



ABN 45 066 383 971

19 November 2015

PAGES (including this page): 18

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

**Chairman's Address and Company Presentation
Annual General Meeting 2015**

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 the USA.

THE COMPANY HAS:

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

CUE ENERGY DIRECTORS

- Paul Foley (Chairman)
- Stuart Brown
- Peter Hazledine
- Koh Ban Heng
- Brian Smith

CUE ENERGY MANAGEMENT

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

OFFICE

Level 19
357 Collins Street
Melbourne Vic 3000

CONTACT DETAILS

Tel: +613 8610 4000
Fax: +613 9614 2142

EMAIL

mail@cuenrg.com.au

WEBSITE

www.cuenrg.com.au

LISTINGS

ASX: CUE
ADR/OTC: CUEYY

Cue Annual General Meeting of Shareholders

10.00am, 19 November 2015

The Langham Hotel, Southbank Victoria Australia

Chairman's Address

Good morning ladies and gentlemen.

Welcome to the 34th Annual General Meeting of Cue Energy Resources Limited.

I am Paul Foley and it is my privilege to have served as a director of Cue Energy Resources since April this year and as Chairman since July this year.

As the time is now 10.00am and a quorum is present, I declare the meeting open.

The minutes of the previous annual general meeting of members of Cue Energy Resources Limited held on 27th November 2014 were approved by the board and signed by the chair of that general meeting. The original minutes are tabled and there are copies of those minutes available for inspection should any member wish to see them.

The Notice of Meeting has been given in accordance with clause 7.2 of the Company's Constitution and copies are available for you at the registration desk today.

Let me introduce you to the other members of the board, Stuart Brown, Koh Ban Heng, Peter Hazledine and Brian Smith. Also in attendance are our Chief Executive Officer David Biggs and Chief Financial Officer Andrew Knox. David will be making a separate address on the Company's operations immediately following my address. This will be followed by the other business of the meeting foreshadowed in the notice of meeting.

Our auditors, BDO, are represented by the audit partner Alex Swansson who is present to answer any audit questions you may have.

The Board

There were a number of changes to the board throughout the year. In April this year, Peter Hazledine, Brian Smith and I joined the board following the acquisition of a 48% stake in the Company by New Zealand Oil and Gas. At that time, Rowena Sylvester resigned from the Board due to her other commitments.

In July this year, Andrew Young and Geoff King were removed as directors at an EGM called by New Zealand Oil and Gas.

On behalf of the board, I thank Rowena, Andrew and Geoff for their service as directors of Cue.

I was elected Chairman of the Board in July 2015, and in the same month, Mr Koh Ban Heng was appointed to the Board.

All directors are standing for reappointment at this AGM, as all except Stuart Brown have been appointed since the last AGM, and Stuart is standing for re-election by rotation.

I believe the Board as currently constituted has the right balance of technical skills and corporate governance experience to properly oversee the conduct of the Company. We now have a mix of Asian oil and gas experience with Koh Ban Heng and Stuart Brown, strong technical skills with Peter Hazledine and Stuart Brown and finally corporate governance and legal experience in the oil and gas sector with Brian Smith and myself.

New Zealand Oil and Gas

I welcome New Zealand Oil and Gas as a major shareholder of Cue. During the second half of the 2014/15 financial year New Zealand Oil and Gas made an on market bid for the company which, when it closed in late March 2015, resulted in New Zealand Oil and Gas holding 48.11% of Cue.

Singapore Petroleum remains as the other significant shareholder of Cue at 16.23%.

Cue is fortunate to have the support of two strong shareholders who also operate in the oil and gas sector.

Company Performance

Turning to the performance of the Company, 2014/15 was a challenging year for Cue and for the oil and gas industry overall.

Despite a significant reduction in the price of oil over the second half of the financial year in particular, Cue reported a 50% increase in gross profit to \$23.73 million and a net profit of \$40.05 million. This net profit result includes a \$36.02 million increase in the carrying value of the Mahakam Hilir PSC due to the acquisition of the 60% of the PSC not previously held by Cue. This increase was partially offset by an \$18.01 million impairment of the value of our 5% interest in the oil producing Maari field.

Other significant contributions to the result were a profit on the sale of our entire PNG asset portfolio in late 2014 and a favourable exchange rate movement between the US dollar and the Australian dollar.

Despite a lower oil price environment, our Maari production asset is now producing significantly higher volumes, with higher rates potentially available as a result of the ongoing well workover programme. The Sampang PSC joint venture has improved oil production at Oyong through a workover programme and completed a Wortel compressor upgrade to maintain gas production beyond 2018 and maximise gas reserves.

While the current low oil price has a significant effect on the Company, it is worth noting that approximately half of Cue's annual production in terms of barrels of oil equivalent is derived from gas production, the price for which is not exposed to the oil price. Indeed, we received a significant increase in the gas price sold from the Oyong Field from 1 July 2016.

Company Strategy

The Board has recently conducted a review of the Company's strategic direction.

The review highlighted the difficulties small cap oil and gas companies face in the current oil price and market environment, even where, as Cue does at present, they have cash available to them to fund their ongoing activities. While Cue has a number of key activity milestones over the next six months or so (for example the Naga Selatan 2 well in Indonesia and the WA 359/409 permit farmout) and punches above its weight in terms of the quality of the oil and gas properties it holds, it is clear that a step change in the company's size and capability is required if we are to add significant shareholder value and achieve value accretive growth in the medium term.

Your Board is currently considering the various paths available to achieve such a step change and I will update shareholders further as we make progress with this initiative.

Near Term Activity

The near term is very interesting for the Company with the expectation that within Q1 of the 2016 calendar year, we should have seen drilling activity in both Indonesia and New Zealand and a result either way from our current farmout campaign of the highly significant Ironbark prospect on the North West Shelf. Later in 2016, we have two further wells planned in Indonesia and throughout the year we will also be working on enhancement of our producing assets.

Conclusion

I would very much like to thank you for your support of the company during the year and I now invite David Biggs to address the meeting.