

4 August 2023

## MAHATO PSC UPDATE – DRILLING BEGINS AT BA-01 EXPLORATION WELL

New Zealand Oil & Gas subsidiary, Cue Energy Resources [ASX:CUE], has provided an update that the drilling has commenced for the high impact exploration well BA-01 within the Mahato PSC [Production Sharing Contract]. The well was spud on the 28<sup>th</sup> of July 2023, and is expected to reach a depth of 2800 ft within approximately 20 days. As of 1 August 2023, the top section [surface hole and casing] of the well, down to approximately 100 feet, had been successfully drilled and cased.

The update release is attached.

Cue has a 12.5% interest in the Mahato PSC. New Zealand Oil & Gas has a 50.04% interest in Cue.

04 August 2023

## Drilling Begins at BA-01 Exploration Well

- Drilling has commenced at the BA-01 exploration well located in the Mahato PSC, Central Sumatra, Indonesia
- Expected drilling duration: 20 days
- Operator estimates the BA Prospect to have a 'best' prospective oil in place resource of 93 million barrels of oil
- Cue Energy holds a 12.5% interest in the Mahato PSC

Cue Energy Limited (ASX: CUE) is pleased to announce **the commencement of drilling for the high impact BA-01 Exploration Well** within the Mahato PSC (Production Sharing Contract).

The well was spud on the 28<sup>h</sup> July 2023, and is expected **to reach a depth of 2800 ft within approximately 20 days**. As of 1 August 2023, the top section (surface hole and casing) of the well, down to approximately 100 feet, had been successfully drilled and cased.

BA-01 aims to test the presence of hydrocarbons in the BA prospect, primarily targeting the Miocene-age Telisa Formation sandstone reservoir located at a depth of 900ft. A secondary target is the Menggala Formation, expected at approximately 2500 ft. **Both targets are producing reservoirs in the Central Sumatra Basin.**

**Fig 1. Operator Prospective Resource estimates for combined primary and secondary target\***

	Low	Best	High
<b>BA Prospect</b> Prospective Oil in Place Resource Estimate*	67 million barrels	93 million barrels	172 million barrels

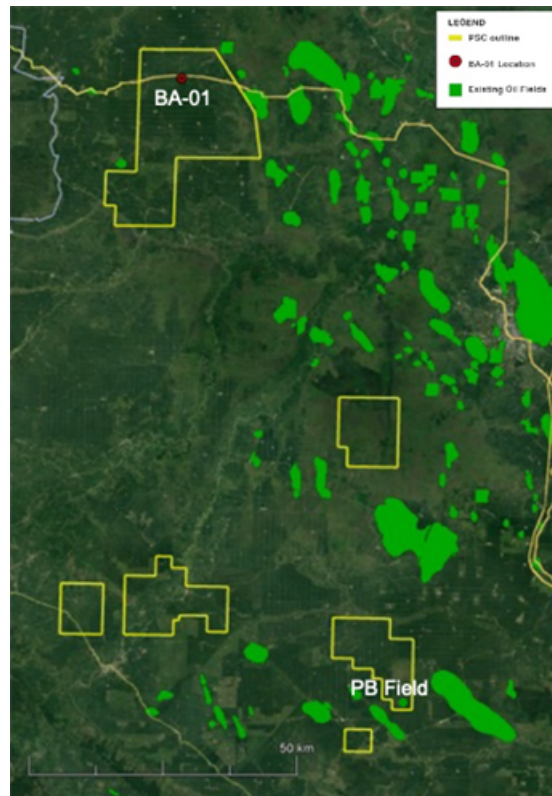
\* Refer also to Cue ASX release "Exploration drilling in the Mahato PSC" dated 27 January 2023

### \* **Prospective Resources Cautionary Statement**

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. <https://www.spe.org/en/industry/petroleum-resources-classification-system-definitions/>

Participants in the Mahato PSC are:

Texcal Energy Mahato Inc.	25%
Texcal Mahato EP FZCO	51%
<b>Cue</b>	<b>12.5%</b>
Central Sumatra Energy	11.5%



**Fig 2. Mahato PSC with BA-01 Exploration well location**

Authorised by 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).

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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.

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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

<https://www.cuenrg.com.au/site/content/>