



Cue Energy Resources Limited

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DATE : 11 December 2008

PAGES (including this page): 2

FROM : Andrew Knox

RE : **Spikey Beach -1 update, T/38P**

Attached please find Cue Energy Resources Limited's release with respect to the above mentioned.

Yours faithfully

A handwritten signature in black ink that reads "Andrew Knox".

Andrew M Knox
Public Officer



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RELEASE

Spikey Beach -1 update, T/38P

Beach, the operator for a designated area of interest within T/38P, and the Spikey Beach -1 well, reported yesterday (10/12/2008) that:

“The West Triton jack-up rig was unable to successfully jack up at the Spikey Beach -1 well location and the decision has been made to move the rig to the Fermat -1 location. Fermat -1 (Vic/P46, offshore Otway Basin), is the third well of Beach Petroleum's planned three well Bass Strait program. The Joint Venture is currently considering options for a return to Spikey Beach -1 after Fermat -1.”

The participants in Spikey Beach -1 well are:

| | |
|---|-----|
| Beach Petroleum Ltd (operator) | 80% |
| Galveston Mining (100% Cue Energy Resources Subsidiary) | 10% |
| Exoil Ltd | 10% |

Any queries regarding the announcement should be directed to the company on (03) 9670 8668 or email mail@cuenrg.com.au.

A handwritten signature in blue ink, appearing to read "R. Coppin".

Robert J Coppin
Chief Executive Officer

11th December 2008