



ABN 45 066 383 971

24 July 2015

PAGES (including this page):15

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

Quarterly Report for the Period Ended 30 June 2015

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 & 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 program

CUE ENERGY DIRECTORS

- Geoffrey King (Chairman)
- Stuart Brown
- Paul Foley
- Peter Hazledine
- Brian Smith
- Andrew Young

CUE ENERGY MANAGEMENT

- David Biggs (CEO)
- Andrew Knox (CFO)
- Jeffrey Schroll (Exp Man)

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LISTINGS

ASX: CUE
ADR/OTC: CUEYY

SUMMARY OF ACTIVITIES

Production

- The Maari Growth drilling campaign in New Zealand was completed with the last of 4 new wells MR10 put on production in early July. The field was producing approximately 16,350 bopd as of 6 July 2015. The Ensco 107 rig was demobilised in early July and a multi well workover campaign is planned to start in August 2015 to further increase production.
- The Sampang PSC well workover programme in Indonesia, to increase production and extend field life, will conclude in August with the Oyong-7 well to be brought on production, initially as an oil producer. Installation of onshore gas compression at the Grati gas plant is planned to be completed in July. This will maintain gas production from Oyong and Wortel and extend field life.
- Cue finalised the purchase of an 80% working interest in the conventional Pine Mills Woodbine oilfield in the prolific East Texas Basin, USA. Cue is operator of the field, which is currently producing ~80 bopd, and is implementing a plan to stabilise and grow production over the coming months.

Exploration

- Preparations in Indonesia continue for drilling in the Mahakam Hilir PSC with tenders received for the drilling and civil construction activities for the Naga Selatan-2 well, which is planned to be drilled in Q4 2015.
- Planning is underway by the operator to drill 2 wells in the Mahato PSC in Indonesia in late 2015-early 2016.
- Cue has identified and is maturing a significant Mungaroo formation gas prospect which straddles both the WA-359-P and WA-409-P permits offshore Western Australia (Cue 100% and operator). A process has been initiated to farm-out a material interest in both permits.

Financial

- Quarterly revenue receipts from hydrocarbon production for the quarter were A\$11.67 million on sales of 82,012 barrels of oil at an average price of US\$72 per barrel and 622,754 thousand cubic feet (Mcf) of gas at an average price of A\$6.37 per Mcf.
- Cue has no hedging in place.
- Cue has no debt.
- \$27.55 million cash on hand at the end of the quarter.

Production & Financial Summary

KEY PERFORMANCE METRICS		June Quarter Q4 FY15	March Quarter Q3 FY15	Change %
Oil Production (net to Cue)	bbl	75,532	45,561	65.78
Gas Production (net to Cue)	mmcf	606.52	613.17	(1.09)
Oil Liftings (net to Cue receipts)	bbl	82,012	44,693	83.50
Gas Liftings (net to Cue receipts)	mmcf	622.75	565.19	10.18
Total Revenue Receipts	A\$m	11.67	7.07	65.06
Production Expenditure	A\$m	3.51	6	(41.50)
Closing Cash Position	A\$m	27.55	30.09	(8.44)

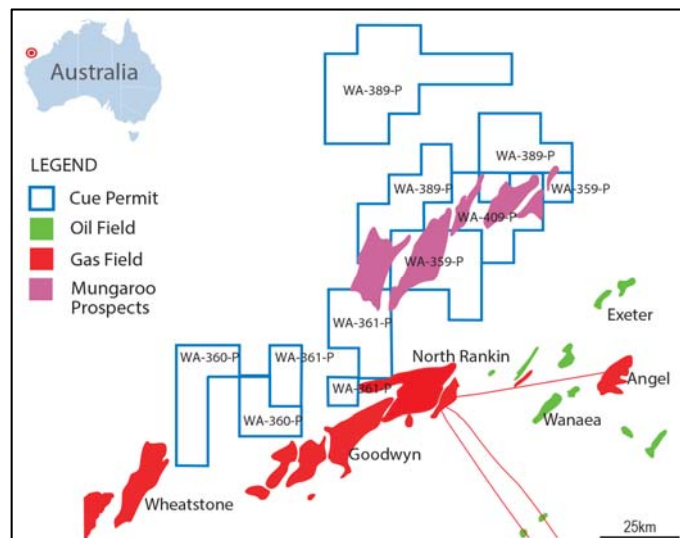
ACTIVITY REVIEW AUSTRALIA - Carnarvon Basin

WA-359-P

Cue Interest: 100%

Operator: Cue Exploration Pty Ltd

Cue has evaluated the regional prospectivity in all of its Western Australia offshore permits and has identified an exciting new play type associated with the prolific gas-bearing Mungaroo formation. The “Ironbark” prospect, a Mungaroo formation prospect with multiple objectives, has been identified as the primary candidate for drilling in WA-359-P and Cue has applied to NOPTA to have the year 3 well commitment suspended to allow further time to mature the prospect and plan for drilling. Cue has commenced a farm-out process to find suitable joint venture partner(s) to participate in the drilling of the well.



WA-409-P

Cue Interest: 100%

Operator: Cue Exploration Pty Ltd

Cue acquired 100% of WA-409-P in February 2015 and is now operator of the permit. A 12 month extension to year 6 of WA-409-P until April 2016 has been granted by NOPTA to allow further technical analysis of the Ironbark prospect which has been mapped as straddling both WA-359-P and WA-409-P. Cue will be seeking to farm-out a material interest in both the WA-359-P and WA-409-P permits with the initial well planned for WA-359-P and if successful, possible appraisal drilling in WA-409-P.

WA-360-P

Cue Interest: 37.5%

Operator: MEO Australia Limited

The WA-360-P Joint Venture is completing the reprocessing of approximately 650 km² of existing 3D seismic data over the Maxwell prospect to improve imaging of the structure. There is no well commitment in the current licence term.

WA-361-P

Cue Interest: 15%

Operator: MEO Australia Limited

NOPTA has approved an application for a work programme variation to allow the Joint Venture to complete geotechnical studies ahead of deciding whether to make any commitment to drill a well. The reduced work programme term concludes on 30 January 2016.

WA-389-P

Cue Interest: 40%

Operator: BHP Billiton Petroleum (Australia) Pty Ltd

Reprocessing of existing 2D and 3D seismic data has been approved by the Joint Venture and is underway.

NEW ZEALAND EXPLORATION - Taranaki Basin

PEP 51149

Cue Interest: 20%

Operator: Todd Exploration Limited

The Te Kiri North-1 well is expected to be drilled in Q4 2015. The operator has proposed a well which will be deviated from the surface location to intersect a potentially oil-bearing objective in the Miocene-age Mount Messenger Formation and a deeper Eocene-age gas-bearing objective. Te Kiri North-1 will be drilled up dip of hydrocarbon shows in the Te Kiri-1 well.

Cue's estimate of the mean prospective recoverable resource is 2 million boe net to Cue. Existing infrastructure nearby will facilitate early commercialisation in a success case.

PEP 54865

Cue Interest: 20%

Operator: Todd Exploration Limited

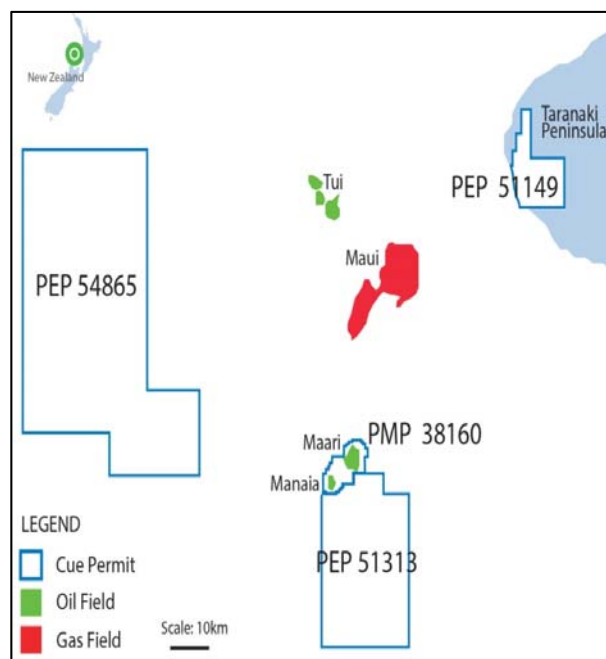
The permit carries a minimum work program of 285 km² of 3D seismic to be acquired, processed and interpreted prior to June 2016. The Joint Venture may elect to commit to a well before December 2016 to test Early Tertiary and Late Cretaceous reservoir objectives, or surrender the permit. Planning for the 3D seismic survey has commenced and is planned for early 2016 pending boat availability. The Joint Venture is seeking a farminee to fund the seismic programme.

PEP 51313

Cue Interest: 14% interest

Operator: OMV New Zealand Limited

The Joint Venture is focused on assessing the remaining potential associated with the Matariki trend up-dip of the Maari field. Studies are being completed by the operator to determine the feasibility of applying seismic inversion technology to reduce the geologic risk of a potential stratigraphic prospect, Matariki.



NEW ZEALAND PRODUCTION

PMP 38160

Cue Interest: 5%

Operator: OMV New Zealand Limited

Maari and Manaia Fields

Cue's net share of oil sales in the quarter from the Maari and Manaia fields was 60,732 barrels which generated A\$5.24 million in revenue received.

The average oil production rate in the quarter was approximately 12,834 gross barrels per day (Cue net: 641 bopd).

The MR10 well has been successfully drilled and completed, and as of 6 July 2015 was flowing ~2000 barrels of oil per day bringing the daily production up to ~16,350 barrels of oil per day. The final flow rate for MR10 will be optimised by the Operator based on engineering data collected as the well continues to stabilise.

Over the 15-month long project, a total of four new production wells were drilled using the Ensco 107 jack-up rig. The Joint Venture is planning to further increase the field's production rate up to 20,000 bopd with the optimisation of production from MR10 and an upcoming 2015 work-over campaign.

The Ensco 107 demobilised from the Maari field on 11 July 2015 and the work-over campaign is scheduled to commence in August.



INDONESIA EXPLORATION

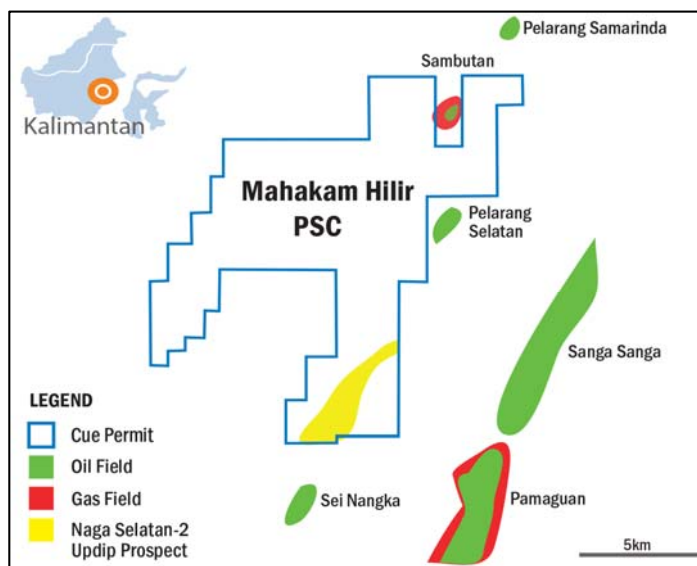
Mahakam Hilir
PSC Kutei Basin
Cue Interest: 100%
Operator: Cue Kalimantan Pte Ltd

Cue now holds a 100% interest in, and is the operator of, the Mahakam Hilir PSC in the prolific Kutei Basin onshore Kalimantan, Indonesia.

Naga Selatan 2 well planning is progressing, with tenders received for the drilling rig and the construction of the drilling pad and access roads. The well is planned to be drilled in Q4 2015.

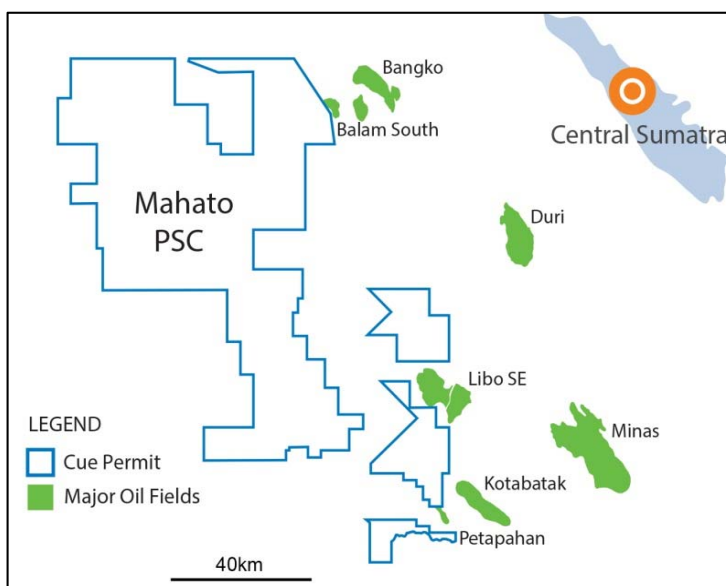
Extensive field mapping in the block has helped identify a final location for the Naga Selatan-2 well. Field geologists have identified several active oil seeps during their work and this critical information has been used in updating the structural interpretation of the prospect and selecting an initial drill location.

This oil prospect lies along trend from the large Sei Nangka and Pelarang Selatan oil fields. The prospect has multiple shallow targets, located at depths down to 3000' TVD. Additional exploration objectives have also been identified on the existing seismic data.



Mahato PSC
Central Sumatra Basin
Cue Interest: 12.5%
Operator: Texcal Mahato Ltd

The Mahato PSC covers a highly prospective area, close to several large producing oil fields. Multiple appraisal and exploration opportunities have been mapped and 2 wells are currently planned for late 2015 - early 2016. A 2D seismic programme to high grade further exploration prospects is also planned for late 2015.



INDONESIA PRODUCTION

Sampang PSC- Madura Strait

Cue Interest: 15%

Operator: Santos (Sampang) Pty Ltd

Oyong Field

During the quarter Cue's share of oil sales receipts was A\$2.39 million from the sale of 19,805 barrels and gas sales receipts was A\$0.968 million from the sale of 275,639 Mcf.

A significant gas price increase has been negotiated with the existing buyer with effect from 1 July 2015.

Cue's share of condensate sales from the Oyong field was 13 barrels which generated A\$570 in revenue.

The Oyong average oil production rate for the quarter was 1250 bopd (gross) and the daily gas average rate was 23.60 mmcf (gross) (Cue net: 161 bopd and 2.93 mmcf - both net of government take under the PSC).

A programme of well interventions will be finalised with the completion of Oyong -7 in August, 2015. The workovers are expected to improve Oyong oil and gas production and extend field life until 2018.

Wortel Field

During the quarter Cue's share of gas sales receipts was A\$3.0 million from the sale of 347,115 Mcf.

Cue's share of condensate sales from the Wortel field was 17 barrels which generated A\$785 in revenue.

Wortel-3 and Wortel-4 flowed gas at a combined average daily rate of 36.54 mmcf (gross) during the quarter (Cue net 5.07 mmcf net of government take under the PSC.)

The installation of compression at the Grati gas plant should be completed in July 2015 which will ensure that the Wortel project will continue to meet its gas sales contract volumes.



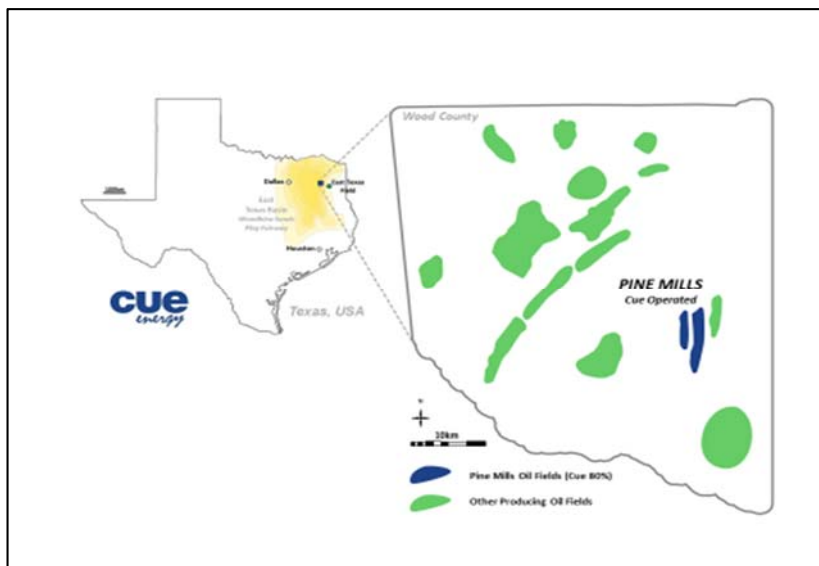
USA PRODUCTION

Pine Mills – East Texas
Cue Interest: 80%
Operator: Cue Resources, Inc

On the 5 June 2015, Cue finalised an agreement to purchase an 80% working interest in a conventional Woodbine oilfield in the prolific East Texas Basin. Cue now operates the field which is producing ~80 bopd and is implementing a plan to stabilise and grow production over the coming months.

Cue's net share of oil sales in the quarter from the Pine Mills field was 1,445 barrels which generated A\$0.075 million in revenue received.

The average oil production rate in June 2015 was approximately 80 gross barrels per day (Cue net: 50 bopd).



CORPORATE

On 28 May 2015 the Company received a requisition notice from NZOG Offshore Limited, a substantial shareholder holding 48.11% of Cue's issued capital, to convene a meeting of all shareholders. The purpose of the general meeting is to consider and, if thought fit, pass resolutions to remove Mr Geoffrey King and Mr Andrew Young as Directors of Cue and to remove as Directors of Cue any other persons appointed as Directors from 28 May 2015.

On 18 June 2015 the Company announced that the general meeting requested will be held on 29 July 2015 at the Wool Room, Intercontinental the Rialto, 495 Collins Street, Melbourne 3000, Australia.



Andrew Knox
Chief Financial Officer

Various statements in this report constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve unknown risks, expectations, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein.

Some of the more important of these risks, expectations and uncertainties are pricing and production levels from the properties in which the Company has interests and the extent of the recoverable reserves at those properties. In addition, the Company has a large 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.

DIRECTORS

GJ King (Non Exec. Chairman)
SA Brown (Non Exec. Director)
PG Foley (Non Exec. Director)
CP Hazledine (Non Exec. Director)
BL Smith (Non Exec. Director)
AA Young (Non Exec. Director)

CHIEF EXECUTIVE OFFICER

DAJ Biggs

CHIEF FINANCIAL OFFICER

AM Knox

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MELBOURNE VIC 3000

SECURITIES EXCHANGE LISTING

ASX: CUE

SHARE REGISTER

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or +61 3 9415 4000 (outside Australia)
Email: web.queries@computershare.com.au
Website: www.computershare.com.au

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Cue Energy Resources Limited

ABN

45 066 383 971

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date 12 months \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	11,668	34,992
1.2 Payments for (a) exploration and evaluation (refer 2.2)	(1,762)	(16,136)
(b) development	(3,470)	(16,565)
(c) production	(3,505)	(17,077)
(d) administration	(2,571)	(6,605)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	21	115
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	(5,159)
1.7 Other	-	-
Net Operating Cash Flows	381	(26,435)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(2,604)	(2,604)
(b) equity investments	-	-
(c) other fixed assets	-	(7)
1.9 Proceeds from sale of:		
(a) prospects	-	8,729
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(2,604)	6,118
1.13 Total operating and investing cash flows (carried forward)	(2,223)	(20,317)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,223)	(20,317)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings (refer 3.1(i))	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Share Issue Costs	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(2,223)	(20,317)
1.20	Cash at beginning of quarter/year to date	30,094	40,558
1.21	Exchange rate adjustments to item 1.20	(317)	7,313
1.22	Cash at end of quarter	27,554	27,554

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	110
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	4,590
4.2 Development	3,903
4.3 Production	5,134
4.4 Administration	1,793
Total	15,420

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	226	349
5.2 Deposits at call	27,328	29,745
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	27,554	30,094

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	Pine Mills	Working	-	80%

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	698,119,720	698,119,720	-	-
7.4 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	-	-	-	-
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures (totals only)	-	-	-	-
7.12 Unsecured notes (totals only)	-	-	-	-

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 24 July 2015

Chief Financial Officer

Print name: Andrew Knox

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Appendix 5B
Mining exploration entity quarterly report

APPENDIX A

QUARTERLY REPORT OF CONSOLIDATED CASHFLOWS
- QUARTER ENDED 30 JUNE 2015

Amended List of Mining Tenements

PERMIT	OPERATOR	LOCATION	CUE INTEREST (%)
Petroleum Properties			
		USA	
Pine Mills	Cue Resources, Inc	Wood County Onshore	80.00
		Indonesia	
Sampang PSC ⁽ⁱ⁾	Santos (Sampang) Pty Ltd	Madura Strait Offshore	15.00
Mahakam Hilir PSC	Cue Kalimantan Pte Ltd	Kalimantan Onshore	100.00
Mahato PSC	Texcal Mahato Pte Ltd	Central Sumatra	12.50
		Australia	
WA-359-P	Cue Exploration Pty Ltd	Carnarvon Offshore	100.00
WA-360-P	MEO Australia Limited	Carnarvon Offshore	37.50
WA-361-P	MEO Australia Limited	Carnarvon Offshore	15.00
WA-389-P	BHP Billiton Petroleum (Australia) Pty Ltd	Carnarvon Offshore	40.00
WA-409-P	Cue Exploration Pty Ltd	Carnarvon Offshore	100.00
		New Zealand	
PMP 38160	OMV New Zealand Limited	Taranaki Offshore	5.00
PEP 51313	OMV New Zealand Limited	Taranaki Offshore	14.00
PEP 51149	Todd Exploration Limited	Taranaki Onshore	20.00
PEP 54865	Todd Exploration Limited	Taranaki Offshore	20.00
⁽ⁱ⁾	Economic interest in the Jeruk field		8.181818