
First Supplementary Target's Statement

Cue Energy Resources Limited
(ACN 066 383 971)

The Independent Board Committee continues to unanimously recommend that you **REJECT** the Offer from Horizon

To reject the Offer, simply TAKE NO ACTION

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to how to deal with this document, you should consult your financial, legal or other professional adviser immediately.

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First Supplementary Target's Statement

1 Important information

This document is a supplementary target's statement under section 644(1) of the *Corporations Act 2001* (Cth). It is the first supplementary target's statement (the **First Supplementary Target's Statement**) issued by Cue Energy Resources Limited (ACN 066 383 971) (**Cue**) in relation to the off-market takeover bid made by Horizon Oil Limited (ACN 009 799 455) (**Horizon**) for all the ordinary shares in Cue which Horizon (and its associates) do not already own or control (the **Offer**).

This First Supplementary Target's Statement is dated 14 April 2026 and supplements, and should be read together with, Cue's target's statement dated 7 April 2026 (the **Original Target's Statement**).

Capitalised terms in this First Supplementary Target's Statement have the same meaning given in the Original Target's Statement, unless the context otherwise requires. The 'Important notices' section of the Original Target's Statement apply to this First Supplementary Target's Statement. This First Supplementary Target's Statement prevails to the extent of any inconsistency with the Original Target's Statement.

A copy of this First Supplementary Target's Statement was lodged with ASIC and ASX on 14 April 2026. Neither ASIC, ASX nor any of their respective officers takes any responsibility for its contents.

2 Execution of Binding Gas Sales Agreement

On 13 April 2026, Cue announced that the Palm Valley Joint Venture parties (including Cue) entered into a new, binding, multi-year gas sales agreement (the **Gas Sales Agreement**) with the Northern Territory Government.

To support the Gas Sales Agreement, the Palm Valley Joint Venture has also taken a Final Investment Decision to drill two new wells to supply up to 21 PJ of gas (3.2 PJ Cue share) on a firm basis, from the second half of 2026 through to the end of 2034. The gas is contracted at a fixed price with CPI escalation and take-or-pay provisions, and, upon successful well completion, will materially increase Cue's contracted gas position, revenues and operational cash flows from its onshore Australia assets.

Preparations for the wells are well-advanced, with key approvals in place or underway, long lead items ordered, a drilling rig contracted and civil works substantially complete. Drilling for the first well is scheduled to commence mid-2026, with production from the new wells expected to be brought online progressively over the second half of 2026.

This agreement replaces the proposed gas supply arrangements previously outlined in the Letter of Intent announced in December 2025 with the Northern Territory's Power and Water Corporation (**PWC LOI**). While the PWC LOI also contemplated supply from the Mereenie gas field, no agreement was reached on volume and pricing for those tranches of gas. Accordingly, the two Mereenie permit wells contemplated in the PWC LOI are not currently committed.

Please refer to Cue's announcement to the ASX on 13 April 2026 which is attached to this First Supplementary Target's Statement as Attachment A for further details.

3 Dispute with Medco

Section 8.8 of the Original Target's Statement disclosed the existence of a potential dispute with Medco in respect of the extension of the Sampang PSC. Medco has subsequently confirmed to Cue that all matters in dispute between Cue and Medco have been fully concluded.

4 The Independent Board Committee continues to recommend that you **REJECT** the Offer

The Independent Directors have carefully considered the update contained in this First Supplementary Target's Statement and continue to unanimously recommend that Cue Shareholders **REJECT** the Offer, by **TAKING NO ACTION**.

In particular, the Independent Directors note that **Horizon does not hold a participating interest in the Palm Valley Joint Venture**,¹ while Cue has a 15% interest in the joint venture.

Accordingly, unlike Cue, **Horizon is not a party to the new Gas Sales Agreement, or development wells, announced on 13 April 2026**, which is expected (subject to successful well completion) to increase Cue's contracted gas production, revenues and operational cash flows.

This is an **additional reason** why the Independent Directors unanimously recommend that Cue Shareholders **REJECT** the Offer.

The Independent Directors also continue to unanimously recommend that Cue Shareholders **REJECT** the Offer by **TAKING NO ACTION** for the other 8 reasons set out in the Original Target's Statement.

Section 1 of the Original Target's Statement contains further details regarding the Independent Board Committee's recommendation.

5 Consents

Cue confirms that as at the date of this First Supplementary Target's Statement, each of the parties that have been named as having consented to being named in the Original Target's Statement have not withdrawn that consent.

6 ASX Announcements

Since lodging the Original Target's Statement on 7 April 2026, the following ASX Announcements have been made to ASX by Cue:

Date	Title
13 April 2026	TOV: CUE - Panel Declines to Conduct Proceedings
13 April 2026	New Gas Sales Agreement Supports Two New Palm Valley Wells
13 April 2026	CTP: New Gas Sale Agmt underwrites two new Palm Valley wells

¹ As disclosed in section 5.4(a) of the Original Target's Statement, Cue's participating interests in the Palm Valley gas field and Mereenie oil and gas field are 15% and 7.5% respectively. Horizon does not hold a participating interest in the Palm Valley gas field, but holds a 25% participating interest in the Mereenie oil and gas field.

Date	Title
13 April 2026	HZN: Mereenie Expiry of PWC LOI/Update on Gas Market Strategy
13 April 2026	ECH: Echelon Signs Gas Supply Agreement Unlocking NT Growth
9 April 2026	TOV: CUE - Undertaking
7 April 2026	Dispatch of Target's Statement

7 Further information

If you have any questions in relation to the Offer or this document, please contact the Cue Shareholder Information Line on 1300 560 339 (callers within Australia) or +61 2 8011 0354 (callers outside Australia) between 9.00am and 5.00pm (Melbourne time) on business days.

The Offer is scheduled to close at 7.00pm (Sydney time) on 5 June 2026 (unless extended or withdrawn).

8 Approval of this First Supplementary Target's Statement

This First Supplementary Target's Statement has been approved by a resolution passed by the Independent Board Committee.

Dated 14 April 2026

Signed for and on behalf of Cue Energy Resources Limited by:



Peter Hood AO
Chair of the Independent Board Committee

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13 April 2026

New Gas Sales Agreement Supports Two New Palm Valley Wells

- Multi-year Gas Supply Agreement signed with the Northern Territory Government
- Up to 3.2 PJ (Cue Share) contracted through to the end of 2034 under take-or-pay provisions with a fixed price indexed to inflation
- Final Investment Decision taken to drill two wells in the Palm Valley field to support the GSA

Cue Energy Resources Limited (**ASX: CUE**) is pleased to announce that it has executed a binding multi-year Gas Sales Agreement (“GSA”) with the Northern Territory Government (“NTG”).

To support the GSA, the Palm Valley Joint Venture will drill two new wells to supply up to 21 PJ of gas (3.2 PJ Cue share) on a firm basis from 2H 2026 through to the end of 2034. The gas is contracted at a fixed price with CPI escalation and take-or-pay provisions.

Following execution of the GSA, the Palm Valley Joint Venture has taken a Final Investment Decision to drill two wells in the Palm Valley field. Preparations are well advanced, with key approvals in place or underway, long lead items ordered, a drilling rig contracted and civil works substantially complete. Drilling for the first well is scheduled to commence mid-year, with production from the new wells expected to be brought online progressively over the second half of 2026.

This GSA replaces the proposed gas supply arrangements previously outlined in the Letter of Intent announced in December 2025 with the Northern Territory’s Power and Water Corporation (“PWC LOI”). While the PWC LOI contemplated supply from the Mereenie gas field, no agreement was reached on volume and pricing for those tranches of gas.

Cue Energy CEO Matthew Boyall commented:

“This agreement materially increases Cue’s contracted gas position through to 2034 and supports new production from Palm Valley. It adds long-term contracted cashflow and underwrites investment in the two new wells and increased production at Palm Valley.”

“The GSA provides pricing certainty with CPI escalation and take-or-pay provisions, strengthening Cue’s forward revenue profile. With drilling scheduled to commence mid-year and production expected from 2H 2026, this positions Cue to deliver additional gas supply into the Northern Territory market while supporting near-term cashflow growth.”

Participants in the Palm Valley permit OL3 are Central Petroleum (NT) Pty Ltd (Operator, 50%), Echelon Palm Valley Pty Ltd (35%) and Cue Palm Valley Pty Ltd (15%). Participants in the Mereenie Permits OL4/OL5 are Central Petroleum Mereenie Pty Ltd as trustee of the Central Petroleum Mereenie Unit Trust (Operator, 25%), Echelon Mereenie Pty Ltd (42.5%), Cue Mereenie Pty Ltd (7.5%) and Horizon Australia Energy Pty Ltd (25%).

Authorised by Matthew Boyall, CEO

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

General Legal Disclaimer

Various statements in this document may constitute statements relating to intentions, opinion, expectations, present and future operations, possible future events, and future financial prospects. Such statements are not statements of fact and are generally classified as forward-looking statements that involve unknown risks, expectations, uncertainties, variables, changes and other important factors that could cause those future matters to differ from the way or manner in which they are expressly or impliedly portrayed in this document. Some of the more important of these risks, expectations, uncertainties, variables, changes, and other factors are pricing and production levels from the properties in which the Company has interests, or will acquire interests, and the extent of the recoverable reserves at those properties. In addition, the Company has a number of exploration permits. Exploration for oil and gas is expensive, speculative and subject to a wide range of risks.

Individual investors should consider these matters in light of their personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional adviser as to the suitability for them of an investment in the Company.

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

About Cue Energy

Cue Energy Resources Limited is an Australian Securities Exchange (ASX:CUE) listed oil and gas production and exploration company based in Melbourne. Cue's 1H FY26 revenue was \$25.7 million from gas and oil production from the Mahato and Sampang PSCs, Indonesia and Mereenie, Palm Valley and Dingo fields, onshore Australia, and the Maari field, offshore New Zealand.

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

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