



Delegations of Authority

CUE ENERGY RESOURCES LIMITED

ACN 066 383 971

1. Purpose

- 1.1. The Delegations of Authority policy sets out the expenditure authority limits and shows what levels of authority is afforded the people employed by Cue Energy Resources Ltd (CUE).
- 1.2. Authority limits are set at a level to allow personnel to carry out their duties, but at the same time put controls in place to limit company exposure.

2. Procedures

Responsibilities

- 2.1. All personnel undertaking any form of expenditure or commitment on behalf of the Company should ensure that the appropriate approvals for the transaction are in place before committing to the expenditure.
- 2.2. Any transactions or commitments not complying with the Authority Limits will not be processed and will be returned to the employee who requested the transaction.
- 2.3. All employees requesting the purchase of goods or signing Purchase Orders (PO's) should ensure they have an understanding of their Authority Limits and their relevant budget expenditure limits.

Specific Arrangements

- 2.4. Domestic or international travel must be approved by the CEO before completing any bookings.

3. Processes

- 3.1. Limitations on Ordering and Approving Spend: Appendix 1: Authority Limits defines the delegated authority for ordering and approving purchases of goods and materials.
- 3.2. An **Authority For Expenditure (AFE)** is required for all project budget line items. Any AFE that is expected to exceed approved limits requires re-approval as defined in *Appendix 1: Authority Limits*.
- 3.3. A **Purchase Order (PO)** must be raised and approved per authority limits for goods and services purchases which are not part of a project AFE or a contracted service. Any PO that is expected to exceed approved limits requires re-approval as defined in *Appendix 1: Authority Limits*
- 3.4. **Confirmation of Materials and Services Received** is completed when an invoice has been coded to the relevant AFE or PO and forwarded to the appropriate Approver.
- 3.5. **Approval of invoice payments** are per the limits below and are authorised by signing for the payment of the invoice. An approver should be different to the person confirming receipt.

- 3.6. It is a breach of company policy if the same person orders, confirms receipt, and approves payment for any materials or services over \$5k.
- 3.7. **Approved invoices** should be sent to the accounts department for processing.

4. Temporary Delegations of Authority

- 4.1. Temporary Delegations of Authority may be required when an Approver expects to be unable to provide timely Approvals due to leave, sickness etc.
- 4.2. The following temporary Delegations have been approved by the Board to be implemented as required by the Approver.
- 4.3. All Temporary Delegations are to be advised to the Cue Board when implemented, noting the person and the timing of the delegation.

Approver	Approved Temporary Delegation
Chair	Andrew Jefferies, Peter Hood
CEO	Financial: Andrew Jefferies, Peter Hood Operations: Andrew Jefferies
CFO	Johnson Wang, Tatiana Ponomarev

Transaction Type	Accountant	Indonesia Country Mgr	CFO	CEO	Chair (or Delegate)	Board
	Tatiana Ponomarev	Witan Odakar Ardjakusumah	Melanie Leydin	Matt Boyall		
AFE Expenditure, PO Approvals for materials, services, consultants						
Within budget	<\$2,500	<\$2,500	<\$25,000	No limit	Advise if >\$1,000,000	Advise if >\$2,000,000
AFE Expenditure Outside or over budget				10% Line item or <5% Total budget	<\$1,000,000	>\$1,000,000
Materials, Services, Consultants Outside or over budget				<\$25,000	<\$100,000	>\$100,000
Royalties Tax and Regulatory Payments						
Within Budget	<\$2,500	<\$2,500	<\$25,000	No limit	Advise if >\$1,000,000	Advise if >\$2,000,000
Outside or over budget				10% Line item Or <5%Total Budget	<\$1,000,000	>\$1,000,000
Travel and Accommodation						
Flights and Accommodation			<\$5,000	<\$10,000	Advise if >\$10,000	
Personal Expense Claims			<\$5,000	<\$10,000	No Limit (approves CEO's)	
Personnel & Organisation matters						Remuneration and Nominations Committee
Within budget			Approved salaries and contracts	No limit		
Salary increases/conditions variations Outside or over budget				<\$25,000	<\$100,000	>\$100,000
Addition of staff or contractors Outside or over budget				<1 month	<3 Months	>3 Months