



Cue Energy Resources Limited

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DATE : 28 January 2009

PAGES (including this page): 2

FROM : Andrew Knox

RE : **Weekly Drilling Report Zeus -1: 28th January 2009**

Attached please find Cue Energy Resources Limited's release with respect to the above mentioned.

Yours sincerely

A handwritten signature in black ink that reads 'Andrew Knox'.

Andrew M Knox
Public Officer



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RELEASE

Weekly Drilling Report Zeus -1: 28th January 2009

MEO Australia Limited, the operator for WA-361-P, has advised the following update in relation to Zeus-1, being drilled in WA-361-P in the Carnarvon Basin, offshore Western Australia.

Progress to 0600 hrs WSDST

Since the last report, the 17 ½" hole was drilled to 1886m and the 13 3/8" surface casing was run and cemented to 1874m. The Blow Out Preventer (BOP) was landed and latched on the well head.

On the 25th January the rig was secured and skidded off location to ride out the storm subsequently named Tropical Cyclone Dominic.

As at 0600hrs this morning re-manning of the rig is in progress. The forward plan is to re-position the rig over the wellhead, reconnect the lower marine riser package and make up the 311mm drilling assembly.

Zeus-1 will test a complex structural/stratigraphic play that has Legendre Sandstones as the primary target.

The participants in WA-361-P are:

North West Shelf Exploration Pty Ltd <i>(Wholly owned subsidiary of MEO Australia Ltd)</i>	35%
Resource Development International Limited	35%
Cue Energy Resources Limited	15%
Gascorp Australia Pty Ltd	15%

Any queries regarding the announcement should be directed to the company on (03) 9670 8668 or email mail@cuenrg.com.au.

Robert J Coppin
Chief Executive Officer

28th January 2009