Reserves and Resources

2P reserves have increased to 6 million barrels of oil equivalent (mmboe).

Cue has increased its 1P reserves by 400% and 2P reserves by 275% during the financial year due to the announcement of an acquisition of interest in the Mereenie, Palm Valley and Dingo fields in the Amadeus Basin, onshore Australia and the development and production of oil from PB field in the Mahato PSC, Indonesia.

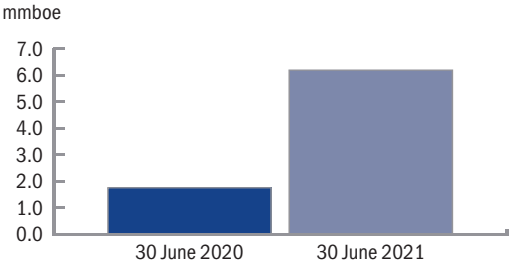
As at June 30, 2021 Cue has reported 4.4 mmboe of proven (1P) reserves and 6.0 mmboe of Proven and Probable (2P) reserves. 80% of reported 2P reserves are gas and 20% are oil.

The largest increase in reserves is due the acquisition of Amadeus Basin assets, which is due to reach completion during October 2021 and has an effective date of 1 July 2020. Meerenie has added 2P reserves of 2.6 mmboe, Palm Valley 0.6 mmboe and Dingo 0.9 mmboe. In late FY21, much of the development focus was on the program of well re-completions (four) and infill drilling (two new wells) on the Mereenie field. The re-completions were largely finished ('first gas' from three wells) and sufficient commitment was present to progressing the infill wells (rig in field, first gas expected in 1H FY22) that the associated volumes have moved from Undeveloped to Developed categories. Work continues to progress on the planned exploration and appraisal drilling at Palm Valley and Dingo. Adjustments have been made to reserves associated with actual production. Cue knows of no other reason to change the current reserves bookings.

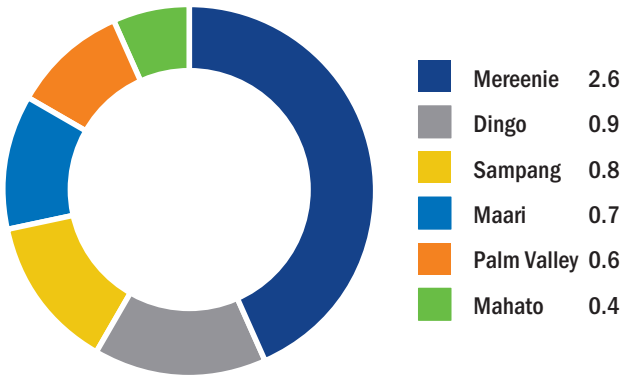
Cue has reported 0.4 mmboe of 2P reserves from the PB field in the Mahato PSC. Due to ongoing development drilling, analysis is still being undertaken into the field size. Until this analysis is complete, Cue has adopted the reserves independently certified as part of the Plan of Development (POD) approval. Five wells are currently producing oil, with production well above POD forecast rates. A further development well, PB-06, is currently being drilled and 2 more wells will follow. Mahato reserves are reported net to Cue, exclusive of the Indonesian Government allocation under the Production Sharing Contract.

Maari 2P reserves have increased by 18% due to better than expected performance of existing wells and longer field life due to forecast oil price. Oyong and Wortel fields in the Sampang PSC have performed as expected during the year, with reserves adjusted for production during FY21.

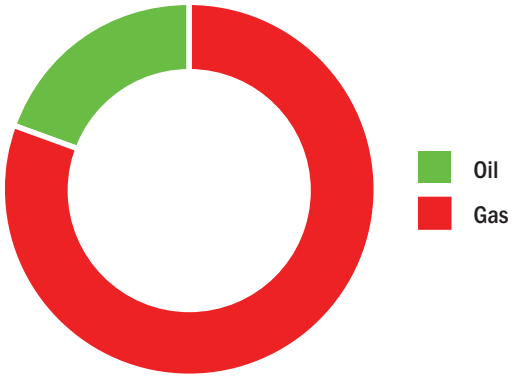
2P Reserves



2P Reserves by Asset (mmboe)



Oil/Gas 2P Reserves (mmboe)



NET TO CUE ENERGY RESOURCES LIMITED AS AT 30 JUNE 2021

RESERVES PROVEN (1P)		1P DEVELOPED			1P UNDEVELOPED			1P TOTAL		
		GAS	OIL	EQUIVALENT	GAS	OIL	EQUIVALENT	GAS	OIL	EQUIVALENT
COUNTRY	**FIELD/PERMIT**	**PJ**	**MMSTB**	**MMBOE**	**PJ**	**MMSTB**	**MMBOE**	**PJ**	**MMSTB**	**MMBOE**
AUSTRALIA [1]	Mereenie	11.7	0.1	2.0	0.8	-	0.1	12.5	0.1	2.2
	Palm Valley	3.5	-	0.6	-	-	-	3.5	-	0.6
	Dingo	2.0	-	0.3	2.2	-	0.4	4.3	-	0.7
NEW ZEALAND	Maari	-	0.3	0.3	-	-	-	-	0.3	0.3
INDONESIA [2]	Sampang	2.4	0.0	0.4	-	-	-	2.4	0.0	0.4
	Mahato	-	0.3	0.3	-	-	-	-	0.3	0.3
TOTAL RESERVES		**19.6**	**0.7**	**3.9**	**3.0**	**0.0**	**0.5**	**22.6**	**0.7**	**4.4**

RESERVES PROVEN & PROBABLE (2P)		2P DEVELOPED			2P UNDEVELOPED			2P TOTAL		
		GAS	OIL	EQUIVALENT	GAS	OIL	EQUIVALENT	GAS	OIL	EQUIVALENT
COUNTRY	**FIELD/PERMIT**	**PJ**	**MMSTB**	**MMBOE**	**PJ**	**MMSTB**	**MMBOE**	**PJ**	**MMSTB**	**MMBOE**
AUSTRALIA [1]	Mereenie	13.5	0.1	2.3	1.7	-	0.3	15.2	0.1	2.6
	Palm Valley	3.9	-	0.6	-	-	-	3.9	-	0.6
	Dingo	2.9	-	0.5	2.4	-	0.4	5.3	-	0.9
NEW ZEALAND	Maari	-	0.7	0.7	-	-	-	-	0.7	0.7
INDONESIA [2]	Sampang	5.1	0.0	0.8	-	-	-	5.1	0.0	0.8
	Mahato	-	0.4	0.4	-	-	-	-	0.4	0.4
TOTAL RESERVES		**25.4**	**1.2**	**5.2**	**4.1**	**0.0**	**0.7**	**29.5**	**1.2**	**6.0**

2C CONTINGENT RESOURCES

COUNTRY	FIELD/PERMIT	EQUIVALENT MMBOE
AUSTRALIA [1]	Mereenie	2.3
	Palm Valley	0.3
	Dingo	-
INDONESIA	Jeruk (Sampang PSC) [3]	1.2
	Paus Biru (Sampang PSC) [4]	1.1
TOTAL CONTINGENT RESOURCES		**5.0**

PJ PETAJOULES
MMSTB MILLION STOCK TANK BARRELS
MMBOE MILLION BARRELS OF OIL EQUIVALENT

(1) Australian Reserves are subject to the completion of the transaction announced on 25 May 2021.

(2) Indonesian Reserves are net of Indonesian Government share of production. Production Sharing Contract adjustments affect the net equity differently across the various reserve categories.

(3) Cue interest in Jeruk is 8.18%.

(4) Paus Biru Contingent Resources have been sub-classified as "Development Unclarified" under the PRMS, which represents a discovered accumulation where project activities are under evaluation and where justification as a commercial development is unknown based on available information and plans to develop are not yet considered near-term. As such, further work is required on the development and commercialisation options before bringing forward to reserves status. The Contingent Resource figures are gross, full well-stream gas, including all non-hydrocarbon components and potential gas utilities for field operation. The gas composition is 97.02% methane. A deterministic methodology was used to categorise the contingent resources.

GOVERNANCE ARRANGEMENTS AND INTERNAL CONTROLS

Cue estimates and reports its petroleum reserves and resources in accordance with the definitions and guidelines of the Petroleum Resources Management System 2018 (SPE-PRMS), published by the Society of Petroleum Engineers (SPE). All estimates of petroleum reserves reported by Cue are prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator. Cue has engaged the services of New Zealand Oil & Gas Limited (NZOG) to independently assess the all reserves. Cue reviews and updates its oil and reserves position on an annual basis, or as frequently as required by the magnitude of the petroleum reserves and changes indicated by new data and reports the updated estimates as of 30 June each year as a minimum.

RESERVES COMPLIANCE STATEMENTS

Oil and gas reserves, and contingent and prospective resources, are reported as at 1 July 2021 and follow the SPE PRMS Guidelines (2018). The volumes presented are net to Cue Energy. Cue currently holds an equity position of 5%, 15% and 12.5% in the Maari, Sampang and Mahato assets respectively, though Production Sharing Contract adjustments at the Sampang & Mahato fields affect the net equity differently across the various reserve categories. In the Amadeus basin, all fields and prospects are non-operated, with the operator being Central Petroleum Limited. Cue holds 7.5% equity in Mereenie and 15% in Palm Valley and Dingo.

Mereenie, Palm Valley and Dingo reserves are based on historical field production data and various well intervention and drilling campaigns. This data has been combined with available seismic data, analytical and numerical analysis methods and a set of deterministic reservoir simulation and network models. In-place volumes have been developed using probabilistic methods, with deterministic workflows used for recoverable volumes. The reserves and resource volumes stated have not been adjusted for risk.

In New Zealand, the Maari field is non-operated. The operator is OMV. In Indonesia, all fields and prospects are non-operated, the operator at Sampang is Medco and at Mahato is Texcal. For Sampang, a combination of deterministic and analytical methods have been applied in tandem with a review of the available simulation models, by NZOG in determining remaining reserves.

At all fields, economic modelling has been conducted to determine the economically recoverable quantities. For the conversion to equivalent units, standard industry factors have been used of 6Bcf to 1mmboe, 1Bcf to 1.05PJ, 1 tonne of LPG to 8.15 boe and 1TJ of gas to 163.4 boe. Proven (1P) reserves are estimated quantities of oil and gas which geological and engineering data demonstrate with reasonable certainty (90% chance) to be recoverable in future years from known reservoirs, under existing economic and operating conditions. Probable (2P) reserves have a 50% chance or better of being technically and economically producible using discounted cashflows. The oil price assumptions are based on a futures price curve, followed by a flat real price. For gas volumes in excess of current contracts, a future base market price from an independent expert report is assumed for gas sales.

Known accumulations are reserves or contingent resources that have been discovered by drilling a well and testing, sampling or logging a significant quantity of recoverable hydrocarbons.

Developed reserves are expected to be recoverable from existing wells and facilities. Undeveloped reserves will be recovered through future investments (e.g. through installation of compression, new wells into different but known reservoirs, or infill wells that will increase recovery). Total reserves are the sum of developed and undeveloped reserves at a given level of certainty.

All reserves and resources reported refer to hydrocarbon volumes postprocessing, net of fuel, and immediately prior to point of sale. The volumes refer to standard conditions, defined as 14.7psia and 60°F. The extraction method is via the Mereenie and Palm Valley Gas Plants which includes compression and dehydration.

Tables combining reserves have been calculated arithmetically and some differences may be present due to rounding.

This reserves and resources statement for all fields except Mahato (see below) is approved by, based on, and fairly represents information and supporting documentation prepared by New Zealand Oil & Gas Assets & Engineering Manager Daniel Leeman. Daniel is a Chartered Engineer with Engineering New Zealand and holds Master's degrees in Petroleum and Mechanical Engineering as well as a Diploma in Business Management and has over 10 years of experience. Daniel is also an active professional member of the Society of Petroleum Engineers and the Royal Society of New Zealand. New Zealand Oil & Gas reviews reserves holdings twice a year by reviewing data supplied from the field operator and comparing assessments with this and other information supplied at scheduled meetings. Daniel is currently an employee of New Zealand Oil & Gas Limited whom, at the time of this report, are a related party to Cue Energy. Daniel has been retained under a services contract by Cue Energy Resources Ltd (Cue) to prepare an independent report on the current status of the entity's reserves. As of the 17th of January 2017, NZOG held an equity of 50.04% of Cue.

COMPLIANCE STATEMENT, MAHATO

The reserves stated for Mahato are effective 1 July 2021 and follow the SPE PRMS Guidelines (2018). Net reserves are presented net of equity, determined by economic modelling on discounted cash flows performed at the gross field level as approved under the standard SKK Migas Plan of Development process and exclude the Government of Indonesia estimated share of reserves under the Production Sharing Contract.

All reserves and resources reported refer to hydrocarbon volumes postprocessing, net of fuel, and immediately prior to point of sale. The volumes refer to standard conditions, defined as 14.7psia and 60°F. The extraction method is via EPF facilities which includes an

oil and water separation system, with the oil then piped 6km to the CPI operated Petapahan Gathering Station.

This resources statement is based on, and fairly represents information and supporting documentation prepared by PT Gada Energi, a company owned by the Institut Teknologi Bandung (ITB) as the relevant certifying authority in accordance with the SPE PRMS Guidelines (2018).

CONTINGENT RESOURCES

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies.

Prospective Resources are those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.

The estimated quantities of petroleum that may potentially be recovered 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. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

RESERVES AND RESOURCES RECONCILIATION WITH 30 JUNE 2020

1P PROVEN RESERVES (MMBOE)

COUNTRY	FIELD/PERMIT	30 JUNE 2020 RESERVES	ACQUISITIONS/ DIVESTMENTS	DISCOVERIES/ EXTENSIONS/ REVISIONS	PRODUCTION	30 JUNE 2021 RESERVES
AUSTRALIA	Mereenie	-	2.1	0.2	0.1	2.2
	Palm Valley	-	0.6	-	0.1	0.6
	Dingo	-	0.7	-	0.0	0.7
NEW ZEALAND	Maari	0.2	-	0.1	0.1	0.3
INDONESIA	Sampang	0.6	-	-	0.3	0.4
	Mahato	-	-	0.4	0.0	0.3
TOTAL RESERVES		**0.9**	**3.4**	**0.7**	**0.6**	**4.4**

2P PROVEN & PROBABLE RESERVES (MMBOE)

COUNTRY	FIELD/PERMIT	30 JUNE 2020 RESERVES	ACQUISITIONS/ DIVESTMENTS	DISCOVERIES/ EXTENSIONS/ REVISIONS	PRODUCTION	30 JUNE 2021 RESERVES
AUSTRALIA	Mereenie	-	2.8	-	0.1	2.6
	Palm Valley	-	0.7	-	0.1	0.6
	Dingo	-	0.9	-	0.0	0.9
NEW ZEALAND	Maari	0.6	-	0.2	0.1	0.7
INDONESIA	Sampang	1.1	-	0.0	0.3	0.8
	Mahato	-	-	0.5	0.0	0.4
TOTAL RESERVES		**1.6**	**4.4**	**0.6**	**0.6**	**6.0**

2C CONTINGENT RESOURCES (MMBOE)

COUNTRY	FIELD	30 JUNE 2020 CONTINGENT RESOURCES	ACQUISITIONS/ DIVESTMENTS	DISCOVERIES/ EXTENSIONS/ REVISIONS	PRODUCTION	30 JUNE 2021 CONTINGENT RESOURCES
AUSTRALIA	Mereenie	-	2.3	-	-	2.3
	Palm Valley	-	0.3	-	-	0.3
	Dingo	-	-	-	-	-
INDONESIA	Jeruk (Sampang PSC)	1.2	-	-	-	1.2
	Paus Biru (Sampang PSC)	1.1	-	-	-	1.1
TOTAL CONTINGENT RESOURCES		**2.4**	**2.6**	**-**	**-**	**5.0**