

# Activities Report

Quarter ended 31 December 2024

29 January 2025

## HIGHLIGHTS

- **\$4.3 million net cashflow generated for the quarter reinforces Cue's strong ongoing performance, with a \$17.1 million cash balance, no debt and development activity fully funded**
- **Mereenie field development well WM29 was successfully air-drilled and is in production with a gas production rate of 6 TJ/d, significantly higher than pre-drill expectations. The next well in the program, WM30, commenced drilling on 16 January**
- **Three Mahato PSC development wells were successfully drilled, including PB-30, the field's first horizontal well, which is now producing over 600 barrels of oil per day (bopd)**
- **Progress is also being made towards an FID on the new development Paus Biru gas project, with the potential to increase Cue's interest in the Sampang PSC overall**

## COMMENTS FROM CEO, MATTHEW BOYALL

*"I am pleased to report another quarter of positive cash flow, highlighting the strength of Cue's diverse portfolio and our commitment to delivering sustainable value for shareholders.*

*Production expansion of our existing projects continues with the WM29 development well in the Mereenie field achieving excellent results, with higher than expected production rates of 6 TJ/d and drilling of WM30 now underway.*

*In the Mahato PSC, development drilling continues as planned, with PB-30, the first horizontal well in the field, drilled and producing over 600 barrels of oil per day (bopd). Meanwhile, the Maari field continues to perform steadily, demonstrating the success of production optimisation projects.*

*Progress is also being made towards a Final Investment Decision for the Paus Biru project, with ongoing discussions regarding PSC extensions and amendments to support the development.*

*These milestones reflect our strategic focus on maintaining strong cash flow, advancing development projects, and positioning Cue for continued growth and shareholder returns."*

## PRODUCTION AND FINANCIAL RESULTS SUMMARY

For the quarter, Cue achieved an overall production of **1,600 boe/d**, with cash receipts remaining consistent with the previous quarter at **\$13.1 million**, resulting in a net cashflow of **\$4.3 million**. The company's balance sheet remains strong, with a **cash balance of \$17.1 million** and no debt.

Cash receipts from Cue's onshore Australian assets increased by **15% to \$3.0 million**, driven by slightly higher production and improved prices received. Mahato oil production increased by **6% quarter-on-quarter**, though cash receipts were slightly lower due to oil price fluctuations and timing of some oil sales. Maari oil production and receipts were consistent with the previous quarter.

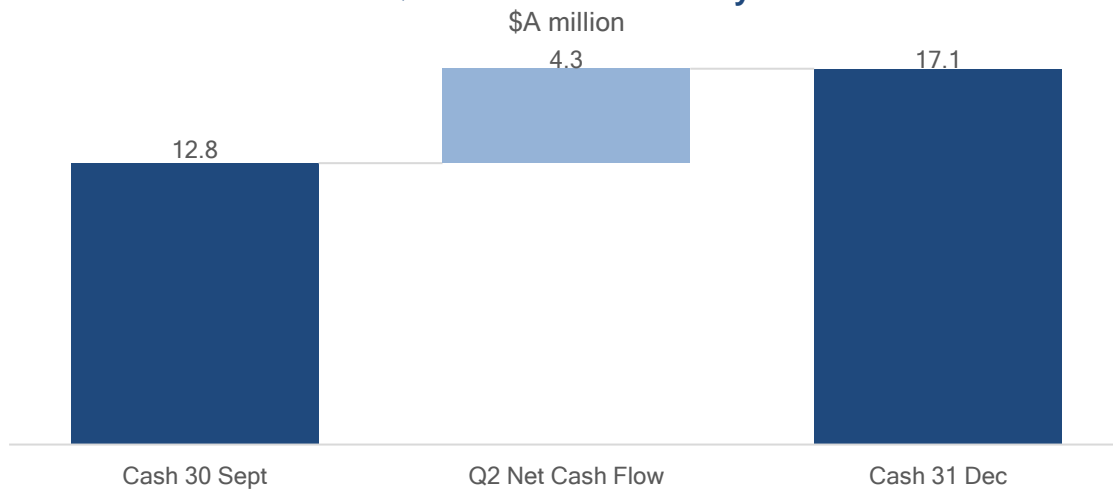
**Table 1: Cue Net Production and Cash Receipts**

				Q2 FY2025	Q1 FY2025
<b>Australia</b>	Production	Gas	PJ	<b>0.34</b>	0.33
		Oil	bbl	<b>2,538</b>	2,404
	Cash Receipts			\$ million	<b>3.0</b>
<b>Indonesia</b>					
<b>Sampang PSC</b>	Production	Gas	PJ	<b>0.15</b>	0.18
		Oil	bbl	<b>247</b>	366
	Cash Receipts			\$ million	<b>1.6</b>
<b>Mahato PSC*</b>	Production	Oil	bbl	<b>41,822</b>	39,569
	Cash Receipts			\$ million	<b>5.2</b>
<b>New Zealand</b>	Production	Oil	bbl	<b>22,547</b>	22,071
	Cash Receipts			\$ million	<b>3.3</b>
<b>Total Production</b>			kboe	<b>146.4</b>	147.3
<b>Total Cash Receipts</b>			\$ million	<b>13.1</b>	12.7
<b>Closing Cash</b>			\$ million	<b>17.1</b>	12.8

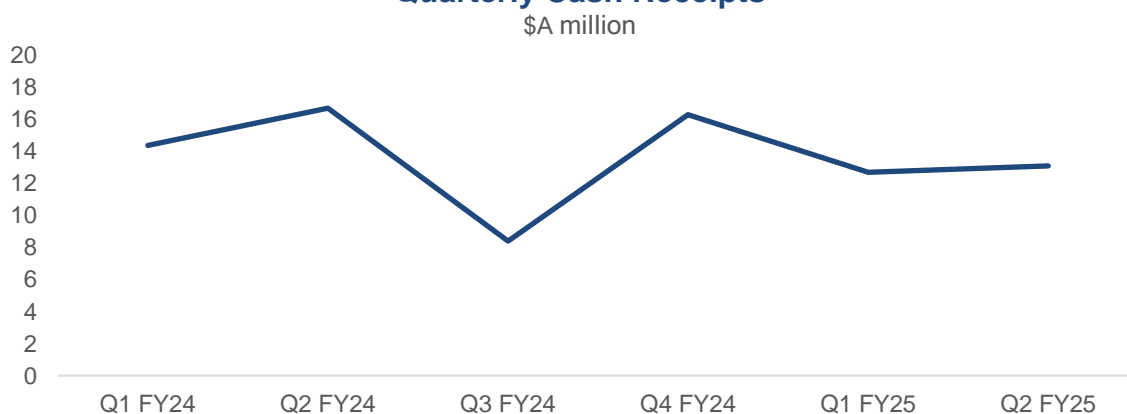
PJ - Petajoules, bbl - barrels, kboe - thousand barrels of oil equivalent

\*Mahato production and sales reported as 11.25% Participating Interest (PI).

**Q2 FY25 Cash Summary**



**Quarterly Cash Receipts**



## AUSTRALIA

### Cue Interests

**Mereenie** [OL4 & OL5]: 7.5%

**Palm Valley** [OL3]: 15%

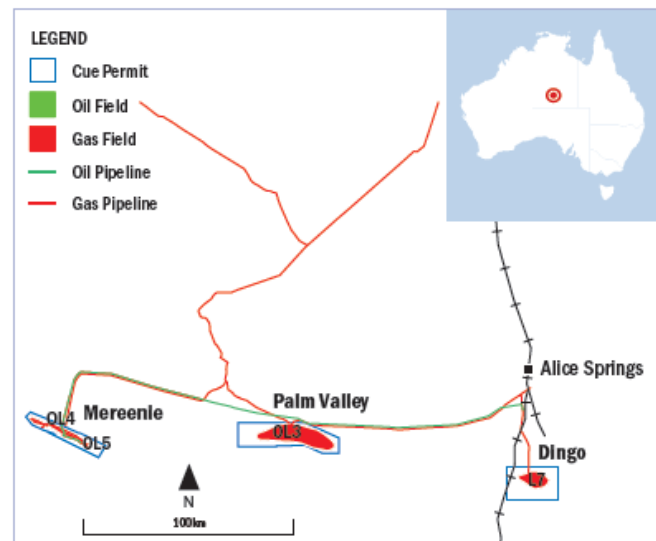
**Dingo** [L7]: 15%

**Operator:** Central Petroleum Limited

West Mereenie 29 (WM29) development well in the Mereenie field was drilled during December and achieved excellent results, commencing gas sales to the Northern Territory on 20 January 2025.

A pre tie-in test achieved a total flow rate of approximately 7 TJ/d (100% JV) over a 2-hour period. Production from WM29 will be limited to 6 TJ/d (100% JV), in line with capacity of the well site production equipment.

AMADEUS BASIN LOCATION MAP - AUSTRALIA



The flow rate achieved at WM29 is double pre-drill expectations and significantly higher than the rates achieved at the Joint Venture's previous West Mereenie 28 well, drilled in 2021.

The flow rate achieved at WM29 should increase overall Mereenie production capacity up to the pre-drill 30 TJ/d field production target, with the second development well, West Mereenie 30 (WM30), currently. WM30 is expected to reach its primary Pacoota-3 sandstone target, at an estimated depth of 1,681mMD, over the coming month.

Up to 6 TJ/d of firm gas from the two wells can be sold to the Northern Territory Government under existing contracts. Other gas will be available for sale into the supply constrained NT market.

Gas production was in line with the previous quarter, with increased sales from the Mereenie and Palm Valley fields into the Northern Territory market mitigating the production impact of the Northern Gas Pipeline (NGP) closure.

The NGP has been closed since February 2024 due to reduced production from the offshore Blacktip field and is currently expected to be shut until the end Feb 2025

## INDONESIA

### Mahato PSC

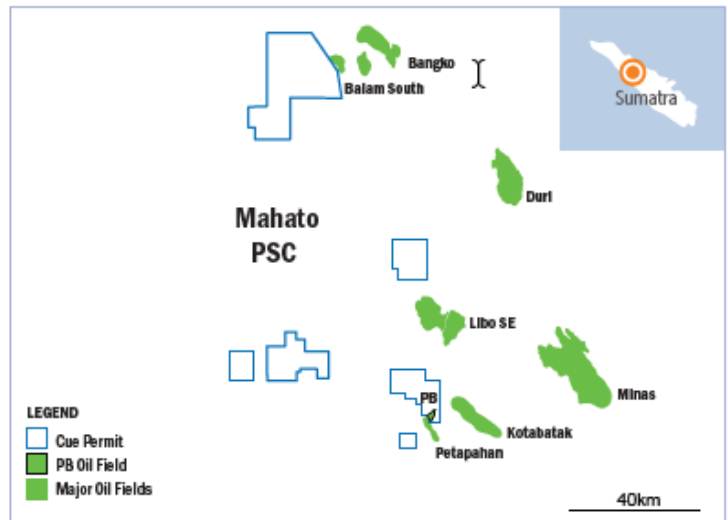
**Cue Interest:** 11.25%(Cue Mahato Pty Ltd)

**Operator:** Texcal Energy

3 development wells were drilled during the quarter, including PB-30, the first horizontal well in the field, which is now producing over 600 barrels of oil per day (bopd).

Development drilling in the PB field continues under the approved Field Development Optimisation (OPL Phase 2) plan. To date, 7 wells have been drilled out of the fourteen approved development wells, with the remainder expected to be drilled during CY25.

MAHATO PSC LOCATION MAP - INDONESIA



The PC-1 exploration well was drilled during the quarter to a depth of 5,800 ft. Testing did not produce hydrocarbons, and the well was subsequently plugged and abandoned.

Government approvals for the Participating Interest (PI) transfer to Riau Petroleum have been finalised, confirming Cue's 11.25% participating interest.

### Sampang PSC

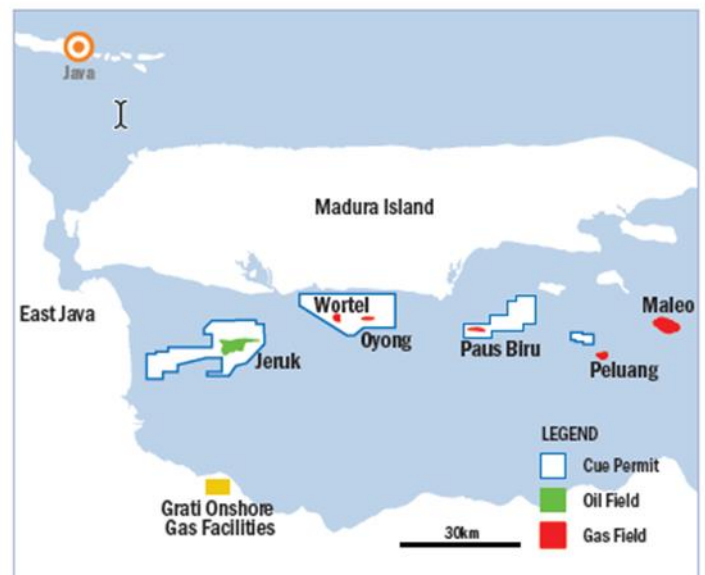
**Cue Interest:** 15% (Cue Sampang Pty Ltd)

**Operator:** Medco Energi Sampang Pty Ltd

The field operator, Medco Energi Sampang Pty Ltd (Medco), is engaged in ongoing discussions with the Indonesian Government to secure an extension of the Sampang Production Sharing Contract (PSC), which expires in December 2027.

Medco has also requested amendments to the terms of the PSC to facilitate the development of the Paus Biru project. Both the extension and the requested changes are essential for enabling the project to proceed to FID.

SAMPANG PSC LOCATION MAP - INDONESIA



Joint venture partner Singapore Petroleum Sampang Ltd (SP Sampang) has notified the Medco and Cue that it will not continue as a participant in the PSC for any renewal period beyond December 2027, including the Paus Biru Development. Under the joint operating agreement, at the expiry of the current PCS term, SP Sampang's participating interest in the current PSC will be redistributed among Medco and Cue. This could result in an additional 10% participating interest to Cue. Medco and Cue intend to continue progressing the Paus Biru development and extension of the Sampang PSC.

The Paus Biru development plan involves drilling a single well, installing a wellhead platform, and constructing a 27-kilometre subsea pipeline to connect the gas field to existing infrastructure at the Oyong field. Subject to final approvals, gas production from Paus Biru is expected to commence at a rate of 20-25 mmcf/d.

### Mahakam Hilir PSC

**Cue Interest:** 100% (Cue Mahakam Hilir Pty Ltd and Cue Kalimantan Pte Ltd)  
**Operator:** Cue Kalimantan Pte Ltd

The administrative process for surrendering the permit, which expired in April 2021, remains ongoing.

## NEW ZEALAND

### PMP 38160

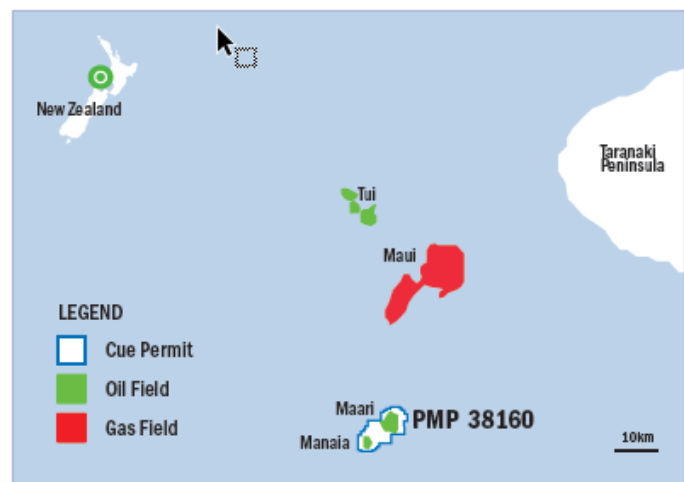
**Cue Interest:** 5% (Cue Taranaki Pty Ltd)  
**Operator:** OMV New Zealand Limited

The Maari field continues to perform steadily, with oil production for the quarter remaining consistent with the previous period. Well clean up and testing results from the MR6a workover, completed in Q1 FY2025, remain ongoing.

An application for the extension of the PMP 381060 (Maari) license was submitted to the New Zealand Government in Q1 FY2025. The decision-making timeframe for the government can take over a year. The Maari JV continues to evaluate and prioritise value-added projects, focusing on potential production enhancement, cost reduction, and opportunities for CO<sub>2</sub> reduction.

During 2024, the Maari Joint Venture contributed funding to the South Taranaki District Council to build a community bicycle pump track in Aotea Park, Waverly, NZ. The track was opened in December 2024.

TARANAKI PENINSULA LOCATION MAP - NEW ZEALAND



## CORPORATE

During the quarter, Central Petroleum, the operator of the Mereenie, Palm Valley and Dingo fields, published emissions data under NGER reporting. Cue has updated its FY24 emissions estimates to include its share of emissions from these assets. The table below updates the table published on page 22 of the FY24 Cue Energy Resources Limited Annual Report.

### Scope 1 Emissions

	Emissions (tCO <sub>2</sub> e)	boe produced	Intensity Factor (tCO <sub>2</sub> e per boe)
FY24	13,852	631,027	0.022

The Annual General Meeting was held via a webinar on Wednesday, 23 October 2024. All resolutions put to the meeting passed via a poll.

**For and on behalf of the Cue Energy Board**

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).

*All references to dollars, cents or \$ in this announcement are to Australian currency, unless otherwise stated.*

*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 is involved in oil and gas exploration and appraisal. 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.*

<p><b>DIRECTORS</b> Alastair McGregor (Non-Exec. Chairman) Andrew Jefferies (Non-Exec. Director) Marco Argentieri (Non-Exec. Director) Peter Hood (Non-Exec. Director) Richard Malcolm (Non-Exec. Director) Roderick Ritchie (Non-Exec. Director) Samuel Kellner (Non-Exec. Director)</p> <p><b>CHIEF EXECUTIVE OFFICER</b> Matthew Boyall</p> <p><b>COMPANY SECRETARY</b> Anita Addorisio</p>	<p><b>REGISTERED OFFICE</b> Level 3 10-16 Queen Street MELBOURNE VIC 3000</p> <p>Phone: +613 8610 4000 Fax: +613 9614 2142 Email: <a href="mailto:mail@cuenrg.com.au">mail@cuenrg.com.au</a> Web: <a href="http://www.cuenrg.com.au">www.cuenrg.com.au</a></p> <p><b>AUDITOR</b> KPMG Tower Two, Collins Square 727 Collins Street MELBOURNE VIC 3008</p>	<p><b>SECURITIES EXCHANGE LISTING</b> ASX: CUE</p> <p><b>SHARE REGISTER</b> Computershare Investor Services Pty Ltd Telephone: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Email: <a href="mailto:web.queries@computershare.com.au">web.queries@computershare.com.au</a> Website: <a href="http://www.computershare.com.au">www.computershare.com.au</a></p>
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