



## Cue Energy Resources Limited

A.B.N. 45 066 383 971

6 September 2012

PAGES (including this page): 21

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

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### Investor Presentation September 2012

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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

#### 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)
- David Whittam (Exp Man)
- Alex Parks (CCO)

#### OFFICE

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#### CONTACT DETAILS

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#### WEBSITE

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#### LISTINGS

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

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**Investor Presentation**  
**September 2012**  
**Andrew Knox (CFO)**



## **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\$0.16     A\$118 Million  
 Ordinary Shares                     698,119,720  
 12 Month Trading Range            14.5 – 34c  
 Average Daily Volume                ~500,000  
 Cash at 30/06/2012                 A\$33.7 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

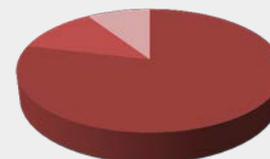
## 2P Oil Reserves



- 1.9 MMbbls (2P\*) Maari (NZ)
- 0.3 MMbbls (2P\*) Oyong (Indonesia)
- 0.1 MMbbls (2P) SE Gobe (PNG)

**Total Oil: 2.3 MMbbls**

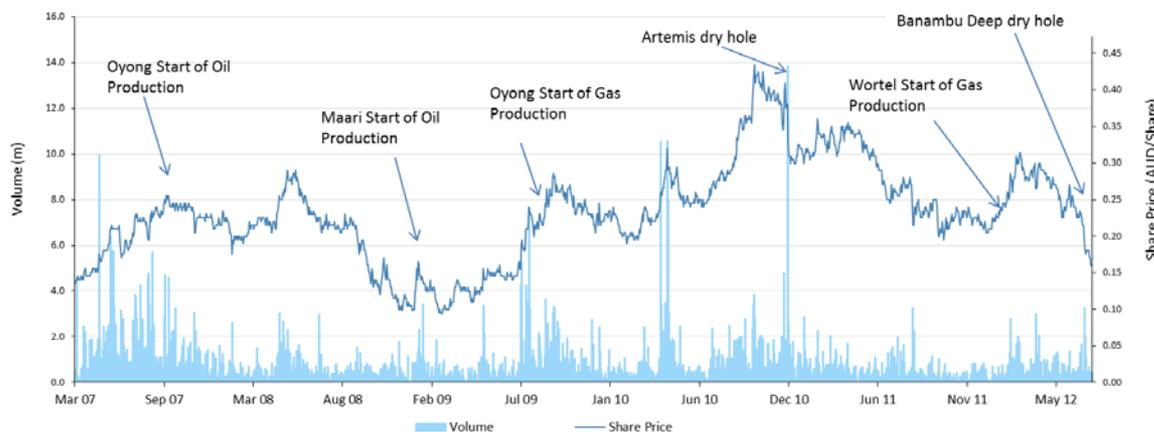
## 2P/2C Gas Reserves / Resources



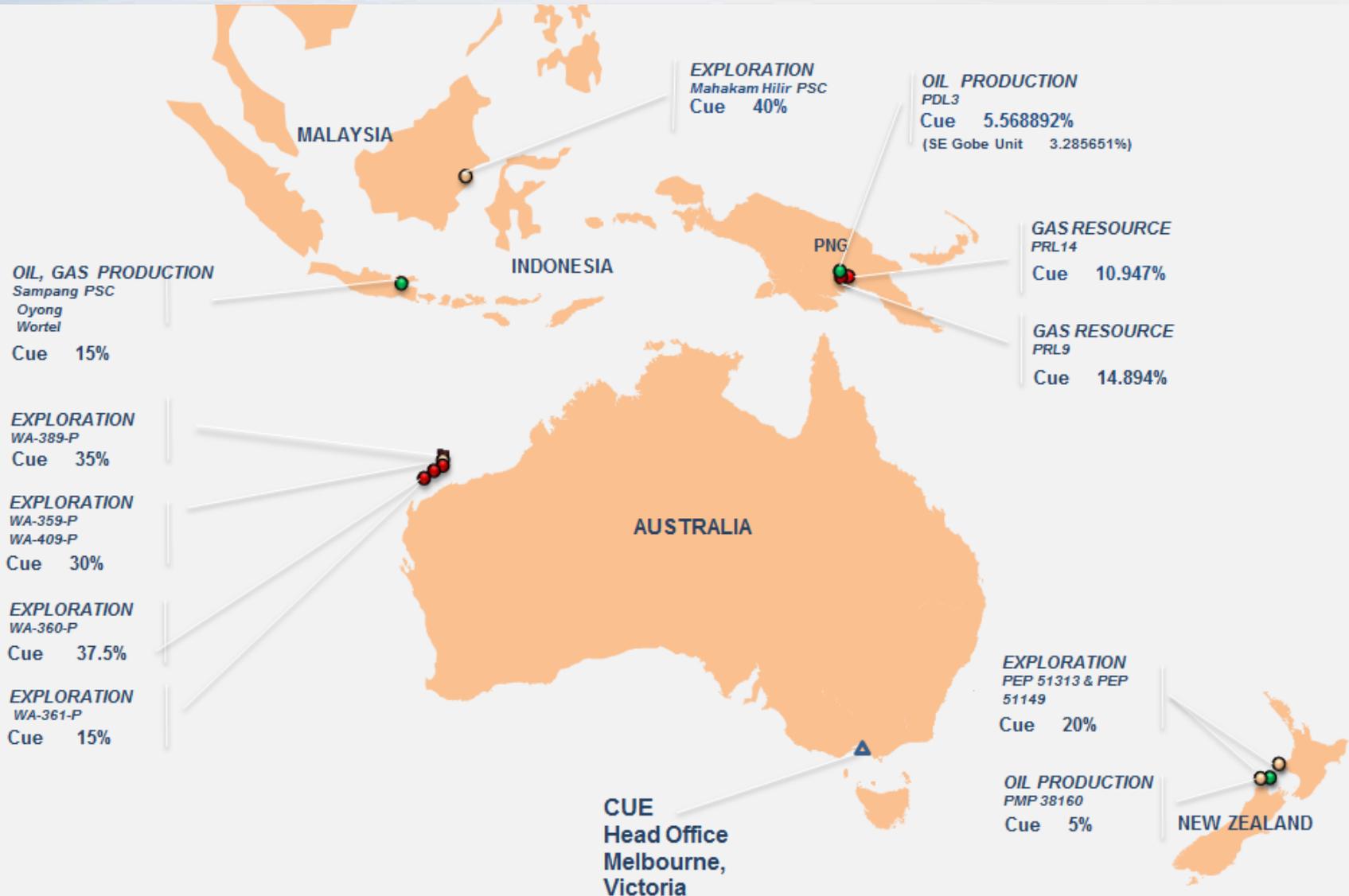
- 91 Bcf (2C+) Barikewa (PNG)
  - 14 Bcf (2P) Wortel (Indonesia)
  - 7 Bcf (2P) Oyong (Indonesia)
  - 2.5 Bcf (2P) SE Gobe (PNG)
- Total Gas: 114.5 Bcf (20 MMbbls BOE)**

Volumes remaining to be produced at 30/06/2012  
 \*Cue estimate † Contingent resource

**Cue Energy Resources Limited Share Price Performance**



# Asset Location Map



# 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**



**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**

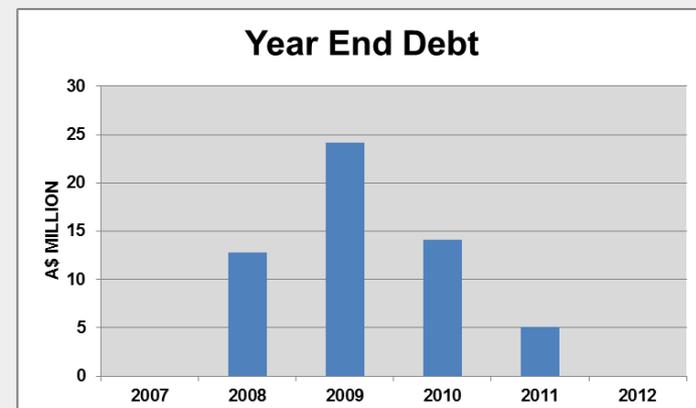
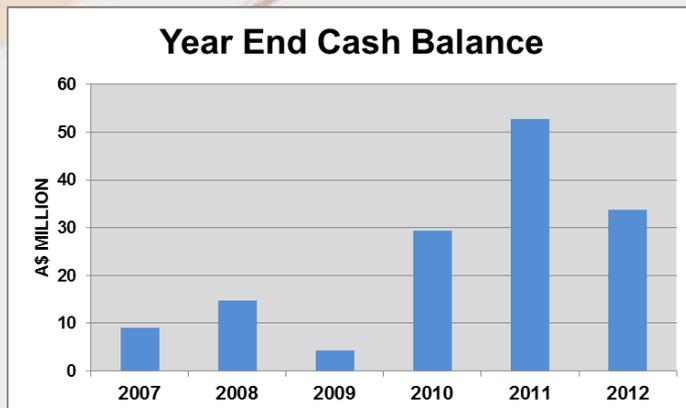
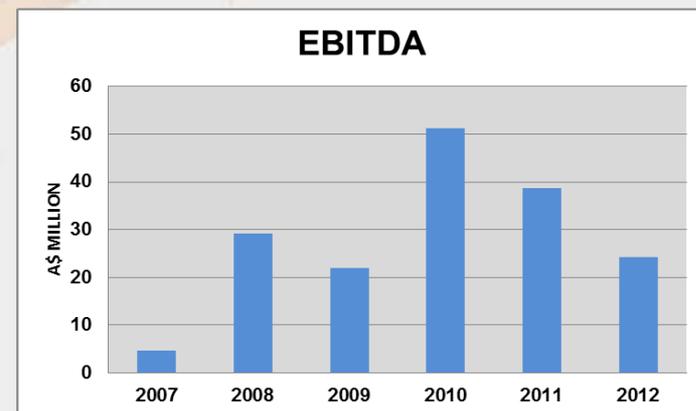
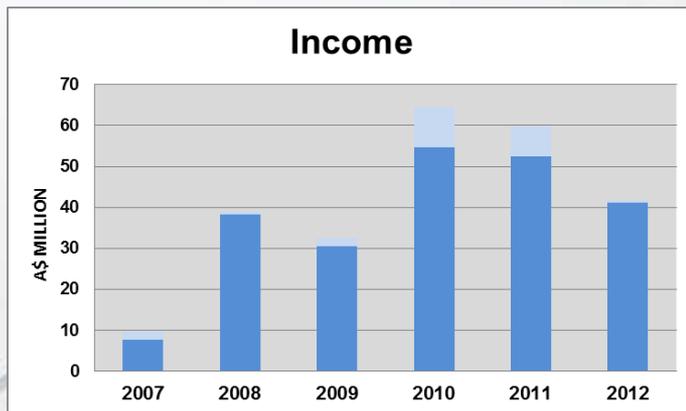


**Barry Messent**  
**Senior Geoscientist**



# 2012 Financial Results

- 2012 Revenue down due to natural decline, production interruptions at Oyong to connect Wortel and downtime at Maari due to ESP's. Set to rise in FY 2013 due to full year of Wortel production and improved reliability at Maari.
- Cash down at year end, but now rising after extensive six well drilling program in FY 2012

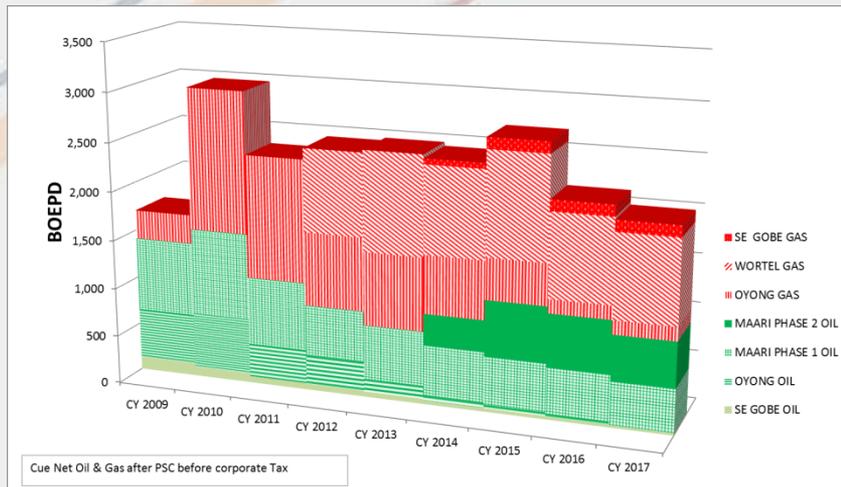


# PROJECTS



# Production Assets

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• <b>Maari Field, Offshore New Zealand</b><br/>Cue 5%</li> </ul>               | <ul style="list-style-type: none"> <li>• Maari commenced production in 2009</li> <li>• Current production ~12,000 bopd</li> <li>• Phase 2 of development to extend field life beyond 2030</li> <li>• New ESP's and waterflood improvement stabilised production (98.4% uptime in June)</li> </ul> |
| <ul style="list-style-type: none"> <li>• <b>Sampang PSC, Offshore Madura Island, Indonesia</b><br/>Cue 15%</li> </ul> | <ul style="list-style-type: none"> <li>• Oyong oil production commenced in 2007</li> <li>• Oyong gas production commenced in 2009</li> <li>• Wortel Gas production commenced January 2012</li> <li>• Gross production from the PSC currently 85 MMscf/d and ~2,500 bopd</li> </ul>                |
| <ul style="list-style-type: none"> <li>• <b>SE Gobe Field, Onshore PNG</b><br/>Cue 3.3% unitised interest</li> </ul>  | <ul style="list-style-type: none"> <li>• Cue has a unitised interest in the SE Gobe Field in PNG</li> <li>• 70 bopd net to Cue</li> <li>• Gas cap will be commissioning gas for PNG LNG</li> </ul>  |



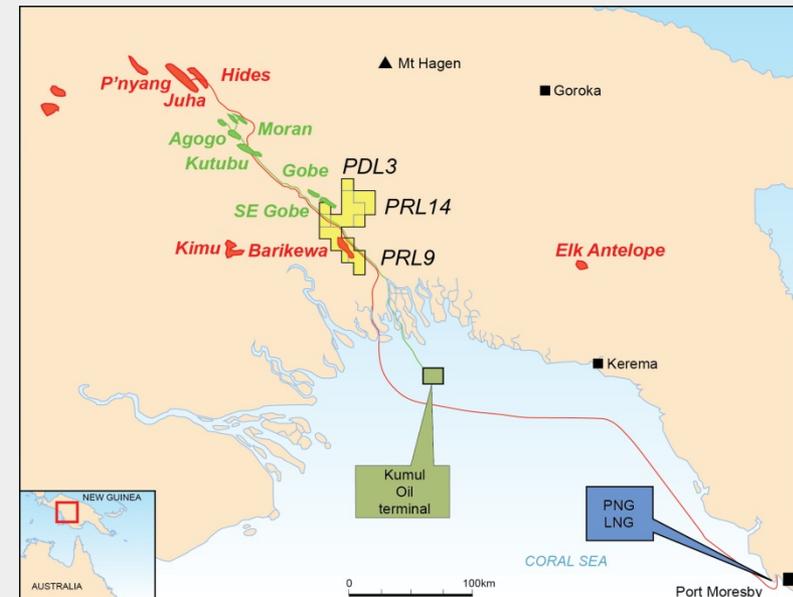
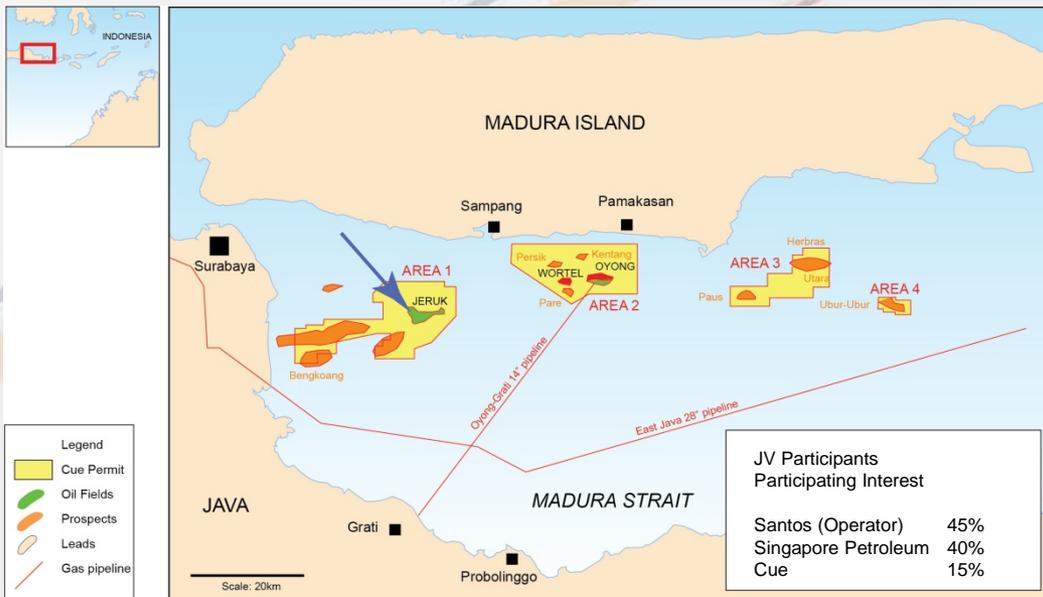
Production base is diverse mixture of oil and gas, onshore and offshore

Cue's total net production after PSC terms, before before corporate tax is ~2,500 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

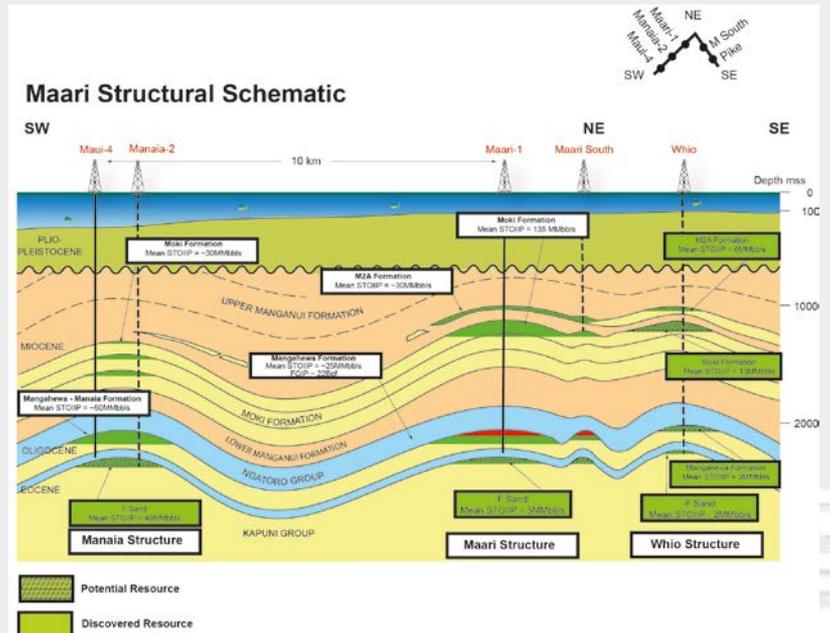
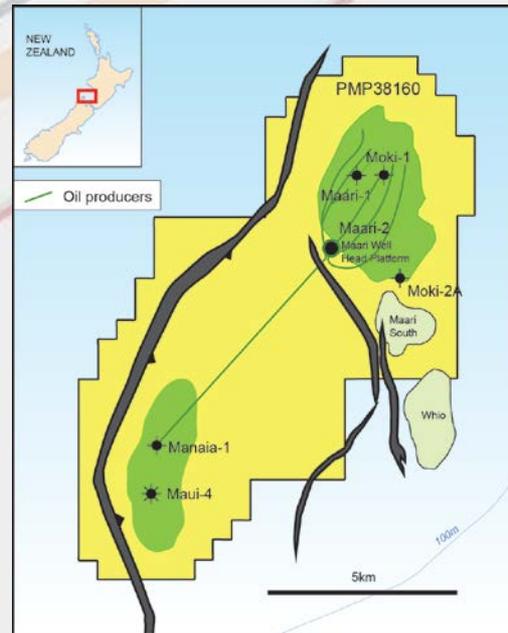
- Maari / Manaia Field, Offshore New Zealand Cue 5%

## Phase 1 Development (Complete)

- Platform, FPSO, 7 oil wells, 3 water injectors
- First oil 1Q 2009, 19.2 million barrels produced
- Current rate ~12,000 bopd with all wells producing. Cue share ~600 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 Q2 2013 (+ Whio exploration well)
- Incremental development in 2014
- Potential incremental oil 20–90 MMbbls
- With FPSO recertification production will continue to beyond 2030

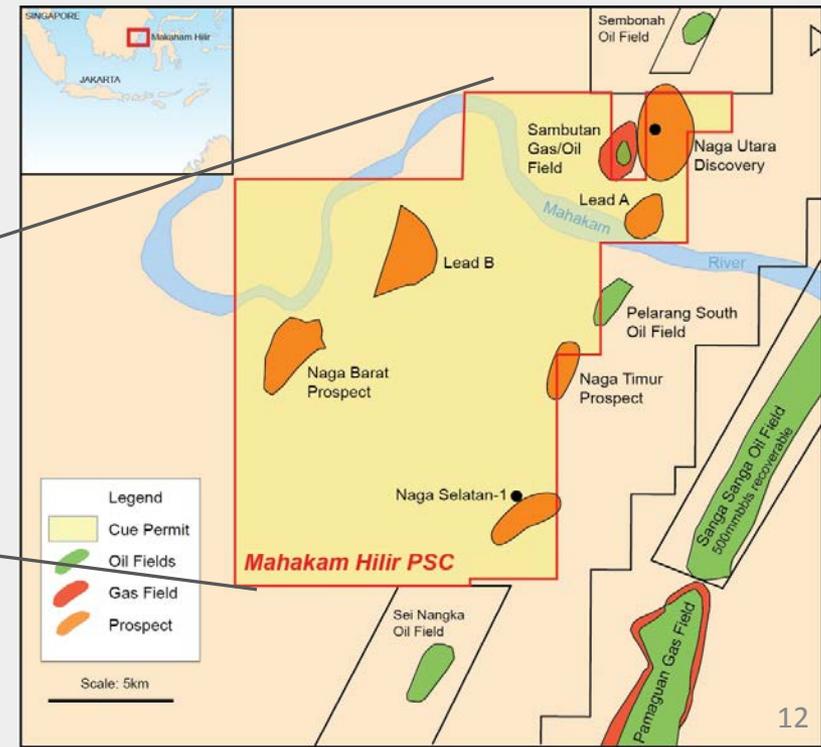
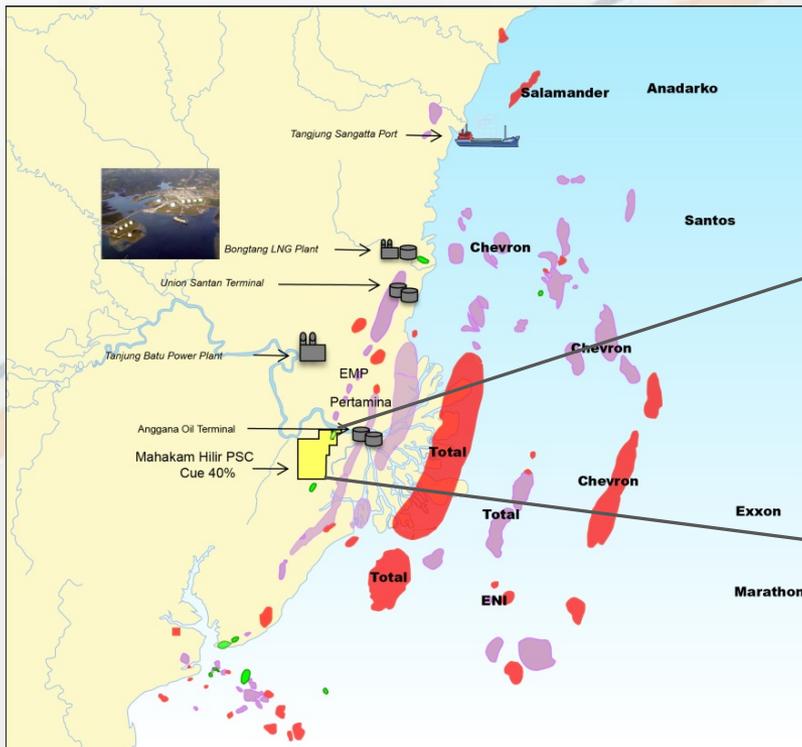


# Indonesia Exploration, Kutei Basin Mahakam Hilir PSC

## Exploration Drilling 2012

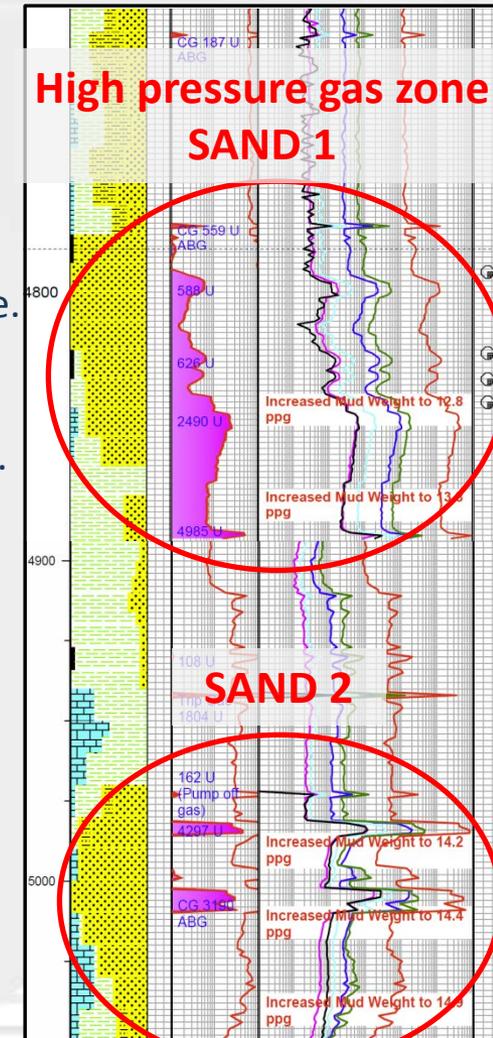
- **Naga Utara** – Drilled January to March 2012 and discovered gas bearing sandstones. Two zones flowed gas during drilling.
- Planning further drilling for appraisal & testing underway.
- **Naga Selatan** – Drilled April to June 2012. Well TD extended from 6500 feet to 8300 feet due to hydrocarbon shows in the 8-1/2" hole section to 8000 feet.
- Well plugged and abandoned but results indicate significant up-dip potential.

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

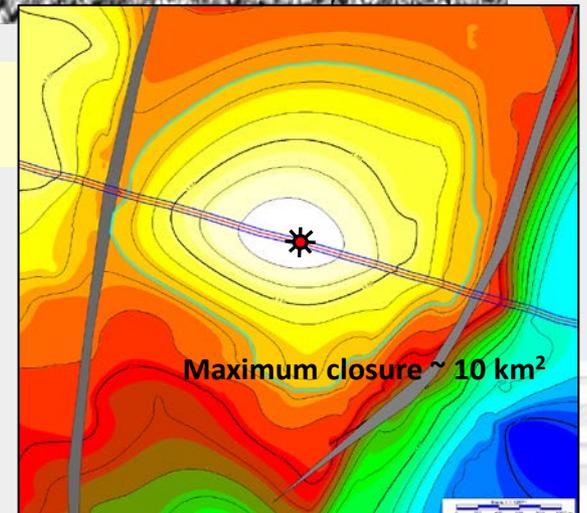
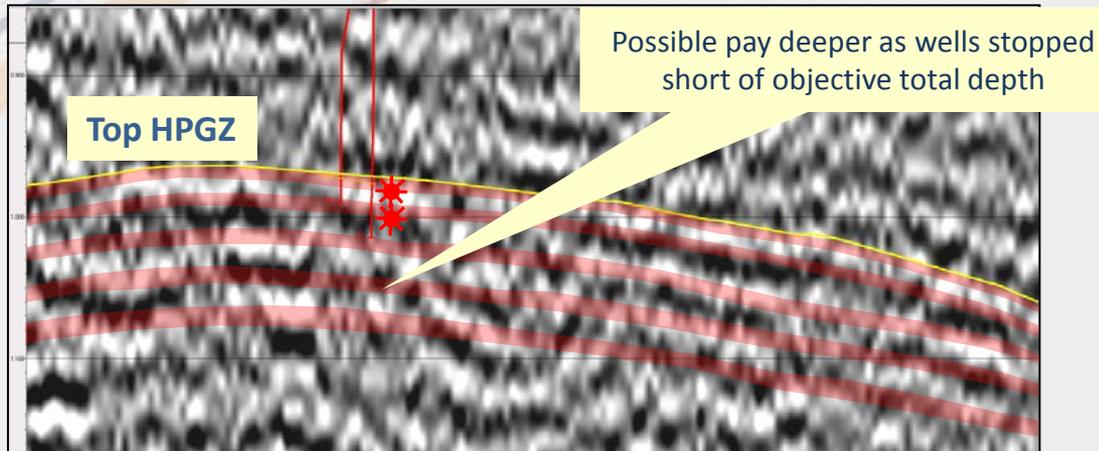
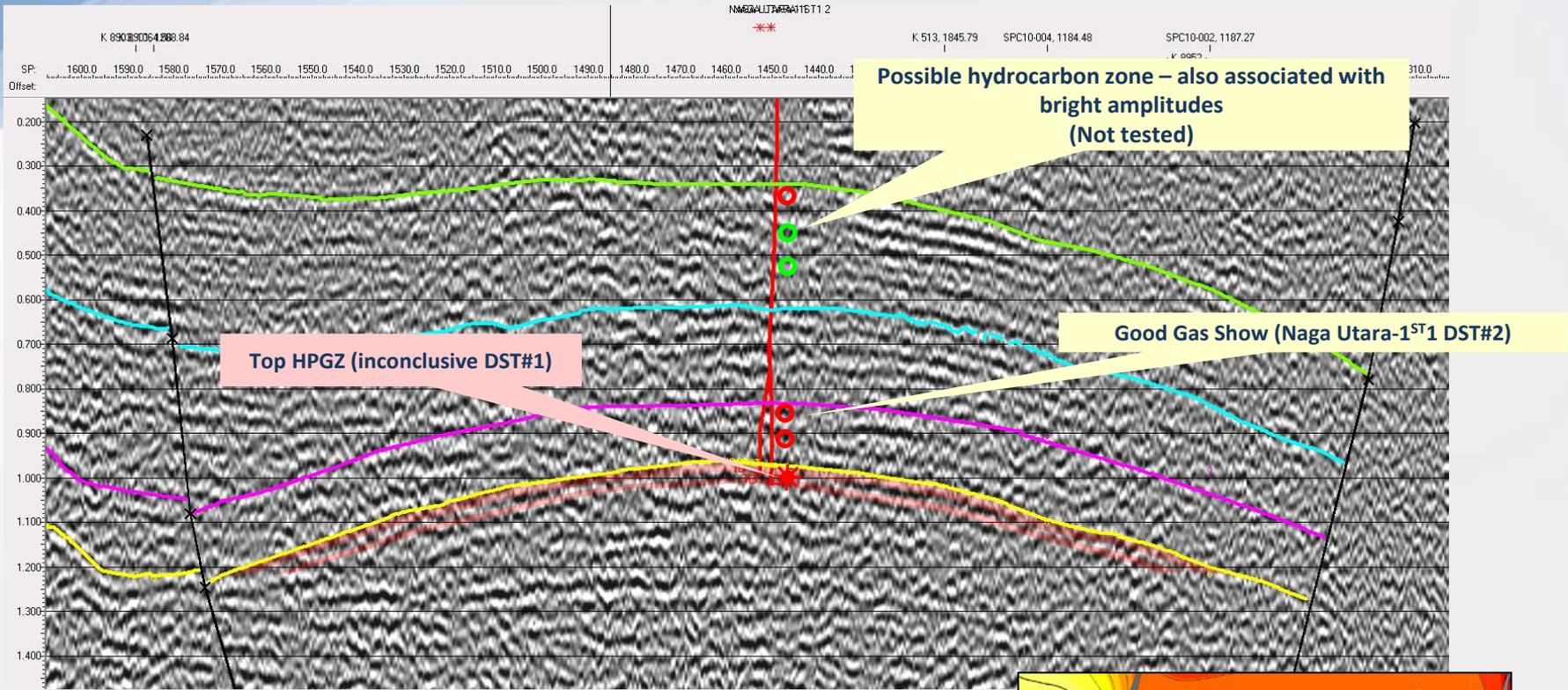


# Naga Utara – gas discovery

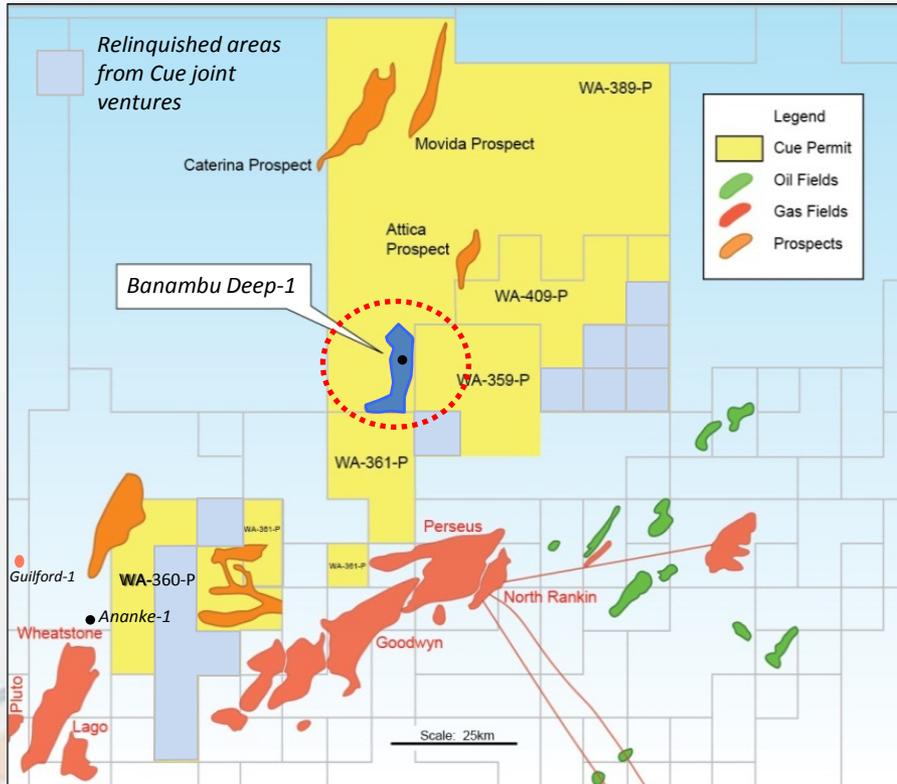
- During the drilling of Naga Utara-1 the well encountered a high pressure gas zone below 4,780 feet.
- Well kicked and started producing significant gas.
- 7-8 metre flare for seven days into flare pit while attempting to kill well.
- Gas chromatograph off scale (>5000 units) and 860,000 ppm.
- Bottom hole assembly and drill pipe became stuck at TD 4,887 ft in main hole.
- Well was sidetracked – 2 gas bearing sands encountered in sidetrack.
- MDT test point gave 60mD permeability and 0.5% CO<sub>2</sub> and zero H<sub>2</sub>S.
- Inconclusive bare-foot well test due to technical difficulties and hole collapse.
- Strong indications of large resource but too early to give estimate.



# Dip line - Naga Utara High Pressure Gas Zone (4,780 ft)



# WA-389-P – Banambu Deep-1 Drilling Summary



## Banambu Deep-1

Water Depth	320m
Final Total Depth	4,696m
Spud date	29 <sup>th</sup> May 2012
Completion date	12 <sup>th</sup> July 2012
Status	Plugged and Abandoned Dry hole

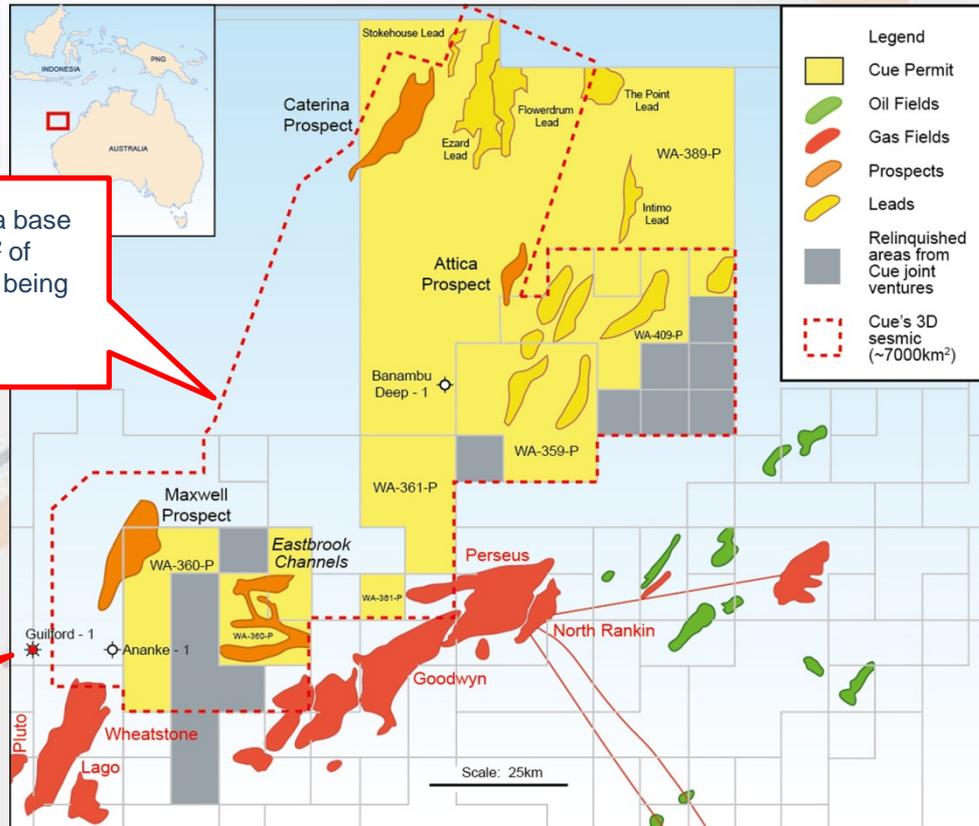
- Cue farmed down its 100% equity to Woodside in 2010 with Cue retaining 35% carried interest
- New Movidia 3D seismic and existing 3D seismic reprocessed completed and merged in 2011
- Woodside farmed down part equity to BHP Billiton who earned 40% equity in return for funding Banambu Deep-1 to a capped amount
- The Banambu Deep-1 well reached total depth of 4696 mMD on the 26th June 2012 within the Mungaroo Formation. The primary and secondary fluvial sandstone units were intersected according to pre-drill prediction; however both intervals were found to be water-bearing. A full wire-line log evaluation was conducted prior to the well being plugged and abandoned as planned.
- The well results are being integrated and evaluation of the remaining potential is underway.
- 7 prospects and leads remain within the acreage

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

# Australia

## Carnarvon Basin Permits Significant Exploration Follow-up

- 5 permits on trend with major discoveries and new developments
- Significant existing and planned LNG processing capacity in the region
- Key drilling in region planned for 2012/2013
- WA-389-P - Woodside
  - Post Banambu Deep-1 well evaluation and recent drilling activity to be integrated with newly acquired and processed 3D data during 2012
- 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 purchased
  - New Zeus 3 D seismic purchased
  - JV investigating other prospects in the block



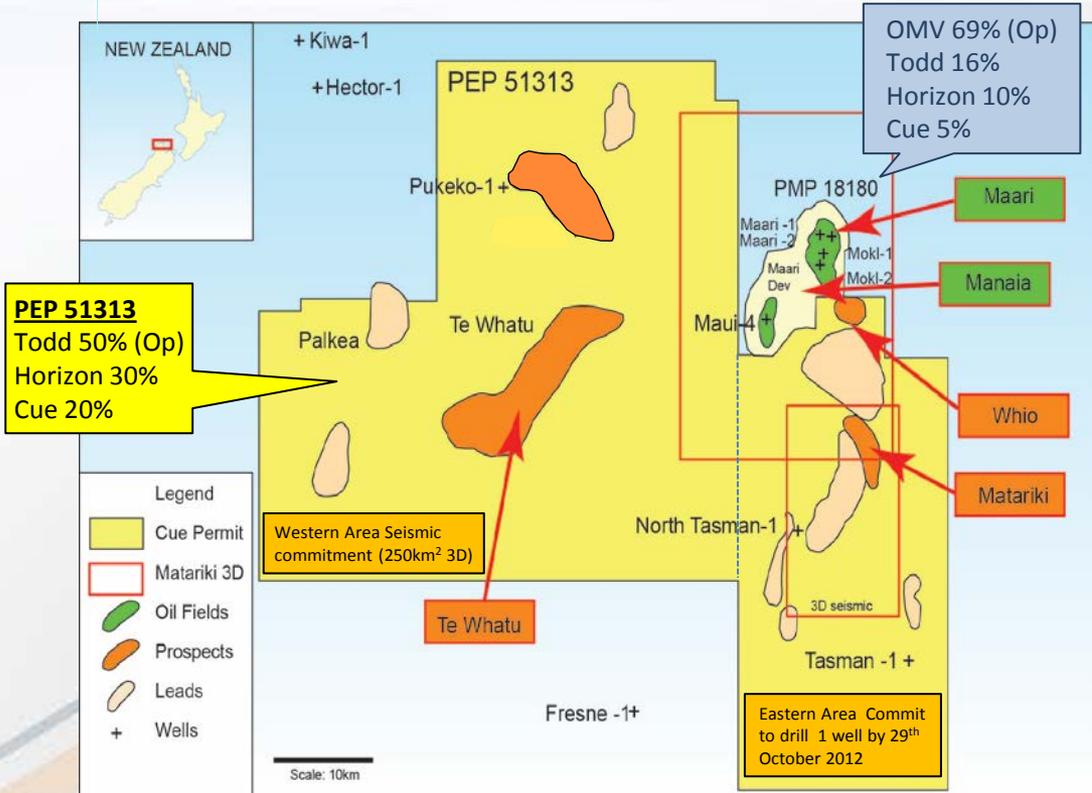
Cue's 3D data base over 7000km<sup>2</sup> of modern 3D is being currently interpreted.

Guilford-1 (2003) encountered 27m gas column in Cretaceous aged carbonates.

...large gas potential adjacent to LNG developments

# New Zealand Exploration

## PEP 51313 Significant Near term potential



Whio (Pike)	P <sub>90</sub>	P <sub>50</sub>	P <sub>10</sub>	mean
Oil in place	21	39	110	42

Pukeko N.E.	P <sub>90</sub>	P <sub>50</sub>	P <sub>10</sub>	mean
Oil in place	23	78	237	111

Te Whatu	P <sub>90</sub>	P <sub>50</sub>	P <sub>10</sub>	mean
Oil in place	42	137	399	187

Matariki	P <sub>90</sub>	P <sub>50</sub>	P <sub>10</sub>	mean
Oil in place	220	352	532	366

Roll-up of Prospects	P <sub>90</sub>	P <sub>50</sub>	P <sub>10</sub>	mean
Oil in place	306	606	1278	706
Recoverable Resource *	92	182	383	212

Low  
↑  
Risk  
↓  
High

- Te Whatu 2D interpretation complete with refined volumetric assessments for both Te Whatu and Pukeko North East (N.E.)
- Matariki 3D complete and volumetric update concluded.
- Discussions ongoing with Maari JV with regards to access to Maari facilities for Whio produced fluids
- New 3D survey acquired over Whio (formerly Pike) and Maari in 2012. Processing expected to be completed Q3 2012. Data will be merged and integrated with Matariki 3D
- Possible Whio exploration well in Q4 2013
- JV commitment into next 2 year license phase over Western Area requiring 250km<sup>2</sup> of 3D

- All volumetric resource numbers are millions of barrels of oil (Gross, Cue share 20%)
- Recoverable rate assumed is 30%

# Activity Timing

CUE INDICATIVE TIME LINE	2011	2012				2013				2014			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>EXPLORATION SEISMIC</b>													
NZ (3D Whio & Maari / Manaia)													
<b>FIRM DRILLING</b>													
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													
<b>CONTINGENT DRILLING SUBJECT TO JV APPROVAL &amp; RIG AVAILABILITY</b>													
Mahakam Hilir PSC Naga Utara appraisal													
Maari / Manaia Appraisal													
Maari / Manaia Development wells													
PEP 51313 (Whio/Matariki/Te Whatu)													
PEP 51149 (Te Kiri)													
WA-359/409													
Barikewa - 3													
<b>PRODUCTION</b>													
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

## Significant near term upside

- Naga Utara appraisal drilling Q1 2013 subject to final approvals and rig contract
- Significant prospect inventory in Australia and New Zealand and will mature five prospects to drill readiness over the next six months for potential execution in 2013
- Maari Phase 2 appraisal drilling 2013 with further development likely of incremental reserves in the range 20-90 million barrels gross in 2014
- Most likely next exploration well is low risk Whio prospect (formerly Pike) exploration drilling in 2013 with subsequent tie in to Maari

# Contact Details

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