

Jolly-1 confirms Casterton potential and identifies new gas play

- **Casterton Formation shale intersection consistent with pre-drill expectation**
- **New deep basin gas play concept identified in Penola Trough**
- **Core analysis to build further understanding of shale opportunity**
- **Jolly-1 to be plugged and abandoned**
- **Rig moving to Bungaloo-1 to evaluate the extent of Casterton Formation shale and deep gas play**

25 March 2014

Cooper Energy Limited (ASX: **COE**) reports that Jolly-1, the first of two deep wells targeting the Casterton Formation within the Penola Trough of the onshore Otway Basin, South Australia, is being plugged and abandoned after cutting cores in the Casterton Formation and Lower Sawpit Shale and also identifying the potential for a new deep basin gas play in the Penola Trough.

Jolly-1 was drilled to a total depth of 4,026 metres in PEL 495 and recovered 26.7 metres of conventional core from the Lower Sawpit and 51.7 metres from the Casterton Formation, which was the primary target of the well. Elevated mud gas readings were observed during the drilling of the well over a gross interval of 340 metres of the Lower Sawpit Shale (from 3,430 metres to 3,770 metres) which contains extensive sandstone intervals.

Cooper Energy Exploration Manager Andrew Thomas said “the indications from Jolly-1 are positive and very encouraging. In addition to reinforcing our impression of the potential of the Casterton Formation, the well has identified gas-bearing sandstone intervals in the Lower Sawpit Shale.

“The presence of gas shows over an interval of approximately 340 metres in this well is very significant and indicates that a substantial deep basin gas play may be present in the Penola Trough.

“This represents an additional play for the Joint Venture to pursue in the Penola Trough and complements the potential associated with the Casterton Formation. We are looking forward to evaluating both opportunities further with Bungaloo-1, the next well in the program” he said.

The rig will move to PRL 32 to drill Bungaloo-1 immediately after completing operations at Jolly-1. Bungaloo-1, located 14 kilometres northwest of Jolly-1, has a prognosed total depth of 3,677 metres.

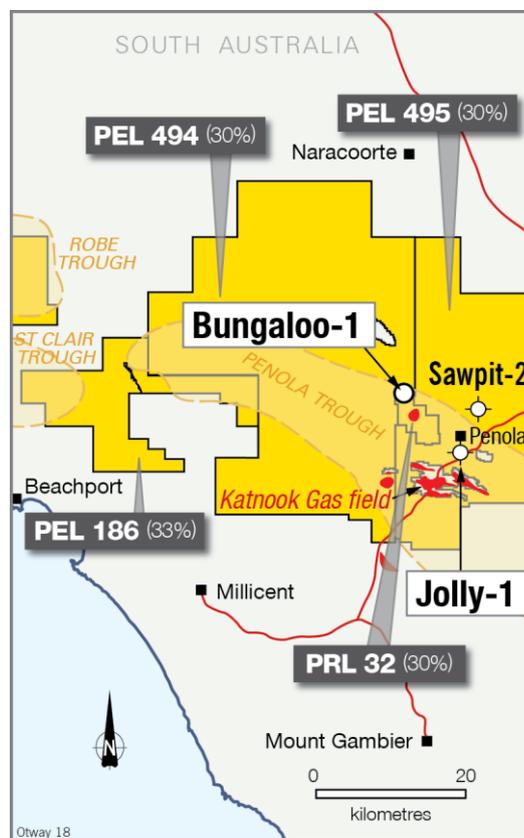
Bungaloo-1’s primary target is the Casterton Formation and the Lower Sawpit Shale is now a secondary objective. Conventional cores are programmed to be obtained from shales in the Casterton Formation at Bungaloo-1 which, together with those recovered from Jolly-1, will be analysed in the coming months for information on the distribution, maturity and characteristics of the Casterton Formation in the Penola Trough.

Participating interests in the PEL 495 and PRL-32 are:

- Cooper Energy (30%)
- Beach Energy (70% and Operator)

| Further comment and information | |
|---------------------------------|----------------------------|
| David Maxwell | Don Murchland |
| Managing Director | Investor Relations Advisor |
| +61 8 8100 4900 | +61 439 300 932 |

Location of Jolly-1 and Bungaloo-1 Otway Basin, South Australia



- Cooper Energy tenement
- Gas field
- Gas pipeline
- Depositional trough
- Plugged and abandoned well
- Proposed well

About Cooper Energy Limited (“Cooper”) Since listing on the ASX in 2002, Cooper Energy has built a portfolio of near term low risk development and appraisal projects as well as high impact exploration prospects. Cooper Energy produces over 500,000 barrels of oil per year from the Cooper Basin, South Australia, and 160 barrels of oil per day from its Sukananti KSO in Indonesia. Cooper Energy also has prospective exploration licenses in Australia (Cooper and Otway Basins), Indonesia and Tunisia. Cooper Energy has a strong balance sheet, good production earnings, and has a clear strategy to enhance shareholder return. www.cooperenergy.com.au