



ABN 45 066 383 971

## Shareholder update

Dear Shareholders,

As we go through the unprecedented global response to the spread of the COVID-19 virus and the recent dramatic fall in the oil price, it is timely that I provide an update on the company and the potential effects on our business.

With \$29.1 million in cash reported at 31 Dec 2019 and no debt, the company is in a good position to manage through the current challenges. We have taken the necessary precautions to look after the wellbeing of our people. All staff in Melbourne and Jakarta offices now working remotely with minimal business impact.

The Oyong and Wortel fields, in the Sampang PSC Indonesia, continue to produce gas at normal levels. These fields provide gas to the Indonesia Power power station at Grati through long term, fixed price, contracts which generated \$7.2 million in revenue in the first 6 months of FY2020.

In New Zealand, a nationwide lockdown took effect at midnight on 25 March 2020. The operator of the Maari oil field, OMV, is working closely with NZ regulators to determine the next steps to ensure the Maari field can continue to meet all regulatory requirements relating to safe operations – while maintaining health and safety and environmental obligations that are required.

Two production wells, MR6A and MR2, have recently developed technical issues and have been shut-in. The operator is assessing the potential for repair and re-start of these wells, which could be complicated by the current restrictions in place.

Planning is ongoing for the Ironbark-1 exploration well, which is due to spud late 2020. The Ocean Apex drilling rig, contracted to drill the well, is currently operating in Australia for another operator on a multi-well campaign. The final timing of Ironbark-1 will be influenced by the progress of this current drilling program.

Yours faithfully,  
Matthew Boyall - CEO

### **Authorised by the CEO**

Any queries regarding this announcement should be directed to the Company on +61 3 8610 4000 or email [mail@cuenrg.com.au](mailto:mail@cuenrg.com.au).

*Cue Energy Resources Limited is an Australian Stock Exchange (ASX:CUE) listed oil and gas exploration and production company. Cue's FY19 revenue was A\$26million from oil production in the Maari field, offshore New Zealand and gas production in the Sampang PSC, offshore Indonesia. Cue has operated and non-operated interests in exploration permits in the Carnarvon Basin, offshore Western Australia and onshore Indonesia.*