



ABN 93 096 170 295

## ASX ANNOUNCEMENT

### Quarterly Activity Report - Period Ending 31 December 2009

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#### Highlights

##### Australia

- Cooper Basin production base delivers 130,259 barrels of oil – down 4%.
- Revenue during the quarter of A\$12.8 million – up 12%.
- Cash of A\$95.4 million – up 1%.
- Butlers and Perlubie South Oil Fields tied-in to the PEL92 flow-line infrastructure in December 2009.
- Wheatons-1 and Penneshaw-1 approved as exploration drilling targets in PEL92.
- Worrior-7 appraisal well approved as an appraisal well.
- 2D and 3D seismic works commenced in PEL92.

##### Indonesia

- Gigir East-1 civil works and drilling services contracts awarded. Three available rigs identified and contract negotiations are ongoing.

##### Tunisia

- Hammamet West 209 km<sup>2</sup> 3D high resolution seismic survey completed on-budget and on-schedule.
- Menzel Horr-1 well proposal approved by Tunisian Government.
- Fuchsia-1 seafloor soil testing complete. Operator seeking a fit for purpose rig to drill the well in a timely manner.

During the 4Q09 the following financial and operational results were delivered:

## Key Company Indicators

Description	Units	Full Year 2008-2009	September 2009 Quarter	December 2009 Quarter	Quarter Change
<b>PRODUCTION</b>					
Oil production	Barrels	487,254	136,392	130,259	-4% ▼
Oil sales revenue	A\$000	41,647	11,361	12,773	+12% ▲
<b>LIQUID ASSETS</b>					
Cash and deposits	A\$000	93,437	94,812	95,416	+1% ▲
<b>FINANCIAL INSTRUMENTS</b>					
Debt	A\$000	None	None	None	0% →
Forex or Oil Price Hedging	A\$000	None	None	None	0% →
<b>EXPENDITURE</b>					
Exploration payments <sup>(1)</sup>	A\$000	7,528	2,283	3,959	
Development payments <sup>(1)</sup>	A\$000	4,888	1,183	22	
Production payments <sup>(1)</sup>	A\$000	8,486	2,270	2,222	
<b>FINANCIALS</b>					
Working capital <sup>(2)</sup>	A\$000	96,465	99,498	102,325	+3% ▲
EBITDAX <sup>(3)</sup>	A\$000	25,718			
(Loss) Profit before tax <sup>(2)</sup>	A\$000	5,041			
(Loss) Profit after tax <sup>(2)</sup>	A\$000	(2,816)			
<b>CAPITAL</b>					
Issued shares	# millions	291.926	292.426	292.426	0% →
Unlisted Options	# millions	18.745	20.045	20.045	0% →

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 increased to A\$95.4 million, resulting in a cash underpinning of A\$0.33 per share. The working capital per share increased from A\$0.34 to A\$0.35 per share.

Production sales increase by 12% due to an increase in the oil price during the period.

## Exploration

### AUSTRALIA

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

Work continues across a number of Cooper Basin permits to define the next round of drilling targets.

Within PEL92 (COE 25%) two targets have been approved by the Joint Venture for drilling – Penneshaw-1 and Wheatons-1. Penneshaw-1 lies mid-way between Perlubie and Christies with the Namur Sandstone as the primary objective. Wheatons-1 lies north of Callawonga with the Namur Sandstone as the primary objective. The Operator (BPT) is now seeking a rig to drill the wells.

A 230 km 2D seismic survey was commenced during December in PEL 92. This survey is part of a larger seismic acquisition program targeting oil prospects in the Western Flank region of Basin. The program also includes a 3D survey of 210 km<sup>2</sup>. Acquisition of this program will continue through to May 2010.

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

Seismic processing of the existing data is ongoing with a scheduled completion this quarter.

## TUNISIA

### Hammamet Permit (COE 35%)



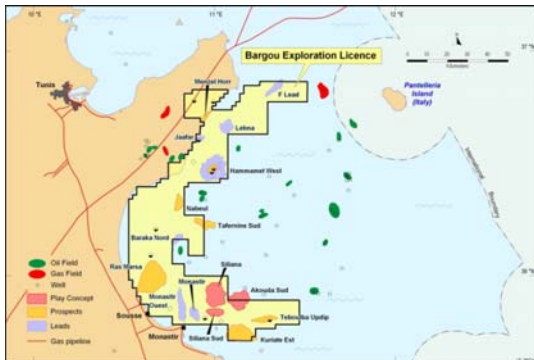
*Hammamet Permit Location*

Seafloor soil testing at the Fuchsia-1 location was completed (ASX announcement COE101209a). The testing demonstrated that the soil conditions were soft, which may result in a greater than expected jackup rig leg penetration. As a result, the rig that had been identified to drill the well was unsuitable at this location and an alternative rig needed to be sourced.

Cooper Energy is waiting on the Operator to locate, make recommendations and secure a suitable rig to drill the Fuchsia-1 well.

An announcement on plans and timing regarding the Fuchsia-1 well will be made when further information becomes available.

### Bargou Permit (COE 100% and Operator)



*Bargou Permit Location*

Cooper Energy initiated and successfully completed acquiring 209 km<sup>2</sup> of 3D high resolution offshore seismic data over the Hammamet West Oil Field (ASX announcement COE080110a).

The data will be processed by CGGVeritas in Perth and then interpreted in Cooper Energy's

Perth office. Cooper Energy is hoping that the data will provide a much clearer picture of the reservoir structure and zones of high fracturing, which will be the key to field appraisal and development.

In regards to the Menzel Horr-1 well, Cooper Energy has secured the Tunisian Government's approval to drill the Menzel Horr Prospect in 2010. Design and procurement activities will now proceed with a spud planned towards the end of 2010.

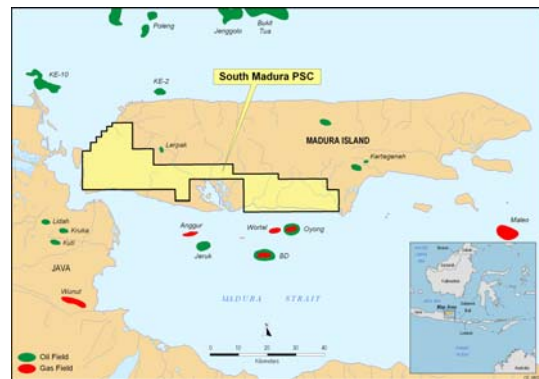
## INDONESIA

### South Madura PSC (COE 30% and Operator)

Preparations for spudding the Gigir East-1 well in April 2010 are progressing satisfactorily.

The civil works has been awarded and it is expected that work will commence around mid-February. The drilling services have also been awarded.

In addition to the award of the civil works and drilling services, three available rigs have been short listed and the final phase of the tender process is underway. It is expected that the drilling rig tender process will be completed in mid February 2010 and a drilling rig contract awarded at that time.



*South Madura PSC Location*

## Development

### AUSTRALIA

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

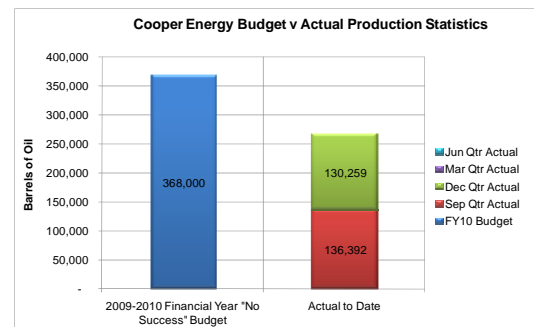
A Worrior-7 appraisal well has been approved to test the eastern extend of the Worrior Oil Field. The Operator (STU) is now seeking a rig to drill the well.

## Production

Perlubie South and Butlers commenced production in December 2009. Perlubie South contributed 755 barrels over 10 days and Butlers 7917 barrels over 22 days.

During the quarter Cooper Energy's share of production was 130,259 of barrels of oil, which is down 4% on the previous quarter due to a combination of natural field decline, rain and operational activities (workovers and tie-ins).

Cooper Energy previously advised an annual full year "no success" production budget of 368,000 barrels of oil for 2009-2010 financial year. Production for the financial year to date equals 266,651 barrels of oil or 72% of the original budget.



*Quarterly Production Statistics Relative to "No Success" Budget*

It should be noted that Perlubie South and Butlers were discovered after this budget was prepared, which should result in the base case budget being exceeded for the year.

## Corporate Reporting Schedule

Cooper Energy's 2009-2010 reporting schedule is expected to be as follows:

Item	Expected Date	(Announcement Ref.)
June 2009 Quarterly Report	End July 2009	(COE170709b)
Full Year Accounts	End August 2009	(COE260809a)
September 2009 Quarterly Report	End October 2009	(COE281009a)
Annual Report Dispatched	Mid October 2009	(COE261009b)
Annual General Meeting	End November 2009	(COE251109c)
December 2009 Quarterly Report	End January 2010	(COE280110a)
Half Yearly Accounts	End February 2010	
March 2010 Quarterly Report	End April 2010	
June 2010 Quarterly Report	End July 2010	

Other announcements on various operational activities will be announced when due.

Regards,  
**Cooper Energy Limited**

**Michael Scott**  
Managing Director

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