



PRESS RELEASE

Date: January 11, 2010

Website: www.cubicenergyinc.com

Phone: (972) 686-0369

Contact: Donna Luedtke
Investor Relations

Email: donna@cubicenergyinc.com

(Updated) Cubic Energy, Inc. Granted Extension by NYSE Amex

DALLAS, January 11, 2010 (GlobeNewswire) -- Cubic Energy, Inc. (NYSE Amex: QBC) ("Cubic" or the "Company") today announced that on January 8, 2010, Cubic received notice from the NYSE Amex LLC (the "Exchange") that the Exchange has granted the Company a further extension of time, through March 31, 2010, to evidence full compliance with the Exchange's continued listing standards.

As previously disclosed on June 29, 2009 and September 17, 2009, the Exchange previously notified Cubic that it believed the Company was not in compliance with Section 1003(a)(iv) of the Exchange's Company Guide in that it has sustained losses which are so substantial in relation to its overall operations or its existing financial resources, or its financial condition has become so impaired that it appears questionable, in the opinion of the Exchange, as to whether such company will be able to continue operations and/or meet its obligations as they mature. The Company thereafter submitted its plan to strengthen its financial condition and evidence compliance with Section 1003(a)(iv) for the Exchange's review. Based on the Exchange accepted plan, Cubic was granted an extension by the Exchange, through December 28, 2009.

In granting the extension from December 28, 2009 to March 31, 2010, the Exchange indicated that the Company has made a reasonable demonstration of its ability to regain compliance with Section 1003(a)(iv) by March 31, 2010. In that regard, and as previously disclosed within the last 60 days, the Company entered into certain transactions, pursuant to which the Company acquired \$30,952,810 in pre-paid drilling credits applicable towards the development of its Haynesville Shale rights in Northwest Louisiana, and also entered into a Second Amendment to its Credit Agreement with Wells Fargo Energy Capital, which served to increase the Company's revolving credit line and borrowing base and extended to long-term status a term note already in place.

The Company continues to execute the Exchange's accepted plan that advances the Company towards full compliance, and continues to work in conjunction with the Exchange in this regard.

The Company will continue to be subject to periodic reviews by the Exchange during the extension period. Failure to make progress consistent with the plan or to regain compliance with the continued listing standards by the end of the extension period could result in the Company being delisted from the Exchange.

Cubic Energy, Inc. is an independent company engaged in the development and production of, and exploration for, crude oil and natural gas. The Company's oil and gas assets and activity are concentrated primarily in the Haynesville Shale Play located in Northwest Louisiana. Additional information can be found on Cubic's website at: www.cubicenergyinc.com.

The Cubic Energy logo is available at: <http://www.globenewswire.com/newsroom/prs/?pkgid=1243>.

This press release includes statements, which may constitute "forward-looking" statements, usually containing the words "believe", "intend", "estimate", "project", "expect", or similar expressions. These statements are made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, future trends in mineral prices, the availability of capital for development of mineral projects and other projects, the availability of capital to satisfy debt obligations, the ability to meet NYSE Amex LLC standards, dependency on pipelines in which to sell the Company's natural gas it produces, reliance on third party operators for wells in which the Company maintains a working interest, reliance on third party contractors to aid in developing the production infrastructure and in the performance of well completion work, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revision or changes after the date of this release. There can be no assurance that any future activities and/or transactions mentioned in this press release will occur as planned. Cubic cannot guarantee any level of production from its wells.