

30 October 2013

Highlights

- **Quarterly sales revenue up 14% on previous quarter and up 58% on previous year to date:** sales revenue for the quarter was \$18.4 million
- **Production on track:** Q1 oil production of 0.15 MMbbl in line with FY14 guidance of 0.54 MMbbl to 0.58 MMbbl
- **Exploration success:** results of Hammamet West-3 and Windmill-2 appraisal to be incorporated in review of resource estimates
- **Strong cash and financial assets position maintained:** total financial assets of \$67.8 million at 30 September 2013

Managing Director's Comments

"Strong sales and cash generation and the very encouraging Hammamet West-3 results are the highlights of a busy first quarter for 2014.

"We have maintained a strong cash and financial assets position, notwithstanding the increase in Hammamet West-3 expenditure. The clear indications from the drilling and interrupted production testing operations at Hammamet West (offshore Tunisia) are that this large structure contains oil bearing porous fractures which we assess are likely to have the capacity to produce oil at an economic rate.

"Our Cooper Basin and Indonesia oil production is on target and consistent with our guidance of an increase of 10% or more in our annual oil output.

"The December quarter has continued to build on these good results with further drilling success in the Cooper Basin (PEL 92).

"In addition to ongoing Cooper Basin drilling, we are now preparing to drill a deep unconventional well in the Otway Basin and complete our review of Tunisian resource estimates incorporating the very encouraging results to date from Hammamet West-3"

Further comment and information:

David Maxwell

Managing Director

+61 8 8100 4900

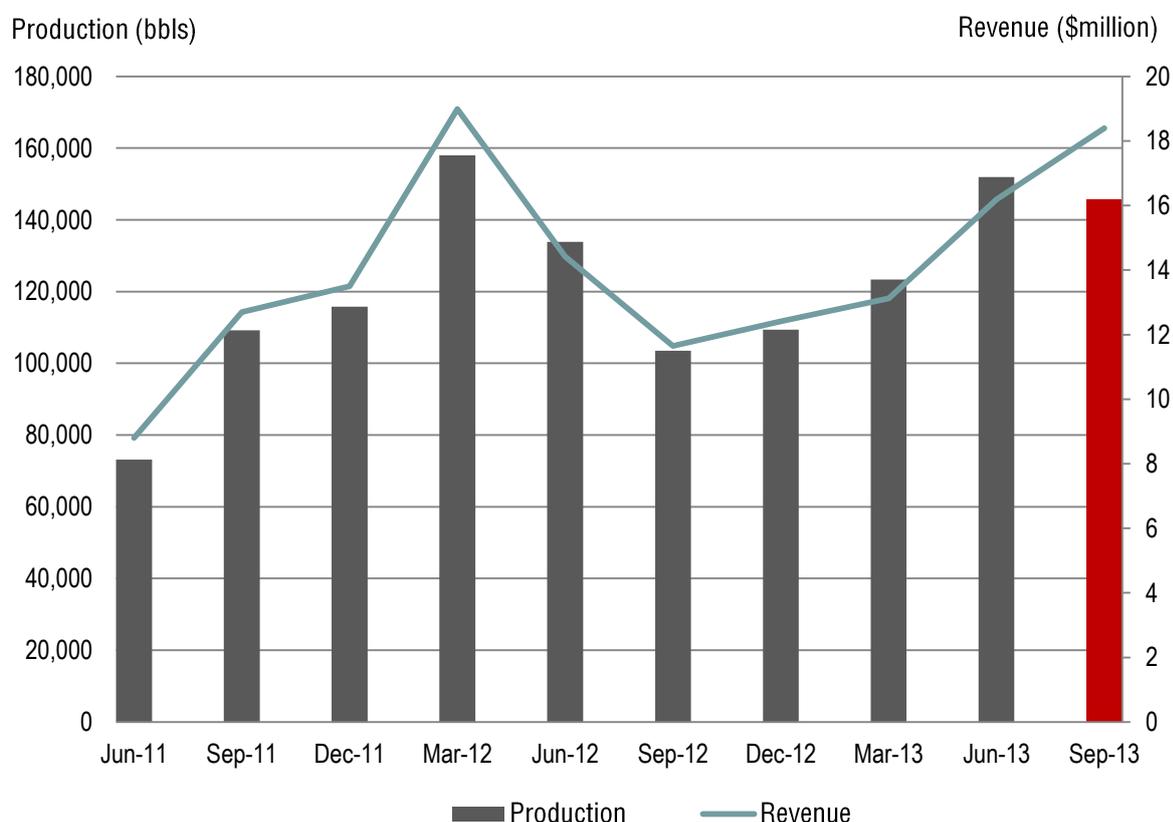
Financial

Sales revenue for the September quarter 2013 was \$18.4 million, 14 % higher than the previous quarter's revenue of \$16.2 million. The increased revenue was the result of higher oil prices and a higher volume of oil delivered for sale. The average oil price for the quarter was \$128.03/barrel compared with \$118.37/barrel in the June quarter. A total of 143,718 barrels of oil was delivered for sale.

Capital expenditure for the quarter was \$18.6 million, up from \$5.1 million with the increase largely attributable to the Hammamet West-3 exploration well, offshore Tunisia.

Total financial assets as at 30 September 2013 were \$67.8 million, comprising cash and security deposits of \$44.4 million and investments available for sale fair value of \$23.4 million. This position is marginally lower than the quarter's opening total financial assets of \$68.1 million due to lower cash balances.

Quarterly Production and Revenue



Quarterly and Year to Date Summary

| Description | Units | Quarter Ending | | | Year to date | | Change |
|--|---------|---------------------------|---------------------------|--------|---------------------------|---------------------------|--------|
| | | 30 Sept 2013 ¹ | 30 June 2013 ² | Change | 30 Sept 2013 ¹ | 30 Sept 2012 ² | |
| Production and Sales | | | | | | | |
| Group oil produced | barrels | 145,670 | 151,904 | -4% | 145,670 | 103,517 | 41% |
| Group oil sold/delivered for sale ² | barrels | 143,718 | 136,858 | 5% | 143,718 | <i>not reported</i> | n/a |
| Group sales revenue | \$MM | 18.4 | 16.2 | 14% | 18.4 | 11.7 | 57% |
| Average oil price | A\$/bbl | 128.03 | 118.37 | 8% | 128.03 | 113.02 | 13% |
| Capital Expenditure | | | | | | | |
| Exploration and appraisal | \$MM | 16.7 | 3.7 | 351% | 16.7 | 0.4 | 4075% |
| Development and fixed assets | \$MM | 1.9 | 1.4 | 36% | 1.9 | 3.8 | - 50% |
| Total capital expenditure | | 18.6 | 5.1 | 265% | 18.6 | 4.2 | 343% |
| Financial Assets | | | | | | | |
| Cash and term deposits | \$MM | 44.4 | 47.9 | -7% | 44.4 | 50.2 | - 12% |
| Available for sale financial assets ³ | \$MM | 23.4 | 20.2 | 16% | 23.4 | 25.2 | -7% |
| Total financial assets | | 67.8 | 68.1 | - 0.4% | 67.8 | 75.4 | -10% |
| Capital | | | | | | | |
| Issued shares | million | 329.1 | 329.1 | 0% | 329.1 | 328.7 | 0.1% |
| Performance rights | million | 8.6 | 8.6 | 0% | 8.6 | 4.1 | 109% |

Notes:

- (1) Current quarter and year to date includes preliminary production figures for PEL 92 in the Cooper Basin
- (2) The previous quarter has been updated for final reconciled production figures
- (3) Available for sale financial assets shown at fair value at the reporting date.

Australia

Production – Cooper Basin

The company's share of oil production from its Cooper Basin tenements for the September quarter was 129,429 barrels (average 1,407 bopd) which compares to 145,872 barrels (1,603 bopd) in the preceding quarter and 103,396 barrels (1,124 bopd) in the previous corresponding period.

During the quarter, 7 new wells were brought on line in the Windmill, Christies, Butlers and Callawonga fields.

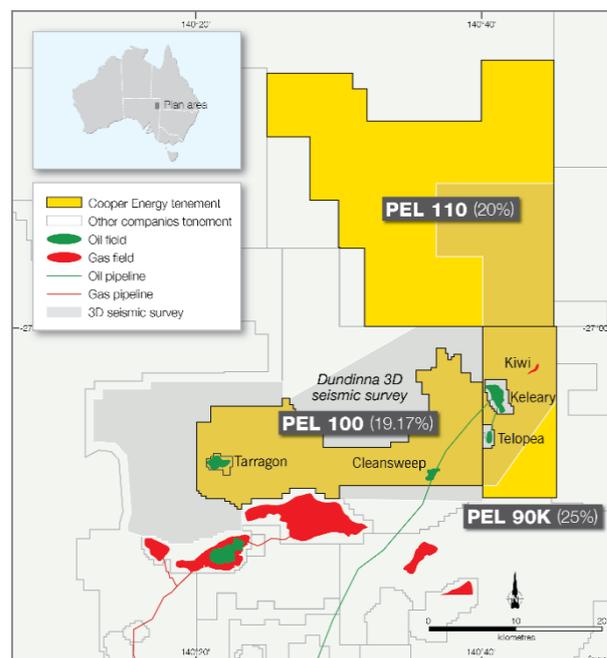
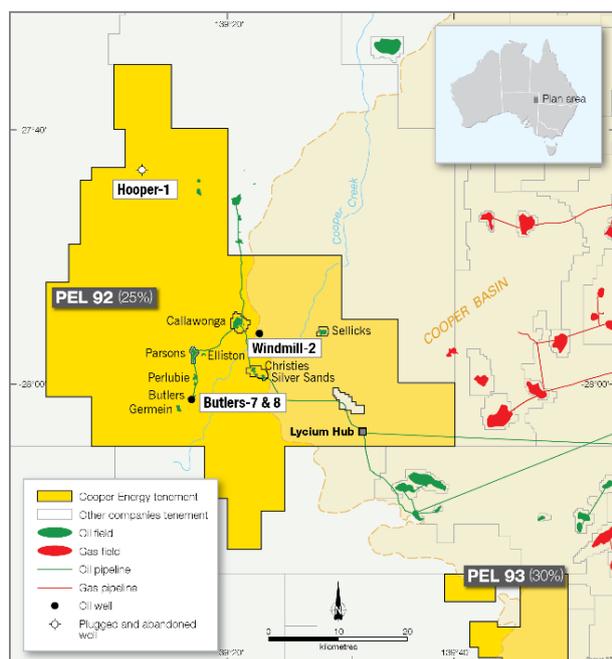
Exploration and Development – Cooper Basin

The company participated in two wells in its Cooper Basin tenements during the quarter.

Hooper-1, the final well in a 6 well exploration drilling campaign in PEL 92 initiated in the previous financial year, was plugged and abandoned.

Windmill-2, the first of a new four well program in PEL 92, was cased and suspended as a future oil production well, after penetrating 4 metres of net oil pay in the Namur Sandstone.

Subsequent to the end of the quarter, Butlers-7 and Butlers-8 were drilled and penetrated 5 and 6 metres, respectively, of net oil pay in the Namur Sandstone. Both wells encountered the top Namur higher than expected and were cased and suspended for future completion as oil producers.



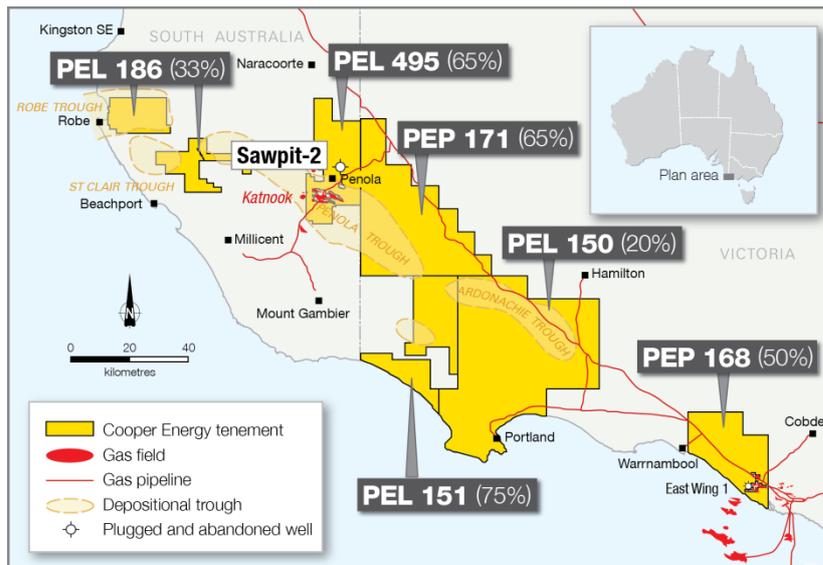
Acquisition of the 1,037 km² Dundinna seismic survey, which includes all of PEL 100, and portions of PEL 90K and PEL 110 was completed during the quarter. The survey included approximately 600 km² covering all of PEL 100, the northern half of PEL 90K and the south-eastern portion of PEL 110. Data processing will commence in the December quarter.

Otway Basin

Analysis of information obtained from Sawpit-2 (PEL 495) continued during the quarter.

Planning commenced for the drilling of one well in PEL 495 to assess further the potential of unconventional plays in the Penola Trough. The well is expected to spud in December 2013.

During the quarter two new exploration permits, PEP 150 and PEP 171, were granted for initial 5 year terms commencing 26 August 2013.



Cooper Energy (through its wholly owned subsidiary, Somerton Energy Pty Ltd) holds interests of 20% and 25% respectively in PEP 150 and PEP 171.

Cooper Energy considers the permits to be prospective for both oil and gas in the Sawpit and Casterton Formations, with a range of conventional and unconventional plays identified. Initial activity is expected to consist of acquisition of 3D and 2D seismic in 2014, followed by exploration drilling in both permits in subsequent years.

Gippsland Basin

During the quarter Cooper Energy executed farm-in agreements with Bass Strait Oil Company Ltd (BAS) in relation to permits Vic/P41 and Vic/P68, offshore Gippsland Basin.

Under the terms of the agreements Cooper Energy will acquire a 25.8% participating interest in VIC/P41 and an option to acquire a 50% participating interest in VIC/P68 by funding the reprocessing and merging of multiple 3D seismic datasets. The agreements are conditional on receiving Government and in the case of the farm-in agreement, joint venture approvals. Given Cooper Energy's shareholding in BAS, BAS will be seeking shareholder approval of the transactions at its AGM.

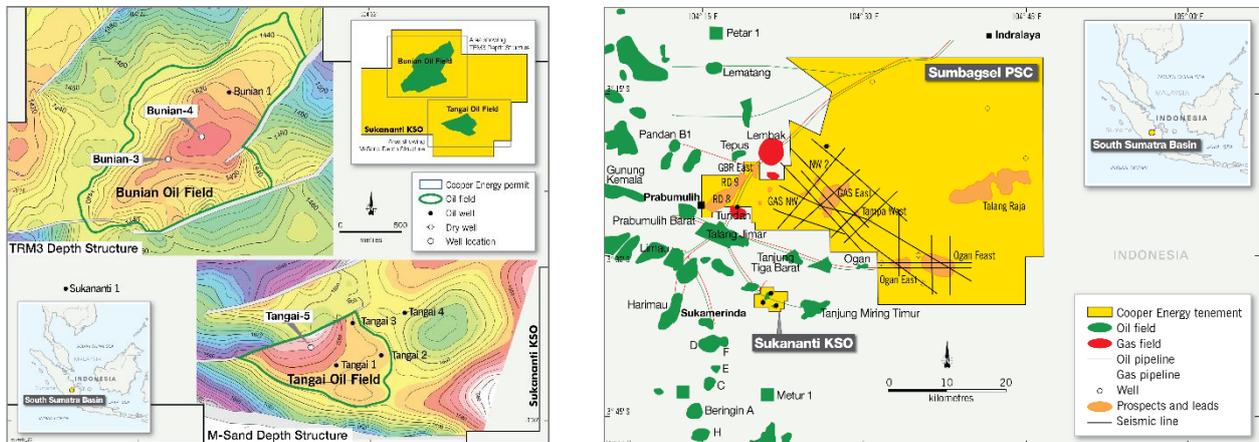
The reprocessing program commenced in August and is expected to be completed in the first quarter of 2014.

The permits contain a number of sizeable gas prospects located close to existing gas supply infrastructure.

Indonesia

Production

Cooper Energy's share of production from the Sukananti KSO was 16,241 barrels (176 bopd) 74% higher than the previous quarter's production share of 9,192 barrels (101 bopd) due to continuing strong production from both Bunian-1 and Tangai-1.



Exploration and Development

Planning commenced for a 3 well development drilling program in the Sukananti KSO, scheduled for the June quarter of 2014.

Acquisition of a 265 km 2D seismic survey commenced in the Sumbagsel PSC in July. The objective of the survey is to delineate exploration targets for drilling during 2014, immediately following the development drilling program noted above.

Reprocessing of over 3000km of 2D seismic data from the Merangin PSC was commenced during the quarter to mature targets for further seismic in calendar 2014.

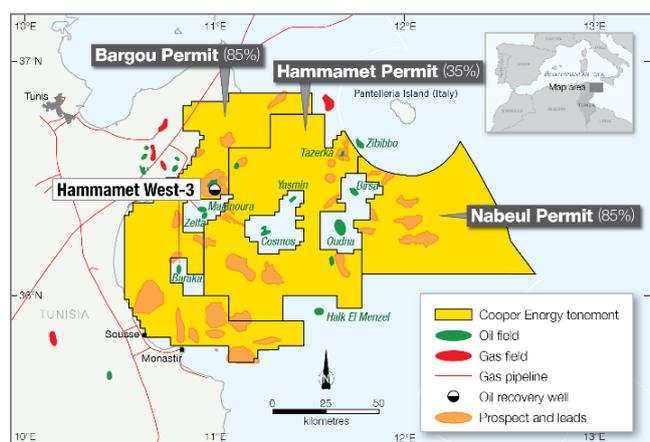
Tunisia

Exploration

Hammamet West-3, located offshore Tunisia (Bargou Permit - Cooper Energy 30%) spudded on 4 April, with the objective of confirming oil productivity from the naturally fractured Abiod Formation, through drilling and testing a highly deviated wellbore.

During the quarter a 432m horizontal sidetrack section was drilled within the Abiod Formation to a total measured depth of 3,443m. Major gas and oil influxes and major drilling mud losses were experienced during the drilling of the near horizontal well section, indicating that the well had penetrated open hydrocarbon bearing fractures within the Abiod Formation.

Testing of the well commenced in August and confirmed the presence of open hydrocarbon bearing fractures but could not be completed due to ongoing blockages and obstructions caused by lost circulation material (LCM). During testing the well recorded flow rates averaging 1,290 barrels of fluid per day for 1.5 hours, including oil to surface.



Subsequent to the end of the quarter, the Bargou Joint Venture decided to cease attempts to test the initial near horizontal wellbore (ST-1) and to drill and test a second sidetrack (ST-2) to assess the hydrocarbon bearing fractures encountered by ST-1. Hammamet West-3 will be plugged and suspended and the GSP Jupiter drilling rig released from the location.

It is expected that the drilling and production test of ST-2 at Hammamet West-3 will occur later this financial year. The timing will be subject to rig availability.

The very encouraging results of Hammamet West-3 to date will be used to re-assess Hammamet West and the potential of the Company's Tunisian exploration portfolio. It is expected that the results of this assessment will be released prior to calendar year end.

Seismic reprocessing projects were completed in the Hammamet and Nabeul permits.

Outlook

Production

Cooper Energy's guidance of production for FY14 is 0.54 - 0.58 MMbbl and remains unchanged.

Exploration and Development

December quarter exploration and development activities are expected to involve the spudding of at least 5 wells and the acquisition or reprocessing of seismic data from Cooper Basin, Gippsland Basin and Indonesian acreage.

As illustrated in the table below the exploration program for the three months to 31 December includes:

- **Cooper Basin:** 3 development wells in PEL 92, and 3D seismic acquisition in PEL's 90K,92,100 and 110
- **Otway Basin:** one well in PEL 495.
- **Gippsland Basin:** reprocessing of 3D seismic in VIC/P41 and VIC/P68.
- **Indonesia:** acquisition of 2D seismic in the Sumbagsel block and planning for drilling of the development and appraisal wells to further increase reserves and production.
- **Tunisia:** planning for recommencement of drilling and testing operations at Hammamet West-3

Cooper Energy 2014 Q2 – Q4 major exploration and development activities schedule

| Location | License | Operator | Dec Qtr | Jan Qtr | Jun Qtr | | |
|-----------------|-------------------|-----------------|-----------------------------|-------------------|---------|--|-------------------------------|
| Cooper Basin | PEL 92 | Beach Energy | ● ● ● ● 3D inversion | | ● ● ● ● | 5 exploration wells 4 development wells Rincon 3D inversion Facilities expansion at Butlers, Callawonga | |
| | PEL 90, 100, 110 | Senex | | 3D Processing | | Dundinna 3D processing | |
| Otway Basin | PEL 495 | Beach Energy | ● | | | Deep unconventional target well | |
| | PEP 150, 168, 171 | Beach Energy | | 2D Seismic | | 2D seismic acquisition | |
| Gippsland Basin | Vic/P41 & 68 | Bass Strait Oil | 3D Reprocessing & inversion | | | 3D seismic reprocessing & inversion | |
| Tunisia | Bargou | Cooper Energy | | | ● | Hammamet West-3 Sidetrack-2 (timing subject to rig availability) | |
| | Nabuel | Cooper Energy | 3D interpretation | | | 3D interpretation | |
| Indonesia | Sukananti KSO | Cooper Energy | | 3D interpretation | | ● ● / | Appraisal, facilities upgrade |
| | Sumbagsel | Cooper Energy | 2D Seismic | | | 2D seismic acquisition | |
| | Merangin PSC | Cooper Energy | 2D Repro. | | | 2D seismic reprocessing | |



Disclaimer

The information in this report

- Is not an offer or recommendation to purchase or subscribe for shares in Cooper Energy Limited or to retain or sell any shares that are currently held.
- Does not take into account the individual investment objectives or the financial situation of investors.
- Was prepared with due care and attention and is current at the date of the report.
- Actual results may materially vary from any forecasts (where applicable).
- Before making or varying any investment in shares of Cooper Energy Limited, all investors should consider the appropriateness of that investment in light of their individual investment objectives and financial situation and should seek their own independent professional advice.

Hydrocarbon Reporting Standard

- Cooper Energy reports hydrocarbons in accordance with the SPE Petroleum Resources Management System 2007 (SPE-PRMS).

Competent Person

- This report contains information on Cooper Energy's petroleum resources which has been reviewed by Mr Hector Gordon who is a full time employee of Cooper Energy, holds a Bachelor of Science (Hons), is a member of the American Association of Petroleum Geologists and the Society of Petroleum Engineers and is qualified in accordance with ASX listing rule 5.11 and has consented to the inclusion of this information in the form and context in which it appears.

Terms and abbreviations

This report uses terms and abbreviations common to the petroleum industry and the financial sector. These include:

- 2D, 3D: two dimensional, three dimensional
- bbl:- barrels
- bopd:- barrels of oil per day
- Financial year: 12 months ending 30 June
- FY14: financial year ending 30 June 2014
- m: metres
- mMDRT: measured depth in metres below the rotary table or drilling floor
- MM: million
- PEL: Petroleum Exploration License
- PEP: Petroleum Exploration Permit
- PSC: Production Sharing Contract
- QI/AVO Quantitative interpretation/Amplitude versus offset