



## CEO Presentation

Annual General Meeting  
Melbourne 30th October 2020

Cue Energy Resources Limited  
[www.cuenrg.com.au](http://www.cuenrg.com.au)  
ASX:CUE

# Disclaimer and Important Notice

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Some of the more important of these risks, expectations and uncertainties are COVID-19, 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.

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## **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

# Operations Highlights

Strong business model with projects in all phases

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## Production

- \$24 million FY20 production revenue from gas and oil
- Strong balance sheet with cash and no debt

## Development

- Paus Biru gas development planning underway
- First oil production from Mahato development expected this quarter

Company changing **Exploration** potential

- Ironbark-1 well rig mobilised and drilling expected soon

# Corporate Overview

ASX:CUE



## Capital Structure

Share Price ( 27 Oct 2020)	18.0c
Shares on Issue	698,119,720
Market capitalisation (27 Oct 2020)	A\$126 million
Cash (30 Sept 2020)	A\$27.4 million

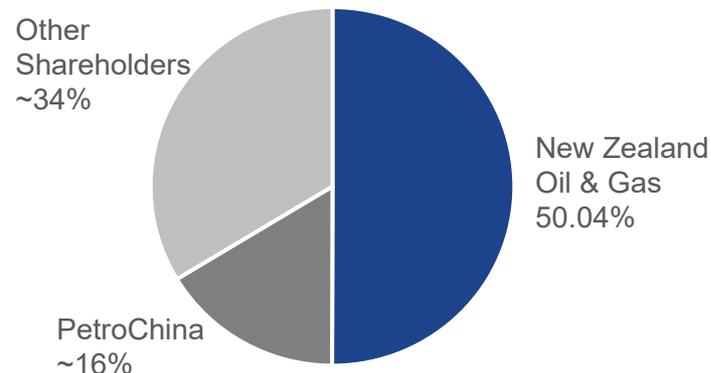
## Directors

<b>Alastair McGregor</b> Non Exec Chairman	<ul style="list-style-type: none"> <li>Chief Executive O.G Energy</li> <li>Director – New Zealand Oil &amp; Gas</li> </ul>
<b>Andrew Jefferies</b> Non Exec Director	<ul style="list-style-type: none"> <li>MD - New Zealand Oil &amp; Gas</li> <li>Petroleum Engineer</li> </ul>
<b>Peter Hood</b> Non Exec Director	<ul style="list-style-type: none"> <li>45 years resources experience</li> <li>Past APPEA Vice Chair</li> </ul>
<b>Marco Argentieri</b> Non Exec Director	<ul style="list-style-type: none"> <li>SVP and General Counsel O.G Energy</li> <li>Director – New Zealand Oil &amp; Gas</li> </ul>
<b>Richard Malcolm</b> Non Exec Director	<ul style="list-style-type: none"> <li>Geoscientist 30+ years experience</li> <li>Woodside, Ampolex, OMV</li> </ul>
<b>Rod Ritchie</b> Non Exec Director	<ul style="list-style-type: none"> <li>HSE Executive 30+ years experience</li> <li>Director – New Zealand Oil &amp; Gas</li> </ul>
<b>Samuel Kellner</b> Non Exec Director	<ul style="list-style-type: none"> <li>Chairman – New Zealand Oil &amp; Gas</li> <li>Director – O.G Energy</li> </ul>

## Share price and volume



## Shareholders



**Indonesia**  
*Exploration*  
Mahakam Hilir PSC (Op)

**Jakarta office**

**Indonesia**  
*Production/Dev*  
Sampang PSC  
Mahato PSC



**Australia**  
*Exploration*  
WA-359-P  
WA-409-P  
WA-389-P (Op)



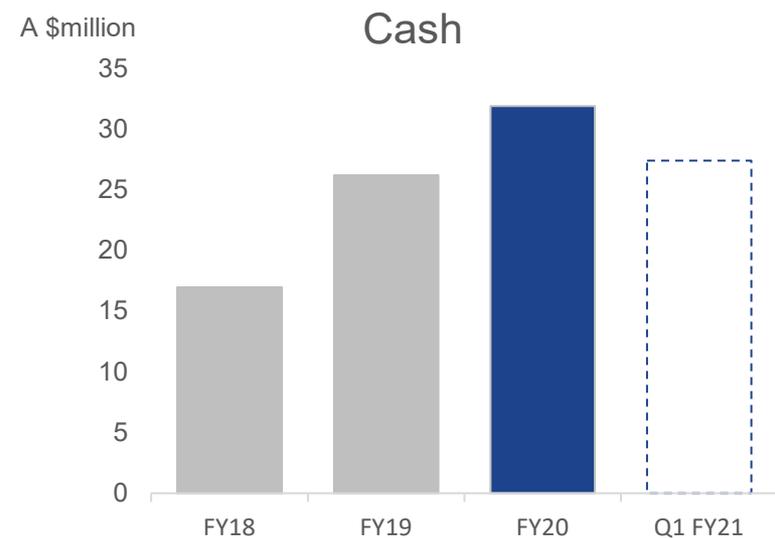
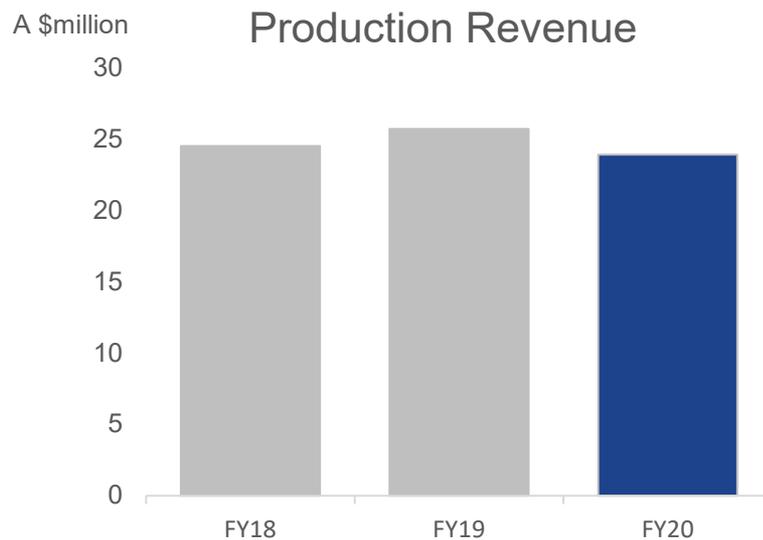
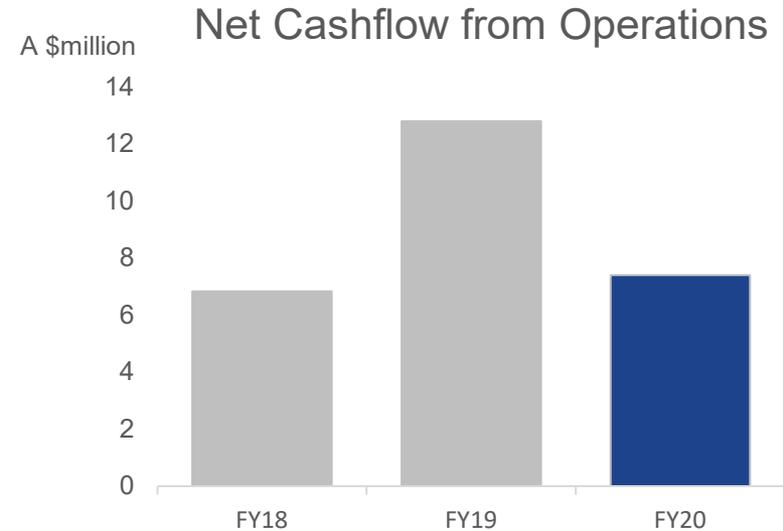
**Melbourne**  
**Head office**

  
**OMV** **New Zealand**  
*Production*  
PMP38160 (Maari)

# FY20 Full Year Results



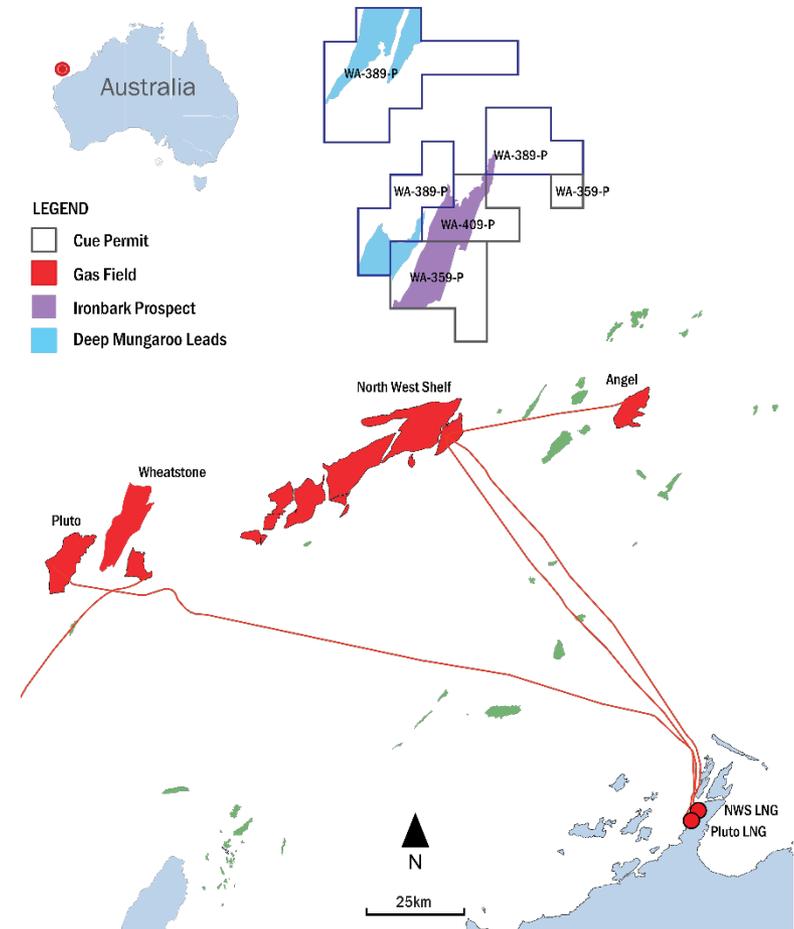
- Revenue of \$24 million, 60%:40% gas to oil
- \$7.4 million net cashflow from operations
- 22% increase in cash, enabling funding of development and exploration
- Maintained position of no debt



# Ironbark (WA-359-P)

## Company changing potential

- Cue 21.5% Participating Interest
- Ironbark prospect: 15tcf best case prospective recoverable gas resource
- 50km from North West Shelf LNG infrastructure
- Experienced international operator, BP, and strong partners Beach Energy and New Zealand Oil & Gas
- Cue fully funded through partner carries and US\$8m escrow
- Ironbark-1 exploration well
  - Drilling expected to start shortly
  - 70-90 days drilling
  - Vertical well approximately 5500m depth
  - Primary Deep Mungaroo target at 5335m
  - LWD programme planned with extensive logging in a success case



### Prospective Resource Estimates Cautionary Statement

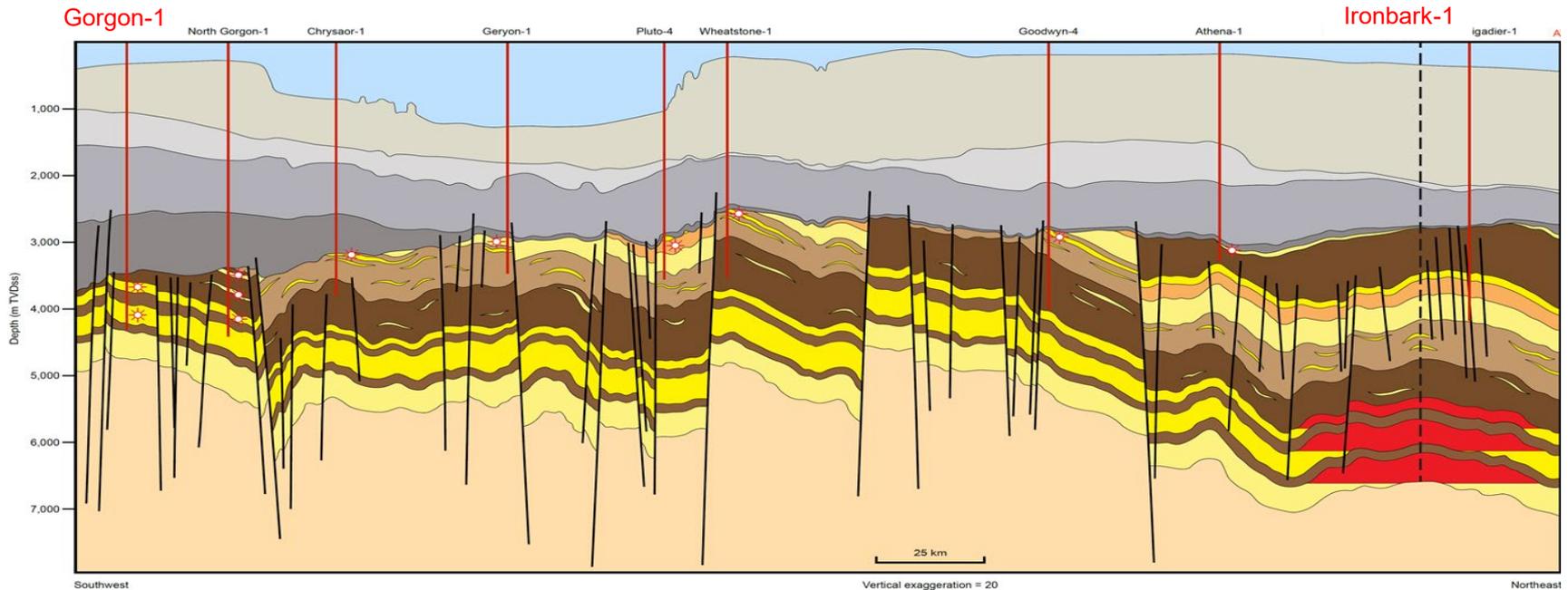
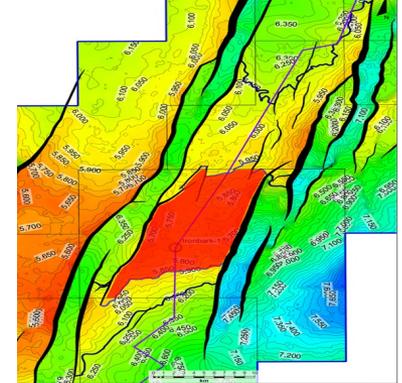
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# Ironbark Prospect

A giant untested structure

- Up to 400km<sup>2</sup> fault bounded horst structure with North/South dip closure
- Deep Mungaroo reservoir interval; 150-300m reservoir thickness at Ironbark
- 500m thick regionally extensive Mungaroo shale top seal
- Triassic coal and carbonaceous shale source, proven in the area
- North West Shelf LNG infrastructure 50km away

TR17 structure map with Ironbark prospect



SW/NE schematic cross section – Gorgon to Ironbark

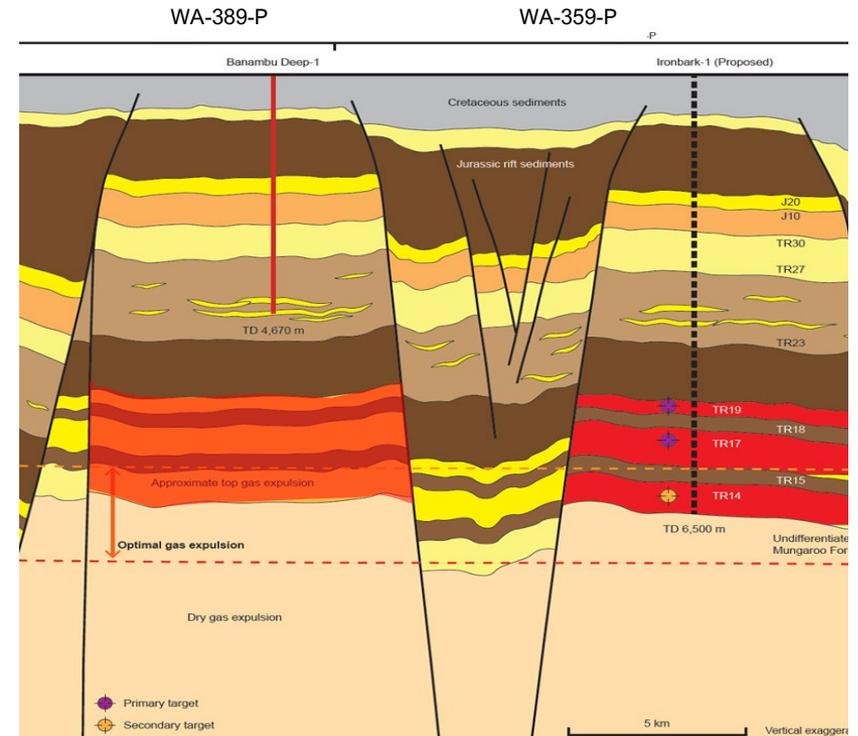
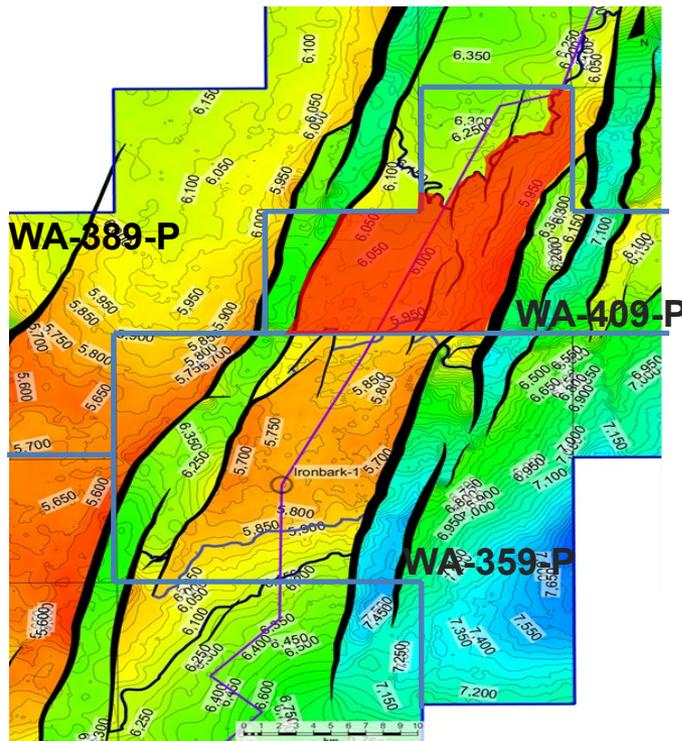
# Ironbark Upside Potential

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

- Adjoining permit north of WA-359-P
- Contains high case Ironbark plus NE Ironbark prospect

## WA-389-P (Cue 100%)

- Adjoining permit northwest of WA-359-P
- Banambu Horst is part of the same structural trend as Ironbark with similar scale

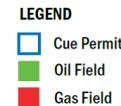
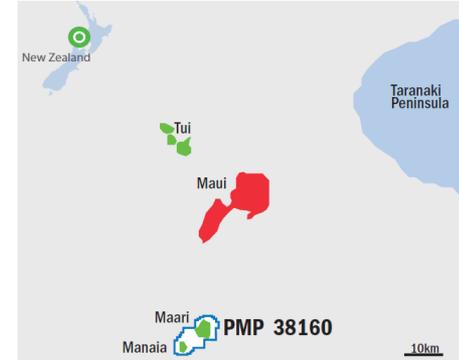


# Production

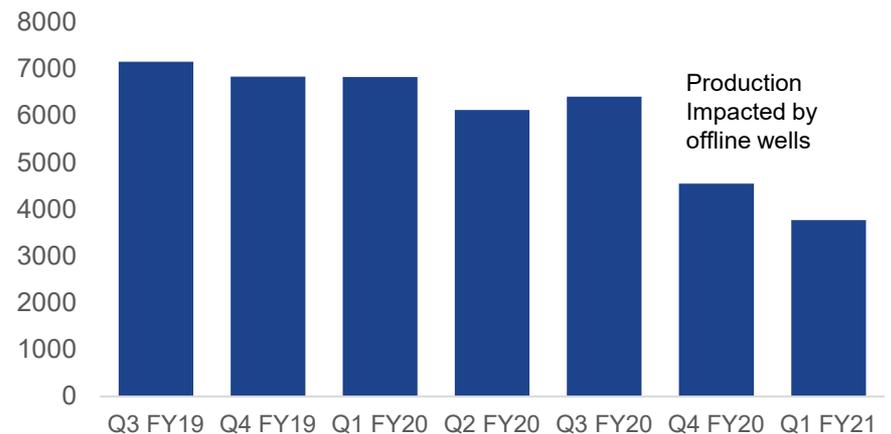
# Maari Oil Production

- \$9.5 million FY20 revenue, impacted by globally low oil prices and well outages
- MR6A, one of the field's largest producers, offline since March, with repairs planned for late CY2020
- MR7 and MR9 were offline for repairs in Q1 FY21 and have returned to production
- Production optimisation and costs focus ongoing to maximise field value
- OMV is the current operator with 69% interest. Jadestone Energy's acquisition of the OMV interest and operator transfer currently pending regulatory approval

MAARI LOCATION MAP – NEW ZEALAND

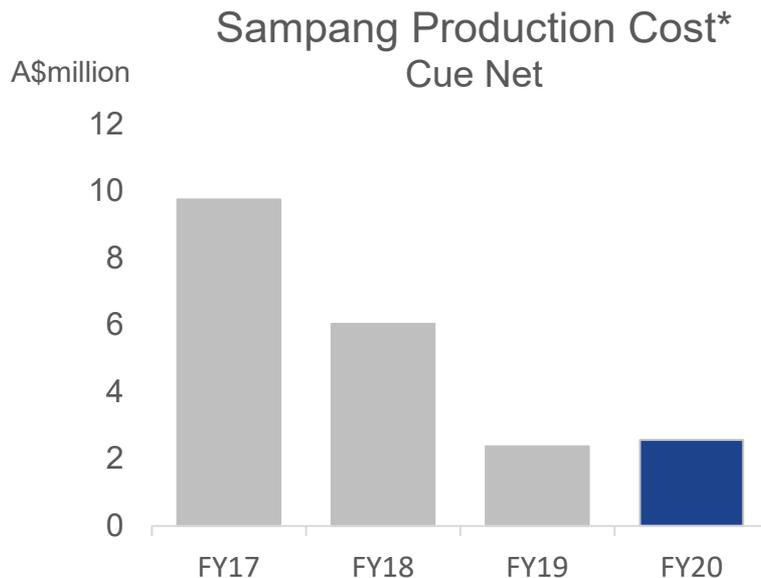


Maari Average daily oil production (100%)

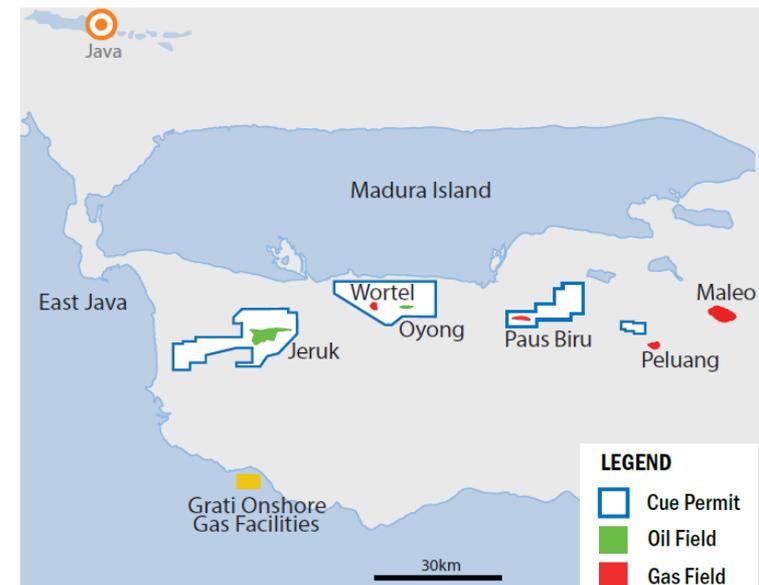


# Sampang PSC Gas Production

- \$14.4 million FY20 revenue from Oyong and Wortel gas fields, with no significant COVID-19 impact to date
- Operated by Medco Energi, Indonesia's largest listed O&G company
- Fixed priced, long term gas contracts with electricity producer
- Low cost, stable gas production
- Paus Biru development likely to benefit Oyong and Wortel production through opex sharing



### SAMPANG PSC LOCATION MAP - INDONESIA

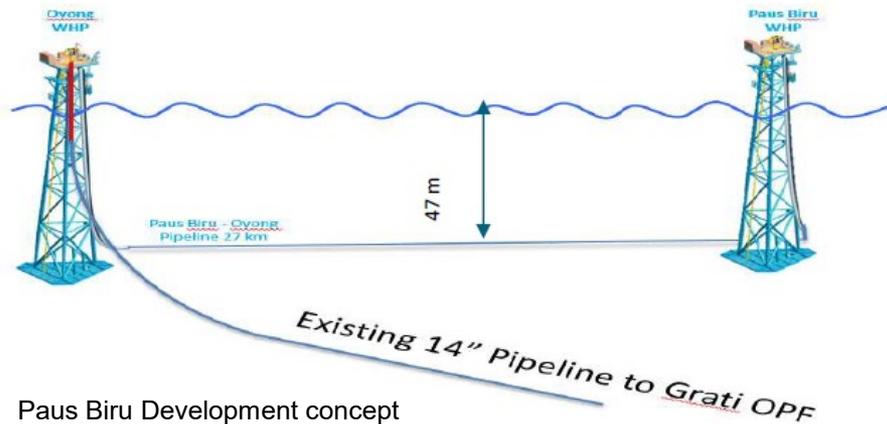


\*Excluding Amortisation

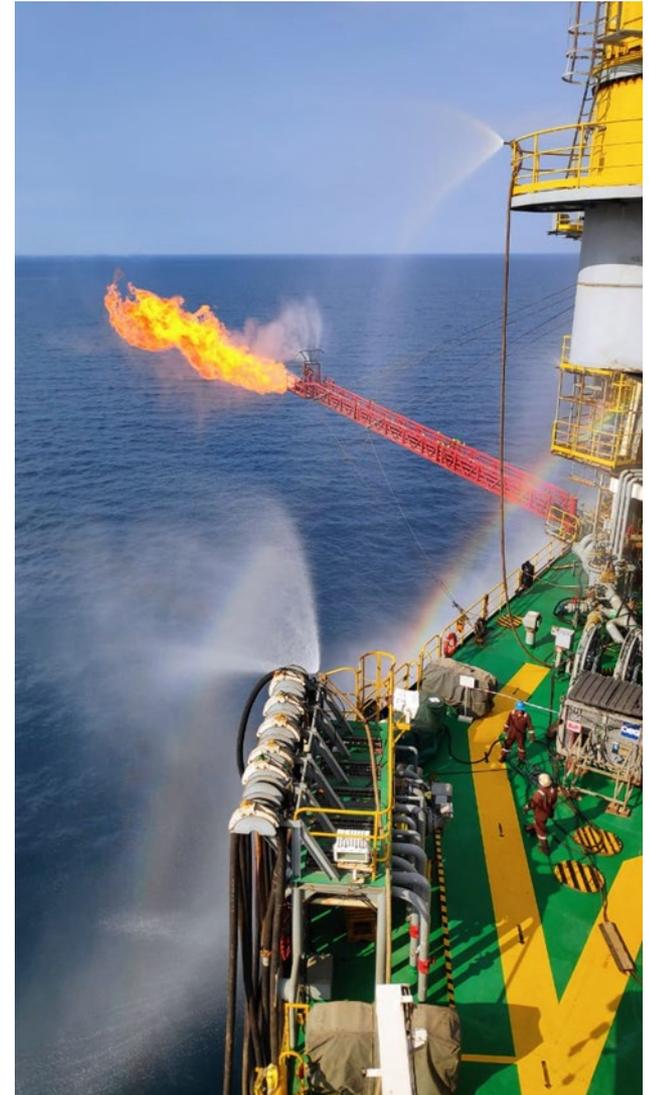
# Development

# Paus Biru Development Planning

- Paus Biru Plan of Development (POD) approved July 2020. JV currently targeting mid 2021 FID
- Simple, proven, development concept
  - Single production well with well head platform (WHP)
  - 27km pipeline to existing Oyong WHP
- FEED studies and gas commercialisation efforts ongoing
- Commercialisation options through existing onshore Grati gas processing plant into existing customer or other market pending COVID-19 demand



Paus Biru Development concept

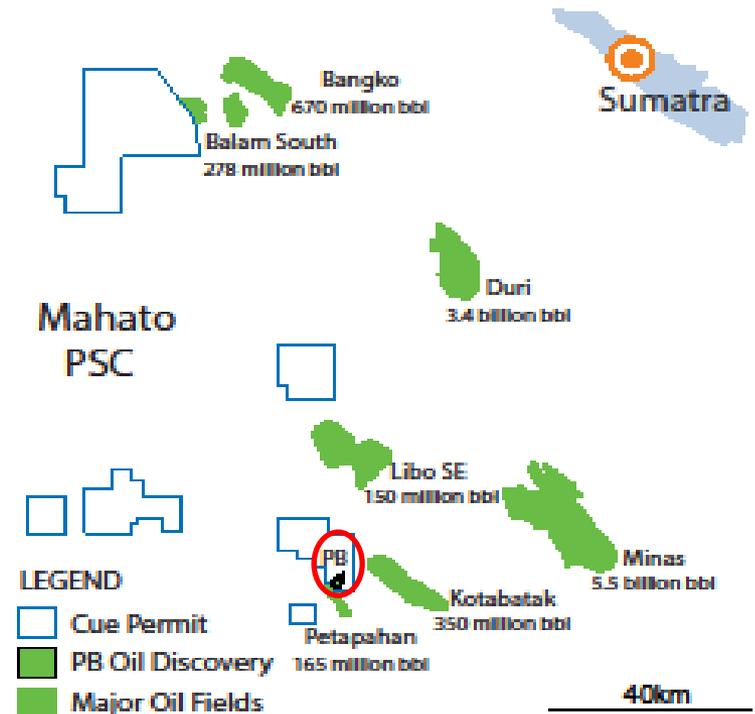


# Mahato PSC

## PB field development progressing

- First oil expected during the current quarter
- Cue has received, and paid, a cash call for PB field development wells and infrastructure with no JV dispute on future PB field activities
- PB field development activities
  - Production facilities: almost complete
  - Export pipeline: almost complete
  - 1 recompletion + 3 new wells Nov 2020 - Jan 2021
- PB-1 and PB-2 wells, drilled Dec 2019 to Feb 2020 to be initial production wells
- Engagement with JV continues on existing PB-1 and PB-2 dispute

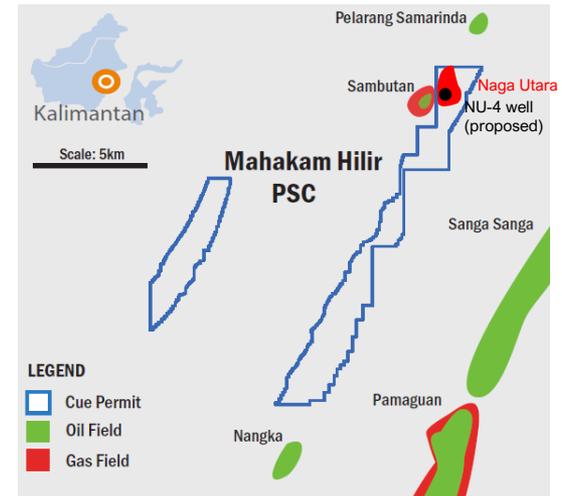
MAHATO PSC LOCATION MAP - INDONESIA



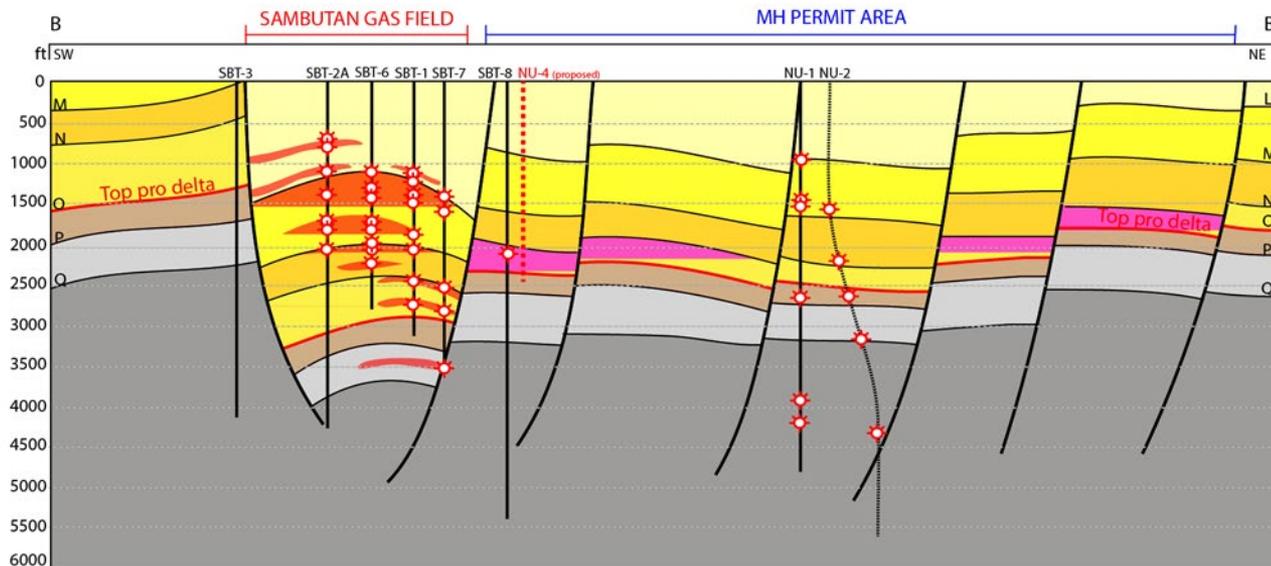
# Exploration Indonesia

# Mahakam Hilir PSC

- Permit extension granted until April 2021, with extension conditions including a restriction on transfer of title
- Cue is assessing the impact of the title restriction and current COVID-19 restrictions on any future dealings and activities
- 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



Mahakam Hilir PSC Location



Schematic section through Sambutan Field and Naga Utara Prospect

## Company changing **Exploration** potential

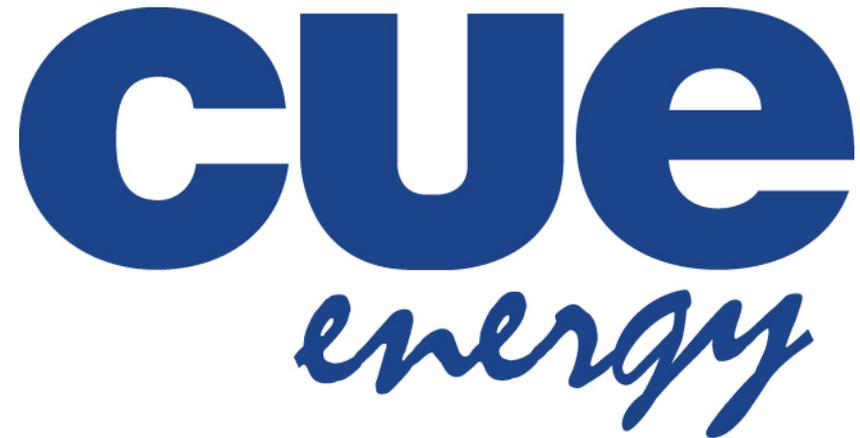
- Ironbark -1 expected to be completed early January
- Positive results could add significant value to Cue
- Upside potential in WA-409-P and WA-389-P if Deep Mungaroo play proven

## **Development**

- Paus Biru development planning and gas commercialisation
- Mahato development completed and new Cue revenue source

## **Production**

- Maari expected to be back to full production Q3 FY21
- Sampang low cost gas production expected to continue



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