

10 December 2019

MAHATO EXPLORATION WELL UPDATE

New Zealand Oil & Gas subsidiary, Cue Energy Resources [ASX:CUE], has advised that the PB-1 exploration well has been drilled in the Mahato production sharing contract, onshore central Sumatra, Indonesia.

The well has been drilled and cased to total depth and the results are currently being assessed and approved.

Cue has advised that the most recent cash call from the operator, Texcal Mahato EP Ltd, had deficiencies and therefore has not been settled. Cue has subsequently received a default notice from the operator on the non-payment of the cash call. The validity of this notice is disputed.

Cue is currently not receiving information from the operator as required under the joint operating agreement and is evaluating all available options to address this and other breaches by the operator.

Cue has a 12.5% interest in the Mahato PSC. New Zealand Oil & Gas has a 50.04% interest in Cue. Cue's announcement is attached.



ABN 45 066 383 971

Mahato Exploration Well Update

Melbourne, Australia 10 December 2019: CUE Energy Resources Limited (CUE or Company) advises that the PB-1 Exploration well has been drilled and cased to total depth and the results are currently being assessed and approved.

The Company further advises that most recent cash call from the Operator, Texcal Mahato EP Ltd ("Texcal"), had deficiencies and therefore has not been settled.

The Company has subsequently received a default notice by the Operator on the non-payment of the cash call. The validity of this notice is disputed.

Cue is currently not receiving information from the Operator as required under the Joint Operating Agreement and is evaluating all available options to address this and other breaches by Texcal under this agreement.

The Company will keep the market informed of any material developments on this matter.

For and on behalf of the Board

Matthew Boyall
CEO
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Any queries regarding this announcement should be directed to the Company on +613 8610 4000 or email mail@cuenrg.com.au.

About Mahato PSC:

The Mahato PSC is operated by Texcal Mahato EP Ltd. Cue Mahato Pty Ltd (a 100% subsidiary of Cue Energy Resources Limited) holds 12.5% participating interest.

About Texcal Mahato EP Ltd:

Texcal Mahato EP Ltd is part of the Sabson Group.

About Cue Energy:

Cue Energy Resources Limited is an Australian Stock Exchange (ASX:CUE) listed oil and gas exploration and production company. Cue's FY19 revenue was A\$26million from oil production in the Maari field, offshore New Zealand and gas production in the Sampang PSC, offshore Indonesia. Cue has operated and non-operated interests in exploration permits in the Carnarvon Basin, offshore Western Australia and onshore Indonesia.