

03 October 2022

## PV-12 Update- Interim Flow Test results

The Operator of the Palm Valley field, Central Petroleum Limited (“**Central**”) (**ASX: CTP**) has advised that as at 1400 hrs ACST on 2 October 2022 Palm Valley 12 (PV-12) sidetrack (ST2) in OL3 (the Palm Valley Production License) had progressed to a measured depth (“**MD**”) of 2,598m. At that time a decision was made to change the drilling bit and take the opportunity to conduct an interim flow test.

The depth of the interim test interval was 1,870 metres to 2,598 metres MD (or 1,761 metres to 1,892 metres true vertical depth). The well was tested through a 1-inch orifice plate and stabilized after 3 minutes. The test continued for 47 minutes and flowed at approximately 7 TJ/d. The flowing tubing head pressure was 264 psi. Only gas was recovered during the test, no water or oil was recovered and no hydraulic stimulation (fracking) has been conducted.



*Figure 1: PV-12 Flare*

This interim flowrate is encouraging given there remains around 440 metres of horizontal hole to drill until the target total depth is reached. Once further testing is complete, drilling will continue in order to maximise the fracture intersections and volume of gas accessed.

Palm Valley is an existing gas field that produces from natural fractures. The Pacoota-1 Sandstone is the productive interval, with gross and net pay thickness of 175 metres and 45 metres respectively. The gas composition has not been analysed but is expected to be the same as the current production from the P1 interval, which around 98% hydrocarbons and minimal inerts.

The PV-12 ST2 well is being drilled under a joint venture between Central (50% interest), New Zealand Oil & Gas Limited (**ASX: NZO**) (35% interest) and Cue Energy Resources Limited (**ASX: CUE**) (15% interest).

Authorised by Matthew Boyall, 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).

## **About Cue Energy**

Cue Energy Resources Limited is an Australian Securities Exchange (ASX:CUE) listed oil and gas production and exploration company based in Melbourne. Cue's FY2022 revenue was A\$44 million from gas and oil production from the Mahato and Sampang PSCs, Indonesia and Mereenie, Palm Valley and Dingo fields, onshore Australia and the Maari field, offshore New Zealand

## **General Legal Disclaimer**

*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.*

*Except as required by applicable law or the ASX Listing Rules, the Company does not make any representation or warranty, express or implied, as to the fairness, accuracy, completeness, correctness, likelihood of achievement or reasonableness of the information contained in this document, and disclaims any obligation or undertaking to publicly update any forward-looking statement or future financial prospects resulting from future events or new information. To the maximum extent permitted by law, none of the Company or its agents, directors, officers, employees, advisors and consultants, nor any other person, accepts any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of the information contained in this document.*

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