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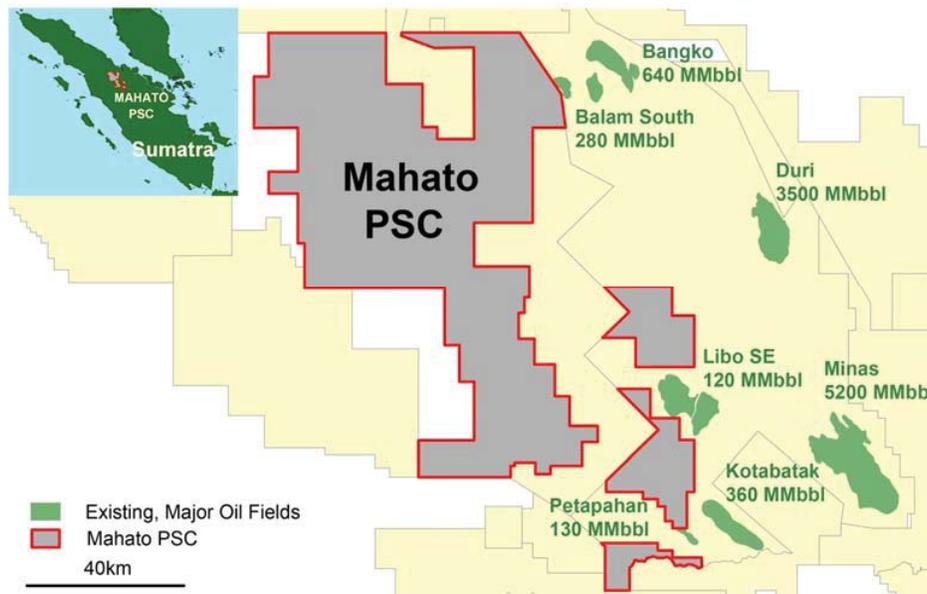
RELEASE

(ASX: CUE and ADR/OTC: CUEYY)

Cue Farms-in to Highly Prospective Onshore Acreage, Indonesia

Melbourne, 21 Nov 2014: Cue Energy Resources Limited (ASX:CUE and the Company) is pleased to announce the execution of a farm-in agreement with Bukit Energy Central Sumatra (Mahato) Pte Ltd (Bukit) to acquire a 12.5% participating interest in the Mahato Production Sharing Contract (PSC) onshore Central Sumatra, Indonesia, subject to Indonesian Government approval. Bukit will maintain a 25% participating interest in the PSC after the transaction.

The 5,600 sq km Mahato PSC is located in a highly prospective area in the prolific Central Sumatra basin close to several producing oil fields, including Indonesia's largest onshore oil fields; the Minas oil field (over 5 billion barrels) and the Duri oil field (over 3 billion barrels). The block contains multiple appraisal and exploration drilling opportunities with 2 wells currently planned for 2015.



Location Map: Mahato PSC, Central Sumatra, Indonesia

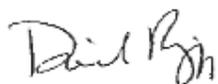
The terms of the farm-in agreement provide that Cue contributes to Bukit's costs for seismic and drilling but remain confidential due to Cue's current discussions to capture other exploration opportunities in Indonesia.

The 2015 work plan includes an appraisal well delineating the possible extension of the Petapahan field into Mahato PSC, an exploration well nearby and seismic acquisition to further high grade exploration prospects for future drilling. As part of the farm-in, Cue's share of costs for the two wells and seismic is capped by Bukit.

The Mahato PSC is surrounded by existing infrastructure which is expected to result in short cycle time to development for any discoveries.

Commenting on the transaction, Cue CEO David Biggs said, *"The Mahato farm-in is consistent with Cue's strategy of deepening the Company's exploration portfolio by participating in highly prospective onshore acreage in Asia and Australia with short commercialisation timeframes. We are very excited about our position in the Mahato acreage and the potential for significant near-term value."*

Any queries regarding this announcement should be directed to the Company on (03) 8610 4000 or e-mail: mail@cuenrg.com.au.



David Biggs
Chief Executive Officer

21 November 2014