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

Maari oil field: precautionary shut-in

Please see attached a media release issued by OMV New Zealand.

Yours faithfully

Andrew M Knox
Chief Financial Officer

CUE ENERGY OVERVIEW

Cue is an Australian based oil and 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 programme

CUE ENERGY DIRECTORS

- Grant Worner (Executive Chairman)
- Koh Ban Heng
- Duncan Saville
- Brian Smith

CUE ENERGY MANAGEMENT

- Andrew Knox (CFO)
- Jeffrey Schroll (Exp Man)

OFFICE

Level 19
357 Collins Street
Melbourne Vic 3000

CONTACT DETAILS

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

EMAIL

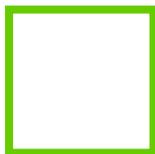
mail@cuenrg.com.au

WEBSITE

www.cuenrg.com.au

LISTINGS

ASX: CUE
ADR/OTC: CUEYY



Maari oil field: precautionary shut-in

- ▶ **Fatigue crack found in one of 12 horizontal struts on Maari wellhead platform**
- ▶ **Operator OMV NZ shut-ins production and de-mans the platform as precautionary measure until repairs complete**

The operator of the Maari oil-field, OMV New Zealand, has ceased oil production and is de-manning the Maari wellhead platform (WHP) as a precautionary measure while it deals with a crack found in one of the platform's horizontal struts.

"The crack is about 1.4 metres long, on the third level down, and 4m below the waterline. It was identified this week, and came to light as a result of scheduled underwater checks of the platform which began on November 1," says Mr Gabriel Selischi, OMV's Senior Vice-President for Australasia.

"We have taken expert external advice which confirms there is no risk to people or the environment. There are 12 horizontal struts and the six levels of the structure are supported by 4 structural legs, consolidated by 20 vertical cross-members. So the platform is very flexible, and has a high level of built-in redundancy."

"Level 3 of this platform is the most exposed to the pressures generated by wind and wave action, so that's why as operator we undertake regular checks," he says.

"The issue is that we have bad weather approaching this weekend, and New Zealand also has a heightened earthquake risk, so we are taking a precautionary approach. 13 of the 34 staff on the WHP left the WHP yesterday, more will leave today and the remainder tomorrow. Production ceased yesterday and the wells were shut-in.

"Work has started on stabilising the crack and we are actively monitoring it meantime. We've engaged specialist advisors to assist in this work, and have been keeping both WorkSafe and Maritime New Zealand fully informed.

"Production was due to be shut in on 5 December in any event to allow for the completion of a water injection flowline installation, so support vessels and equipment will shortly be on hand.

ENDS

Media contact: Brian Small 021 362 730

The Maari oilfield

The Maari field is located 80 km off the Taranaki coast in water depths of about 100m. It is operated by OMV New Zealand Ltd (69%) on behalf of the Maari JV which includes Todd Maari Ltd (16%), Horizon Oil International Ltd (10%) and Cue Taranaki Pty Ltd (5%).

OMV New Zealand

OMV New Zealand is one of the country's largest liquid hydrocarbon producers, the third largest gas producer, and a major explorer in a number of offshore basins around New Zealand, particularly the Taranaki Basin. It has been active here since 1999 when it acquired shares in the Maari oil discovery which it developed and now operates. Focusing strictly on exploration and production in New Zealand, OMV New Zealand also holds shares in the Maui and Pohokura gas fields. It also currently holds interests in ten exploration permits, eight as operator. OMV New Zealand is a subsidiary of OMV Aktiengesellschaft, parent company of OMV Group.

OMV Aktiengesellschaft

With Group sales of EUR 23 bn and a workforce of around 24,100 employees in 2015, OMV Aktiengesellschaft is one of Austria's largest listed industrial companies. In upstream, OMV focuses on three core regions – CEE (Romania, Austria), North Sea as well as Middle East and Africa – and selected development areas. 2015 daily production stood at approximately 303 kboe/d. In downstream, OMV has an annual refining capacity of 17.8 mn tonnes and approximately 3,800 filling stations in 11 countries as of end of 2015. OMV operates a gas pipeline network in Austria and gas storage facilities in Austria and Germany. In 2015, gas sales volumes amounted to 110 TWh.

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