

SUMMARY OF ACTIVITIES

Highlights

- Ironbark-1 well site survey complete in exploration permit WA-359-P
- PB-1 exploration well site preparation complete and rig mobilised
- \$5.2 million production revenue received for the quarter
- Variations to well commitments approved for exploration permits WA-389-P and WA-409-P

Sustainable Business

- Total quarterly net production of 32,128 barrels (bbls) of oil and 315 million cubic feet (mmcf) of gas
- \$28.5 million cash and no debt

Disciplined Growth

- **Indonesia:** Drilling rig being mobilized for the PB-1 exploration well in the Mahato PSC, with expected spud mid-November

Step Change Opportunities

- **Australia:** The Ironbark-1 well site survey commenced at the end of the quarter and was completed during October
- **Australia:** Variation to work commitments have been approved for WA-389-P and WA-409-P, including the variation of a well commitment out of WA-389-P and deferral of a well commitment in WA-409-P

Production & Financial Summary

- \$5.2 million cash received comprising of:
 - 15,864 bbls of oil sales, down from the previous quarter due to timing of Maari liftings, at an average price of \$101.37/bbl (US\$68.54/bbl)
 - gas sales of 333 mmcf at an average price of \$10.77 per thousand cubic feet (Mcf) (US\$7.33/Mcf)
- Gas and oil receipts for the quarter were lower than the previous quarter due to timing of oil liftings and revenue receipts.
- US\$8.18 million is retained in escrow for Cue's uncarried share of the Ironbark-1 expected well cost.

KEY PERFORMANCE METRICS

		Sep Quarter Q1 FY20	Jun Quarter Q4 FY19	Change %
Oil Production (net to Cue)	Bbl	32,128	31,504	2
Gas Production (net to Cue)	mmcf	315	362	(13)
Oil Liftings (net to Cue receipts)	Bbl	15,864	52,991	(70)
Gas Liftings (net to Cue receipts)	mmcf	333	377	(12)
Total Revenue Receipts	\$m	5.20	9.41	(45)
Production Expenditure	\$m	1.85	2.40	(23)
Closing Cash Position	\$m	28.47	26.19	9

PRODUCTION - NEW ZEALAND

PMP 38160

Cue Interest: 5% (Cue Taranaki Pty Ltd)

Operator: OMV New Zealand Limited

Maari and Manaia Fields

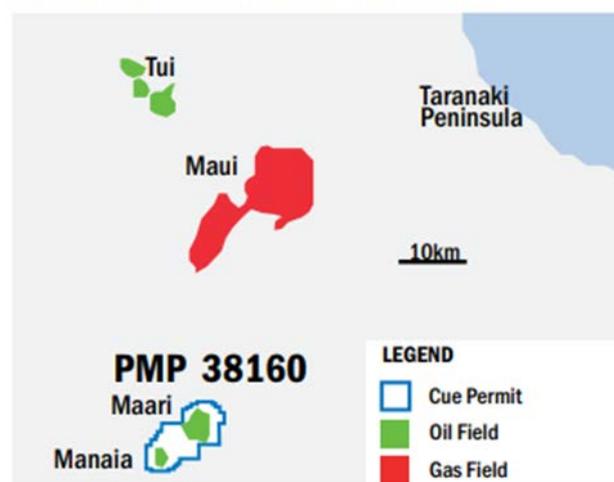
Net Oil Production	Bbl	31,421
Oil Liftings (net to Cue receipts)	Bbl	15,125
Revenue Receipts	\$m	1.55

Oil production from Maari and Manaia fields was in line with the previous quarter, although revenue was down against last quarter due to the timing of liftngs and revenue receipts.

A workover was completed on the MR3 well to replace the Electric Submersible Pump (ESP) and undertake well maintenance. At the end of the quarter the well had returned to production.

The MR4 well ESP suffered a failure late in the quarter and a workover program is currently underway to install new equipment.

TARANAKI PENINSULA LOCATION MAP - NEW ZEALAND



PRODUCTION - INDONESIA

Sampang PSC

Cue Interest: 15% (Cue Sampang Pty Ltd)

Operator: Ophir Indonesia (Sampang) Pty Ltd

Oyong and Wortel Fields

		Oyong	Wortel
Net Condensate Production	Bbl	5	702
Net Condensate Sales	Bbl	6	734
Revenue Receipts (Condensate)	\$	405	53,894
Net Gas Production	mmcf	131	184
Net Gas Sales	mmcf	142	191
Revenue Receipts (Gas)	\$m	1.58	2.01

Production from the Sampang PSC was down from the previous quarter due to fluctuations in daily demand from the customer, Indonesia Power.

The project to upgrade the compression at the Grati onshore gas processing plant is approximately 75% complete, with final installation and commissioning expected in early CY2020.

Wortel East exploration well opportunity remains under review by the Joint venture, with final technical work expected to be delivered by the Operator in the current quarter.

The Operator is continuing to prepare the Paus Biru Plan of Development in line with Indonesian regulatory requirements.

SAMPANG PSC LOCATION MAP



EXPLORATION - AUSTRALIA

WA-359-P

Cue Interest: 21.5% (Cue Exploration Pty Ltd)
Operator: BP Developments Australia Pty Ltd

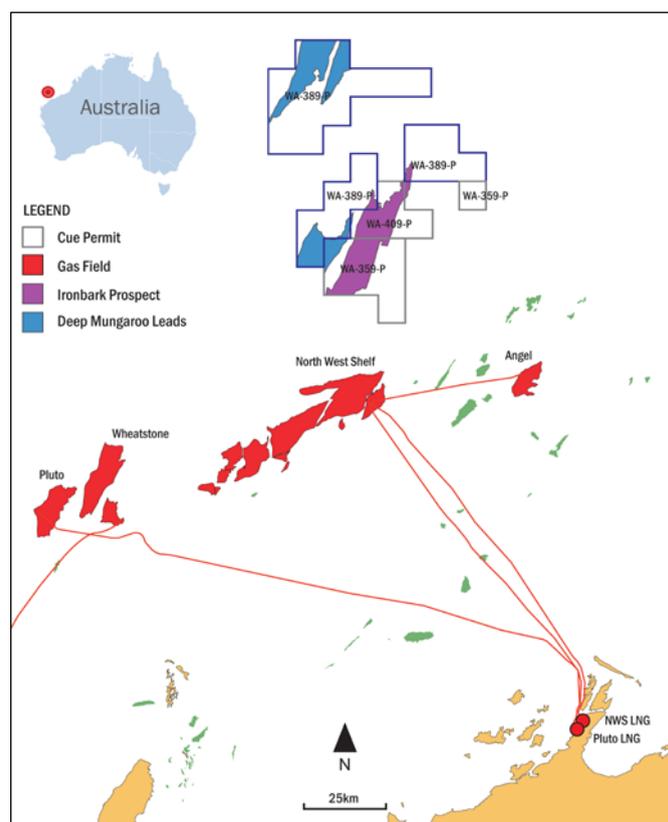
Ironbark-1 planning is progressing with the well scheduled to be drilled in late 2020 by the Ocean Apex drill rig.

During the quarter the site survey operations over the well location were completed.

WA-409-P

Cue Interest: 20% (Cue Exploration Pty Ltd)
Operator: BP Developments Australia Pty Ltd

The WA-409-P joint venture has been notified by the National Offshore Petroleum Titles Administrator (NOPATA) of the approval of a variation, suspension and extension application submitted during the quarter.



The terms of the approval defer the requirement to drill an exploration well until October 2022, suspend Permit Year 3 for 12 months and extend the permit term by 12 months. Additional geophysical studies will be undertaken by the joint venture over the next 12 months.

A summary of the new WA-409-P work program is outlined in the table below. The permit is currently in the primary term, Years 1-3.

Year of Permit Term	Permit Year Starts	Permit Year Ends	Minimum Work Requirements Summary
1-3	13/10/2016	12/10/2020	325km ² 3D seismic PSDM reprocessing Geotechnical studies Well planning Geophysical studies including 200km ² of stochastic inversion
4	13/10/2020	12/10/2021	Ongoing well planning
5	13/10/2021	12/10/2022	Drill one exploration well Geotechnical Studies

Due to the timing of the approval process for the variation, suspension and extension application, a consent to surrender application for WA-409-P was also submitted at the end of the previous Permit Year 3, prior to entering into a well commitment. This application will now be withdrawn.

At the end of the previous Permit Year 3, Cue's work program cost carry from BP as part of the 2016 farm in agreement ceased and Cue will fund 20% of joint venture costs going forward.

Cue has agreed to extend the WA-409-P option end date with Beach and New Zealand Oil & Gas, which is based on the end of Permit Year 3, until 14 days after notification of a decision on the variation, suspension and extension application to allow the parties to discuss any effects of permit changes on the option.

WA-389-P

Cue Interest: 100% (Cue Exploration Pty Ltd)

Operator: Cue Exploration Pty Ltd

Cue has been notified by the NOPTA of the approval of a variation, suspension and extension application submitted during the quarter for WA-389-P.

The terms of the approval remove the requirement to drill an exploration well during the permit term and replace it with 250km² of seismic reprocessing and interpretation and other geological and geophysical studies. The permit term has also been extended by 6 months to April 2021.

The new WA-389-P work commitments are outlined in the table below. The permit is currently in Year 5 and Cue will have the opportunity to submit a renewal application at the end of Year 5.

Year of Permit Term	Permit Year Starts	Permit Year Ends	Minimum Work Requirements Summary
1-3	9/10/2013	8/10/2016	Geotechnical Studies 1250km ² 3D PSDM reprocessing 450km 2D reprocessing
4	9/10/2016	8/10/2019	Geological and Geotechnical studies
5	9/10/2019	8/ 4 /2021	250km ² Seismic reprocessing and interpretation Geological and Geophysical studies

Due to the timing of the approval process for the variation, suspension and extension application, a consent to surrender application for WA-389-P was also submitted at the end of the previous Permit Year 3, prior to entering into a well commitment. This application will now be withdrawn.

EXPLORATION - INDONESIA

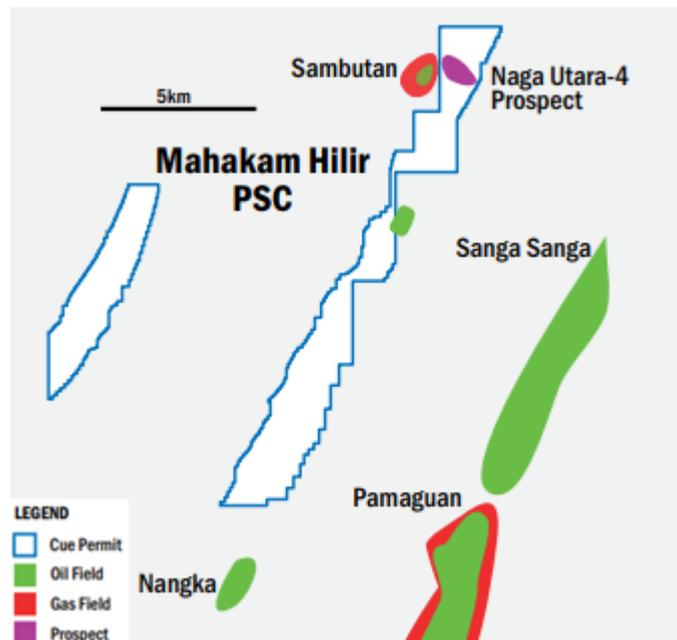
Mahakam Hilir PSC; Kutei Basin

Cue Interest: 100% (Cue Mahakam Hilir Pty Ltd and Cue Kalimantan Pte Ltd)

Operator: Cue Kalimantan Pte Ltd

The Mahakam Hilir PSC contains the Naga Utara prospect and the Naga Utara-4 appraisal well opportunity.

Cue is proceeding with planning for the drilling of the Naga Utara-4 well and is currently seeking partners to participate in the Mahakam Hilir PSC and the well.



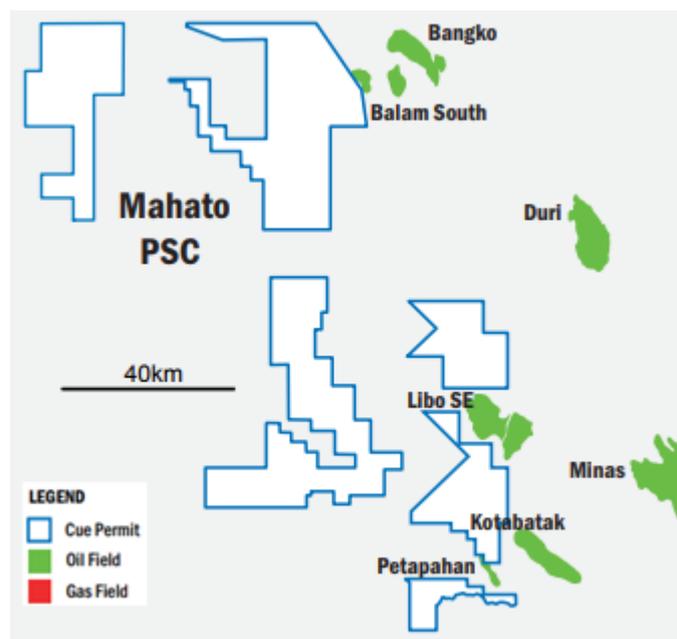
Mahato PSC; Central Sumatra Basin

Cue Interest: 12.5% (Cue Mahato Pty Ltd)

Operator: Texcal Mahato EP Ltd

During the quarter, construction of the PB-1 well site was substantially completed, and tender processes were conducted for Integrated Project Management and drilling rig services. These and other major contracts associated with the drilling of the PB-1 exploration well are complete and a rig is now being mobilized to Central Sumatra from East Kalimantan. Mobilisation to site is expected to be completed by the end of October, with drilling of the PB-1 well expected to commence in early to mid November.

PB-1 well will target the Primary Early Miocene Bekasap sands expected around 5,000 ft SS with the overlying Telisa sands, as Secondary target. The well will be drilled to basement expected at approximately 5,500 ftSS.



PB-1 will be the first well to be drilled, with planning underway to drill, in a success case, an appraisal well targeting another target to the northwest of PB-1.

CORPORATE

As previously announced, Cue Energy Resources Ltd and Cue Resources Inc. were named as defendants, along with a number of other companies, in litigation pending in Texas, USA in relation to the Pine Mills oilfield. On March 27, 2019 the court dismissed the claims against Cue in their entirety. On April 26, 2019, the plaintiff filed an amended lawsuit against Cue and the other defendants. Cue has filed a motion to dismiss, which is now pending in U.S. court.

-Ends-

All references to dollars, cents or \$ in this announcement are to Australian currency, unless otherwise stated.

Various statements in this report constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve unknown risks, expectations, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein.

Some of the more important of these risks, expectations and uncertainties are pricing and production levels from the properties in which the Company has interests and the extent of the recoverable reserves at those properties. In addition, the Company has a large number of exploration permits. Exploration for oil and gas is expensive, speculative and subject to a wide range of risks. Individual investors should consider these matters in light of their personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional adviser as to the suitability for them of an investment in the Company.

DIRECTORS Alastair McGregor (Non Exec. Chairman) Andrew Jefferies (Non Exec. Director) Peter Hood (Non Exec. Director) Rebecca DeLaet (Non Exec. Director) Richard Malcolm (Non Exec. Director) Roderick Ritchie (Non Exec. Director) Samuel Kellner (Non Exec. Director) CHIEF EXECUTIVE OFFICER Matthew Boyall COMPANY SECRETARY/CHIEF FINANCIAL OFFICER Melanie Leydin	REGISTERED OFFICE Level 3 10-16 Queen Street MELBOURNE VIC 3000 Phone: +613 8610 4000 Fax: +613 9614 2142 Email: mail@cuenrg.com.au Web: www.cuenrg.com.au AUDITOR BDO East Coast Partnership Level 18, 727 Collins Street MELBOURNE VIC 3000	SECURITIES EXCHANGE LISTING ASX: CUE SHARE REGISTER Computershare Investor Services Pty Ltd Telephone: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Email: web.queries@computershare.com.au Website: www.computershare.com.au
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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Cue Energy Resources Limited

ABN

45 066 383 971

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,198	5,198
1.2 Payments for		
(a) exploration & evaluation	(233)	(233)
(b) development	-	-
(c) production	(1,848)	(1,848)
(d) staff costs	(297)	(297)
(e) administration and corporate costs	(195)	(195)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	131	131
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(1,199)	(1,199)
1.7 Research and development refunds	-	-
1.8 Other (GST)	80	80
1.9 Net cash from / (used in) operating activities	1,637	1,637
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(4)	(4)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets – production properties	(106)	(106)

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(e) other non-current assets – exploration & evaluation	4	4
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(106)	(106)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other – Principal element of lease payments	(22)	(22)
3.10 Net cash from / (used in) financing activities	(22)	(22)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	26,194	26,194
4.2 Net cash from / (used in) operating activities (item 1.9 above)	1,637	1,637
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(106)	(106)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(22)	(22)
4.5 Effect of movement in exchange rates on cash held	770	770
4.6 Cash and cash equivalents at end of period	28,473	28,473

Mining exploration entity and oil and gas exploration entity quarterly report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	12,068	10,119
5.2 Call deposits	16,405	16,075
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	28,473	26,194

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	23
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Director's travel expenses and consulting fees paid to Director's related entity.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

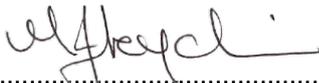
N/A

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	1,532
9.2	Development	497
9.3	Production	3,133
9.4	Staff costs	361
9.5	Administration and corporate costs	209
9.6	Other (tax)	900
9.7	Total estimated cash outflows	6,632

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
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Company Secretary

Date: 21 October 2019

Print name: Melanie Leydin

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

**QUARTERLY REPORT OF CONSOLIDATED CASHFLOWS
- QUARTER ENDED 30 SEPTEMBER 2019**

List of Mining Tenements

PERMIT	OPERATOR	LOCATION	CUE INTEREST (%)
Petroleum Properties			
Indonesia			
Sampang PSC ⁽ⁱ⁾	Ophir Indonesia (Sampang) Pty Ltd	Madura Strait Offshore	15.00
Mahakam Hilir PSC	Cue Kalimantan Pte Ltd	Kalimantan Onshore	100.00
Mahato PSC	Texcal Mahato Pte Ltd	Central Sumatra Onshore	12.50
Australia			
WA-359-P	BP Developments Australia Pty Ltd	Carnarvon Offshore	21.50
WA-389-P	Cue Exploration Pty Ltd	Carnarvon Offshore	100.00
WA-409-P	BP Developments Australia Pty Ltd	Carnarvon Offshore	20.00
New Zealand			
PMP 38160	OMV New Zealand Limited	Taranaki Offshore	5.00
	⁽ⁱ⁾ economic interest in the Jeruk field		8.1818