



ABN 45 066 383 971

10 November 2016

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ASX Market Announcements
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Cue Energy Sale of Pine Mills

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

Yours faithfully

Andrew M Knox
Chief Financial Officer

CUE ENERGY OVERVIEW

Cue is an Australian based oil and gas company with activities in Australia, New Zealand, Indonesia and the USA.

THE COMPANY HAS:

- Long life production
- A strong balance sheet
- An active exploration programme

CUE ENERGY DIRECTORS

- Grant Worner (Executive Chairman)
- Koh Ban Heng
- Duncan Saville
- Brian Smith

CUE ENERGY MANAGEMENT

- Andrew Knox (CFO)
- Jeffrey Schroll (Exp Man)

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Cue Energy Sale of Pine Mills

- **Cue sells its Pine Mills assets in the USA to Mosman Oil for US\$975k.**
- **Completion expected before the end of 2016.**

In June Cue Energy Resources Ltd (ASX:CUE) announced a three-part strategy of; having a sustainable business, delivering disciplined growth, and pursuing opportunities that offer step-change returns to shareholders.

As part of implementing this strategy Cue is pleased to advise that it has executed agreements with Mosman Oil and Gas Limited ("Mosman") (AIM: MSMN) where Mosman will pay US\$975k to purchase Cue's 80% interest in the Pine Mills oil field located in Wood County, Texas, USA together with Buccaneer Operations LLC, Cue's subsidiary used to operate the Pine Mills oil field, 12 acres of freehold land, and a workover rig (collectively the "Asset").

Pine Mills partners have a 20 day option to exercise their pre-emption rights with completion of the sale expected before the end of 2016.

Cue Executive Chairman, Grant Worner, said:

"Over the last 6 months Cue has announced a 40% reduction in overheads, its exit from New Zealand exploration licences, the extension of gas production and field life in Indonesia, and the farm-out of a licence to BP in the North West Shelf.

The Pine Mills sale continues the implementation of our corporate strategy as it improves Cue's profitability whilst also simplifying our operations and geographic footprint. The Company is now in a better position to focus on extracting value from its most valuable assets whilst maintaining financial discipline and operating within its means."

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

A handwritten signature in black ink, appearing to read "Grant Worner", with a stylized flourish at the end.

Grant Worner
Executive Chairman

10 November 2016

About Cue:

Cue is an Australian Stock Exchange (ASX:CUE) listed oil and gas exploration and production company. Cue's FY16 revenue was A\$45.4million from oil production in the Maari field, offshore New Zealand and oil and gas production in Sampang PSC, Indonesia. Cue has operated and non-operated interests in exploration permits in the Carnarvon Basin, offshore Western Australia and onshore Indonesia.