

Cue Energy

A Portfolio of Quality Producing Assets

cue
energy

ASX:CUE

INVESTOR PRESENTATION
CUE ENERGY RESOURCES LIMITED
October 2024

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.

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

Oil and gas reserves are reported as at 1 July 2024 and follow the SPE PRMS Guidelines (2018). This resources statement is approved by, based on, and fairly represents information and supporting documentation prepared by Echelon General Manager Assets & Engineering 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 15 years of experience. Daniel is also an active professional member of the Society of Petroleum Engineers. Echelon 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 Echelon Resources 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. Echelon has been a shareholder in Cue since 17th Jan 2017 and as at 30 June 2024, Echelon had a 50.03% equity holding in Cue.

For the conversion to equivalent units, standard industry factors have been used of 6Bcf to 1mmboe, 1Bcf to 1.05PJ, 1 tonne of LPG to 8.15 boe and 1TJ of gas to 163.4 boe. Net reserves are net of equity portion, royalties, taxes and fuel and flare (as applicable). All reserves and resources reported refer to hydrocarbon volumes post-processing and immediately prior to point of sale. The volumes refer to standard conditions, defined as 14.7psia and 60°F.

For Sampang PSC Contingent Resources, as the developments are not yet sanctioned, the economics and royalties are not yet known, therefore an assumed net effective equity is used of 15% for Paus Biru and 8.18% for Jeruk

Cue Energy

A dividend paying, ASX listed company with a diverse portfolio of non-operated producing oil and gas assets in Australia, Indonesia and New Zealand

Sustainable, high margin oil and gas production⁽¹⁾

- ✓ \$49.7 million Revenue
- ✓ 631 mboe annual production
- ✓ >100% Reserve replacement

Strong free cashflow generation⁽¹⁾

- ✓ EBITDAX \$32.8m, NPAT \$14.2m
- ✓ \$26.9m net cash generated, \$19.2 FCF pre-dividend
- ✓ Diverse asset portfolio

Balance Sheet Strength

- ✓ \$16.3⁽²⁾m cash and no debt
- ✓ Attractive shareholder returns
- ✓ Continued investment in existing and new assets

Development and Exploration upside

- ✓ 10 Development wells to be drilled in FY25 and 6 approved for FY26
- ✓ Exploration drilling this year in Mahato PSC
- ✓ Evaluating field extension and gas development FID in Indonesia

Attractive Dividend payout

- ✓ Initiated dividends in FY24 with \$21 million (3 cps) paid
- ✓ Committed to sustainable shareholder return with bi-annual reviews
- ✓ Cue trades at modest valuation multiples (~1.57x EV/EBITDAX)

Operational and Financial Performance: FY2024 Financial Highlights

Continuing to Demonstrate Strong Financial Performance and Cashflow

Revenue

\$49.7
million

Indonesia \$28.2m
Australia \$11.3m
New Zealand \$10.1m

Net Profit After Tax

\$14.2 million

EBITDAX

\$32.8 million

Production

631mboe

Net Cash ⁽¹⁾

\$16.3 million

Dividends

3 cents/share declared over the year = **\$21 million**

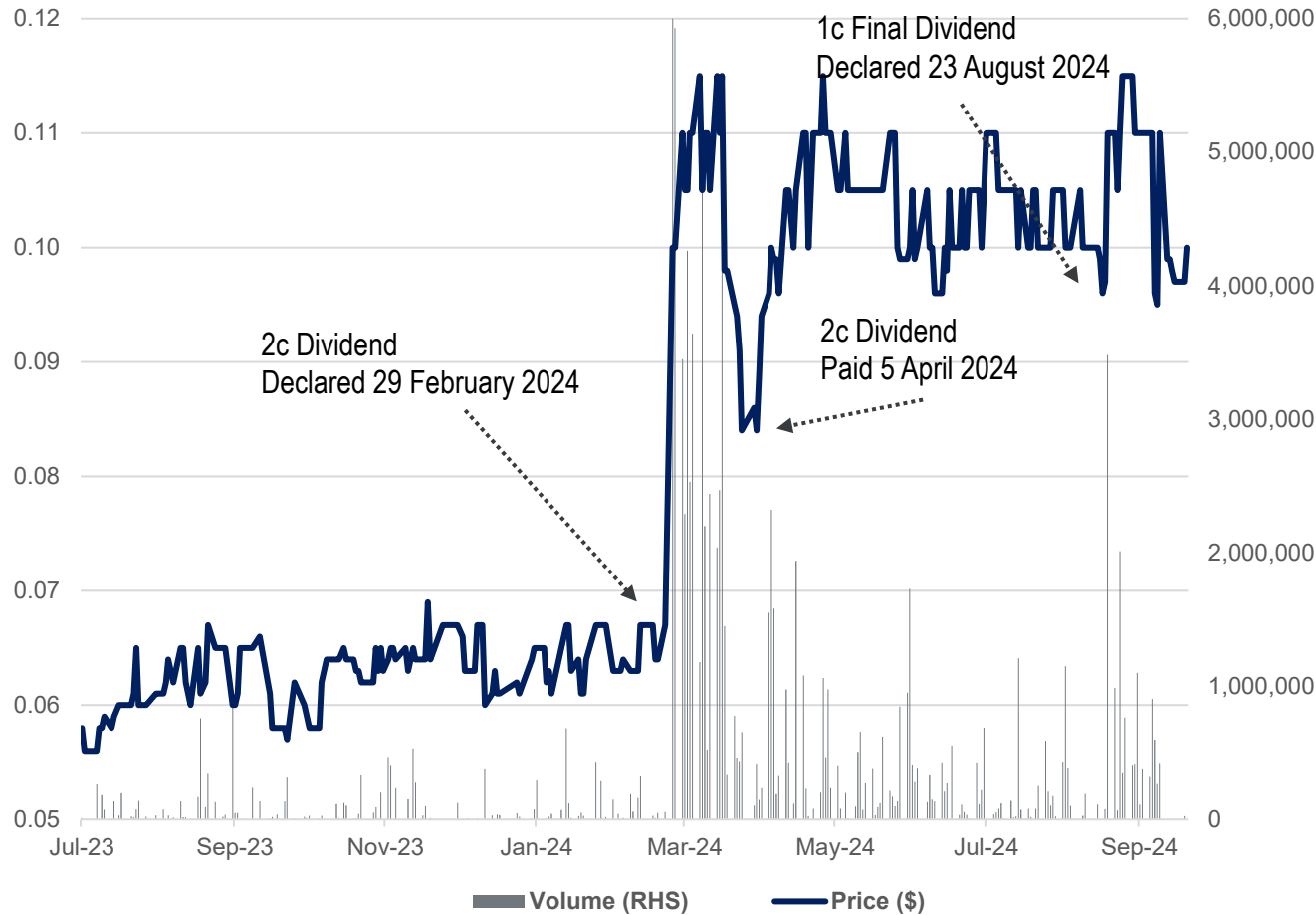
1 cent/share final + 2 cents/share special paid April 2024



⁽¹⁾ 30 June 2024. July-Sept Qtr was CF positive excluding dividend payment

Unlocking Shareholder Value Through Dividend Policy

Dividends Paid on the Back of Continued Strong Operational and Financial Performance



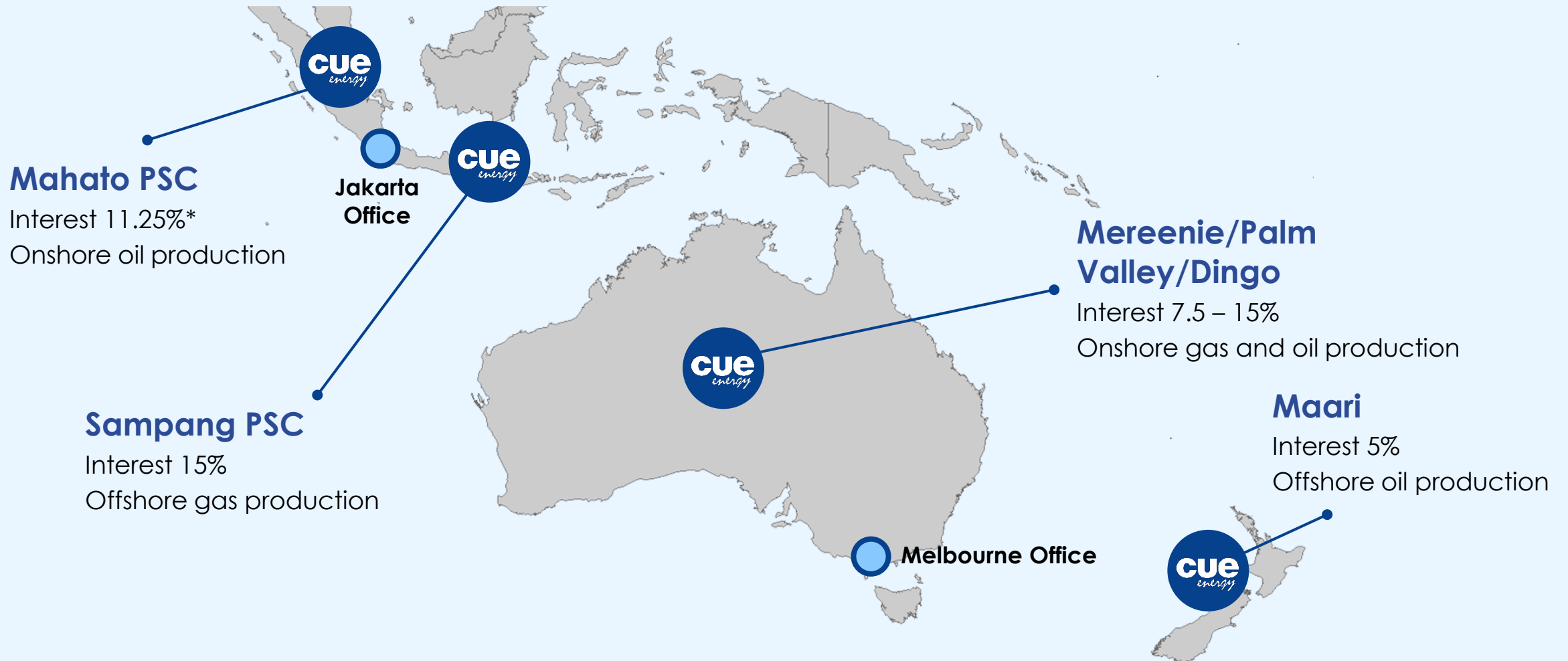
Market Capitalisation (23/10/24)	\$67.8 million
Share price (23/10/24)	\$0.10
Largest Shareholders	50% Echelon Resources 16.5% Singapore Petroleum
Cash ⁽¹⁾	\$16.3 million
Debt	NIL
Enterprise Value (EV)	\$51.5 million
EV/2P ⁽²⁾	\$8.17/boe
FY2024 EV/ EBITDAX ⁽³⁾	1.57x
FY24 Dividend Yield ⁽⁴⁾	30%

(1) Reported at end June 2024. July-Sept Qtr was CF positive excluding dividend payment
 (2) Based on June 30, 2024, published reserves. 2P Reserves at year end FY24 of 6.3 million barrels of oil equivalent. 68% of reported 2P reserves are gas and 32% are oil.
 (3) Earnings before Interest, Tax, Depreciation Amortisation and Exploration based on FY24 EBITDAX of \$32.8m
 (4) FY24 Special Dividend of 2c/share plus Final Dividend of 1c/share declared / current share price above



Diverse Portfolio of Production Assets

Generating Strong Free Cash Flow from Four Key Production Assets

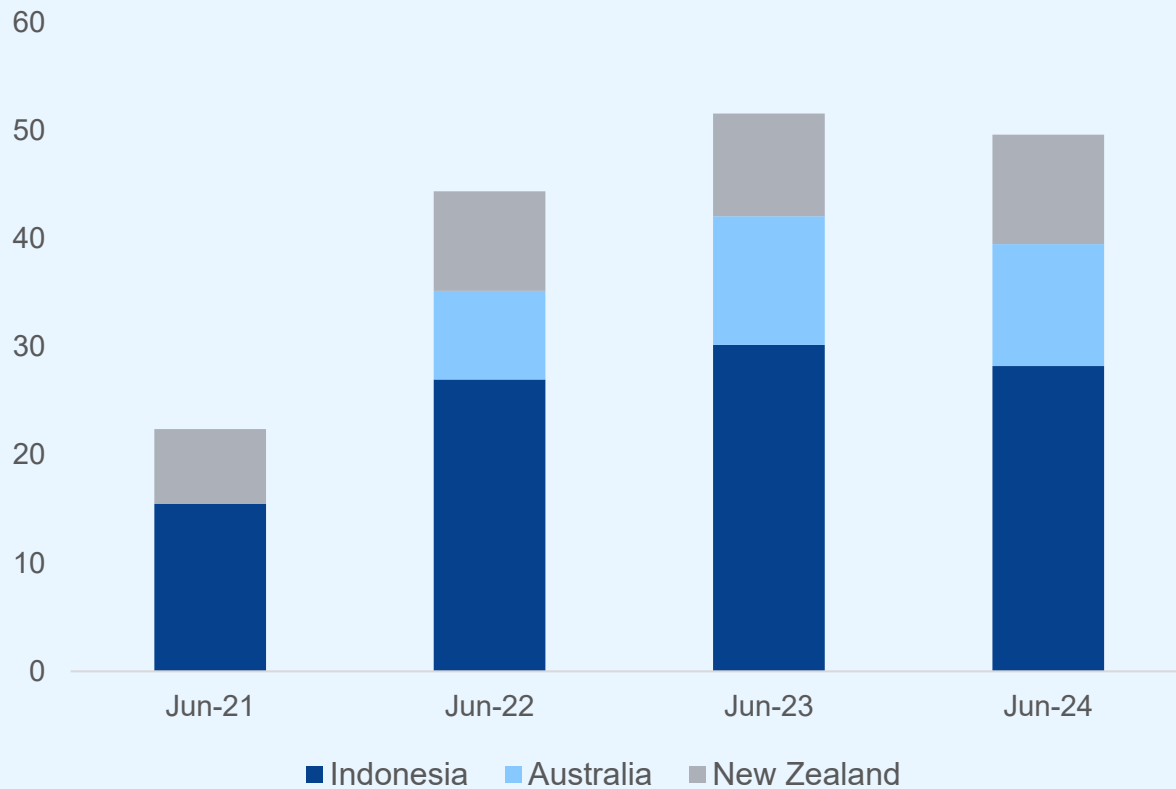


Profitable Asset Base Positioned for Continued Growth

FY2024 Continued to Showcase Ongoing Strong Operational and Financial Performance

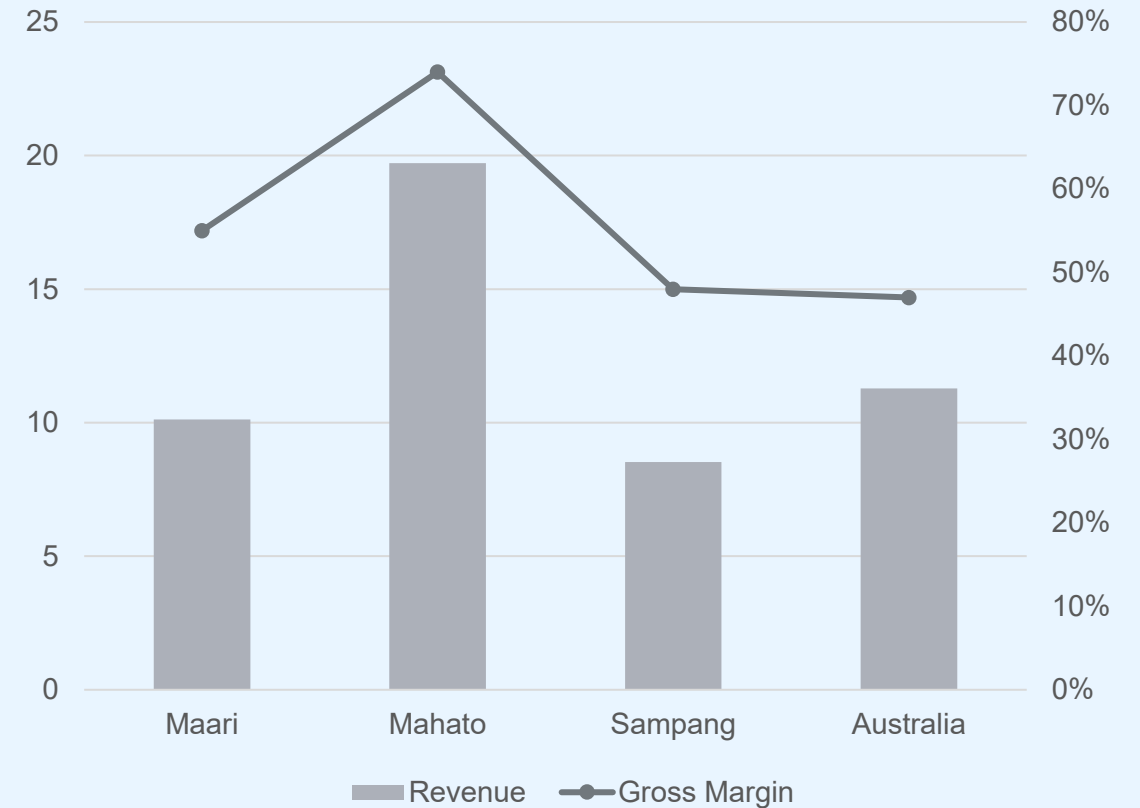
Annual Operating Revenue

A\$ million



FY 2024 Revenue and Gross Margin

A\$ million



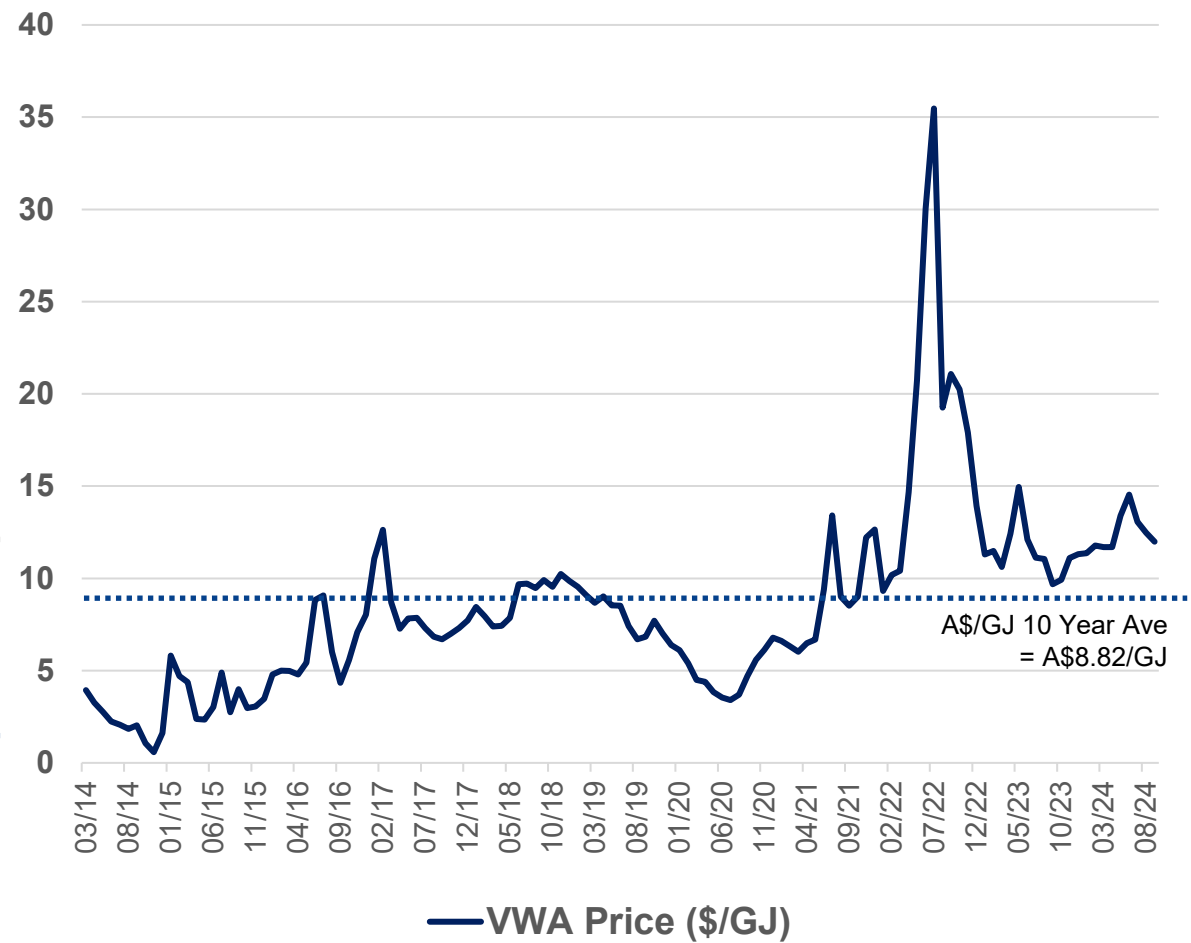
Supportive Macro Commodity Environment

Leveraged exposure to International oil and Australian/Indonesian natural gas pricing

USD and AUD Brent Oil Prices



Australian (Wallumbilla Hub) Natural Gas Prices

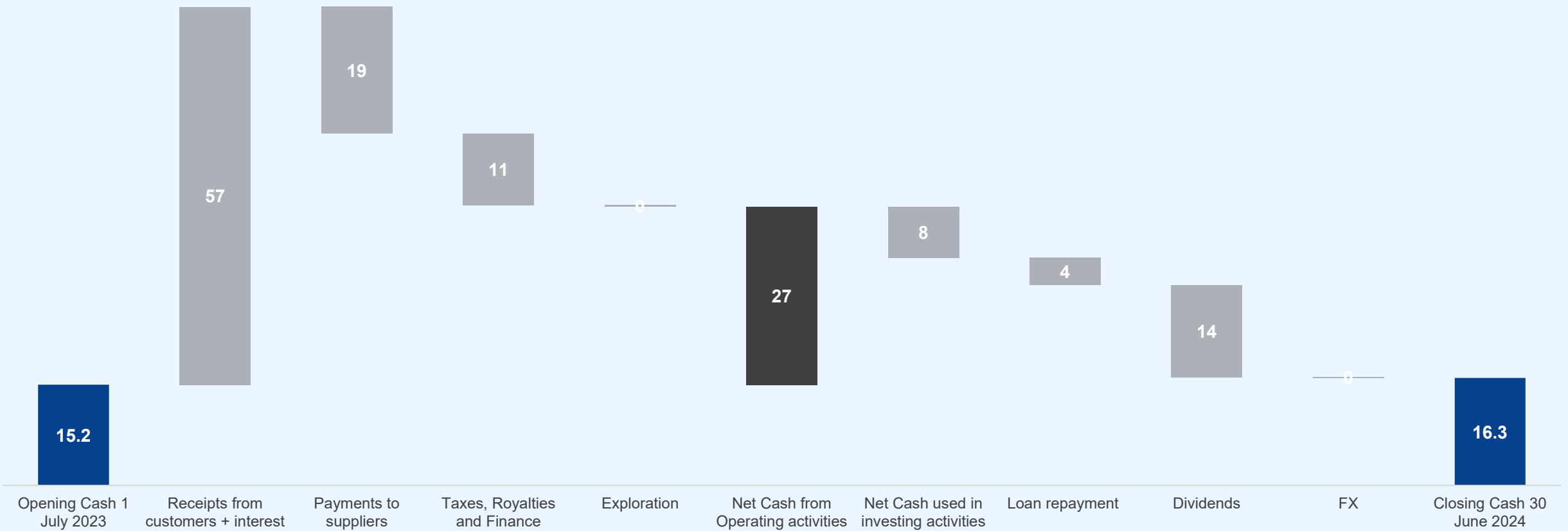


Source: US EIA, AEMO, Australian Energy Regulator

Strong Free Cash Generation

Supports payment of Dividend while reinvesting to maintain production

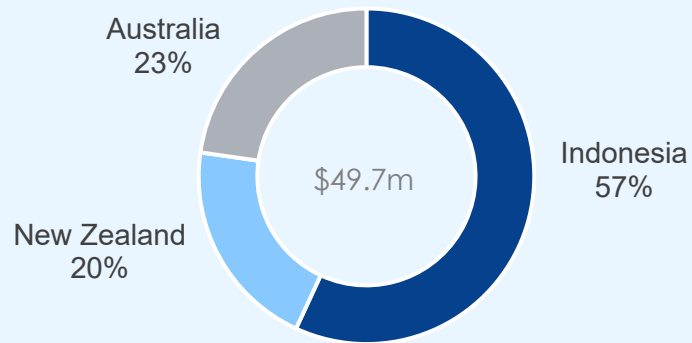
FY 2024 Cashflow \$ million



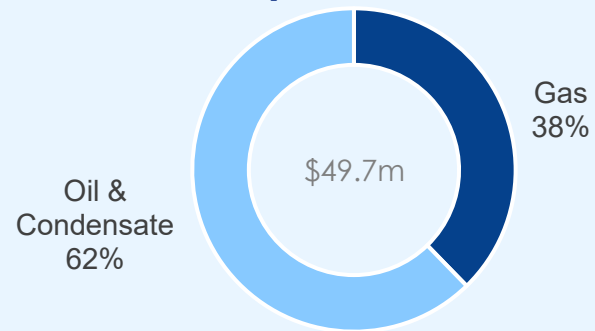
Asset and Commodity Diversity

Consistent production with exposure from a portfolio of Assets

FY2024 Revenue by Country

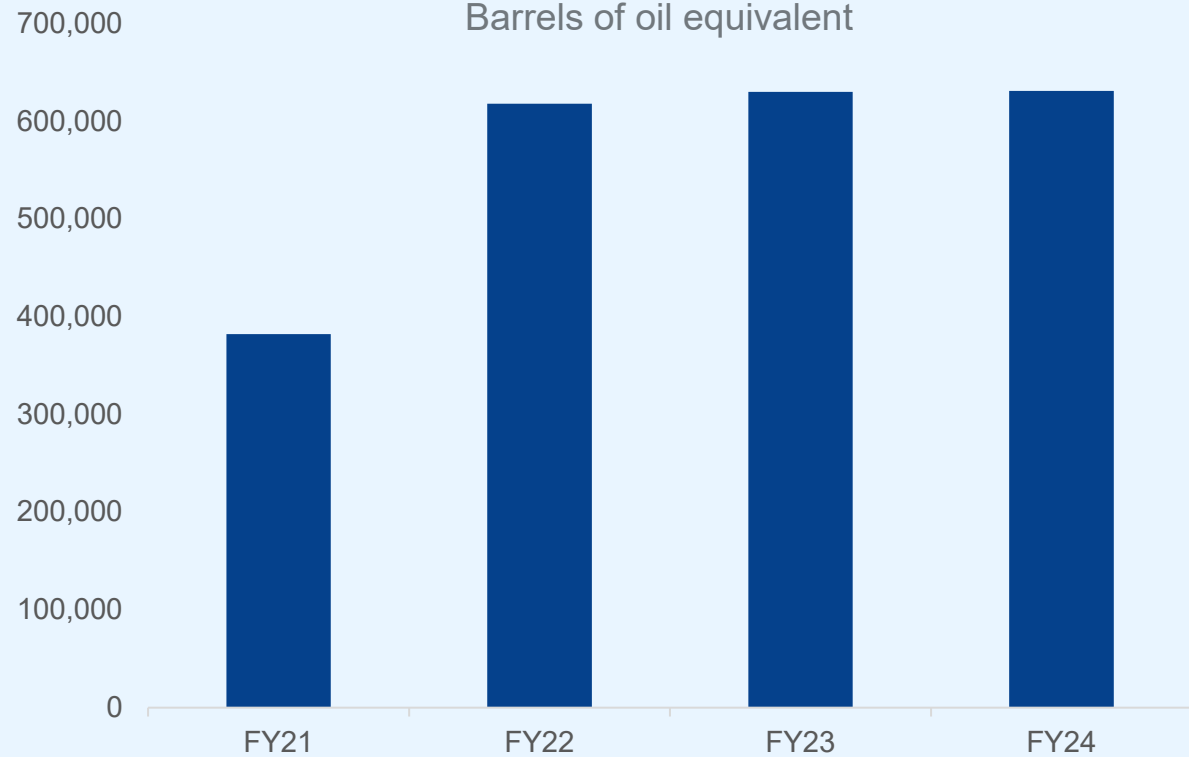


FY2024 Revenue by Product



Net Production

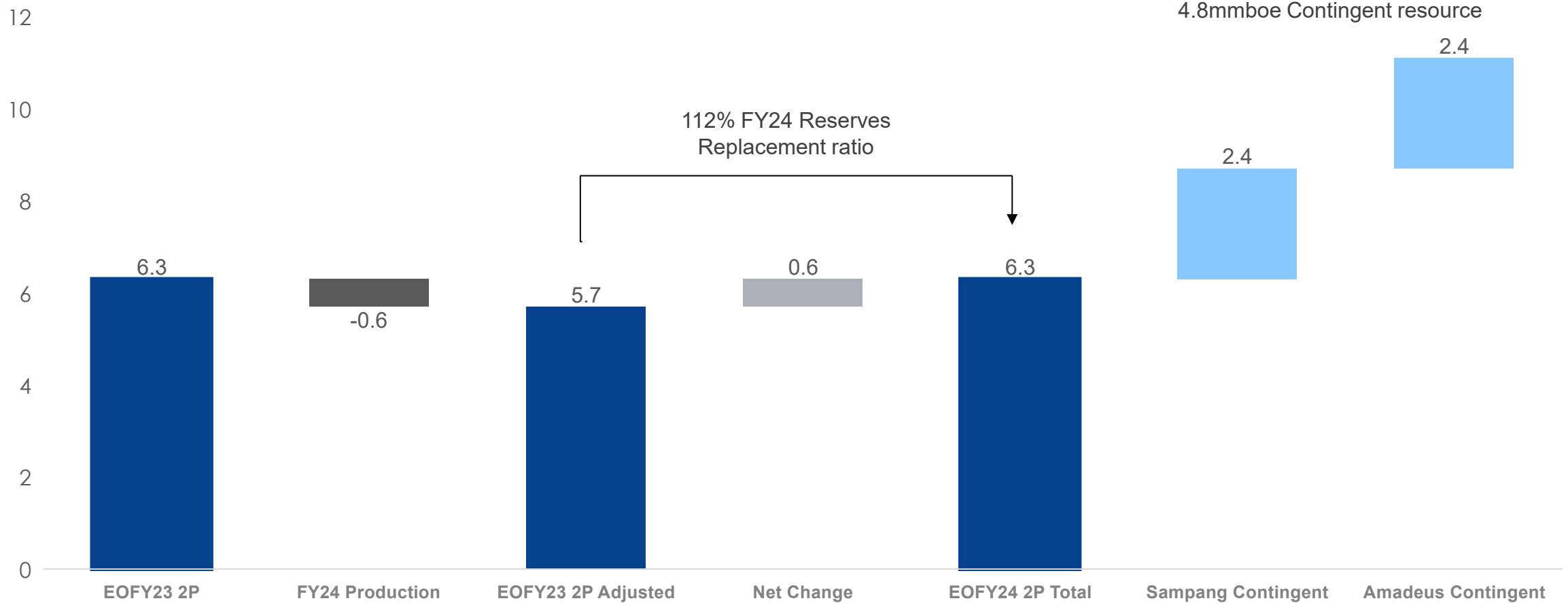
Barrels of oil equivalent



112% 2P Reserves Replacement Ratio

Underpins sustainability of production and financial performance

Cue Reserves and Resources FY24 million barrels of oil equivalent (mmboe)



1) The reserves included in this graphic are as per the updated statements released to the market in the Annual Report on 30 Sep 2024. The Company confirms that there are no known material changes since this report.
 2) The calculation is performed as stated 2P total reserves as at 1 July 2024, divided by the sum of stated 2P total reserves as at 1 July 2023, less production during FY24, all in millions of barrels of oil equivalent. In this case RRR = $6.32 / (6.29 - 0.63) = 112\%$.

Mahato PSC: Indonesia

Exposure to Brent Oil Prices with Low-Cost Oil Development

Location: Central Sumatra Basin

Cue Interest: 11.25%*

FY2024 Cue Revenue: \$19.7 million (5% YoY)

Field Production: >6000 bopd (100%)

Product Sales: Oil export at Brent based pricing (USD)

Outlook

- **22 production wells** have been drilled in the PB field over the last 2 years as part of the existing field development plan.
- **14 additional development wells** have been approved, with drilling already commenced, and the remaining wells expected to be completed over the next 12-18 months.
- Cost recovery on wells leads to attractive payback times.
- Two exploration wells are currently in planning, targeting independent prospects near the PB field.
- Brent-based oil pricing continues to provide strong revenue potential.

*In October 2023, Texcal, the Mahato PSC operator, and Riau Petroleum, an Indonesian local government-owned entity, signed an agreement to transfer a share of the Mahato PSC's Participating Interest to Riau Petroleum, as required by the Production Sharing Contract (PSC) and government regulations, which will affect Cue equity. The approvals process for this transfer is ongoing.





Sampang PSC: Indonesia

Gas Production with Development Upside Powering East Java

Location: Offshore East Java

Cue Interest: 15%

FY2024 Cue Revenue: \$8.5 million

Field Production: ~19 mmcfd (100%) average for FY2024

Product Sales: Long term gas contract (USD)

Outlook

- The Oyong and Wortel fields continue to produce gas as expected, consistently supplying gas to Indonesia Power for electricity generation, helping to reduce reliance on coal-fired power.
- The Joint Venture is preparing a **permit extension application** for the Sampang PSC
- PSC amendments and extensions remain critical for the **Final Investment Decision** on the Paus Biru Project, which includes plans for **targeted gas production of 20-25 million cubic feet per day**.
- Further prospects and plays in the PSC continue to be evaluated.
- Reviewing development concepts for the Jeruk oil discovery.



Australian Onshore Gas

Mereenie, Palm Valley and Dingo Fields Supplying Natural Gas to the Northern Territory and Eastern Australia

Location: Onshore Amadeus Basin, NT

Cue Interest: Mereenie 7.5%, Palm Valley 15%, Dingo 15%

FY2024 Cue Revenue: \$11.3 million (+20% YoY)

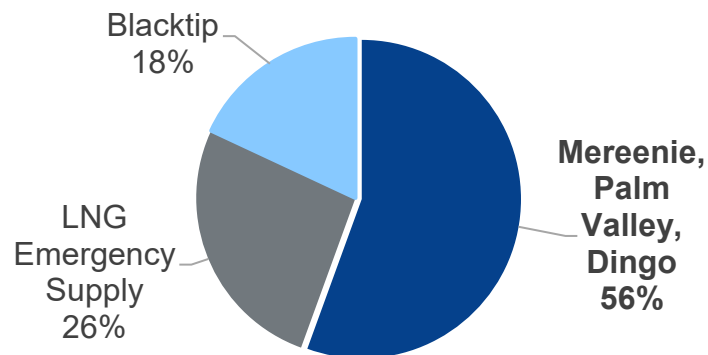
Field Production: ~37Tj/d (100%) from Mereenie, Palm Valley and Dingo

Product Sales: Term gas contracts (AUD)

Outlook

- **Drilling of two Mereenie development wells** is planned to begin in late December or early January 2025, pending JV approvals and rig availability.
- Mereenie, Palm Valley and Dingo currently supply ~ **50% of all NT Gas**
- **Current production contracted 2025-2030.** NT Government fixed term fixed price contract from 2026 with delivery options in 2025.
- Currently supplying gas to NT Power and Water Corp (PWC) to support NT gas needs due to Blacktip supply reduction.
- Further **appraisal and infill drilling** are being assessed for both the Mereenie and Palm Valley fields.

NT Gas Supply



Source AEMO Gas BB 1-7 September 2024



Maari Oilfield: New Zealand

Focusing on Production Optimisation and Cost Reduction

Location: Offshore Taranaki Basin

Cue Interest: 5%

1H FY2024 Cue Revenue: \$10.1 million (6% increase YoY)

Field Production: ~5000 bopd (100%) average for FY2024

Product Sales: Export sales at Brent + premium (USD)

Outlook

- A workover of the **MR6a production well** has been recently completed to suspend the existing production zone and perforate the Matapo and Kap100 reservoirs. Well results expected soon.
- **Production optimisation and enhancement projects** continue, with field decline substantially offset by water injection and high facility uptime.
- Facilities certification has been extended to **2028**, with ongoing work for further extension beyond that year.
- Application for a **licence extension beyond December 2027** has been submitted to the NZ regulator

Sustainability

Working with Partners to Reduce Emissions and Support Local Communities



Investment Recap: Strong Performance underpins Attractive Dividend

Portfolio of high performing assets supports attractive dividend and valuation



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