



ABN 93 096 170 295

COE221007a

Quarterly activity report for period ended 30 September 2007

Highlights

Financial

- Quarter oil sales of A\$6.2 million, up 25% from A\$5.0 million in the June quarter.
- Cash equivalents of A\$17 million and working capital of A\$18.4 million.

Exploration

- First international operations successfully concluded with acquisition of 973 km Kuriate 2D marine seismic survey in Tunisia
- First international well, Kurnia-1, has drilled to approximately 2,450 metres and the hole is currently being reamed and conditioned for the 13 3/8" casing.
- Rainbird-1 and Patron-1 in the Cooper Basin were plugged and abandoned as dry holes.

Development

- Callawonga-2 and Callawonga-3 were successful both testing at approximately 5,000 barrels of oil per day in clean-up. The wells should be on-line at the end of October.
- Worrior-5 and Worrior-6 were successful and are now tied into the Worrior facilities.

Production

- Net Cooper Energy production for the quarter was 66,619 barrels of oil, up 24% on the 54,022 barrels of oil for the June quarter.

Corporate

- The Cambodia Block B divestment was concluded with some US\$1.25 million received by CE Block B Ltd., a wholly owned subsidiary of Cooper Energy Limited.

Financial, Production and Share Capital Summary

Description	Units	September Quarter	June Quarter	Full Year 2006-2007	Full Year 2005-2006
PRODUCTION					
Oil production	barrels	66,619	54,022	256,871	354,086
Oil sales	A\$000	6,211	4,952	21,228	32,568
A\$/barrel	A\$/bbl	93	96	83	92
CASH					
Cash at bank	A\$000	148	204	204	668
Deposits at call	A\$000	12,672	15,080	15,080	25,307
Mosaic Oil NL investment ⁽¹⁾	A\$000	4,156	5,434	5,434	0
<i>Total cash or equivalents</i>	<i>A\$000</i>	<i>16,976</i>	<i>20,718</i>	<i>20,718</i>	<i>25,975</i>
EXPENDITURE					
Exploration	A\$000	2,900	255	5,562	6,300
Development	A\$000	1,114	317	3,276	6,699
Production	A\$000	1,965	1,272	6,812	8,764
<i>Total operational expenditure</i>	<i>A\$000</i>	<i>5,979</i>	<i>1,844</i>	<i>15,650</i>	<i>21,763</i>
FINANCIALS					
Working capital ⁽²⁾	A\$000	18,432	20,939	20,939	23,764
EBITDAX ⁽³⁾	A\$000			11,268	21,276
Profit before tax ⁽³⁾	A\$000			8,037	13,414
Profit after tax ⁽³⁾	A\$000			5,536	9,378
CAPITAL					
Issued shares	# millions	156.101	156.101	156.101	139.050
Unlisted Options	# millions	8.72	9.25	9.25	11.60

Note:

(1) The Mosaic Oil NL investment is classified according to the AASB as an "available for sale financial asset". The value of the asset is marked to closing of the market at the reporting date of 30 September 2007.

(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 and full year.

Forward Drilling Schedule

Country	Well	Interest	4Q07			1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
			Oct 2007	Nov 2007	Dec 2007								
Australia Cooper Basin	Cleansweep-1 (PEL100)	19.165%	■	■	■								
	Callawonga-4 (PEL92)	25%	■	■	■								
	Sheringa-1 (PEL92)	25%		■	■								
	Parsons-1 (PEL92)	25%			■								
	Cooper Basin Wells	19-30%						2-4 wells	Explr.			2-4 wells	Explr.
Indonesia	South Madura	30%	■	■	■				Shallow	Shallow	Explr.		
	Seruway	22.5%					Gurame-1	Appraisal			Field #2	Field #3	Apprsl.
Tunisia	Hammamet	35%						Well #1	Exploration or Appraisal				Well #2
	Bargou	100%										Well #1	Explr.

■ Well considered firm although subject to normal rig timing adjustments

■ Notional timing awaiting on justification, approvals, design, materials and/or rig availability

Exploration Overview

Cooper Basin, Australia (COE 15-30%)

PEL 93: Rainbird-1 and Patron-1 were plugged and abandoned as dry holes. Cooper Energy had a free carry on these wells. The farminees have no further interest in PEL93 and Cooper Energy retains a full 30% interest in the permit.

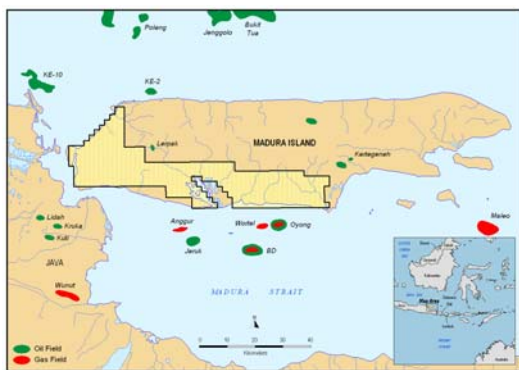
PEL 100: Cleansweep-1 spud in early October 2007. Cooper Energy has a free carry in Cleansweep from a farminee and will retain 19.165% of PEL100 following the drilling of the well.

PEL 92: Two exploration wells have been approved for drilling:

Sheringa-1	COE	25%
Parson-1	COE	25%

Sheringa-1 is expected to be drilled commencing end October 2007.

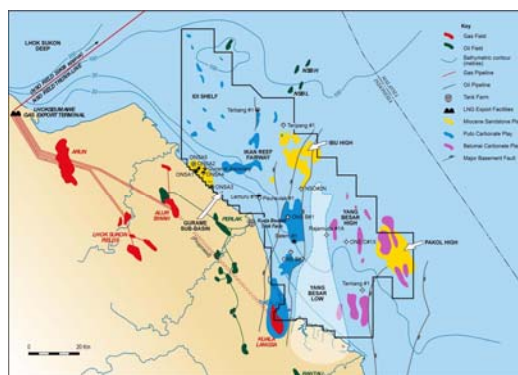
South Madura, Indonesia (COE 30%)



The Kurnia-1 well is progressing slowly towards its primary objective. Gumbo shale has been preventing quick penetration of the formations and the well is behind schedule. The next operation will be to set the 13-3/8" casing at 2,450 metres and then to drill to the top of the primary objective Kujung II carbonate at about 3,020 metres where 9 5/8" casing will be set. An 8 1/2" hole will be drilled to evaluate the Kujung II section.

The 2D land seismic is continuing to be acquired.

Seruway, Indonesia (COE 22.5%)



The Gurame 3D seismic survey is being interpreted with a view to firming up the gas and condensate recoverable volumes and locating the Gurame-6X well.

Further details regarding these items will be announced once the Operator has completed the studies and the Joint Venture has ratified the volumes and the well location. It is expected that this will be towards the end of October or early November.

Bargou, Tunisia (COE 100%)



Further to ASX release COE120707a, the 973 km Kuriate 2D marine seismic survey in Tunisia was successfully acquired and the seismic is currently being processed ahead of schedule. Delivery of final processed products for interpretation is expected during Q4 2007. Preliminary data quality is excellent.

Exploration Overview, Bargou, Tunisia, continued...

In addition, 14,000 km of regional 2D seismic data was acquired under a data trade agreement with Storm Ventures International (Operator of the adjacent Hammamet Offshore permit) providing a comprehensive regional database for the entire Gulf of Hammamet which will assist in derisking prospects and leads in the Bargou permit. The recently acquired and traded seismic data provides for a comprehensive 2D seismic database which is expected to firm up leads and prospects for further exploratory activities in 2008 and beyond.

Further details of the prospects and leads portfolio will be announced after the seismic has been processed and interpreted, which is expected to be towards the end of 2007.

Development Overview

Callawonga

The Callawonga-2 and Callawonga-3 development wells were successfully drilled and produced 4,992 and 5,660 barrels of oil per day on clean-up flow. The wells will be tied into the Callawonga oil facilities and are expected to boost production and recoverable oil for the Callawonga oil field. Prior to the wells the Callawonga-1 well was producing at approximately 1,400 barrels of oil per day.

The Callawonga-4 well was spud in early October 2007 and is being drilled to delineate the eastern flank of the Callawonga Oil Field.

Upon completion of Callawonga-4, data acquired in the current appraisal/development drilling campaign will be assimilated to update the Callawonga Oil Field reserves.

Worrior

The Worrior-5 and Worrior-6 development wells were successfully drilled and tied into the Worrior facilities and are expected to assist in maintaining production volumes from that field.

Production Overview

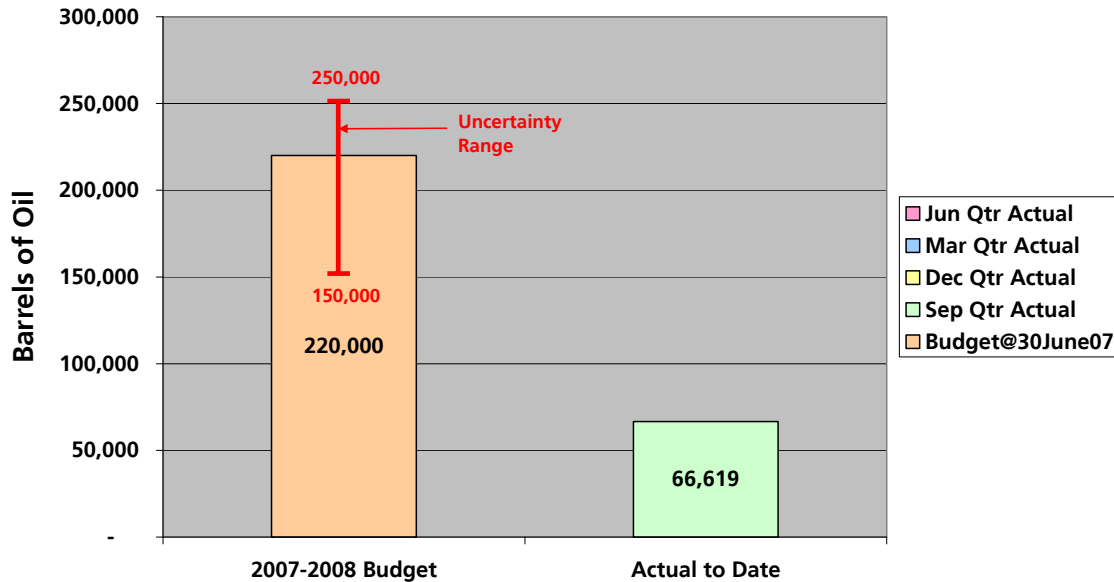
The quarterly production from the producing fields is shown in the table below and compared to the last quarter.

Field	100% JV		COE Share (%)	COE Share		Change (%)
	Jun Qtr (barrels)	Sept Qtr (barrels)		Jun Qtr (barrels)	Sept Qtr (barrels)	
Worrior	59,512	61,861	30%	17,854	18,558	+4%
Christies	19,229	26,998	25%	4,807	6,750	+40%
Sellicks	18,418	16,591	25%	4,605	4,148	-10%
Silver Sands	1,357	5,967	25%	339	1,492	+340%
Callawonga	105,669	142,682	25%	26,417	35,671	+35%
Total	204,185	254,099		54,022	66,619	+24%

Production during the quarter was 66,619 barrels of oil (Cooper Energy share). This was up 24% on the previous quarter. The production increase was due to better trucking off-take efficiency, caused by better weather conditions, and increased mechanical efficiencies in the facilities.

Cooper Energy established a production “do nothing, no drilling success” budget of 220,000 barrels of oil with an uncertainty of 150,000-250,000 barrels of oil for the 2007-2008 financial year. The following graph demonstrates the production volumes in comparison to that budget.

Cooper Energy Budget Basecase v Actual Production Statistics



With the recent success of the Callawonga and Worrior development wells, it is expected that the budgeted production of 220,000 barrels of oil will be exceeded.

Corporate Overview

Further to the divestment of Cooper Energy’s interest in Block B in Cambodia, Cooper Energy received Government approval of the divestment in September 2007. The divestment was concluded with CE Cambodia B Ltd (a 100% wholly owned subsidiary of Cooper Energy) receiving US\$1.25 million as consideration for its 10% interest in Block B in October 2007.

Cooper Energy continues to hold a 6.64% interest in Mosaic Oil NL.

Regards,

Michael Scott
Managing Director