



Cue Energy Resources Limited

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

DATE : 20 March 2012

PAGES (including this page): 30

FROM : Andrew Knox

RE : **Investor Presentation March 20 2012**

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

Yours faithfully

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

Andrew M Knox
Public Officer

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Investor Presentation
March 20th 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 ...

Board

RICHARD TWEEDIE, LL.B
Non-Executive Chairman

TIMOTHY DIBB, BSc, PhD
Non-Executive Director

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

STEVEN KOROKNAY, B Eng
Non-Executive Director

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

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

ANDREW YOUNG BChE, MBA
Non-Executive Director

Australian Registered Company Established 1981

Shareholders 5,210

Listings ASX : Cue; NZX : Cue; POMSOX :
Cue; ADR/OTCQX : CUEYY

Ordinary Shares 695,153,053

Top Twenty Shareholders 433.5 Million (62.5%)

Key Shareholders

Todd Petroleum 27%

Singapore Petroleum 16.6%

Market Capitalisation @ A29c A\$201 Million

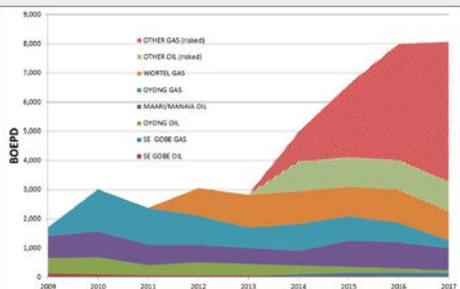
YTD Trading Range 19.5 – 35.5c

Average Daily Volume ~500,000

Cash at 31/12/2011 A\$ 50.7 Million

Project Finance 31/12/2011 US\$ 2.6 Million

Employees 8



- **Cue Reserves**
- **~2.7MMbbls Oil**
- **~118Bcf Gas**

Cue Net Production Forecast CY 2012

- **350,000 barrels oil**
- **4.0 billion cubic feet gas**



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. He has since been consulting to the oil and gas industry until joining Cue Energy Resources as CEO in February 2011.



Andrew Knox
Chief Financial Officer

Andrew holds a BCom degree from the University of Western Australia. He has over 26 years experience in resource companies, predominantly in oil and gas in Australia, North America and South-East Asia. Andrew joined Cue Energy in 1994 and is responsible for financial matters.



Terry White
Exploration Manager

Terry holds a BSc (Hons) from the University of Tasmania majoring in Geology and Geophysics. He has over 31 years of experience in the oil and gas sector and has worked in technical, exploration management and executive roles in Esso, BHP Billiton and Santos. Terry joined Cue Energy in April 2009 and is responsible for exploration matters.



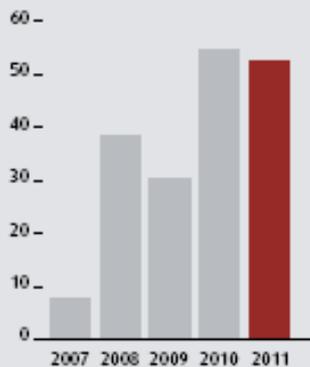
Alex Parks
Chief Commercial Officer

Alex holds an MEng Degree in Petroleum Engineering from Imperial College, London. He has over 15 years experience in the oil and gas sector, the last seven years in executive management roles including CEO of Mosaic Oil, CEO of Otto Energy and Technical Director of RPS Energy. Alex joined Cue Energy in March 2011 and is responsible for business development matters.

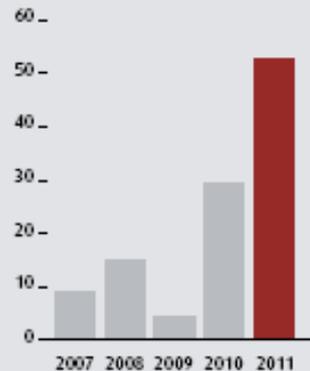
2011 Financial Results

- 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 T37P/T38P exploration write off exchange rate losses and accounting treatment of oil hedging activities
- After tax earnings of 3 cents per share equating to 12.5% return on shareholder equity in FY2010/11

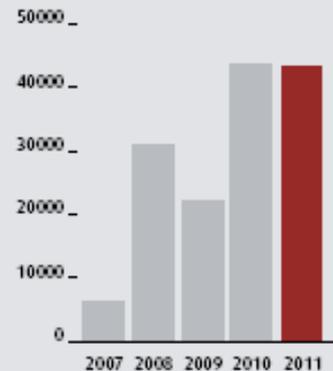
PRODUCTION
INCOME
\$52.5M



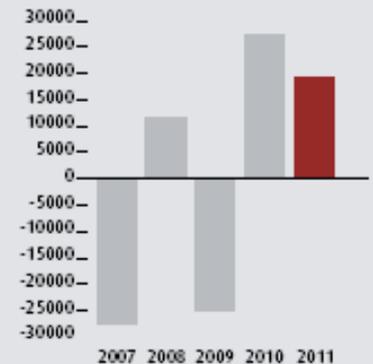
CASH
BALANCE UP
\$52.8M



GROSS PROFIT
FROM
PRODUCTION
\$43.4M



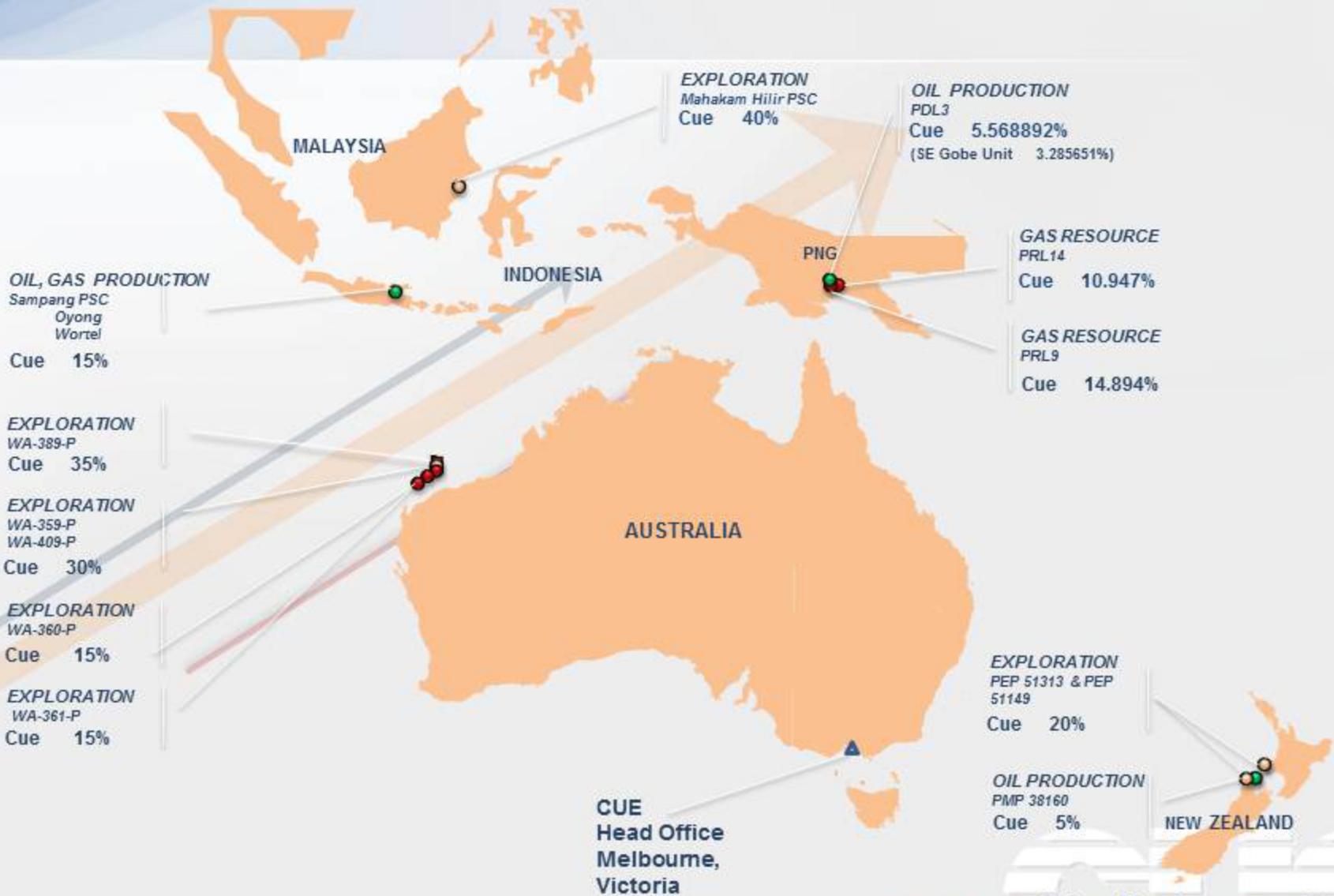
AFTER TAX
PROFIT
\$19.1M



2012 YTD Results

- First half oil and gas production lower due to natural decline in Maari production and shut in of Oyong facilities for tie in of Wortel project and drilling of Oyong 11 infill well.
- Further ESP failures experienced in the Maari field but overall trend is improving reliability.
- Reduced production offset to some extent by increased oil prices. Oil price realised exceeded \$100 per barrel for the first half of FY2012.
- After tax profit increased to \$3.9 million for the half year compared with \$1.3 million in the corresponding period in 2010. The increase was largely due to changes to the US dollar to Au Dollar exchange rate at the balance date.
- Gross profit from production down to \$12.1 million for the half year to 31st December 2011 from \$18.8 million for the corresponding period in 2010.
- Strong positive cash flows expected in second half 2012 through contribution of over 2500boepd (Cue share) from Oyong and Wortel.

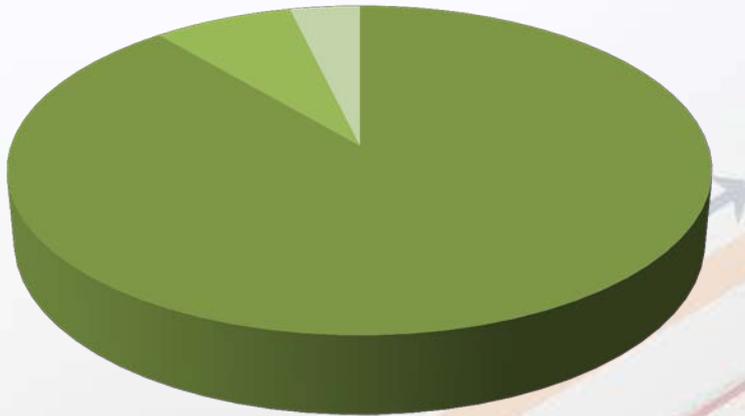
Asset Location Map



...geographically focused 7

Hydrocarbon Inventory

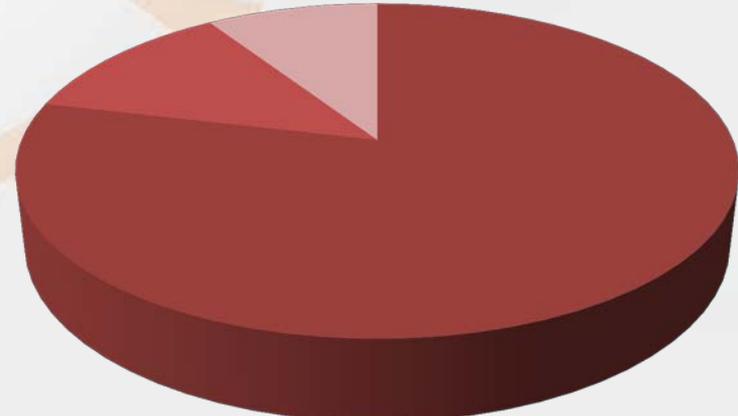
Oil Reserves



TOTAL Oil : 2.7 mmbbls

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

Gas Reserves/ Resources



TOTAL Gas : 118 BCF
(20 mmbbls BOE)

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

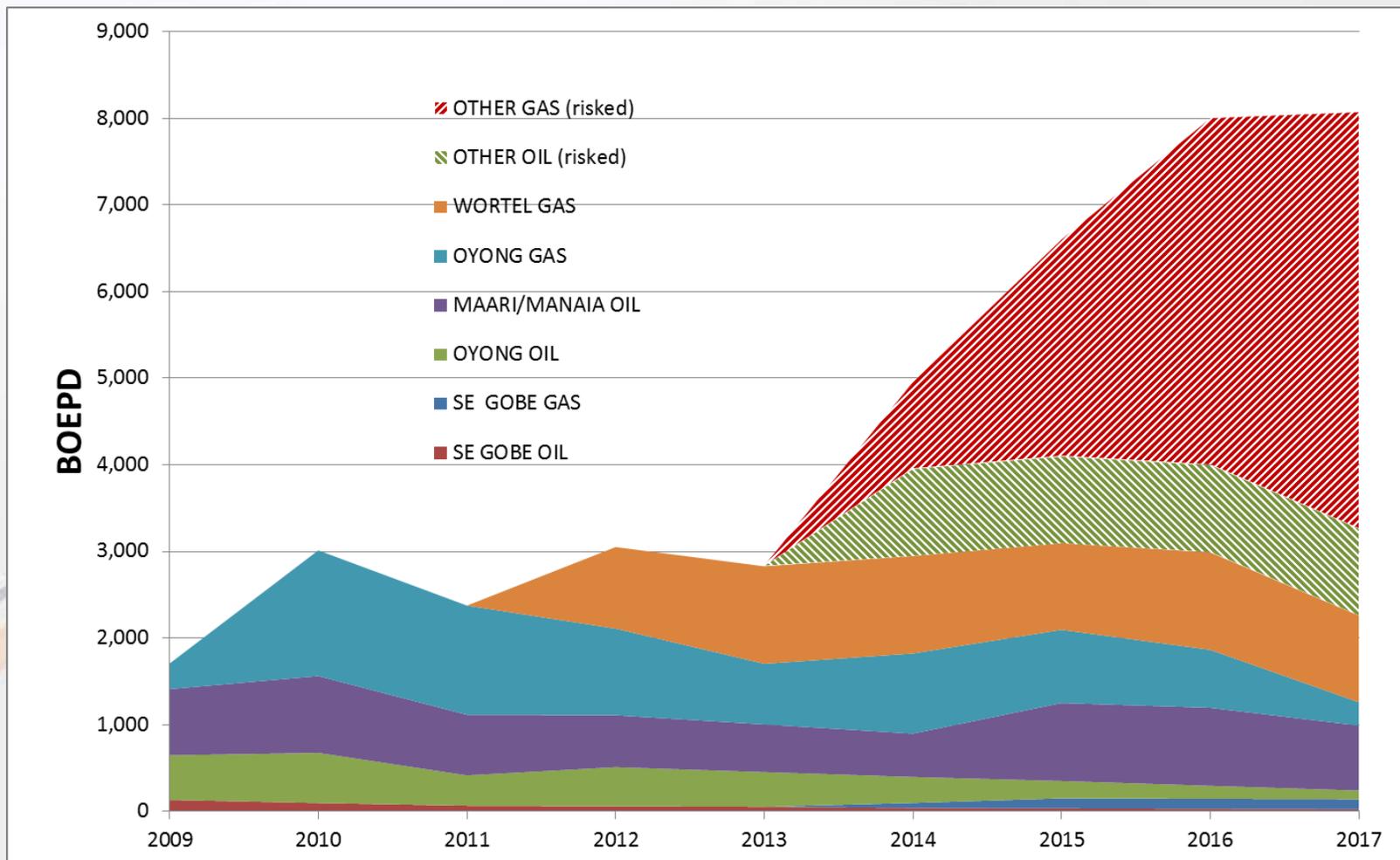
*Cue estimate

† Contingent resource

Volumes remaining to be produced at 31/12/2011



Net 2P / 2C Indicative Production Forecast



... long term production with potential upside⁹

from Good...

Current Status

- \$201 million market capitalisation @ \$0.29/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 5-20%
- Funded drilling via project farm down
- Non-Operator with quality JV operators (OMV, Oil Search, Woodside, Apache, Santos, SPC)
- Historically exploration led
- Non-Operator
- Conventional oil & gas focus
- Ongoing exploration program

Consistently Out Perform

Build Asset Portfolio

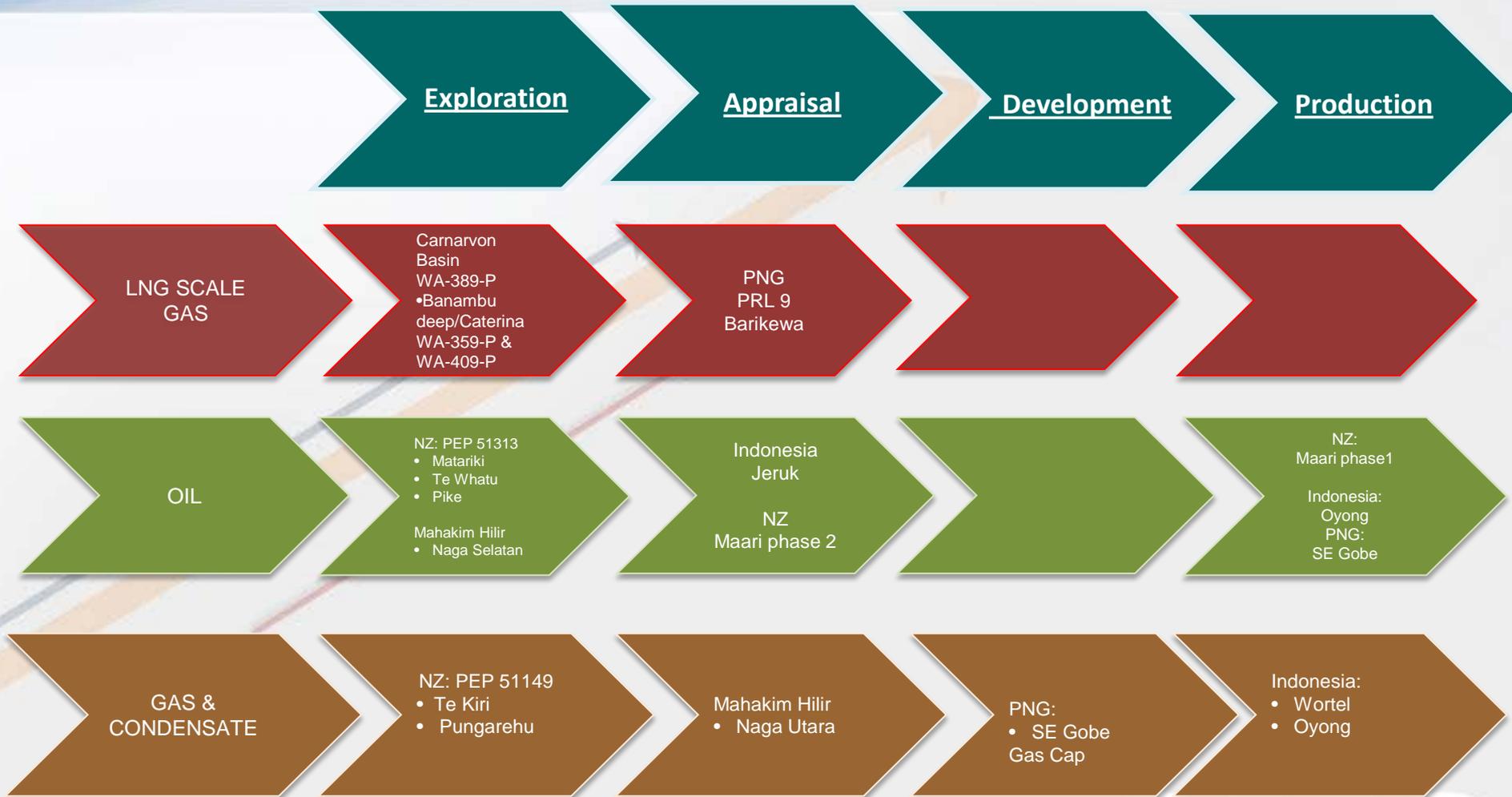
Build Momentum

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

.... to Great!

A balanced portfolio of existing assets



... aiming to add projects across the spectrum

PROJECTS



Papua New Guinea

Production

South East Gobe Field

- Cue has ~3.3% unitised interest
- ~ 70bopd to Cue
- Long term oil production
- SE Gobe Gas to be sold into PNG LNG from mid 2014 at 35 MMscfd gross

Exploration & Appraisal

- Potential to supply PNG LNG

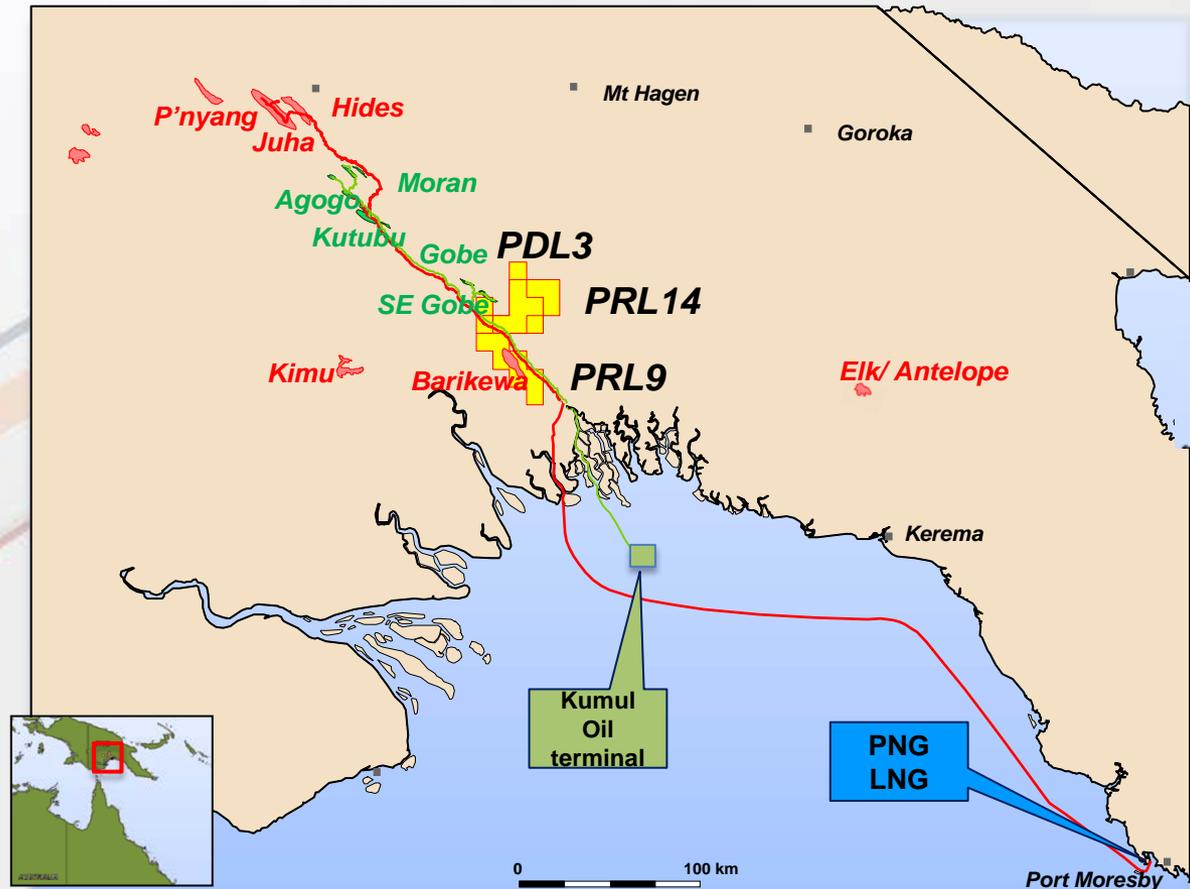
Barikewa Field (PRL9) (Cue 14.89%) is a potentially large undeveloped resource.

Appraisal well planned in 4Q 2012

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

Bilip, Iehi, Cobra (PRL14) (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

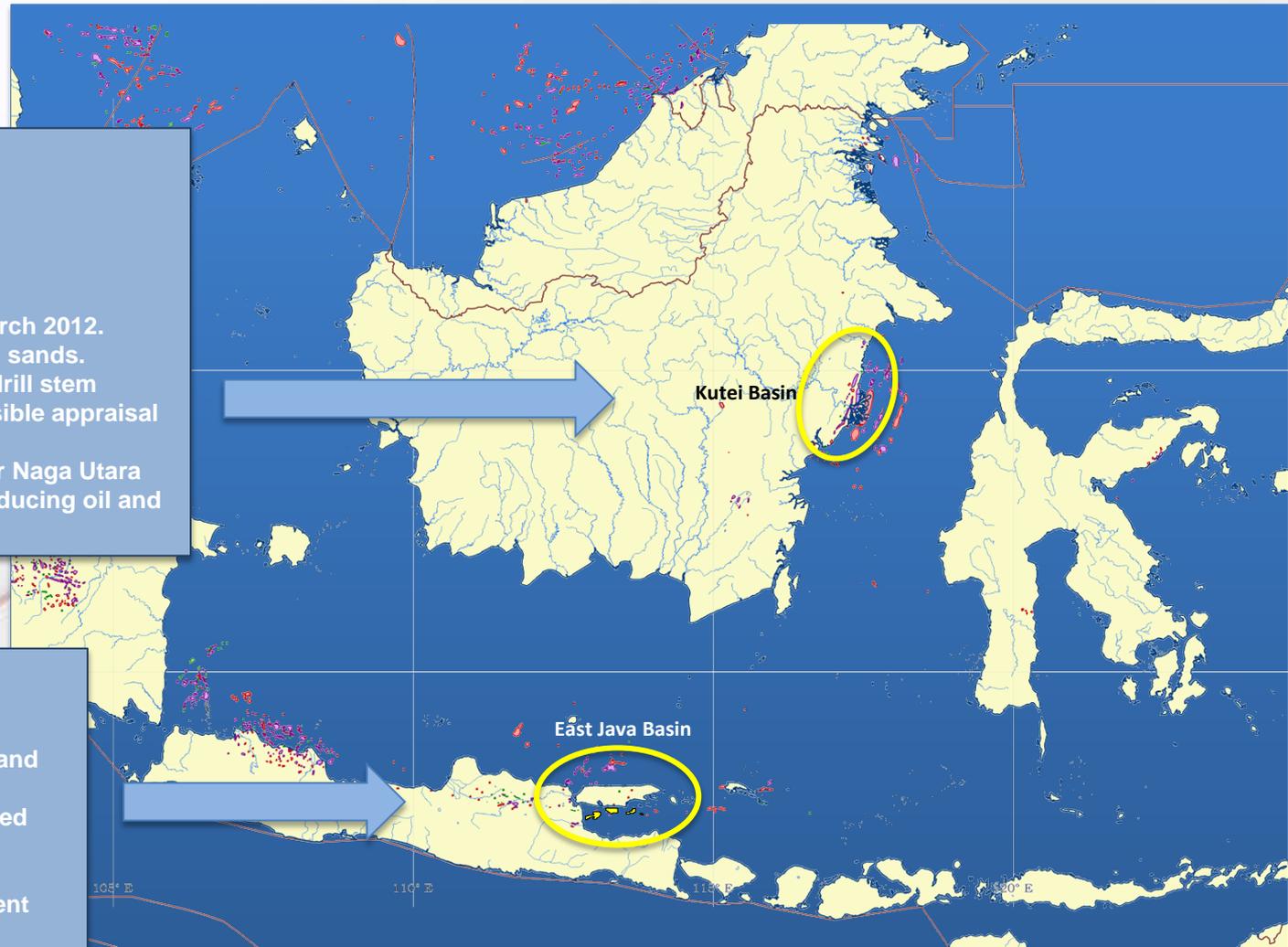
Indonesia

Kutei Basin *Mahakam Hilir PSC (Cue 40%)*

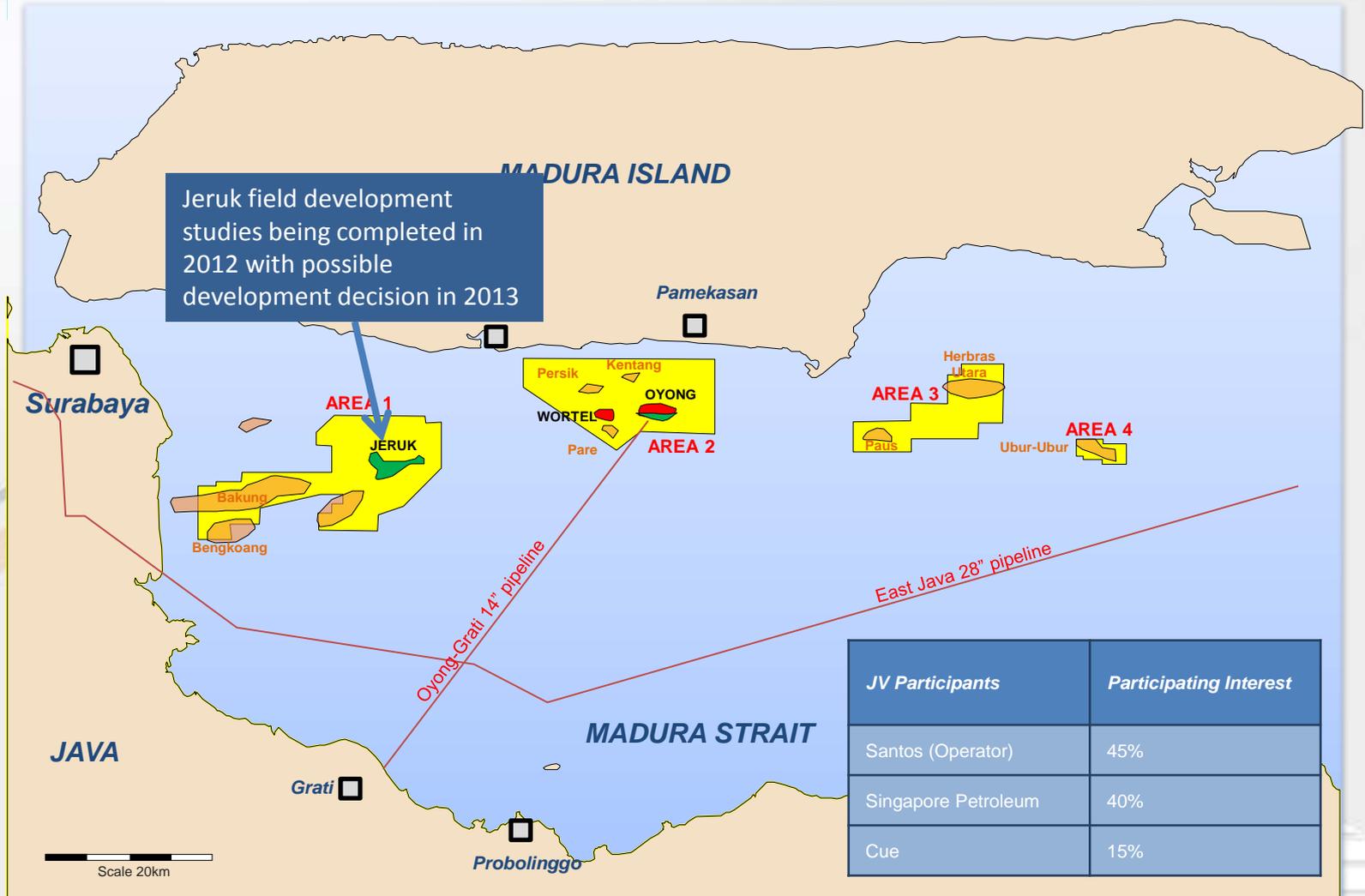
- Farmin to Mahakam Hilir PSC. Singapore Petroleum operator.
- Kutei Basin is a prolific basin.
- Naga Utara drilled January to March 2012. Discovered hydrocarbon bearing sands. Discovery to be evaluated with drill stem testing in the near term and possible appraisal wells in longer term.
- Naga Seletan to be spudded after Naga Utara
- Prospects are along trend of producing oil and gas fields.

East Java Basin *Sampang PSC (Cue 15%)*

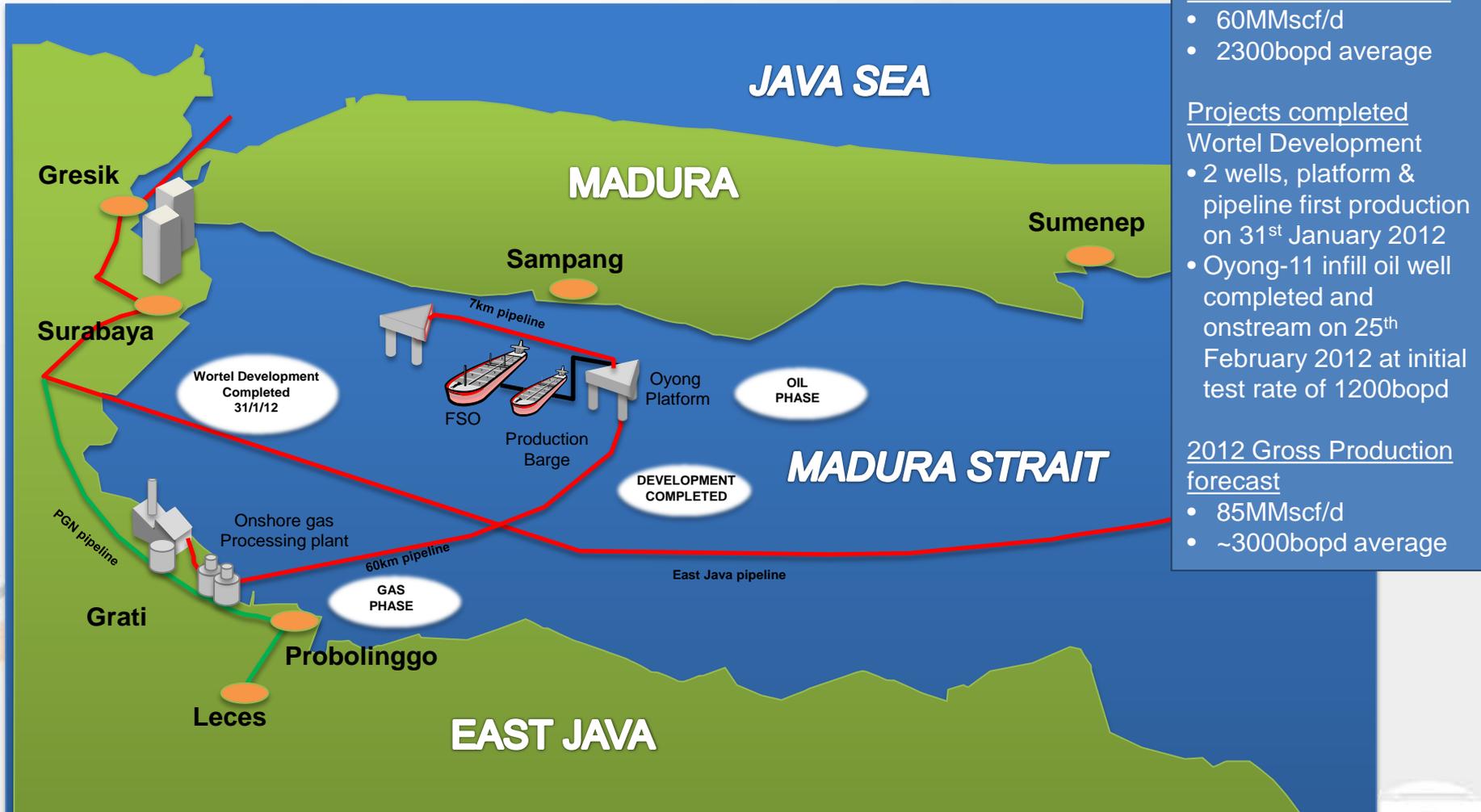
- Existing production - Oyong Oil and Gas.
- Wortel Gas Production commenced 31st January 2012.
- Further evaluation of Jeruk field ongoing with possible development decision in 2012



Sampang PSC – Indonesia



Oyong + Wortel Development



2011 Gross Production

- 60MMscf/d
- 2300bopd average

Projects completed

Wortel Development

- 2 wells, platform & pipeline first production on 31st January 2012
- Oyong-11 infill oil well completed and onstream on 25th February 2012 at initial test rate of 1200bopd

2012 Gross Production forecast

- 85MMscf/d
- ~3000bopd average

...three stage development

Mahakam Hilir - Kutei Basin

KEY BASIN STATISTICS

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

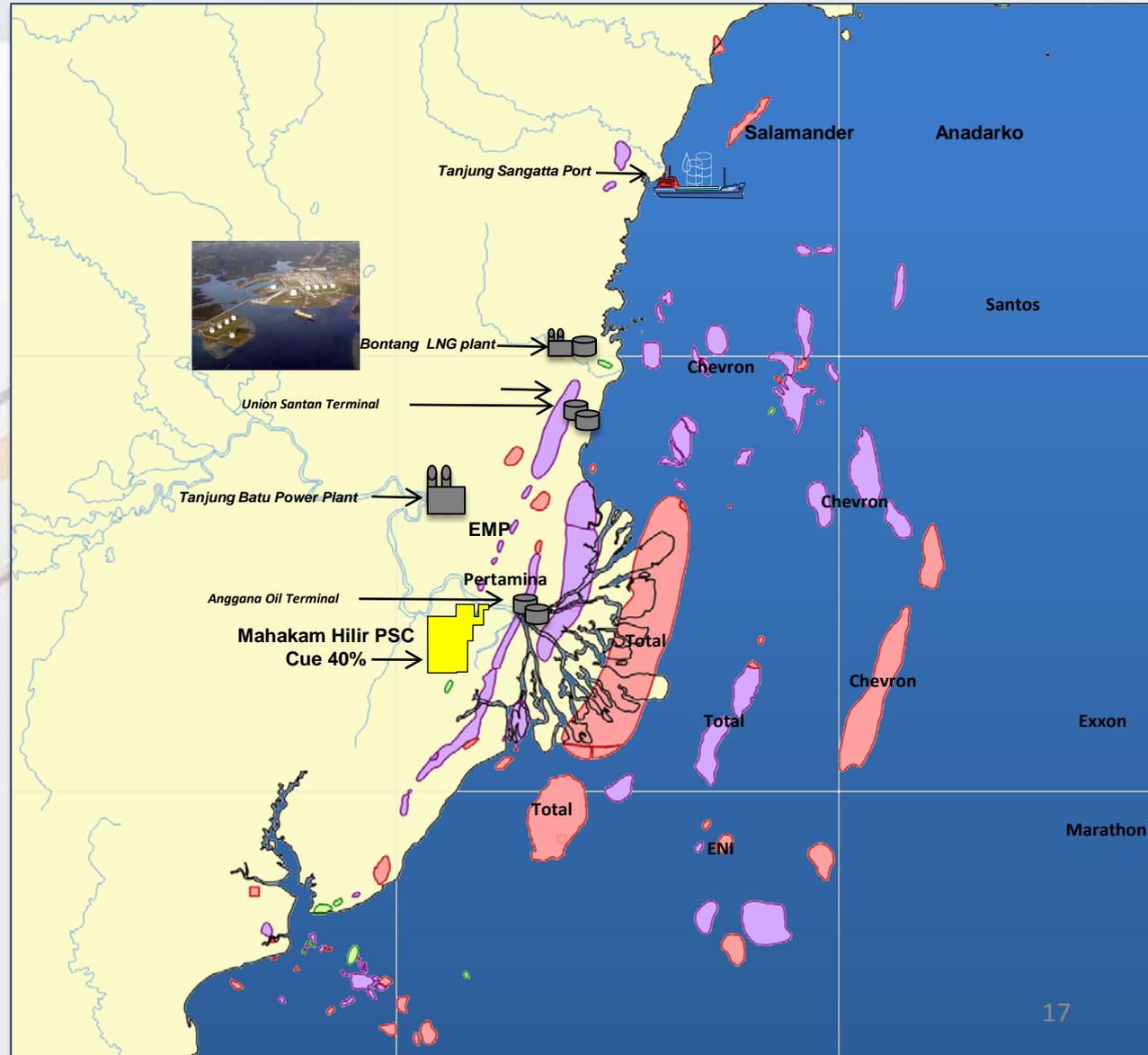
Multinational and Independent companies having assets in the basin – Exxon, Anadarko, Marathon, Chevron, ENI, Total, Santos

COMMERCIALISATION

Multiple oil terminals / processing plants & a Power station

Bontang LNG plant

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



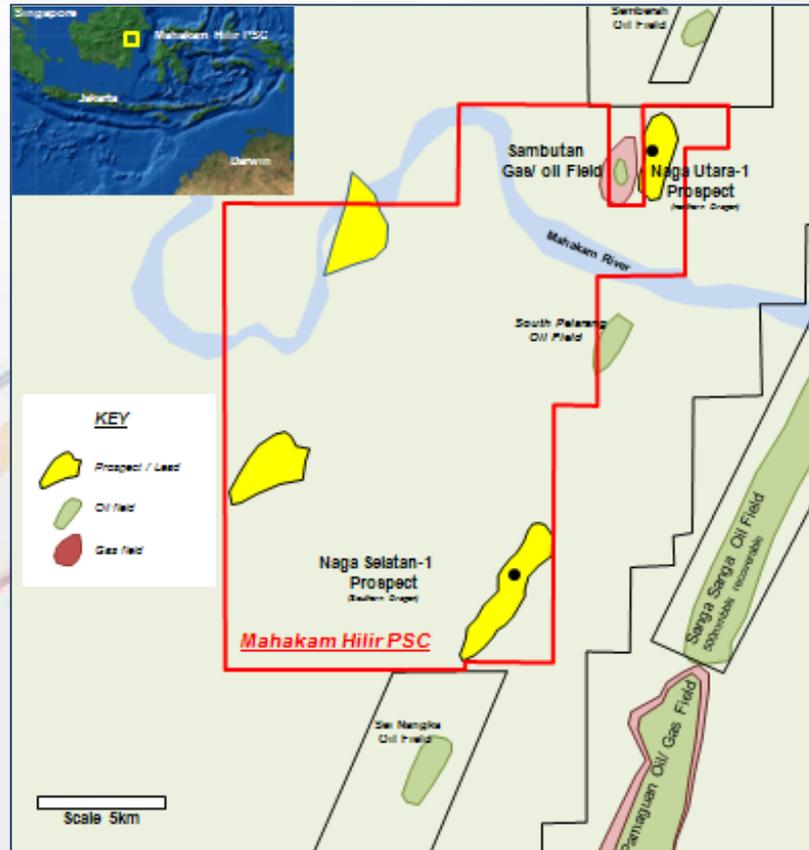
Mahakam Hilir PSC

KEY STATISTICS

- 200 km of new seismic acquired by SPC
- Historic seismic reprocessed
- 2 prospects high-graded and being drilled

Exploration Drilling

- Drilled Naga Utara January to March and intersected hydrocarbon bearing sandstones.
- Naga Selatan to be drilled immediately after Naga Utara. 20 million barrel oil prospect, deep horizons high graded due to drilling Naga Utara.



Oil and Gas Seeps



...near term oil and gas exploration

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

Mahakam Hilir Drilling Update

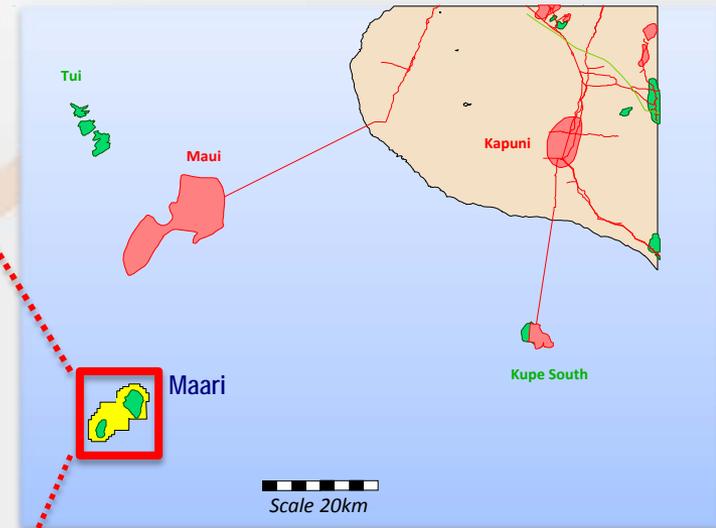
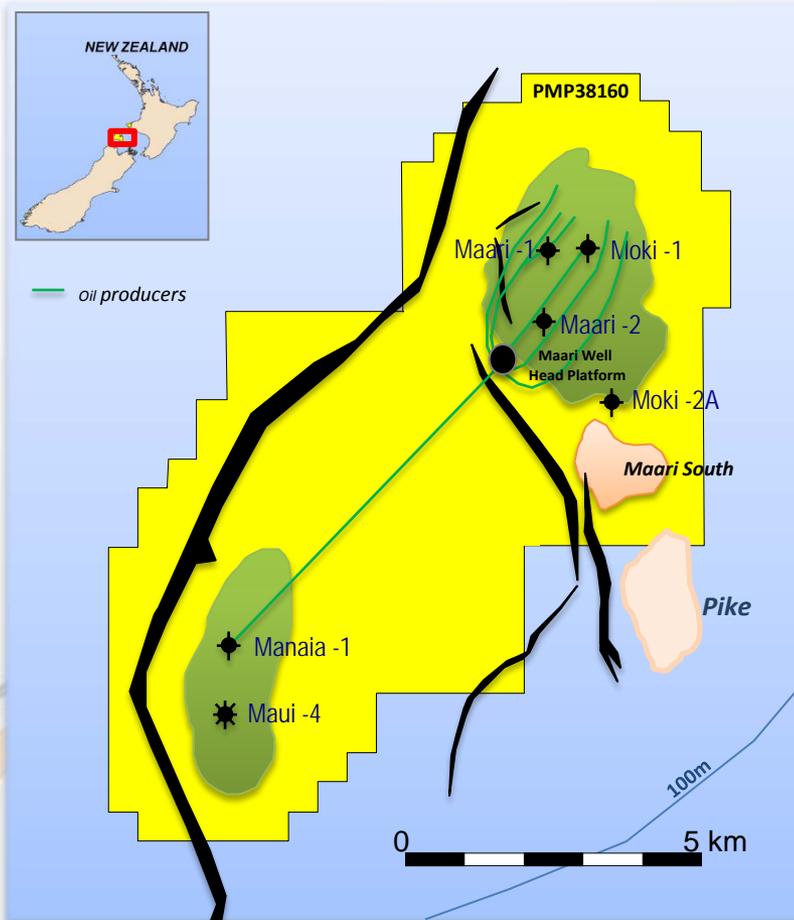
Well Results to Date

- Naga Utara -1 encountered hydrocarbon bearing sandstones
- Three zones in 8.5 inch hole evaluated with electric wire-line logs
- Two overpressured hydrocarbon zones in 6 inch hole evaluated with wireline logs
- Production testing ongoing at present
- TD of well is 5066 feet



New Zealand

Maari Oil Field



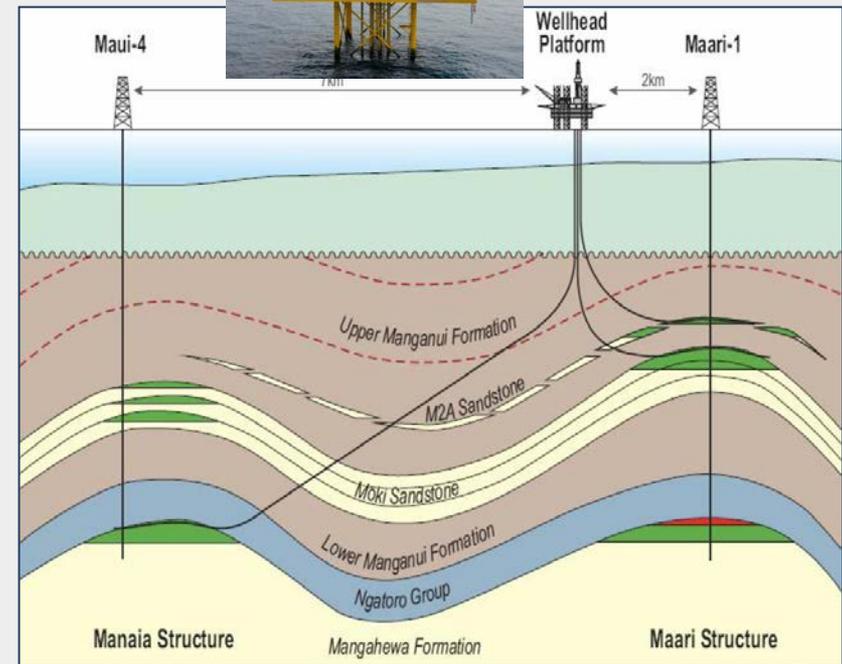
<i>JV Participants</i>	<i>Participating Interest</i>
OMV (Operator)	69%
Todd	16%
Horizon	10%
Cue	5%

...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 ~ 14,000 bopd with all wells producing.
Cue share ~ 700 bopd
- Moki 2P oil EUR ~ 52 million barrels
Cue share ~ 2.6 million barrels
- M2A 2P initial EUR ~ 3.2 million bbls
- Manaia 2P initial EUR 6.3 million bbls
- Maari Moki sands secondary recovery via waterflood has been a limited success. Recent additional perforations in the cycle 1 sand of Maari 7 and 8 may have improved waterflood sweep.
- Electrical submersible pumps have been unreliable but have been redesigned and reliability is improving.



Source: Horizon

...phase 1 completed phase 2 planned

Maari Phase 2 Appraisal and Development

Objectives

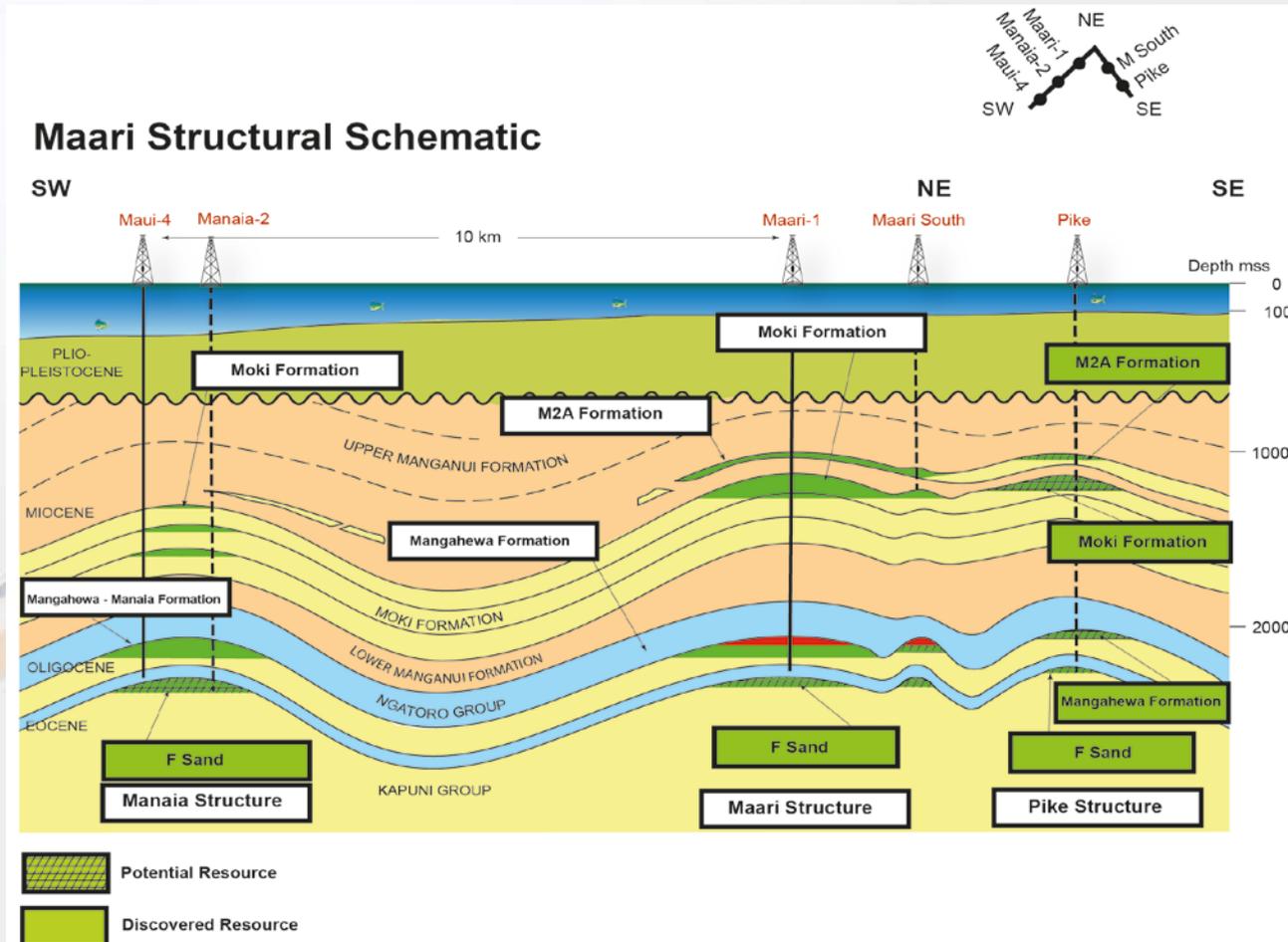
- Develop the proven Mangahewa reserves in the Maari structure
- Appraise and develop the Moki, M2A and Mangahewa reserves in Maari South. Maari South appraisal well approved by the JV for drilling in 4Q2012 or 1Q 2013.
- Appraise the Manaia Moki sands and the F- Sands in the Manaia structure. Determine the depletion of Mangahewa cycle 1 and cycle 2 sands from the existing Manaia-1 well. Identify the requirement for water injection wells in the Manaia field. A Manaia appraisal well is approved by the JV for drilling in 4Q2012 or 1Q2013
- Contingent additional appraisal well in the main Maari structure to gather data for improved waterflood and investigate the potential of the F- sands in the Maari structure
- Post further appraisal, drill and complete additional producers and water injectors and install additional wellhead platform and facilities to tie the wells into the existing FPSO if required.

Area upside + 20 - 90 MMbbls Gross*

* Cue estimate

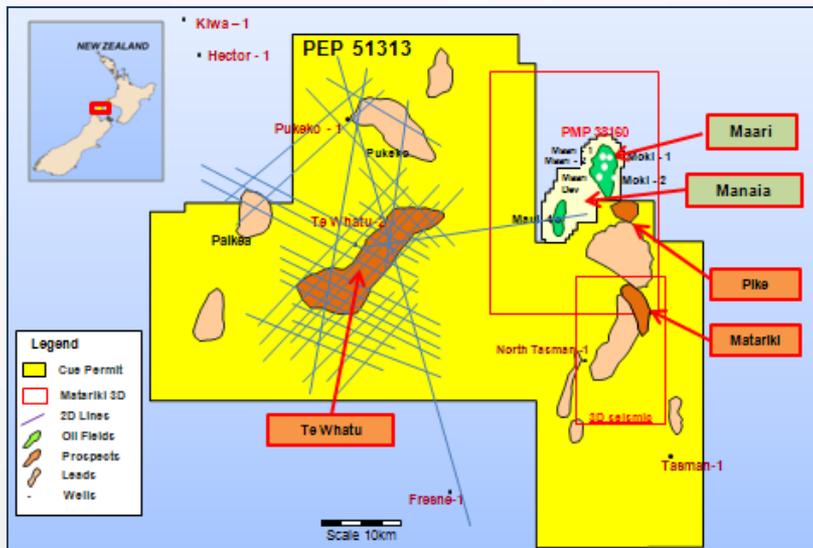
...substantial upside oil potential

Maari Phase 2 Appraisal and Development



New Zealand Exploration

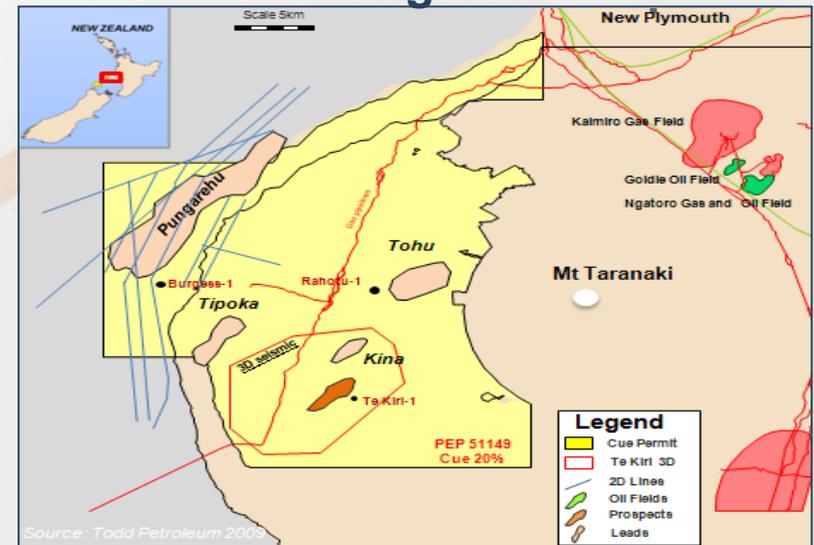
PEP 51313 - Pike



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 Q2 2011
- Discussions ongoing with Maari JV with regards to access to Maari facilities for Pike produced fluids
- New 3D survey over Pike and Maari imminent
- Possible Pike exploration well in Q4 2012 or Q1 2013

PEP 51149 – Pungarehu



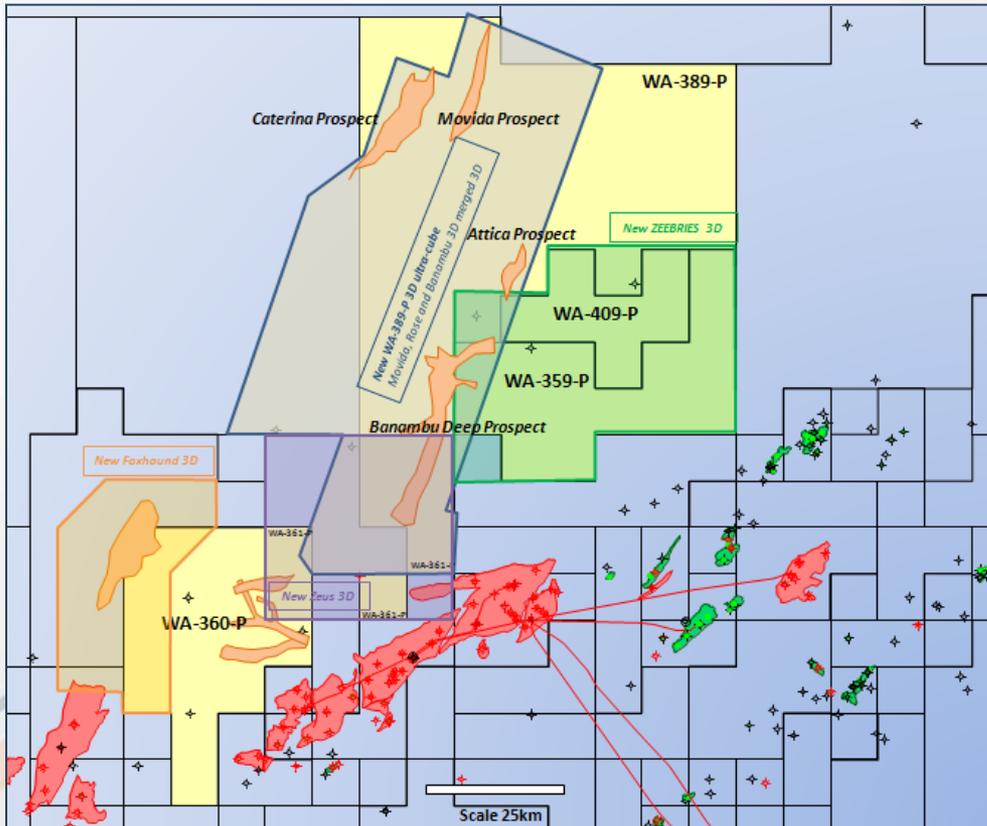
JV Participants	Participating Interest
Todd Exploration (Operator)	61.425%
Cue Taranaki Pty Limited	20%
Mosaic Oil Limited (AGL)	18.575%

- Pungarehu 2D Seismic acquisition completed Q2 2011

...possible Pike exploration well in Q4 2012

Australia

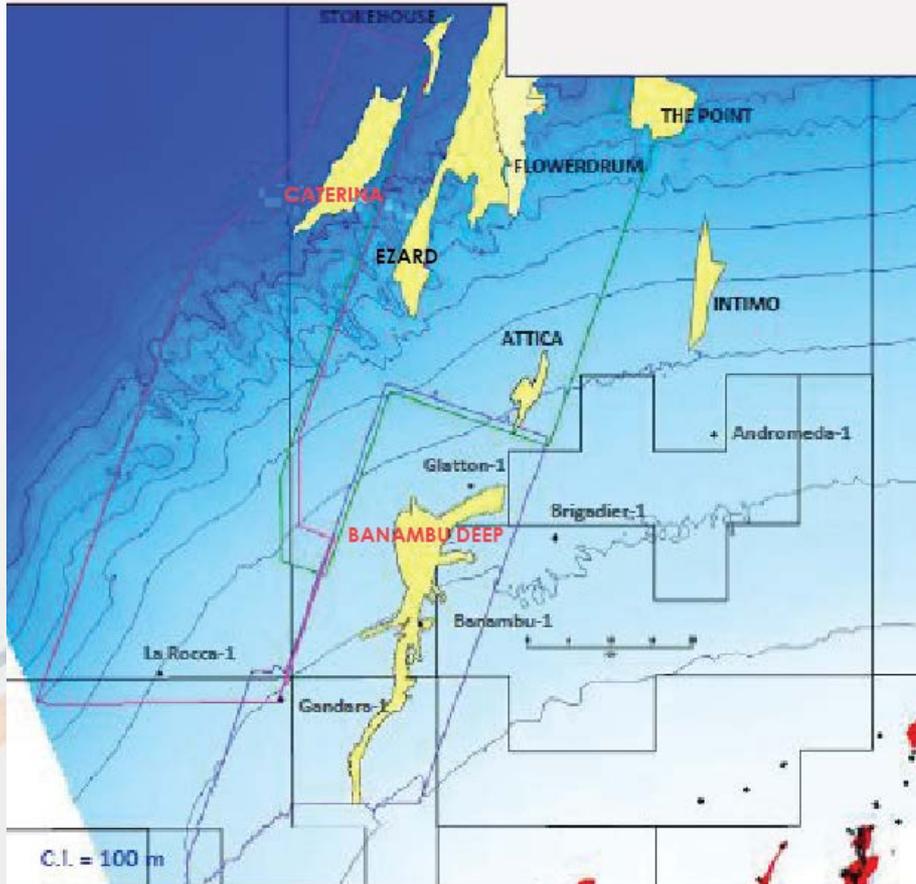
Carnarvon Basin Permits



- 5 permits on trend with major discoveries and new developments
- Significant existing and planned LNG processing capacity in the region
- WA-389-P - Woodside
 - Movidia 3D seismic completed in 1Q, 2011
 - Drilling one well in 2Q, 2012
 - Cue 35% free carry
- WA-359-P, WA-409-P - Apache
 - 3D seismic completed
 - Cue 30% seismic free carry, 15% well free carry if Apache exercise drill option
- WA-360-P, WA-361-P
 - New Foxhound 3D seismic
 - New Zeus 3 D seismic
 - JV investigating other prospects in the block

...large gas potential adjacent to LNG developments

WA-389-P

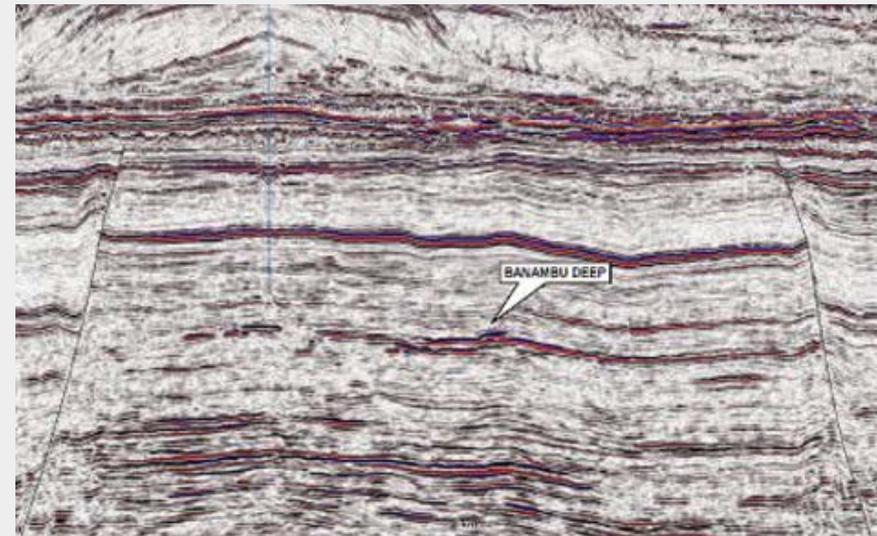
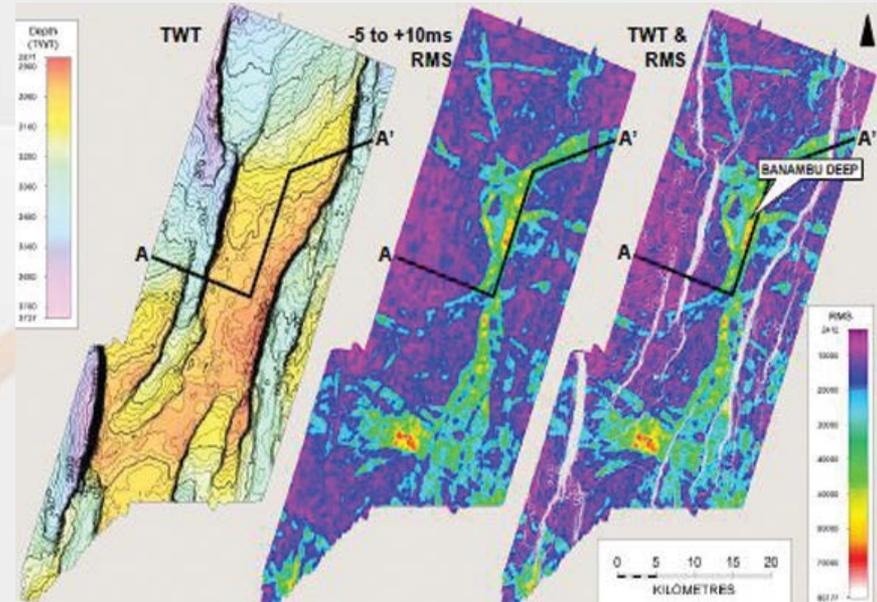
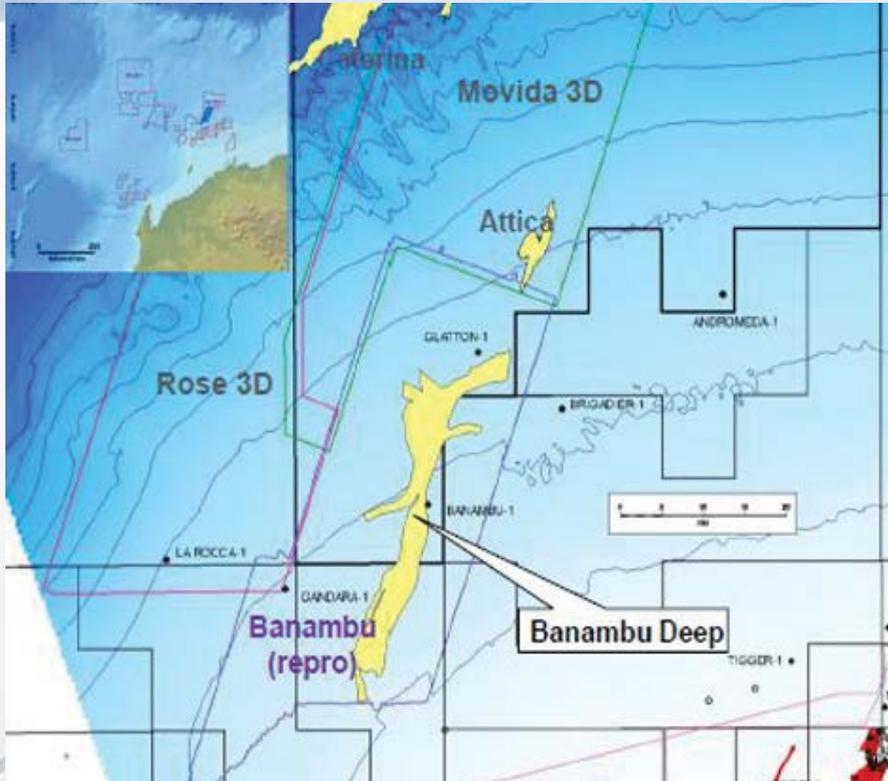


Following farmout to Woodside in 2010

- New Movidia 3D seismic and existing 3D seismic reprocessing completed
- 8 prospects and leads
- Cue retains 35% carried interest
- Planning to drill Banambu Deep prospect in 2Q 2012

...potential to supply an LNG development

Banambu Deep



Banambu Deep Prospect

Water Depth	320m
Proposed Total Depth	4780m
Gas	Potential volumes of up to 1.5 TCF

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)			■										
FIRM DRILLING													
Mahakam Hilir PSC Naga Selatan			■										
Mahakam Hilir PSC Naga Utara		■											
Sampang PSC Wortel Development (2)	■												
Sampang PSC Oyong Development (1)		■											
WA-389-P Banambu Deep -1			■										
CONTINGENT DRILLING													
WA-359-409				■									
Mahakam Hilir PSC Naga Utara appraisal				■	■								
Barikewa - 3					■								
Maari / Manaia Appraisal					■	■							
Maari / Manaia Development wells									■	■			
PEP 51313 (Pike/Matariki)						■							
PEP 51149 Pungarehu										■			
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 net debt
- Aggressively screening new venture opportunities
- Encouraging results at Naga Utara drilling high grades other prospects in the Mahakam Hilir permit

Near-term Activity

- Naga Selatan oil exploration drilling March/April 2012
- Possible Naga Utara appraisal drilling 3Q 2012
- WA389-P high potential gas exploration drilling mid 2012

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