Cue Energy Resources Limited

ABN 45 066 383 971

Annual Report - 30 June 2026

1. Company details

Name of entity:	Cue Energy Resources Limited
ABN:	45 066 383 971
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$'000
Revenues from operations	down	8.4%	to	50,245
Gross profit	down	9.5%	to	22,910
Profit from ordinary activities after tax attributable to the owners of Cue Energy Resources Limited	down	31.0%	to	4,360
Total comprehensive income for the year attributable to the owners of Cue Energy Resources Limited	down	45.3%	to	3,818
Net assets	down	1.6%	to	57,100
Cash and cash equivalents	up	45.1%	to	15,712

Financial performance

The Consolidated Entity reported a net profit after tax of $4.36 million for the year ended 30 June 2026 (FY 2026), compared to a net profit of $6.32 million for the year ended 30 June 2025 (FY 2025).

The net assets of the Consolidated Entity was largely consistent in FY 2026 $57.10 million (FY 2025: $58.05 million).

The consolidated cash and cash equivalents increased in FY 2026 by $4.88 million to $15.71 million (FY 2025: $10.83 million).

	FY 2026 $'000	FY 2025 $'000
Net cashflows from operating activities	19,842	23,834
Net cashflows used in investing activities	(9,467)	(15,396)
Net cashflows used in financing activities	(5,219)	(14,052)
Net cashflows for the year ended 30 June	5,156	(5,614)

EBITDAX

	FY 2026 $'000	FY 2025 $'000
Profit before tax	7,293	19,658
Depreciation and amortisation	9,751	8,936
Finance costs	389	494
EBITDA*	17,433	29,088
Business development expenses	26	16
Share based payments	369	140
Exploration, evaluation and development activities written off^	4,287	1,066
Impairment of production assets ^	4,405	-
Takeover defence cost ^	1,935	-
EBITDAX**	28,455	30,310

**EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for depreciation, amortisation, finance costs and tax.*

***EBITDAX is EBITDA adjusted to exclude business development costs, exploration and evaluation expenses, share based payments and one-off expenses. EBITDAX is used as a measure of financial performance as it is a commonly used indicator of performance of the Consolidated Entity's peers and therefore facilitates relative comparison of performance.*

^ Exploration, evaluation and development activities written off included Paus Biru capitalised costs due to withdrawal from permit extension. Impairment relates to production assets in Maari and Sampang. Takeover defence costs relates to Horizon Oil Limited (Horizon) takeover.

EBITDAX information has not been audited, however it has been extracted from the audited financial statements.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	8.12	8.31

4. Dividends

Reporting Period	Amount per security Cents	Franked amount per security Cents
Final dividend per ordinary share (payable 15 October 2026)	0.250	-
Interim dividend per ordinary share (paid 26 March 2026)	0.250	-

Previous Period	Amount per security Cents	Franked amount per security Cents
Final dividend per ordinary share (paid 25 September 2025)	0.500	-
Interim dividend per ordinary share (paid 26 March 2025)	1.000	-

5. Other matters

All foreign entities utilise Australian Accounting Standards in compiling their financial information.

The Annual Report of Cue Energy Resources Limited for the year ended 30 June 2026 is attached and has been audited and an unmodified opinion issued.

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6. Signed

Signed ____________________________ Date: 27 August 2026

Bruce Clement
Non-Executive Chair

Cue Energy Resources Limited
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Cue Energy Resources Limited
Corporate directory
30 June 2026

Directors	Bruce Clement (Non-Executive Chair) (appointed 2 July 2026) Alastair McGregor (Non-Executive Chair) (resigned 2 July 2026) Andrew Jefferies (Non-Executive Director) (resigned 2 July 2026) Peter Hood AO (Non-Executive Director) Richard Malcolm (Non-Executive Director) Rod Ritchie (Non-Executive Director) (resigned 2 July 2026) Samuel Kellner (Non-Executive Director) (resigned 2 July 2026) Marco Argentieri (Non-Executive Director) (resigned 2 July 2026) Greg Bishop (Non-Executive Director) (appointed on 22 October 2025) Richard Beament (Non-Executive Director) (appointed 2 July 2026) Gavin Douglas (Non-Executive Director) (appointed 2 July 2026) Kyle Keen (Non-Executive Director) (appointed 2 July 2026)
Chief Executive Officer	Matthew Boyall
Company Secretary	Anita Addorisio
Registered office	Level 3, 10-16 Queen Street Melbourne, VIC 3000 Australia Telephone: +61 3 8610 4000 Fax: +61 3 9614 2142
Principal place of business	Level 3, 10-16 Queen Street Melbourne, VIC 3000 Australia Telephone: +61 3 8610 4000 Fax: +61 3 9614 2142
Share register	Computershare Investor Services Pty Limited Yarra Falls, 452 Johnston Street Abbotsford, VIC 3067 Australia Telephone: +61 3 9415 5000 Fax: +61 3 9473 2500
Auditor	KPMG Level 36, Tower Two, Collins Square 727 Collins Street Melbourne, VIC 3008 Australia
Stock exchange listing	Cue Energy Resources Limited securities are listed on the Australian Securities Exchange. (ASX code: CUE)
Website	cuenrg.com.au

FY2026 HIGHLIGHTS

- Final dividend of 0.25 cents per share declared, returning a further $1.75 million to shareholders and taking total FY2026 dividends to $0.50 cents per share
- $20 million in net operating cashflow generated, with closing cash of $15.7 million and no debt
- Revenue of $50.3 million generated from net production of 560 mboe
- Underlying EBITDAX of $28.5 million, with profit before tax of $17.9 million before one-off impairment, asset write-offs and takeover defence costs

Revenue
$50.3 million
Indonesia: $27.8m
Australia: $13.2m
New Zealand: $9.3m

Net Profit After Tax
$4.36 million

EBITDAX
$28.5 million

Final Dividend
0.25c/share
Interim dividend 0.25c/share

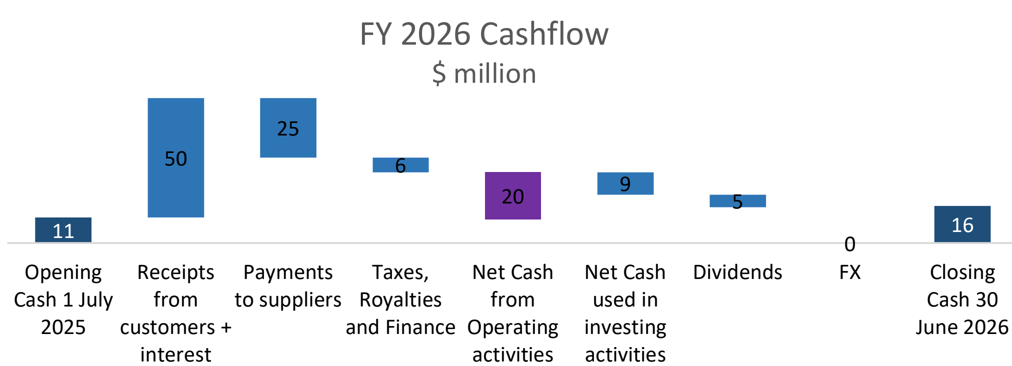
Net Cash
$15.7 million

EBITDAX is earnings adjusted to exclude business development costs, exploration and evaluation expenses, share based payments and one-off expenses. It is used as a measure of financial performance as it is a commonly used indicator of performance of the Consolidated Entity's peers and therefore facilitates relative comparison of performance. EBITDAX information has not been audited, however it has been extracted from the audited financial statements.

FINANCIALS

Cue delivered another strong operational and financial performance during FY2026 and continued to provide sustainable returns to shareholders, supported by reliable production from its diversified portfolio across Australia, Indonesia and New Zealand.

The Company reported consistent strong revenue of $50.3 million (FY2025: $54.8 million), impacted by Maari lifting timing and lower Sampang production. Cue's net production for the year was 560 mboe with $19.8 million net cash generated from operating activities. The Company maintained a strong balance sheet, ending the financial year with cash of $15.7 million and no debt.

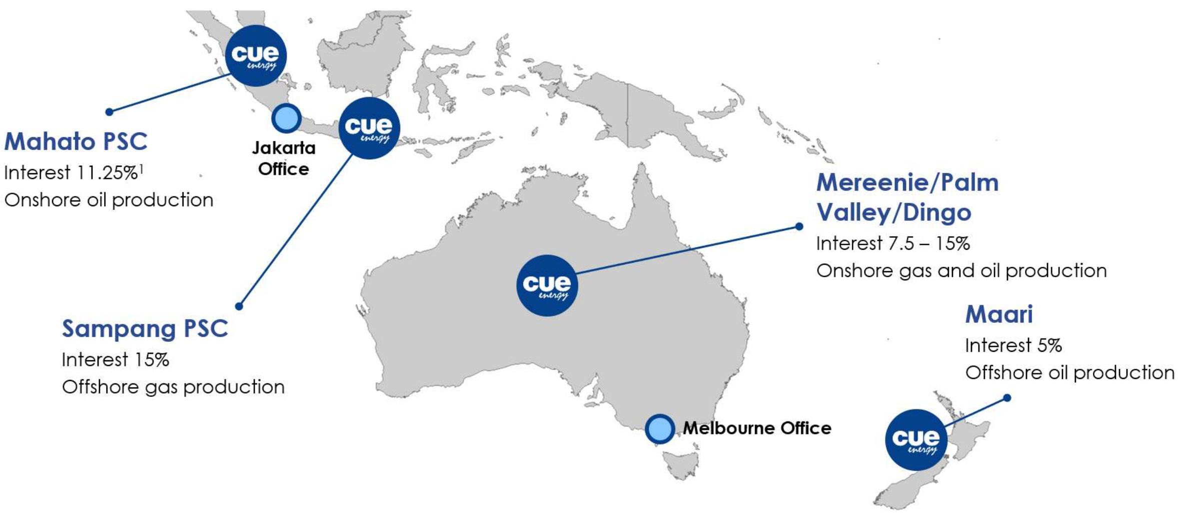


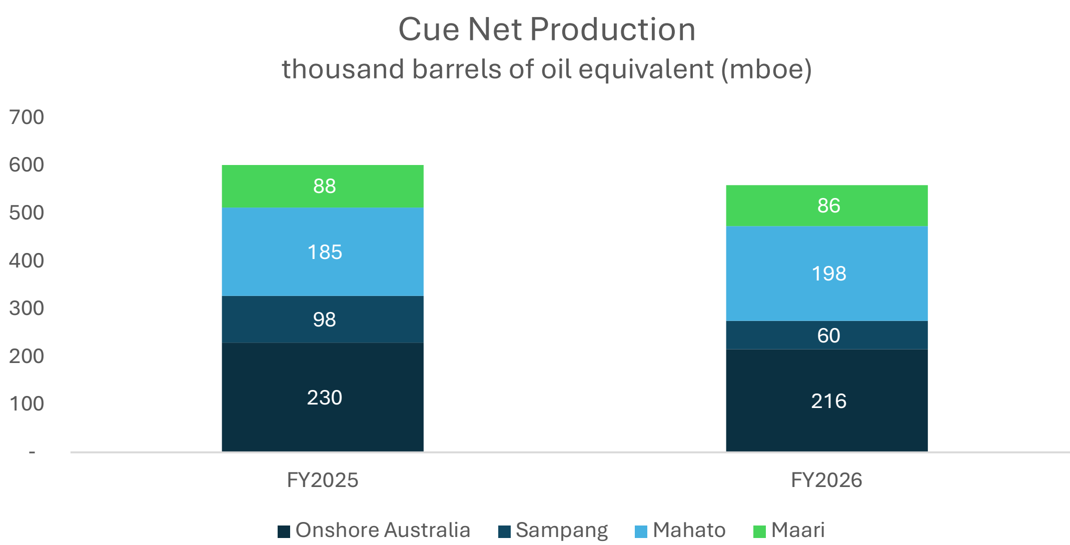
During the year, Cue announced withdrawal from the Sampang PSC at license expiry in December 2027, resulting in $4.2 million write-off of capitalised costs associated with the Paus Biru project. Further, Cue recognised a non-cash impairment of $3.4 million in Maari and $1.0 million in Sampang as a result of revision to reserve estimates. These one-off items, in addition to takeover defence costs incurred, have been excluded from the calculation of EBITDAX of $28.5 million, and the underlying profit before tax of $17.9 million.

The Company's diversified production portfolio continued to generate strong cashflow throughout the year, supporting investment in high-return development opportunities while continuing sustainable returns to shareholders. Consistent with Cue's dividend policy, the Company declared an interim dividend of 0.25 cents per share and a final dividend of 0.25 cents per share, totalling 0.50 cents per share of dividends declared for the FY2026 year.

FY2026 was characterised by disciplined capital allocation, with investment directed towards five developments wells in the Mahato PSC and the two well appraisal drilling program at Palm Valley. Together with the recently signed long-term Gas Sales Agreement with the Northern Territory Government, the investment in Palm Valley wells aims to support increased contracted gas supply through to 2034, support future production growth and seeks to further strengthen Cue's asset portfolio against oil price volatility.

OPERATIONS





AUSTRALIA

MEREENIE, PALM VALLEY AND DINGO FIELDS

The Company's onshore Australian assets continued to provide reliable production to the Northern Territory throughout FY2026, with production of 216 mboe.

Commercial activities continued during the year with the Mereenie JV announcing a Gas Supply Agreement (GSA) with McArthur River Mining Pty Ltd (MRM) for 2026 and 2027 and the Palm Valley JV announcing a long-term GSA with the Northern Territory Government (NTG GSA).

The NTG GSA is for firm gas supply of up to 3.2 PJ (Cue Share) from 1H FY2027 through to the end of 2034, with a fixed price with CPI escalation and take-or-pay provisions. The GSA was supported by the JV agreement to drill two new Palm Valley wells.

In July 2026, drilling commenced on PV14, the first of two new wells in the Palm Valley field. The overall program is anticipated to take approximately four and a half months to complete with first gas sales from PV14 targeted for October 2026. The appraisal program is designed to evaluate and develop additional gas resources within the Palm Valley field and support ongoing gas supply to the Northern Territory market.

If successful, production from the new wells will support gas deliveries under the recently executed long-term Gas Sales Agreement with the Northern Territory Government. strengthening the long-term revenue profile of Cue's Australian gas business.

Oil sales from Mereenie were constrained by revised oil specification requirements which have led to reduced offtake. Oil sales have been temporarily suspended since mid-June and the JV continues to seek alternative commercial arrangements for the sale of Mereenie's produced oil.

INDONESIA

MAHATO PSC

The Mahato PSC continued to generate strong cashflow while development activities continued across the field. Oil production from the PB field for the year was 198 mboe, 5% higher than FY2025.

Five new oil development wells were drilled and brought into production over the year as part of the previously approved OPL2 development program and other approved infill wells. A total of 40 wells had been drilled in the field by the year end. Post year end, the PB-41 well has been completed and PB-42 is currently drilling.

During 3Q FY2026, production from the PB field was shut in as part of regional precautionary measures required by Indonesian authorities following a pipeline leak and fire on a major gas pipeline in Central Sumatra. Field production was fully restored by the end of the same quarter.

The next stage in the development of the PB field is the Phase 3 development plan (OPL 3), targeting additional production from both the existing Bekasap reservoir and the new Telisa reservoir. Government approval is expected during 1Q FY2027, with operations anticipated to commence shortly thereafter.

High impact exploration in the PSC will continue during FY2027, with the GA-1 exploration well moving to final planning and approval stages, and expected to be drilled in 2Q FY2027.

SAMPANG PSC

Production from the mature Oyong and Wortel gas fields continued to decline during the year with lower gas production as the fields progressed through the later stages of their production lives. The Operator continues to review available options to optimise output from existing wells.

Installation of compression at the Grati gas plant to support production and recovery was significantly delayed during the year, impacting gas production levels. Compression has now been installed and is currently in the commissioning phase.

During the year, Cue advised the joint venture partners in the Sampang PSC that it would not participate in the Paus Biru development and does not intend to remain in the Sampang PSC beyond the current permit expiry in December 2027.

NEW ZEALAND

PMP 38160 (Maari/Manaia)

Production from Maari and Manaia fields net to Cue was 86 mboe, with full field production reduced during the year due to workovers to MN1, MR3 and MR4 wells. The field achieved its highest monthly average production in five years, with average daily production of over 5,600 bopd recorded in August 2025.

A significant milestone was achieved with the New Zealand Government approving a 10-year extension of Petroleum Mining Permit PMP38160 to December 2037. The permit extension enables the Joint Venture to continue safe, long-term production while assessing further opportunities for resource optimisation and field enhancement.

The New Zealand Government continues its assessment of the Maari Joint Venture's financial assurance arrangements for decommissioning, with ongoing engagement between the Joint Venture and the regulator.

CORPORATE

Following completion of Horizon Oil Limited’s takeover offer, Horizon became the holder of a 57.03% interest in Cue.

Effective 2 July 2026, Bruce Clement, Richard Beament, Gavin Douglas and Kyle Keen joined the Cue Board. Existing directors Peter Hood AO, Greg Bishop and Ric Malcolm continue to provide continuity and deep knowledge of Cue's asset base and operations.

The refreshed Board brings together extensive experience across oil and gas exploration, development, production, and capital management. Cue will continue to focus on maximising value from its existing asset portfolio, pursuing disciplined growth opportunities and delivering sustainable returns for shareholders.

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Cue Energy Resources Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The names of Directors of the Company in office during the year and up to the date of this report were:

Alastair McGregor (resigned 2 July 2026)
Andrew Jefferies (resigned 2 July 2026)
Peter Hood AO
Richard Malcolm
Rod Ritchie (resigned 2 July 2026)
Samuel Kellner (resigned 2 July 2026)
Marco Argentieri (resigned 2 July 2026)
Greg Bishop (appointed 22 October 2025)
Bruce Clement (appointed 2 July 2026)
Richard Beament (appointed 2 July 2026)
Gavin Douglas (appointed 2 July 2026)
Kyle Keen (appointed 2 July 2026)

Chief Executive Officer

Matthew Boyall

Company Secretary

Anita Addorisio

Principal activities

The principal activities of the Consolidated Entity are oil and gas exploration, development and production.

Corporate governance statement

Details of the Company's corporate governance practices are included in the Corporate Governance Statement set out on the Company's website at: https://www.cuenrg.com.au/site/About-Us/corporate-directory.

Dividends

On 27 August 2026, the Company's Board of Directors approved the declaration of a final dividend of $0.0025 (0.25 cent) per fully paid ordinary share, totalling approximately $1.75 million. This final dividend has been declared as a Conduit Foreign Income (CFI), unfranked dividend and will be paid on 15 October 2026.

On 25 February 2026, the Company's Board of Directors approved the declaration of an interim dividend of $0.0025 (0.25 cent) per fully paid ordinary share. This interim dividend was declared as a Conduit Foreign Income (CFI), unfranked dividend and was paid on 26 March 2026.

Financial performance

The Consolidated Entity reported consistently strong revenue of $50.3 million (FY 2025: $54.8 million), benefitting from strong production from its diverse portfolio, offset by lower revenue in Sampang due to a delay in the installation of the Sampang onshore compressor and lower Maari revenue due to timing of liftings, which varies between years. The net profit after tax for the year was $4.36 million, compared to a net profit after tax of $6.32 million in FY 2025. This was driven by one-off non-cash impairment charges to production assets at Maari and Sampang, and writing-off previously capitalised costs in Paus Biru following the decision not to continue with Paus Biru.

Financial performance	Production revenue FY 2026 $'000	Production revenue FY 2025 $'000	Gross margin FY 2026 %	Gross margin FY 2025 %
Mahato	23,822	23,554	50%	53%
Onshore Australia	13,157	12,491	54%	50%
Maari	9,274	12,403	46%	35%
Sampang	3,992	6,393	(12%)	36%
	50,245	54,841		

EBITDAX

	FY 2026 $'000	FY 2025 $'000
Profit before tax	7,293	19,658
Depreciation and amortisation	9,751	8,936
Finance costs	389	494
EBITDA*	17,433	29,088
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EBITDAX information has not been audited, however it has been extracted from the audited financial statements.

Financial position

The consolidated cash and cash equivalents increased in FY 2026 by $4.88 million to $15.71 million (FY 2025: $10.83 million).

The net assets of the Consolidated Entity remained largely consistent at $57.10 million in FY 2026 (FY 2025: $58.05 million).

	FY 2026 $'000	FY 2025 $'000
Net cashflows from operating activities	19,842	23,834
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Net cashflows from financing activities	(5,219)	(14,052)
Net cashflows for the year ended 30 June	5,156	(5,614)

Business Risks
The Consolidated Entity is subject to risks that are specific to the Consolidated Entity and its business activities, as well as general risks.

Exposure to oil and gas prices
The Consolidated Entity is exposed to global commodity price variability for oil products produced in Indonesia, New Zealand and Australia which are sold on a US dollar Brent crude benchmark price basis.

The majority of the Consolidated Entity’s gas production is sold on fixed price contracts and is exposed to changes in the gas price on renewal or signing of new contracts. Gas sold in Australia on the short term market is exposed to daily variations in price. In addition to normal market operations, gas prices for Australian sales are subject to risk of government intervention, including outcomes from the Australian Government Gas Market Review and proposed Domestic Gas Reservation Scheme.

Oil and Gas prices can be volatile. A decline in the price of oil and gas may have a material adverse effect on Consolidated Entity’s financial performance.

The valuation of oil and gas assets is affected by expectations of future oil and gas prices. An extended or substantial decline in oil and/or gas prices or demand, or an expectation of such a decline, may reduce the expected cash flows and/or quantity of reserves and resources classified in relation to the associated oil and gas assets, which may lead to a reduction in the valuation of these assets.

Foreign exchange risk
The Consolidated Entity is exposed to foreign currency risk on cash and cash equivalents, oil sales, the recoverable value of oil and gas assets and capital commitments that are denominated in foreign currencies.

The Consolidated Entity’s financial report is presented in Australian Dollars (AUD) and the functional currency for its operations in New Zealand and Indonesia is the United States Dollar (USD). The majority of the Consolidated Entity ’s costs are incurred in currencies other than AUD and revenue is mainly received in USD. Accordingly, it is subject to fluctuations in the rates of currency exchange between these currencies, the primary impact of which is reflected in other comprehensive income.

The Consolidated Entity currently does not utilise hedging or other derivative instruments. Foreign exchange risk exposures are mitigated through natural hedging of cost and revenue currencies, where appropriate.

Ability to access funding
Exploration, development, and production can involve significant capital expenditure. If cashflows decrease or the Consolidated Entity is not able to access necessary funding, this may result in postponement or reduction of capital expenditures, relinquishment of rights in assets or otherwise may have an adverse effect on the Consolidated Entity’s operations and financial performance.

The Consolidated Entity’s ability to raise additional funds if required would be subject to, among other things, factors beyond the control of the Consolidated Entity and its Directors, including cyclical factors affecting the economy, investment climate for the energy sector and share markets generally. If for any reason the Consolidated Entity was unable to raise future funds if required, its ability to realise its strategy could be significantly affected.

Joint Operations
The Consolidated Entity participates in its business activities through minority interests in joint operations operated by other companies, governed by operating agreements. Under these agreements, the Consolidated Entity does not control the approval of work programmes and budgets and other project partners may participate in activities without the Consolidated Entity's approval. The Consolidated Entity may also be required to participate in activities which it did not approve, have its interests diluted or not gain the benefit of an activity.

Project agreements can be subject to differences in interpretation and implementation with Operator responsibility for day to day operations. As a result, the Consolidated Entity may be exposed to operational and financial obligations outside of its control.

Reserves and resources
Estimating oil and gas reserves and resources is subject to significant uncertainties associated with technical data and the interpretation of that data, future commodity prices and development and operating costs. There can be no guarantee that the Consolidated Entity will successfully produce the volume of hydrocarbons that it estimates as reserves or that hydrocarbon resources will be successfully converted to reserves.

The Consolidated Entity’s reserves and resources estimates are prepared by qualified, experienced engineers in accordance with the 2018 update to the Petroleum Resources Management System sponsored by the Society of Petroleum Engineers, World Petroleum Council, American Association of Petroleum Geologists and Society of Petroleum Evaluation Engineers (SPE-PRMS).

Exploration and Development
The Consolidated Entity’s projects are at various stages of exploration, development and production. Oil and gas exploration and development activities can be high-risk undertakings and there can be no assurance that the exploration or development of any projects will result in the discovery of, and ability to realise any economic resources. Even if an apparently viable oil and gas resource is identified, there is no guarantee that it can be economically produced.

Exploration and development activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated reservoir problems which may affect production volumes and/or costs, industrial disputes, unexpected shortages and increases in the costs of plant and equipment, native title processes, changing government regulations and many other factors beyond the Consolidated Entity’s control.

Production
The Consolidated Entity’s oil and gas production is exposed to interruptions which may result from mechanical or technical failure, pipeline and other infrastructure access, project delays or other unforeseeable events. Restrictions on the movement and supply of personnel and products due to external influences such as geopolitical unrest or conflict may also cause interruption to production.

A significant interruption to production could result in loss of revenue and additional costs to repair or replace equipment.

Regulatory risk
The Consolidated Entity currently operates in Australia, Indonesia and New Zealand and is subject to changes in government policy or statutory changes that may affect our business operations and financial position. A change in government regime may result in significant changes to fiscal, monetary, property rights and other issues which may result in a material adverse impact on Consolidated Entity’s business and its operations.

Profitability may be affected by changes in government taxation and royalty policies or the interpretation and application of policies in our operating jurisdictions.

The Consolidated Entity monitors changes in relevant regulations and engages with regulators and governments to ensure policy and law changes are appropriately understood. Any failure to comply with or changes to applicable laws, regulations or permits, even if non-compliance is inadvertent, could result in material fines, penalties, changes in the cost of operations, additional investment or other liabilities. In extreme cases, non-compliance with or amendments to applicable laws, regulations or permits could result in suspension of activities or forfeiture of one or more of the Consolidated Entity’s projects.

Access to infrastructure
Our oil and gas sales can be dependent on access to third party owned infrastructure. Infrastructure failure, such as pipelines and processing facilities, increased tariffs or restrictions on access to third party infrastructure may have a material effect on financial performance.

The Consolidated Entity works with its project partners, customers and infrastructure suppliers to understand and mitigate the risk of delays or failure.

Permit Risk
All petroleum licences held by the Consolidated Entity are subject to the granting and approval of relevant government bodies and ongoing compliance with licence terms and conditions, including periodic requirements for renewal or extension.

The Consolidated Entity monitors project operators’ tenure management processes and standard operating procedures to minimise the risk of losing tenure.

Litigation
The Consolidated Entity is not currently involved in any litigation. However, in the ordinary course of business we may become involved in litigation and disputes, for example with our partners, contractors or employees, over a broad range of matters. Any such litigation or dispute could involve significant economic costs and damage to relationships with partners or other stakeholders. Outcomes of any litigation may have an adverse impact on the Consolidated Entity's business, market reputation and financial condition and financial performance.

Health Safety and Environmental risk
Exploration, development, production and transportation of oil and gas involves a variety of risks which may impact the health and safety of personnel, the community and the environment.

Natural disasters, operational error and equipment failure, amongst other things, could result in oil and gas leaks or spills or loss of well control which may lead to injury or loss of life, damage to equipment and facilities, legal liability and reputational damage. Losses or liabilities from such events could reduce revenue or increase costs and materially impact the Consolidated Entity's financial position.

The Consolidated Entity works with project operators to ensure processes and procedures are in place to minimise these risks and seeks to maintain appropriate insurance policies to mitigate against the financial effects of any incident.

Climate change and the development of alternative energy sources
The Consolidated Entity's operating environment may be impacted by climate change and the development of alternative energy sources.

Digital and Cyber Security
Any information technology system is potentially vulnerable to interruption and/or damage from a number of sources, including but not limited to computer viruses, cyber security attacks and other security breaches, power, systems, internet and data network failures, and natural disasters.

The Consolidated Entity is committed to preventing and reducing cyber security risks through outsourcing the IT environment which it utilizes to a reputable service provider.

Reliance on key personnel
The Consolidated Entity's success depends to a significant extent upon its key management personnel, as well as other staff and technical personnel including those employed on a contractual basis. The loss of the services of such personnel or the reduced ability to recruit additional personnel could have an adverse effect on the Consolidated Entity's performance.

The Consolidated Entity maintains a mix of permanent staff and expert consultants to advance its projects and ensure access to multiple skill sets. The remuneration policy is reviewed regularly to ensure it appropriately reflects current and expected employment conditions and best practices.

Geopolitical Risk
Geopolitical conflicts can have significant global macro-economic impacts, including increasing instability in global energy prices. Related impacts include, but are not limited to volatility in commodity prices, currency movements, supply-chain and travel disruptions, disruption in banking systems and capital markets, increased costs and expenditures and cyberattacks. The development and conclusion of current conflicts are inherently uncertain and the consequences for the global economy and the Consolidated Entity's operations are unpredictable.

The Board and management team continue to assess the potential impacts on the business, however given the continued uncertainties the future financial impact, if any, cannot be determined.

Refer to the Financial and Operations review preceding this Director's Report.

Significant changes in the state of affairs
During the year, the Consolidated Entity was the subject of an off-market takeover by Horizon Oil Limited. The takeover was completed on 2 July 2026, with Horizon Oil Limited obtaining a controlling 57.03% interest in the Consolidated Entity. The Board was refreshed with five directors resigning, and the appointment of four new directors.

Other than as noted elsewhere in the Directors' report, there were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

Matters subsequent to the end of the financial year

Following Horizon's completion of acquisition of 57.03% interest in Cue, the Consolidated Entity will be liable to pay transfer tax on its interests in the Indonesian PSCs in relation to the indirect change of control, in accordance with local Indonesian regulations.

Other than as noted elsewhere in the Directors' Report, no other matters or circumstances have arisen since 30 June 2026 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Likely developments and expected results of operations

The following activities may affect the expected results of operations:

- Drilling underway at Palm Valley and Mahato, with five wells planned for 1H FY2027
- Continuing volatility in global energy markets; and
- Actively seeking to acquire new production opportunities

Safety and Environmental regulation

Within the last year there was one Lost Time Injury (LTI) and no significant spills reported in the Consolidated Entity's joint operations. Incidents at joint operations are reported and investigated by all the relevant parties and the Consolidated Entity monitors the progress of reported incidents and works with operators and joint operations partners to improve overall health and safety and minimise any impact on the environment.

Information on directors

Name:	Alastair McGregor (resigned 2 July 2026)
Title:	Non-Executive Chair
Qualifications:	BEng, MSc
Experience and expertise:	Mr McGregor has been actively involved in the oil and gas sector since 2003. He is currently Chief Executive of O.G. Oil & Gas Limited, a company that holds directly or indirectly oil & gas exploration and production interests onshore and offshore. He leads the O.G. Energy Senior Management Committee, driving the strategy for Ofer Global's energy activities. Mr McGregor is also a director of Echelon Resources Ltd (Echelon). In addition, Mr McGregor is Chief Executive of Omni Offshore Terminals Limited, a leading provider of floating, production, storage and offloading (FSO and FPSO) solutions to the offshore oil and gas industry. Omni's operations have spanned the globe from New Zealand, Australia, South East Asia, Middle East and South America. Prior to entering the oil and gas industry Mr McGregor spent 12 years as a banker with Citigroup and Salomon Smith Barney. Mr McGregor holds a BEng(Hons) and an MSc in Aeronautical Engineering. Mr McGregor was a Member of the Remuneration and Nomination Committee up until his resignation on 2 July 2026.
Other current directorships:	Echelon Resources Ltd (ASX: ECH)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

Name:	Andrew Jefferies (resigned 2 July 2026)
Title:	Non-Executive Director
Qualifications:	BE Hons (Mechanical), MBA, MSc in Petroleum Engineering, GAICD, Certified Petroleum Engineer
Experience and expertise:	Mr Jefferies is managing director of Echelon. He started his career with Shell in Australia after graduating with a BE Hons (Mechanical) from the University of Sydney in 1991, an MBA in technology management from Deakin University in Australia, and an MSc in petroleum engineering from Heriot-Watt University in Scotland. Mr Jefferies is also a graduate of the Australian Institute of Company Directors (GAICD), and a Certified Petroleum Engineer with the Society of Petroleum Engineers. He has worked in oil and gas in Australia, Germany, the United Kingdom, Thailand, Holland and is currently based in New Zealand. Mr Jefferies was a Member of the Audit and Risk Committee, Remuneration and Nomination Committee, Operational Risk and Sustainability Committee and the Commercial Committee up until the date of his resignation 2 July 2026.
Other current directorships:	Echelon Resources Limited (ASX: ECH)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

Name:	Peter Hood AO
Title:	Non-Executive Director
Qualifications:	BEng(Chem), FIChemE, MAusIMM
Experience and expertise:	Mr Hood is a professional chemical engineer with 55 years' experience in the development of projects in the resources and chemical industries. He began his career with WMC Ltd and then was chief executive officer of Coogee Chemicals Pty Ltd and Coogee Resources Ltd from 1998 to 2009. He is a graduate of the Harvard Business School Advanced Management Programme and is currently Chairman of Matrix Composites and Engineering Ltd, a Non-Executive Director of GR Engineering Ltd. He has been Vice-Chairman of the Australian Petroleum Production and Exploration Association Limited (APPEA), Chairman of the APPEA Health Safety and Operations Committee, and is a past President of the Western Australian and Australian Chambers of Commerce and Industry.
Other current directorships:	GR Engineering Ltd (ASX: GNG)
Former directorships (last 3 years):	De Grey Mining Ltd (ASX: DEG) Matrix Composites and Engineering Ltd (ASX: MCE)
Special responsibilities:	Chair, Independent Board Committee Member, Audit and Risk Committee Member, Commercial Committee
Interests in shares:	80,000 fully paid ordinary shares
Interests in options:	None

Name:	Richard Malcolm
Title:	Non-Executive Director
Qualifications:	BSc
Experience and expertise:	Mr Malcolm is a professional geoscientist with over 40 years' of varied oil and gas experience within seven international markets including Australia/NZ/PNG, UK North Sea/West of Shetlands, Gulf of Mexico and the Middle East/ North Africa. His latter roles from 2006 to 2013 included Managing Director of OMV UK and Managing Director of Gulfsands Petroleum, an AIM listed exploration and production company with operations in Syria, Tunisia, Morocco, USA and Colombia. He is currently a Non-executive Director of Larus Energy Limited.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair, Remuneration and Nomination Committee Member, Independent Board Committee Member, Operational Risk and Sustainability Committee
Interests in shares:	300,000 Fully Paid Ordinary Shares
Interests in options:	None

Name:	Rod Ritchie (resigned 2 July 2026)
Title:	Non-Executive Director
Qualifications:	B.Sc
Experience and expertise:	Mr Ritchie is a seasoned non-executive director with over 45 years' experience in the global oil and gas industry, in notable leadership roles and as a Health, Safety, Environmental and Security (HSSE) executive, including being the corporate Senior Vice President of HSSE and Sustainability at OMV based in Vienna, Austria. He has also worked closely with the International Association of Oil & Gas produces (IOGP) to create Industry best practice standards for the Oil and Gas Industry. He is also an active leadership and cultural change consultant, and an author on the subject of Safety Leadership and several Society of Petroleum Engineers papers on the subject of HSSE and safety Leadership. More recently he has qualified as an executive and leadership coach with the Australian Institute of Professional coaches (AIPC) and also works with the CEO institute in Perth WA as a syndicate chair. Mr Ritchie was the Chair of the Operational Risk and Sustainability Committee and a Member of the Remuneration and Nomination Committee up until the date of his resignation 2 July 2026.
Other current directorships:	Echelon Resources Limited (ASX: ECH)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

Name:	Samuel Kellner (resigned 2 July 2026)
Title:	Non-Executive Director
Qualifications:	BA, MBA
Experience and expertise:	Mr Kellner has held a variety of senior executive positions with Ofer Global since joining the group in 1980. He has been deeply involved in all Ofer Global's business lines, with a particular emphasis on offshore oil and gas, shipping and real estate, and has advised Ofer Global companies on investments with a variety of investment managers, hedge funds and private equity funds. Most recently, Mr Kellner served as President of Global Holdings Management Group (US) Inc. where he led North American real estate acquisition, development and financing activities. Mr Kellner serves as a director of O.G. Energy, O.G. Oil & Gas and Echelon, where he is Chairman of the Board of Directors. As a member of the O.G. Energy Senior Management Committee, he helps drive strategy for Ofer Global's energy activities. He is also an Executive Director of the main holding companies for the Zodiac Maritime Limited shipping group and Omni Offshore Terminals Limited, a leading provider of floating, production, storage and offloading (FSO and FPSO) solutions to the offshore oil and gas industry. Mr Kellner graduated with a BA degree from Hebrew University in Jerusalem. He has an MBA from the University of Toronto and taught at the University of Toronto while working toward a PhD in Applied Economics.
Other current directorships:	Echelon Resources Limited (ASX: ECH)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

Name:	Marco Argentieri (resigned 2 July 2026)
Title:	Non-Executive Director
Qualifications:	BA, JD, MBA
Experience and expertise:	Mr Argentieri is a Director of Echelon, Executive Vice President of O.G. Energy, and a member of the Board of Directors of both O.G. Energy and O.G. Oil & Gas. Prior to O.G. Energy, Mr Argentieri worked extensively in finance, offshore oil services and shipping. Mr Argentieri started his career as an attorney at the New York offices of Skadden, Arps, Slate, Meagher & Flom LLP and Latham & Watkins LLP. He holds a B.A. from the University of Rochester, a J.D. from New York University and an MBA from Columbia University. Mr Argentieri was the Chair of the Audit Committee and a Member of the Commercial Committee up until the date of his resignation 2 July 2026.
Other current directorships:	Echelon Resources Limited (ASX: ECH)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

Name:	Mr Greg Bishop
Title:	Non-Executive Director (appointed on 22 October 2025)
Qualifications:	BCom, FCA, CMInstD
Experience and expertise:	Mr Bishop is a finance and governance business leader with over 30 years of executive and board-level experience, including 27 years as a partner at KPMG. He held key leadership roles including Managing Partner of KPMG in Wellington and co-led KPMG’s energy and natural resources practice, advising both major and mid cap oil and gas companies including Shell, Chevron, Beach Energy, Origin Energy, Horizon Oil and Echelon. In 2024, Greg became CEO of Texel Air Australasia, where he successfully launched a four-jet operation for Team Global Express with over 98% on-time performance.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair, Audit and Risk Committee (appointed 3 July 2026) Member, Independent Board Committee
Interests in shares:	7,476 fully paid ordinary shares
Interests in options:	None

Name:	Mr Bruce Clement
Title:	Non-Executive Chair (appointed on 2 July 2026)
Qualifications:	BEng (Civil) (Hons), BSc(Math & Computer Science), MBA
Experience and expertise:	Mr Clement is a highly experienced oil and gas executive with over 40 years’ experience across global upstream operations. He began his career with Esso Australia (now Exxon) and has held senior leadership roles spanning exploration, development and production across Australia, Asia, the United Kingdom and the United States. He has previously served as Chief Executive Officer of ROC Oil Limited and AWE Limited and has held senior management roles with Santos, Ampolex and Esso. He has significant experience in delivering major transactions, including acquisitions and divestments.
Other current directorships:	Horizon Oil Limited (ASX: HZN) Beach Energy Limited (ASX:BPT)
Former directorships (last 3 years):	None
Special responsibilities:	Member, Audit and Risk Committee (appointed 3 July 2026) Member, Remuneration and Nomination Committee (appointed 3 July 2026)
Interests in shares:	None
Interests in options:	None

Name:	Mr Richard Beament
Title:	Non-Executive Director (appointed on 2 July 2026)
Qualifications:	B.Comm, CA
Experience and expertise:	Mr Beament has over 15 years' experience in managerial positions within the oil and gas sector. Mr Beament has served as Managing Director and Chief Executive Officer of Horizon Oil Limited since July 2022. He joined Horizon in 2010 and has held a range of senior roles including Chief Financial Officer and Company Secretary. He brings extensive experience in capital management, financing and commercial structuring, having been closely involved in funding and managing Horizon's asset portfolio. He has led Horizon through its recent growth phase completing acquisitions in Australia and Thailand.
Other current directorships:	Horizon Oil Limited (ASX: HZN)
Former directorships (last 3 years):	None
Special responsibilities:	Chair, Commercial Committee (appointed 3 July 2026) Member, Audit and Risk Committee (appointed 3 July 2026) Member, Remuneration and Nomination Committee (appointed 3 July 2026) Member, Operational Risk and Sustainability Committee (appointed 3 July 2026)
Interests in shares:	None
Interests in options:	None

Name:	Mr Gavin Douglas
Title:	Non-Executive Director (appointed on 2 July 2026)
Qualifications:	BSc (Geology) (Hons), MSc (Res. Eval. & Mgmt.), AAPG, SPE
Experience and expertise:	Mr Douglas is a geologist with over 25 years of experience in the exploration, development, and production of hydrocarbons. He has held technical managerial roles for over 15 years, including leading multidisciplinary teams in Australia, Southeast Asia, and the Middle East. Mr Douglas previously served as Well Delivery Manager at Oil Search and as Subsurface Manager at Eaglewood Energy.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair, Operational Risk and Sustainability Committee (appointed 3 July 2026)
Interests in shares:	None
Interests in options:	None

Name:	Mr Kyle Keen
Title:	Non-Executive Director (appointed on 2 July 2026)
Qualifications:	BAcc (Hons), CA SAICA
Experience and expertise:	Mr Keen is a Chartered Accountant with expertise in financial risk management and financial reporting, particularly within the oil and gas sector. He has been with Horizon Oil Limited for the past eight years, contributing significantly to the company's financial governance. Mr Keen brings over 14 years of professional experience, including roles in top tier accounting firms such as Ernst & Young (EY) in the United Kingdom and KPMG in South Africa.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member, Audit and Risk Committee (appointed 3 July 2026) Member, Commercial Committee (appointed 3 July 2026)
Interests in shares:	None
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Ms Anita Addorisio is an experienced finance professional with over 25 years' senior finance experience and 10 years' experience as a Company Secretary for ASX listed companies within several industry sectors, including resources. She holds a Masters in Accounting and is a Fellow of both CPA and Governance Institute of Australia.

Meetings of directors

	Board	Remuneration and Nomination Committee	Audit and Risk Committee	Operational Risk and Sustainability Committee	Commercial Committee	Independent Board Committee
Meetings held:	5	2	2	2	2	14
Meetings attended:						
Alastair McGregor	5	2	-	-	-	-
Andrew Jefferies	5	2	2	2	2	-
Peter Hood AO	5	-	2	-	2	14
Richard Malcolm	5	2	-	2	-	14
Rod Ritchie	5	2	-	2	-	-
Samuel Kellner	4	-	-	-	-	-
Marco Argentieri	5	-	2	-	2	-
Greg Bishop*	3	-	1	-	-	14

* meetings held during the time Mr. Bishop held office since his appointment to the Board on 22 October 2025

Remuneration report
This Remuneration Report which has been audited, and which forms part of the Directors' Report, sets out information about the remuneration of Cue Energy Resources Limited's Directors and its senior management for the financial year ended 30 June 2026, in accordance with the Corporations Act 2001 and its regulations.

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The prescribed details for each person covered by this report are detailed below under the following headings:

(A) Director and executive details

(B) Remuneration policy

(C) Details of remuneration

(D) Equity based remuneration

(E) Relationship between remuneration policy and company performance

(A) Director and executive details
The following persons acted as Directors of the company during or since the end of the financial year:

Alastair McGregor (Non-Executive Chair) - Resigned 2 July 2026
Andrew Jefferies (Non-Executive Director) - Resigned 2 July 2026
Peter Hood (Non-Executive Director)
Richard Malcolm (Non-Executive Director)
Rod Ritchie (Non-Executive Director) - Resigned 2 July 2026
Samuel Kellner (Non-Executive Director) - Resigned 2 July 2026
Marco Argentieri (Non-Executive Director) - Resigned 2 July 2026
Greg Bishop (Non-Executive Director) - Appointed 22 October 2025
Bruce Clement (Non-Executive Chair) - Appointed 2 July 2026
Richard Beament (Non-Executive Director) – Appointed 2 July 2026
Gavin Douglas (Non-Executive Director) – Appointed 2 July 2026
Kyle Keen (Non-Executive Director) – Appointed 2 July 2026

The term “Executive” is used in this Remuneration Report to refer to Matthew Boyall, Chief Executive Officer.

(B) Remuneration policy
The Board’s policy for remuneration of Executives and Directors is detailed below.

Remuneration packages are set at levels that are intended to attract and retain high calibre directors and employees and align the interests of the Directors and Executives with those of the company’s shareholders. The remuneration policy is established and implemented solely by the Board.

Remuneration and other terms and conditions of employment are reviewed annually by the Board having regard to performance and relevant employment market information. As well as a base salary, remuneration packages include superannuation, termination entitlements and fringe benefits.

The Board is conscious of its responsibilities in relation to the performance of the Company. Directors and Executives are encouraged to hold shares in the Company to align their interests with those of shareholders.

No remuneration or other benefits are paid to Directors or Executives by any subsidiary companies.

(C) Details of remuneration
The structure of Non-Executive Director and Executive remuneration is separate and distinct.

Non-Executive Directors

Remuneration of Non-Executive Directors is determined by the Board within the maximum amount approved by the shareholders from time to time. The amount currently approved is $700,000, which was approved at the Annual General Meeting held on 24 November 2011. The Company’s policy is to remunerate Non-Executive Directors at a fixed fee based on their time involvement, commitment and responsibilities. Additional fees are payable to the Board Chair, Committee Chairs and the Lead Independent Director to reflect the increased workload and responsibilities associated with these positions. Remuneration for Non-Executive Directors is not linked to individual or company performance, however, to align Directors’ interests with shareholders’ interests, Non-Executive Directors are encouraged to hold shares in the Company. The Board retains the discretion to award options or performance rights to Non-Executive Directors based on the recommendation of the Board, which is always subject to shareholder approval.

Executives

Executives receive a mixture of fixed and variable pay and a blend of short and long-term incentives as appropriate. Remuneration packages contain the following key elements:

- Fixed base cash salary and fees;
- Short term incentive (STI) programme benefits, including cash bonuses;
- Long term benefits in the form of long service leave;
- Superannuation entitlements post employment; and
- Equity settled benefits, including but not limited to long term incentives in the form of options and/or performance rights.

Fixed compensation

Fixed compensation consists of base salary (which is calculated on a total cost base and including any fringe benefits tax ("FBT") charges related to employee benefits including motor vehicles), as well as employer contributions to superannuation funds.

The base salary reflects market rates for companies of similar size and industry which is reviewed annually to ensure market competitiveness. The Board reviewed the salaries paid to peer company executives in determining the salary of the Company's KMP in July 2025. This base salary is fixed remuneration and is not subject to performance of the company. Base salary is reviewed annually and adjusted on 1 July each year as required. There is no guaranteed base salary increase included in any executive's contracts.

Cash bonuses

The CEO is entitled to short-term incentive up to 30% of his base salary at the discretion of the Board at the end of each financial year subject to achievement of key deliverables. During this financial year, the CEO was paid a cash bonus on the achievement of 72.42% against key performance indicators (KPIs), representing 21.7% of base salary.

Employment contracts

Remuneration and other terms of employment for key executive Matthew Boyall is formalised in a service agreement. Details of the agreement are as follows:

Matthew Boyall
Title: Chief Executive Officer
Original Agreement date: 1 July 2017
Term: Permanent employment contract, no fixed terms.
Details: Base salary of $458,000 per annum plus superannuation, up to the super guarantee maximum employer contribution, to be reviewed annually by the Board. Mr Boyall is also entitled to short-term incentive up to 30% of his base salary at the discretion of the Board at the end of each financial year subject to achieving key deliverables. Mr Boyall's entitlements to long-term incentives is determined at the Board's sole discretion.
Notice period: 3 months

Compensation levels are reviewed each year to take into account cost of living changes, any change in the scope of the role performed and any changes to meet the principles of the compensation policy.

Details of the nature and amount of each major element of remuneration of each Director of the Company and other Key Management Personnel of the Consolidated Entity are:

KMP Compensation - 30 June 2026

	Short-term benefits		Short-term benefits		Long-term benefits	Post employment	Share-based payments	
	Cash salary and fees	One-off payment	Cash bonuses	Consulting Fees	Long service leave/annual leave	Superannuation	Equity-settled	Total
30 June 2026	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Directors:								
Alastair McGregor	106,496	-	-	-	-	-	-	106,496
Andrew Jefferies	67,072	-	-	-	-	-	-	67,072
Peter Hood[#]	94,607	-	-	-	-	4,556	-	99,163
Richard Malcolm[#]	80,530	-	-	-	-	9,664	-	90,194
Rod Ritchie	79,053	-	-	-	-	-	-	79,053
Samuel Kellner	67,072	-	-	-	-	-	-	67,072
Marco Argentieri	79,053	-	-	-	-	-	-	79,053
Greg Bishop[#]	57,435	-	-	-	-	-	-	57,435
Other Key Management Personnel:								
Matthew Boyall	458,000	400,000^	99,505*	-	32,687	30,000	146,006	1,166,198
	1,089,318	400,000^	99,505*	-	32,687	44,220	146,006	1,811,736

* Mr Boyall's cash bonus consists of $99,505 for achieving a 72.42% performance rating against 2025 key performance indicators (KPIs). The KPIs were measured against the actual results for the calendar year ending 31 December 2025. Mr Boyall is entitled to an annual short-term incentive of up to 30% of base salary.

^ In addition, a one-off special exertion payment of $150,000 and retention payment $250,000 were awarded in recognition of the significant responsibilities, workload and time commitment required during the Company's takeover offer process.

[#] In March 2026, the Independent Board Committee approved a special exertion payment to the Independent Directors of a 50% increase in Director fees in recognition of the significant additional workload required during the takeover period

KMP Compensation - 30 June 2025

	Short-term benefits	Short-term benefits		Long-term benefits	Post employment	Share-based payments	
	Cash salary and fees	Cash Bonuses	Consulting Fees	Long service leave/annual leave	Superannuation	Equity-settled	Total
30 June 2025	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Directors:							
Alastair McGregor	104,000	-	-	-	-	-	104,000
Andrew Jefferies	65,500	-	-	-	-	-	65,500
Peter Hood	83,045	-	-	-	-	-	83,045
Richard Malcolm	69,238	-	-	-	7,962	-	77,200
Rod Ritchie	77,200	-	48,950	-	-	-	126,150
Samuel Kellner	65,500	-	-	-	-	-	65,500
Marco Argentieri	77,200	-	-	-	-	-	77,200
Other Key Management Personnel:							
Matthew Boyall*	441,842	101,562	-	(676)	29,932	61,747	634,407
	983,525	101,562	48,950	(676)	37,894	61,747	1,233,002

* Matthew Boyall's cash bonus consists of $101,562 for achieving a 76.62% performance rating against 2024 key performance indicators (KPIs). The KPIs were measured against the actual results for the calendar year ending 31 December 2024. Mr Boyall is entitled to up to 30% of base salary in short term incentives.

The proportion of remuneration linked to the Consolidated Entity's performance and the fixed proportion are as follows:

Name	Fixed remuneration 30 June 2026	Fixed remuneration 30 June 2025	At risk - STI 30 June 2026	At risk - STI 30 June 2025	At risk - LTI 30 June 2026	At risk - LTI 30 June 2025
Directors:						
Alastair McGregor	100%	100%	-	-	-	-
Andrew Jefferies	100%	100%	-	-	-	-
Peter Hood	100%	100%	-	-	-	-
Marco Argentieri	100%	100%	-	-	-	-
Richard Malcolm	100%	100%	-	-	-	-
Rod Ritchie	100%	100%	-	-	-	-
Samuel Kellner	100%	100%	-	-	-	-
Greg Bishop	100%	-	-	-	-	-
Other Key Management Personnel:						
Matthew Boyall	68%	74%	13%	16%	19%	10%

(D) Equity based remuneration
Overview of share options

A summary of material terms of the Board approved Employee Share Option Plan ('ESOP') is set out as follows:

- the ESOP sets out the framework for the offer of Options by the Company, and is typical for an ESOP;
- in making its decision to issue Options, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has flexibility to issue Options having regard to a range of potential vesting criteria and conditions;
- in certain circumstances, unvested Options will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a “bad leaver” as distinct from a “good leaver”. Unless the Board determines otherwise at its sole discretion, Options held by good leavers will expire upon cessation of employment;
- if a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited;
- in certain circumstances Options can vest early upon a change of control event as defined under the Plan rules;
- the total number of Options and Shares which may be offered by the Company under these Rules shall not at any time exceed 5% of the Company's total issued Shares when aggregated with the number of Options and Shares issued or that may be issued as a result of offers made at any time during the previous three year period under an employee incentive scheme;
- the Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares; and
- the Board is granted a certain level of discretion under the Employee Incentive Programme (EIP), including the power to amend the rules under which the EIP is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions, including but not limited to the execution of the EIP's terms upon termination of employment.

The options will vest on the date determined by the Board and as specified in the Invitation Letter. Under the terms of the ESOP, all Options issued under the plan immediately vest following a Change of Control Event, defined under the Plan rules as a relevant interest in more than 50% of all issued shares. On 15 April 2026, following Horizon Oil Limited notifying the market of its relevant interest in the Company of 51.39%, all options on issue immediately vested.

3,149,921 options were granted under the ESOP during FY 2026 (FY 2025: 3,411,549). During the year, the Company issued 2,719,869 ordinary fully paid shares resulting from the exercise of options with various exercise prices which were settled utilising the cashless exercise.

Share-based compensation

Issue of shares

During FY 2026, 1,325,553 fully paid ordinary shares were issued to Matthew Boyall, the Chief Executive Officer upon the exercise on a cashless basis of 3,843,998 options granted as part of his compensation.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of KMP in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant Date	Vesting date and exercisable date	Expiry date	Exercise price (Cents)	Fair value at grant date (Cents)
Matthew Boyall	1,102,607	16 July 2020	1 Jul 2023	1 July 2025	11.700	5.100
Matthew Boyall	1,714,612	30 Aug 2022	1 Jul 2025	1 July 2027	8.900	3.200
Matthew Boyall	2,129,386	8 Sep 2023	15 Apr 2026	1 July 2028	7.200	3.150
Matthew Boyall	1,325,526	15 Oct 2024	15 Apr 2026	1 July 2029	12.000	5.110
Matthew Boyall	1,215,929	19 Sep 2025	15 Apr 2026	1 July 2030	13.600	5.901

Options granted carry no dividend or voting rights.

(E) Relationship between remuneration policy and company performance

Company performance review

The tables below set out summary information about the company’s earnings and movements in shareholder wealth and key management remuneration for the five years to 30 June 2026.

	2026 $'000	**2025** $'000	**2024** $'000	**2023** $'000	**2022** $'000
Production revenue from continuing operations	50,245	54,841	49,659	51,605	44,439
Profit/(loss) before income tax expense from continuing operations	7,293	19,658	25,322	19,881	21,756
Profit/(loss) after income tax expense	4,360	6,316	14,189	15,211	16,068
Total KMP remuneration settled by the Consolidated Entity	1,812	1,233	1,121	821	741

	2026	**2025**	**2024**	**2023**	**2022**
Share price at start of year (cents)	11.50	10.50	5.60	6.50	6.00
Share price at end of year (cents)	9.90	11.50	10.50	5.60	6.50
Basic earnings/(loss) per share (cents)	0.62	0.90	2.03	2.18	2.30
Diluted earnings/(loss) per share (cents)	0.62	0.90	2.03	2.18	2.30
Dividend paid ($'000)*	5,248	13,978	13,967	-	-
Dividends paid (cents per share)*	0.75	2.0	2.0	-	-

** Dividends declared and approved may be paid during the subsequent financial year, these reflect when payment is made in the respective financial year.*

The Company remuneration policy also seeks to reward staff members on achieving non-financial key performance indicators, including safety and operational performance.

Remuneration Report Voting at Annual General Meeting

The Company received 99.76% of votes in support of its FY 2025 remuneration report at the 2025 Annual General Meeting.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares				
Non-Executive Directors				
Andrew Jefferies	8,000	-	(8,000)	-
Peter Hood	80,000	-	-	80,000
Richard Malcolm	300,000	-	-	300,000
Greg Bishop	-	7,476	-	7,476
Other Key Management Personnel				
Matthew Boyall*	779,872	1,325,553	-	2,105,425
	1,167,872	1,333,029	(8,000)	2,492,901

* In FY 2026, 3,843,998 options were exercised on a cashless basis during the period, as a result of which 1,325,553 fully paid ordinary shares were issued.

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Matthew Boyall	6,272,131	1,215,929	(3,843,998)	(1,102,607)	2,541,455

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Cue Energy Resources Limited under option at the date of this report are as follows:

Grant date	Vesting date	Expiry date	Exercise price (cents)	Number under option
08/09/2023	15/04/2026*	01/07/2028	7.20	961,404
15/10/2024	15/04/2026*	01/07/2029	12.00	2,367,528
19/09/2025	15/04/2026*	01/07/2030	13.60	3,149,921

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

* On 15 April 2026, all employee share options vested following a change of control event in accordance with the terms of the ESOP as defined under the Plan rules.

Shares issued on the exercise of options

During FY 2026 and up to the date of this report, 8,322,074 options were exercised on a cashless basis, as a result of which 2,719,869 fully paid ordinary shares in the Company were issued.

Directors' insurance and indemnification of Directors and auditors

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company, the company secretary, and all executive officers against a liability incurred as a director, company secretary or executive officer to the extent permitted by the Corporations Act 2001. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy, including the nature of the liability insured against and the amount of the premium.

The company has not otherwise, during or since the end of the financial year indemnified or agreed to indemnify the auditor of the company or any related body corporate against a liability incurred as an officer or auditor.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 17 to the financial statements.

The Company may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Company are important.

The Board of Directors pre-approves all non-audit services and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the audit independence requirement, of the Corporations Act 2001, based on advice received from the Audit and Risk Committee, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of KPMG

There are no officers of the company who are former partners of KPMG.

Rounding of amounts

The Company is a company of the kind referred to in ASIC Legislative Instrument 2026/183, and in accordance with the Class Order amounts in the Directors' Report and the Financial Report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report and forms part of the directors' report.

Auditor

In accordance with the provisions of the Corporations Act 2001 the Company's auditor, KPMG, continues in office.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Board

____
Bruce Clement
Non-Executive Chair

27 August 2026

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Cue Energy Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Cue Energy Resources Limited for the financial year ended 30 June 2026 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

James Dent

Partner

Melbourne

27 August 2026

Cue Energy Resources Limited
Consolidated Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Revenue from continuing operations			
Revenue from operations	5	50,245	54,841
Production costs	6	(27,335)	(29,518)
Gross profit from production		22,910	25,323
Other income		803	943
Net foreign currency exchange (loss)/gain		(248)	42
Expenses			
Exploration, evaluation, and development activities written off	11	(4,287)	(1,066)
Corporate and administration expenses	7	(5,801)	(3,319)
Sales expenses	8	(1,290)	(1,771)
Impairment	11	(4,405)	-
Finance cost		(389)	(494)
Profit before income tax expense		7,293	19,658
Income tax expense	9	(2,933)	(13,342)
Profit after income tax expense for the year		4,360	6,316
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(542)	663
Other comprehensive (loss)/income for the year, net of tax		(542)	663
Total comprehensive income for the year		3,818	6,979
		Cents	**Cents**
Basic earnings per share	24	0.62	0.90
Diluted earnings per share	24	0.62	0.90

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Cue Energy Resources Limited
Consolidated Statement of financial position
As at 30 June 2026

	Note	Consolidated 30 June 2026 $'000	30 June 2025 $'000
Assets			
Current assets			
Cash and cash equivalents		15,712	10,832
Trade and other receivables	10	12,726	11,627
Inventories		2,055	1,217
Total current assets		30,493	23,676
Non-current assets			
Advances paid for restoration works	12	6,372	6,388
Property, plant and equipment		21	22
Right-of-use assets		195	242
Production properties	11	64,257	71,151
Development assets	11	1,791	4,468
Deferred tax assets	9	7,921	7,157
Deposits		435	417
Total non-current assets		80,992	89,845
Total assets		111,485	113,521
Liabilities			
Current liabilities			
Trade and other payables		5,999	5,225
Contract liabilities		166	49
Lease liabilities		62	76
Tax liabilities	9	3,893	3,742
Provisions		273	249
Total current liabilities		10,393	9,341
Non-current liabilities			
Contract liabilities		3,296	3,650
Lease liabilities		156	182
Deferred tax liabilities	9	9,415	11,885
Provisions	12	31,125	30,408
Total non-current liabilities		43,992	46,125
Total liabilities		54,385	55,466
Net assets		57,100	58,055
Equity			
Contributed equity	13	153,065	152,630
Reserves	14	43,748	41,832
Accumulated losses		(139,713)	(136,407)
Total equity		57,100	58,055

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Cue Energy Resources Limited
Consolidated Statement of changes in equity
For the year ended 30 June 2026

Consolidated	Contributed equity $'000	Reserves $'000	General reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2024	152,543	2,409	51,691	(141,729)	64,914
Profit after income tax expense for the year	-	-	-	6,316	6,316
Other comprehensive income for the year, net of tax	-	663	-	-	663
Total comprehensive income for the year	-	663	-	6,316	6,979
Transfer to/from Accumulated losses	-	-	1,078	(1,078)	-
Transactions with owners in their capacity as owners:					
Share-based payments (note 25)	-	56	-	84	140
Exercise of options	87	(87)	-	-	-
Dividend paid	-	-	(13,978)	-	(13,978)
Balance at 30 June 2025	152,630	3,041	38,791	(136,407)	58,055

Consolidated	Contributed equity $'000	Reserves $'000	General reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2025	152,630	3,041	38,791	(136,407)	58,055
Profit after income tax expense for the year	-	-	-	4,360	4,360
Other comprehensive loss for the year, net of tax	-	(542)	-	-	(542)
Total comprehensive (loss)/income for the year	-	(542)	-	4,360	3,818
Transfer to/from Accumulated losses	-	-	7,831	(7,831)	-
Transactions with owners in their capacity as owners:					
Share-based payments (note 25)	-	204	-	165	369
Exercise of options	435	(329)	-	-	106
Dividend paid	-	-	(5,248)	-	(5,248)
Balance at 30 June 2026	153,065	2,374	41,374	(139,713)	57,100

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 30 June 2026 $'000	30 June 2025 $'000
Cash flows from operating activities			
Receipts from customers		50,156	51,833
Interest received		329	483
Payments to suppliers and employees		(25,199)	(21,411)
Payments for exploration and evaluation expenditure		(85)	(1,089)
Income tax paid		(3,592)	(4,152)
Royalties paid		(1,767)	(1,830)
Net cash from operating activities	23	19,842	23,834
Cash flows from investing activities			
Payments for exploration, development and production properties		(9,441)	(15,375)
Payments for plant and equipment		(8)	(9)
Payments for security deposits		(18)	(12)
Net cash used in investing activities		(9,467)	(15,396)
Cash flows from financing activities			
Proceeds from issue of shares	13	106	-
Payments of principal element of lease liabilities		(77)	(74)
Payment of dividends		(5,248)	(13,978)
Net cash used in financing activities		(5,219)	(14,052)
Net increase/(decrease) in cash and cash equivalents		5,156	(5,614)
Cash and cash equivalents at the beginning of the financial year		10,832	16,259
Effects of exchange rate changes on cash and cash equivalents		(276)	187
Cash and cash equivalents at the end of the financial year		15,712	10,832

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Cue Energy Resources Limited as a Consolidated Entity consisting of Cue Energy Resources Limited and the entities it controlled at the end of, or during, the year, hereinafter collectively referred to as the Consolidated Entity. The financial statements are presented in Australian dollars, which is Cue Energy Resources Limited's functional and presentation currency.

Cue Energy Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange.

A description of the nature of the Consolidated Entity's operations and its principal activities is included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 August 2026.

Note 2. Material accounting policy information

The accounting policies that are material to the Consolidated Entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

(a) Operations and principal activities
Operations comprise petroleum exploration, development and production activities.

(b) Statement of compliance
The financial report is a general purpose financial report presented in Australian dollars which has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001, as appropriate for for-profit oriented entities. International Financial Reporting Standards ("IFRSs") form the basis of Australian Accounting Standards adopted by the AASB. The financial reports of the consolidated entity also comply with IFRS and interpretations adopted by the International Accounting Standards Board.

The accounting policies set out below have been applied consistently to all periods presented in this report.

(c) Basis of preparation
The Consolidated Entity is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183* and in accordance with that instrument, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

The consolidated financial statements have been prepared on a going concern basis using the historical cost convention.

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the parent entity is disclosed in note 19.

Note 2. Material accounting policy information (continued)

(d) Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Cue Energy Resources Limited ("company" or "parent entity") as at 30 June 2026 and the results of all subsidiaries for the year then ended. Cue Energy Resources Limited and its subsidiaries together are referred to in this financial report as the Consolidated Entity.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power to direct the activities of the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Consolidated Entity controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Investments in subsidiaries are accounted for at cost in the standalone financial statements of the parent entity, Cue Energy Resources Limited.

(e) Production revenue
Revenue from the sale of oil and gas is recognised at the point in time when control of the product is transferred to the customer, which is generally when the product is physically transferred into a vessel, pipe or other delivery mechanism and the customer accepts the product. Consequently, the Consolidated Entity's performance obligations are considered to relate only to the sale of oil or gas, with each unit considered to be a separate performance obligation under the contractual arrangements in place.

Under the terms of the relevant production sharing arrangements, the Consolidated Entity is entitled to its participating share of oil or gas based on the Consolidated Entity's working interest. Revenue from contracts with customers is recognised based on the actual volumes sold to customers.

The Consolidated Entity's sales of crude oil are priced based on market prices and sales of gas are priced based on different contractual arrangements which include fixed and market prices.

(f) Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(g) Trade and other payables
Trade and other payables represent the principal amounts outstanding at the reporting date plus, where applicable, any accrued interest. Trade payables are normally paid within 30 days, and due to their short term nature are generally unsecured and not discounted.

(h) Inventories
Inventories consist of hydrocarbon stock. Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes direct costs and an appropriate portion of fixed production overheads where applicable.

(i) Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Note 2. Material accounting policy information (continued)

(j) Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(k) Foreign currency
Functional and presentation currency

The functional currencies of Group companies are the currencies of the primary economic environment in which they operate. The consolidated financial statements are presented in Australian dollars, the Consolidated Entity’s presentation currency.

Transactions and balances

Transactions in foreign currencies of entities within the Consolidated Entity are translated into functional currency at the rate of exchange ruling at the date of the transaction. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of financial year.

Foreign operations

The results and financial position of Consolidated Entity’s foreign operations are translated into its presentation currency using the following procedures:

(a) assets and liabilities for each statement of financial position presented (i.e. including comparatives) shall be translated at the closing rate at the date of that statement of financial position;
(b) income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at average exchange rates for the year; and
(c) all resulting exchange differences shall be recognised in other comprehensive income.

(l) Advances paid for rehabilitation works
Advances paid for rehabilitation works represent amounts paid to special purpose funds established with the primary objective of meeting future rehabilitation obligations and are recognised and measured in accordance with AASB Interpretation 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (AASBI 5). AASBI 5 requires restoration provisions and contributions to funds to be separately disclosed in the Consolidated Entity’s statement of financial position.

(m) Contract assets and liabilities
Contract assets and liabilities are recognized and measured in accordance with AASB 15 Revenue from Contracts with Customers.

Contract assets
Contract assets represent rights to consideration for performance obligations satisfied to date, which will be recognised as trade receivables when the right to invoice becomes unconditional.

Note 2. Material accounting policy information (continued)

Contract liabilities
Contract liabilities represent the Consolidated Entity's obligation to transfer gas to customers and are recognised when a customer pays consideration or when a receivable is recognised reflecting its unconditional right to consideration before the Consolidated Entity has satisfied its performance obligations in respect of the transfer of the goods or services to the customer.

The Consolidated Entity assumed performance obligations for the delivery of 'gas not taken' by its sole customer in the Dingo field. Under the take or pay arrangement, the Consolidated Entity has the obligation to provide make up gas ("MUG") within the contractually defined volumes, which was not previously taken by the customer. The customer must take the future delivery of gas no later than 2035.

(n) Accounting policy for employee benefits
The following liabilities arising in respect of employee benefits are measured at their nominal amounts:
- wages and salaries and annual leave expected to be settled within twelve months of the reporting date; and
- other employee benefits expected to be settled within twelve months of the reporting date.

All other employee benefit liabilities expected to be settled more than 12 months after the reporting date are measured at the present value of the estimated future cash outflows in respect of services provided up to the reporting date. Liabilities are determined after taking into consideration estimated future increase in wages and salaries and past experience regarding staff departures. Related on-costs are included.

(o) New or amended Accounting Standards and Interpretations adopted
The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no impact upon adoption of these standards.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements in the application of accounting standards, make certain assumptions that affect the application of policies and consider and conclude on sources of and apply estimation uncertainties which affect the reported amounts of assets, liabilities, income and expenses.

The judgements made, assumptions applied and the consideration of sources of estimation uncertainty, are based on the application of historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of concluding on the carrying values of assets and liabilities that may not be readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Consolidated Entity, and the judgements made, assumptions applied and consideration of sources of estimation uncertainty are reviewed on an ongoing basis.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

(i) Recovery of deferred tax assets
Management recognises deferred tax assets on unutilised carry forward tax losses if management considers it is probable that future tax profits will be available to utilise the unused tax losses (refer to note 9).

Management is required to make assumptions on and consider inherent uncertainties in respect of the various inputs used in the estimation of future taxable income against which unutilised losses may be applied. These assumptions include but are not limited to the nature, timing and extent of project development and reserves, production and sales performance, energy prices where not contractually fixed and which are subject to global macroeconomic factors and inflation and its impact on future tax deductions. The inherent estimation uncertainty when forecasting future operational and financial performance also directly affect the actual generation of future taxable income, which may differ to the estimated taxable income and associated deferred tax asset.

Note 3. Critical accounting estimates and judgements (continued)

(ii) Impairment of production properties
Production properties impairment testing is required when there is an indicator for impairment. Impairment testing requires an estimation of recoverable amount, using the higher of fair value less costs to sell or a value-in-use model for the respective cash generating units (CGUs).

Management is required to make certain assumptions on reserves, future production volumes, pricing of its energy products, cost estimates, exchange rates and how they impact on future cashflows, where required, the costs to sell and in respect of the inputs utilised in defining an appropriate discount rate.

These inputs and assumptions are inherently uncertain, and management review their accuracy and appropriateness periodically.

(iii) Useful life of production properties and their amortisation
Estimates of reserve quantities and future production volumes are based on certain assumptions and subject to inherent estimation uncertainties. These factors are critical elements of the calculation of the amortisation of production property assets.

(iv) Estimates of reserve quantities
The estimated quantities of Consolidated Entity's reported Proven and Probable hydrocarbon reserves are integral to the calculation of the amortisation expense relating to Production Property Assets and to the assessment of possible impairment of these assets. Estimated reserve quantities are based upon certain interpretations of geological and geophysical models and assessments of the technical feasibility and commercial viability of producing the reserves. These assessments require assumptions to be made regarding future development and production costs, commodity prices, exchange rates and fiscal regimes. The estimates of reserves may change from period to period as the economic assumptions used to estimate the reserves change from period to period, and as additional geological data is generated during the course of operations. Reserves estimates are prepared in accordance with the Consolidated Entity's policies and procedures for reserves estimation, which conform to guidelines prepared by the Society of Petroleum Engineers.

(v) Restoration (rehabilitation or rehab) provisions
Provisions for future environmental restoration are recognised where there is a present obligation as a result of exploration, development, production, transportation or storage activities having been undertaken, and it is probable that an outflow of economic benefits will be required to settle the obligation. The estimated future obligations include the costs of removing facilities, abandoning wells and restoring the affected areas in accordance with the terms of the respective permits and relevant legislation in the various jurisdictions in which the Consolidated Entity operates. There is inherent uncertainty in the definition of the works undertaken, technology used to complete the works, the estimation of the relevant costs associated with the defined works and the timing of settlement of restoration obligations. Factors that also impact the restoration provision includes changes in interest rate and foreign exchanges rate. Details of restoration provisions are disclosed in note 12.

(vi) Capitalised exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity expects to commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the fields include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

(vii) Development assets
Development costs have been capitalised on the basis that the Consolidated Entity expects to commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of reserves. Key judgements are applied in considering costs to be capitalised that are expected to be recovered either through successful development or sale of the relevant assets. The primary assumption made in respect of development assets is that these assets will be able to be realised through the successful development of the relevant tenement or through its sale.

To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 4. Financial reporting by segments

Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ("CODM")) in assessing performance and in determining the allocation of resources.

The CODM assesses the performance of the operating segments based upon EBITDAX, adjusted to exclude business development costs, exploration and evaluation expenses, share based payments and one-off expenses, which allows peer comparison when assessing performance. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the Consolidated Entity's financial statements.

The Consolidated Entity operates in four principal segments: Onshore Australia, Maari in New Zealand and Sampang and Mahato in Indonesia. The Consolidated Entity has a distinct corporate function which has been presented separately in order to reconcile to the statutory results.

Australia

The Consolidated Entity, through wholly owned subsidiaries, Cue Mereenie Pty Ltd, Cue Palm Valley Pty Ltd and Cue Dingo Pty Ltd, holds 3 permits for Onshore Australia activities in the Amadeus Basin in the Northern Territory. For details of interests in joint operations refer to note 21.

New Zealand

The Consolidated Entity, through its wholly owned subsidiary, Cue Taranaki Pty Ltd, holds a 5% interest in petroleum production property, PMP38160 (Maari) in New Zealand.

Indonesia

The Consolidated Entity, through its wholly owned subsidiary, Cue Sampang Pty Ltd, holds a 15% interest in the Sampang PSC gas production property and through Cue Mahato Pty Ltd, holds an 11.25% interest in the Mahato PSC oil production property.

Information regarding the Consolidated Entity's reportable segments is presented below:

Consolidated - 30 June 2026	**Australia Onshore $'000**	**New Zealand Maari $'000**	**Indonesia Mahato $'000**	**Indonesia Sampang $'000**	**Corporate $'000**	**Total $'000**
Revenue						
Revenue from operations	13,157	9,274	23,822	3,992	-	50,245
Total revenue	13,157	9,274	23,822	3,992	-	50,245
EBITDAX	8,992	5,948	16,964	(190)	(3,259)	28,455
Depreciation and amortisation	(2,177)	(2,163)	(5,042)	(312)	(57)	(9,751)
Share-based payments expense	-	-	-	(77)	(292)	(369)
Business development expenses	-	-	-	-	(26)	(26)
Finance costs	(256)	(324)	(19)	213	(3)	(389)
Impairment	-	(3,421)	-	(984)	-	(4,405)
Exploration, evaluation and development expenses	(82)	-	-	(4,188)	(17)	(4,287)
Takeover defence costs			(9)		(1,926)	(1,935)
Profit/(loss) before income tax expense	6,477	40	11,894	(5,538)	(5,580)	7,293
Income tax expense						(2,933)
Profit after income tax expense						4,360

Note 4. Financial reporting by segments (continued)

Consolidated - 30 June 2025	Australia Onshore $'000	New Zealand Maari $'000	Indonesia Mahato $'000	Indonesia Sampang $'000	Corporate $'000	Total $'000
Revenue						
Revenue from operations	12,491	12,403	23,554	6,393	-	54,841
Total revenue	12,491	12,403	23,554	6,393	-	54,841
EBITDAX	7,880	6,864	15,607	2,524	(2,565)	30,310
Depreciation and amortisation	(2,249)	(3,220)	(3,163)	(250)	(54)	(8,936)
Share-based payments expense	-	-	-	(31)	(109)	(140)
Business development expenses	-	-	-	-	(16)	(16)
Finance costs	(259)	(327)	(14)	111	(5)	(494)
Exploration and evaluation expenses	(146)	-	(893)	-	(27)	(1,066)
Profit/(loss) before income tax expense	5,226	3,317	11,537	2,354	(2,776)	19,658
Income tax expense						(13,342)
Profit after income tax expense						6,316

Non-current assets by geographic segment	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Australia	33,624	32,339
Indonesia	31,489	37,339
New Zealand	7,958	13,009
	73,071	82,687

Major customers

The Consolidated Entity has a number of major customers to whom it provides oil products and gas supplies:

	Consolidated 30 June 2026 %	Consolidated 30 June 2025 % of revenue
Crude oil and condensate revenue:		
First largest	31%	34%
Second largest	28%	33%
Third largest	21%	29%
Fourth largest	16%	-
Natural gas revenue:		
First largest	59%	35%
Second largest	24%	16%
Third largest	14%	11%

Note 5. Revenue from operations

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Crude oil and condensate revenue	33,579	37,102
Natural gas revenue	16,666	17,739
	50,245	54,841

Note 6. Production costs

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Production costs	17,665	20,664
Amortisation of production properties	9,670	8,854
	27,335	29,518

Note 7. Corporate and administration expenses

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Employee expenses	2,149	1,900
Takeover defence expense	1,935	-
Accounting and audit fees	543	668
Share based payments	369	140
IT expense	322	91
Communication expense	241	222
Other expenses	242	298
Total corporate and administration expenses	5,801	3,319

Note 8. Sales and Marketing Expense

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Royalty expenses	910	1,027
Freight and other transportation costs	293	609
Tariffs	63	126
Marketing expenses	24	9
	1,290	1,771

Note 9. Income tax expense

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Income tax expense		
Current tax	5,579	4,720
Adjustment for prior period tax provision	588	971
(Recognition)/derecognition of future tax losses	(643)	2,159
Deferred tax - origination and reversal of temporary differences	(2,591)	5,492
Aggregate income tax expense	2,933	13,342
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	7,293	19,658
Tax at the statutory tax rate of 30%	2,188	5,897
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Recognition of deferred tax (assets)/liabilities	(496)	2,822
Difference in overseas tax rates	(700)	2,469
Differences arising from the application of royalty regimes	1,157	1,191
Other balances and permanent differences	196	(8)
	2,345	12,371
Adjustment for prior period tax provision	588	971
Income tax expense	2,933	13,342

The Consolidated Entity's effective tax rate for the year ended 30 June 2026 was 40% (30 June 2025: 67%).

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Deferred tax included in income tax expense comprises:		
(Increase)/decrease in deferred tax assets	(764)	5,046
(Decrease)/increase in deferred tax liabilities	(2,470)	2,605
Deferred tax	(3,234)	7,651

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Current tax liabilities	3,893	3,742

The Consolidated Entity has an ongoing Indonesian Tax matter relating to a notice of amended assessment which is being disputed by Cue Kalimantan Pte Ltd on behalf of SPC E&P Pte Ltd (SPC). Cue is indemnified by SPC for any losses arising from this disputed notice of assessment and has recognised a liability and receivable on the balance sheet.

Note 9. Income tax expense (continued)

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Deferred tax assets recognised comprises of:		
Restoration provisions	13,138	13,469
Carried forward tax losses	5,154	6,092
Other	678	186
Gross deferred tax assets	18,970	19,747
Less set off against deferred tax (liabilities)	(11,049)	(12,590)
Net deferred tax assets	7,921	7,157

During the year ended 30 June 2026, the Consolidated Entity utilised tax losses of $5.76 million (30 June 2025: $7.4 million) and further recognised $2.33 million (30 June 2025: $2.13 million) of previously unrecognised tax losses. The Consolidated Entity recognised a deferred tax asset of $5.15 million (30 June 2025: $6.09 million) in respect of unutilised carried forward tax losses.

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Deferred tax liabilities recognised comprises of:		
Production, development and exploration and evaluation assets	20,464	24,475
Less set off against deferred tax assets	(11,049)	(12,590)
Net Deferred tax liabilities	9,415	11,885

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Reconciliation of movement in deferred tax balances		
Opening balance of net deferred tax (liability)/assets	(4,728)	2,921
Restoration provisions	(217)	129
Carried forward losses	(940)	(4,197)
Production, development and exploration and evaluation assets	3,902	(3,605)
Other	489	24
Closing balance of net deferred tax (liability)	(1,494)	(4,728)

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Deferred tax not recognised		
Deferred tax not recognised comprises temporary differences attributable to:		
Tax losses	21,562	22,233
Net deferred tax not recognised	21,562	22,233

At 30 June 2026, the Consolidated Entity had $71.80 million in unutilised carry forward losses, the tax effect of which is $21.56 million. The potential tax benefit has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 9. Income tax expense (continued)

Accounting policy for Income tax

The income tax expense for the year is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Cue Energy Resources Limited (the 'head entity') and its wholly-owned Australian controlled entities have formed an income tax consolidated group under the tax consolidation regime effective 1 July 2010. As a consequence, all members of the tax consolidated group are taxed as a single entity.

Cue Taranaki Pty Ltd is subject to the provisions of its Petroleum Mining Permit (the Permit) which, in conjunction with the Minerals Programme for Petroleum (1995) Act and Crown Minerals (Royalties for Petroleum) Regulations 2013 (collectively the Legislation), defines the basis of provisional royalty payments made each reporting period. The provisions of the Permit define a hybrid royalty system whereby the royalty payment, is the higher of 5% of revenues (AVR) or 20% of the provisional accounting profit (APR), as defined in the legislation.

The Consolidated Entity recognises the AVR as a royalty expense, included in the statement of profit or loss and other comprehensive income. When the APR exceeds AVR, it is presented as an income tax expense, in accordance with AASB 112. Deferred taxes have been recognised in respect of the application of the terms of the Legislation to timing differences arising between the recognition and measurement criteria in the Legislation and the application of Australian Accounting Standards. These deferred tax balances are in addition to balances recognised on temporary timing differences generated through the application of the respective corporate income tax legislation in the jurisdictions in which the Consolidated Entity operates.

Note 10. Current assets - trade and other receivables

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Trade receivables	10,218	9,317
Other receivables	2,320	2,089
	12,538	11,406
Prepayments	188	221
	12,726	11,627

Note 10. Current assets - trade and other receivables (continued)

Allowance for expected credit losses
The Consolidated Entity applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The consolidated entity has not recognised any losses in profit or loss in respect of the expected credit losses for the year ended 30 June 2026 (30 June 2025: Nil).

The ageing of trade and other receivables at the reporting date was as follows:

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Not overdue	11,090	7,169
Less than one month	1,448	4,237
	12,538	11,406

Trade and other receivables are not considered impaired and relate to a number of independent customers for whom there is no recent history of default.

Note 11. Non-current assets - production and development properties

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Expenditure on production assets	64,257	71,151

Reconciliations
A reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated	
Production properties	30 June 2026 $'000	30 June 2025 $'000
Balance at 1 July	71,151	63,017
Additions during the year	8,031	16,502
Changes in restoration provision – production (note 12)	1,368	735
Amortisation expense	(9,550)	(9,013)
Contract liabilities reversed	(371)	(368)
Impairment of assets	(4,405)	-
Changes in foreign currency translation	(1,967)	278
Closing balance 30 June	64,257	71,151

During the year, impairment charges of $3.4 million and $1 million were recognised for Maari and Sampang respectively. There were no impairment charges at 30 June 2025.

Note 11. Non-current assets - production properties (continued)

Development assets

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Expenditure on development assets	1,791	4,468

During the year, the Paus Biru development assets of $4.2 million were written off and recorded in the profit and loss due to withdrawal from the Sampang PSC Extension and Paus Biru Development. Another $0.10 million expense was recognised for other evaluation and exploration activities.

Accounting policy for production properties

Production properties are carried at the reporting date at cost less accumulated amortisation and accumulated impairment losses. Production properties represent the accumulation of all exploration, evaluation, development and acquisition costs in relation to areas of interest in which production licences have been granted.

Amortisation of costs is performed on the basis which best reflects the consumption of future economic benefits. In the Onshore Australia assets, physical assets are amortised on the straight-line basis whilst all other production properties are amortised on the unit-of-production basis, separate calculations being made for each resource. The unit-of-production basis results in an amortisation charge proportional to the depletion of economically recoverable reserves (comprising both proved and probable reserves) and is expensed through the statement of profit or loss and other comprehensive income.

Amounts received during the exploration, evaluation, development or construction phases which are in the nature of reimbursement or recoupment of previously incurred costs are offset against such capitalised costs.

Accounting policy for impairment

The carrying amounts of the Consolidated Entity's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds the recoverable amount. Impairment losses are recognised in profit or loss, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

Impairment losses and reversals recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

Accounting policy for calculation of recoverable amount

For oil and gas assets the estimated future cash flows are based on either the fair value less costs to sell or the value-in-use calculations, which use estimates of hydrocarbon reserves, future production profiles, commodity prices, operating costs and any future development costs necessary to produce the reserves. Estimates of future commodity prices are based on contracted prices where applicable or based on estimates of forward market prices. The recoverable amount of cash generating units is the greater of their fair value less cost to dispose and value-in-use.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate based on assumptions that reflect current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment testing

Following the change in Cue's majority ownership and Board composition, the 2026 reserves assessment was prepared by Horizon. The revised estimates reflect an updated technical assessment rather than any material change in the fields. As a result of reserves revision, management performed impairment testing and recognised an impairment expense of $3.4

Note 11. Non-current assets - production properties (continued)

million for Maari and $1.0 million for Sampang in the Consolidated Statement of Profit or loss and Comprehensive income. The recoverable amount was determined by value-in-use method, using the following key assumptions:

- Pre-tax discount rates: 9% - 14%
- Oil price using independent external analysts' consensus
- Gas price applied at contracted price
- End of field life being earlier of economic cut-off or expiry of field life

Note 12. Non-current liabilities - provisions

	Consolidated	
	30 June 2026 $'000	**30 June 2025 $'000**
Employee benefits	17	6
Restoration provisions	31,108	30,402
	31,125	30,408

Movements in restoration provision during the financial year are set out below:

Consolidated - 30 June 2026	Restoration Provisions $'000
Carrying amount at the start of the year	30,402
Change in provisions recognised	1,368
Unwinding of provision	613
Impact of foreign currency translation	(1,275)
Carrying amount at the end of the year	31,108

	Consolidated	
	30 June 2026 $'000	**30 June 2025 $'000**
Restoration provisions	31,108	30,402
Advances paid for restoration works	(6,372)	(6,388)
Net unfunded restoration provisions	24,736	24,014

In accordance with legislative obligations in some jurisdictions in which the Consolidated Entity operates, contributions are made to special purpose funds established solely for the purpose of financing future restoration works. Amounts contributed to these funds are not available for general use and restricted solely for the purpose of funding future restoration works. As at 30 June 2026, $ 6.37 million (30 June 2025: $6.39 million) has been contributed to such funds in respect of the Sampang asset in Indonesia.

Accounting policy for provisions
A provision is recognised in the statement of financial position when the Consolidated Entity has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risk specific to the liability.

Restoration provision
The expected timing of outflows for restoration liabilities is not within 12 months from the reporting date.

Note 12. Non-current liabilities - provisions (continued)

The provision of future restoration costs is the best estimate of the present value of the future expenditure required to settle the restoration obligation at the reporting date, based on current legal requirements. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at the reporting date, with a corresponding change in the cost of the associated asset.

When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related oil and gas assets to the extent that it was incurred by the development/construction of the field, any subsequent changes to the provision, excluding the unwinding of interest in producing assets, commensurately changes the carrying amount of the related oil and gas asset.

Note 13. Equity - contributed equity

	Consolidated			
	30 June 2026 Shares	30 June 2025 Shares	30 June 2026 $'000	30 June 2025 $'000
Ordinary shares - fully paid	703,170,743	699,092,624	153,065	152,630

Ordinary shares entitle the holder to vote, either in person or by proxy at a meeting of the Company, receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid on the shares held. The Company has an unlimited authorised capital and the shares have no par value.

Capital management
When managing capital, management's objective is to ensure the entity continues as a going concern as well as continued optimal return for shareholders and benefits for other stakeholders.

Management will assess the capital structure of the entity to take advantage of favourable costs of capital or high returns on assets. Management may recommend declaring a dividend to be paid to shareholders, returning capital to shareholders or issuing new shares.

On 27 August 2026, the Company's Board of Directors approved the declaration of a final dividend of $0.0025 (0.25 cent) per fully paid ordinary share, totalling approximately $1.75 million. This final dividend has been declared as a Conduit Foreign Income (CFI), unfranked dividend and will be paid on 15 October 2026.

On 25 February 2026, the Company's Board of Directors approved the declaration of an interim dividend of $0.0025 (0.25 cent) per fully paid ordinary share. This interim dividend was declared as a Conduit Foreign Income (CFI), unfranked dividend and was paid on 26 March 2026.

The gearing ratio is nil at 30 June 2026 and 30 June 2025.

Accounting policy for contributed equity
Ordinary share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received. Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

Note 14. Equity - reserves

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve $'000	Options reserve $'000	General reserve $'000	Total $'000
Balance at 1 July 2024	1,916	493	51,691	54,100
Foreign currency translation	663	-	-	663
Share-based payments	-	56	-	56
Transfer from accumulated losses	-	-	1,078	1,078
Transfer upon exercise of options	-	(87)	-	(87)
Dividends declared	-	-	(13,978)	(13,978)
Balance at 30 June 2025	2,579	462	38,791	41,832
Foreign currency translation	(542)	-	-	(542)
Share-based payments	-	204	-	204
Transfer from accumulated losses	-	-	7,831	7,831
Transfer upon exercise of options	-	(329)	-	(329)
Dividends declared	-	-	(5,248)	(5,248)
Balance at 30 June 2026	2,037	337	41,374	43,748

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Options reserve
The reserve is used to recognise the value of equity benefits provided to employees under the Employee Share Option Plan.

General reserve
The reserve is used to quarantine the Company's standalone accumulated profits generated in a reporting period.

Note 15. Financial instruments

The Consolidated Entity’s principal financial instruments comprise receivables, payables, cash and cash equivalents.

The main risks arising from the Consolidated Entity’s financial instruments are interest rate risk, foreign currency risk, commodity price risk, credit risk and liquidity risk. The Consolidated Entity uses different methods to measure and manage different types of risk to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rates, foreign exchange and commodity prices. These risks are summarised below.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have established an appropriate liquidity risk management framework for the management of the Consolidated Entity’s short, medium and long-term funding and liquidity management requirements. The Board reviews and agrees management’s assessment for managing each of the risks identified below.

Risk Exposures and Responses

(a) Fair value risk

The Consolidated Entity has trade receivables, other financial assets, trade payables and borrowings, which are a reasonable approximation of their fair values due to their short-term nature. Given the nature of the financial assets and liabilities noted and the relatively short-term nature, there is no material fair value risk.

(b) Interest rate risk

Note 15. Financial instruments (continued)

The Consolidated Entity's exposure to market interest rates is related primarily to its cash deposits and borrowings.

The Consolidated Entity constantly analyses its interest rate opportunity and exposure. Within this analysis consideration is given to existing positions and alternative arrangement for fixed or variable deposits. The impact of interest rate movement is not material to the Consolidated Entity.

(c) Foreign exchange risk

The Consolidated Entity is subject to foreign exchange risk on its international exploration and appraisal activities where costs are incurred in foreign currencies. The Consolidated Entity generates revenue denominated in foreign currencies, and holds significant foreign currency cash balances. The Consolidated Entity's foreign exchange risk exposures are mitigated through natural hedging, where appropriate.

The Consolidated Entity's exposure to foreign exchange risk at the reporting date was as follows (holdings are shown in AUD equivalent):

Consolidated 30 June 2026	USD $'000	NZD $'000	IDR $'000
Financial assets			
Cash and cash equivalents	12,238	754	40
Trade and other receivables	-	52	5
Financial liabilities			
Trade and other payables	-	(1,009)	(2)

Consolidated - 30 June 2026	AUD strengthened % change	Effect on profit before tax	Effect on equity	AUD weakened % change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	10%	(1,185)	-	10%	1,448	-
Trade and other receivables	10%	(6)	-	10%	5	-
Trade and other payables	10%	92	-	10%	(112)	-
		(1,099)	-		1,341	-

Consolidated 30 June 2025	USD $'000	NZD $'000	IDR $'000
Financial assets			
Cash and cash equivalents	3,802	538	65
Trade and other receivables	-	53	5
Financial liabilities			
Trade and other payables	-	(1,012)	(2)

Note 15. Financial instruments (continued)

Consolidated - 30 June 2025	AUD strengthened % change	AUD strengthened Effect on profit before tax	AUD strengthened Effect on equity	AUD weakened % change	AUD weakened Effect on profit before tax	AUD weakened Effect on equity
Cash and cash equivalents	10%	(400)	-	10%	489	-
Trade and other receivables	10%	(6)	-	10%	6	-
Trade and other payables	10%	92	-	10%	(113)	-
		(314)	-		382	-

Management believes the risk exposures as at the reporting date are representative of the risk exposure inherent in the financial instruments.

(d) Commodity price risk

The Consolidated Entity is involved in oil and gas exploration and production and generates revenue from the sale of oil and gas. Exposure to commodity price risk is therefore limited to this revenue and from future revenue potentially generated from successful exploration and development activities. The Consolidated Entity's exposure to commodity price fluctuations is therefore in respect of the sale of petroleum products denominated in US dollars.

Gas contracts are primarily fixed price, with only a small number of contracts subject to spot prices, limiting the Consolidated Entity's exposure to fluctuations in gas price.

Commodity price risks are measured by monitoring and stress testing the Consolidated Entity's forecast financial position to sustained periods of low oil and gas prices. This analysis is regularly performed on the Consolidated Entity's portfolio and, as required, for discrete projects and acquisitions.

(e) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity cannot meet or generate sufficient cash resources to meet its payment obligations in full as they fall due, or can only do so at materially disadvantageous terms.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have established an appropriate liquidity risk management framework for the management of the Consolidated Entity's short, medium and long-term funding and liquidity management requirements. The Consolidated Entity manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Consequently, there are reasonable grounds to conclude that the Consolidated Entity is able to meet its payment obligations in full as and when they fall due.

Prudent liquidity risk management implies maintaining sufficient cash to meet the Consolidated Entity's obligations. The Consolidated Entity aims to maintain flexibility in funding to meet ongoing operational requirements, exploration and development expenditure, and small-to-medium-sized opportunistic projects and investments, including taking out loans and where available and appropriate, maintaining credit facilities.

The following table analyses the contractual maturities of the Consolidated Entity's financial liabilities into relevant groupings based on the remaining period at the reporting date to the contractual undiscounted cash flows comprising principal and interest repayments.

30 June 2026 Non-derivative financial liabilities	12 months or less $'000	1 to 2 years $'000	2 to 5 years $'000	More than 5 years $'000
Trade and other payables	5,999	-	-	-
Lease liabilities	62	156	-	-

Note 15. Financial instruments (continued)

30 June 2025 Non-derivative financial liabilities	12 months or less $'000	1 to 2 years $'000	2 to 5 years $'000	More than 5 years $'000
Trade and other payables	5,225	-	-	-
Lease liabilities	76	182	-	-

(f) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Consolidated Entity trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Consolidated Entity's policy to securitise its trade and other receivables.

It is the Consolidated Entity's policy that all customers who wish to trade on credit terms are subject to credit verification procedures which could include an assessment of their independent credit rating, financial position, past experience and industry reputation. The risks are regularly monitored.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than one year.

Note 16. Key management personnel disclosures and related party disclosures

Directors
The following persons were directors of Cue Energy Resources Limited during the financial year:

Alastair McGregor (Non-executive Chair)
Andrew Jefferies (Non-Executive Director)
Peter Hood AO (Non-Executive Director)
Richard Malcolm (Non-Executive Director)
Rod Ritchie (Non-Executive Director)
Samuel Kellner (Non-Executive Director)
Marco Argentieri (Non-Executive Director)
Greg Bishop (Non-Executive Director) Appointed 22 October 2025

Director Fee Details	$
Total directors' fees paid for the year ended 30 Jun 2026	545,852
Amount invoiced but not paid	99,686
	645,538

Key management personnel
The following person also had the authority and responsibility for planning, directing and controlling the major activities of the Consolidated Entity, directly or indirectly, during the financial year:

Matthew Boyall (Chief Executive Officer)

Total remuneration payments and equity issued to Directors and key management personnel are summarised below:

Note 16. Key management personnel disclosures and related party disclosures (continued)

	Consolidated	
	30 June 2026	30 June 2025
Short term employment benefits (including non-monetary benefits)	1,089,318	1,032,475
Cash bonuses^	499,505	101,562
Long term benefits	32,687	(676)
Post-employment benefits	44,220	37,894
Share-based payments	146,006	61,747
Total employee benefits	1,811,736	1,233,002

^ The cash bonus included one-off special exertion payment of $150,000 and retention payment of $250,000 in relation to the takeover.

Other related party transactions

Repayment of amounts owing to the Company as at 30 June 2026 and all future debts due to the Company, by the controlled entities are subordinated in favour of all other creditors. The Company has agreed to provide sufficient financial assistance to the controlled entities as and when it is needed to enable the controlled entities to continue operations.

The Company provides management, administration and accounting services to the subsidiaries. No management fees were charged to subsidiaries in the FY 2026 or FY 2025.

Prior to Horizon's acquisition of 57.03% interest in Cue, the Consolidated Entity's immediate parent company was Echelon Resources Limited (Echelon), a company domiciled in New Zealand. Echelon's immediate parent entity is O.G. Oil & Gas (Singapore) Pte Ltd. (OGOG), a company incorporated in Singapore and its ultimate parent company is O.G. Energy Holdings Ltd. (OGE). During the financial year, Echelon provided a range of services to the Consolidated Entity under consulting agreements that were on normal commercial terms. These arrangements have been discontinued with effect from 31 August 2026 with a new services agreement put in place with Horizon Oil Limited on normal commercial terms.

	Consolidated	
	30 June 2026	30 June 2025
	$'000	$'000
Transaction with other related parties:		
Consulting services received from immediate parent company and directors	485	549
Services provided by entities controlled by KMP	-	49

The Consolidated Entity enters into operating arrangements where it has joint control over the respective venture's oil and gas net assets, described in note 22. In each of the joint operations, the participants appoint an operator to act on their behalf in managing operations (the Operator).

All financial relationships with the Operator are on an arm's length basis.

Note 17. Auditor remuneration

During the financial year the following fees were paid or payable for services provided by the auditor of the company:

	Consolidated 30 June 2026 $	Consolidated 30 June 2025 $
Audit services - KPMG		
Audit or review of the financial statements	329,394	439,906
Other assurance services	8,107	24,498
	337,501	464,404
Other services - KPMG		
Tax advisory services	30,003	20,900
Tax compliance	18,030	27,681
	48,033	48,581
	385,534	512,985

No other services were provided by the auditor during the year, other than those set out above.

Note 18. Contingencies and commitments

Contingent assets and liabilities
The Directors are not aware of any contingent assets or contingent liabilities as at 30 June 2026 (30 June 2025: Nil).

Commitments

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
The Consolidated Entity participates in a number of licences, permits and production sharing contracts for which it has made commitments.		
Within one year	8,921	4,105
One to five years	-	1,076
	8,921	5,181

*Commitments reflect the Consolidated Entity's interest in future financial obligations, based on existing facts and circumstances, where the Consolidated Entity is contractually or substantively committed to making future expenditure. These commitments may be either direct obligations or, as is the case with most commitments, obligations which the respective projects' operators enter into on the Consolidated Entity's behalf with suppliers and service providers.

Note 19. Parent entity information

Cue Energy Resources Limited is the parent entity.

	Parent 30 June 2026 $'000	Parent 30 June 2025 $'000
Profit/(loss) after income tax	7,737	(1,147)
Total comprehensive income/(loss)	7,737	(1,147)

Note 19. Parent entity information (continued)

	Parent 30 June 2026 $'000	Parent 30 June 2025 $'000
Total current assets	13,555	7,397
Total assets	58,478	53,777
Total current liabilities	2,340	569
Total liabilities	2,357	588
Equity		
Contributed equity	153,065	152,630
General reserve	39,928	37,439
Option reserve	337	462
Accumulated (losses)	(137,208)	(137,342)
Total equity	56,122	53,189

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 (30 June 2025: nil)

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2026 (30 June 2025: nil)

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for the acquisition of capital assets as at 30 June 2026 (30 June 2025: nil).

Note 20. Shares in subsidiaries

Name	Principal place of business Country of incorporation	Tax residency	Ownership interest 30 June 2026 %	Ownership interest 30 June 2025 %
Cue Mahato Pty Ltd	Indonesia/Australia	Australia	100.00%	100.00%
Cue Mahakam Hilir Pty Ltd	Indonesia/Australia	Australia	100.00%	100.00%
Cue Kalimantan Pte Ltd*	Singapore	Singapore	100.00%	100.00%
Cue (Ashmore Cartier) Pty Ltd	Australia	Australia	100.00%	100.00%
Cue Sampang Pty Ltd	Indonesia/Australia	Australia	100.00%	100.00%
Cue Taranaki Pty Ltd	New Zealand/Australia	Australia	100.00%	100.00%
Cue Exploration Pty Ltd	Australia	Australia	100.00%	100.00%
Cue Palm Valley Pty Ltd	Australia	Australia	100.00%	100.00%
Cue Mereenie Pty Ltd	Australia	Australia	100.00%	100.00%
Cue Dingo Pty Ltd	Australia	Australia	100.00%	100.00%

All companies in the Consolidated Entity have a 30 June reporting date.

* Shares held by Cue Mahakam Hilir Pty Ltd

Note 21. Interests in joint operations

Property	Operator	Cue Interest 2026 (%)	Cue Interest 2025 (%)	Permit expiry date
Indonesia				
Mahakam Hilir PSC	Cue Kalimantan Pte Ltd	100*	100*	15/04/2021
Sampang PSC	Medco Energi Sampang Pty Ltd	15 (8.18 Jeruk Field)	15 (8.18 Jeruk Field)	04/12/2027
Mahato PSC	Texcal Energy Mahato Inc.	11.25	11.25	20/07/2042
New Zealand				
PMP38160	OMV New Zealand Limited	5	5	02/12/2037
Onshore Australia				
Mereenie (OL4 and OL5 Production Licences)	Central Petroleum	7.5	7.5	17/11/2044
Palm Valley (OL3 Production Licence)	Central Petroleum	15	15	07/11/2045
Dingo (L7 Production Licence)	Central Petroleum	15	15	06/07/2039

* Mahakam Hilir PSC exploration permit has expired and regulatory processes for surrender are ongoing as at 30 June 2026.

Accounting policy for joint operations
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

Note 22. Events after the reporting period

Following Horizon's completion of acquisition of 57.03% interest in Cue, the Consolidated Entity will be liable to pay transfer tax on its interests in the Indonesian PSCs in relation to the indirect change of control, in accordance with local Indonesian regulations.

Other than as noted elsewhere in the Annual Report, no other matters or circumstances has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 23. Reconciliation of profit after income tax to net cash from operating activities

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Profit after income tax expense for the year	4,360	6,316
Adjustments for:		
Share-based payments	369	140
Finance costs associated with abandonment provision	389	494
Impairment of production asset	4,405	-
Development activities written off	4,188	-
Depreciation	81	82
Amortisation	9,670	8,854
Net gain/(loss) on foreign currency conversion	457	(435)
Change in operating assets and liabilities:		
(Increase) in trade and other receivables	(1,099)	(3,493)
(Increase)/decrease in inventories	(838)	1,203
(Increase)/decrease in deferred tax assets	(764)	5,044
Increase in trade and other payables	774	2,241
Increase in contract liabilities	134	67
Increase in tax liabilities	151	702
(Decrease)/increase in deferred tax liabilities	(2,470)	2,605
Increase in provisions	35	14
Net cash from operating activities	19,842	23,834

Note 24. Earnings per share

	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Profit after income tax	4,360	6,316
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	700,500,546	698,758,220
Weighted average number of ordinary shares used in calculating diluted earnings per share	703,416,019	698,758,220
	Cents	Cents
Basic earnings per share	0.62	0.90
Diluted earnings per share	0.62	0.90

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the earnings attributable to the owners of Cue Energy Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 25. Share-based payments

Share-based payment reserves movement during the year (Note 14):

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Balance at start of the year	462	493
Share-based payment	204	56
Settlement of obligation	(329)	(87)
Balance at end of the year	337	462

Set out below are summaries of options granted under the plan:

30 June 2026

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/other	Balance at the end of the year
16/07/2020	01/07/2025	$0.117	3,204,237	-	-	(3,204,237)	-
23/07/2021	22/07/2026	$0.078	1,358,250	-	(1,358,250)	-	-
30/08/2022	01/07/2027	$0.089	3,598,698	-	(3,598,698)	-	-
08/09/2023	01/07/2028	$0.072	4,640,759	-	(3,679,355)	-	961,404
15/10/2024	01/07/2029	$0.120	3,411,549	-	(1,044,021)	-	2,367,528
19/09/2025	01/07/2030	$0.136	-	3,149,921	-	-	3,149,921
			16,213,493	3,149,921	(9,680,324)	(3,204,237)	6,478,853
Weighted average exercise price			$0.100	$0.136	$0.084	$0.117	$0.121

The weighted average remaining contractual life of outstanding options at 30 June 2026 is 3.34 years (30 June 2025: 2.24 years).

30 June 2025

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/other	Balance at the end of the year
04/10/2019	01/07/2024	$0.090	1,370,359	-	-	(1,370,359)	-
16/07/2020	01/07/2025	$0.117	3,204,237	-	-	-	3,204,237
23/07/2021	22/07/2026	$0.078	4,005,799	-	(2,647,549)	-	1,358,250
30/08/2022	01/07/2027	$0.089	3,598,698	-	-	-	3,598,698
08/09/2023	01/07/2028	$0.072	4,640,759	-	-	-	4,640,759
15/10/2024	01/07/2029	$0.120	-	3,411,549	-	-	3,411,549
			16,819,852	3,411,549	(2,647,549)	(1,370,359)	16,213,493
Weighted average exercise price			$0.087	$0.120	$0.078	$0.090	$0.100

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
19/09/2025	01/07/2030	$0.115	$0.1360	63.40%	-	3.61%	$0.059

Accounting policy for share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Note 25. Share-based payments (continued)

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new replacement award are treated as if they were a modification.

Consolidated entity disclosure statement

				Tax residency	
Entity name	Entity type	Place formed or incorporated	% of share capital held directly or indirectly	Australian or foreign	Foreign Jurisdiction
Cue Energy Resources Limited	Body corporate	Australia	-	Australia	N/A
Cue Mahato Pty Ltd[1]	Body corporate	Australia	100.00%	Australia**	N/A
Cue Mahakam Hilir Pty Ltd	Body corporate	Australia	100.00%	Australia**	N/A
Cue Kalimantan Pte Ltd*	Body corporate	Singapore	100.00%	Foreign	Singapore
Cue (Ashmore Cartier) Pty Ltd	Body corporate	Australia	100.00%	Australia**	N/A
Cue Sampang Pty Ltd[2]	Body corporate	Australia	100.00%	Australia**	N/A
Cue Taranaki Pty Ltd[3]	Body corporate	Australia	100.00%	Australia**	N/A
Cue Exploration Pty Ltd	Body corporate	Australia	100.00%	Australia**	N/A
Cue Palm Valley Pty Ltd[4]	Body corporate	Australia	100.00%	Australia**	N/A
Cue Mereenie Pty Ltd[5]	Body corporate	Australia	100.00%	Australia**	N/A
Cue Dingo Pty Ltd[6]	Body corporate	Australia	100.00%	Australia**	N/A

* Shares held by Cue Mahakam Hilir Pty Ltd.
** This entity is part of a tax-consolidated group under Australian taxation law, for which Cue Energy Resources Limited is the head entity.
[1] JV participant in oil production onshore Indonesia
[2] JV participant in gas production offshore Indonesia
[3] JV participant in oil production offshore New Zealand
[4,5,6] JV participant in gas and oil production onshore Australia

Key assumptions and judgements

Determination of Tax Residence

Section 295 (3A) of the Corporations Acts 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, “Australian resident" has the meaning provided in the Income Tax Assessment Act 1997.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency.

Cue Energy Resources Limited
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- the consolidated entity disclosure statement as at 30 June 2026 is true and correct; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Bruce Clement
Non-Executive Chair

27 August 2026

KPMG

Independent Auditor's Report

To the shareholders of Cue Energy Resources Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Cue Energy Resources Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group's*** financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2026
- Notes, including material accounting policies information
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Restoration provision relating to the Maari field included within Non-current liabilities - provisions; and
- Impairment of production properties

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Restoration provision relating to the Maari field included within Non-current liabilities - provisions

Refer to Note 12 of the Financial Report

The key audit matter	How the matter was addressed in our audit
We identified the restoration provision for the Maari field as a key audit matter due to: • the estimation uncertainty relating to the forecast restoration cash flows, which require auditor judgement to evaluate their appropriateness; and • the significant size of the Maari restoration provision relative to the Group's total restoration provisions. The Group incurs obligations to close, restore and rehabilitate its sites and associated facilities. We focused on the following key inputs utilised by the Group in determining the restoration provision for the Maari field: • useful life of the field and related assets, giving consideration to the economic reserves and production profiles; • the interpretation of legislative and regulatory requirements governing the Group's obligations; • the cost and timing of future rehabilitation costs; and • discount and forecast inflation rates applied by the Group to determine the net present value of forecast restoration cash flows.	Our procedures included: • assessing the consistency of timing between planned restoration activities and the Group's reserves estimates and expected production profile; • evaluating the competency and objectivity of the Group's expert responsible for the estimation of economic reserves that are used to estimate the timing of the end of production; • using our knowledge of the Group, our industry experience and understanding of the applicable regulatory requirements to challenge whether the estimated restoration costs and their associated timing are reasonable; • evaluating discount and forecast inflation rates applied by the Group to determine the net present value of the restoration provision against publicly available data, including risk free rates; • assessing the integrity of the provision calculation, including the accuracy of the underlying calculation formulas; • assessing the appropriateness of the Group's disclosures in the financial report, using our understanding obtained from our testing and against the requirements of the accounting standards.

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Impairment of production properties	
Impairment of production properties: $4.4 million. Refer to Note 11 of the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
We identified the assessment of possible indicators of impairment and where required impairment testing as a key audit matter. This is due to the value of production properties and the complex auditor judgement and level of specialised skills needed to evaluate certain assumptions used in this process. The Group determined there were impairment indicators for certain of the Group's Cash Generating Units (CGUs) and recognised impairment expenses of $3.4 million for Maari and $1.0 million for Sampang. The process for determining the recoverable amount of the CGUs uses forward looking assumptions which are inherently difficult to determine and require judgement to be applied. These conditions require additional scrutiny by us, in particular to address the objectivity of the inputs, and their consistent application. Key inputs into these forward looking estimates that we focused on, include: • Future oil and gas prices; • Future production volumes, reserves and end of field life. This drives additional audit effort around the feasibility of forecasts; and • Discount rates. These are complicated in nature and vary according to the conditions and environment that the CGUs are subject to from time to time. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	Our procedures included: • evaluating the Group's impairment indicator assessment utilising our knowledge of the Group and the Oil and Gas industry; • assessing the appropriateness of the impairment testing methodology applied by the Group against the requirements of accounting standards; • assessing the integrity of the impairment models including the accuracy of the underlying calculation formulas; • evaluating key inputs used in the Group's impairment models by: – working with our valuation specialists, we evaluated future oil prices by comparing to published forecast prices and views of market commentators on future trends; – evaluating the competency and objectivity of the Group's experts who produced reserve estimates and future production volumes used in the impairment model; – working with our valuation specialists, we assessed the Group's discount rates against publicly available risk free rates and data from a group of comparable entities; – considering the sensitivity of the recoverable values of the CGUs to changes in key assumptions used in management's impairment models by varying key assumptions, such as production volumes, and discount rates, within a reasonably possible range. We did this to identify those assumptions that have the greatest impact on the models to focus our further procedures; • re-calculating the impairment charge against the recorded amount disclosed; and • assessing the appropriateness of the Group's disclosures in the financial report against the requirements of accounting standards.

Other Information

Other Information is financial and non-financial information in Cue Energy Resources Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Financial and Operations Review, Directors' Report, the Shareholder Information and the Reserves and Resources Statement. The Chairman's Overview, Sustainability report and Taskforce on Climate-Related Financial Disclosure (TCFD) Statement are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our respective assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when

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it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Cue Energy Resources Limited for the year ended 30 June 2026, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 20 to 26 of the Directors' report for the year ended 30 June 2026.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

James Dent

Partner

Melbourne

27 August 2026

Cue Energy Resources Limited
Shareholder information
30 June 2026

Shareholder Information

1. Distribution of equitable securities

The shareholder information set out below was applicable as at 6 August 2026.

2. Registered Top 20 Shareholders

The registered names and holdings of the 20 largest holdings of quoted ordinary shares in the Company as at 6 August 2026:

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	83	-	-	-
1,001 to 5,000	190	0.10	-	-
5,001 to 10,000	460	0.57	-	-
10,001 to 100,000	1,231	6.20	-	-
00,001 and over	277	92.12	6	100.00
	2,577	100.00	6	100.00
Holding less than a marketable parcel - Minimum $ 500.00 parcel at $ 0.110 per unit.	4,546	0.06		

	Shareholder	Ordinary shares	
		Number held	% of total shares issued
1	HORIZON OIL LIMITED	401,023,781	57.03
2	BNP PARIBAS NOMS PTY LTD UOBKH A/C R'MIERS	113,066,671	16.08
3	PORTFOLIO SECURITIES PTY LTD	10,000,000	1.42
4	REVIRESCO NOMINEES PTY LTD <REVIRESCO S/F A/C>	5,750,000	0.82
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,952,552	0.70
6	CITICORP NOMINEES PTY LIMITED	4,131,753	0.59
7	MR ABID GORAYA + MRS MAHMUDAH BENNETT <ABID GORAYA S/F A/C>	4,096,229	0.58
8	FINCLEAR SERVICES PTY LTD <SUPERHERO SECURITIES A/C>	3,567,505	0.51
9	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	3,433,121	0.49
10	LAKEMBA PTY LTD	2,984,051	0.42
11	STOCKSONLINE PTY LTD	2,166,648	0.31
12	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,105,660	0.30
13	MRS MICHELLE CARON BOYALL	2,105,425	0.30
14	MR DAMIANO GIORGIO PILLA	1,996,427	0.28
15	MR ANDREW KNOX	1,818,249	0.26
16	MR DAVID MINGORANCE	1,675,000	0.24
17	ADVANCED HOISTING SYSTEMS PTY LTD <WEST FAMILY SUPER FUND A/C>	1,598,314	0.23
18	COLIN MORRIS HEADS + MINGYU CHENG	1,527,999	0.22
19	ABOUT TIME SUPERANNUATION PTY LTD <ABOUT TIME SUPER A/C>	1,500,000	0.21
20	JANET MCCABE + STEPHEN ALAN MCCABE	1,500,000	0.21
		570,999,385	81.20

3. Unquoted equity securities

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
M. Boyall	Unquoted options	2,541,455
G. Jones	Unquoted options	1,310,742

4. Substantial Shareholders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Horizon Oil Limited	401,023,781	57.03
BNP Paribas Noms Pty Ltd (DRP)	113,066,671	16.08

5. Vendor Securities

There are no restricted securities on issue as at 6 August 2026.

6. Voting rights

At meeting of members or classes of members:

(a) each member entitled to vote may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has one vote; and

(c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:

(i) for each fully paid share held by the person, or in respect of which he/she is appointed a proxy, attorney or representative, one vote for the share;

(ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited).

Subject to any rights or restrictions attached to any shares or class of shares.

7. Annual General Meeting and Director Nominations Closing date

Cue Energy Resources Limited advises that its Annual General Meeting will be held on or about 12 November 2026. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all Shareholders and released to ASX immediately upon despatch.

The Closing date for receipt of nomination for the position of Director is 30 September 2026. Any nominations must be received in writing no later than 5.00pm (Melbourne time) on 30 September 2026 at the Company's Registered Office.

The Company notes that the deadline for nominations for the position of Director is separate to voting on Director elections. Details of the Directors to be elected will be provided in the Company's Notice of Annual General Meeting in due course.

8. Share registry

Enquiries

Cue's share register is managed by Computershare. Please contact Computershare for all shareholding and dividend related enquiries.

Change of shareholder details

Shareholders should notify Computershare of any changes in shareholder details via the Computershare website (www.computershare.com.au) or in writing (fax, email, mail). Examples of such changes include:

- Registered name
- Registered address
- Direct credit payment details

Computershare Investor Services Pty Ltd

GPO Box 2975
Melbourne, Victoria 3001 Australia
Telephone: 1300 850 505 (within Australia)
or +61 3 9415 4000 (outside Australia)
Facsimile: +61 3 9473 2500
Email: web.queries@computershare.com.au
Website: www.computershare.com.au

9. Stock code

ASX code: CUE