



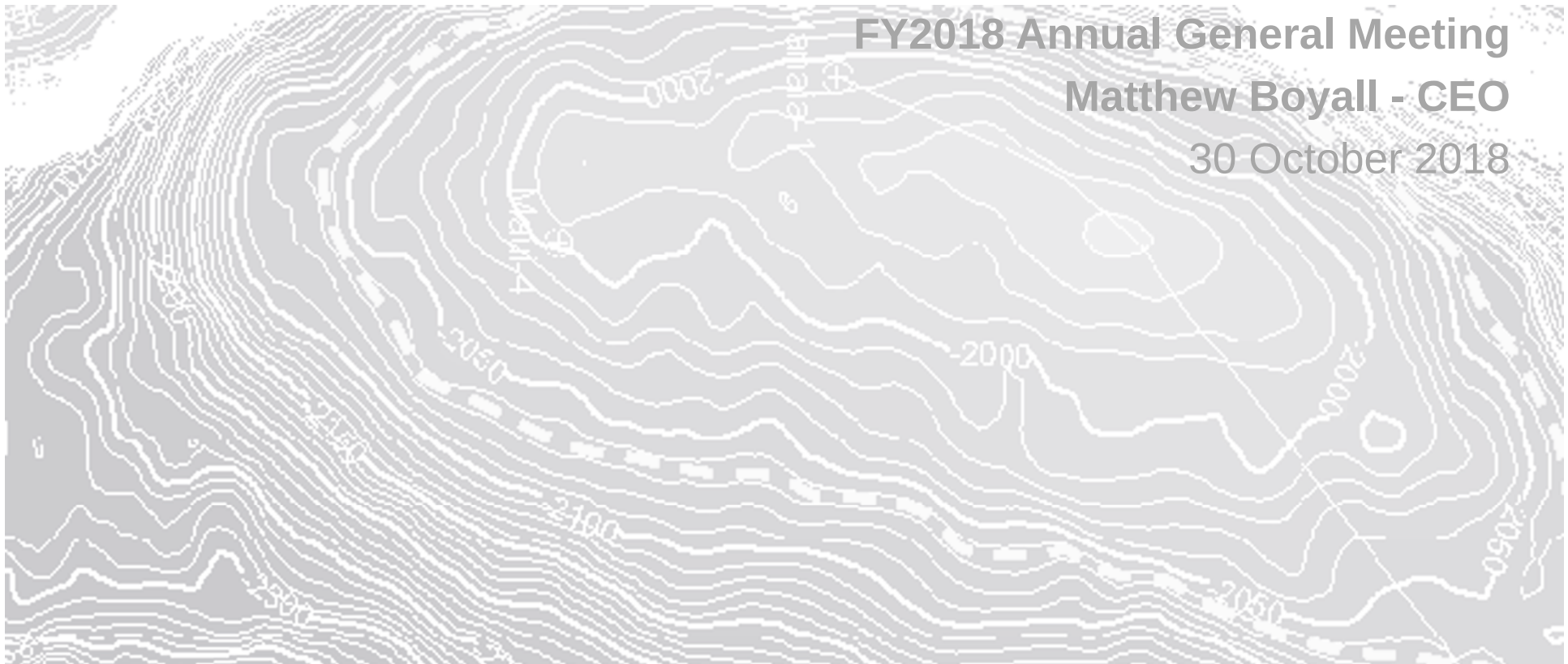
CUE ENERGY RESOURCES LIMITED

ASX:CUE

FY2018 Annual General Meeting

Matthew Boyall - CEO

30 October 2018



Disclaimer and Important Notice



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Various statements in this document constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known risks, expectations, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein.

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

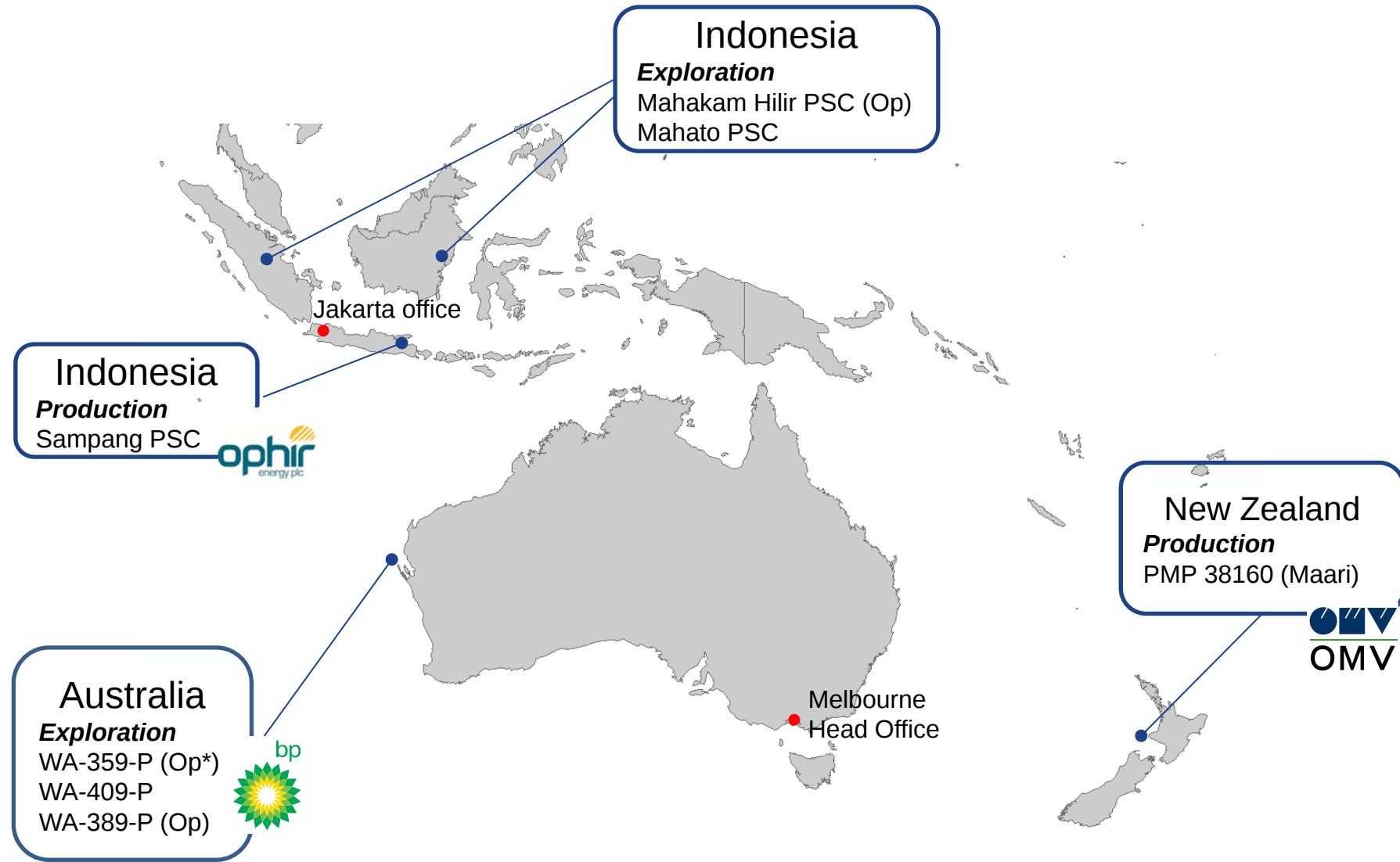
Operations and Financial Review

Cashflow positive with exciting Ironbark potential



- Strong FY2018 financial results
- Ironbark funding and partners conditionally secured
- Paus Biru exploration drilling ongoing
- Cashflow from diversified production
- Low cost Indonesian onshore exploration for continued growth

Production and Exploration Operations



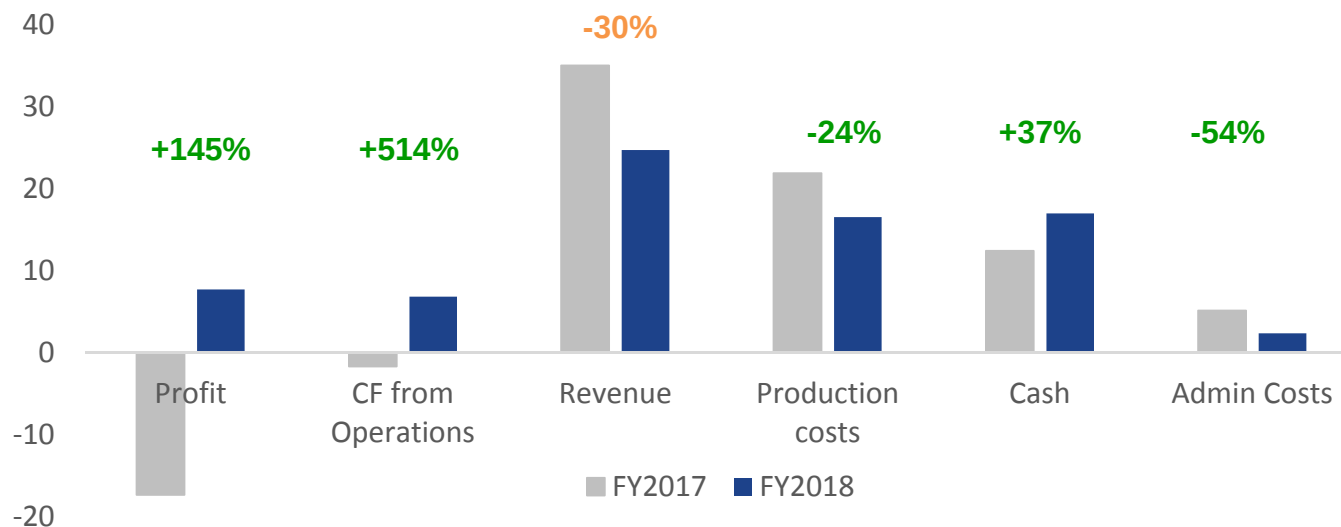
*Operatorship is subject to Agreement dated 26th October 2018

FY18 Full Year Results

Sustainable, cashflow positive business



- \$7.7 million Profit
- \$6.8 million Net Cashflow from Operations
- \$24.5 million Production Revenue
 - Impacted by ceased Sampang oil production and associated reduction in gas rates
- 24% reduction in Production Costs
- 54% reduction in Administration Costs
- Cash position \$21million as at 30 Sept 2018
 - June 30 2018 \$17m, up 37% YoY
- Cue has no debt

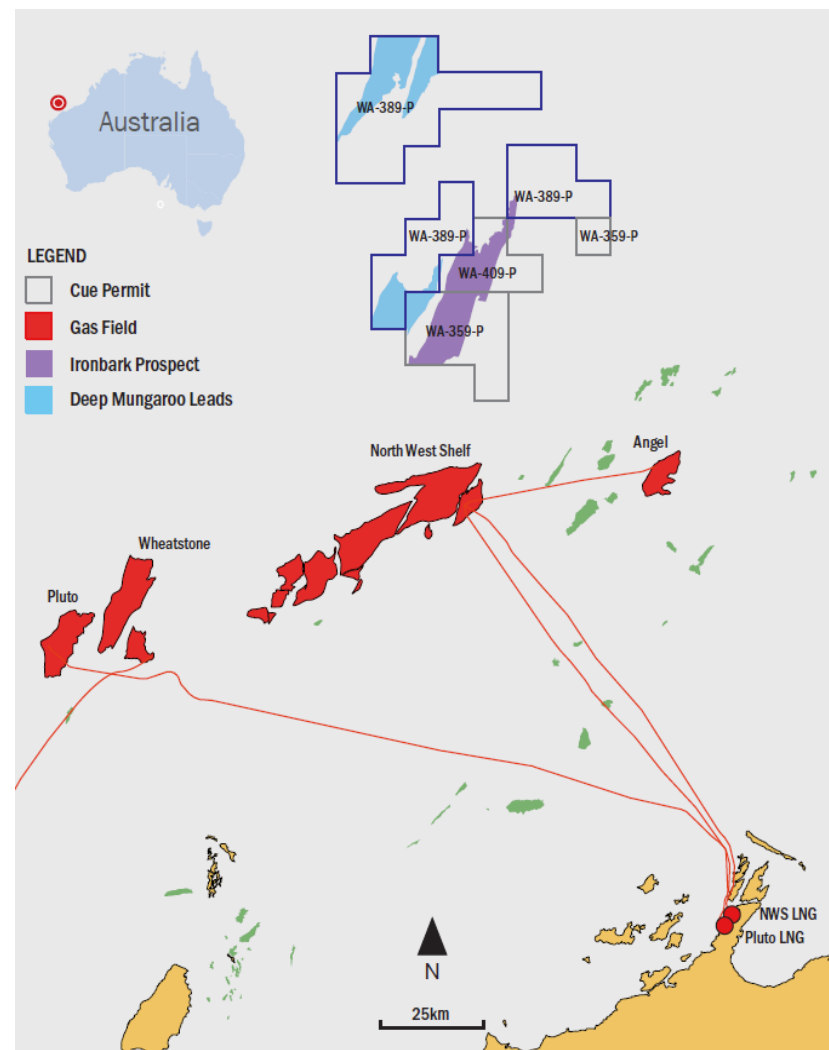


Ironbark - Company Changing Opportunity



Clear path to the drilling of Ironbark-1

- 26 October 2018 agreements⁽¹⁾ provide a clear path to drilling the Ironbark-1 exploration well
 - New Zealand Oil & Gas WA-359-P farm in
 - New Zealand Oil and Gas WA-409-P option
 - Cue , BP , Beach Energy, New Zealand Oil & Gas Coordination Agreement
- Ironbark provides a transformative opportunity for Cue
- 15 Tcf prospective recoverable gas in the Carnarvon Basin (100%, unrisks)
- 50km from North West Shelf LNG infrastructure provides access to commercialisation



1. See ASX announcements: 26 October 2018

New Zealand Oil & Gas Agreements

WA-359-P farm in and WA-409-P option



- New Zealand Oil & Gas agreements complete well funding for Ironbark-1
 - Terms for WA-359-P and WA-409-P are identical to Cue's agreements with Beach Energy November 2017, pro-rata for equity level
 - WA-359-P Farm-in
 - 15% participating interest acquired by New Zealand Oil & Gas
 - 2.85% carry of Cue for the Ironbark-1 well
 - \$642,600 in backcosts on completion
 - Conditions include Cue shareholder approval, regulatory approval of a WA-359-P Suspension and Extension and Cue escrowing its share of estimated well costs
 - WA-409-P Equity option
 - Option over 5.36% equity in WA-409-P
 - If exercised, Cue receives;
 - 5.36% carry on a well in WA-409-P
 - 10% revenue royalty on New Zealand Oil and Gas participating interest
 - Notice of a general shareholder meeting, including independent experts report, will be provided to shareholders no less than 28 days prior to the proposed meeting date
-

WA-359-P Co-ordination Agreement

JV formed and Ironbark well conditionally fully funded



- Cue, BP, Beach Energy and New Zealand Oil & Gas agreement executed 26th October 2018
- BP to act as operator with funding committed from all parties to commence well delivery processes for Ironbark-1 exploration well
- Subject to certain conditions including:
 - Cue receiving shareholder approval for New Zealand Oil and Gas agreements
 - Regulatory approval of a Suspension and Extension to WA-359-P
- Cue retains 100% participating interest until conditions are met - expected Q2 2019
- Post completion participating interests:

BP (operator)	42.5%
Cue	21.5%
Beach Energy	21%
New Zealand Oil and Gas	15%
- Cue to be funded up to US\$11.3m for the Ironbark-1 well, with Cue funding the remaining share from current cash, to be escrowed prior to completion

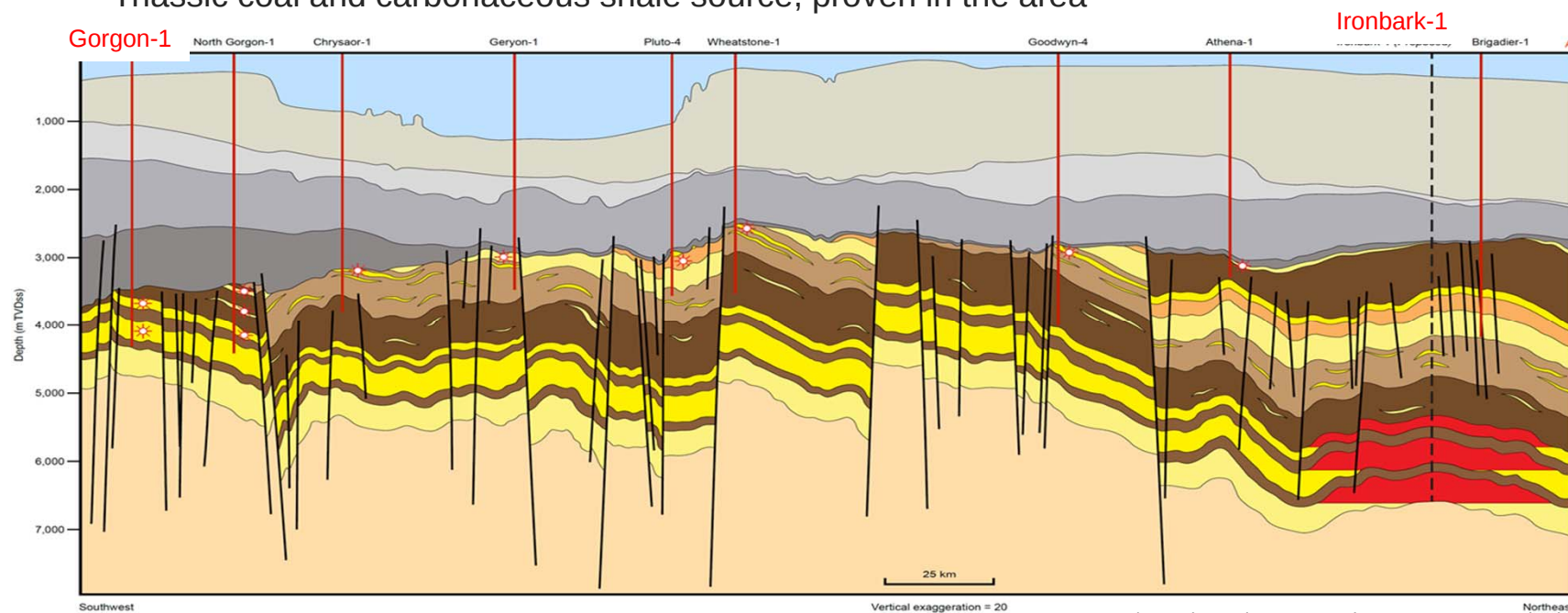
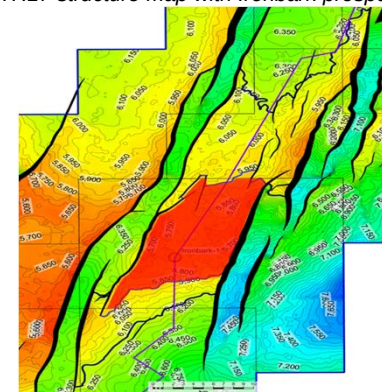
Ironbark Prospect

WA-359-P Australia - Cue 100%*



- Simple, Deep Mungaroo prospect with 15tcf potential recoverable gas resource
- 400km² fault bounded horst structure with North/South dip closure
- Defined by high quality, recently reprocessed 3D seismic
- Deep Mungaroo reservoir interval, regionally continuous and well defined from Gorgon to Ironbark. 150-300m reservoir thickness at Ironbark
- Thick, regionally extensive Mungaroo shale top seal – 500m at Ironbark
- Triassic coal and carbonaceous shale source, proven in the area

TR17 structure map with Ironbark prospect



SW/NE schematic cross section – Gorgon to Ironbark

*Current equity, prior to completion of BP, Beach and New Zealand Oil and Gas agreements

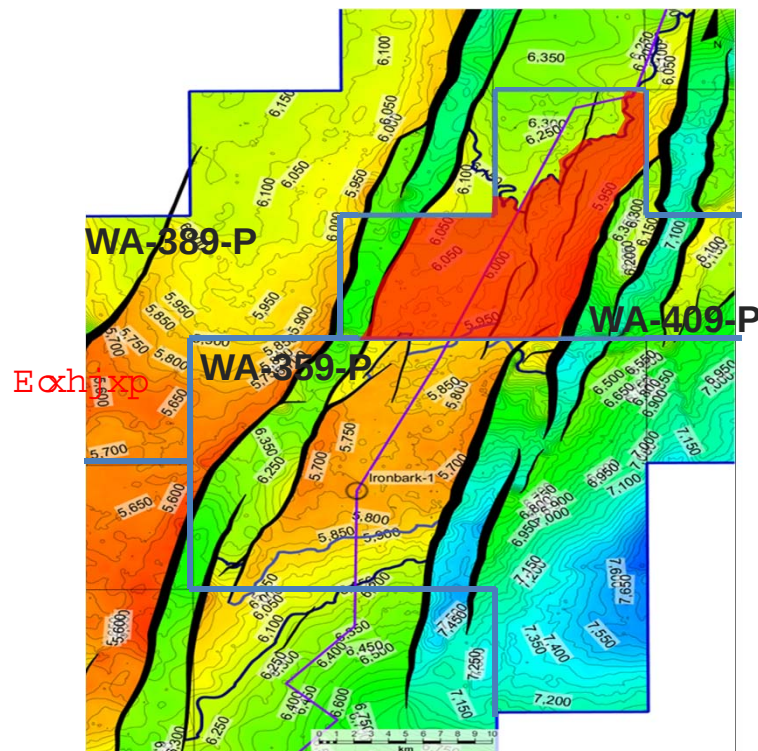
Ironbark Upside Potential

WA-409-P and WA-389-P



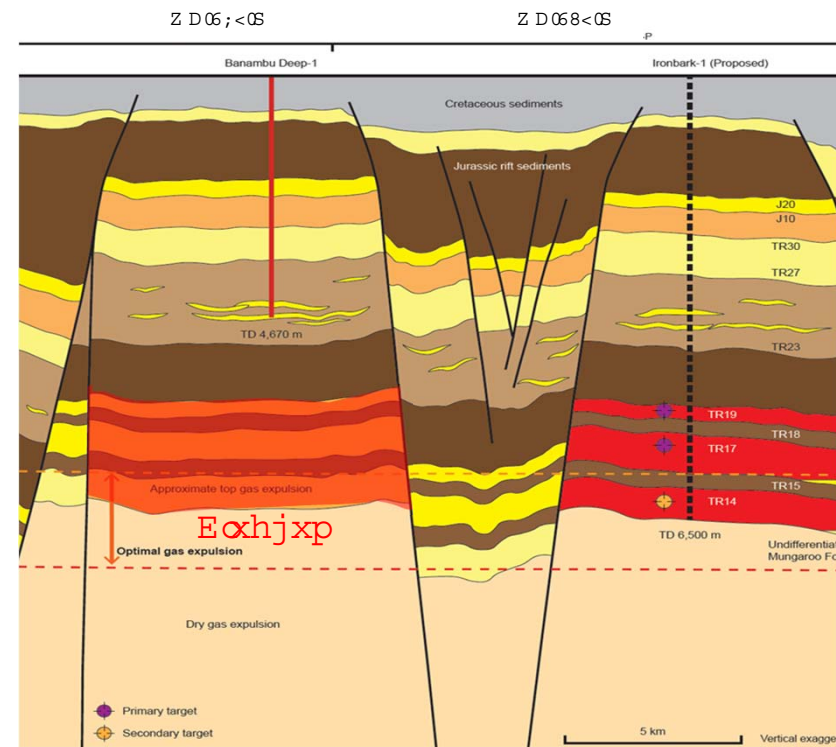
WA-409-P

- Adjoining permit north of WA-359-P
- Contains Ironbark high case
- BP (Operator) 80%; Cue 20%*



WA-389-P

- Adjoining permit northwest of WA-359-P
- Bluegum lead within the Banambur Horst is directly analogous and similar scale to Ironbark
- Cue 100%



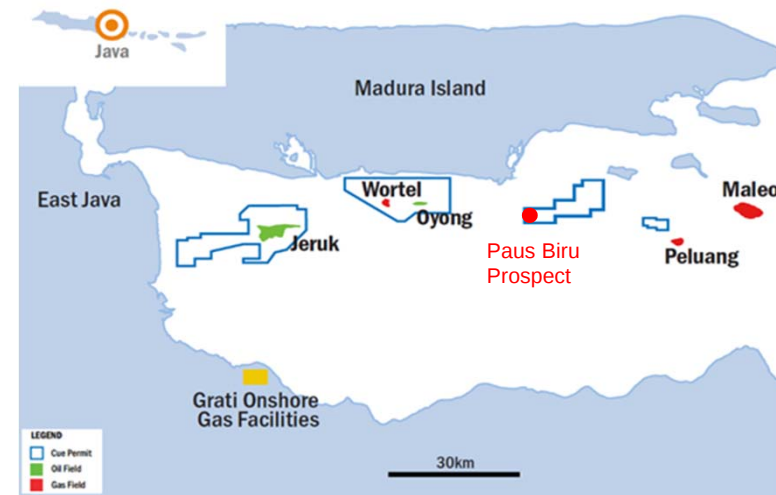
*Subject to Beach Energy and New Zealand Oil & Gas options

Paus Biru Exploration drilling

Sampang PSC, Indonesia - Cue 15%



- Paus Biru-1 operations commenced 18 October 2018
- Current status - drilling ahead
- Target is a Mundu formation reservoir, well known in the area and analogous to Oyong and Wortel gas producing zones
- Paus Biru prospect defined off a seismic flatspot, and considered to have a high chance of success (CoS)
- Water depth 48m with planned TD of 650m
- Well to be plugged and abandoned in all outcomes. If successful, a horizontal production well would be drilled at a later stage
- Gas discovery at Paus Biru would be tied into Oyong field and Grati gas processing plant and commercialised through existing long term customers



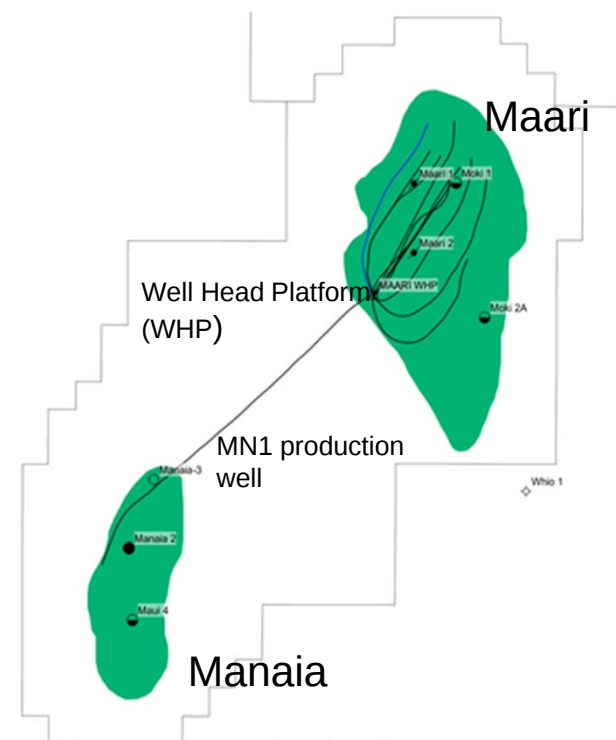
Paus Biru prospect location

Oil Revenue

Maari & Manaia fields, New Zealand - Cue 5%



- \$10.6million FY2018 Revenue
- Changes to New Zealand offshore exploration do not affect existing fields, including Maari
- A number of projects aimed at incremental production increases and facility life have been undertaken in the last year
 - Permanent Well Head Platform (WHP) repairs
 - Installation of multiphase pumps on Maari WHP
 - Manaia-1 (MN1) well Electric Submersible Pump (ESP) deepening and re-perforations increased well production by 200%.
 - Conversion of MR5 to a water injection well
- Manaia Mangahewa development drilling under Joint Venture review
- Cost reduction remains a focus



PMP 38160 - Maari and Manaia fields

Fixed Price Gas Revenue

Sampang PSC, Indonesia - Cue 15%



- \$13.9 million FY18 revenue from Oyong and Wortel gas fields under well priced contracts
- Fields currently exceeding production targets
- High cost oil processing infrastructure removed during 2017 resulting in 50% reduction in Operating costs, enhancing profitability and extending field life
- Joint Venture reviewing other field enhancement opportunities including Upper Mundu re-perforations, 3D seismic, compression restaging and further exploration
- Safe and well run operation with over 10 Years LTI free at the Oyong facility
- Paus Biru-1 Exploration well operations commenced 18 October 2018



Oyong Well Head platform prior to removal of Oil production facilities and FSO



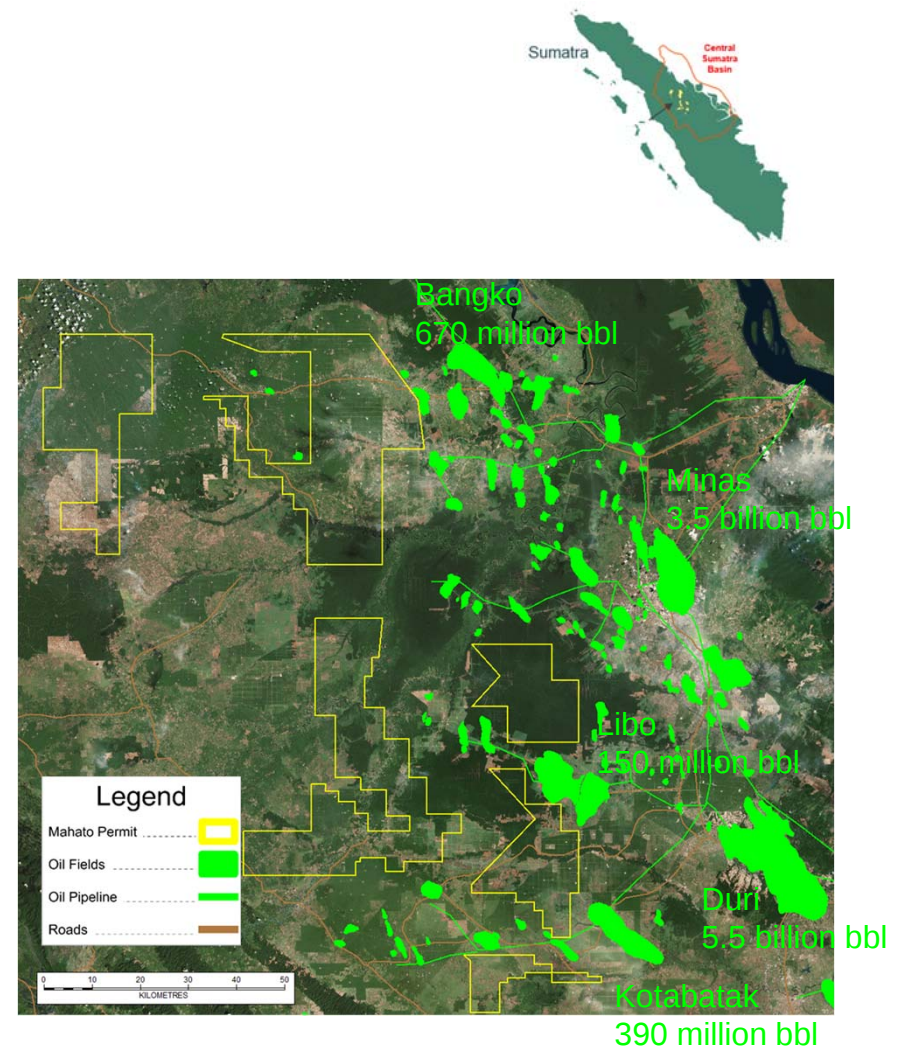
Oyong Well Head platform as a simplified gas production system.

Onshore exploration in an oil rich basin

Mahato PSC, Indonesia - Cue 12.5%



- Operator Change of Control recently approved by the Government of Indonesia
- New operator is well funded for the Mahato exploration program
- 23 month extension to the current exploration period has been granted to June 2020
- Joint Operating Agreement and 2019 budget plans are being finalised
- PB Prospect has drilling permits in place and could be drilled in 6-12 months
- Other seismic and well plans could also proceed quickly

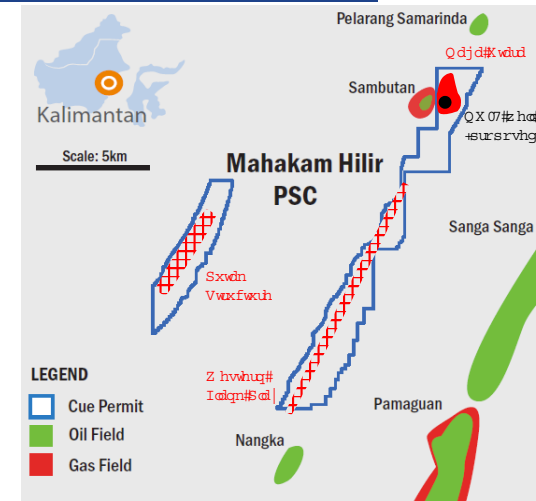


Onshore Appraisal

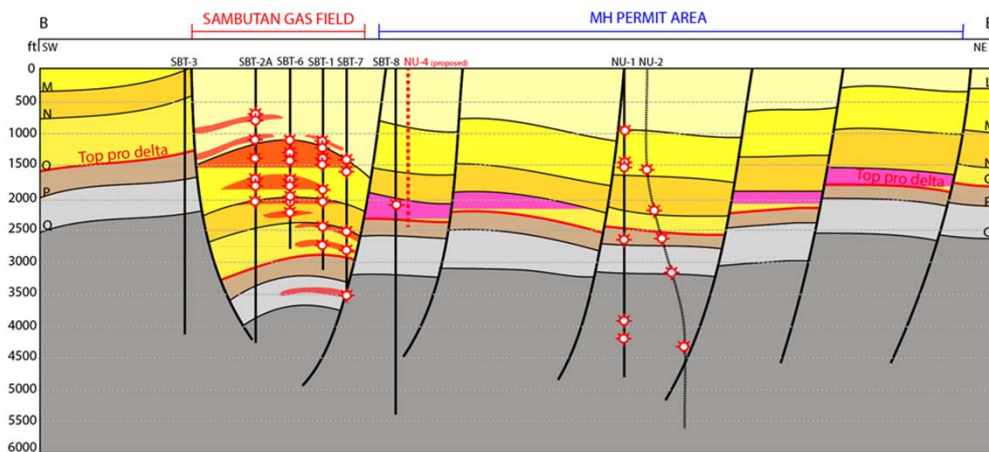
Mahakam Hilir PSC, Indonesia - Cue 100%



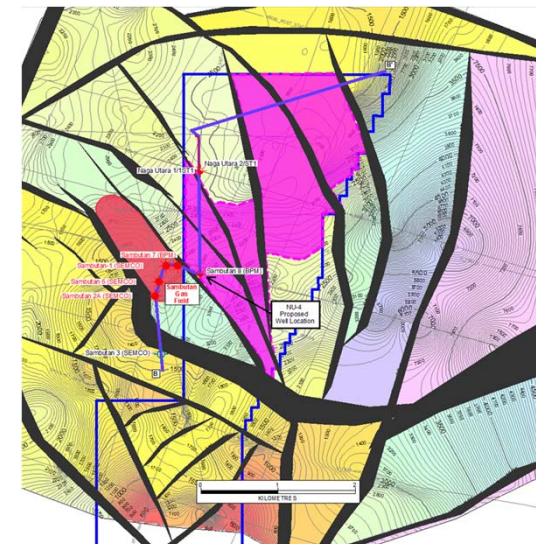
- Onshore Kutei Basin, East Kalimantan, a proven petroleum province
- Naga Utara 4 (NU-4) well planned as appraisal of 100m interpreted gas pay in Sambutan-8 well
- Low cost 3000ft well, <500 m from the Sambutan gas field
- Gas processing plant and established market access <1km from well site
- Data room open with farm out process underway



Mahakam Hilir PSC Location



Schematic section through Sambutan and Naga Utara Prospect



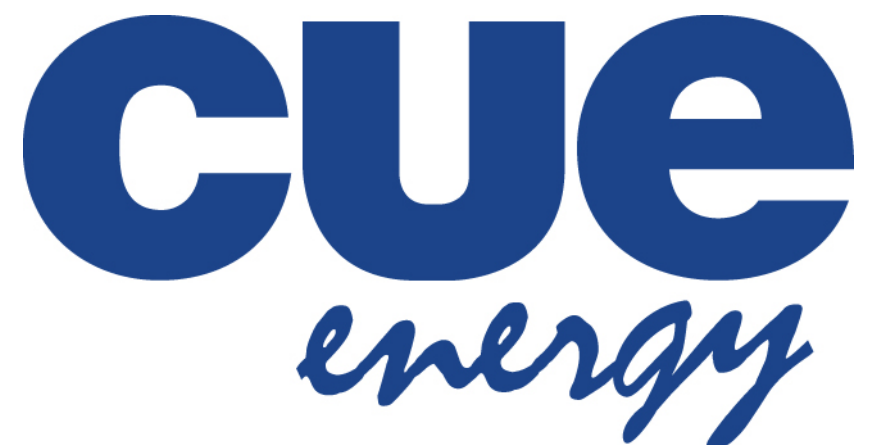
Naga Utara Depth Map - Top Pro Delta

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Level 3, 10 Queen Street, Melbourne
VICTORIA – AUSTRALIA 3000

P. (+61) 3 8610 4000

F. (+61) 3 9614 2142

E. mail@cuenrg.com.au

W. www.cuenrg.com.au

Cue Energy Resources Limited