

Cue Energy Resources Limited

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FACSIMILE TRANSMISSION

- TO : Company Announcements Office 10th Floor 20 Bond Street Sydney NSW 2000
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PAGES (including this page):2

- FROM : Andrew Knox
- RE : Jeruk -2 ST 5 Drilling Report

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

Yours faithfully

Andrew M Knox **Public Officer**



Cue Energy Resources Limited

RELEASE

Jeruk -2 ST 5 Drilling Report

At 6.00am on Friday 26th August, Jeruk-2 ST5 operations were: - running 7 inch liner to the top of the carbonate reservoir.

During the past week, the well was side tracked from 4485 metres measured depth to repenetrate and evaluate the upper zone which could not be flow tested in Jeruk -2 side track 4. The current depth is 5027 metres measured depth. The planned total depth of side track 5 is 5080 metres measured depth.

Participants in Jeruk and the Sampang PSC are:

Cue Sampang Pty Ltd 15% Santos (Sampang) Pty Ltd 45% (Operator) Singapore Petroleum Sampang Pte Ltd 40%

Any queries regarding the announcement should be directed to the Company on (03) 9670 8668 or email mail@cuenrg.com.au.

Robert J Coppin Chief Executive Officer

26 August 2005