



A.B.N. 45 066 383 971

14 November 2013

PAGES (including this page):17

Company Announcements Office
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Sydney NSW 2000

**Chairman's Address and Company Presentation
Annual General Meeting 2013**

Attached please find Cue Energy Resources Limited's release with respect to the above mentioned.

Yours faithfully

Andrew M Knox
Chief Financial Officer

CUE ENERGY OVERVIEW

Cue is an Australian based oil & gas company with activities in Australia, New Zealand, Indonesia and PNG.

THE COMPANY HAS:

- Long life production
- A strong balance sheet
- An active exploration program

CUE ENERGY DIRECTORS

- Geoffrey King (Chairman)
- Timothy Dibb
- Paul Moore
- Andrew Young

CUE ENERGY MANAGEMENT

- David Biggs (CEO)
- Andrew Knox (CFO)
- David Whittam (Exp Man)

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LISTINGS

| | |
|------------|-------|
| ASX: | CUE |
| NZX: | CUE |
| POMSOX: | CUE |
| ADR/OTCQX: | CUEYY |



A.B.N. 45 066 383 971

RELEASE

(ASX: CUE; NZX: CUE; POMSOX: CUE; ADR/OTC: CUEYY)

Cue Annual General Meeting of Shareholders

**10.00am, 14 November 2013
Melbourne Australia**

Chairman's Address

Good morning ladies and gentlemen.

Welcome to the 32nd Annual General Meeting of Cue Energy Resources Limited.

I am Geoffrey King and it is my privilege to have served as Chairman of the Board of Cue since the last AGM.

As the time is now 10.00am and a quorum is present, I formally declare the meeting open.

The minutes of the previous annual general meeting of members of Cue Energy Resources Limited held on 15th November 2012 were approved by the board and signed by the chair of that general meeting. The original minutes are tabled and there are copies of those minutes available for inspection should any member wish to see them.

The Notice of Meeting has been given in accordance with clause 7.2 of the Company's Constitution and copies are available for you at the registration desk today.

Let me introduce you again to the other members of the board, Paul Moore, Timothy Dibb and Andrew Young. Also in attendance with a speaking part is our Chief Executive Officer David Biggs and our Chief Financial Officer Andrew Knox.

Our auditors, BDO, are represented by Alex Swansson who is present to answer any audit questions you may have.

In the past year, several key executives left the Company, and at Board level we experienced considerable change when Leon Musca and the former Chairman, Richard Tweedie, retired from the Board. I thank Leon and Richard on behalf of the Board and shareholders for their solid contributions to the advancement and growth of the Company during their directorships of many years, and I am delighted that Richard and Leon continue to retain significant shareholdings in Cue.

I was very pleased to catch up with Leon for dinner in Perth when our Broker and Investor road show took us to Perth during October.

Sadly, we also lost from the Board Steven Koroknay who died suddenly during June 2013. Steve's death at a relatively young age deprives us of his friendship and wise counsel on the Board. Steve was a well-known and respected figure in the oil and gas industry with over thirty-five years of experience over that time as an executive in very large international oil and gas companies, and in significant Australian focused energy companies. Steve was my first boss in Sale when I joined Esso in 1979 and our paths continued to cross in the succeeding years. I still cannot believe he is no longer with us.

With Steve's passing, the Cue Board now comprises four members and the Board has resolved to stay with a Board of four which we believe meets the current needs of Cue and our growth strategy.

The key executive position in Cue became vacant shortly before the 2012 AGM, and we began a careful search to find the right person for the job. While that search was in progress Andrew Young filled the vacancy pending a permanent appointment. Thanks are due to Andrew for accepting that position and for contributing significantly to the development of the Cue business plan during the first months of 2013.

David Biggs was appointed as CEO in April 2013 to lead the Company and implement the new focus and strategy adopted by the Board which addresses fundamental issues for any company in our industry – reserves replacement and growth – and the increase of the value of our shareholders' investments in the Company.

David comes to the Company with more than 30 years' experience in the international oil and gas industry with a strong background in oil and gas business development, marketing, joint ventures, and business strategy. He worked for the past 19 years at senior levels with BHP Billiton Petroleum Ltd in both Melbourne and Houston and prior to that with Petroleum Corporation of New Zealand and Natural Gas Corporation of New Zealand. In those roles he became very familiar with the development and application of detailed business plans.

Business Plan

During the 2012 AGM when it was announced that I would become interim Chairman when Richard Tweedie stepped down as Chairman, I made a very brief comment that while Chairman my goal would be to persuade the Board to adopt an enhanced systematic and planned approach to directing the business of the Company, with particular emphasis on reserves replacement - the life blood of any oil and gas company, and the implementation of strategies to increase Cue's oil and gas reserves and enhance the underlying value of the Company.

The development of a business plan and model for the systematic growth of the Company was discussed in detail at a company strategic planning forum in January 2013, when the creation of the plan was initiated and work commenced under the direction of the acting CEO, as already mentioned Andrew Young was appointed from the Board to fill temporarily the vacancy resulting from the resignation of the former CEO. Andrew oversaw the development of the Cue business plan and model over the ensuing following months, which work was completed under the supervision of David Biggs when he was appointed as CEO in April this year.

The business plan and model to which all members of the Company have contributed, now forms one of the most important management resources of the Company, providing a robust system for evaluating investment opportunities. I am confident that the plan lays a foundation for real growth in the value of Cue's assets. It puts the board and management in a position to understand and control the costs and processes of reserves growth.

Share Price

The board and management of Cue has given considerable thought to the unjustifiably low share price of Cue, which in no way represents the underlying value of the Company.

While our primary focus as a Board is to implement the business plan to increase rapidly and significantly the underlying value of the Company, we are also equally determined to enhance the market perception of Cue as a stable, well-run company guided by industry professionals who know what they are doing. All of the Board are industry people, and all of our executives and professionals have long and diverse experience in the oil and gas industry.

The CEO, CFO and I recently completed a 2 week road show that took us to Perth, Brisbane, Sydney and Melbourne where we delivered 27 broker and investor presentations to explain the current assets and financial strength of Cue, and the plans for the future.

We plan in the next few weeks, presentations to institutional investors to take to them the same message. We will use every means of communication to make the market aware of the strength of Cue as a company with a bright future; yes we may "twitter".

We believe that solid work in the market will get the message out that Cue is worth much more than its market capitalisation and that the current share price is an opportunity for investors.

Company Performance

Turning to the performance of the Company during 2012/13, it is fair to say that it was another excellent year for Cue.

The Company experienced strong production cash flows with reported production revenue of \$49.8 million, up \$8.6 million from the 2011/12 year, and reported profit after tax of \$6.4 million up from \$5.7 million last year.

Gas production and related revenues during the year were significantly higher at 4.0 bcf (2.0 bcf in 2011/12) as a result of the first full year of production at Wortel. This was partially offset by a higher amortisation charge due to a move to a more gas based production profile. Total oil production volumes were steady at 0.28 million barrels.

Cue's cash balance increased during the year to \$58.8 million from \$33.7 million in 2011/12. Cue currently has no debt and no hedging and continues to enjoy the current robust oil prices. The Board will, of course, consider raising debt if required to fund profitable ventures or acquisitions.

The Company was engaged during the year in planning for a number of wells to be drilled in the 2013/14 year. In the Maari-Manaia field, the Kan Tan IV semi-submersible drilling unit is currently drilling the Manaia-2 appraisal well which looks promising and the Ensco 107 jack-up rig will be on location in early 2014 for Maari field development activities.

Planning is in progress for drilling the Whio-1 well in PEP 51313 with the Kan Tan IV with the well expected to spud by the end of the first quarter 2014.

In Indonesia, the Naga Utara-2 well is currently drilling on the Mahakam Hilir block onshore Kalimantan. If Naga Utara-2 is successful, we are in a position to drill a further Naga Utara well if warranted.

In all, we expect that at least three, and up to six exploration and appraisal wells, will be drilled over the next 12 months in Indonesia and New Zealand. In addition five wells will be drilled to support Maari development activities.

In the Carnarvon Basin, Western Australia, Cue increased its interest in WA-389-P to 40%. Cue sees significant remaining hydrocarbon potential in the permit which is already substantially covered by 3D seismic that will underpin continuing exploration of the block. BHP Billiton Petroleum, the operator, holds the other 60%.

In the WA-359-P Carnarvon Basin permit, Cue is conducting a programme of geological and geophysical studies to firm-up a drilling location for a likely well in 2015. Cue has commenced a farmout campaign with already significant interest expressed to farmdown its 100% holding in the permit, to bring in partners capable of operating the drilling phase of the work programme.

In WA-409-P the joint venture varied the work programme for the final year of the current permit term and drilling will now be deferred until the renewal of the permit in 2014. Cue will be carried through the work programme and any well the Operator elects to drill.

In Papua New Guinea the construction of facilities to process the associated gas and gas cap from SE Gobe continues. The gas will be exported to the PNG LNG gas pipeline and LNG processing plant from June 2014.

As part of the overall emphasis on business planning, the Company reviewed its exploration strategy during the year. The Board is focused on the need for Cue to replenish its exploration acreage holdings over the next two years and the Company is currently putting in place the resources required to significantly lift the Company's screening of exploration opportunities and to capture new acreage.

The Plan

The Board concluded that the Company should seek to add at least 5 million barrels of reserves by the end of calendar year 2018, by exploration and acquisition, which amounts to a reserves replacement ratio of 142%. The exploration component of this target will require Cue to drill at least 3 – 5 wells a year with a focus on fiscally attractive opportunities that can be quickly commercialized in onshore Australia, New Zealand and Asia. We will not rely on exploration and drilling to provide the BOE we need for growth. We will pursue any means to add barrels to our inventory at the right price.

The Company's balance sheet again remains strong. At the end of the financial year the Company had cash reserves of \$58.8 million and no debt. Our strong existing production and cash flow forecast indicates that the Company has sufficient financial resources to deliver the Company's growth strategy.

Finally I would like to acknowledge the hard work, judgement and commitment of the Board as it was constituted up to the end of 2012, and to the management and staff for their efforts in the past year.

Thank you for your continuing support.



Geoffrey King
Chairman



CUE ENERGY RESOURCES LIMITED (ASX: CUE)



**Annual General Meeting
14th November 2013**

- ↑ Revenue of **\$49.8m**, up 21%
- ↑ Annual production up 22% to **930,000 boe**
- ↑ Net Profit after Tax up 12.5% to **\$6.4m**
 - **\$54.6M** cash on hand at 31 October 2013
 - Zero debt



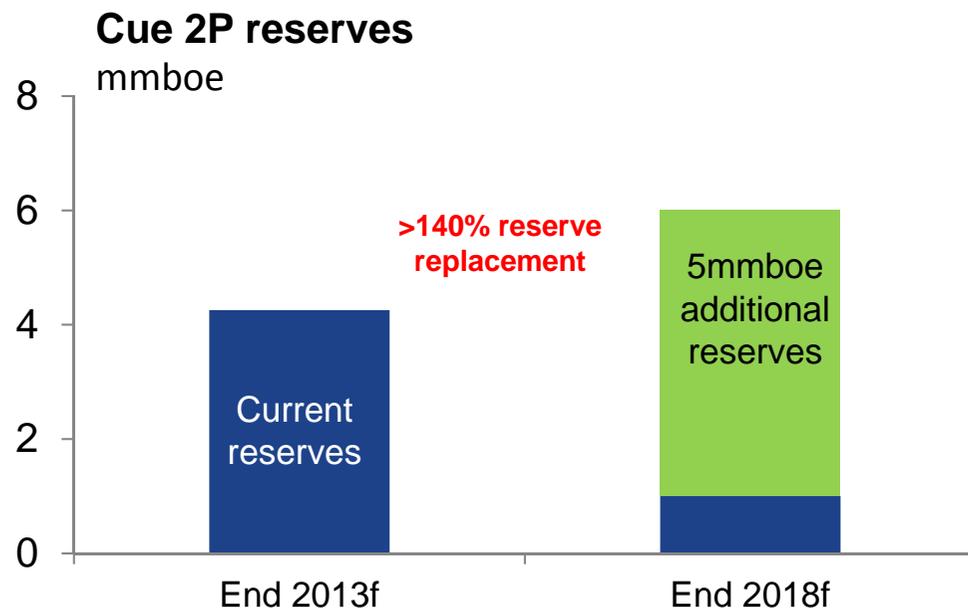
Current Position

- Maari growth projects drive short term reserves addition
- Considerable drilling activity in next 12 – 18 months
- Strong production until 2015/2016

Growth Strategy

Future position

- 5mmboe reserve adds by end 2018 (>140% reserve replacement)
- 3-5 wells drilled per year
- Increased production & cashflow to fund continued growth



Australia Onshore:

- Proven Plays
- Existing infrastructure with quick commercialisation

NZ Onshore/Offshore

- Existing presence and good regional knowledge
- Strong relationships with established partners

Asia

- Multiple prospective basins and world class petroleum systems
- Good deal flows



CUE energy **Near Term Activity**

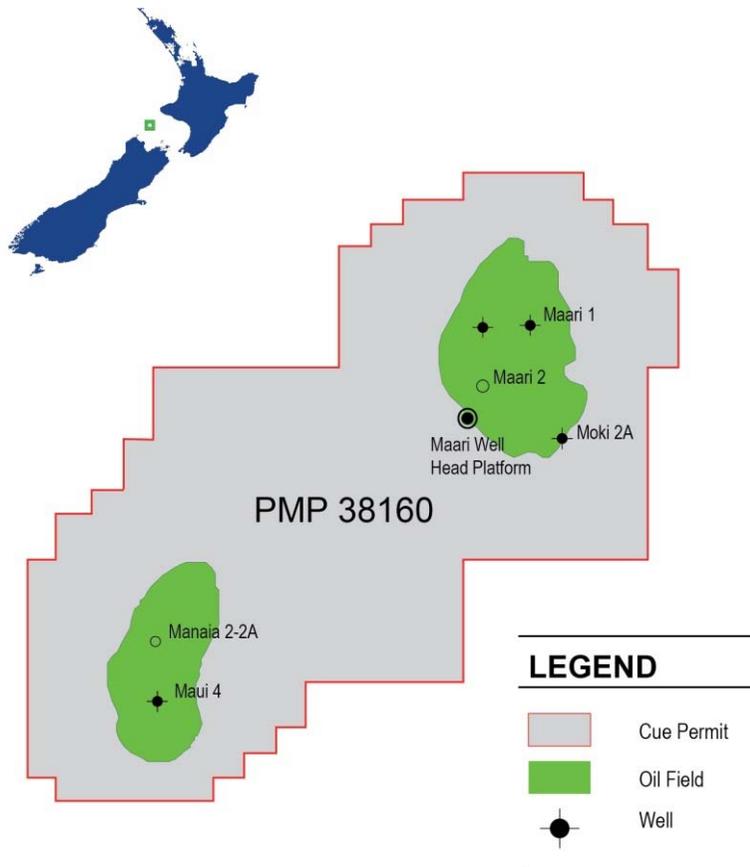
- Eight well minimum and 11 well potential over the next 12 months in Indonesia and NZ
- Fully funded 2013/2014 drilling program
- Whio -1 carried by OMV



| | 2013 | | 2014 | | | |
|---|------|------------------|------------------|-----------------------|----|----|
| | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| New Zealand ENSCO 107 (Jack-Up) | | | | Maari growth projects | | |
| New Zealand Kan Tan IV (Semi-Sub) | | ■ Manaia-2 | | ■ Whio - 1 | | |
| | | | | ▨ Te Whatu – 3 | | |
| New Zealand onshore | | | | Te Kiri North -1 | ▨ | |
| Indonesia | | ■ Naga Utara – 2 | | | | |
| | | | ▨ Naga Utara - 3 | | | |

Committed
 Contingent

- Manaia-2 well at target depth and logging/testing
- Ensco 107 jack up drill rig due to arrive Q1 2014 for Maari field growth project activities
- Growth projects expected to add 15mmbbl (gross) incremental reserves and increased production from 2014/2015



Manaia Structure

Manaia -2 well spud September 1st

| | |
|-----------------|-----|
| <i>Cue</i> | 5% |
| <i>OMV (Op)</i> | 69% |
| <i>Todd</i> | 16% |
| <i>Horizon</i> | 10% |

TD of 2891m reached on November 4th. Currently logging and testing

Hydrocarbons encountered in the Moki and Mangahewa Fms; under evaluation by testing programme

Maari Structure

3 new production wells (2 Moki, 1 Mangahewa)

New water injector to be drilled

cue energy **Maari Facilities Upgrade**

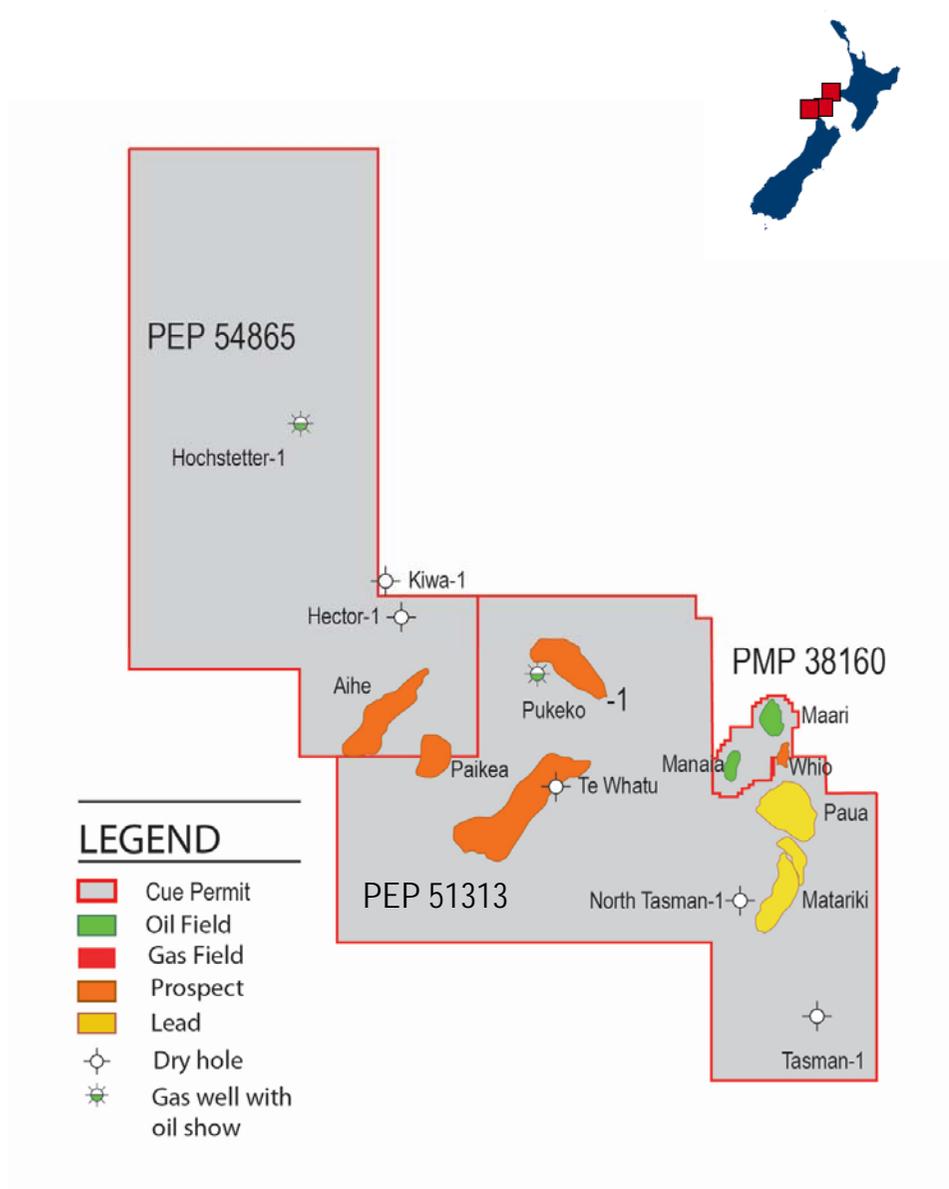
- FPSO Raroa currently in Port Nelson, NZ for swivel replacement and process equipment upgrade
- New swivel installed; other work on vessel almost completed
- Mooring line replacement work on schedule
- Vessel expected to be back in operation late Dec/Jan 2014



Swivel

Mooring Lines





Whio

(PEP 51313)

| | |
|----------------|-----|
| <i>Cue</i> | 14% |
| <i>OMV(Op)</i> | 30% |
| <i>Todd</i> | 35% |
| <i>Horizon</i> | 21% |

Whio-1 exploration well to be drilled early 2014 by the Kan Tan IV

Potential to deliver material new discovery in Eocene and Paleocene plays close to Maari

Whio -1 success opens up eastern part of PEP 51313

Cue fully carried by OMV, retains 5% interest in any development

Te Whatu

(PEP 51313)

450km² of 3D seismic acquired Q1 2013

Te Whatu firming up as potential drilling candidate

Option slots available in the current Kan Tan IV programme to drill well

Potential resource size large enough to support a new stand alone facility and open up western areas of PEP 51313

PEP 54865

| | |
|-----------------|-----|
| <i>Cue</i> | 20% |
| <i>Todd(Op)</i> | 80% |

Extension of plays identified in PEP 51313

3D Seismic planned for early 2014

Oyong & Wortel

Wortel first production 2012, Oyong 2007

Cue 15%
Santos (Op) 45%
SPC 40%

Strong field performance with combined gross production of ~85MMcfd and ~2200bbl/d

Oyong FSO replacement in progress



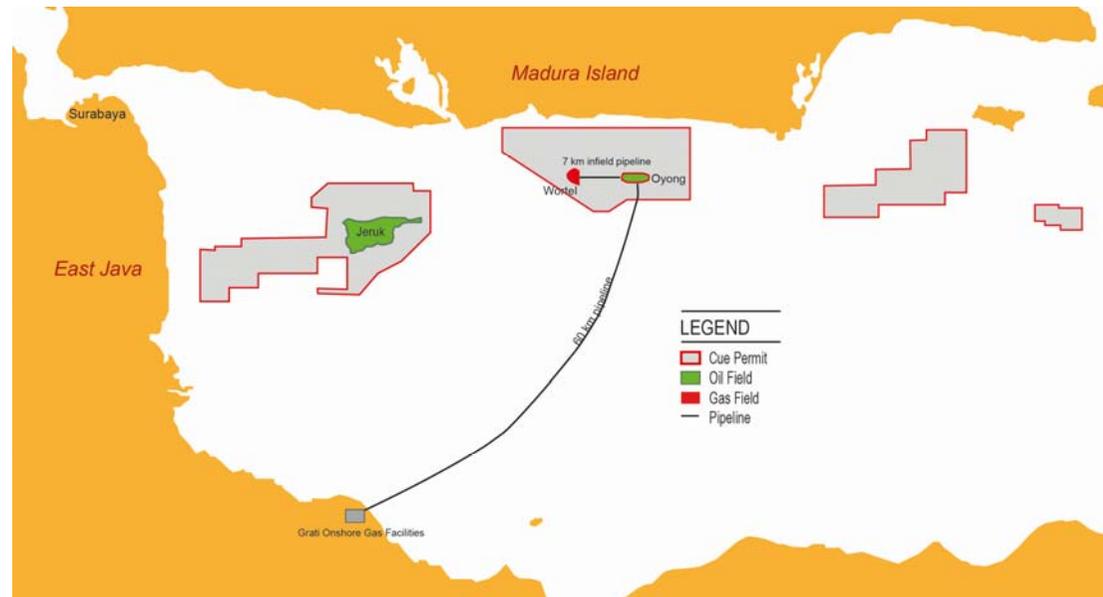
Jeruk

Field discovered 2003

Cue 8.2%
Santos (Op) 45%
Medco 25%
SPC 21.8%

~50 million bbl 3C Resource (Santos)

Currently being re-evaluated with seismic re-processing planned for 2014





Mahakam Hilir PSC

Cue 40%
SPC (Op) 60%

Naga Utara-1 (2012) showed good hydrocarbon indications but was unable to be conclusively evaluated

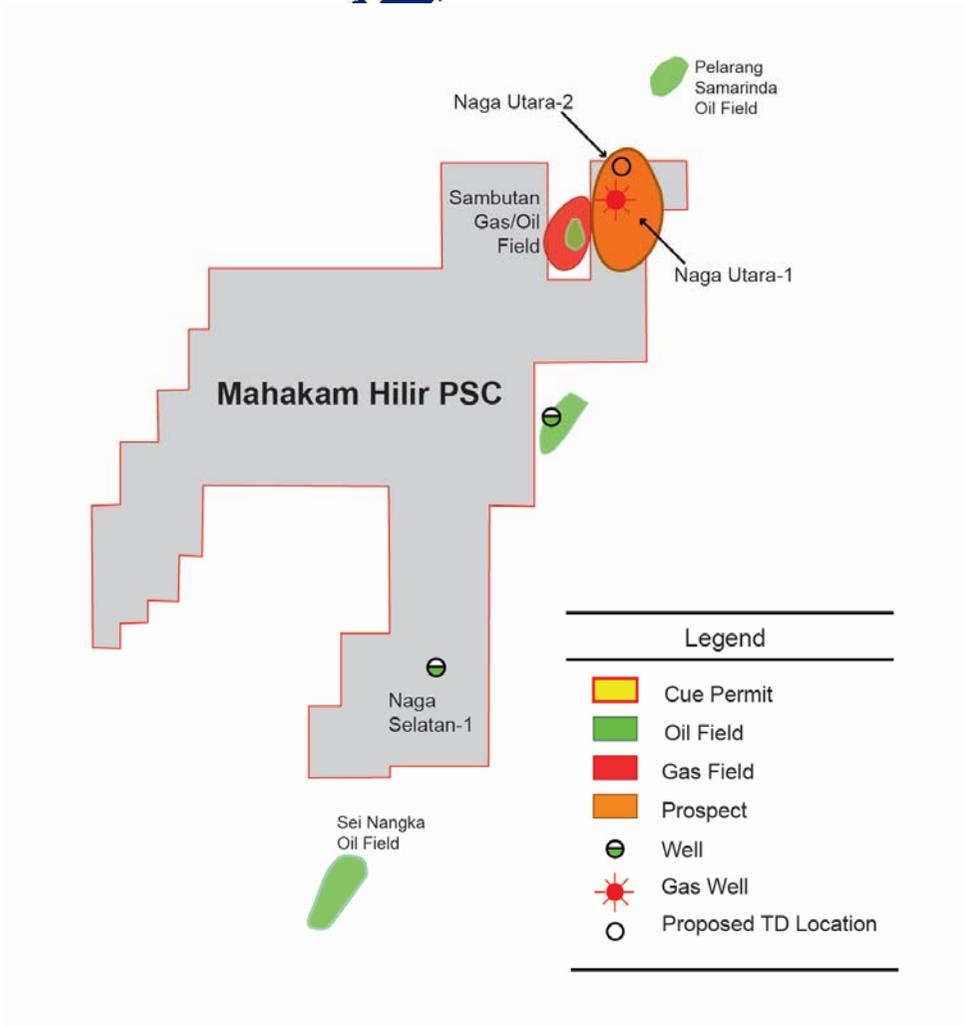
Naga Utara-2 (NU-2) drilling underway- 65 day well. Current depth 1,019m

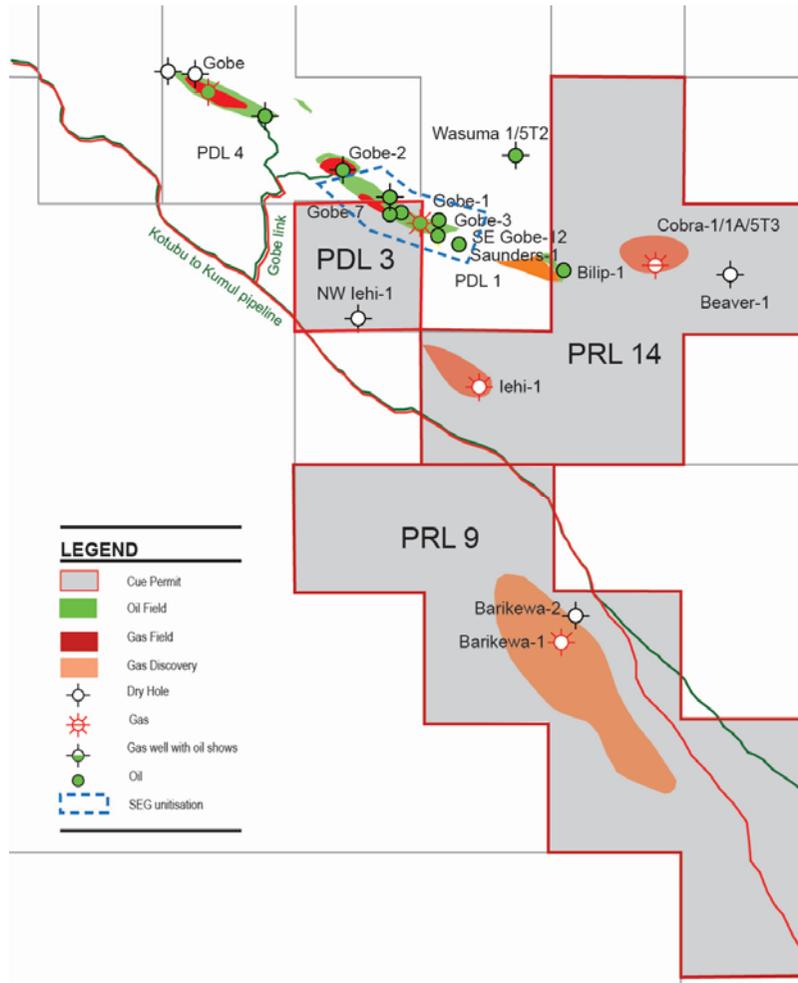
NU-2 to appraise existing reservoirs and explore deeper targets to establish flow rates and quantities

Potential follow up of successful NU-2 with back-to-back further well, NU-3

Plan of development could follow quickly in success case

Other exploration opportunities also exist in the PSC





PDL 3

| | |
|--------------------|--------------|
| Cue | 5.6% |
| Santos (Op) | 15.9% |
| Oil Search | 36.4% |
| SHP | 40.1% |
| PRG | 2% |

Contains part of SE Gobe Unit (Cue 3.286%)

Mature field that has produced over 42 million bbl (gross) since 1998

Gas production in to the PNG LNG plant expected to commence June 2014 for 10 years

SE Gobe gas facilities already in place

PRL 9

| | |
|------------------------|--------------|
| Cue | 14.9% |
| Oil Search (Op) | 45.1% |
| Santos | 40% |

Barikewa gas discovery; large undeveloped resource with potential to feed 3rd party LNG

Toro and Hedina 2C estimate 300Bcf (gross)

Deeper zones also prospective

Commercialisation activities being studied; Close to infrastructure

Waiting on retention lease renewal

PRL 14

| | |
|------------------------|--------------|
| Cue | 11% |
| Oil Search (Op) | 62.5% |
| Murray | 26.5% |

Contains Bilip, Cobra and lehi discoveries

Close to infrastructure