



Cue Energy Resources Limited

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TO : Company Announcements Office
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20 Bond Street
Sydney NSW 2000

DATE : 4 July 2008

PAGES (including this page): 3

FROM : Andrew Knox

RE : **Free Carry on Zeus -1 well**

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



Cue Energy Resources Limited

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RELEASE

Free Carry on Zeus -1 well

Cue is please to announce that MEO Australia Limited has irrevocably committed to drill the Zeus -1 well in Cue's North West Shelf permit WA-361-P. Zeus -1 will target a multi – TCF potential gas prospect which is immediately adjacent to the established North West Shelf Gas Project. The well is expected to be drilled in October 2008.

Cue will be carried at no cost for a 15% interest and has the option to contribute up to 5% of the well cost to retain its 20% interest in the WA-361-P permit.

The participants in WA-361-P are:

North West Shelf Exploration Pty Ltd <i>(A wholly owned subsidiary of MEO Australia)</i>	60%
Cue Exploration Pty Ltd <i>(A wholly owned subsidiary of Cue Energy Resources Limited)</i>	20%
Gascorp Australia Limited	20%

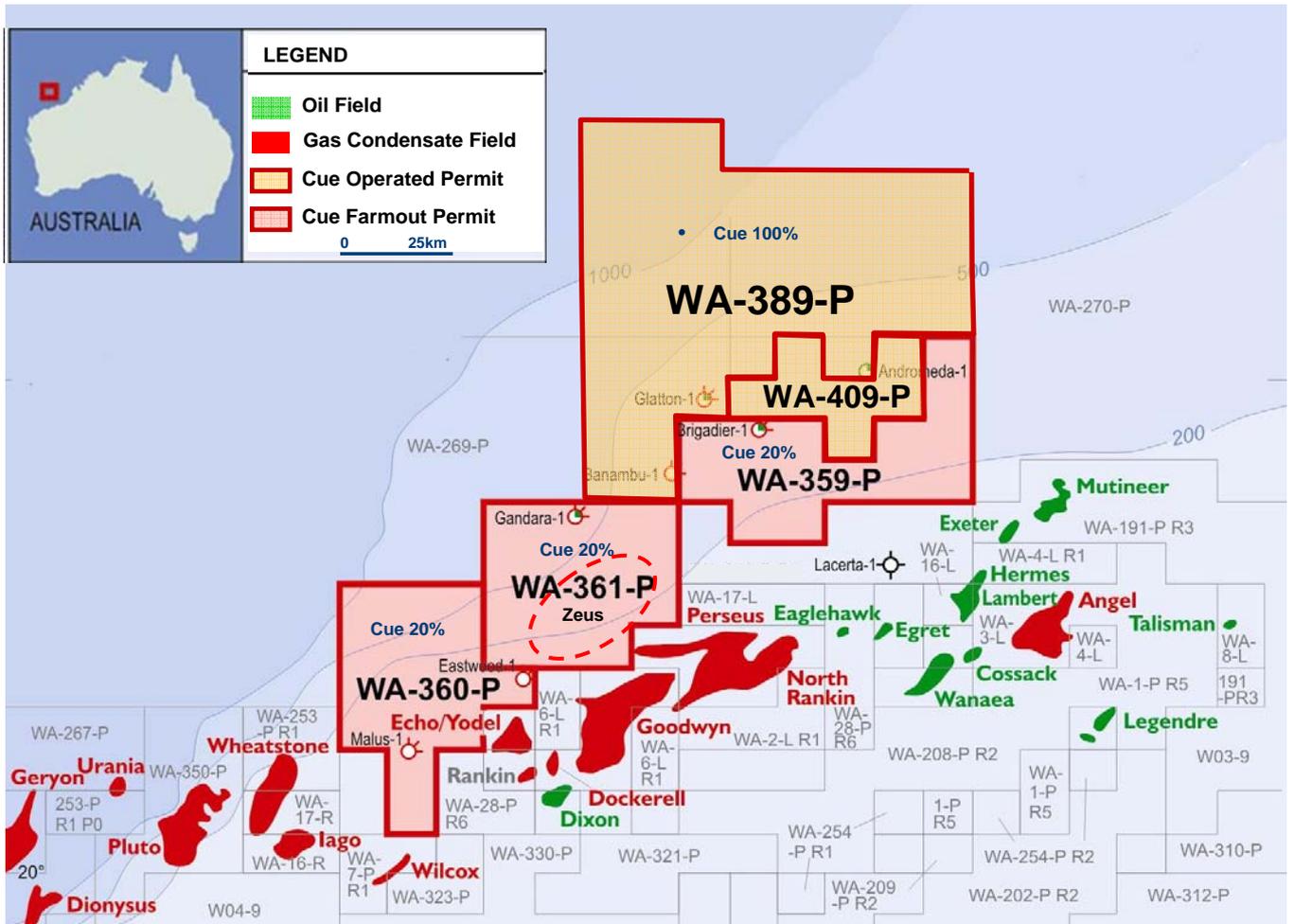
- *Map attached*

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

A handwritten signature in blue ink, appearing to read "R. Coppin".

Robert J Coppin
Chief Executive Officer

4th July 2008



Location map for the WA-361-P permit