



Cooper Energy

ABN 93 096 170 295

ASX ANNOUNCEMENT

Quarterly Activity Report - Period Ending 30 June 2010

Highlights

Australia

- Cooper Basin production and revenue sustained at a relatively high level considering the adverse rain and flooding conditions that were experienced during the period.
 - Production during the quarter of 97,513 barrels of oil – down 3% to previous period.
 - Revenue during the quarter of A\$8.2 million – down 13% to previous period.
- Cash of A\$92.3 million – down 1.4%.
- Worrior-7 was drilled in July 2010 with shows and logs confirming hydrocarbons. Well being completed as a producer.

Indonesia

- Gijir East-1 civil works completed and rig mobilisation to site commenced.
- Sukananti production area documentation finalised.

Tunisia

- Fuchsia-1 well drilled close to budget with no HSE incidents. Cooper Energy earned 35% in permit by participating in well.
- Menzel Horr-1 long lead items ordered. Evaluation and award of rig and service contracts is in progress. Rigs are available in 4Q2010 and the Company is looking to conclude contracts in order to secure a suitable rig.

During the 2Q10 the following financial and operational results were delivered:

Key Company Indicators

Description	Units	Full Year 2008-2009	March 2010 Quarter	June 2010 Quarter	Quarter Change
PRODUCTION					
Oil production	Barrels	487,254	100,893	97,513	3% ▼
Oil sales revenue	A\$000	41,647	9,462	8,183	13% ▼
LIQUID ASSETS					
Cash and deposits	A\$000	93,437	93,561	92,273	1% ▼
FINANCIAL INSTRUMENTS					
Debt	A\$000	None	None	None	0% →
Forex or Oil Price Hedging	A\$000	None	None	None	0% →
EXPENDITURE					
Exploration payments ⁽¹⁾	A\$000	7,528	6,474	6,025	
Development payments ⁽¹⁾	A\$000	4,888	536	728	
Production payments ⁽¹⁾	A\$000	8,486	2,941	3,372	
FINANCIALS					
Working capital ⁽²⁾	A\$000	96,465	97,914	94,750	3% ▼
EBITDAX ⁽³⁾	A\$000	25,718			
(Loss) Profit before tax ⁽²⁾	A\$000	5,041			
(Loss) Profit after tax ⁽²⁾	A\$000	(2,816)			
CAPITAL					
Issued shares	# millions	291.926	292.426	292.576	0% →
Unlisted Options	# millions	18.745	19.545	19.395	1% ▼

Notes:

(1) Operations payments that occurred during the quarter. Production payments do not include depreciation, royalty or tax.

(2) Working Capital is a balance sheet calculation equal to cash plus debtors minus creditors minus current tax payable.

(3) EBITDAX, PBT, PAT are accounting numbers that are reported at the half (December) and full year (June) once available.

Cash at the end of the quarter decreased to A\$92.3 million, resulting in a cash underpinning of A\$0.315 per share. The reduction in cash was driven by Cooper Energy's share of the Fuchsia-1 costs, which was an offshore well in Tunisia.

Production and revenue were impacted by adverse weather and flooding, natural field decline and a lower oil price.

Exploration

AUSTRALIA

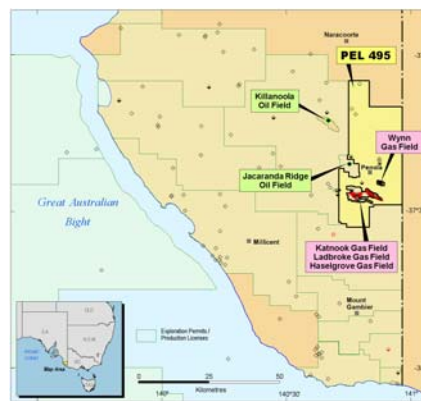
Cooper Basin Permits (PEL90, 92, 93, 100, 110)

Study work continues across a number of Cooper Basin permits to mature the next round of drilling targets.

Within PEL92 (COE 25%) two exploration targets have been approved by the Joint Venture for drilling – Penneshaw-1 and Wheatons-1. The Operator (BPT) is now seeking a rig to drill the wells, the timing of which will be dependent upon the area drying up and rigs being able to freely move.

Otway Basin Permits (PEL495 – COE 100% and Operator)

The seismic reprocessing has been completed. The seismic interpretation and review of prospects and leads is being finalised.



TUNISIA

Hammamet Permit (COE 35%)

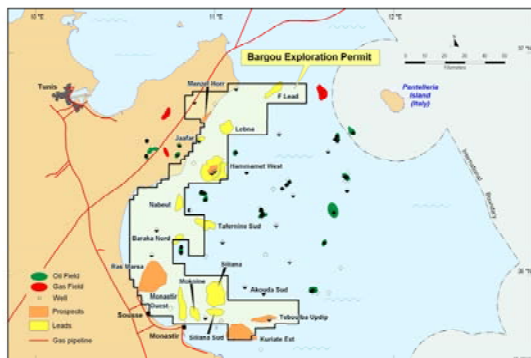


Hammamet Permit Location

The Fuchsia-1 well was drilled during the period and an uneconomic 16 metre gas column at the top of the Birsa Formation was discovered. The well was plugged and abandoned as planned. The results of the well will now be integrated into the Joint Venture's understanding of the regional prospectivity.

The future plan for the Hammamet Permit is currently under discussion within the Joint Venture. Once the plan has been finalised Cooper Energy will provide an update to shareholders.

Bargou Permit (COE 100% and Operator)



Bargou Permit

The 209 km² 3D seismic survey over the Hammamet Oil Field is being processed by CGGVeritas in Perth. It is expected that this data will be available for interpretation in the near future.

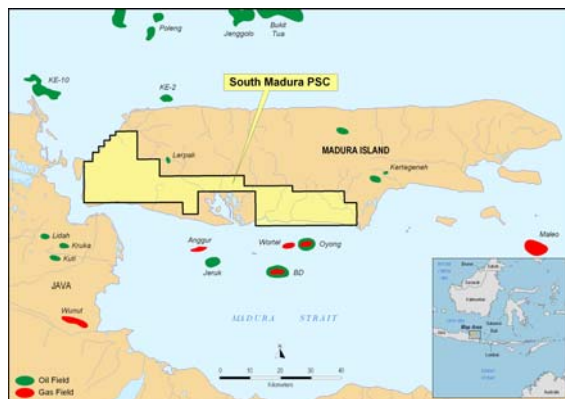
Cooper Energy is currently concluding contracts for land, materials and a rig to drill the onshore Menzel Horr Prospect. Long lead items have been ordered and will be delivered in August.

Menzel Horr-1 is expected to spud in October 2010 – subject to the timing of wells that are being drilled before Menzel Horr-1, which is a scheduling matter not controlled by the Company.

INDONESIA

South Madura PSC (COE 30% and Operator)

Civil works were completed and the rig mobilisation commenced for Giger East-1. The well is expected to spud around the end of July 2010.



South Madura PSC Location



Giger East-1 Mud Pit Construction

Further information will be announced at the appropriate time.

Development

AUSTRALIA

Cooper Basin Permits (Worrior Oil Field, COE 30%)

Worrior-7 was drilled in July 2010. The reservoir formations came in on prognosed depth. The well is being completed as an additional oil producer on the Worrior Oil Field.

INDONESIA

Sukananti Production Project (COE 55%)

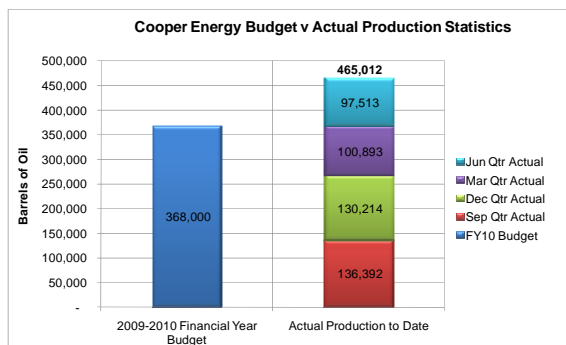
During the period the draft documentation for the Contract with Pertamina and the Joint Venture with MAP was finalised.

Work-over programs for the first wells are in preparation. It is hoped that on the ground activities can commence during this quarter, subject to the execution of the final Contract.

Production

During the quarter Cooper Energy's share of production was 97,513 barrels of oil, which is down 3% on the previous quarter. The deferment of production is mainly due to the extraordinary flooding that has occurred in the Cooper Basin, which has cut-off many roads and as a result operations have been affected. Natural decline and mechanical downtime were also responsible to a lesser extent for the drop in production for the quarter.

Cooper Energy previously advised an annual full year production budget of 368,000 barrels of oil for 2009-2010 financial year. Final production for the financial year is 465,012 barrels of oil (126% of the original budget), which is due to exploration and development success.



Quarterly Production Statistics Relative to "No Success" Budget

Cooper Energy advises that it expects that 320,000 barrels of oil will be produced from the Cooper Basin in the 2010-2011 financial year. As per previous years, this is a base case "do-nothing, no-success" budget. Any exploration and development success during the financial year would be expected to increase this base case budget.

Cooper Energy also advises that it is budgeting to produce 37,491 barrels of oil from the Sukananti production area during the financial year. This production is very dependent upon on the ground activities commencing in a timely manner.

Corporate

Shareholders will most likely be aware of the Federal Government's announcements regarding the initially proposed Resource Super Profits Tax (RSPT) and then the subsequent replacement Production Resource Rent Tax (PRRT).

The fine details of the terms and conditions of the PRRT have not yet been communicated to the industry. As a result, the Company is not fully certain on the impact of the tax, should it become legislation, which is primarily dependent upon the Labor Government being re-elected.

We do know it is an additional tax impost and, like all additional tax imposts, it would be expected to reduce the net revenue and profit of all successful resource companies – the magnitude of net revenue and profit reduction dependent upon the final terms and conditions of the tax.

Cooper Energy will monitor the progress of the proposed PRRT and, should it become legislation, we will advise Shareholders on the expected impact of the tax on our future financial results.

Corporate Reporting Schedule

Cooper Energy's 2010-2011 reporting schedule is expected to be as follows:

Item	Expected Date	(Announcement Ref.)
June 2010 Quarterly Report	End July 2010	(COE210710b)
Full Year Accounts	End August 2010	(COEx)
September 2010 Quarterly Report	End October 2010	(COEx)
Annual Report Dispatched	Mid October 2010	(COEx)
Annual General Meeting	Early November 2010	(COEx)
December 2010 Quarterly Report	End January 2011	(COEx)
Half Yearly Accounts	End February 2011	(COEx)
March 2011 Quarterly Report	End April 2011	(COEx)
June 2011 Quarterly Report	End July 2011	(COEx)

Next Quarter Look-Ahead

Australia

- Worrior-7 completed as a producer and on-line.
- Otway leads and prospects completed and maps available.
- Cooper Basin drilling program will hopefully recommence as flooding recedes.

Indonesia

- Gigir East-1 expected to spud.
- Sukananti production area on-the-ground work commenced.

Tunisia

- Menzel Horr-1 rig and services contracts awarded. Well location prepared for rig access and well testing.
- Hammamet West 3D interpretation complete and maps available.

Further announcements on the various activities will be made at the appropriate time.

Regards,
Cooper Energy Limited

Michael Scott
Managing Director

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