink that reads "Andrew Knox". The signature is written in a cursive, flowing style.

Andrew Knox
Chief Financial Officer