



Cue Energy Resources Limited

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TO : Company Announcements Office
10th Floor
20 Bond Street
Sydney NSW 2000

DATE : 7 September 2011

PAGES (including this page): 26

FROM : Andrew Knox

RE : **Good Oil Conference Presentation**

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

Yours faithfully

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

Andrew M Knox
Public Officer



Cue Energy Resources Limited

GOOD OIL CONFERENCE

September 2011

ASX: CUE; NZX: CUE; POMSOX: CUE; ADR/OTCQX: CUEYY

Good to great!

DISCLAIMER & IMPORTANT NOTICE

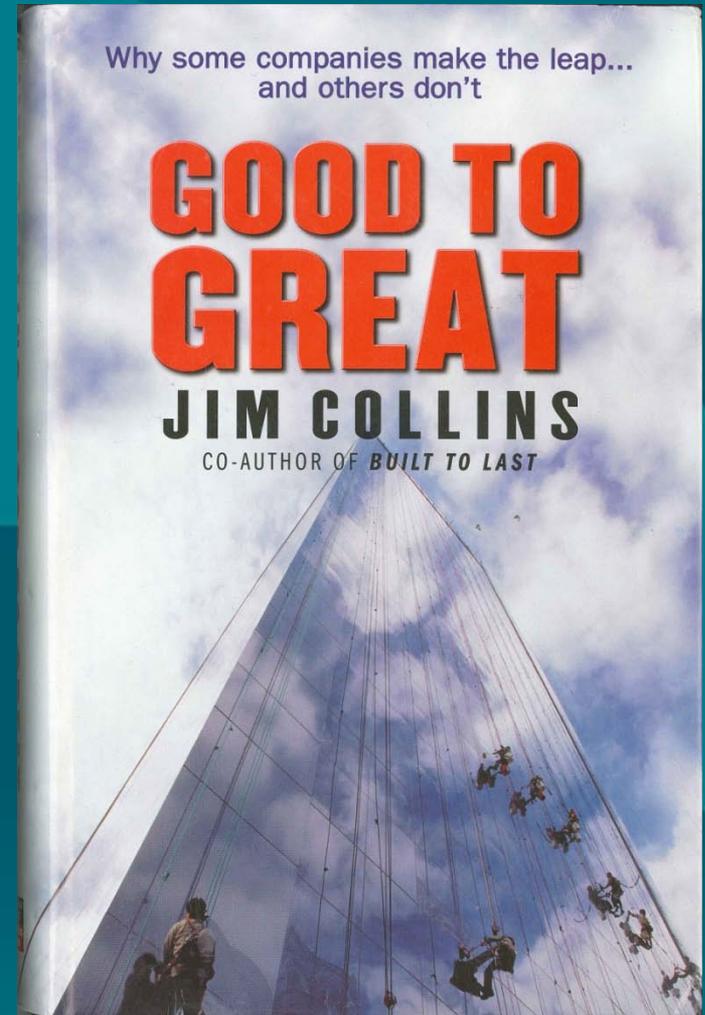
Various statements in this document constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known risks, expectations, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein.

Some of the more important of these risks, expectations and uncertainties are pricing and production levels from the properties in which the Company has 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.

A Quote by Jim Collins
Author of **Good to Great**

“... managing your problems can only make you good, whereas building your opportunities is the only way to become great.”

[Page 59. Jim Collins, author of *Good to Great*
Random House, 2001.]



Cue is aiming to make the move from Good to Great...

Cue Energy At A Glance ...



Board

RICHARD TWEEDIE, LL.B
Non-Executive Chairman
 Former MD Todd Energy NZ,

LEON MUSCA, LL.B
Non-Executive Director, Lawyer

STEVEN KOROKNAY, B Eng
Non-Executive Director
 30 years experience

Executives

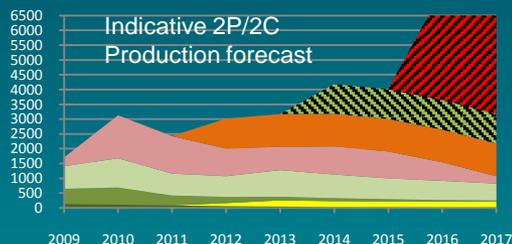
MARK PATON, BSC (Hons 1) C Eng
Chief Executive Officer
 30 years experience. Joined Cue in Feb 2011

ANDREW KNOX, B Com
Chief Financial Officer
 26 years experience. Joined Cue in 1994

TERRY WHITE, B Sc (Hons)
Exploration Manager
 29 years experience. Joined Cue in 2008

ALEX PARKS, M Eng
Chief Commercial Officer
 15 years experience. Joined Cue in March 2011

| | |
|--------------------------------------|---|
| Australian Registered Company | established 1981 |
| Shareholders | 5,279 |
| Listings | ASX : Cue; NZX : Cue; POMSOX : Cue; ADR/OTCQX : CUEYY |
| Ordinary Shares | 695,153,053 |
| Top Twenty Shareholders | 433 Million (58%) |
| Key Shareholders | |
| Todd Petroleum | 23.5% |
| Singapore Petroleum | 16.6% |
| Market Capitalisation @ A23c | A\$160 Million |
| YTD Trading Range | 18.5 – 45c |
| Average Daily Volume | ~400,000 |
| Cash at 31/08/2011 | A\$ 64 Million |
| Project Finance 30/06/2011 | US\$ 5.1 Million |
| Employees | 10 |



- **Cue Reserves**
- **~3MMbbls Oil**
- **~120Bcf Gas**

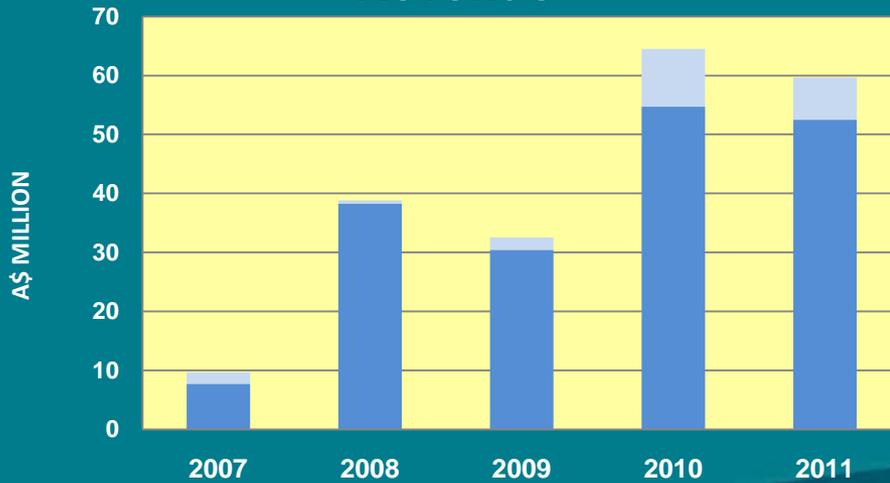
Cue Net Production Forecast CY 2011

- **420,000 barrels oil**
- **2.6 billion cubic ft gas**

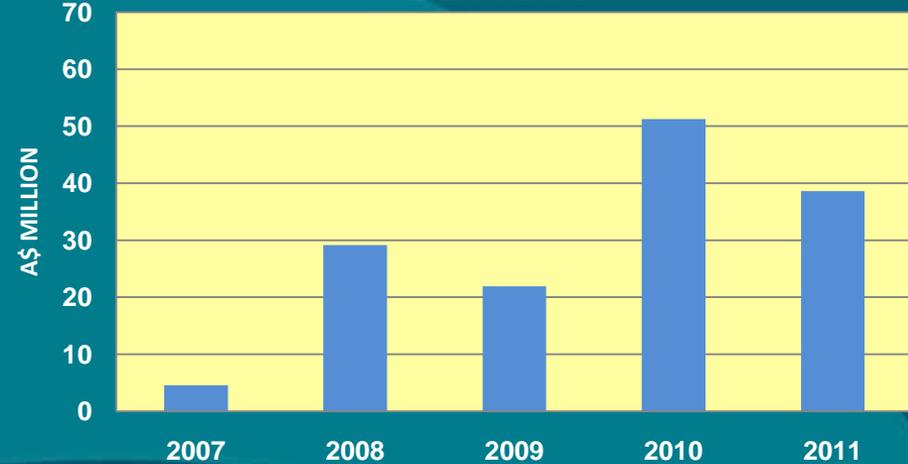


FINANCIAL SUMMARY

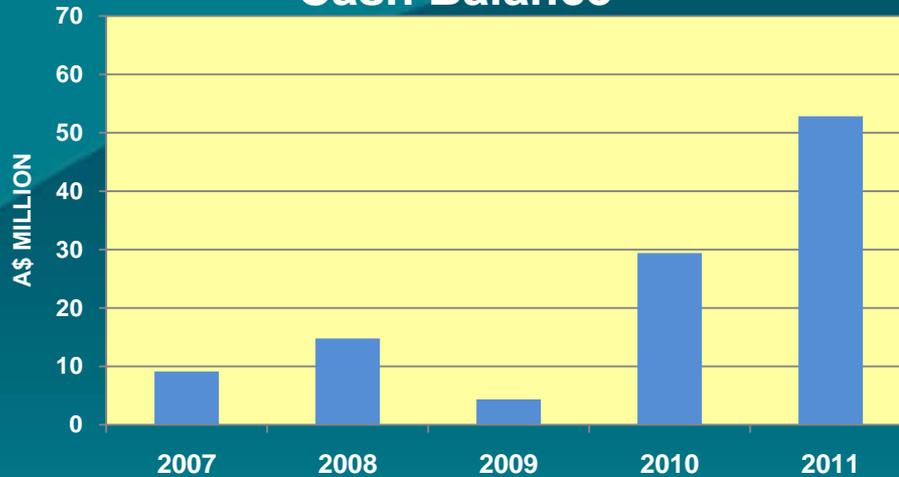
Revenue



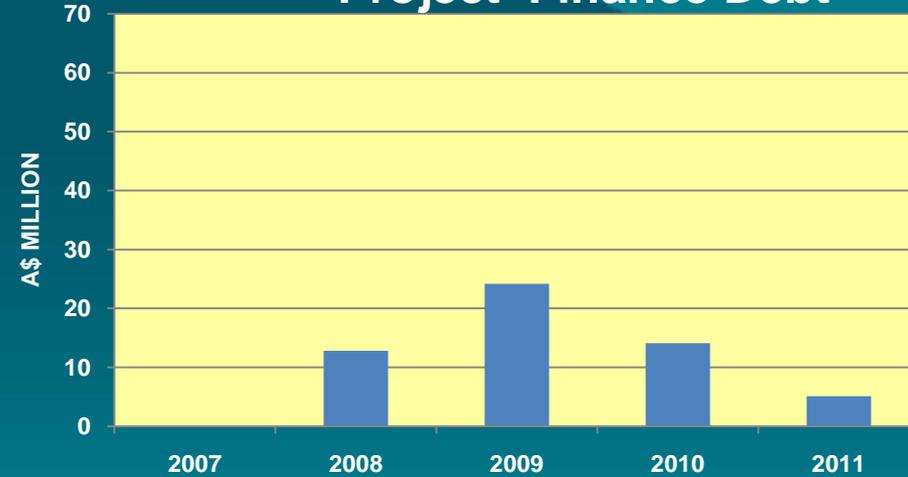
EBITDA



Cash Balance



Project Finance Debt



(FISCAL YEAR)

from Good...

Current Status

- \$160 million market capitalisation @ \$0.23/share
- In the range 15th-25th largest E&P companies on the ASX
- Clean balance sheet

- Australasia/Asia Pacific focus area
- Balanced portfolio of assets
- Affordable equity positions 5-15%
- Funded drilling via project farm down
- Non-Operator with quality JV operators (OMV, Oil Search, Woodside, Apache, Santos)

- Historically exploration led
- Non-Operator
- Conventional oil & gas focus
- Ongoing exploration program

Consistently Out Perform

Build Asset Portfolio

Build Momentum

3-5 Year Vision

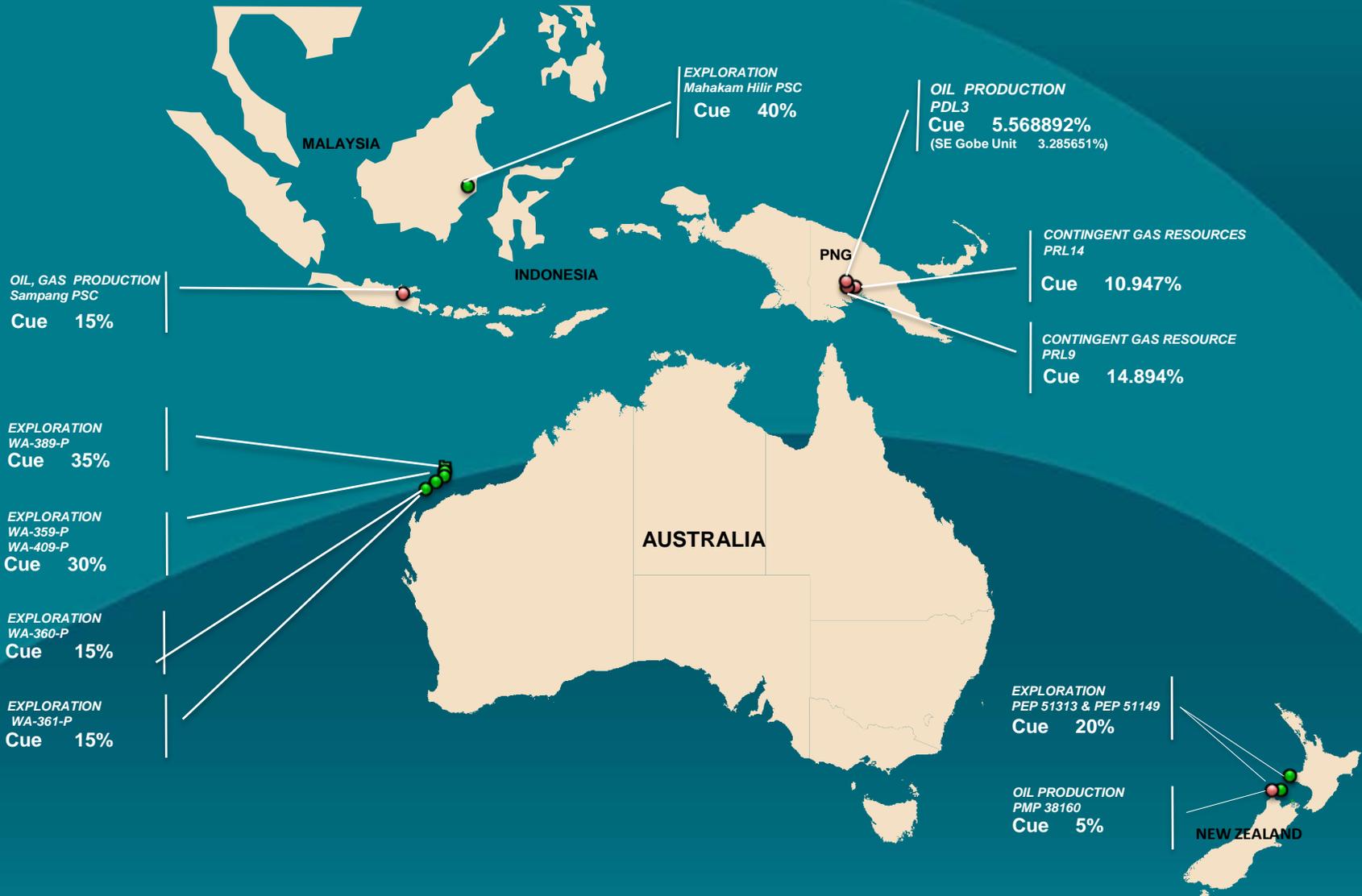
- >\$1 billion market capitalisation @ over \$1 / share
- In the range 5th-10th largest E&P companies on the ASX
- Robust balance sheet

- Australasia/Asia Pacific focus area
- Greater diversity of cash flow streams but maintain balanced portfolio approach
- Fund drilling via cash flow and farm down to maintain 15-50% project equity positions
- Maintain focus on quality JV partners

- Production and profit driven
- Operator of oil and gas E&P assets
- Conventional oil and gas focus
- Monetising any exploration success

.... to Great!

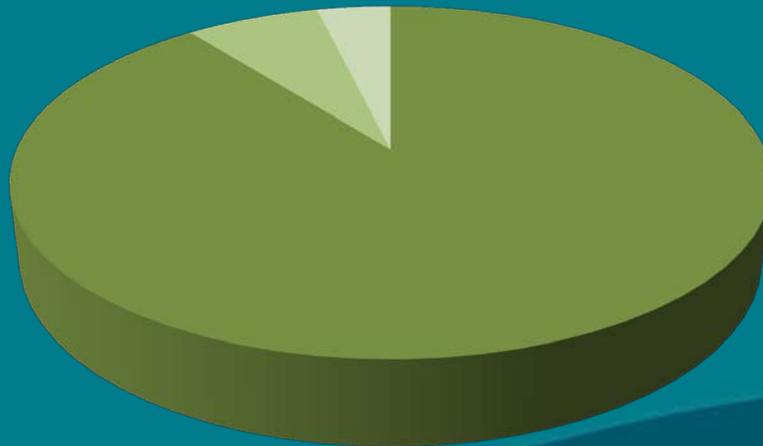
Asset Location Map



...geographically focused

Hydrocarbon Inventory

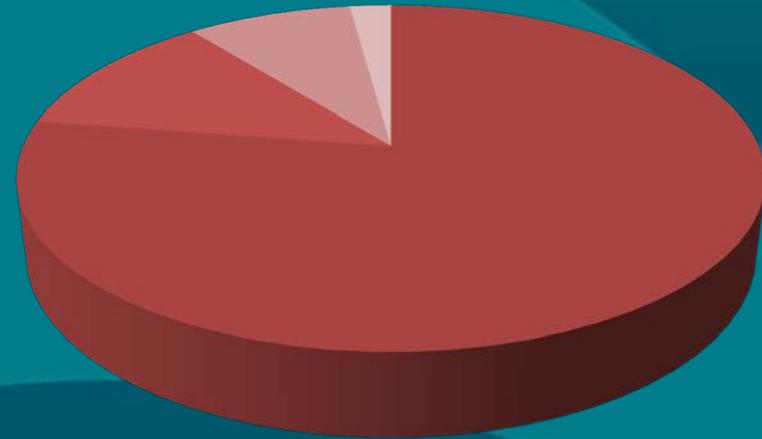
Oil Reserves



TOTAL Oil : 2.94 mmbbls

- 2.63 mmbbls (2P) Maari (NZ)
- 0.2 mmbbls (2P*) Oyong (Indonesia)
- 0.11mmbbls (2P) SE Gobe (PNG)

Gas Reserves/ Resources



TOTAL Gas : 120 BCF
(20 mmbbls BOE)

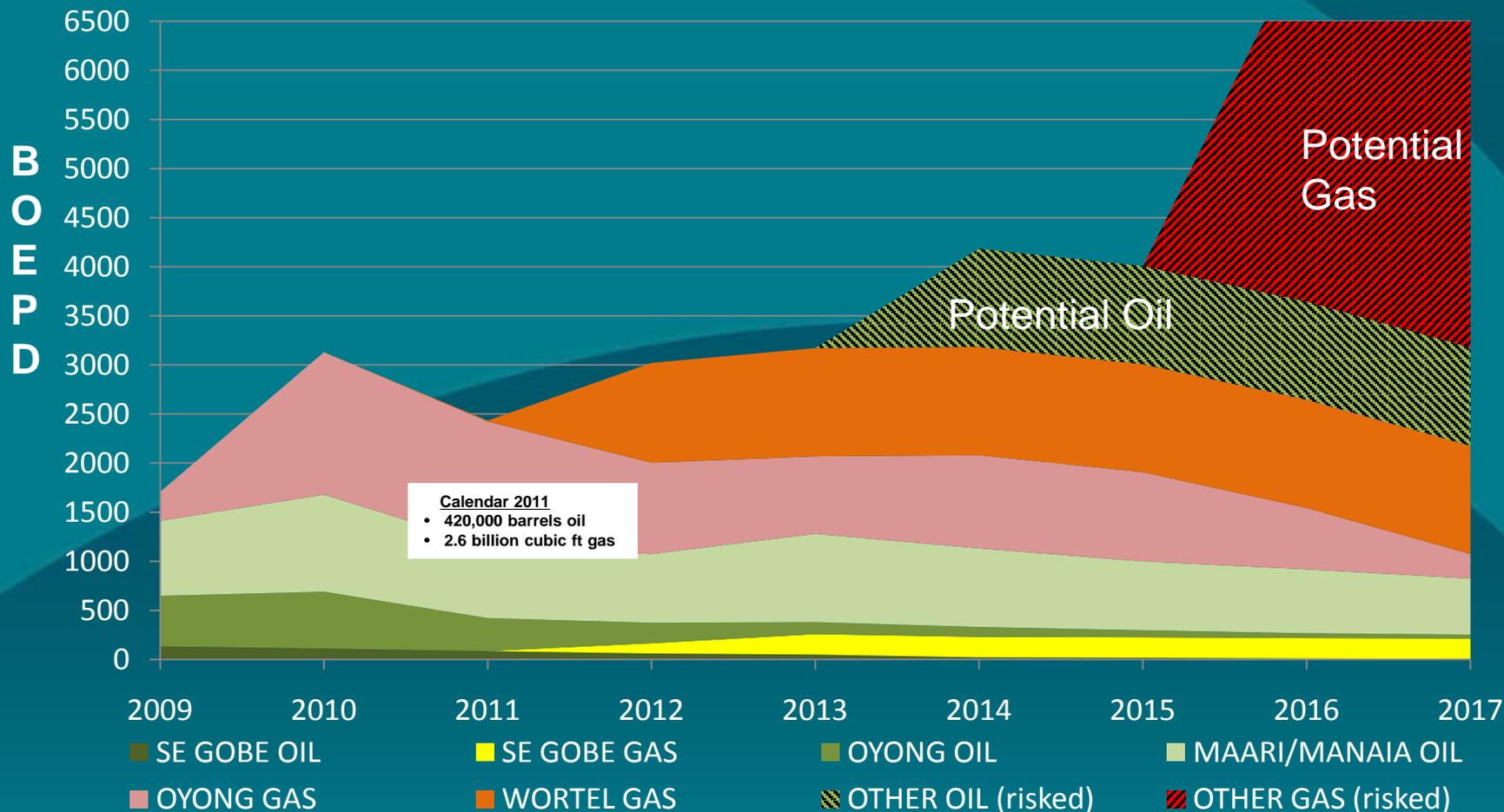
- 91 BCF (2C†) Barikewa (PNG)
- 14 BCF (2P) Wortel (Indonesia)
- 12 BCF (2P) Oyong (Indonesia)
- 2.5 BCF (2C†) SE Gobe (PNG)

*Cue estimate

† Contingent resource

Volumes remaining to be produced at 30/06/2011

Net 2P / 2C Indicative Production Forecast



... long term production with potential upside

PROJECTS

Papua New Guinea

Production

South East Gobe Field

- Cue has ~3.3% unitised interest
- ~ 80bopd to Cue
- Long term oil production
- SE Gobe Gas to be sold into PNG LNG

Exploration & Appraisal

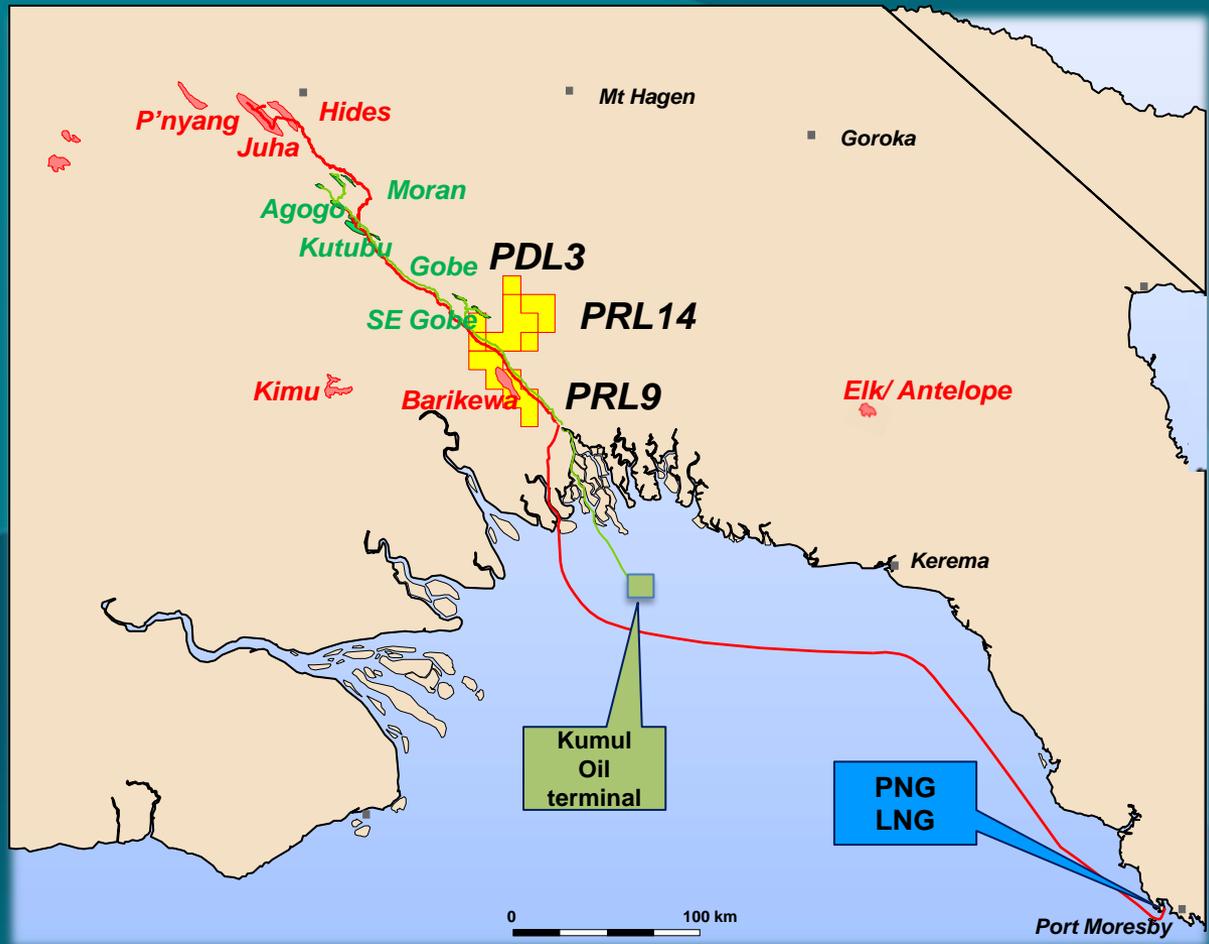
Potential to supply PNG LNG

Barikewa Field (Cue 14.89%)
is a potentially large undeveloped resource

- Toro and Hedinia (2P equiv) 611 BCF
- Mean (all zones) 1.5 TCF
- P10 (all zones) 2.4 TCF

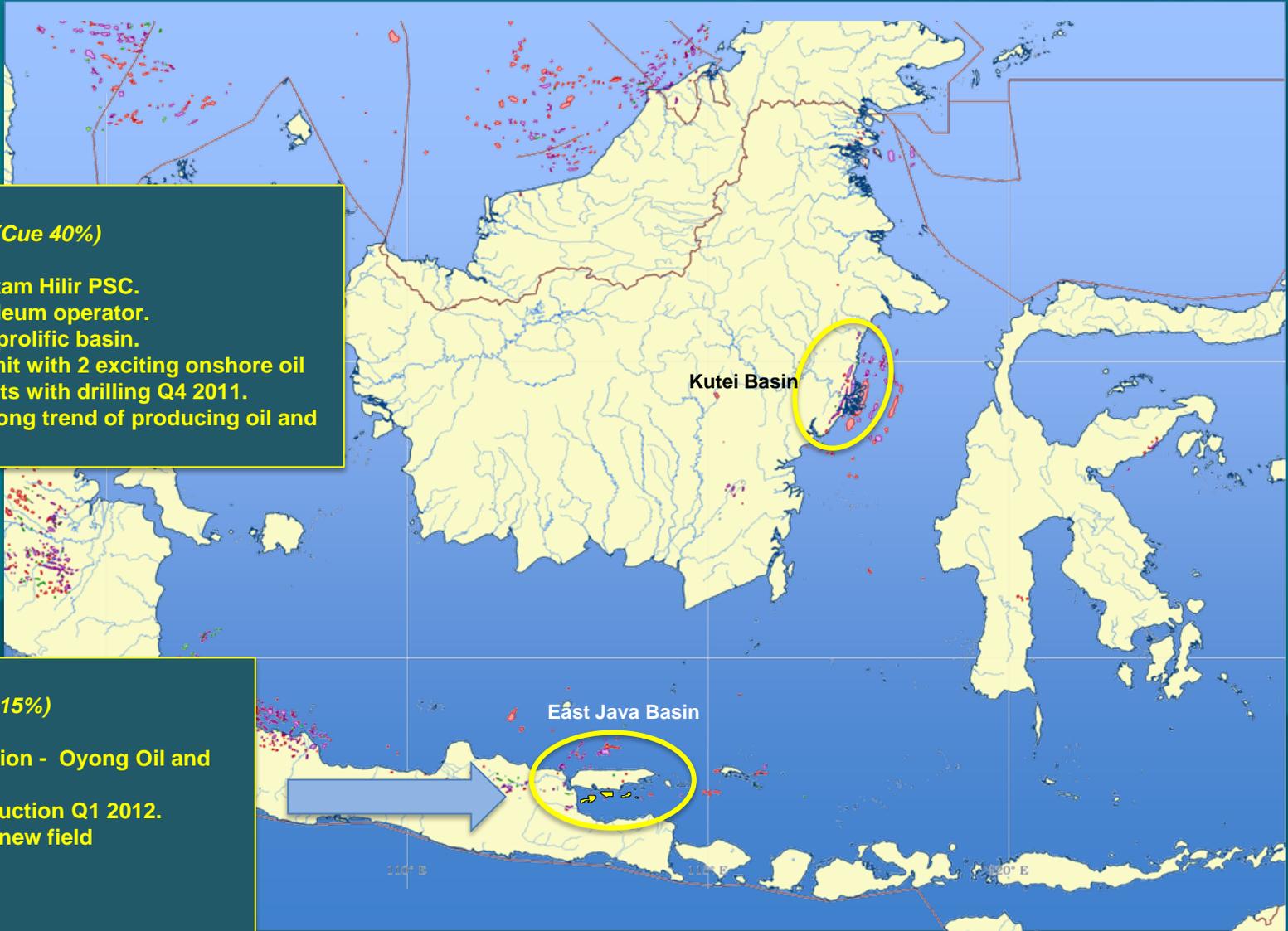
Bilip, Iehi, Cobra (Cue 10.947%)
undeveloped discoveries

- Long term gas for PNG LNG with some associated oil



... long term cash flow and resources
adjacent to PNG LNG infrastructure

Indonesia



Kutei Basin Mahakam Hilir PSC (Cue 40%)

- Farmin to Mahakam Hilir PSC. Singapore Petroleum operator.
- Kutei Basin is a prolific basin.
- Exploration permit with 2 exciting onshore oil and gas prospects with drilling Q4 2011.
- Prospects are along trend of producing oil and gas fields.

East Java Basin Sampang PSC (Cue 15%)

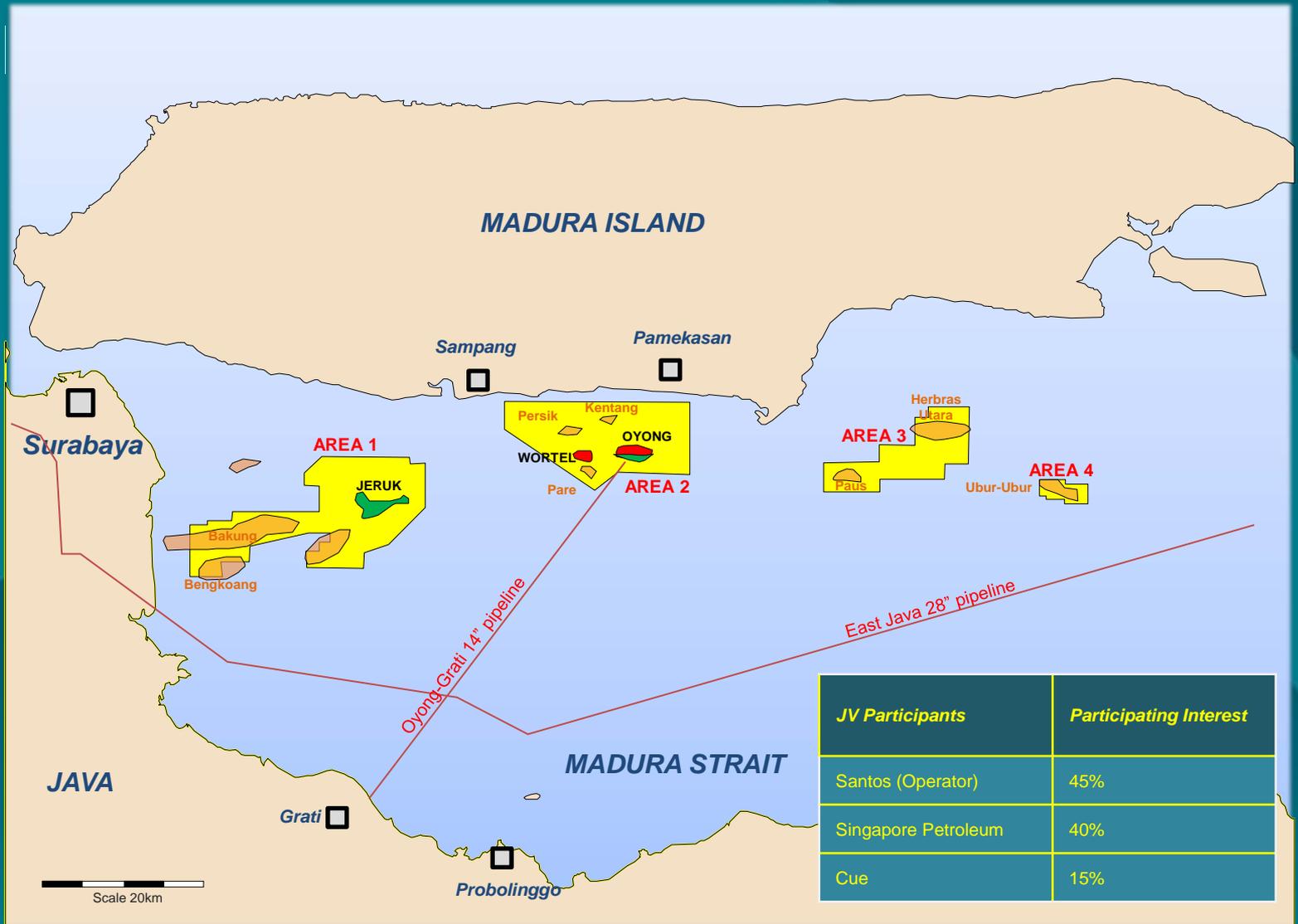
- Existing production - Oyong Oil and Gas.
- Wortel Gas Production Q1 2012.
- Exploration and new field opportunities.

Sampang PSC – Indonesia



LEGEND

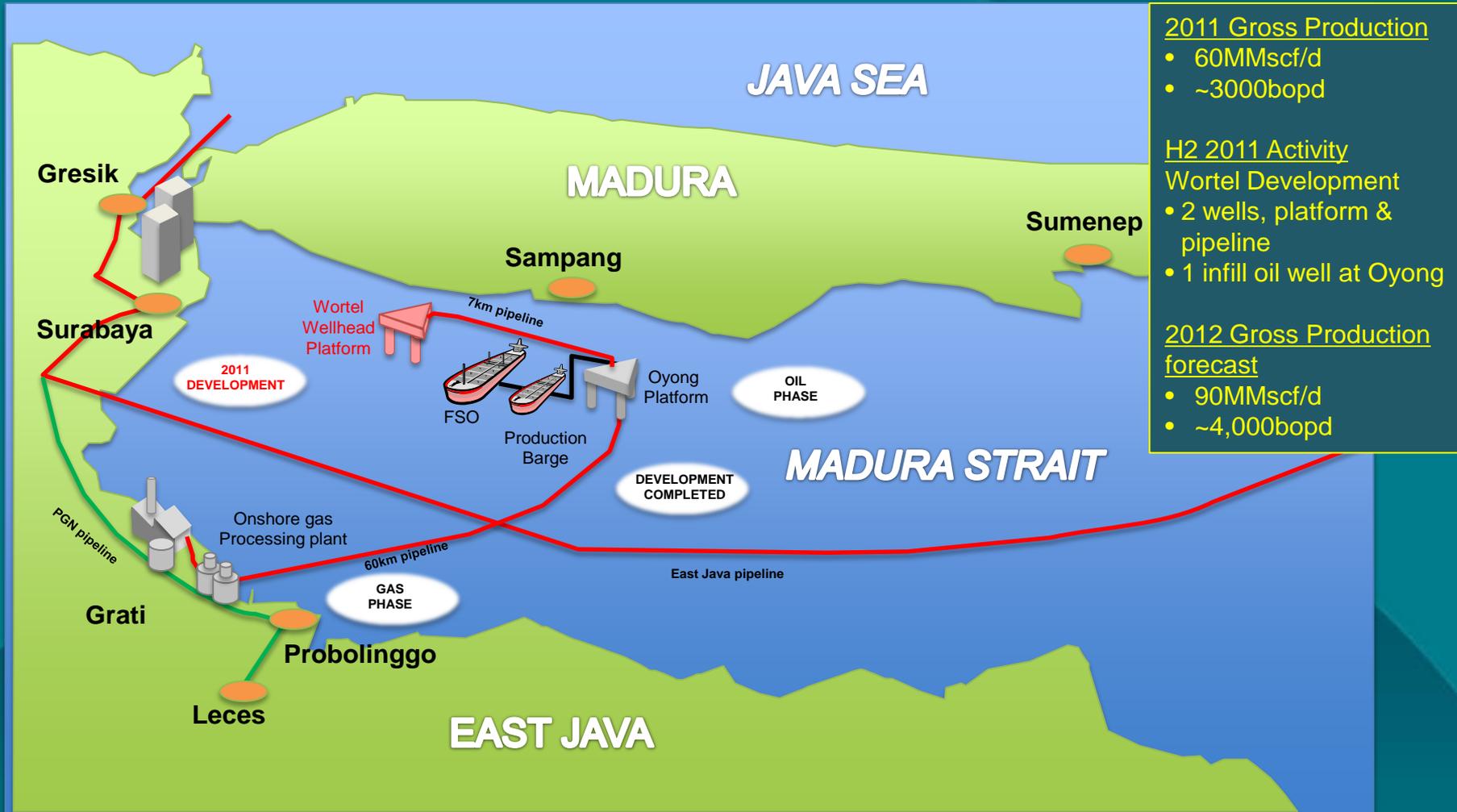
- Cue Contract
- Gas Field
- Oil Field
- Prospect
- Gas Pipeline



Scale 20km

| JV Participants | Participating Interest |
|---------------------|------------------------|
| Santos (Operator) | 45% |
| Singapore Petroleum | 40% |
| Cue | 15% |

Oyong + Wortel Development



- 2011 Gross Production
- 60MMscf/d
 - ~3000bopd
- H2 2011 Activity
- Wortel Development
- 2 wells, platform & pipeline
 - 1 infill oil well at Oyong
- 2012 Gross Production forecast
- 90MMscf/d
 - ~4,000bopd

Source: Santos Ltd

...three stage development

Kutei Basin Farm-in June 2011

KEY BASIN STATISTICS

| | |
|------------------------|-------------------|
| Oil Recoverable | 3.755billion bbls |
| Gas Recoverable | 67TCF |
| Condensate Recoverable | 991MMbbls |

Multinational and Independent companies having assets in the basin – Exxon, Anadarko, Marathon, Chevron, ENI, Total, Santos

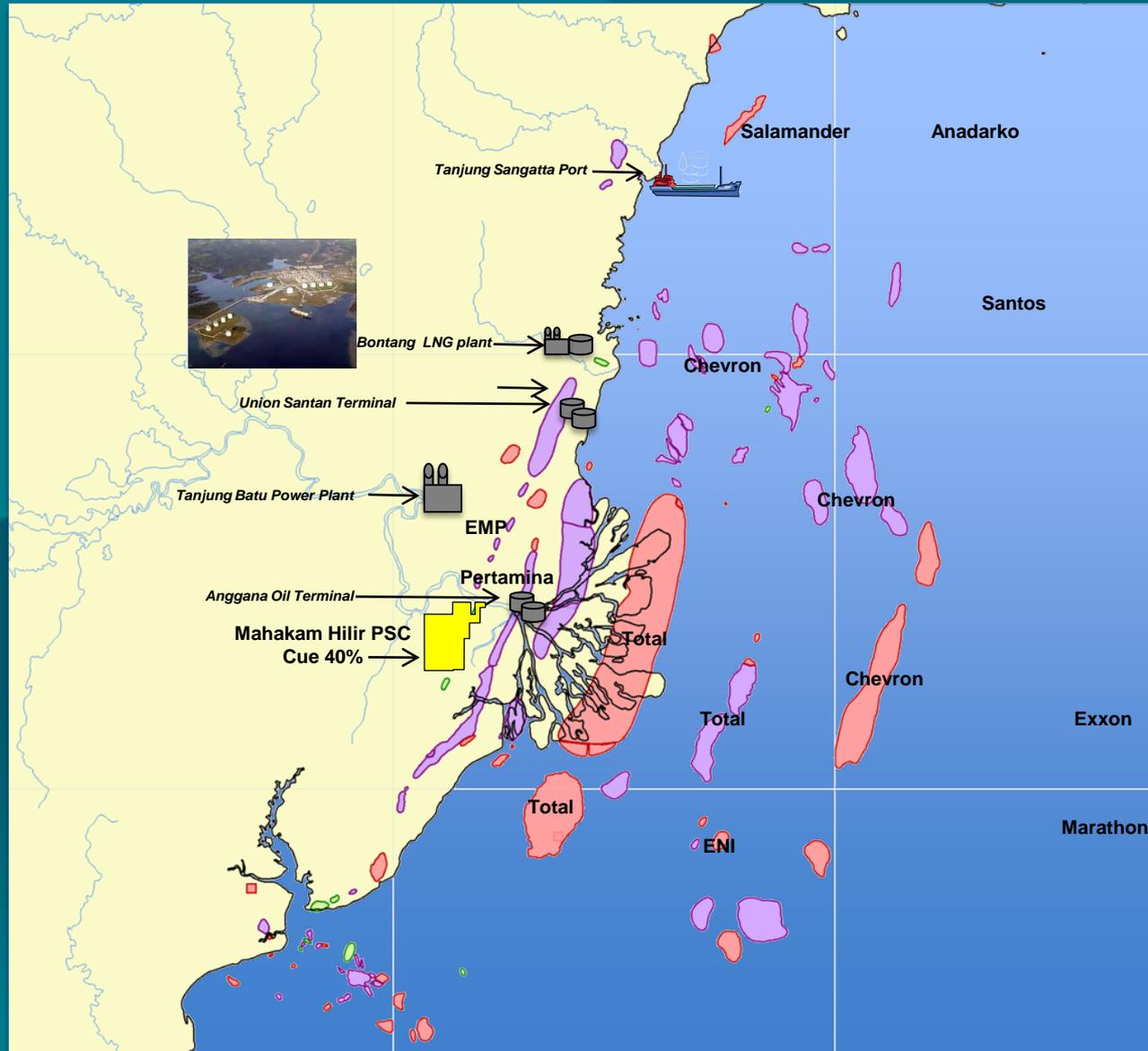
COMMERCIALISATION

Multiple oil terminals / processing plants

Bontang LNG plant

- Capacity 20 mtpa
- Gas supply issues
- Currently ~ 10mtpa
- Japanese Buyers

Power Station

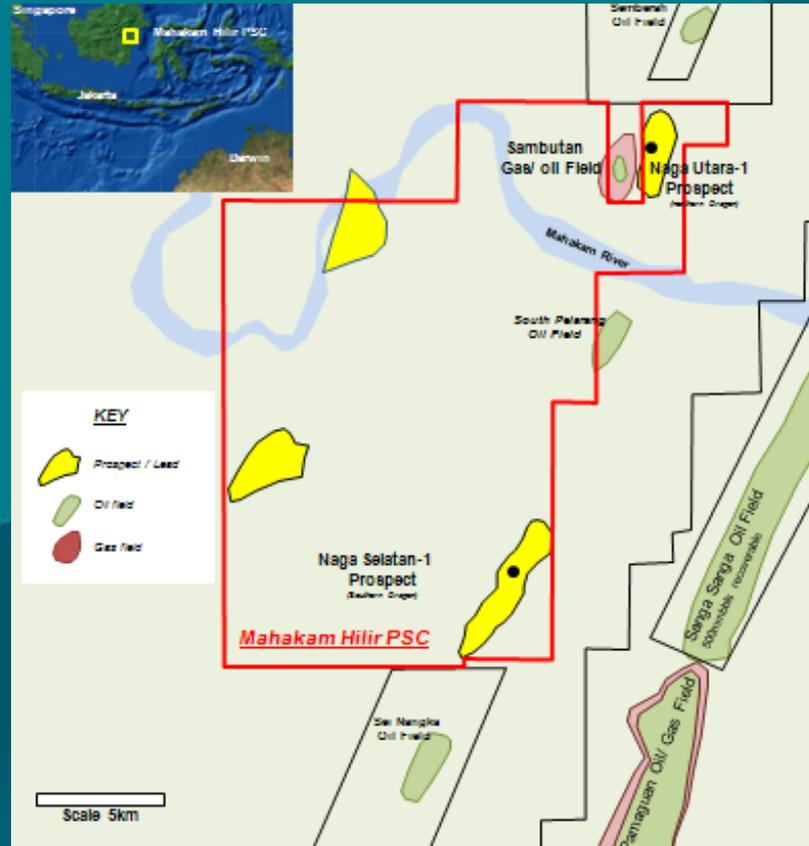


Mahakam Hilir PSC

KEY STATISTICS

- 200 km of new seismic acquired by SPC
- Historic seismic reprocessed
- 2 prospects high-graded and ready for drilling
- Drilling to commence H2 2011

| JV Participants | Participating Interest |
|--------------------------------|------------------------|
| Singapore Petroleum (Operator) | 60% |
| Cue | 40% |

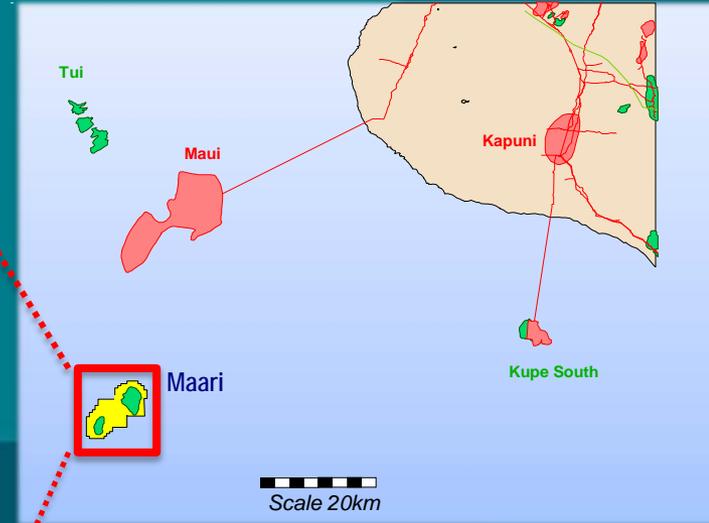
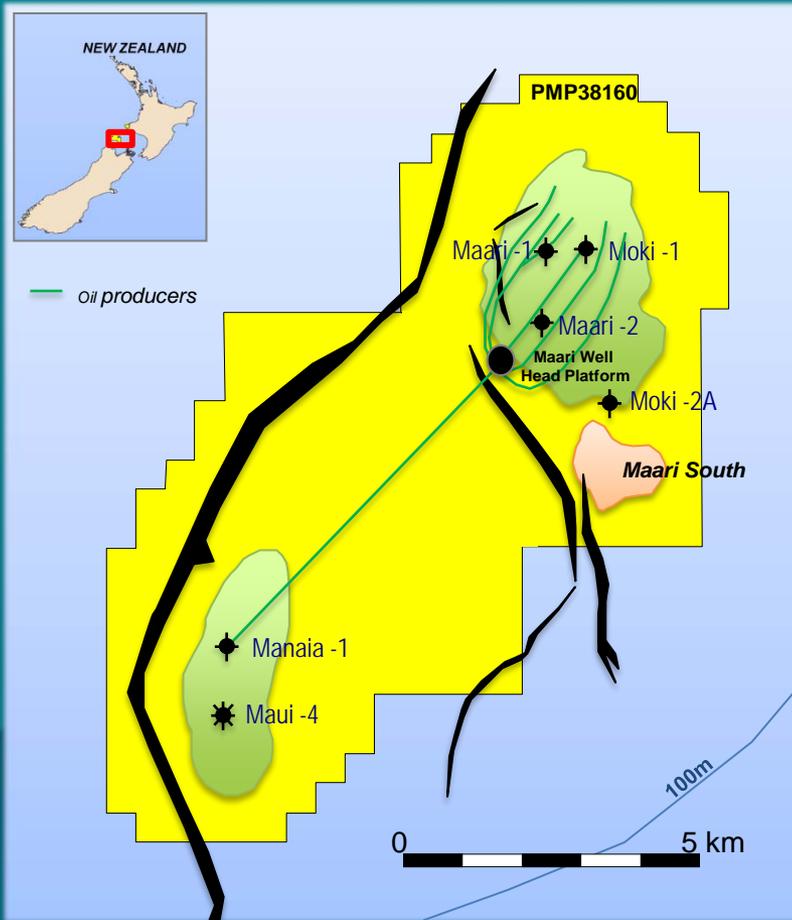


Oil and Gas Seeps



...near term oil exploration

New Zealand Maari Oil Field



| JV Participants | Participating Interest |
|-----------------|------------------------|
| OMV (Operator) | 69% |
| Todd | 16% |
| Horizon | 10% |
| Cue | 5% |

...long term oil production

Maari Development

Phase 1

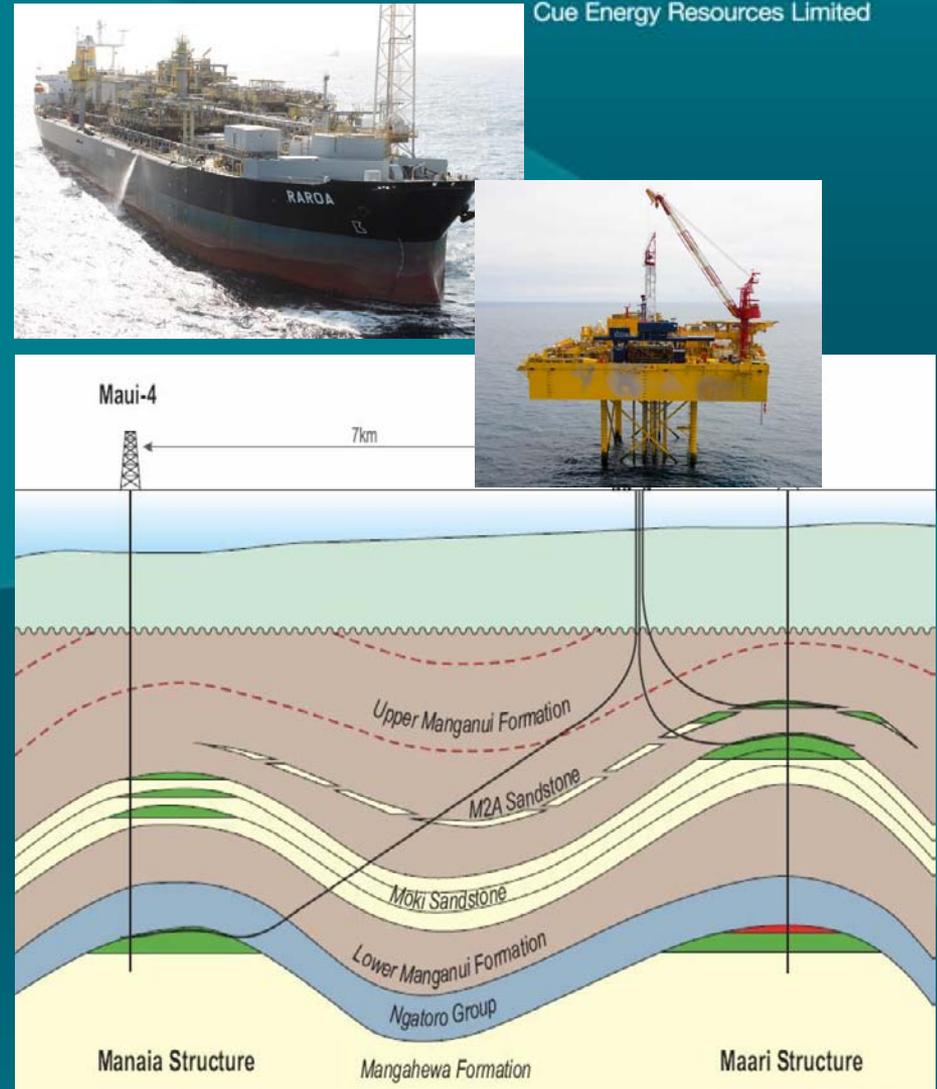
- Platform, FPSO, 7 oil wells, 3 water injectors
- First oil 1Q 2009, 15.5 million barrels produced
- Current rate ~ 15,000 bopd
Cue share ~ 750 bopd
- Moki 2P oil reserves ~ 52 million barrels
Cue share ~ 2.6 million barrels
- M2A 2P initial reserves 3.2 million bbls
- Manaia 2P initial reserves 6.3 million bbls

Area upside + 20 - 40 mmbbls*

* Cue estimate

Phase 2

- Development planning is in progress

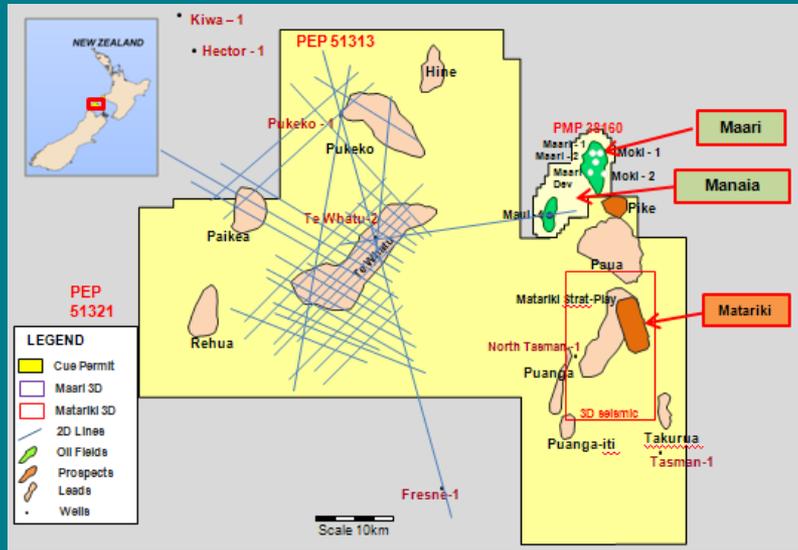


Source: Horizon

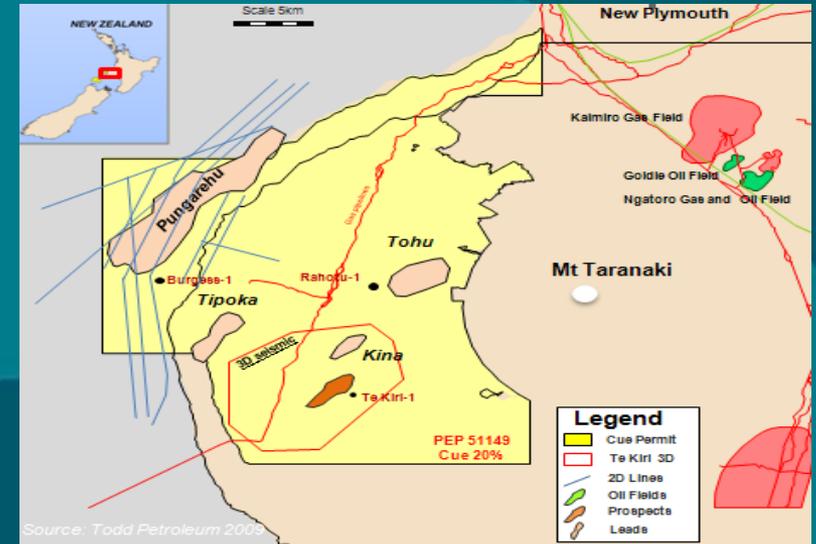
...substantial upside oil potential

New Zealand Exploration

PEP 51313 - Matariki



PEP 51149 – Te Kiri and Pungarehu



| JV Participants | Participating Interest |
|-------------------------------|------------------------|
| Todd Exploration | 50% (Operator) |
| Horizon Oil (New Zealand) Ltd | 30% |
| Cue Taranaki Pty Limited | 20% |

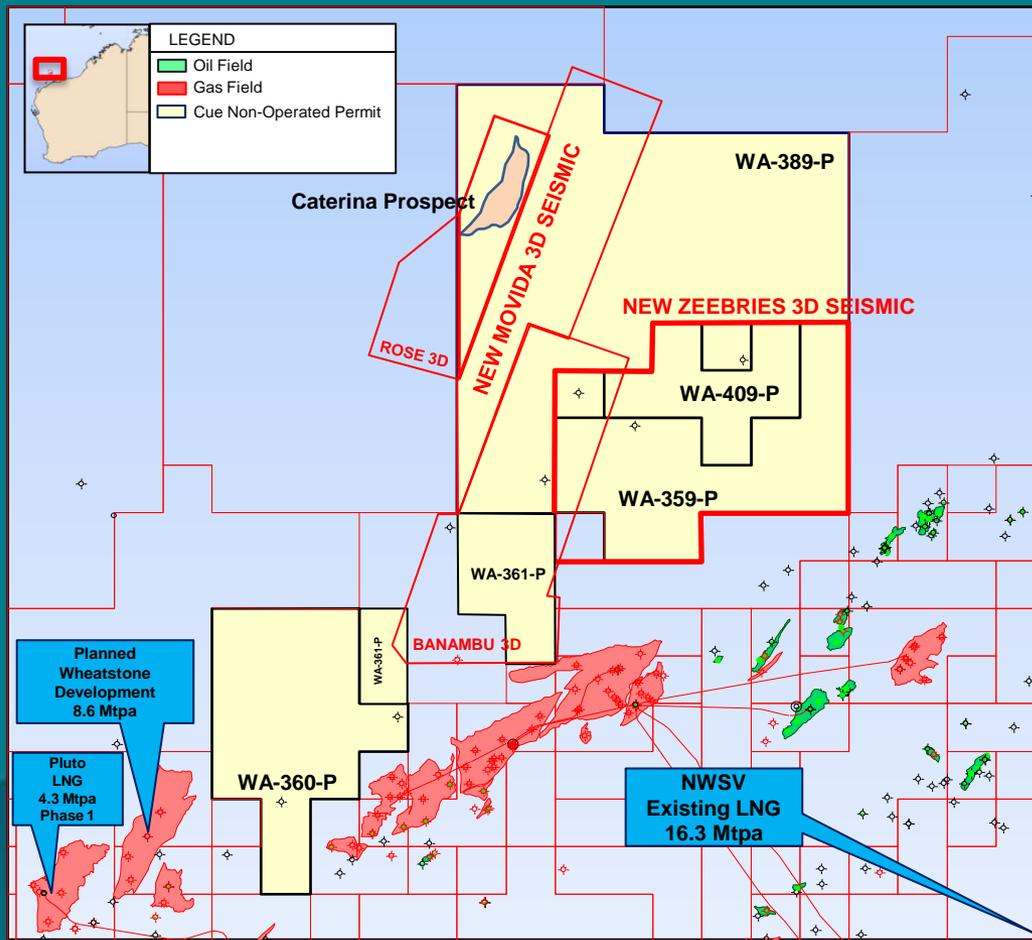
| JV Participants | Participating Interest |
|--------------------------|------------------------|
| Todd Exploration | 61.425% (Operator) |
| Cue Taranaki Pty Limited | 20% |
| Mosaic Oil Limited (AGL) | 18.575% |

- Te Whatu 2D acquisition & Matariki 3D processing completed Q2 2011

- Pungarehu 2D Seismic acquisition completed Q2 2011

...new seismic to mature exploration

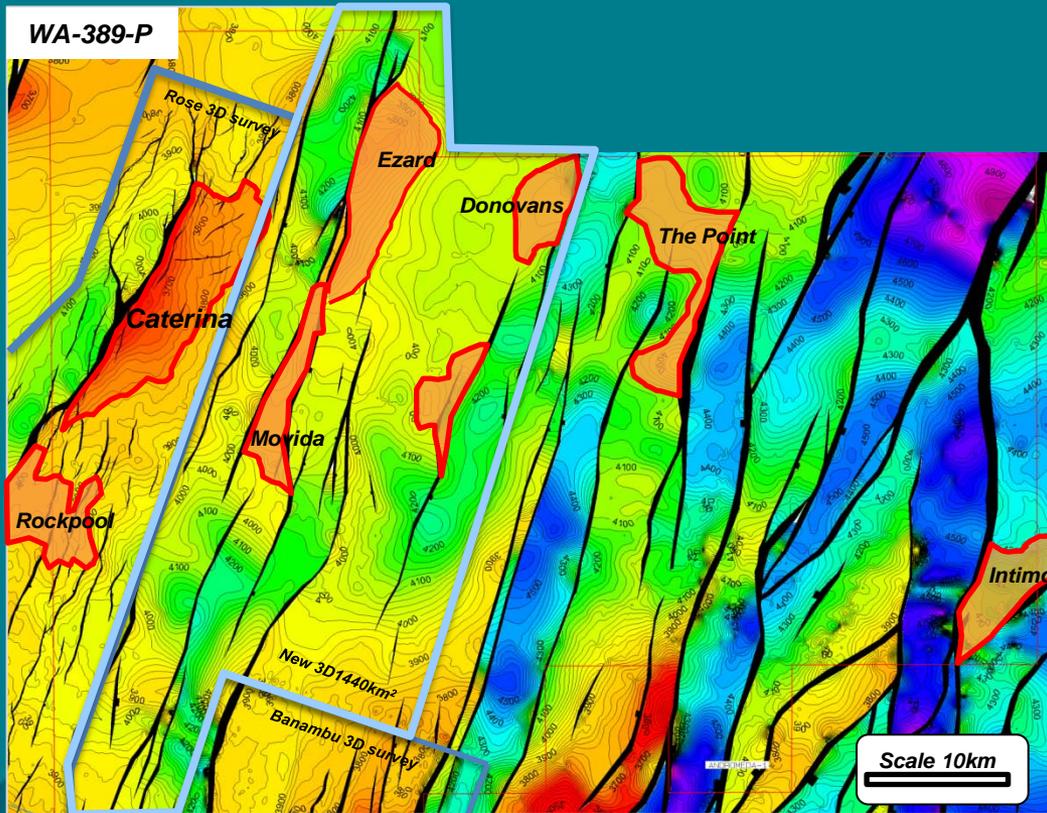
Australia Carnarvon Basin Permits



- 5 permits on trend with major discoveries and new developments
- Significant existing and planned LNG processing capacity in the region
- WA-389-P - Woodside
 - Movida 3D seismic completed in 1Q, 2011
 - Drilling one well in 2012
 - Cue 35% free carry
- WA-359-P, WA-409-P - Apache
 - 3D seismic completed
 - Drilling 2012
 - Cue 30% seismic free carry, 15% well free carry if Apache exercise drill option
- WA-360-P - Petrobras
 - Artemis – 1: Dry hole 2011
 - Cue was free carried 15%
 - JV investigating other prospects in the block

...large gas potential adjacent to LNG developments

WA-389-P: Prospects & Leads



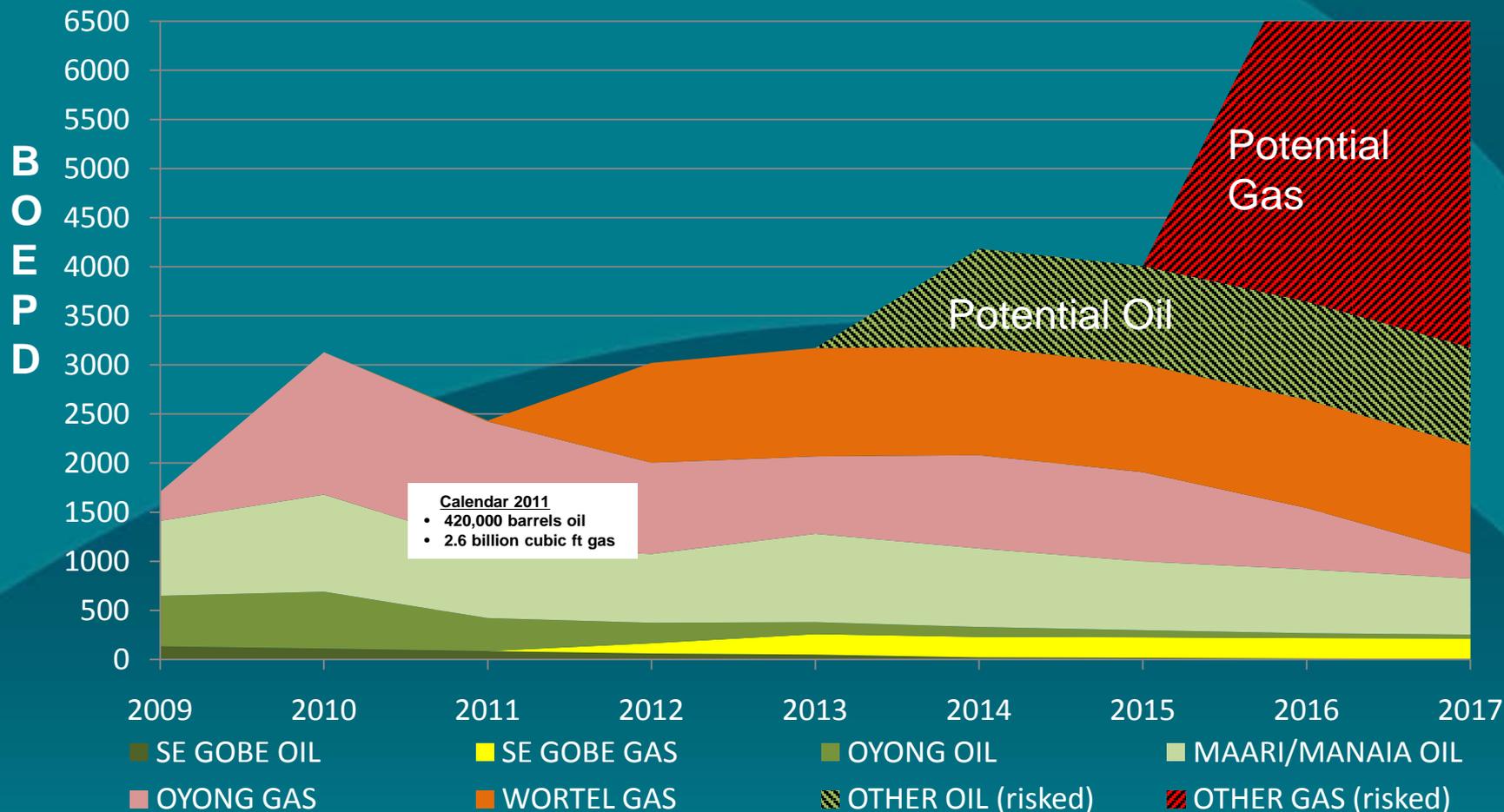
- Farmout to Woodside
 - New Movidia 3D seismic completed
 - Existing 3D seismic reprocessing ongoing
 - Drill one well in 2012
- 8 large prospects and leads
- Cue retains 35% carried interest

| PRIMARY TARGET POTENTIAL | | | |
|--------------------------|-----------|-----------|------------|
| Gas-in-Place | Low (Tcf) | Mid (Tcf) | High (Tcf) |
| Caterina-1 Prospect | 2.7 | 3.9 | 5.3 |
| Rockpool lead | 1.2 | 1.5 | 1.9 |
| Ezard lead | 0.5 | 1.6 | 10.9 |

(upside in up to 3 other objectives)

...potential to supply an LNG development

Net 2P / 2C Indicative Production Forecast



... Long term production with potential upside

WHY INVEST IN CUE

Experienced & energetic board and management

- A track record in successful company building
- New management with engineering, field development and operational experience
- Good regional network and proven business development record
- Strong vision and drive to take Cue forward

Differentiators

- Existing oil and gas production and cash flow with a low decline rate, providing a stable platform for company building
- Clean balance sheet, no net debt, able to fund existing planned activities
- Oil exploration Q4 2011
- New production from Wortel in Q1 2012
- High potential gas exploration activity in Carnarvon acreage
- Potential for Cue to be a long term supplier of LNG

.....**Good to Great!**

**See you at the First
Great Oil Conference !**

Thank you

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