

# COOPER ENERGY TARGETS 200+ MILLION BARRELS IN TEN WELLS IN NEXT SIX MONTHS

## *RIGS SECURED FOR COOPER BASIN AND SOUTH MADURA*

Cooper Energy Limited (ASX: COE) is set to accelerate its 2006 drilling program after announcing at its Annual General Meeting today that it had secured drilling rigs for its three operated exploration wells in the Cooper Basin and matured the target for its first high-potential onshore well in the South Madura Production Sharing Contract ("PSC") in Indonesia.

Cooper Energy said today (Wednesday) that reprocessing and interpretation of the 2D seismic was progressing satisfactorily for the South Madura PSC and preliminary geological evaluations had attributed undiscovered P50 reserves of **199 million barrels of oil** at the Kujung level and **256 bscf of gas** at the shallower Ngrayong level. This prospect is expected to be drilled in early 2006.

Cooper Energy acquired a 45% interest in the South Madura PSC earlier this year after acquiring 50% of South Madura Exploration Company Pte Ltd that holds 90% of the rights and obligations in the South Madura PSC. The onshore block – which is surrounded by several major oil and gas fields in the East Java Basin, lying immediately north of the Santos-operated Jeruk and Oyong oil and gas discoveries – represents Cooper's most significant overseas acquisition to date.

Cooper Energy paid US\$1.5 million under the farm-in arrangement and, moving forward, will pay 50% of the cost of a US\$8.9 million work program comprising both seismic and wells.

Cooper Energy's CEO, Mr Michael Scott, said the upcoming well would be one of the highlights of an exciting first half of 2006 for Cooper Energy, with the Company's exploration activities in the Cooper Basin and overseas underpinned by continuing strong cash flow from its Cooper Basin oil production.

"We are very pleased to announce today that we have secured drilling rigs for our three operated Cooper Basin wells in PEL88 and PEL100. Our drilling program will commence with Fairbridge-1 (Cooper Energy 38.33% interest) at the end of 2005," Mr Scott said.

Undiscovered P50 reserves for the Fairbridge prospect are evaluated by Cooper Energy to be **3.7 million barrels of oil** for one of two culminations on the structure.

"Following Fairbridge-1, we will immediately drill the Strickland Bay prospect, which has undiscovered P50 reserves of **3.1 million barrels of oil**," Mr Scott continued. "In parallel with Strickland Bay-1 we will also drill the Geordie prospect in PEL88, which has undiscovered P50 reserves of **5.1 million barrels of oil**."

"We have a very active drilling schedule for the first six months of 2006 with six exploration wells and four development wells planned. In addition to our drilling program we will have ongoing exploration activities in our projects in Cambodia and Tunisia," he added.

The six exploration wells are Fairbridge-1 (PEL100), Strickland-1 (PEL100), Geordie-1 (PEL88), Silver Sands-1 (PEL92), Boomer-1 (PEL92) and the South Madura Prospect. The four development wells are Sellicks-1, Sellicks-2, Christies-4 and Christies-5 in the Sellicks and Christies Fields. Additional exploration prospects in PEL92 are expected to be identified following some seismic interpretation work in the permit, and further exploration wells in PEL93 and development wells in the Worrior Field are expected to follow towards the second half of 2006.

"This is a very exciting time for the Company as we move forward with our exploration and development program; our strong oil reserves and steady production continue to underpin our cash reserves, and an intensive program of exploration will hopefully result in an enhancement to our existing reserves position," Mr Scott said.

Cooper Energy recently reported a 12% jump in cash reserves to A\$24.75 million at the end of the September 2005 Quarter after oil sales from its Cooper Basin operations increased by 20% to A\$8.29 million.

– ENDS –

Released by:  
Jan Hope / Nicholas Read  
Jan Hope & Partners  
Telephone: (+61-8) 9388 1474

On behalf of:  
Mr Mike Scott  
Chief Executive Officer  
Cooper Energy Limited  
Telephone: (+61-8) 9368 5833

## **BACKGROUND INFORMATION**

Cooper Energy Limited (ASX: **COE**) is a successful Australian-based oil and gas production and exploration company with a strong growth focus. Based in Perth, Western Australia, Cooper Energy is listed on the Australian Stock Exchange.

Cooper Energy posted a record net profit of A\$11 million after tax for the 2004-05 financial year with oil sales revenue of \$25 million generated from the production of 368,086 barrels of oil from its Cooper Basin operations. At financial year-end, the Company had cash reserves of A\$22 million, no debt and no hedging, providing full exposure to the strong oil price environment.

Cooper Energy's strategy is to leverage off the strong cash generation of its Cooper Basin operations to build a substantial international oil and gas portfolio that will underpin its next stage of growth. Significant acquisitions have already been announced in Morocco, Tunisia, Cambodia and Indonesia. The Company is continuing to seek for new oil and gas opportunities in its two focus areas of South East Asia and North Africa and is working to mature its exploration portfolio in order to deliver high quality prospects for drilling.

Cooper Energy's primary objective is to "Create Shareholder Wealth" and the outstanding consistent results to date demonstrate Cooper Energy's commitment to this objective.

**- ENDS -**