

SUMMARY OF ACTIVITIES

Highlights

- Production increases at both Maari and Sampang, with a 10% increase in gas production from Oyong and Wortel fields sold on fixed price, long term contracts, unaffected by oil price
- The Grati onshore gas processing plant pressure lowering project in the Sampang PSC was completed on time and budget resulting in increased production capacity
- Paus Biru pre-Feed activities are more than 60% complete, with Plan of Development approval targeted for early H2 2020
- Ironbark-1 exploration well permitting and procurement is continuing
- A 61.8 million barrel (OOIP) oil discovery in the Mahato PSC was announced by the government of Indonesia on 16 April 2020
- Production revenue for the quarter of \$5.9 million
- \$33.7m in cash and no debt reported at the end of the quarter, putting Cue in a strong position in the current economic environment

Production & Financial Summary

- \$5.94 million cash received comprising of:
 - 32,949 bbls oil sales, at an average price of \$103.42/bbl (US\$64.79/bbl)
 - 226 mmcf gas sales at an average price of \$11.22 per thousand cubic feet (Mcf) (US\$7.32/Mcf)
- Oil and gas revenue received was lower than the previous quarter due to timing of Maari oil liftings and Wortel gas receipts
- Payments to related parties was \$7,926 for the quarter to New Zealand Oil & Gas for consulting services
- US\$8.25 million is retained in escrow for Cue's uncarried share of the Ironbark-1 expected well cost

KEY PERFORMANCE METRICS

		Mar Quarter Q3 FY20	Dec Quarter Q2 FY20	Change %
Oil Production (net to Cue)	Bbl	29,448	28,783	2
Gas Production (net to Cue)	mmcf	329	300	10
Oil Liftings (net to Cue receipts)	Bbl	32,949	38,822	(15)
Gas Liftings (net to Cue receipts)	mmcf	226	301	(25)
Total Revenue Receipts	\$m	5.94	6.80	(13)
Production Expenditure	\$m	2.50	3.02	(17)
Closing Cash Position	\$m	33.68	29.12	16

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	28,820
Oil Liftings (net to Cue receipts)	Bbl	32,345
Revenue Receipts	\$m	3.36

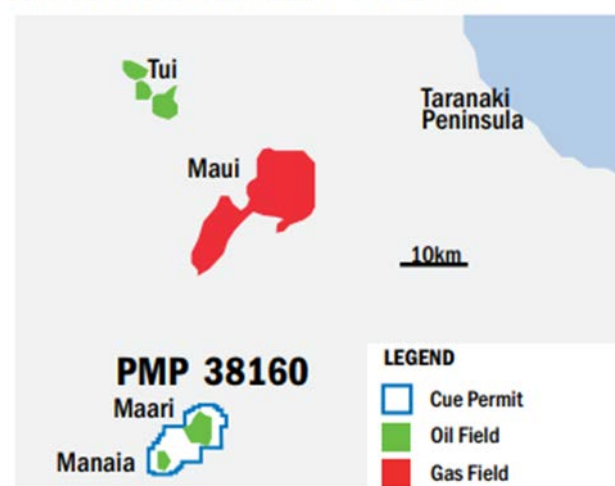
Oil production from Maari and Manaia fields was 2% higher than the previous quarter as production optimisation and water injection in the field continue.

Production has continued through the nationwide COVID-19 lockdown which took effect in New Zealand at midnight on 25 March 2020, with offshore staffing reduced to minimum levels required in order to maintain health, safety and environmental obligations.

The MR6A and MR2 wells were shut-in during March due to technical issues and due to the COVID-19 restrictions and reduced staffing levels, the timing of repairs to the these wells is uncertain.

Current production rates are approximately 5000 bopd (100%).

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	623
Net Condensate Sales	Bbl	5	600
Revenue Receipts (Condensate)	\$	357	47,594
Net Gas Production	mmcf	145	184
Net Gas Sales	mmcf	128	97
Revenue Receipts (Gas)	\$m	1.49	1.04

Production from the Sampang PSC was 10% higher than the previous quarter, primarily due to increased production capacity after completion of the compressor pressure lowering upgrade at the Grati onshore gas processing plant.

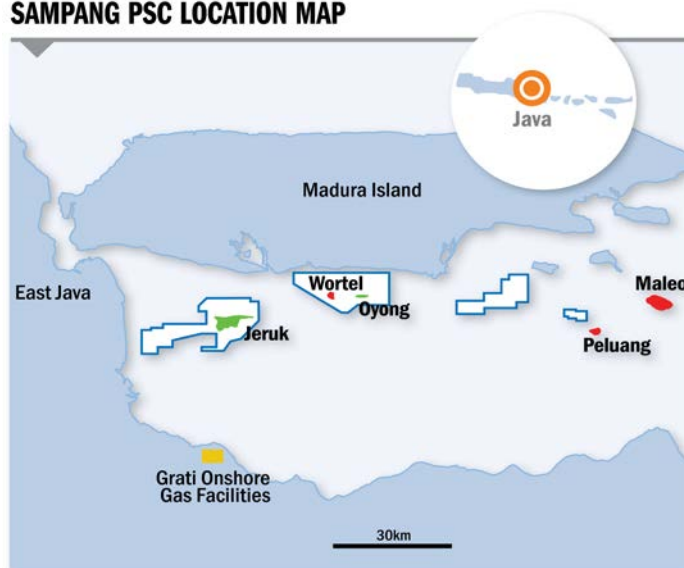
The upgrade was completed during January, on time and budget, with 13 days of scheduled production interruption during final installation

The Oyong and Wortel fields continue to produce gas at normal levels during current Indonesian COVID-19 restrictions. However, production could be impacted by any further restrictions which impact electricity demand. These fields provide gas to the Indonesia Power power station at Grati through long term, fixed price contracts.

Paus Biru development planning is continuing with resource certification completed and pre-FEED activities more than 60% complete at the end of the quarter. These activities are expected to be completed in the current quarter with Plan of Development (POD) approval targeted for July 2020.

An appeal to the Indonesian Supreme Court has been lodged by the Indonesian Tax department over the previously awarded \$650,000 tax overpayment refund to Cue Sampang Pty Ltd. Cue has provided a submission to the appeal and the matter is currently with the Court. The timing of any decision is uncertain.

SAMPANG PSC LOCATION MAP



LEGEND

- Cue Permit
- Oil Field
- Gas Field

EXPLORATION - AUSTRALIA

WA-359-P

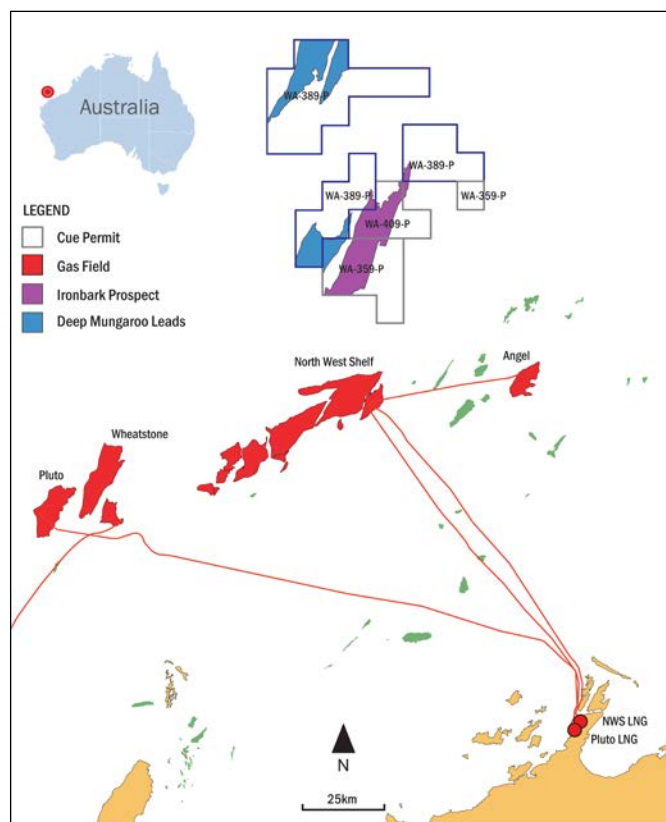
Cue Interest: 21.5% (Cue Exploration Pty Ltd)

Operator: BP Developments Australia Pty Ltd

Permitting, long lead item procurement and planning for the drilling of the Ironbark-1 exploration well is continuing.

The Ocean Apex drilling rig, contracted to drill Ironbark-1, is currently operating in Australia for another operator on a multi well campaign.

The operator, BP, is continuing to assess any effects of the current COVID-19 restrictions on the timing of drilling operations.



WA-409-P

Cue Interest: 20% (Cue Exploration Pty Ltd)

Operator: BP Developments Australia Pty Ltd

Cue has executed agreements to extend the option periods for both of Beach Energy and New Zealand Oil & Gas until 90 days prior to the expiry of Permit Year 4, in line with the suspension, extension and variation to the drilling commitment in the Permit, approved in October 2019.

As consideration of the extended period Beach and New Zealand Oil & Gas have each paid Cue an upfront fee equal to the estimated work program costs of each company's option interests until the end of Permit Year 4.

WA-389-P

Cue Interest: 100% (Cue Exploration Pty Ltd)

Operator: Cue Exploration Pty Ltd

Cue is continuing with the PSDM reprocessing of 900 km² of existing seismic data to better define the Deep Mungaroo prospect within the permit, which is updip, contiguous, and part of the same structural trend as the Ironbark Prospect in WA-359-P.

In parallel, quantitative seismic interpretation is ongoing to define seismic amplitude related leads.

EXPLORATION - INDONESIA

Mahakam Hilir PSC; Kutei Basin

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

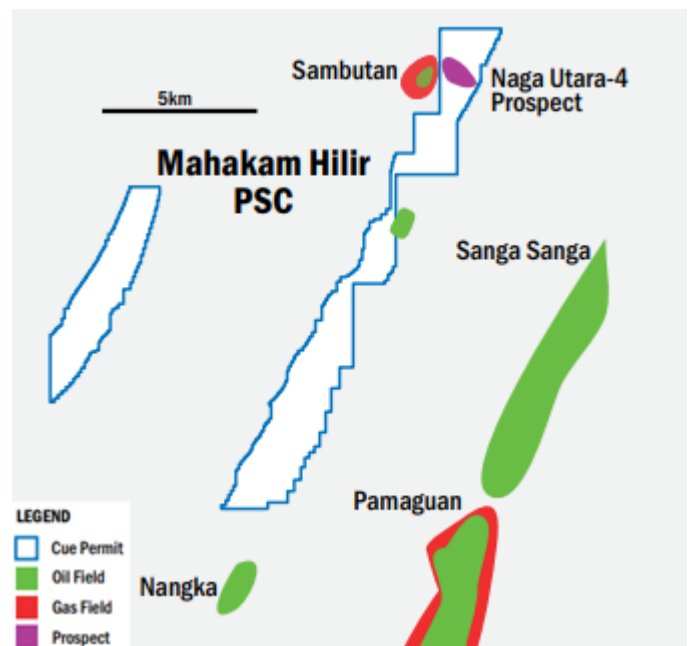
Operator: Cue Kalimantan Pte Ltd

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

During the quarter, Cue was in discussions with a potential farmin partner and continuing with planning to drill the Naga-Utara 4 well prior to the permit expiry on 12 May 2020.

Positive discussions were held with the Indonesian regulator on an extension to the permit expiry date to allow for the mobilization of equipment and drilling of the well.

With the implementation of COVID-19 restrictions in Indonesia, planning and execution of drilling operations has been delayed indefinitely and Cue remains in discussions with the regulator and potential partner to work out a practical way forward.



Mahato PSC; Central Sumatra Basin

Cue Interest: 12.5% (Cue Mahato Pty Ltd)

Operator: Texcal Mahato EP Ltd

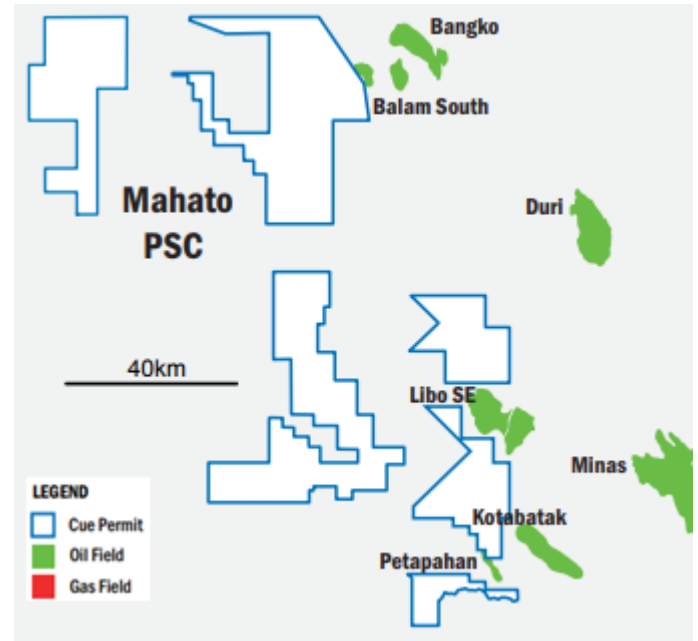
The Operator, Texcal Mahato EP Ltd, and other joint venture participants, are continuing their claim to have excluded Cue from participation in recent drilling operations, based on an issued default notice and claimed decisions made around the time. These claims are disputed by Cue as having no basis under the Joint Operating Agreement (JOA).

Discussions have been conducted in an attempt to solve these issues. Cue is evaluating all available options and is asserting all its legal rights under the JOA.

During the quarter, Cue announced that the PB-2 well had been drilled, in addition to the PB-1 well, which was drilled in late 2019.

On 21 February 2020, a public tender was released by Texcal for rental of production equipment with a capacity of 5000 bfpd for the Mahato PSC.

On 16 April 2020, the Indonesia regulator, SKKMigas made a public announcement of a 61.8 million (OOIP) barrel oil discovery in the Mahato PSC. Cue is not receiving information from the Operator, as required under the JOA, in order to be able to fully assess the announcement by SKKMigas or the status of any current operations.



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, giving the plaintiff leave to refile its complaint. On April 26, 2019, the plaintiff filed an amended complaint against Cue and the other defendants.

Cue filed a motion to dismiss the amended complaint, which was denied by the court on 5 March 2020 without commentary. A request by all parties to extend the current case timetable due to the impacts of COVID-19 was not approved by the court, and a court date of 14 July 2020 is set for the case to be heard.

Cue has taken the necessary precautions to look after the wellbeing of staff during the COVID-19 outbreak, with all staff in Melbourne and Jakarta offices working remotely.

Cue Energy Resources released its FY20 half yearly report on 20 Feb 2020.

-Ends-

For and on behalf of the Board

Matthew Boyall
CEO
+61 3 8610 4000

Any queries regarding this announcement should be directed to the Company on +613 8610 4000 or email mail@cuenrg.com.au.

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) Marco Argentieri (Non Exec. Director) (from 14/01/2020) Peter Hood (Non Exec. Director) Richard Malcolm (Non Exec. Director) Roderick Ritchie (Non Exec. Director) Samuel Kellner (Non Exec. Director)	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	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
CHIEF EXECUTIVE OFFICER Matthew Boyall	AUDITOR KPMG Tower Two, Collins Square 727 Collins Street MELBOURNE VIC 3008	
COMPANY SECRETARY/CHIEF FINANCIAL OFFICER Melanie Leydin		

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Cue Energy Resources Limited

ABN

45 066 383 971

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,938	17,934
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(351)	(1,638)
(b) development	-	-
(c) production	(2,495)	(7,362)
(d) staff costs	(427)	(1,038)
(e) administration and corporate costs	(196)	(512)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	102	356
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(840)	(3,091)
1.7 Government grants and tax incentives	-	-
1.8 Other receipts	46	497
GST paid	(358)	(48)
1.9 Net cash from / (used in) operating activities	1,419	5,098
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(25)
(d) exploration & evaluation (if capitalised)	(16)	(20)
(e) investments	-	-
(f) other non-current assets – production properties	(184)	(714)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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	(200)	(759)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
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	(20)	(64)
3.10	Net cash from / (used in) financing activities	(20)	(64)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	29,115	26,194
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,419	5,098
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(200)	(759)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(20)	(64)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	3,362	3,207
4.6	Cash and cash equivalents at end of period	33,676	33,676

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	16,318	13,488
5.2	Call deposits	17,358	15,627
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)	33,676	29,115

6. Payments to related parties of the entity and their associates

6.1	Aggregate amount of payments to related parties and their associates included in item 1	8
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter
\$A'000**

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>			
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A			

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	1,419
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(16)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	1,403
8.4 Cash and cash equivalents at quarter end (Item 4.6)	33,676
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	33,676
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	24
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	

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.

Date: 27 April 2020

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.