



Cue Energy Resources Limited

A.B.N. 45 066 383 971

RELEASE

Barikewa 2D Seismic Survey Completed in PNG

Cue Energy Resources Limited is pleased to advise that the Barikewa 2D Seismic Survey has been completed in permit PRL9 in PNG. The survey recorded 60km of 2D seismic data.

The Barikewa Gas Field was discovered in 1957 by the Barikewa-1 well. The well intersected gas in the Toro and Hedinia sandstones and flowed up to 9 mmscf/d on test. No gas-water contact was penetrated. The Barikewa-2 well was drilled in 1982 but failed to intersect hydrocarbons due to unexpected faulting.

To date the Barikewa structure has only been defined by surface geological mapping and one seismic line recorded in 1998. As such there is significant uncertainty in the field resource size but it is recognized that it may contain a significant gas resource.

The objective of the current survey is to provide improved definition of the structure which will be used to locate a Barikewa-3 well. This is expected to be drilled by the joint venture during 2011.

The seismic survey was operated by Oil Search Limited.

The participants in PRL9 are:

Barracuda Limited (<i>Operator</i>)	42.553%
Oil Search (PNG) Limited	42.553%
Cue PNG Oil Company Pty Ltd	14.894%

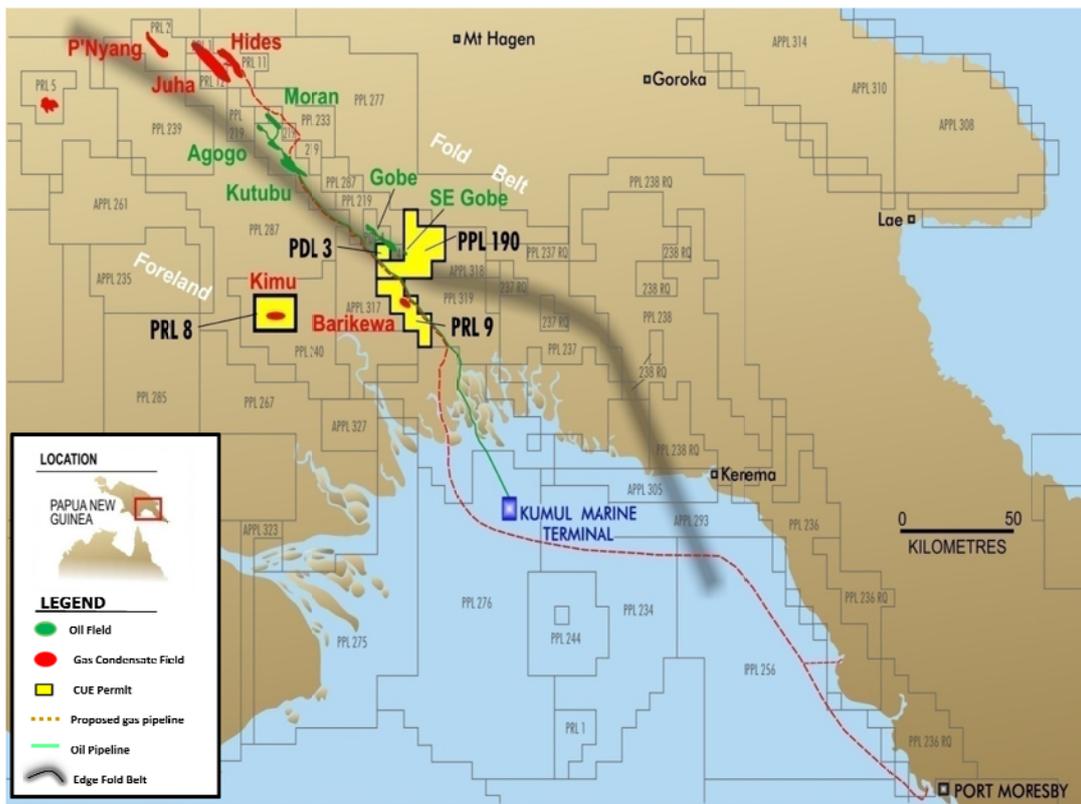


Figure 1: Location Map – Barikewa gas Field

Any queries regarding the announcement should be directed to the company on (03) 9670 8668 or email mail@cuenrg.com.au.

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