

2022 Annual General Meeting

27 October 2022



CUE ENERGY RESOURCES LIMITED
ASX:CUE



Disclaimer and Important Notices

Various statements in this document may constitute statements relating to intentions, opinion, expectations, present and future operations, possible future events and future financial prospects. Such statements are not statements of fact, and are generally classified as forward looking statements that involve unknown risks, expectations, uncertainties, variables, changes and other important factors that could cause those future matters to differ from the way or manner in which they are expressly or impliedly portrayed in this document. Some of the more important of these risks, expectations, uncertainties, variables, changes and other factors are pricing and production levels from the properties in which the Company has interests, or will acquire interests, and the extent of the recoverable reserves at those properties. In addition, the Company has a 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.

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Reference to “CUE” or “the Company” may be references to Cue Energy Resources Limited or its applicable subsidiaries.

RESERVES GOVERNANCE ARRANGEMENTS AND INTERNAL CONTROLS

Cue estimates and reports its petroleum reserves and resources in accordance with the definitions and guidelines of the Petroleum Resources Management System 2018 (SPE-PRMS), published by the Society of Petroleum Engineers (SPE). All estimates of petroleum reserves reported by Cue are prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator. Cue has engaged the services of New Zealand Oil & Gas Limited (NZOG) to independently assess the all reserves. Cue reviews and updates its oil and reserves position on an annual basis, or as frequently as required by the magnitude of the petroleum reserves and changes indicated by new data and reports the updated estimates as of 30 June each year as a minimum.

RESERVES COMPLIANCE STATEMENT Oil and gas reserves are reported as at 1 July 2022 and follow the SPE PRMS Guidelines (2018). The information in this presentation is approved by, based on, and fairly represents information and supporting documentation prepared by New Zealand Oil & Gas Assets & Engineering Manager Daniel Leeman. Daniel is a Chartered Engineer with Engineering New Zealand and holds Masters’ degrees in Petroleum and Mechanical Engineering as well as a Diploma in Business Management and has over 14 years of experience. Daniel is also an active professional member of the Society of Petroleum Engineers and the Royal Society of New Zealand. New Zealand Oil & Gas reviews reserves holdings twice a year by reviewing data supplied from the field operator and comparing assessments with this and other information supplied at scheduled Operating and Technical Committee Meetings. Daniel is currently an employee of New Zealand Oil & Gas Limited whom, at the time of this report, are a related party to Cue Energy. Daniel has been retained under a services contract by Cue Energy Resources Ltd (Cue) to prepare an independent report on the current status of the entity’s reserves. As of the 17th of January 2017, NZOG held an equity of 50.04% of Cue.

Cover image:
Wortel WHP, Medco Energi

A year of growth



Strong cash generation and profitability with low unit cost



Diversified portfolio of six production assets



Acquisition of onshore Australia gas production



12 wells drilled in the past 18 months



Near-term growth from existing assets

Market

Capitalisation

\$51 million

(21 Oct 2022)

Share price

\$0.073

(21 Oct 2022)

Cash

\$17.5 million

(30 Sept 2022)

Debt

\$7 million

Enterprise Value (EV)

\$40.5 million

EV/2P⁽¹⁾


\$6.1/boe


FY22 EBITDAX⁽²⁾ multiple

1.8

FY22 Highlights

Year of sustainable change, growth and improved performance for Cue

Profit after Tax  **226%**
\$16.1 million

Revenue  **98%**
\$44.4 million

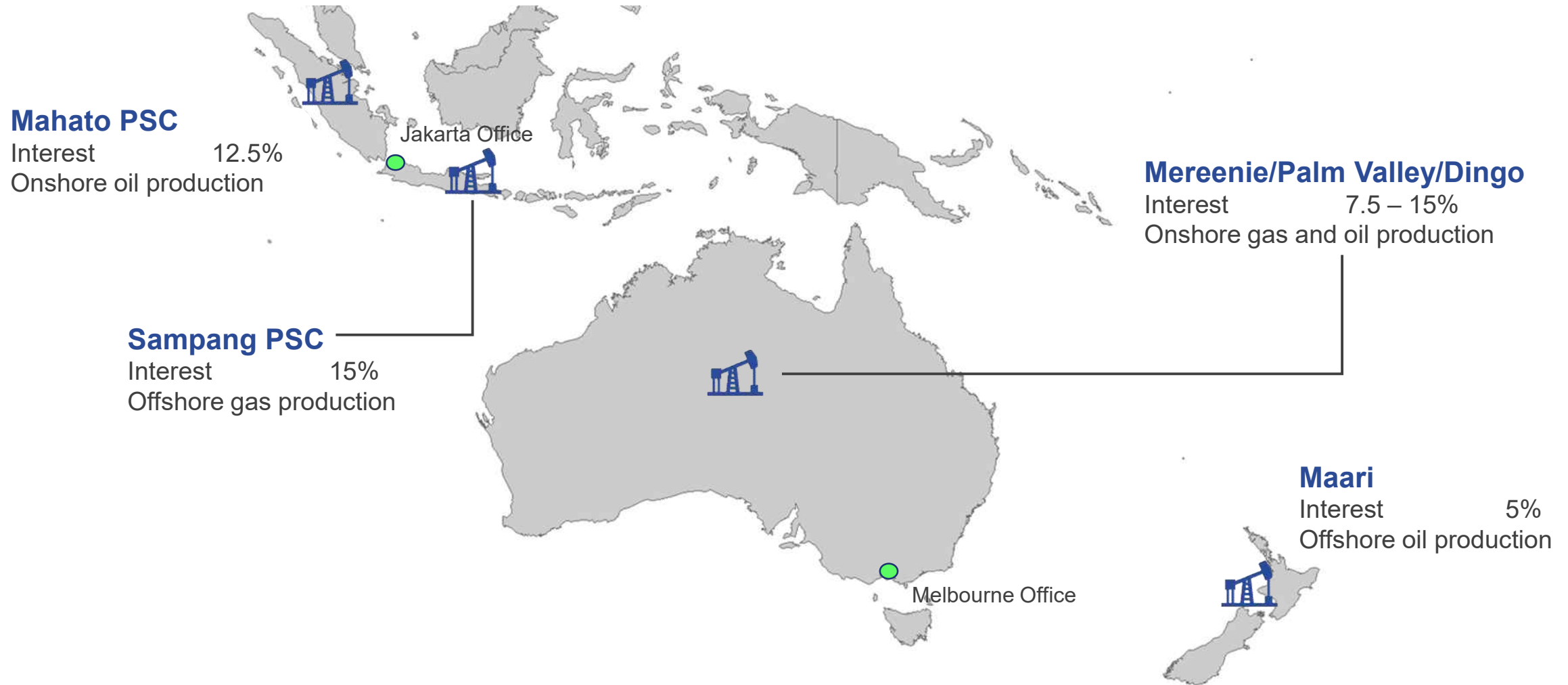
EBITDAX  **179%**
\$29.0 million

Production  **59%**
>600,000 boe

Cash cost
\$23 /boe

Gross Profit Margin
Oil \$102 /bbl
Gas \$31 /boe

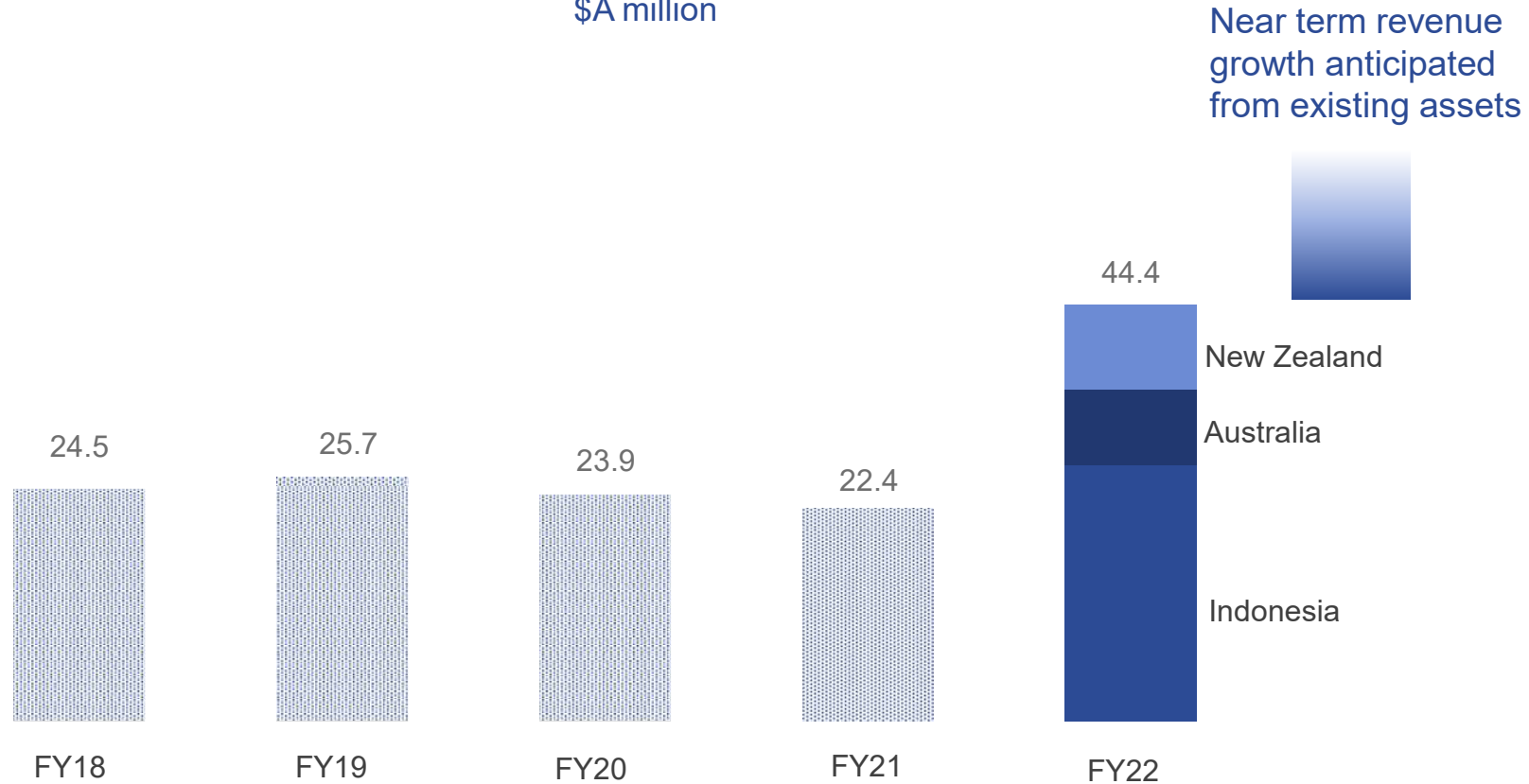
Diversified oil & gas production



Strong FY22 revenue with expected near term growth

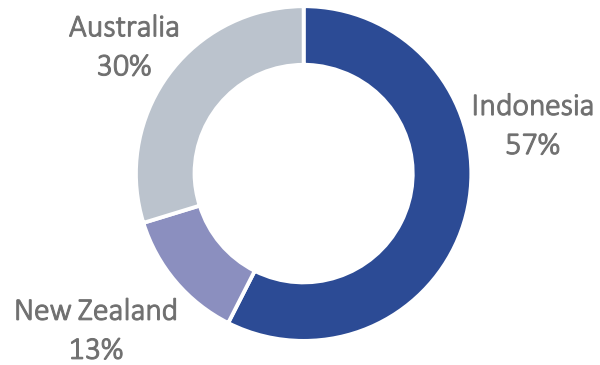
Cue Annual Revenue

\$A million

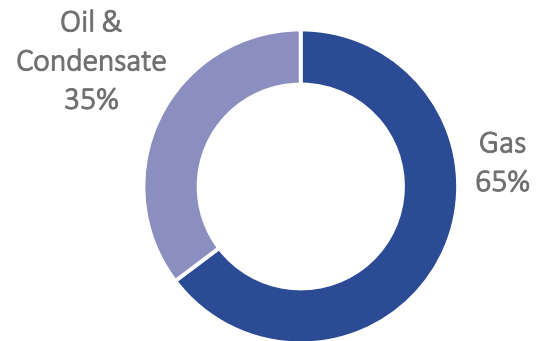


Production Growth expected to continue

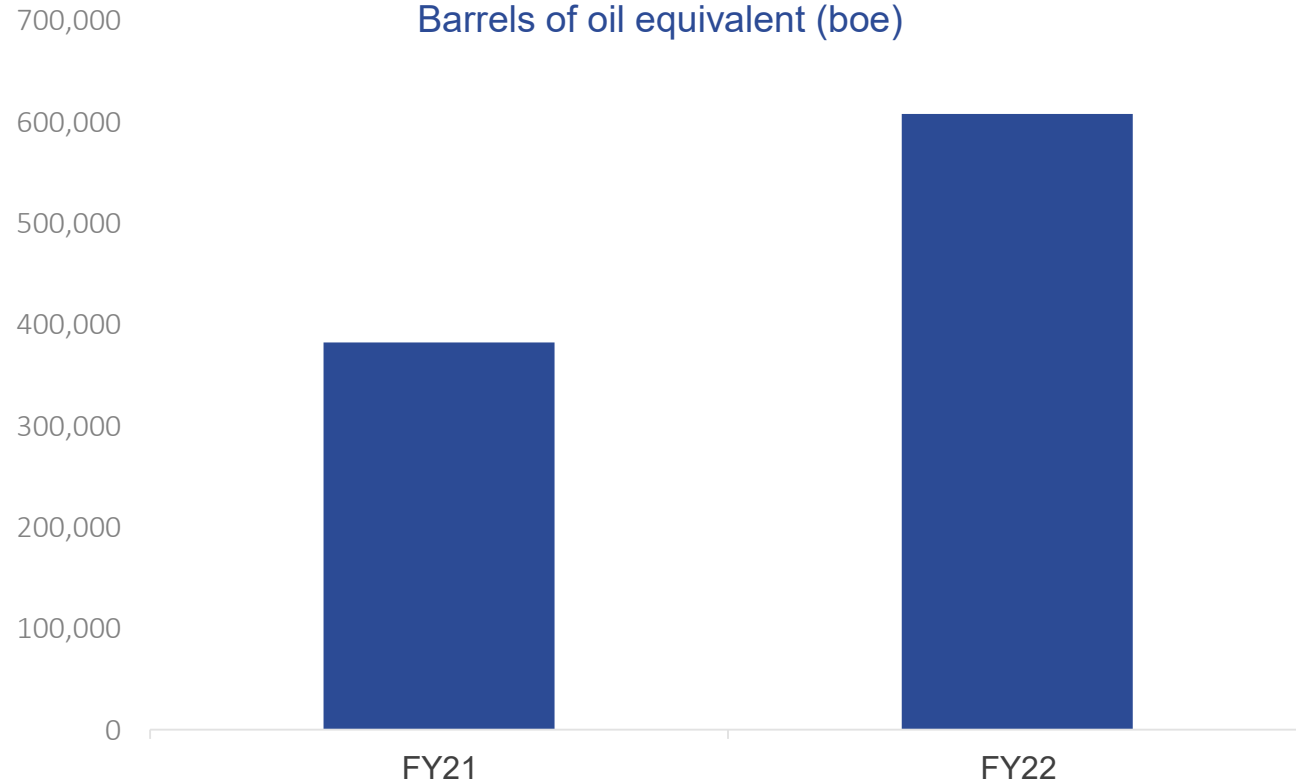
FY22 Production by Country



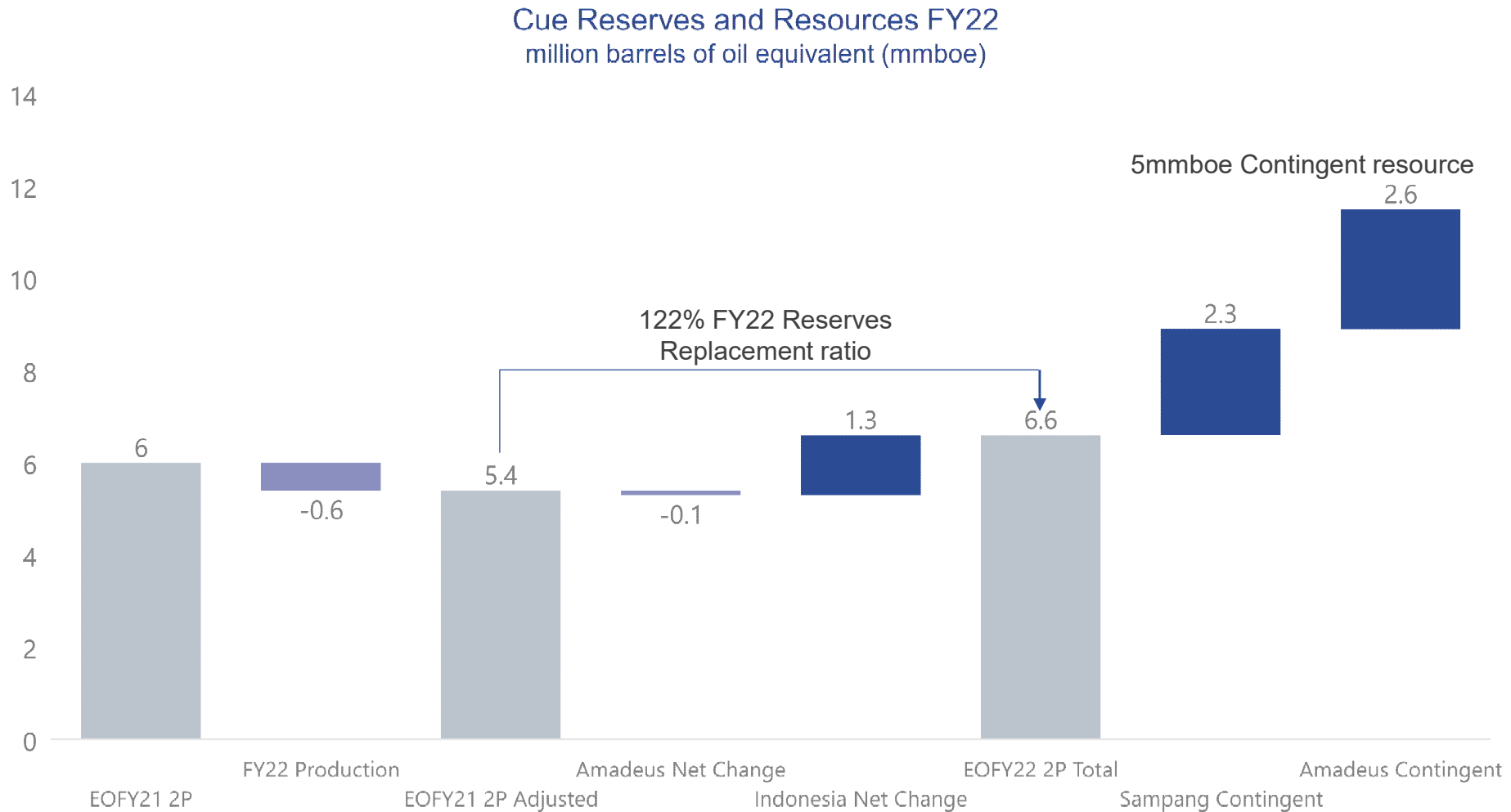
FY22 Production by Product



Net Production
Barrels of oil equivalent (boe)



122% 2P Reserves replacement ratio



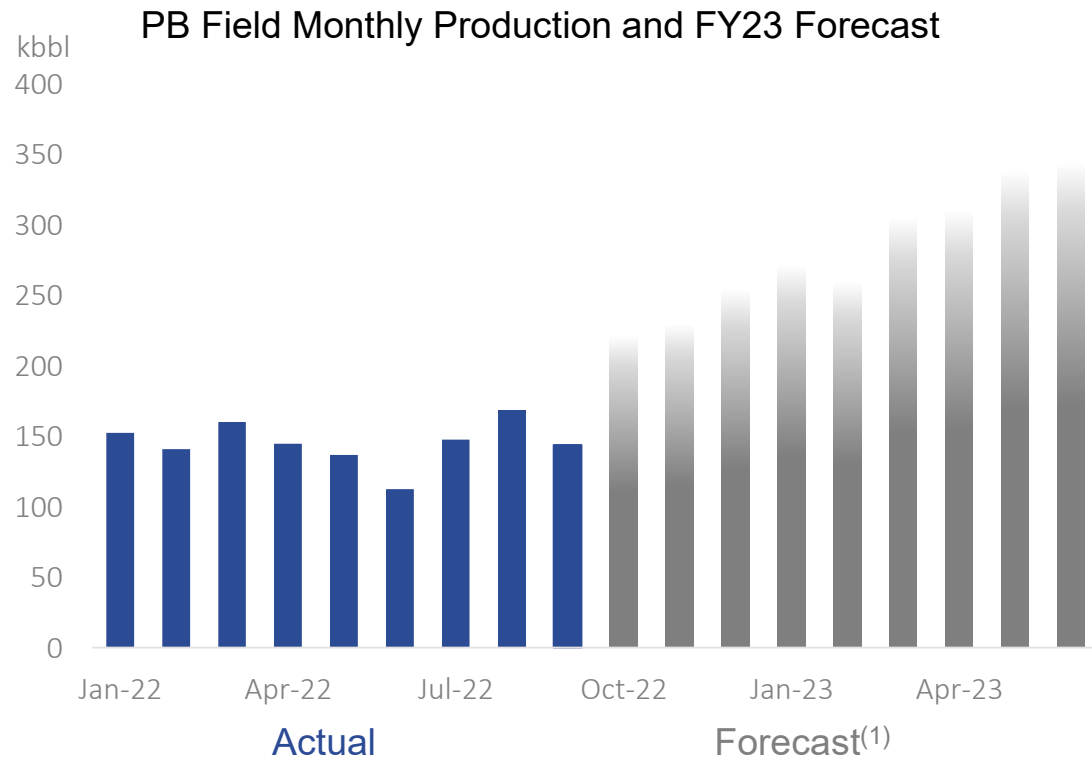


Mahato PSC

Drilling continuing with 8 more development wells in the current program

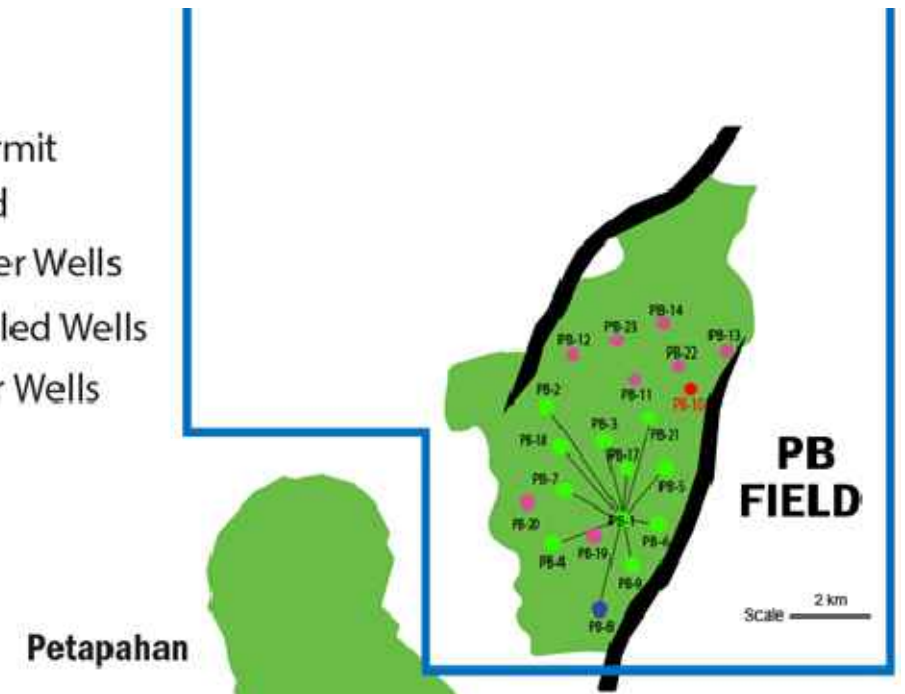
PB-21 online at approx 500 bopd barrels of oil per day

PB-10 drilling and expected to be complete early November



LEGEND

- Cue Permit
- Oil Field
- Producer Wells
- Scheduled Wells
- Injector Wells





Grati Gas Processing plant - Sampang PSC

Sampang PSC

Dependable gas production with Paus Biru FID pending



\$12.1 million FY22 revenue to Cue from Oyong and Wortel fixed price gas contracts

Paus Biru Plan of Development approved in June 2021 for a single well development with 27km pipeline to existing infrastructure and market

Commercial discussions and approvals, including an application to extend the 2027 PSC expiry are continuing

Final Investment Decision (FID) expected in the coming months. 20-25mmcf expected production early 2025

The Sampang JV continues to review exploration and development opportunities in the PSC, including the Jeruk oil discovery



PV-12 drilling – Amadeus Basin

Amadeus Basin

Mereenie, Palm Valley and Dingo

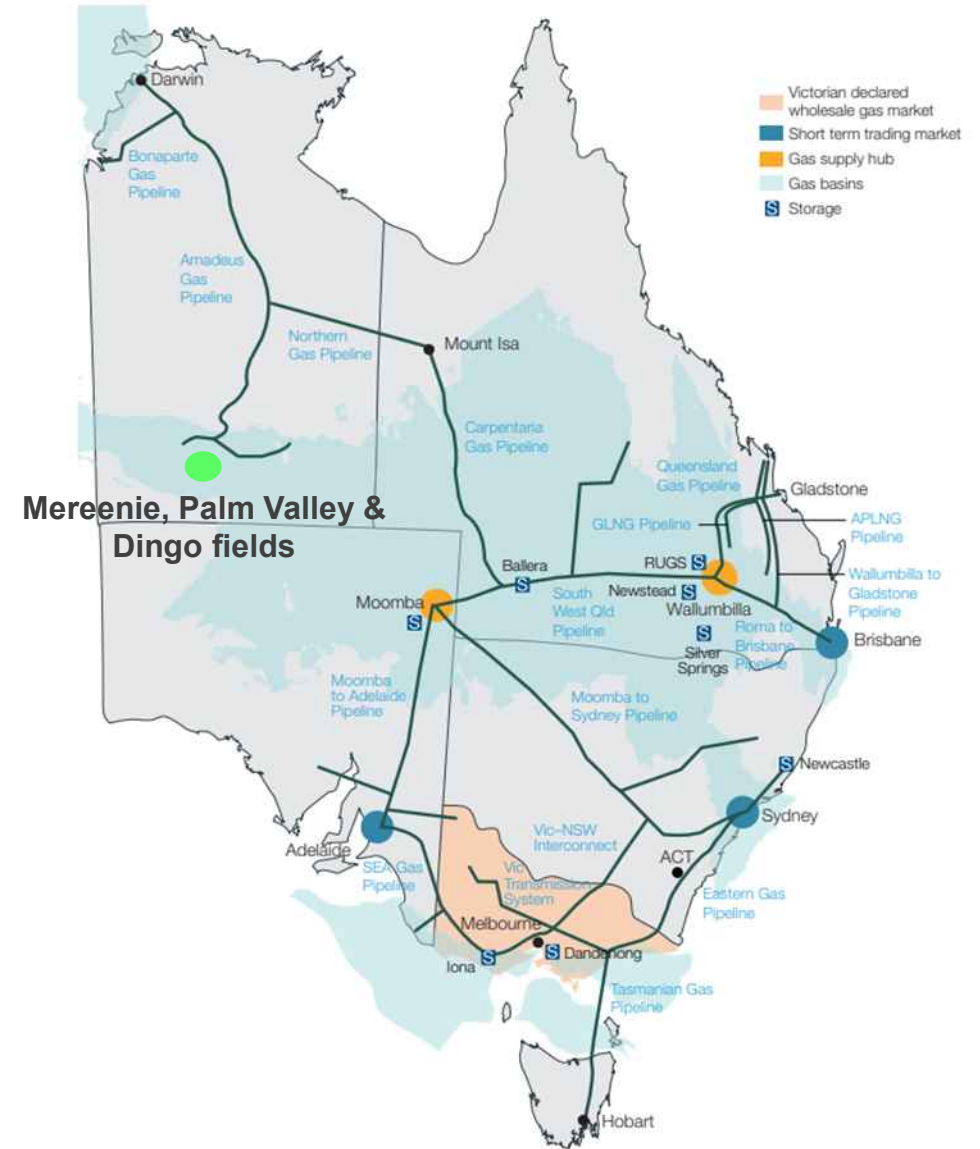
Acquisition of interests in Mereenie, Palm Valley and Dingo field completed in October 2021

\$8.2 million FY22 revenue from October 2021(9 months) from term gas contracts and gas / oil sales at market prices

Fields are connected into the high demand East Coast and Northern Territory gas markets

Near term production enhancement opportunities include:

- PV-12 gas production tie in (Q2 FY23)
- Mereenie flare gas recovery (FY23)
- 6 Mereenie well recompletions (FY23)
- 2 Mereenie development wells (FY23)
- Stairway reservoir appraisal potential
- Debottlenecking opportunities



Source: AER State of the Energy Market report 2021

Amadeus Basin

Successful Palm Valley 12 (PV-12) drilling

PV-12 ST2 successfully flow tested 11.8 million cubic feet of gas per day (mmcf/d) from the Pacoota P1 reservoir

Well is currently being completed as a gas production well with tie-in to existing facilities expected before the end of the year

Final well production rates and gas composition to be determined once the well is flowing into the gathering network

Drilling rig is currently demobilising from site



PV-12 Flare during interim flow testing

Maari

Continued solid performance for Cue with \$9.2 million FY22 revenue and \$5.4 million NPAT

Maari crude continues to attract a premium over Dated Brent

Current production ~4200 bopd with 2 wells offline and expected to resume production during FY23

- MN1 ESP replacement (~850 bopd pre workover)
- MR6a downhole intervention (~1200 bopd March 2020)



Maari WHP

Sustainability

Cue Climate Change policy published in September 2021

Sustainability and Taskforce on Climate-related Financial Disclosure (TCFD) reporting in FY22 Annual Report

Emissions measurement and reduction initiatives ongoing in Cue's Joint Venture operations



This section outlines the Cue Energy Resources approach to TCFD. It is structured to provide an overview of the core elements of the TCFD (TCFD):

- Governance
- Strategy
- Risk management, and
- Metrics and Targets

1. STATEMENT ON CLIMATE CHANGE FROM THE TCFD

Cue recognises the scientific consensus of climate change and the need to reduce global emissions and considers these as significant issues for all stakeholders of the company and the wider community.

Societies around the world are striving to meet the two interdependent objectives of meeting greenhouse gas reduction commitments to reduce the risks posed by climate change while providing affordable, secure energy supplies to meet growing demand and contribute the growth of living standards.

Cue conducts ongoing reviews of the effects of climate change on our business and assets, including operational, economic and strategy risks. We regularly update risks and commercial changes related to or caused by climate.

The company recognises its position as an energy provider and will support global efforts to reduce climate change by:

- actively reviewing and, where economically practicable, implementing opportunities to reduce the carbon impact of our own operations;
- encouraging and supporting our joint venture partners to look for and implement low carbon solutions at our non-controlled operations;
- meeting the carbon reporting requirements and obligations of the countries where we operate;
- identifying, managing and mitigating material climate change risk to our business;
- reporting our governance, strategy, risk management and targets.

Matthew Boyall
Chief Executive Officer

September 2021



Climate Change Policy

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Matthew Boyall
Chief Executive Officer

September 2021



Strong performance with expected growth



Diversified Production Portfolio

An oil and gas production and exploration company with a diversified mix of production assets in Australia, Indonesia and New Zealand



Strong, Sustainable FY22 Results

Achieved \$44 million revenue, \$16 million profit after tax and delivered a 59% increase in annual production to over 600,000 barrels of oil equivalent in FY22



Exposure to high demand markets

Acquisition of Amadeus Basin assets provides Cue with entry into the Australian gas market. High leverage to global oil prices



Near Term Growth

Growth expected to continue in FY23 with 10 more oil production wells planned for Mahato PB field and two infill wells and six recompletions planned at Mereenie



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