



ABN 45 066 383 971

25 March 2015

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ASX Market Announcements
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Fourth Supplementary Target's Statement in relation to the on-market cash takeover offer by NZOG Offshore Limited

As required by section 647(3)(b)(ii) of the Corporations Act 2001 (Cth) (as modified), enclosed is a copy of the Fourth Supplementary Target's Statement dated 25 March 2015 (the **Fourth Supplementary Target's Statement**) prepared by Cue Energy Resources Limited (ABN 45 066 383 971) (**Cue Energy**).

This Fourth Supplementary Target's Statement supplements Cue Energy's Target's Statement dated 24 February 2015, as supplemented by the Supplementary Target's Statement dated 2 March 2015, the Second Supplementary Target's Statement dated 13 March 2015 and the Third Supplementary Target's Statement dated 18 March 2015, in relation to the on-market cash takeover offer by NZOG Offshore Limited (the **Bidder**) to acquire all of the shares in Cue Energy.

The Fourth Supplementary Target's Statement has been lodged today with the Australian Securities and Investments Commission and sent to the Bidder.

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 and Indonesia.

THE COMPANY HAS:

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

CUE ENERGY DIRECTORS

- Geoffrey King (Chairman)
- Stuart Brown
- Rowena Sylvester
- Andrew Young

CUE ENERGY MANAGEMENT

- David Biggs (CEO)
- Andrew Knox (CFO)
- Jeffrey Schrull (Exp Man)

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LISTINGS

ASX: CUE



THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU SHOULD READ ALL OF THE DOCUMENT. IF YOU ARE IN DOUBT AS TO WHAT YOU SHOULD DO, YOU SHOULD CONSULT YOUR INVESTMENT, FINANCIAL, TAXATION OR OTHER PROFESSIONAL ADVISER.

Fourth Supplementary Target's Statement

REJECT

Your Directors unanimously recommend that you REJECT the Offer made by NZOG Offshore to acquire all of your shares in Cue Energy for just \$0.10 per share

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CUE ENERGY SHAREHOLDER INFORMATION LINE ON 1300 373 864 (WITHIN AUSTRALIA) OR +61 3 9415 4109 (OUTSIDE AUSTRALIA) BETWEEN 9.00AM AND 5.00PM (MELBOURNE TIME) MONDAY TO FRIDAY.

Financial Adviser



Legal Adviser

Allens > < Linklaters
Allens

Fourth Supplementary Target's Statement

This document is a supplementary target's statement under section 644(1) of the Corporations Act (**Fourth Supplementary Target's Statement**), dated 25 March 2015. This is the fourth supplementary target's statement issued by Cue Energy Resources Limited (ABN 45 066 383 971) (**Cue Energy**) and supplements Cue Energy's Target's Statement dated 24 February 2015, as supplemented by the Supplementary Target's Statement dated 2 March 2015, the Second Supplementary Target's Statement dated 13 March 2015 and the Third Supplementary Target's Statement dated 18 March 2015. This Fourth Supplementary Target's Statement is to be read together with the above-mentioned documents.

Your Directors encourage you to obtain independent advice from your investment, financial, taxation or other professional adviser before making a decision whether or not to accept the Offer.

Important Notices

This Fourth Supplementary Target's Statement has been lodged with ASIC and provided to the ASX. Neither ASIC, ASX nor any of their respective officers take any responsibility for the content of this document.

This Fourth Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement, the Supplementary Target's Statement, the Second Supplementary Target's Statement or the Third Supplementary Target's Statement. Capitalised terms used in this Fourth Supplementary Target's Statement have the same meaning as defined in section 8 of the Target's Statement unless otherwise defined.

1 The Cue Energy Board's response to NZOG's Fourth Supplementary Bidder's Statement

Cue Energy notes the Fourth Supplementary Bidder's Statement released by NZOG Offshore Limited (**NZOG**) to the ASX on 23 March 2015. In its Fourth Supplementary Bidder's Statement, NZOG noted its shareholding in Cue Energy had increased to 41.55% as at 1.55pm (Sydney time) on 23 March 2015.

While it was not stated in the Fourth Supplementary Bidder's Statement, Cue Energy understands the increase in NZOG's interest in Cue Energy relates to the acceptance of NZOG's Offer by Zeta Resources Limited (**Zeta**) in relation to its shareholding in Cue Energy of approximately 12.7%.¹ Zeta is a listed company which invests in the shares of other resources companies.

Zeta is the largest shareholder in New Zealand Oil & Gas Limited with a shareholding of approximately 19.9%.²

Both Todd Corporation and Zeta have now accepted NZOG's Offer in relation to their positions in Cue Energy (delivering NZOG approximately 40% of its current 41.95%³ interest). However, NZOG's Offer has received acceptances from only another 1.95% of the Cue Energy share register. Cue Energy's second largest shareholder, a subsidiary of the PetroChina Group (one of

¹ Notice of change of interests of substantial shareholder lodged by Zeta Energy Pte. Ltd with ASX on 19 December 2014. Zeta's interest in Cue Energy was held by Zeta Energy Pte. Ltd (a wholly-owned subsidiary of Zeta). Zeta had an interest in Cue Energy Shares of 12.698% at that date. Cue Energy also notes the notice of ceasing to be a substantial shareholder lodged by Zeta Energy Pte. Ltd with ASX on 24 March 2015.

² Source: FactSet Research Systems, Inc.

³ Notice of change of interests of substantial shareholder lodged by NZOG with ASX on 24 March 2015.

the largest oil and gas companies in the world) has not accepted the Offer in relation to its shareholding of approximately 16%⁴ in Cue Energy.

The Board of Cue Energy believes that Cue Energy's current strategy provides a clear path to add value to Cue Energy Shares in the period after NZOG's Offer closes and notes that the Offer of \$0.10 per share is materially below the valuation range of Cue Energy Shares, determined by the independent expert, Grant Samuel & Associates Pty Limited (**Grant Samuel**), of \$0.117 to \$0.152 per Cue Energy Share.

The Board of Cue Energy believes NZOG's offer substantially undervalues the Shares of Cue Energy and we advise shareholders to REJECT the Offer from NZOG.

2 Consents

This Fourth Supplementary Target's Statement contains statements based on statements made by Grant Samuel. Grant Samuel has given and has not, before the lodgement of this Fourth Supplementary Target's Statement, withdrawn its consent to the inclusion in this document of references to its name, and to each statement which is based on a statement it has made, in the form and context in which they appear.

Grant Samuel does not make, or purport to make, any statement in this Fourth Supplementary Target's Statement other than those statements referred to above and as consented to by it, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Fourth Supplementary Target's Statement other than as described in this section.

As permitted by ASIC Class Order 13/521, this Fourth Supplementary Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the Listing Rules), including the Bidder's Statement and the Fourth Supplementary Bidder's Statement. Pursuant to this Class Order, the consent of persons to whom such statements are attributed is not required for the inclusion of those statements in this Fourth Supplementary Target's Statement.

Any Cue Energy Shareholder who would like to receive a copy of any of the documents (or parts of the documents) that contain the statements which have been included pursuant to ASIC Class Order 13/521 may during the Offer Period obtain a copy free of charge by contacting the Cue Energy Shareholder Information line on 1300 373 864 (within Australia) or +61 3 9415 4109 (outside Australia) between 9:00am and 5:00pm (Melbourne time) on Monday to Friday.

As permitted by ASIC Class Order 07/429, this Target's Statement also contains trading data obtained from FactSet Research Systems, Inc. without its consent to the inclusion of such trading data.

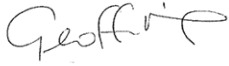
⁴ Notice of change of interests of substantial shareholder lodged by Singapore Petroleum Company Limited with ASX on 24 July 2009. Singapore Petroleum Company Limited had an interest of 16.37% in Cue Energy Shares at that date. Singapore Petroleum Company Limited is a PetroChina Group entity.

3 Approval of Fourth Supplementary Target's Statement

This Fourth Supplementary Target's Statement has been approved by a resolution passed by the Directors of Cue Energy. Each Director of Cue Energy voted in favour of the resolution authorising this Fourth Supplementary Target's Statement.

Dated 25 March 2015

Signed for and on behalf of Cue Energy

A handwritten signature in black ink, appearing to read 'Geoffrey King', with a stylized flourish at the end.

Geoffrey King

Chairman