



Cue Energy Resources Limited

A.B.N. 45 066 383 971

22 May 2012

PAGES (including this page): 20

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

Cue Presentation – ASX Small to Mid Caps Conference May 2012

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

Yours faithfully

Andrew M Knox

Public Officer

CUE ENERGY OVERVIEW

Cue is an Australian based oil & gas company with projects in Australia, New Zealand, Indonesia and PNG.

THE COMPANY HAS:

- Long life production
- A strong balance sheet
- An active exploration program

DRILLING PROGRAM

- Naga Utara exp well Q1 12
- Naga Selatan exp well Q2 12
- WA-389-P exp well Q2 12
- Maari appraisal well Q4 12

CUE ENERGY DIRECTORS

- Richard Tweedie (Chairman)
- Timothy Dibb
- Geoffrey King
- Steve Koroknay
- Paul Moore
- Leon Musca
- Andrew Young

CUE ENERGY MANAGEMENT

- Mark Paton (CEO)
- Andrew Knox (CFO)
- Terry White (Exp Man)
- Alex Parks (CCO)

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LISTINGS

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

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ASX Small to Mid Caps Conference

Mark Paton CEO

May 2012



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.

Cue Energy At A Glance ...

Market Capitalisation @ A\$0.22	A\$153 Million
Ordinary Shares	698,119,720
12 Month Trading Range	19 – 34c
Average Daily Volume	~500,000
Cash at 31/03/2012	A\$42.3 Million
Debt	nil
Top Twenty Shareholders	399 Million (57%)
Major Shareholders	
Todd Petroleum	27%
Singapore Petroleum	16.6%
Listings	ASX: Cue; NZX: Cue POMSOX: Cue; ADR/OTCQX: CUEYY

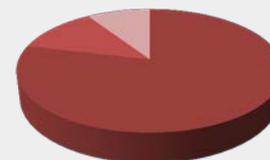
2P Oil Reserves



- 2.4 MMbbls (2P*) Maari (NZ)
- 0.2 MMbbls (2P*) Oyong (Indonesia)
- 0.1 MMbbls (2P) SE Gobe (PNG)

Total Oil: 2.7 MMbbls

2P/2C Gas Reserves / Resources

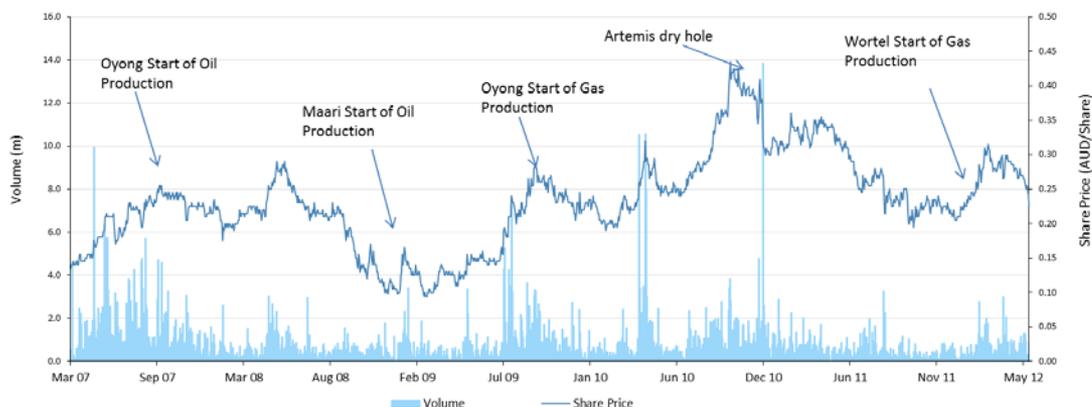


- 91 Bcf (2C+) Barikewa (PNG)
- 14 Bcf (2P) Wortel (Indonesia)
- 11 Bcf (2P) Oyong (Indonesia)
- 2.5 Bcf (2P) SE Gobe (PNG)

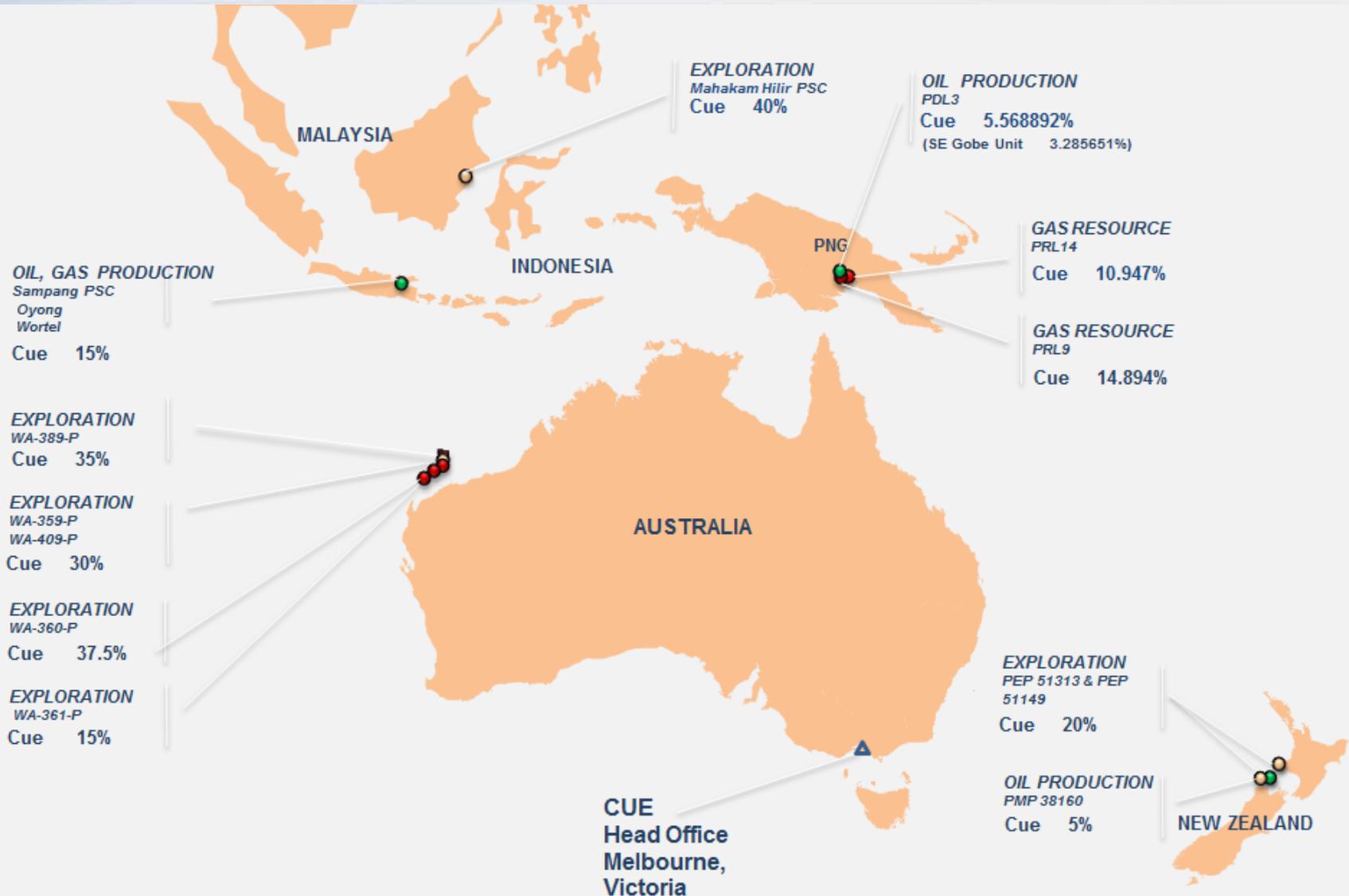
Total Gas: 118 Bcf (20 MMbbls BOE)

Volumes remaining to be produced at 31/12/2011
*Cue estimate † Contingent resource

Cue Energy Resources Limited Share Price Performance



Asset Location Map



Growth Strategy

Current Status

- \$153 million market capitalisation @ \$0.22/share
- In the range 20th-25th largest E&P companies on the ASX
- Clean balance sheet

- Australasia/Asia Pacific focus area
- Balanced portfolio of assets
- Affordable equity positions 5-20%
- 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 20-50% 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



Cue Energy Board



RICHARD TWEEDIE, LL.B.
Non-Executive Chairman
Appointed 2001



TIMOTHY DIBB, BSc, PhD
Non-Executive Director
Appointed 2011



GEOFFREY KING, BA, LLB
Non-Executive Director, Lawyer
Appointed 2011



STEVEN KOROKNAY, B Eng
Non-Executive Director
Appointed 2009

Cue Board members have extensive experience with small and large oil & gas companies including: Todd, SPC, Woodside, Santos, Exxon, Anzon, Otto.



PAUL MOORE, BSc, Eng, MBA
Non-Executive Director
Appointed 2011



LEON MUSCA, LL.B
Non-Executive Director, Lawyer
Appointed 2000



ANDREW YOUNG B.Ch.E., MBA
Non-Executive Director
Appointed 2011



Cue Key Management



Mark Paton
Chief Executive Officer

Mark has over 30 years experience in the upstream gas and oil industry. His credentials include working in various positions for BP in Europe and the Middle East and BHP Petroleum in Australia. He left BHP in 1997 to co-found Upstream Petroleum, specialising in the operation of production facilities. In 2006 the company was sold to the AGR Group of Norway. Mark was Managing Director of AGR Asia Pacific based in Kuala Lumpur until 2009. After consulting to the oil and gas industry for a period, he joined Cue Energy Resources as CEO in February 2011.



Andrew Knox
Chief Financial Officer



Keith Edwards
Development Manager



Alex Parks
Chief Commercial Officer



David Whittam
Exploration Manager

Experienced Financial and Commercial Support Team

Exploration Team
Highly Experienced and Proven Oil Finders



Andy Morrison
Senior Geoscientist



Andre Coffa
Senior Geoscientist



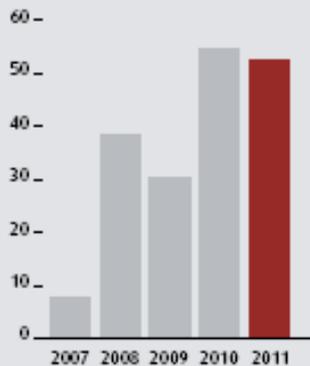
Barry Messent
Senior Geoscientist



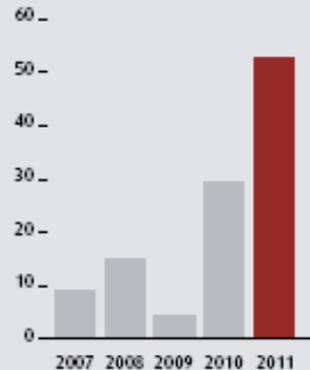
2011 Financial Results

- Revenue steady with lower oil production offset by higher oil prices and gas production
- Gross profit steady but net profit after tax lower due to exploration write offs, exchange rate losses and accounting adjustments
- After tax earnings of 3 cents per share equating to 12.5% return on shareholder equity in FY2010/11

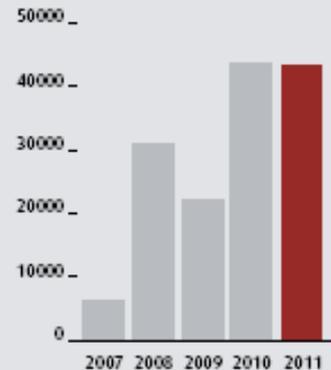
PRODUCTION
INCOME
\$52.5M



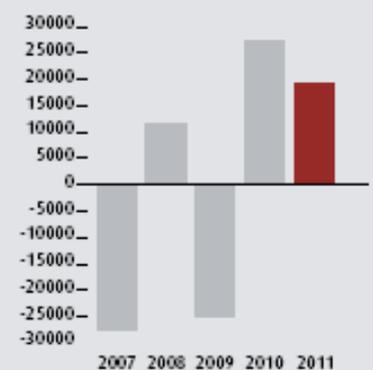
CASH
BALANCE UP
\$52.8M



GROSS PROFIT
FROM
PRODUCTION
\$43.4M



AFTER TAX
PROFIT
\$19.1M

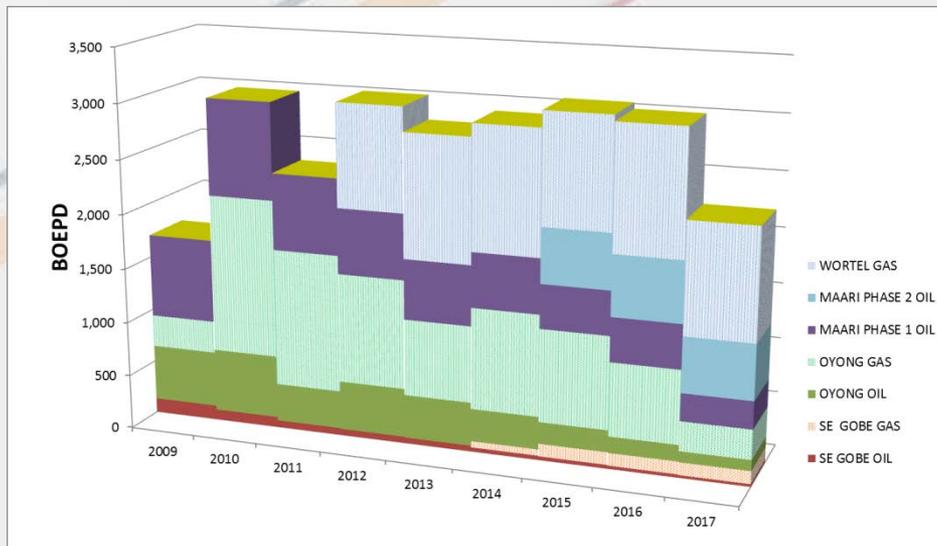


PROJECTS



Production Assets

- | | |
|---|--|
| <ul style="list-style-type: none"> • Maari Field, Offshore New Zealand
Cue 5% | <ul style="list-style-type: none"> • Maari commenced production in 2009 • Current production ~11,000 bopd • Phase 2 of development to extend field life beyond 2030 |
| <ul style="list-style-type: none"> • Sampang PSC, Offshore Madura Island, Indonesia
Cue 15% | <ul style="list-style-type: none"> • Oyong oil production commenced in 2007 • Oyong gas production commenced in 2009 • Wortel Gas production commenced January 2012 • Gross production from the PSC currently 85 MMscf/d and ~3,000 bopd |
| <ul style="list-style-type: none"> • SE Gobe Field, Onshore PNG
Cue 3.3% unitised interest | <ul style="list-style-type: none"> • Cue has a unitised interest in the SE Gobe Field in PNG • 70 bopd net to Cue • Gas cap will be commissioning gas for PNG LNG |



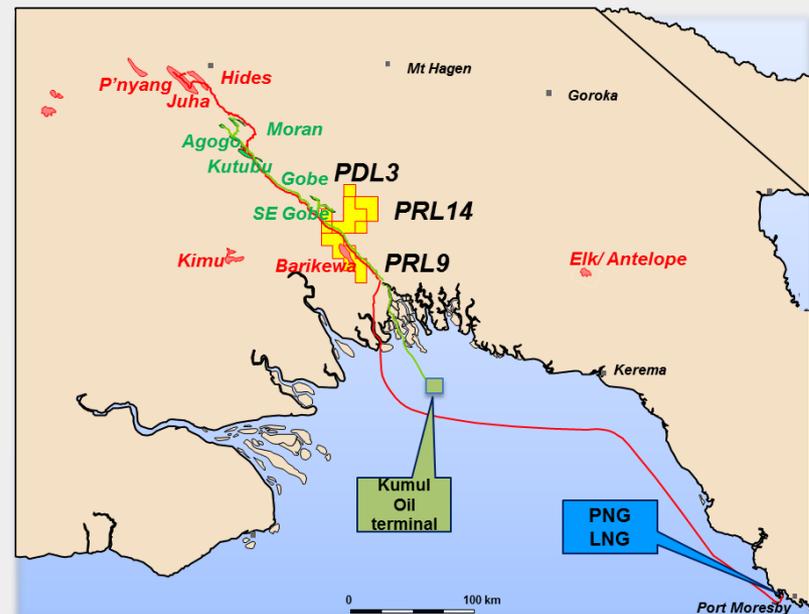
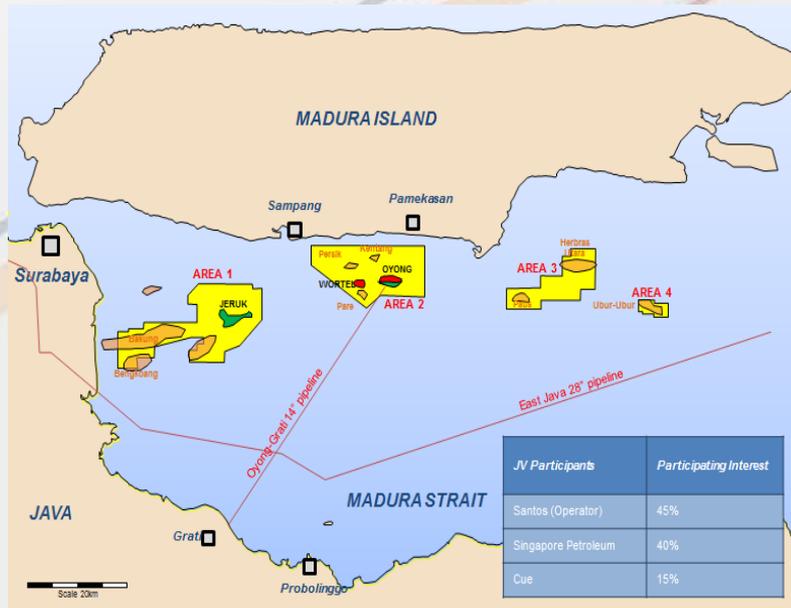
Production base is diverse mixture of oil and gas, onshore and offshore

Cue's total net production before Government take, tax & royalties is ~3,000 boepd



Appraisal Assets

- Sampang PSC, Offshore Madura Island Indonesia**
 Cue 15%
 - Onshore PNG**
 Cue 15% unitised interest
- Jeruk Field was discovered in 2003, Appraised by Jeruk-2 and 3 wells in 2004 and 2006
 - Oil was recovered from several flow tests up to 7,488 bopd
 - Jeruk oil discovery is currently being re-evaluated with current oil prices
 - 3C Resources ~50 MMbbls
 - Barikewa Field (PRL9) (Cue 14.89%) is a large undeveloped resource that may ultimately feed PNG LNG. Toro and Hedinia (2C equivalent 611 Bcf) All Zones (3C 2.4 Tcf)
 - Bilip, Iehi, Cobra (PRL14) (Cue 10.947%) undeveloped discoveries



Development Assets

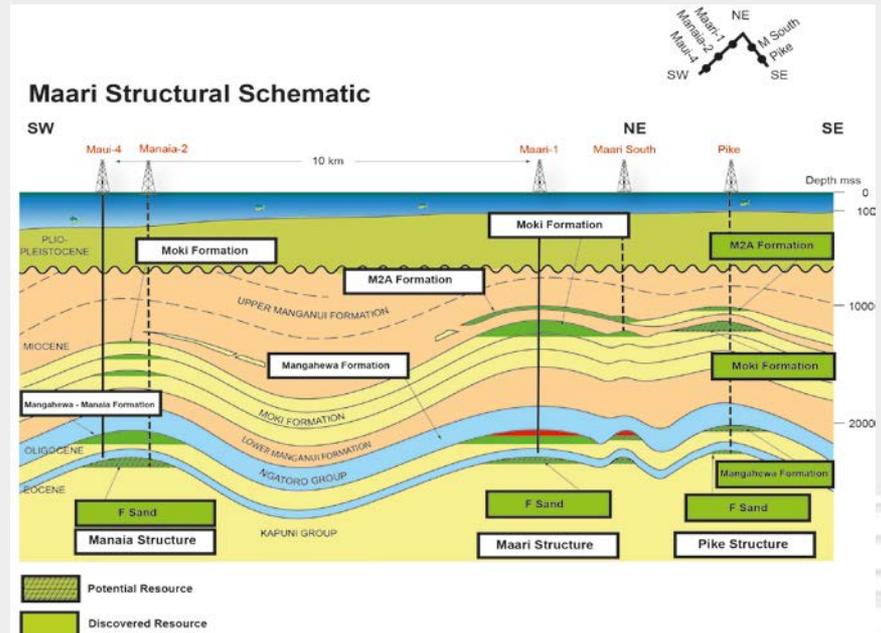
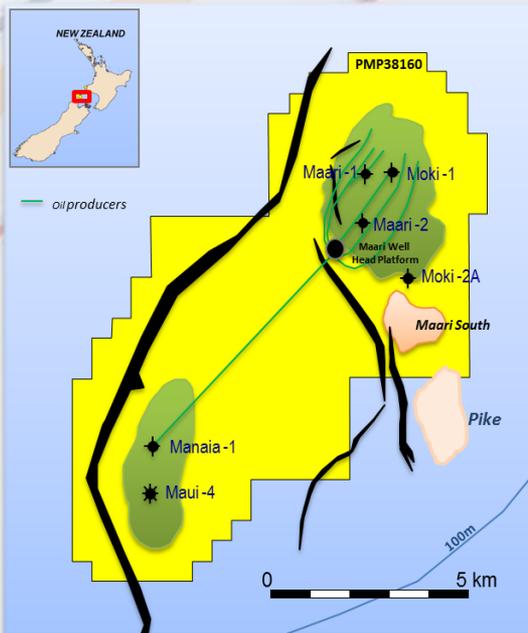
- Maari / Manaia Field, Offshore New Zealand Cue 5%

Phase 1 Development (Complete)

- Platform, FPSO, 7 oil wells, 3 water injectors
- First oil 1Q 2009, 15.5 million barrels produced
- Current rate ~10,000 bopd with all wells producing. Cue share ~500 bopd
- EUR 61.5 MMbbls

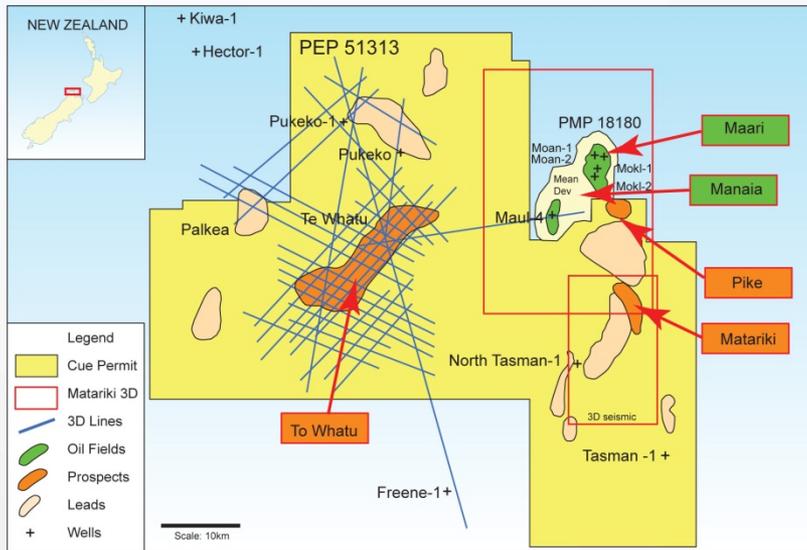
Phase 2 Appraisal & Development (Planning)

- New 3D seismic acquired over area H1 2012
- Appraisal drilling planned of Manaia and Maari South Q1 2013 (+Pike exploration well)
- Incremental development in 2014
- Potential incremental oil 20–90 MMbbls
- With FPSO recertification production will continue to beyond 2030



New Zealand Exploration

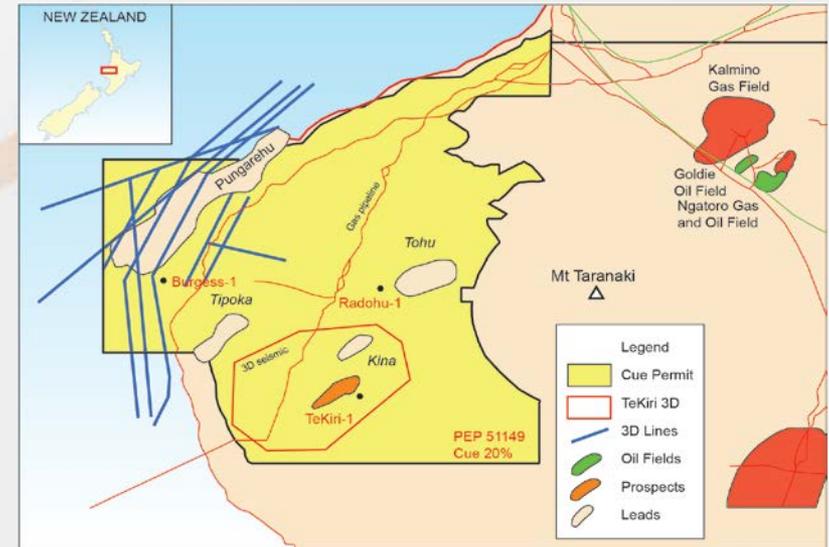
PEP 51313 - Pike



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

- Te Whatu 2D acquisition & Matariki 3D processing completed
- Discussions ongoing with Maari JV with regards to access to Maari facilities for Pike produced fluids
- New 3D survey over Pike and Maari completed Q2 2012
- Possible Pike exploration well in Q2 2013

PEP 51149 – Pungarehu



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

- Pungarehu 2D Seismic acquisition completed Q2 2011
- Prospect mapping and evaluation underway

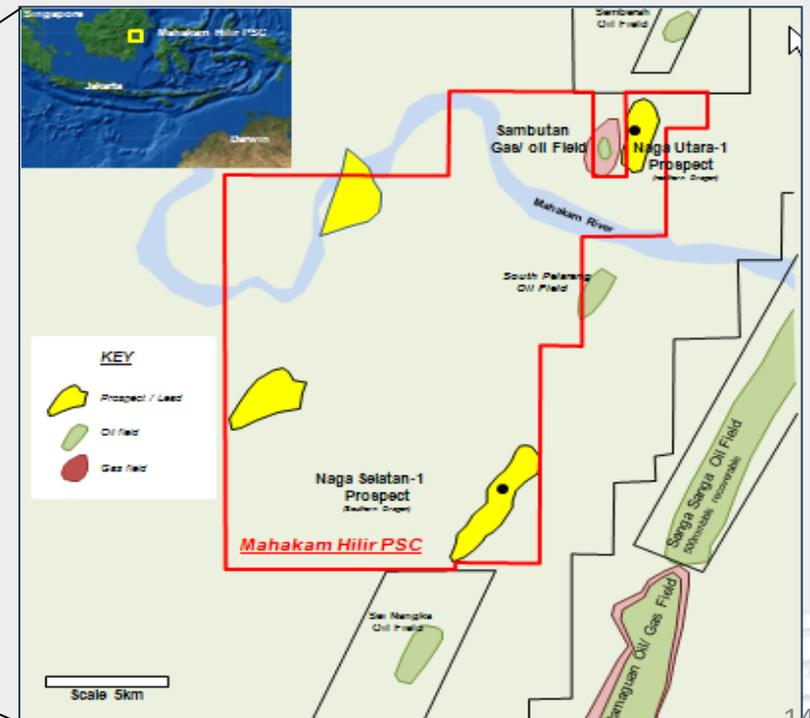
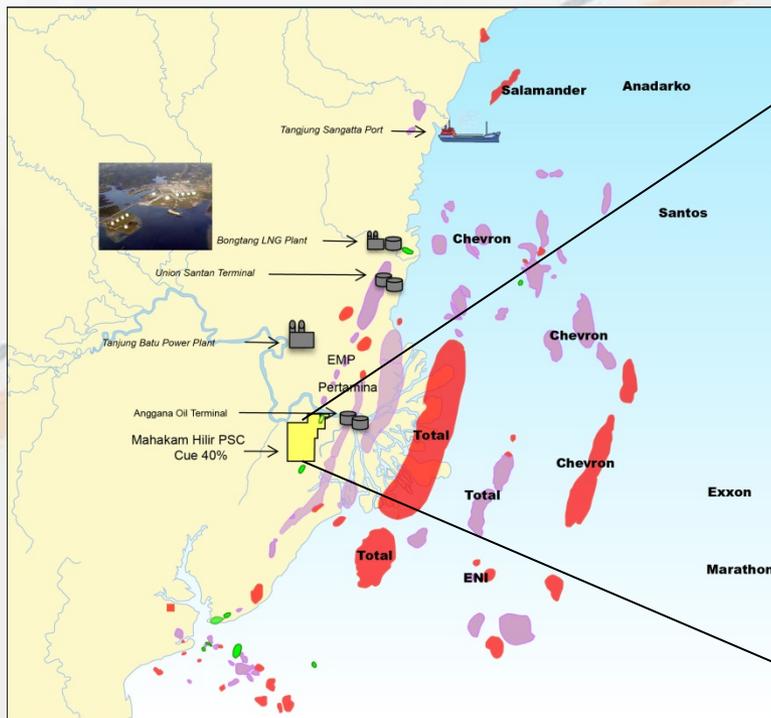


Indonesia Exploration, Kutei Basin Mahakam Hilir PSC

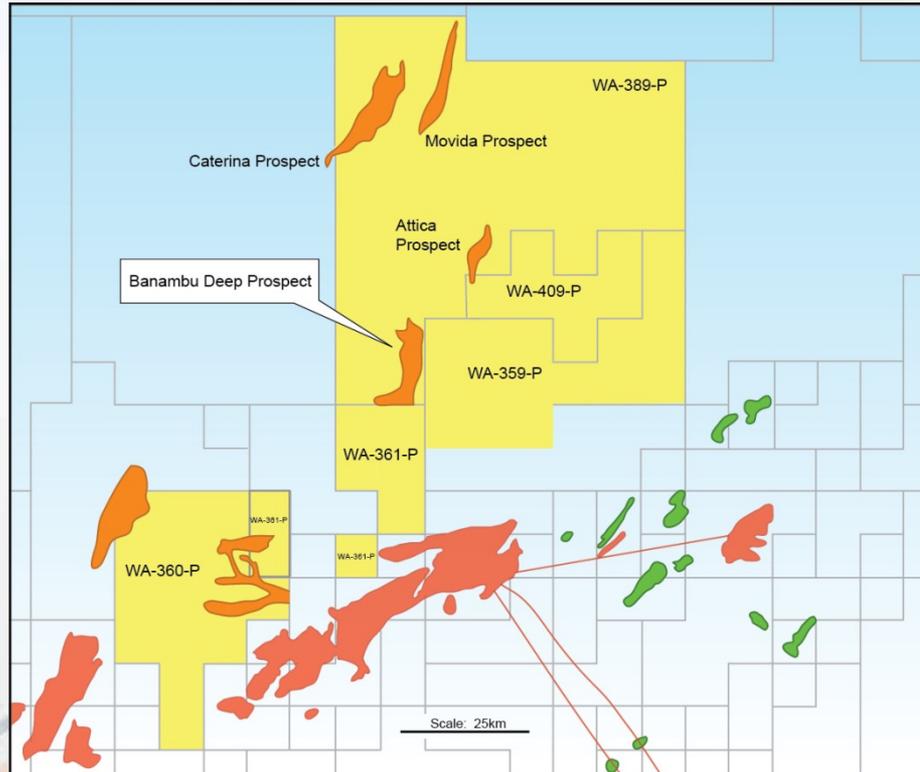
Exploration Drilling 2012

- **Naga Utara** – Drilled January to March 2012 and intersected potentially commercial gas bearing sandstones. Two zones flowed gas during drilling.
- Re-entry and side-track for appraisal & testing under consideration.
- **Naga Selatan** – 20 million barrel oil prospect, multiple targets with deep horizons high graded due to drilling Naga Utara. **Currently drilling**

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



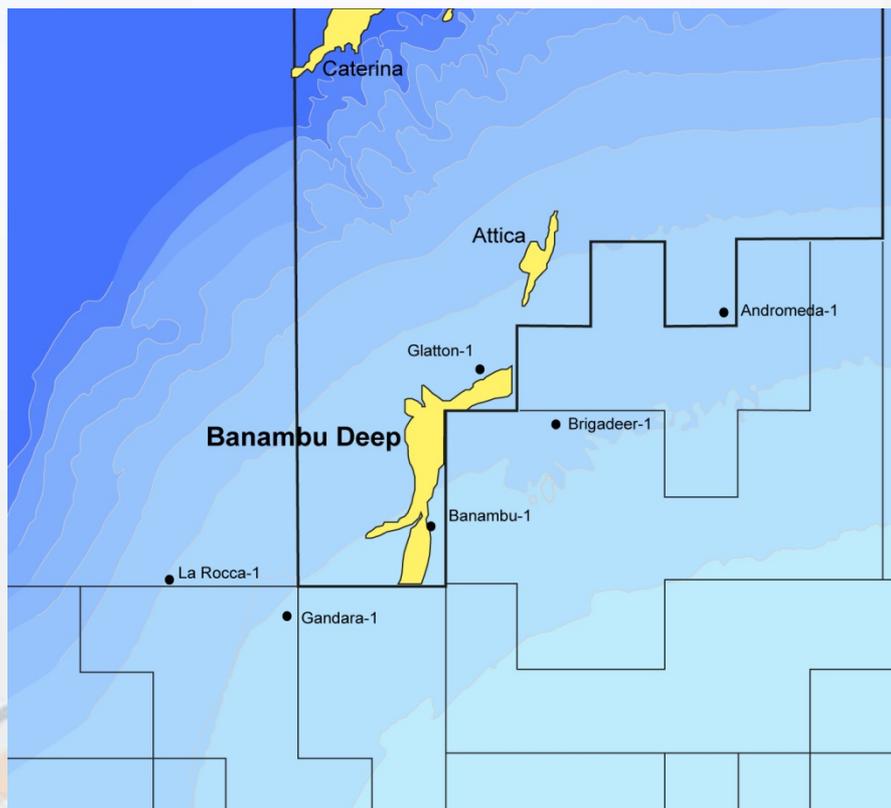
Australia Exploration Carnarvon Basin Permits



- WA-360-P, WA-361-P
(Cue 37.5%) (Cue 15%)
 - New Foxhound 3D seismic
 - New Zeus 3D seismic
 - Sizable Maxwell lead on trend with Pluto and Wheatstone
 - JV investigating other prospects in the blocks

- 5 permits on trend with major discoveries and new developments
- Significant existing and planned LNG processing capacity in the region
- WA-389-P – Woodside
(Cue 35%)
 - Movida 3D seismic completed in 1Q, 2011
 - Drilling one well in 2Q, 2012
 - Cue 35% free carry
- WA-359-P, WA-409-P – Apache
(Cue 30%) (Cue 30%)
 - 3D seismic completed
 - Cue 30% seismic free carry, 15% well free carry if Apache exercise drill option

WA-389-P – Banambu Deep Drilling May 2012



Following farmout to Woodside in 2010

- Cue retains 35% carried interest
- New Movidia 3D seismic and existing 3D seismic reprocessing completed
- 8 prospects and leads identified
- Recent farm-in by BHP Billiton
- BHP Billiton earn 40% equity in return for funding Banambu Deep to a capped amount subject to government approval
- Likely commercialisation route would be via 50km tie back to NWS LNG Project
- Banambu Deep success case value to Cue 20-90c/share
- Success would high grade other prospects in WA-389-P and surrounding Cue acreage

Banambu Deep Prospect	
Water Depth	320m
Proposed Total Depth	4,780m
Gas Prospect	Potential volumes of 1.5 Tcf
Expected timing	Rig move underway TD expected late June 2012

JV Participants	Participating Interest
Woodside (Operator)	25%
Cue Energy	35%
BHP Billiton	40%

Activity Timing

CUE INDICATIVE TIME LINE	2011	2012				2013				2014			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EXPLORATION SEISMIC													
NZ (3D Pike & Maari / Manaia)													
FRM DRILLING													
Mahakam Hilir PSC Naga Utara													
Mahakam Hilir PSC Naga Selatan													
Sampang PSC Wortel Development (2)													
Sampang PSC Oyong Development (1)													
WA-389-P Banambu Deep -1													
CONTINGENT DRILLING SUBJECT TO JV APPROVAL & RIG AVAILABILITY													
Mahakam Hilir PSC Naga Utara appraisal													
Maari / Manaia Appraisal													
Maari / Manaia Development wells													
PEP 51313 (Pike/Matariki)													
PEP 51149 Pungarehu													
WA-359/409													
Barikewa - 3													
PRODUCTION													
SE GOBE Oil/Gas Production													
MAARI Oil/Gas Production													
OYONG Oil/Gas Production													
WORTEL Gas Production													

Why Invest in Cue?

Strong Fundamentals

- Experienced & energetic board and management
- Existing oil and gas production and cash flow with a low decline rate, providing a stable platform for company building
- Clean balance sheet, no debt

Near-term Activity

- **LNG scale, WA-389-P Banambu deep-1 well drilling May 2012**
- **Naga Selatan oil exploration well currently drilling**
- Possible Naga Utara gas appraisal drilling 3Q 2012
- Maari Phase 2 Appraisal drilling Q1 2013
- Pike Exploration drilling Q2 2013



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