



Cue Energy Resources Limited

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FACSIMILE TRANSMISSION

TO : Company Announcements Office
10th Floor
20 Bond Street
Sydney NSW 2000

DATE : 28 October 2003

PAGES (including this page): 2

FROM : Andrew Knox

RE : **Mangga -1 Drilling Report**

Dear Sir

Attached please find Cue Energy Resources Limited's release with respect to the above mentioned.

Yours faithfully

A handwritten signature in black ink that reads "Andrew Knox". The signature is written in a cursive, flowing style.

Andrew M Knox
Chief Financial Officer



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RELEASE

Mangga -1 Drilling Report

Cue announces that the Mangga -1 well has been plugged and abandoned and the rig released. The rig is moving to undertake seafloor boring at the Oyong platform location.

The well encountered a 12 metre gas zone in good quality reservoir rock at the top of the Mundu Formation objective.

After reaching a depth of 1,633 metres unsuccessful attempts were made to evaluate several hydrocarbon shows beneath the top Mundu gas column.

Elpaso then elected to conduct further evaluation of the well on a sole risk basis. Cue and Santos Limited declined to join the sole risk.

Following obtaining pressure data and samples using a drill pipe conveyed tool and confirming the top Mundu gas zone, the well was deepened to 1633 metres. A production test of the zone from 1,560 metres to 1633 metres recovered 33° API oil at a small non commercial rate.

Cue's decision to not join the sole risk has resulted in substantial cost savings to the company.

Participants in the Sampang PSC are :

Cue Sampang Pty Ltd	15%
Santos (Sampang) Pty Ltd	45% (Operator)
Coastal Indonesia Sampang Ltd (El Paso)	40%

Any queries regarding the announcement should be directed to the company on (03) 96297577 or email mail@cuenrg.com.au.

A handwritten signature in blue ink, appearing to read "R. J. Coppin".

Robert J Coppin
Chief Executive Officer

28 October 2003