

25 August 2022

FY22 Full Year Results

- Cue achieves **\$16.1 million Profit after Tax, up 226%**;
- Cue delivers **59% increase in annual production** to over 600,000 barrels of oil equivalent;
- Revenue of **\$44.4 million, up 98%** on FY21 results;
- **Strong underlying results** with \$29.0 million EBITDAX reported, up 179%;
- Production increase driven by **growth** in Mahato PSC, Indonesia and **acquisition** of Amadeus Basin assets, onshore Australia;
- **Five oil production wells** drilled and completed at Mahato PB field in FY22;
- **Acquisition of Amadeus Basin assets** provides Cue with entry into the Australian gas market;
- **Growth expected to continue in FY23** with 10 more oil production wells planned for Mahato PB field with the potential to increase production 100% and two infill wells and six recompletions planned at Mereenie (Australia).

Cue Energy Limited (ASX: CUE) is pleased to release its 2022 Full Year results (FY22), reporting a profit after tax of \$16.1 million, a 226% increase over the previous year, with major contributions from Mahato, \$7.8 million and Maari, \$5.4 million. Revenue from ordinary activities increased 98% to \$44.4 million and EBITDAX¹ increased 179% to \$29.0 million.

This result is the highest annual revenue generated by Cue in more than 5 years and was achieved primarily via production growth from the PB field in the Mahato PSC, Indonesia, acquisition of Amadeus Basin assets during the year and globally high oil and gas prices, particularly in the second half of the year.

In Indonesia, Mahato PSC contributed \$14.9 million revenue, five times Cue's FY21 revenue from the field, and Sampang PSC contributed \$12.1 million. Maari generated \$9.2 million and Amadeus basin assets Mereenie, Palm Valley and Dingo generated revenue of \$8.2 million over the three quarters since completion of the acquisition in October 2021.

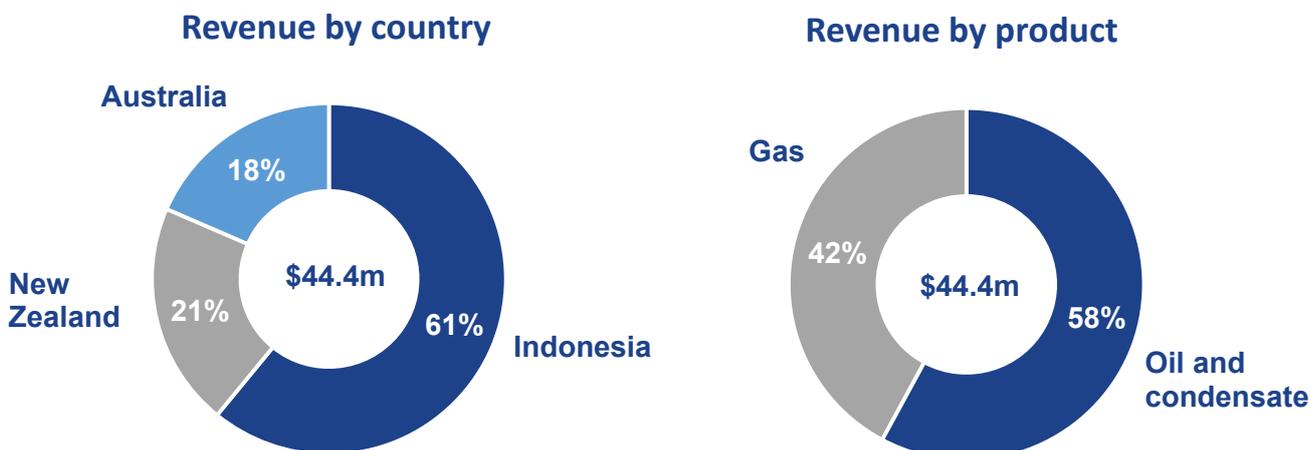
Cue reported strong underlying financial performance from production assets, with EBITDAX of \$29.0 million and an EBITDAX margin of 65%, which improved 19% compared with FY21.

| \$ million (unless otherwise indicated) | FY22 | FY21 | Change |
|---|-------------|--------|--------|
| Production (mboe) | 608 | 382 | +59% |
| Sales Volume (mboe) | 583 | 349 | +67% |
| Revenue | 44.4 | 22.4 | + 98% |
| Net Profit After Tax | 16.1 | (12.7) | +226% |
| EBITDAX | 29.0 | 10.4 | +179% |
| EBITDAX Margin % | 65% | 46% | +19% |

mboe-thousand barrels of oil equivalent

¹ Earnings before income tax, depreciation, amortization and exploration, business development costs and other one-off items.

During the year, Cue derived 58% of revenue from oil and condensate sales, which benefitted from high Brent benchmark prices, and 42% from gas sales, with an average realised sales price of \$133/bbl for oil and average gas price of \$8.5/GJ.



Net sales volume for the year was 583 thousand barrels of oil equivalent (boe) at an average cash cost of \$23/boe, achieving a gross profit margin of \$102/boe for oil and \$31/boe for gas.

Cue CEO Matthew Boyall said: “Cue’s impressive results across all key metrics in FY22 demonstrate a positive sustainable change for our company. We have moved into a new phase of growth and cemented our position as a rising oil and gas producer.

“Cue delivered 100% revenue growth during FY22 with Mahato PSC playing a central role and we expect to see production continue to increase materially in FY23, with 10 more production wells planned for completion during the year.”

“Our acquisition of Amadeus Basin assets in Central Australia is an integral move for Cue, allowing us to access the sizeable gas market on the east coast of Australia, where prices have been strong. Diversifying our asset portfolio provides us with a solid operating base and is key to our future growth ambitions.

“Our results in FY22 are not a once-off achievement. FY22 represents the start of a new chapter for Cue. As we continue to drill new wells and bring them into production, we look forward to delivering further growth and strong results in the years ahead.”

The PB field in the Mahato PSC, Indonesia, continued to increase production over the year, with seven production wells drilled and put into production since the start of FY22, achieving a field production rate of 5500 bopd at the start of August. A field development optimisation plan which includes 13 additional production wells for the field was approved during the year and the drilling programme commenced in June. The first well drilled in FY23, PB-17, was drilled during July and started production at approximately 800 bopd.

Cue completed the acquisition of its interests in the Mereenie, Palm Valley and Dingo fields, located in the Amadeus Basin in Central Australia on 1 October 2021 with the objectives of increasing the company’s production portfolio and providing Cue entry into Australia’s East Coast gas market with strong demand

and prices. Operator Central Petroleum is currently drilling the PV-12 well at Palm Valley, with the Pacoota P1 reservoir the next planned target. Cue has expended \$1.8 million allocated to the unsuccessful Deep target and a portion of the P2/P3 section of the well.

Outlook for 2023

Cue has development projects planned in three permits over FY23, which will be funded from existing cash and debt.

From the start of August 2022, Cue expects 10 more production wells to be drilled in the PB field in the Mahato PSC, Indonesia, at a rate of one per month over the next year. The first two wells in the programme, PB-18 and PB-17, commenced production at 1000 bopd and 800 bopd respectively. If this production continues for the other wells, oil production from the PB field could increase by 100% next year.

Drilling of the Pacoota P2/P3 reservoirs in the PV-12 well, Amadeus Basin, has ceased and a lateral into the Pacoota P1 reservoir is expected to commence soon. At nearby Mereenie field, two infill wells and six well recompletions are planned for FY23, aimed at increasing gas available to supply existing customers and the east coast market.

Cue expects the Sampang joint venture to sanction the Paus Biru gas development in the next few months, with investment though 2023 and 2024 and first gas estimated for early 2025 at a rate of 20-25mmcf/d.

The chart below shows Cue's expected activities for the remainder of FY23.

| Cue Energy FY2023 expected activities | | Q1 | | Q2 | | | Q3 | | | Q4 | | |
|---------------------------------------|---|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN |
| Amadeus Basin | Palm Valley 12 Well ⁽¹⁾ | ■ | | | | | | | | | | |
| | Mereenie Well Recompletions ⁽²⁾ | | | | ■ | | | | | | | |
| | Mereenie Development Wells ⁽²⁾ | | | | | | | ■ | | | | |
| Mahato PSC | Development wells 10 production + 2 injection | ■ | | | | | | | | | | |
| Sampang PSC | Paus Biru FID ⁽²⁾ | | ■ | ■ | | | | | | | | |

⁽¹⁾ including the P1 lateral

⁽²⁾ potential timing, subject to JV approval

Further details of the results can be reviewed in the Appendix 4E and Annual Report to 30 June 2022 released today.

Authorised by the CEO, Matthew Boyall

Any queries regarding this announcement should be directed to the Company on +61 3 8610 4000 or email mail@cuenrg.com.au.

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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.