

Key features:

- **Quarterly production:** up 377% to 0.43 million boe from 0.09 million boe in pcq
- **Quarterly revenue:** up 194% on pcq to \$14.4 million
- **\$400 million finance package:** debt and equity package completed funding for Sole project and funds other portfolio opportunities and commitments
- **Sole gas project FID:** declared 29 August, offshore project 20% complete, on budget, proceeding to schedule for gas to plant March 2019
- **2P Reserves upgraded 362%** to 54 million boe¹
- **Gas marketing:** tender for gas supply from Casino Henry from March 2018
- **Cash:** \$242.3 million up from \$147.5 million at 30 June and \$39.3 million in pcq

Managing Director's comments

"Our results show Cooper Energy has maintained momentum in the new financial year with the completion of several company-changing milestones.

"Cooper Energy is now fully funded for the Sole project and for our value-add projects at Casino Henry. Regulatory approvals are in place, we are the Operator in our major licences in the Gippsland and offshore Otway basins and our 2P reserves were upgraded 362% to 54 million boe.

"The Sole gas project continues to advance consistent with our timelines for first gas in March 2019 and within budgeted cost. The Upstream project operated by Cooper Energy was 20% complete at the end of the quarter.

"The response to our Casino Henry gas tender is in line with expectations. A new Otway gas contract, featuring higher prices, is one of a number of milestones we are expecting in the current quarter. With the arrival of the Ocean Monarch drilling rig confirmed for February, we are looking forward to an exciting period in the coming nine months as we address further value add opportunities in our Otway gas business and drill the production wells for Sole".

Key Measures

<i>\$ million unless indicated</i>	3 months to 30 Sept 17	3 months to 30 Sept 16	Qtr on Qtr Change %	FY18 YTD	FY17 YTD	YTD Change %
Production (MMboe)	0.43	0.09	377%	0.43	0.09	377%
Sales revenue	14.4	4.9	194%	14.4	4.9	194%
Capital expenditure (cash)	32.9	6.7	391%	32.9	6.7	391%
Cash	242.3	39.3	517%	242.3	39.3	517%

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Investor Relations

¹ Cooper Energy announced an updated assessment of its reserves and resources as at 25 August 2017 on 29 August 2017. Further information on this assessment is provided in the notes printed on page 13.

Corporate

\$400 million finance package for Sole and other gas capital expenditure

On 29 August, the company announced a \$400 million fully underwritten finance package to finalise funding for the Sole gas project as well as provide additional funding and liquidity requirements associated with bank financing and capital expenditure for other opportunities and commitments within its portfolio. The package comprises:

- \$250 million senior secured Reserve Based Lending (“RBL”) facility, fully underwritten by Australia and New Zealand Banking Group (ANZ) and Natixis, Hong Kong Branch;
- senior secured A\$15 million working capital facility provided by ANZ; and
- \$135 million non-renounceable 2 for 5 entitlement issue.

The equity issue, which comprised an accelerated institutional offer and a retail entitlement offer, both priced at \$0.295/share, was completed in September. Issued share capital increased from 1,140.6 million to 1,596.8 million following the issue.

Financial close of the senior debt facilities was announced on 23 October 2017.

Sole FID

Final Investment Decision (FID) for the Sole gas project was declared on 29 August 2017 after announcement that funding for the Sole gas project had been secured. Further discussion of the project and its progress is provided within the Operations Review of this report.

APA acquisition of Orbost Gas Plant

As previously reported, APA is to acquire, upgrade and operate the Orbost Gas Plant to process gas from Sole, Manta and potentially other fields. The transaction, which was announced on 1 June, is subject to a number of conditions precedent including Sole FID, the finalisation of project funding and regulatory approvals. With the financial close of debt facilities achieved, it is now expected that the transaction will proceed to formal completion on 31 October 2017. APA will formally assume ownership of the Orbost Gas Plant from 31 October 2017.

Gas marketing

The company, in conjunction with the Casino Henry joint venture, initiated a sales tender for gas supply for delivery from the field from 1 March 2018. The existing supply contract from Casino Henry expires on 28 February 2018. Tender responses were received subsequent to the end of the quarter and offers received have confirmed price expectations. The company expects to conclude and announce a new gas supply agreement within the current quarter.

Financial

September quarter

Sales revenue for the 3 months to 30 September 2017 (the September quarter) was \$14.4 million compared with \$13.0 million in the previous quarter and \$4.9 million in the September quarter 2016 (the previous corresponding period; "pcp").

The increase in quarterly revenue compared with the pcp is attributable to sales from the Casino Henry and Minerva gas assets acquired effective from 1 January. The 11% increase in quarterly revenue compared with the June quarter is attributable to higher gas and oil production, which is reported and discussed under the headings of 'Production' and 'Operations Review' later in this report.

Cash capital expenditure of \$32.9 million for the quarter compares with \$17.4 million in the previous quarter and \$6.7 million in the pcp. The increase is primarily due to the Sole gas project, which accounted for the overwhelming majority of capital expenditure during the period. Expenditure on the project prior to FID is categorised as exploration expenditure. Expenditure subsequent to FID is recorded as development expenditure.

Total incurred capital expenditure for the period was \$57.2 million. Capital expenditure by region is as follows.

Cash Capital expenditure

\$ million	September quarter FY18			Year to date FY18		
	Exploration	Development	Total	Exploration	Development	Total
Otway	0.3	3.6	3.9	0.3	3.6	3.9
Gippsland	14.8	12.2	27.0	14.8	12.2	27.0
Cooper Basin	1.2	0.6	1.8	1.2	0.6	1.8
Other	-	0.2	0.2	-	0.2	0.2
Total	16.3	16.6	32.9	16.3	16.6	32.9

Cash and investments

Cash at 30 September was \$242.3 million compared with \$147.5 million at the beginning of the quarter. The principal factor in the cash movement between the period was the receipt of net proceeds of \$130.3 million from the capital raising announced 29 August 2017.

Key quarterly financial statistics

		Sep qtr 17	Prior qtr Jun 17	PCP qtr Sep 16	Change on prior qtr %	Change on PCP %	YTD FY18	YTD FY17	YTD Change %
Sales									
Sales revenue	\$ million	14.4	13.0	4.9	11%	194%	14.4	4.9	194%
Average oil price	AUD/bbl	59.70	63.47	54.93	-6%	9%	59.70	54.93	9%
Oil direct operating cost	AUD/bbl	30.02	28.14	28.47	7%	5%	30.02	28.47	5%
Sales volume	Gas PJ	2.1	1.9	-	11%	100%	2.1	-	100%
	Oil kbbl	62.5	57.4	90.0	9%	-31%	62.5	90.0	-31%
Capital Expenditure (cash)									
Exploration & appraisal	\$ million	16.3	16.1	6.0	1%	172%	16.3	6.0	172%
Development & fixed assets	\$ million	16.6	1.3	0.7	1,177%	2,271%	16.6	0.7	2,271%
Total		32.9	17.4	6.7	89%	391%	32.9	6.7	391%
Cash									
Cash and term deposits	\$ million	242.3	147.5	39.3	64%	517%	242.3	39.3	517%
Investments ⁵	\$ million	0.6	0.7	0.9	-14%	-33%	0.6	0.9	-33%
Total financial assets		242.9	148.2	40.2	64%	504%	242.90	40.2	504%
Issued Capital									
Issued shares	million	1,596.8	1,140.6	435.2	40%	267%	1,596.8	435.2	267%
Performance Rights	million	16.6	16.6	19.1	0%	-13%	16.6	19.1	-13.1%
Share Appreciation Rights	million	30.1	30.1	22.3	0%	35%	30.1	22.3	35%

Notes:

- (1) Sales figures for most recent quarter are preliminary
- (2) Prior periods have been updated for final reconciled figures
- (3) Direct operating costs includes production, transport and royalties
- (4) Capital expenditure shown is cash expenditure. Incurred capital expenditure for the September quarter 2017 totals \$57.2 million and comprises \$5.9 million on exploration and \$51.3 million on development
- (5) Investments shown at fair value at the reporting date shown

Production

Production of 0.43 million for the quarter was 10% higher than the June quarter due to increased output from Casino Henry and the Cooper Basin. The 377% increase on pcg production is due to the contribution from the Casino Henry and Minerva assets which were acquired effective 1 January.

Factors in quarterly production performance by project is discussed under 'Operations' following.

Cooper Energy share of production for 3 months to 30 September and year to date.

By product	Sep Qtr FY18	Prior Qtr Jun FY17	PCP Qtr Sep FY17	Change on prior qtr	Change on PCP %	FY18 YTD	FY17 YTD	YTD Change %
Sales gas PJ	2.11	1.89	-	12%	100%	2.11	-	100%
Crude oil & condensate kbbl	64.04	60.52	92.21	6%	-31%	64.04	92.21	-31%
Total million boe	0.43	0.39	0.09	10%	377%	0.43	0.09	377%

By project	Sep Qtr FY18	Prior Qtr Jun FY17	PCP Qtr Sep FY17	Change on prior qtr	Change on PCP %	FY18 YTD	FY17 YTD	YTD Change %
Casino Henry								
- gas PJ	1.72	1.50	-	15%	100%	1.72	-	100%
- condensate kbbl	1.12	0.82	-	37%	100%	1.12	-	100%
Minerva								
- gas PJ	0.39	0.39	-	0%	100%	0.39	-	100%
- condensate kbbl	0.90	0.90	-	0%	100%	0.90	-	100%
Cooper Basin								
- oil kbbl	62.02	58.81	66.32	5%	-6%	62.02	66.32	-6%
Indonesia KSO								
- oil kbbl	-	-	25.89	-	- 100%	-	25.89	- 100%
Total million boe	0.43	0.39	0.09	10%	377%	0.43	0.09	377%

Operations review

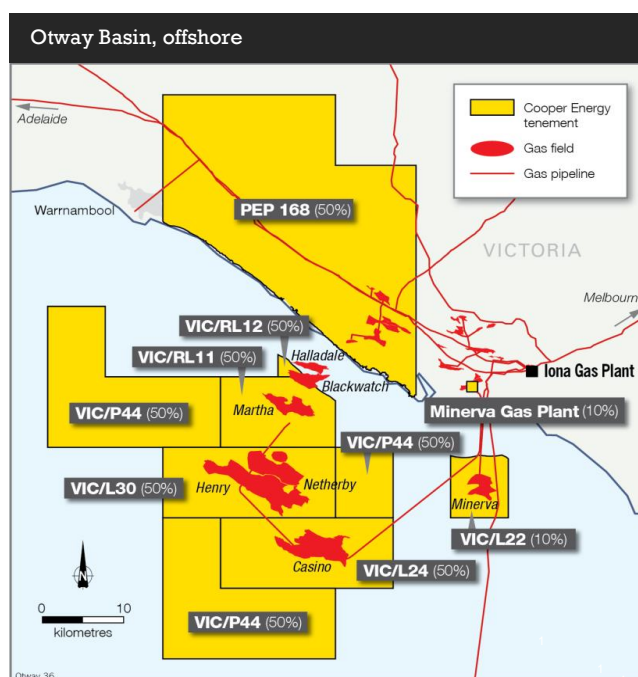
Otway Basin

Offshore

The company's offshore interests in the Otway Basin in Victoria include:

- a 50% interest in, and Operatorship of, the producing Casino Henry Netherby ("Casino Henry") gas project (VIC/L24 and VIC/L30);
- a 50% interest in, and Operatorship of, Retention Licences VIC/RL11 and VIC/RL12;
- a 50% interest in, and Operatorship of, the VIC/P44 exploration acreage; and
- a 10% interest in the Minerva gas project comprising the offshore licence VIC/L22 and the Minerva Gas Plant onshore Victoria.

During the quarter the company received approval and registration of title transfers to Cooper Energy entities in respect of these interests, which had been acquired effective from 1 January 2017. Cooper Energy became the Operator of record of the Casino-Henry asset effective from 2 August 2017.



The Casino Henry Joint Venture has submitted applications to the National Offshore Petroleum Title Administrator (NOPTA) to renew VIC/RL11 and VIC/RL12.

Production

Cooper Energy's share of production from the offshore Otway Basin interests during the September quarter comprised 2.11 PJ of gas and 2.02 kbbl of condensate. Casino Henry accounted for 1.72 PJ of gas and 1.12 kbbl of condensate; up from the previous quarter's 1.5 PJ and 0.82 kbbl respectively. Average daily gross gas production was 37.4 TJ/day (joint venture production, Cooper Energy share 50%).

The increase in production from Casino Henry reflects lower than anticipated maintenance interruptions from the Iona gas plant following various scheduled maintenance in the previous quarter.

Preparations are in progress for the workover of Casino-5 to restore production from the well which, in conjunction with onshore upgrades, is expected to result in a modest production increment. It is expected the workover will be the first task conducted by the Diamond Offshore Ocean Monarch drilling rig in its contract with Cooper Energy. The rig is expected on location in February 2017.

The Minerva gas field contributed 0.39 PJ to September quarter production. The field produced at a gross average rate of 42.4 TJ/day (joint venture production, Cooper Energy interest:10%).

Development

Options to further develop the Henry field are being assessed given the opportunity to drill a further development well whilst the Ocean Monarch is in the region.

Exploration

A review of the exploration potential adjacent to existing production infrastructure at the Casino Henry fields is ongoing. A variation of the VIC/P44 Permit Year 5 work program commitment of one well to a Quantitative Interpretation seismic inversion study was approved by NOPTA in September. This study, to be completed in the first half of 2018, will be integrated with other exploration studies to update the exploration prospects inventory within exploration permit VIC/P44.

Onshore

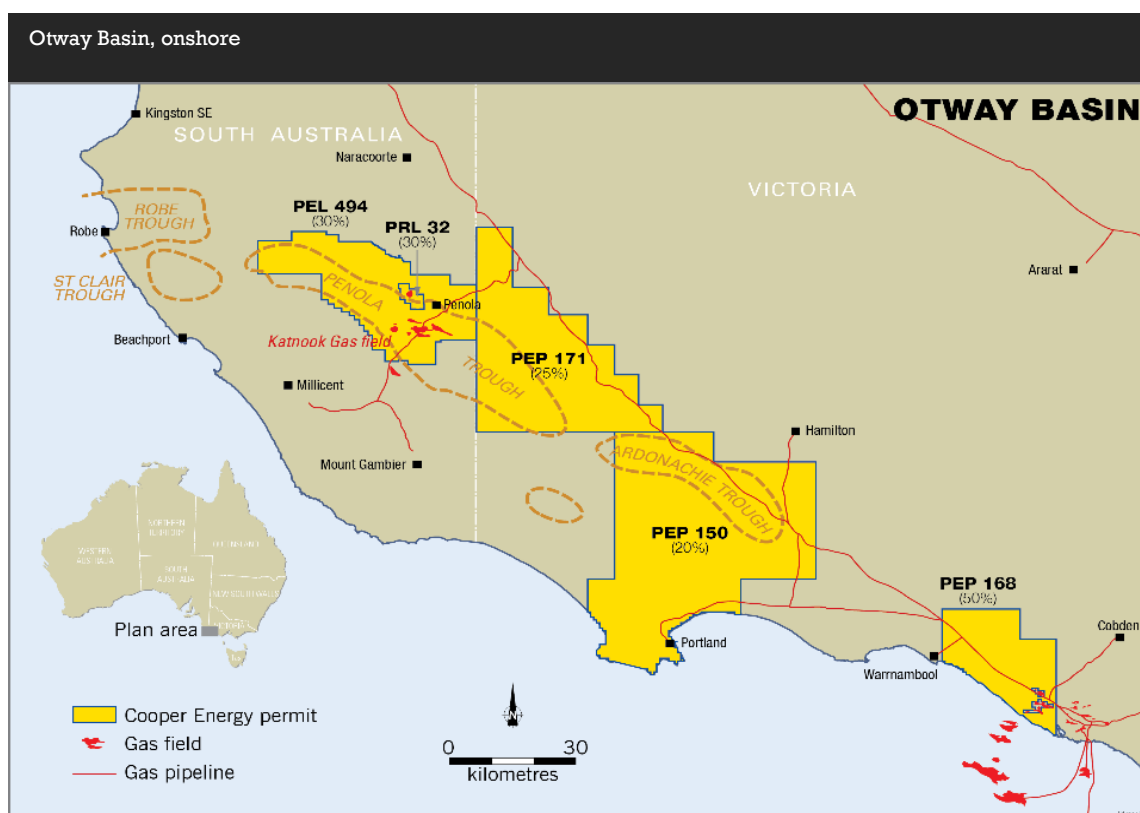
The company's onshore interests in the Otway Basin include:

- a) a 30% interest in PEL 494 and PRL 32 in South Australia; and
- b) interests in Victorian permits where activities are currently suspended pursuant to the moratorium on onshore gas exploration imposed by the Victorian state government.

Mawson Petroleum (Beach Energy) and Bass Oil Limited gave notice during the quarter of their intent to withdraw from the PEP 150 permit in Victoria. Bridgeport Pty Ltd and Cooper Energy will remain on title.

On 30 August 2016, the Victorian government announced a permanent ban on the exploration and development of all onshore unconventional gas in Victoria, including hydraulic fracturing and coal seam gas, and the extension of the moratorium on onshore conventional gas exploration and development to 30 June 2020. Cooper Energy and its joint venture partners are reviewing their options and plans relevant to the onshore permits in Victoria.

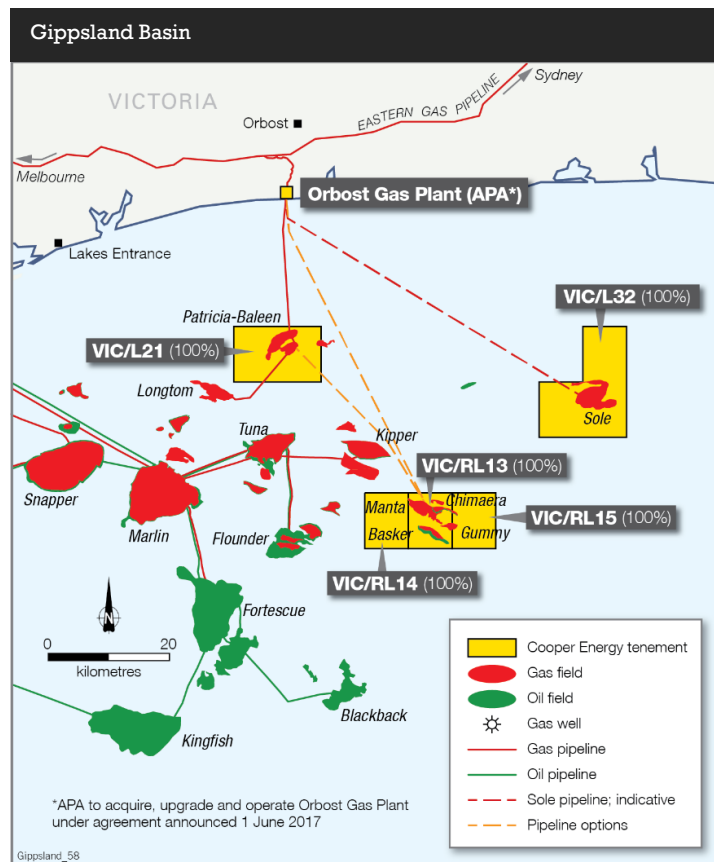
Interpretation of the recently processed St George 3D and Balnaves seismic data in PEL 494 is ongoing.



Gippsland Basin

As at the date of this report, Cooper Energy's interests in the Gippsland Basin include:

- a 100% interest in production licence VIC/L32, which holds the Sole gas field which is currently under development. Sole is assessed to contain proved and probable reserves of 249 PJ² of sales gas. Cooper Energy is also operator of the Sole field;
- a 100% interest and operatorship of retention leases VIC/RL13, VIC/RL14 and VIC/RL15 which contain the Manta gas and liquids resource. Manta is assessed to contain Contingent Resources³ (2C) of 106 PJ of sales gas and 3.2 million barrels of oil and condensate;
- a 100% interest in, and Operatorship of production licence VIC/L21, which contains the depleted Patricia-Baleen gas field; and
- a 100% interest in the Orbest Gas Plant which (as noted on page 2) is expected to be transferred imminently to APA Group Limited, on completion of the agreement announced 1 June 2017 for APA to acquire, upgrade and operate the Orbest Gas Plant to process gas from Sole, Manta and potentially other fields.



Development

Sole gas project

Background

The Sole gas project involves the development of the Sole gas field and upgrade of the Orbest Gas Plant to supply approximately 24 PJ per annum from 2019. Cooper Energy is conducting the upstream component and will develop and connect the gas field. APA Group is undertaking the upgrade of the Orbest Gas Plant to process gas from Sole.

The upstream project involves the drilling and connection of two near horizontal production wells, subsea wellheads and connection of the subsea pipeline and umbilical controls to the plant via a horizontal drilled shore crossing.

First gas from Sole is expected into the Orbest Gas Plant in March 2019, on which basis first gas sales from the plant would be expected in the June quarter 2019. Approximately 186 PJ of the field's proved and probable gas reserves of 249 PJ have been contracted for sale with the balance retained for future sales.

² Reserves attributable to the Sole gas field were announced to the ASX on 29 August 2017. Cooper Energy is not aware of any new information or data that materially affects the information provided in that release and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply. Refer notes on page 13 for information on calculation.

³ Cooper Energy announced its assessment of the Manta Contingent Resource to the ASX on 16 July 2015. Cooper Energy is not aware of any new information or data that materially affects the information provided in that release and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply. Refer notes on page 13 for information on calculation.

Progress

The project has continued to proceed consistent with schedule. Planning, procurement and construction activities are advancing on plan.

The upstream project was taken to 20.2% complete at 30 September with costs to date being within the P50 budget of \$355 million.

Key milestones and status points for the upstream project include:

- completion of the horizontally directional drill shore crossing for the control umbilical. The production pipeline shore crossing work is expected to be completed in the December quarter;
- subsea line pipe (65 km) manufacture has been completed and the pipe is en route to Australia via sea;
- manufacture of the subsea wellhead trees is advancing, with assembly proceeding in Singapore and the United Kingdom. The two subsea trees are expected to be delivered in December and January;
- manufacture of the control umbilical by Technip is proceeding in the United Kingdom;
- consultation meetings are being held with local stakeholders in the 2018 drilling and offshore construction campaign, including fishing industry representative bodies; and
- preparations for the commencement of well construction activities using the Diamond Offshore Ocean Monarch drilling rig in the March quarter 2018.

APA is progressing the detailed design and procurement activities associated with the upstream project and acting as agent for Cooper Energy pending completion of the Orbest Gas Plant transaction anticipated on 31 October.



Manta gas project

The business case identified for the development of the Manta gas field has been reinforced by gas supply and demand forecasts, customer enquiries, detailed knowledge of cost reductions acquired through conduct of the Sole project and identification of the synergies available between the Sole and Manta projects. In particular, project economics for Manta development have been enhanced by the combination of gas prices and demand together with reductions to the cost of drilling and offshore equipment and services.

Current plans include the drilling of an appraisal well, Manta-3, which will also test the Manta Deep exploration prospect. The presence of the Diamond Offshore Ocean Monarch drilling rig in the region, which has been contracted to drill the Sole production wells, offers the opportunity to capture savings through coordination of drilling. Based on current schedules, Manta-3 could be drilled in 2019 with FID for the development in 2019/20 leading to production via the Orbost Gas Plant from 2021/22.

Cooper Basin

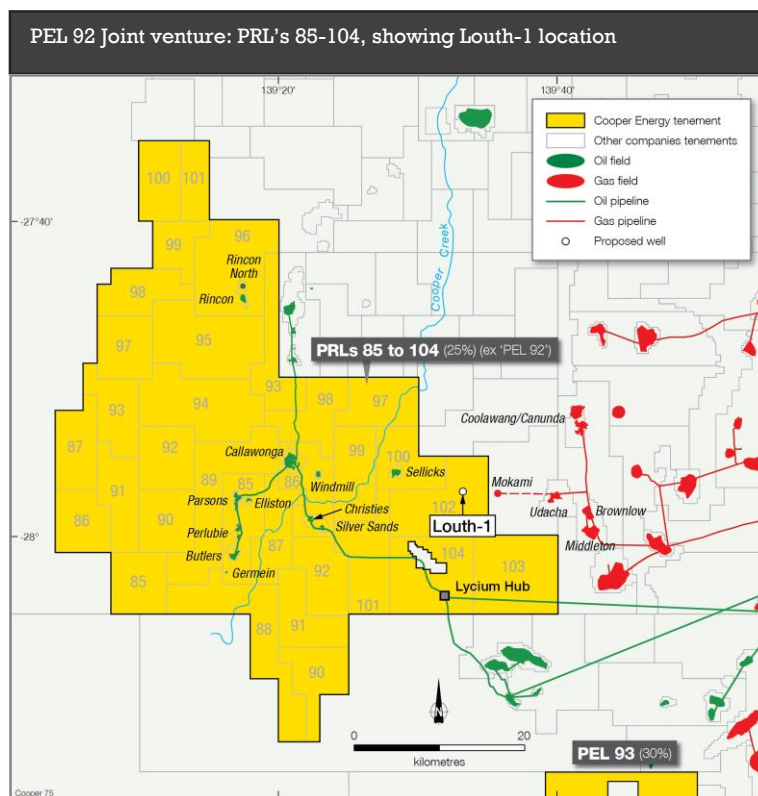
The Company's Cooper Basin interests comprise:

- a 25% interest in the oil-producing PEL 92 Joint Venture which holds the PRLs 85 -104 on the western flank of the Cooper Basin and production licences within this region. The PEL 92 Joint Venture accounts for approximately 95% of the company's oil production for the quarter;
- a 30% interest in the oil producing PPL 207 ('Warrior') Joint Venture and PEL 93 on the western flank of the Cooper Basin; and
- interests in northern Cooper Basin exploration licences PEL 90K, PRLs 183 - 190 and PRLs 207 – 209.

Production

Cooper Energy's share of oil production from its Cooper Basin tenements for the September quarter was 62.0 kbbl (average 674 bopd) which compares to the preceding quarter's production of 58.8 kbbl (average 646 bopd) and 66.3 kbbl (average 721 bopd) in the previous corresponding period.

Production from the PEL 92 Joint Venture accounted for 58.7 kbbl of September quarter production; an average daily rate of 638 bopd compared with the previous quarter's output of 55.3 kbbl at an average rate of 601 bopd and the pcg production of 62.3 kbbl at an average rate of 677 bopd.

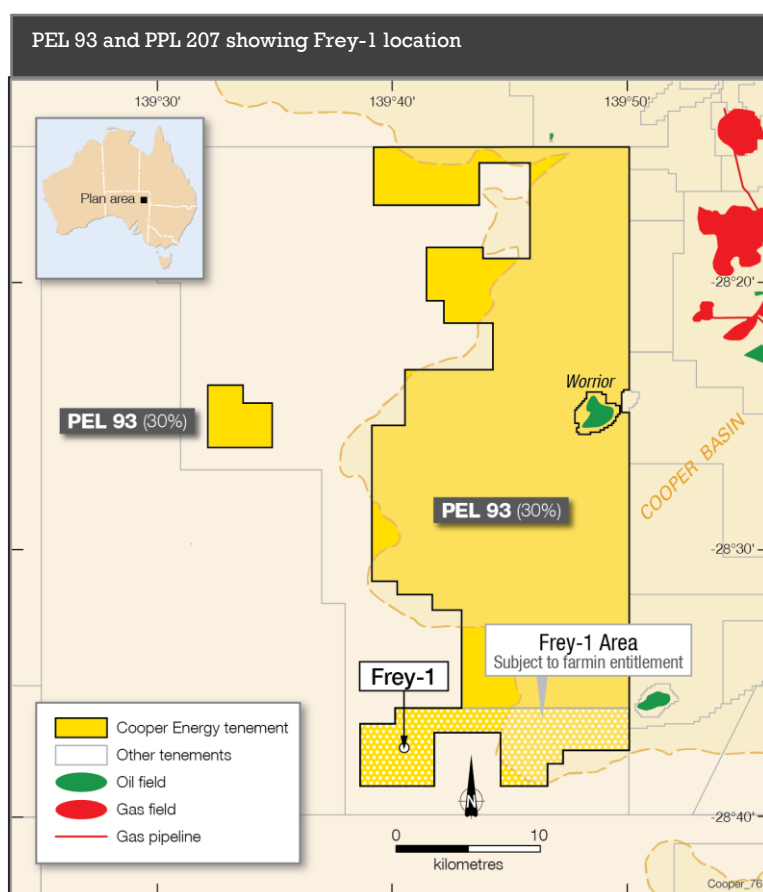


Production from the PPL 207 (Worrior Field) Joint Venture accounted for the balance of the company's Cooper Basin production. Cooper Energy's share of PPL 207 September quarter production was 3.3 kbbl, down from 3.5 kbbl in the previous quarter and compared to 4.0 kbbl in the previous corresponding period.

Exploration and Development

Two exploration wells, Louth-1 and Frey-1, were drilled in the quarter. Louth-1 was drilled in PEL 92 as a gas/condensate exploration well targeting the Patchawarra Formation and was plugged and abandoned after failing to find significant hydrocarbons. Frey-1 was an oil exploration well in PEL 93 drilled to meet the permit well commitment. The well was partially funded by two parties, Dunns Earthmoving Pty Ltd and Metgasco Ltd, which reduced Cooper Energy's exposure to costs by approximately 50%. Frey-1 failed to encounter significant hydrocarbons and was plugged and abandoned.

The 5 successful development wells drilled in the June quarter in the Callawonga oilfield by the PEL 92 JV are scheduled to be connected and brought online in the December quarter.



Terms and abbreviations

Cooper Energy reports uses terms and abbreviations common to the petroleum industry and the financial sector.

Terms used include:

- 2C: Best Estimate, contingent resources
- 2D, 3D: two dimensional, three dimensional (with respect to seismic surveys)
- 2P: proved and probable reserves
- bbl: barrels
- Bcf: Billion cubic feet (of gas)
- bfpd: barrels of fluid per day
- bopd: barrels of oil per day
- Casino Henry: Casino Henry Netherby
- Cooper Energy: Cooper Energy Limited and/or its subsidiaries
- FEED: Front End Engineering and Design
- FID: Final Investment Decision
- Financial year: 12 months ending 30 June
- FY16: financial year ending 30 June 2016
- JV: Joint Venture
- kbbl: thousand barrels
- m: metres
- MM: million
- MMboe: Million barrels of oil equivalent
- pcp: prior corresponding period
- PEL: Petroleum Exploration Licence
- PEP: Petroleum Exploration Permit
- PJ: petajoules
- PRL: Petroleum Retention Licence
- PPL: Petroleum Production Licence
- the quarter: three months ended 30 September
- scf: Standard cubic feet (of gas)
- SPE: Society of Petroleum Engineers
- TJ: Terajoules per day

Disclaimer and explanatory notes

Disclaimer

The information in this report

- Is not an offer or recommendation to purchase or subscribe for shares in Cooper Energy Limited or to retain or sell any shares that are currently held.
- Does not take into account the individual investment objectives or the financial situation of investors.
- Was prepared with due care and attention and is current at the date of the report.
- Actual results may materially vary from any forecasts (where applicable).
- Before making or varying any investment in shares of Cooper Energy Limited, all investors should consider the appropriateness of that investment in light of their individual investment objectives and financial situation and should seek their own independent professional advice.

Hydrocarbon Reporting Standard

Cooper Energy reports hydrocarbons in accordance with the SPE Petroleum Resources Management System 2007 (SPE-PRMS).

Calculation of reserves and resources

Cooper Energy has completed its own estimation of reserves and resources based on information provided by the permit Operators Beach Energy Ltd, Senex Ltd, Santos Ltd, and BHP Billiton Petroleum (Victoria) P/L in accordance with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS). Petroleum reserves and contingent resources are typically prepared by deterministic methods with support from 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.

Reserves

Under the SPE PRMS, reserves are those petroleum volumes that are 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 comprise Sole field only. A revised reserves assessment to reflect the reclassification of Sole gas from contingent resources was announced to the ASX on 29 August 2017.

Contingent Resources

Under the SPE PRMS, contingent resources are those petroleum volumes that are estimated, as of a given date, to be potentially recoverable from known accumulations but for which the applied projects are not considered mature enough for commercial development due to one or more contingencies.

The contingent resources assessment includes resources in the Gippsland, Otway and Cooper basins. The following contingent resources assessments have been released to the ASX:

- Manta Field on 16 July 2015; and
- Basker and Manta fields on 18 August 2014.

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

Contingent and Prospective Resources have been assessed using deterministic simulation modelling and probabilistic resource estimation for the Intra-Latrobe and Golden Beach Sub-Group in the Manta field. This methodology incorporates a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes. The conversion factor of 1PJ = 0.172 MMboe has been used to convert from Sales Gas (PJ) to Oil Equivalent (MMboe). Contingent Resources for the Manta Field have been aggregated by arithmetic summation.

Rounding

Numbers in this presentation have been rounded. As a result, some total figures may differ insignificantly from totals obtained from arithmetic addition of the rounded numbers presented.