

# COOPER'S PARSONS PROJECT PUMPS PRODUCTION

- **Parsons Oil Field facility commences production at 2,640 barrels of oil per day from the first of two wells (Cooper Energy's share 660 bopd).**
- **Second Parsons well expected to commence and add to production capacity in next two weeks.**
- **Flowline commissioning expected to further boost production and reduce costs in near future.**
- **Cooper on track to set a new production, reserves and revenue record for the full financial year.**
- **Strong oil prices and production supporting international growth strategy.**

Cooper Energy Limited (ASX: **COE**) has further boosted its oil production and developed reserves after today announcing the commencement of production from the **Parsons Oil Field facility** in South Australia at a rate of **2,640 barrels of oil per day** (bopd) from the first of two wells to be tied into the facility. The second well is expected to be connected into the facility in the next two weeks, thereby further boosting production capacity.

Cooper Energy's share of production from the Parsons Oil Field facility is **660 barrels of oil per day**, with oil currently trucked to Moomba and Tantanna.

The Perth-based Company said today (Wednesday, 18 June 2008) that the Parsons Oil Field, which was discovered towards the end of 2007, is expected to yield over 1.4 million barrels of recoverable oil (P50 confidence level), adding over **0.4 million barrels to Cooper Energy's developed recoverable ("Proved") oil portfolio.**

"This is another significant milestone for the Company with the new oil production coming on-line at a time when oil prices appear to be moving to a new higher level," said Cooper Energy's Managing Director, Mr Michael Scott.

"With Tapis oil prices remaining buoyant above the US\$135 per barrel level, we expect that the start-up of production at **Parsons** will assist in us sustaining our high revenue levels," he added.

At 30 June 2008 Cooper Energy is expected to exceed its highest previous financial year production and revenue records of 368,086 barrels of oil in 2004-2005 and A\$32.57 million in 2005-2006.

"With our un-hedged oil position giving us exposure to the high oil prices and production boosted by the successful discovery of the Parsons Oil Field and development drilling in the Callawonga and Worrior Oil Fields, we expect to produce around 375,000 barrels of oil and generate over A\$35 million in production revenue for the year," Mr Scott commented. "The start-up of operations at Parsons adds further momentum to our growing production, reserves and revenue base."

Off-take via the 5,000 bopd capacity Callawonga-to-Tantanna flow-line is expected to commence towards the end of June 2008 and will reduce off-take costs and trucking downtime, which is expected to further boost net revenue and production. Further operational efficiencies are also expected to be realised from the construction of the Parsons-to-Callawonga flow-line, which is scheduled to commence in the fourth quarter of 2008.

"Our strong cash, production and revenue base continues to provide a solid platform for our international growth strategy, where we are searching for materially larger oil and gas targets," Mr Scott said. "We are currently going through a seismic acquisition and interpretation cycle and, in the near future, we expect that this cycle will yield a number of attractive high-value prospects in Australia, Indonesia and Tunisia that will be placed on a drilling program commencing around the end of 2008."

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