

Reserves and Contingent Resources Update at 30 June 2018

- Proved plus Probable Reserves (2P) of 52.4 MMboe compared with 11.7 MMboe at 30 June 2017
- 2C Contingent Resources of 23.6 MMboe compared with 77.6 MMboe at 30 June 2017
- Sole Contingent Resources reclassified as Reserves following Sole FID

Cooper Energy Limited (“Cooper Energy”, “the Company”, **ASX: COE**) announces that it has updated its Reserves and Contingent Resources assessment as at 30 June 2018. All reserves and resources figures in this document are net to Cooper Energy.

Reserves

Cooper Energy’s 2P (P50) Reserves at 30 June 2018 are assessed to be 52.4 million barrels of oil equivalent (MMboe). This is a 42.2 MMboe year-on-year increase from 30 June 2017, and a decrease of 1.7 MMboe from 2P Reserves reported on 25 August 2017 following the Sole FID update. The key factor contributing to the year-on-year revision is the declaration of the Final Investment Decision (FID) for the Sole gas project and reclassification of Sole Contingent Resources as Reserves.

A summary of Reserves allocated between oil and gas is shown in Appendix A.

Reserves at 30 June 2018

Category	Unit	1P (Proved)			2P (Proved & Probable)			3P (Proved, Probable & Possible)		
		Developed	Undeveloped	Total	Developed	Undeveloped	Total	Developed	Undeveloped	Total
Sales Gas	PJ	15	235	251	26	283	309	36	350	386
Oil + Cond	MMbbl	1.1	0.1	1.2	1.4	0.4	1.8	1.9	1.4	3.3
Total ^{1,2}	MMboe	3.6	38.5	42.1	5.7	46.7	52.4	7.8	58.6	66.4

¹ The reserves exclude Cooper Energy’s share of future fuel usage. See comment on conversion factor change in ‘Notes on Calculation of Reserves and Resources’.

² Totals may not reflect arithmetic addition due to rounding. The method of aggregation is by arithmetic sum by category. As a result, the 1P estimate may be conservative and the 3P estimate may be optimistic due to the effects of arithmetic summation.

Year-on-year Movement in Reserves (MMboe)

Category	Proved (1P)	Proved & Probable (2P)	Proved, Probable & Possible (3P)
Reserves at 30 June 2017 ¹	7.9	11.7	18.7
FY18 Production ²	(1.5)	(1.5)	(1.5)
Revisions	35.7	42.2	49.2
Reserves at 30 June 2018 ³	42.1	52.4	66.4

¹ As announced to the ASX on 29 August 2017.

² Otway and Cooper basin production from 1 July 2017 to 30 June 2018 (inclusive). The reserves exclude Cooper Energy’s share of future fuel usage.

³ Totals may not reflect arithmetic addition due to rounding. The method of aggregation is by arithmetic sum by category. As a result, the 1P estimate may be conservative and the 3P estimate may be optimistic due to the effects of arithmetic summation. See comment on conversion factor change in ‘Notes on Calculation of Reserves and Resources’.

Contingent Resources

Cooper Energy's 2C (P50) Contingent Resources at 30 June 2018 have decreased since 30 June 2017 by 54.0 MMboe to a total of 23.6 MMboe. The key material factors contributing to the revision are:

- Declaration in August 2017 of the Final Investment Decision (FID) for the Sole gas project and the Company securing a fully underwritten finance package to complete funding for the project. Sole Contingent Resources therefore were reclassified as Reserves; and
- Contingent Resources previously carried for the Basker Field have been reclassified as Discovered Unrecoverable Resources due to approval of field abandonment.

Contingent Resources at 30 June 2018

Basin	1C (P90)			2C (P50)			3C (P10)		
	Gas PJ	Oil/Cond MMbbl	Total MMboe ¹	Gas PJ	Oil/Cond MMbbl	Total MMboe ¹	Gas PJ	Oil/Cond MMbbl	Total MMboe ¹
Gippsland	68	1.7	12.7	106	3.2	20.4	165	5.3	32.0
Otway	12	0.0	2.0	19	0.0	3.1	28	0.0	4.6
Cooper	0	0.1	0.1	0	0.1	0.1	0	0.2	0.2
Total¹	80	1.8	14.8	125	3.4	23.6	193	5.5	36.8

¹ Totals may not reflect arithmetic addition due to rounding. The method of aggregation is by arithmetic sum by category. As a result, the 1C estimate may be conservative and the 3C estimate may be optimistic due to the effects of arithmetic summation. See comment on conversion factor change in 'Notes on Calculation of Reserves and Resources'.

Year-on-year Movement in Contingent Resources (MMboe)

Category	1C	2C	3C
Contingent Resources at 30 June 2017 ^{1,2}	56.3	77.6	108.5
Revisions	(41.5)	(54.0)	(71.7)
Contingent Resources at 30 June 2018^{1,2}	14.8	23.6	36.8

¹ Contingent Resources at 30 June 2017 as reported to the ASX on 29 August 2017.

² Totals may not reflect arithmetic addition due to rounding. The method of aggregation is by arithmetic sum by category. As a result, the 1C estimate may be conservative and the 3C estimate may be optimistic due to the effects of arithmetic summation. See comment on conversion factor change in 'Notes on Calculation of Reserves and Resources'.

Notes on calculation of Reserves and Resources

Cooper Energy has completed its own estimation of Reserves and Contingent Resources for its fully-operated Gippsland Basin assets, and elsewhere based on information provided by the permit Operators (Beach Energy Ltd for PEL 92, Senex Ltd for Worrior Field, and BHP Billiton Petroleum (Vic) P/L for Minerva Field — in accordance with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2018 Petroleum Resources Management System (PRMS).

All Reserves and Contingent Resources figures in this document are net to Cooper Energy.

Petroleum Reserves and Contingent Resources are prepared using deterministic and probabilistic methods. The resources estimate methodologies incorporate a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes. Project and field totals are aggregated by arithmetic summation by category. Aggregated 1P and 1C estimates may be conservative, and aggregated 3P and 3C estimates may be optimistic due to the effects of arithmetic summation. Totals may not exactly reflect arithmetic addition due to rounding.

The Company has changed the FY18 energy conversion factor consistent with Society of Petroleum Engineers (SPE) conversions and PRMS guidance. The previous conversion factor of 1 PJ = 0.172 MMboe was adopted when the Company was predominantly a Cooper Basin oil producer. With the change to a predominantly offshore gas-producing Company, a conversion factor of 1 PJ = 0.163 MMboe

(5.8 MMBtu/bbl) is more consistent with industry and SPE standard energy conversions. The new conversion factor has no impact on gas reserves expressed in PJ.

Reserves

Under the SPE PRMS 2018, “Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions”.

The Otway Basin totals comprise the arithmetically aggregated project fields (Casino-Henry-Netherby and Minerva) and exclude reserves used for field fuel.

The Cooper Basin totals comprise the arithmetically aggregated PEL 92 project fields and the arithmetic summation of the Worrior project reserves, and exclude reserves used for field fuel.

The Gippsland Basin total comprises Sole Field only, where the Contingent Resources assessment at 30 June 2017 as announced to the ASX on 29 August 2017 has been reclassified to Reserves.

Contingent Resources

Under the SPE PRMS 2018, “Contingent Resources are “those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies”.

The Contingent Resources assessment includes resources in the Gippsland, Otway and Cooper basins. The following material Contingent Resources assessment was released to the ASX:

- Manta Field on 16 July 2015

Cooper Energy is not aware of any new information or data about Manta Field that materially affects the information provided in that release, and all material assumptions and technical parameters underpinning the Manta estimates provided in the release continue to apply.

Basker Field Contingent Resources reported on 18 August 2014 and carried unchanged through FY17 have been reclassified as Discovered Unrecoverable in FY18 due to approval of field abandonment.

Qualified Petroleum Reserves and Resources Evaluator Statement

The information contained in this report regarding the Cooper Energy reserves, contingent resources and prospective resources report is based on, and fairly represents, information and supporting documentation reviewed by Mr Andrew Thomas who is a full-time employee of Cooper Energy Limited holding the position of General Manager – Exploration & Subsurface, holds a Bachelor of Science (Hons), is a member of the American Association of Petroleum Geologists and the Society of Petroleum Engineers, is qualified in accordance with ASX listing rule 5.41, and has consented to the inclusion of this information in the form and context in which it appears.

Further comment and information:	
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Appendix A: Reserves by basin allocated between oil and gas at 30 June 2018

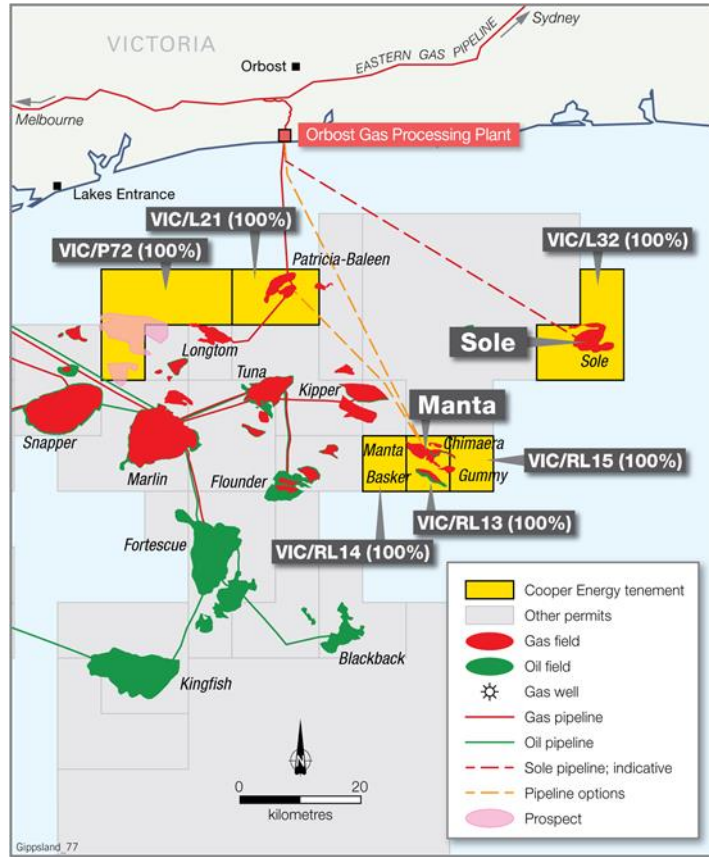
Category	Unit	1P (Proved)				2P (Proved + Probable)				3P (Proved + Probable + Possible)				
		Cooper	Otway	Gippsland	Total	Cooper	Otway	Gippsland	Total	Cooper	Otway	Gippsland	Total	
Developed	Sales Gas	PJ	0	15	0.0	15	0	26	0.0	26	0	36	0.0	36
	Oil + Cond	MMbbl	1.1	0.0	0.0	1.1	1.4	0.0	0.0	1.4	1.9	0.0	0.0	1.9
	Sub-total	MMboe ²	1.1	2.5	0.0	3.6	1.4	4.3	0.0	5.7	1.9	6.0	0.0	7.8
Undeveloped	Sales Gas	PJ	0	26	209	235	0	35	249	283	0	57	293	350
	Oil + Cond	MMbbl	0.1	0.0	0.0	0.1	0.4	0.0	0.0	0.4	1.4	0.0	0.0	1.4
	Sub-total	MMboe ²	0.1	4.2	34.2	38.5	0.4	5.7	40.6	46.7	1.4	9.3	47.8	58.6
Total ^{1,2}	MMboe	1.2	6.7	34.2	42.1	1.8	10.0	40.6	52.4	3.3	15.3	47.8	66.4	

¹ Totals may not reflect arithmetic addition due to rounding. The method of aggregation is by arithmetic sum by category. As a result, the 1P estimate may be conservative and the 3P estimate may be optimistic due to the effects of arithmetic summation.

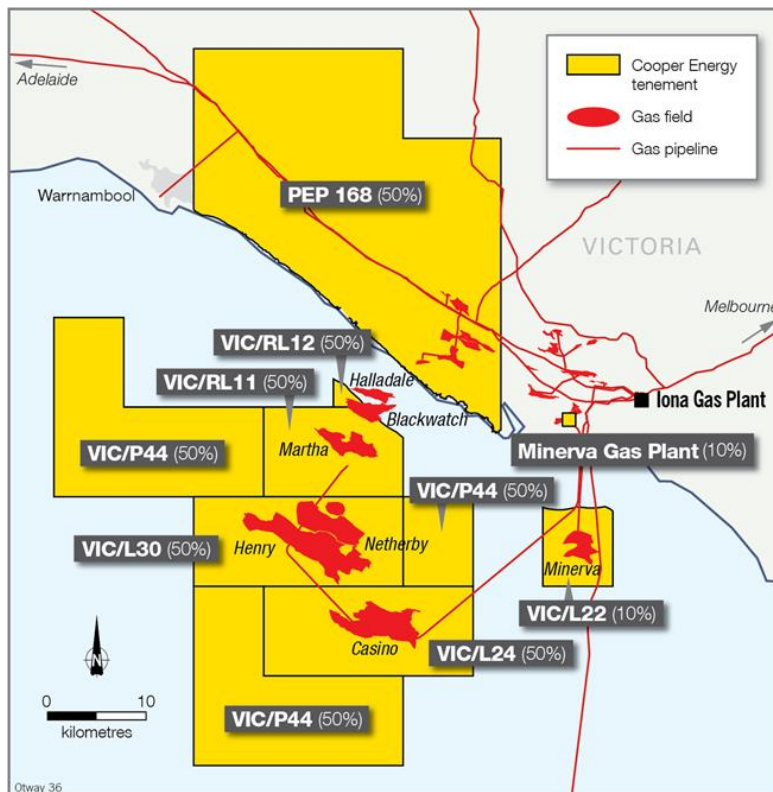
² The conversion factor of 1 PJ = 0.163 MMboe has been used to convert from Sales Gas (PJ) to Oil Equivalent (MMboe). See comment on conversion factor change in 'Notes on calculation of Reserves and Resources

Cooper Energy exploration and production tenements

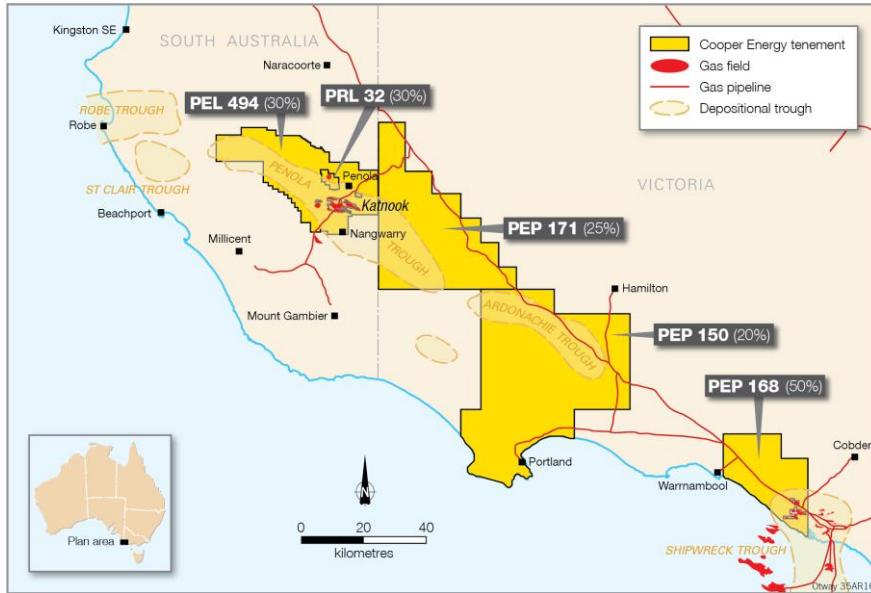
Gippsland Basin interests



Offshore Otway Basin interests



Onshore Otway Basin interests



Cooper Basin interests

