



ABN 45 066 383 971

1 August 2014

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Company Announcements Office
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Whio-1 Progress Report # 1
Offshore Taranaki Basin, New Zealand

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)
- Andrew Young
- Rowena Sylvester
- Stuart Brown

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



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RELEASE

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

Whio-1 Progress Report # 1
Offshore Taranaki Basin, New Zealand

Cue Energy Resources Ltd (Cue) has been advised by OMV New Zealand Ltd (OMV), the Operator of permit PEP 51313, that at 06:00 hours (local time) on Friday 1st August 2014, the Whio-1 well was drilling ahead at a depth of 1,049m MDRT in the 16" hole section (map attached).

Whio-1 is being drilled from the semi-submersible drilling rig 'Kan Tan IV' at a surface location 110 km south-west of New Plymouth, Taranaki, New Zealand and 4.5 km south-east of the Maari well-head platform. The well has a planned total depth of 2,879m MDRT (2,754m TVDRT) and the well path will be deviated northwards from the surface location to avoid possible shallow drilling hazards above the subsurface targets.

The primary reservoir objectives at Whio are the M2A Sandstone and Mangahewa Formation which are oil bearing in the Maari Field. Secondary reservoir objectives are the Moki, Kaimiro and Farewell formations. Cue's assessment of Whio indicates mean unrisked prospective resources of 18 million barrels of oil (100% basis). The close proximity of Whio to existing production infrastructure at the Maari Field provides potential opportunities for early development of any discovered petroleum. A successful well at Whio will open additional exploration potential along the Tasman Ridge to the south of Maari, including the Matariki prospect.

Cue will be free-carried by OMV in the drilling and completion of Whio-1 under the terms of a farm-out agreement signed in December 2012. In the event that one or more hydrocarbon pools are developed at Whio, the participating interests of all partners will be aligned with those of the Maari Joint Venture as follows:

Participant	Current Interest	Production Interest
Cue Taranaki Pty Ltd	14%	5%
OMV New Zealand Ltd (<i>Operator</i>)	30%	69%
Todd Exploration Ltd	35%	16%
Horizon Oil (New Zealand) Ltd (<i>a subsidiary of Horizon Oil Ltd</i>)	21%	10%

Cue will provide weekly progress reports during the drilling of Whio-1.

Any queries regarding this announcement should be directed to the Company on (03) 8610 4000 or e-mail: mail@cuenrg.com.au.

David A.J. Biggs
Chief Executive Officer

1st August 2014

