

Key features:

- **Quarterly production:** up 533% to 0.38 million boe from 0.06 million boe in pcq
- **Quarterly revenue:** up 175% on pcq to \$16.8 million
- **Half year revenue:** up 184% to \$31.2 million from \$11.0 million
- **Sole gas proceeding as per plan:** overall project 28% complete, on budget and on schedule for gas to plant March 2019
- **New gas contract and price:** for Casino Henry gas to operate from March 2018
- **Senior debt facilities:** financial close in October, activated in December
- **Orbost Gas Processing Facility:** transfer to APA completed 31 October

Managing Director's comments

"Our 2018 financial year is about delivering the milestones that take our production from last year's 1 million boe to over 6 million boe by 2020 – a 6 times increase.

"Our December quarterly report illustrates that we are delivering on this plan. Sole is advancing on schedule and budget. We secured financial close on our senior debt facilities and completion of the Orbost Gas Plant transaction with APA Group.

"Our Otway Basin gas has a new, higher priced gas contract. Our onshore Otway gas exploration plans have attracted financial support from the South Australian government and validation with Beach Energy's recent Haselgrove-3 discovery. Oil production is up and, with the higher prices, generating strong cash flow.

"The coming months are expected to be momentous as we drill the production wells for Sole, workover Casino-5 and commence sales under the new Casino Henry gas contract secured in the December quarter."

Key Measures

| <i>\$ million unless indicated</i> | 3 months to 31 Dec 17 | 3 months to 31 Dec 16 | Qtr on Qtr Change % | FY18 YTD | FY17 YTD | YTD Change % |
|------------------------------------|--------------------------|--------------------------|-------------------------------|--------------------|-------------|-----------------|
| Production (MMboe) | 0.38 | 0.06 | 533% | 0.81 | 0.16 | 406% |
| Sales revenue | 16.8 | 6.1 | 175% | 31.2 | 11.0 | 184% |
| Capital expenditure (cash) | 47.8 | 5.0 | 856% | 80.8 | 11.7 | 591% |
| Cash | 283.3 ¹ | 91.0 | 211% | 283.3 ¹ | 91.0 | 211% |
| Further comment and information: | | | | | | |
| David Maxwell +61 8 8100 4900 | | | Don Murchland +61 439 300 932 | | | |
| Managing Director | | | Investor Relations | | | |

¹ As discussed on page 4 includes cash attributable to debt drawn in December 2017

Corporate & commercial

Financial close of senior debt facilities

Financial close of the company's senior debt facilities with Australia and New Zealand Banking Group ("ANZ") and Natixis, Hong Kong Branch ("Natixis") was announced 23 October following execution of all associated documentation and satisfaction of conditions precedent.

As announced on 29 August, the senior debt facilities comprise a A\$250 million senior secured Reserve Based Lending ("RBL") facility, to partially fund the Sole Gas Project, and a senior secured A\$15 million working capital facility provided by ANZ.

The initial quarterly draw-down of debt under the facilities was made on 22 December.

APA acquisition of Orbost Gas Processing Facility

Completion of the transaction announced 1 June 2017 for APA Group ("APA") to acquire, upgrade and operate the Orbost Gas Processing Facility was announced 1 November. The transaction is a key component of the Sole Gas Project, which will bring a new source of gas supply to south-east Australia from 2019.

APA will upgrade and operate the plant to process gas from the Sole gas field being developed by Cooper Energy. The agreement also provides for the Orbost Gas Processing Facility to process gas from Cooper Energy's adjacent Manta gas field and potentially other gas fields. Further information on the Sole Gas Project is provided in the Review of Operations section on page 9 of this document.

New gas supply contracts

A new gas agreement for the supply of gas from the Casino Henry Joint Venture was announced on 21 December 2017. The new agreement, with Origin Energy Retail Limited (Origin Energy), will apply for supply from 1 March 2018 to 31 December 2018.

The new agreement, at current market gas prices, replaces the existing supply agreement with EnergyAustralia which expires on 28 February 2018 and has been in operation since the Casino gas field commenced supply in February 2006.

Origin Energy will purchase 100% of the joint venture's production, which will be processed under a new agreement with Lochard Energy at the Iona Gas Plant for a matching period. Further information on Casino Henry operations during the period are reported within the Review of Operations section on page 7.

Victorian offshore drilling campaign

Preparation for a drilling and workover campaign that will commence in the current quarter utilising the Diamond Offshore Ocean Monarch drill rig was a major activity during the December quarter.






The Ocean Monarch has been contracted by Cooper Energy for a program that will commence with the workover of the Casino-5 well in March and then proceed to drill the Sole production wells.

Commencement of the campaign is linked to the receipt of final regulatory acceptance including acceptance of the rig Safety Case. Cooper Energy participates in the preparation and review of the rig safety case to ensure regulatory compliance and that all identified risks can be appropriately managed.

Current expectation is that the workover of Casino-5 will begin in early March 2018, subject to the aforementioned regulatory acceptance.

Planning is also underway to utilise the opportunity while the Ocean Monarch drilling rig is in the region to abandon the previous BMG oil production facilities. This approach reduces the total costs of such abandonment when compared with a separate campaign.

Indicative schedule: Victorian offshore drilling campaign 2018

| Location | Project | March | April | May | June | July |
|-----------|-------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------|
| Otway | Casino-5 workover |  | | | | |
| Gippsland | Sole-3 drill & complete | |  | | | |
| | Sole-4 drill & complete | | |  | | |
| | Sole-2 abandonment | | | |  | |
| | BMG abandonment | | | |  | |

Financial

Sales

Sales revenue for the 3 months to 31 December 2017 (the December quarter) was \$16.8 million compared with \$14.4 million in the previous quarter and \$6.1 million in the December quarter 2016 (the previous corresponding period; "pcp").

The 17% increase in quarterly revenue compared with the September quarter is attributable to higher oil production and prices, which is reported and discussed under the headings of 'Production' and 'Operations Review' later in this report. The increase in quarterly revenue compared with the pcp is mainly attributable to sales from the Casino Henry and Minerva gas assets acquired effective from 1 January 2017.

Sale revenue of \$31.2 million was recorded for the half-year to 31 December, 184% above the previous corresponding figure of \$11.0 million. The increase is mainly attributable to revenue from gas operations acquired 1 January 2017.

Cash and investments

Cash at 31 December was \$283.3 million compared with \$242.3 million at the beginning of the quarter. Cash balances at 31 December 2017 included \$89.6 million attributable to debt drawn on 22 December.

Capital expenditure

Cash capital expenditure of \$47.8 million for the quarter compares with \$32.9 million in the previous quarter and \$5.0 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 \$19.9 million. This figure incorporates an adjustment made following the transfer of plant ownership on 1 November to reverse previously accrued value of work done on the Orbest Gas Plant.

Incurred capital expenditure by region is as follows.

Capital expenditure (incurred)

| | December quarter FY18 | | | Year to date FY18 | | |
|-------------------|-----------------------|-------------|-------------|-------------------|-------------|-------------|
| | Exploration | Development | Total | Exploration | Development | Total |
| \$ million | | | | | | |
| Otway Basin | 0.6 | 1.8 | 2.4 | 0.7 | 2.7 | 3.4 |
| Gippsland Basin | 0.1 | 16.5 | 16.6 | 23.2 | 47.8 | 71.0 |
| Cooper Basin | 0.9 | - | 0.9 | 1.0 | 1.2 | 2.2 |
| Other | - | - | - | - | 0.5 | 0.5 |
| Total | 1.6 | 18.3 | 19.9 | 24.9 | 52.2 | 77.1 |

Key quarterly financial statistics

Refer notes below for information on calculation

| | | Dec qtr 17 | Prior qtr Sep 17 | PCP qtr Dec 16 | Change on prior qtr % | Change on PCP % | YTD FY18 | YTD FY17 | YTD Change % |
|-------------------------------------------|------------|--------------------------|---------------------|-------------------|--------------------------|-----------------------|--------------------------|-------------|--------------------|
| Sales | | | | | | | | | |
| Sales revenue | \$ million | 16.8 | 14.4 | 6.1 | 17% | 175% | 31.2 | 11.0 | 184% |
| Average realised oil price | AUD/bbl | 80.84 | 63.25 | 61.00 | 28% | 33% | 72.17 | 60.31 | 20% |
| Oil direct operating cost | AUD/bbl | 30.50 | 29.92 | 30.79 | 2% | -1% | 30.24 | 29.67 | 2% |
| Sales volume | Gas PJ | 1.7 | 2.1 | - | n/m | 100% | 3.8 | - | n/m |
| | Oil kbbl | 75.4 | 62.7 | 96.7 | 20% | -22% | 138.1 | 186.7 | -26% |
| Capital Expenditure (incurred) | | | | | | | | | |
| Exploration & appraisal | \$ million | 1.6 | 23.3 | 8.7 | -93% | -82% | 24.9 | 12.1 | 106% |
| Development & fixed assets | \$ million | 18.3 | 33.9 | 0.7 | -46% | 2,514% | 52.2 | 1.4 | 3,629% |
| Total incurred capital expenditure | | 19.9 | 57.2 | 9.4 | -65% | 112% | 77.1 | 13.5 | 471% |
| Capital Expenditure (cash) | \$ million | 47.8 | 32.9 | 5.0 | 45% | 856% | 80.8 | 11.7 | 591% |
| Cash | | | | | | | | | |
| Cash and term deposits | \$ million | 283.3¹ | 242.3 | 91.0 | 17% | 211% | 283.3¹ | 91.0 | 211% |
| Investments | \$ million | 1.8 | 0.6 | 0.8 | 200% | 125% | 1.8 | 0.8 | 125% |
| Total financial assets | | 285.1 | 242.9 | 91.8 | 17% | 211% | 285.1 | 91.8 | 211% |
| Issued Capital | | | | | | | | | |
| Issued shares | million | 1,601.1 | 1,596.8 | 659.6 | 0% | 143% | 1,601.1 | 659.6 | 143% |
| Performance Rights | million | 17.8 | 16.6 | 17.1 | 7% | 4% | 17.8 | 17.1 | 4% |
| Share Appreciation Rights | million | 46.0 | 30.1 | 30.1 | 53% | 53% | 46.0 | 30.1 | 53% |

¹ As discussed on page 4 includes cash attributable to debt drawn in December 2017

Notes:

- n/m =not meaningful
- Sales figures for most recent quarter are preliminary
- Prior periods have been updated for final reconciled figures
- Direct operating costs include production, transport and royalties
- Investments shown at fair value at the reporting date shown

Production

Production of 0.38 million boe for the quarter was 11% lower than the September quarter comparative of 0.43 million boe due to lower gas production, which was offset in part by increased oil production.

Year to date production of 0.81 million boe is 406% higher than the FY17 year to date due to the contribution from the Casino Henry and Minerva assets acquired effective 1 January.

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

Cooper Energy share of production for 3 months to 31 December and year to date.

| By product | Dec Qtr FY18 | Prior Qtr Sep FY18 | PCP Qtr Dec FY17 | Change on prior qtr | Change on PCP % | FY18 YTD | FY17 YTD | YTD Change % |
|--------------------------------|-----------------|-----------------------|---------------------|------------------------|--------------------|-------------|-------------|-----------------|
| Sales gas PJ | 1.75 | 2.11 | - | -19% | n/m | 3.86 | - | n/m |
| Crude oil & condensate kbbl | 76.82 | 64.08 | 63.51 | 20% | 21% | 140.90 | 155.72 | -10% |
| Total million boe | 0.38 | 0.43 | 0.06 | -11% | 533% | 0.81 | 0.16 | 406% |

| By project | Dec Qtr FY18 | Prior Qtr Sep FY18 | PCP Qtr Dec FY17 | Change on prior qtr | Change on PCP % | FY18 YTD | FY17 YTD | YTD Change % |
|--------------------------|-----------------|-----------------------|---------------------|------------------------|--------------------|-------------|-------------|-----------------|
| Casino Henry | | | | | | | | |
| - gas PJ | 1.41 | 1.72 | - | -18% | n/m | 3.13 | - | n/m |
| - condensate kbbl | 0.76 | 1.12 | - | -32% | n/m | 1.88 | - | n/m |
| Minerva | | | | | | | | |
| - gas PJ | 0.34 | 0.39 | - | -13% | n/m | 0.73 | - | n/m |
| - condensate kbbl | 0.87 | 0.90 | - | -3% | n/m | 1.77 | - | n/m |
| Cooper Basin | | | | | | | | |
| - oil kbbl | 75.19 | 62.06 | 63.51 | 21% | 18% | 137.25 | 129.83 | 5.7% |
| Indonesia KSO | | | | | | | | |
| - oil kbbl | - | - | - | - | - | - | 25.89 | -100% |
| Total million boe | 0.38 | 0.43 | 0.06 | -11% | 533% | 0.81 | 0.16 | 406% |

Note: figures rounded. As a result, some totals and percentage changes displayed may not equate with calculation from figures displayed.

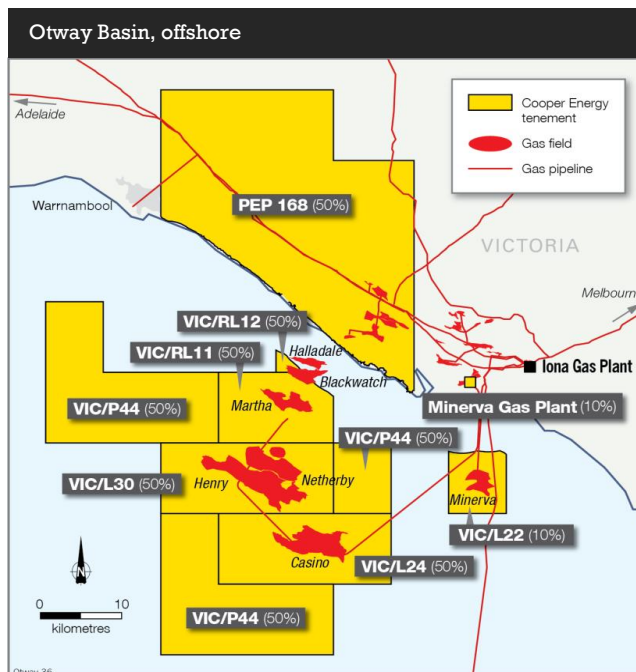
Operations review

Otway Basin

Offshore

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

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



Production

Cooper Energy's share of production from the offshore Otway Basin during the December quarter comprised 1.75 PJ of gas and 1.63 kbbl of condensate. Casino Henry accounted for 1.41 PJ of gas and 0.76 kbbl of condensate compared with the previous quarter's 1.72 PJ and 1.12 kbbl. Average daily gross gas production from Casino Henry for the December quarter was 30.7 TJ/day (100% joint venture production, Cooper Energy share 50%).

The lower production from Casino Henry reflects natural field decline and the Casino-5 well being offline for the entire quarter.

Plans are well advanced to workover Casino-5 during March 2018 using the Diamond Ocean Monarch drilling rig with a view to the well being brought back online early in the June quarter 2018. Additional benefits to production rates are expected from the reduction to plant inlet pressure at the Iona Gas Plant from March 2018 recently agreed with Lochard Energy.

The Minerva gas field contributed 0.34 PJ of gas for the quarter. Total Minerva production averaged 37.0 TJ/day (Cooper Energy share 10%) compared with 42.4 TJ/day in the previous quarter. Whilst output from the field is undergoing natural decline, production rates continue to exceed expectations and Cooper Energy continues to work with the Operator to optimise remaining field potential.

Production for the past year has been sourced entirely from the Minerva-3 well. During the quarter, a short term flow test was conducted on the Minerva-4 well. Analysis of the results remains ongoing.

Minerva also contributed 0.87 kbbl of condensate to December quarter production compared with 0.90 kbbl in the previous quarter.

Development

Front end engineering and subsurface studies have commenced to progress the opportunity to drill a further development well in the Henry field during 2019, subject to joint venture approval.

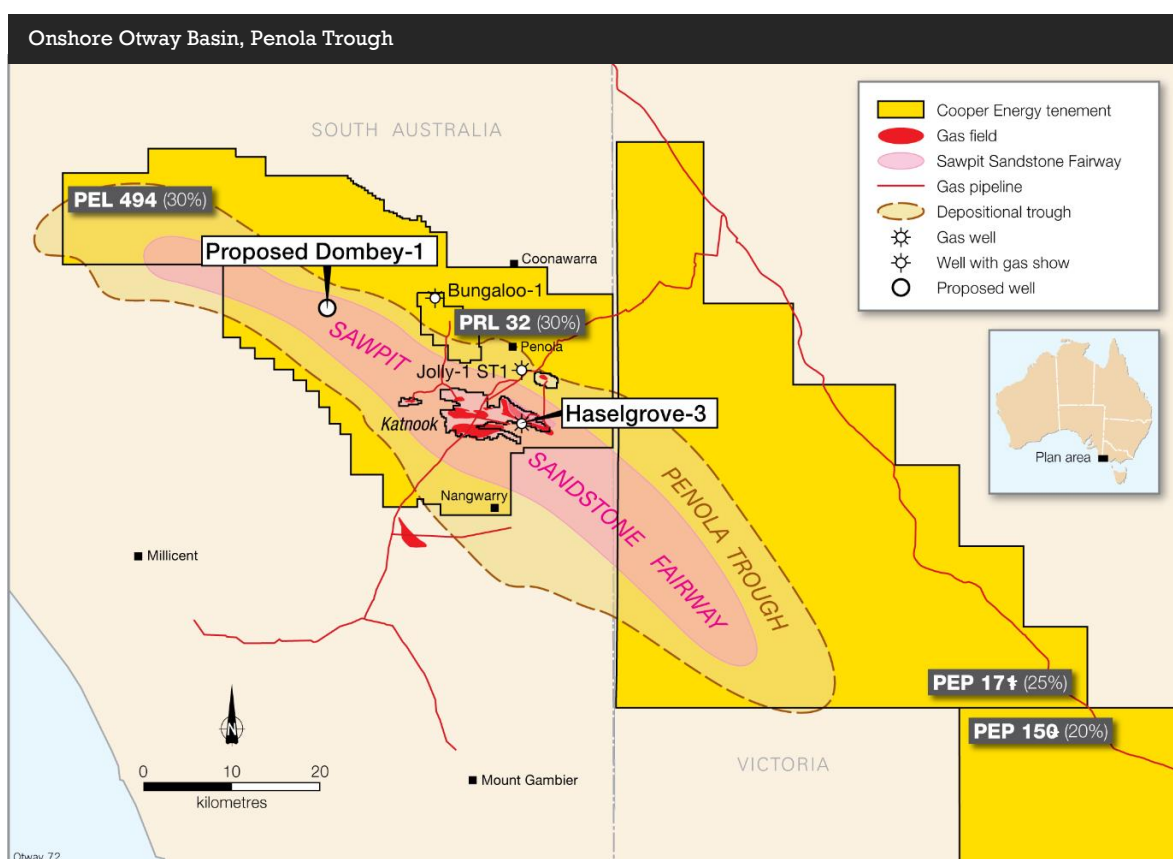
Exploration

Processing of the VIC/P44 3D seismic survey to produce a Quantitative Interpretation seismic inversion volume was continued. 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

Cooper Energy's interests in the onshore Otway Basin include licences in South Australia and permits in Victoria. Activities in the latter are currently suspended pursuant to the moratorium on onshore gas exploration imposed by the Victorian state government. The onshore Otway interests comprise:

- 30% interests in PEL 494 and PRL 32 in South Australia. Both permits are operated by Beach Energy.
- PEP's 150, PEP 168 and PEP 171 in Victoria. Beach Energy gave notice during the quarter of its intention to withdraw from PEP 171, which subject to government approval, will result in Cooper Energy's interest in the permit increasing from 25% to 100%.



** Interest in these permits to change on Victorian Government approval of transfer of tile interests based on withdrawal of joint venture partner. PEP 150 to increase to 50% and PEP 171 to increase to 100% on approval.*

In January 2018 Beach Energy announced a gas discovery at Haselgrove-3 in PPL 62, South Australia, a licence surrounded by PEL 494 (COE 30%). The gas discovery opens up a new exploration play in the Sawpit Sandstone fairway which is located below the historical production in the shallower Pretty Hill sandstone reservoir. The discovery highlights the potential for new prospectivity in the company's South Australia and Victorian Penola Trough permits.

In December Cooper Energy and Beach Energy (as the PEL 494 joint venture) were awarded a PACE Gas Round 2 grant of \$6.89 million by the South Australian government to drill the Dombey prospect. The prospect is located 20 kilometres northwest of the Katnook Gas Plant and is likely to be drilled in the first half of FY20. The primary targets at Dombey are the Pretty Hill sandstone and the deeper Sawpit sandstone successfully tested at the Haselgrove-3 well.

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 that is currently under development. Sole is assessed to contain proved and probable reserves of 249 PJ¹ 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 Resources² (2C) of 106 PJ of sales gas and 3.2 million barrels of oil and condensate; and
- a 100% interest in, and Operatorship of production licence VIC/L21, which contains the depleted Patricia-Baleen gas field.

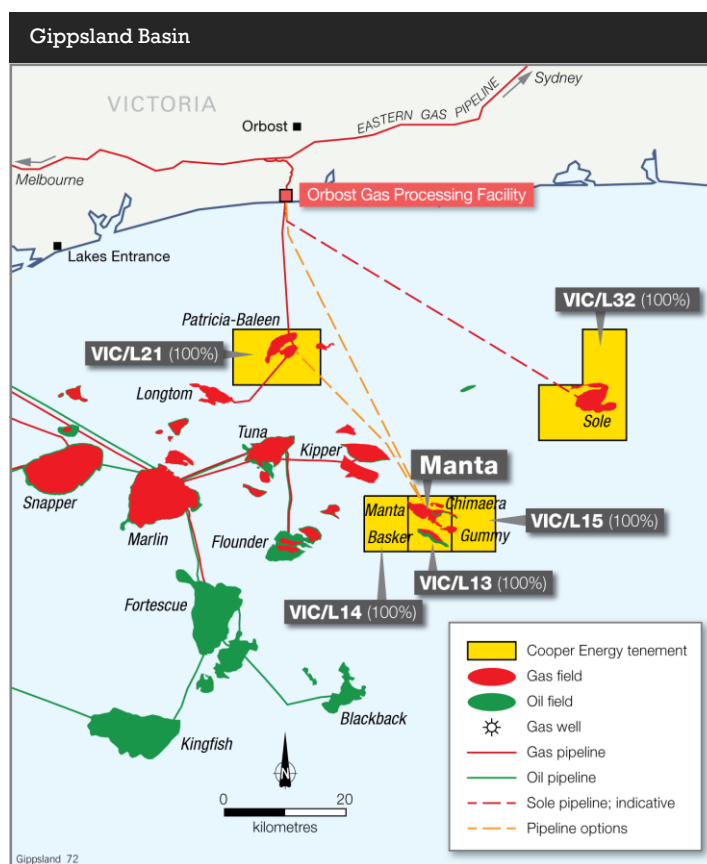
Development

Sole Gas Project

The Sole Gas Project involves the development of the Sole gas field and upgrade of the Orbost Gas Processing Facility 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 Orbost Gas Processing Facility 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 to be delivered into the Orbost Gas Processing Facility 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.



¹ 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 14 for information on calculation.

² 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 14 for information on calculation.

Sole Gas Project Progress

The Project has continued to proceed consistent with schedule and was taken to 28% complete at 31 December. Costs to date are within the budget of \$355 million.

Key milestones for the project include:

- **Horizontal Directional Drill (HDD) shore crossing**, umbilical and pipeline: The horizontal directional drilled shore crossing for the control umbilical has been completed. The HDD shore crossing for the production pipeline was not completed after unexpected ground conditions were encountered which requires modification of the pipeline installation plan. The completion of the pipeline shore crossing has been re-scheduled to be completed within FY18 and will not affect the project schedule. The ground conditions encountered have no implications for the production wells to be drilled offshore.
- **subsea line pipe**: (65 km) was delivered to Australia and is currently being stored in Hastings ahead of pipe welding, due to commence in the March quarter;
- **subsea well head trees**: manufacture of the two wellhead trees is complete. Tree 1 is ready for shipment to Australia. Tree 2 factory acceptance testing is underway;
- **control umbilical**: manufacture by Technip is proceeding in the United Kingdom;
- **Environment Plan for drilling**: issued to the regulator NOPSEMA and has been accepted by NOPSEMA; and
- **well construction**: preparations were made for the commencement of activities using the Diamond Offshore Ocean Monarch drilling rig in the March quarter 2018.

Handover of the Orbest Gas Processing Facility and the associated upstream project to APA was completed during the quarter. APA continues to progress the detailed design and procurement activities associated with the Orbest plant.





Subsea wellhead tree #2 in Singapore

Manta

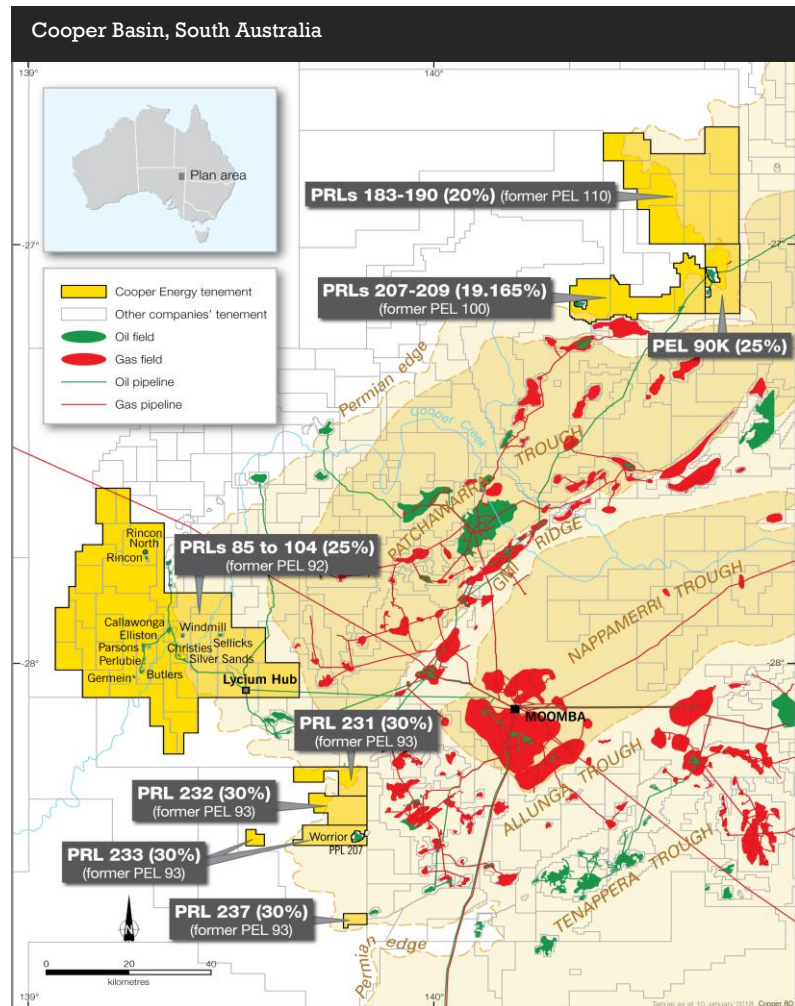
The business case identified for the development of the Manta gas field has been reinforced by gas supply and demand forecasts, customer enquiries, detailed knowledge of cost reductions acquired through conduct of the Sole Gas Project and identification of the synergies available between the Sole and Manta projects. In particular, project economics for Manta development have been enhanced by the combination of strong 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 Orbest Gas Processing Facility from 2021/22.

Cooper Basin

The Company's Cooper Basin interests during the quarter comprised:

- 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 accounted for approximately 96% 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. Subsequent to the end of the quarter the PEL 93 Joint Venture received approval for the replacement of its tenement with the Petroleum Retention Licences PRL 231, PRL 232, PRL 233 and PRL 237; 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 December quarter was 75.2 kbbl (average 817 bopd) which is 21% higher than the preceding quarter's production of 62.0 kbbl (average 675 bopd). Production in the previous corresponding period was 63.5 kbbl (average 690 bopd).

Production attributable to Cooper Energy's 25% interest of the PEL 92 Joint Venture accounted for 72.0 kbbl of oil representing an average daily rate of 7783 kbbl which is 22% higher than the previous quarter output of 58.8 kbbl (average 639 bopd).

The increase in PEL 92 oil production is attributable to the successful 5 well infill drilling program at the Callawonga field.

Production from the PPL 207 Joint Venture (Warrior oil field) accounted for the balance of the company's Cooper Basin production. Cooper Energy's share of PPL 207 December quarter production was 3.2 kbbl, unchanged from the previous quarter and compared to 3.9 kbbl in the previous corresponding period.

There were no significant exploration activities undertaken on the Cooper Basin interests during the 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
- HDD: Horizontally directional drill
- JV: Joint Venture
- kbbbl: thousand barrels
- m: metres
- MM: million
- MMboe: Million barrels of oil equivalent
- n/m: not meaningful
- 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 31 December
- scf: Standard cubic feet (of gas)
- SPE: Society of Petroleum Engineers
- TJ: Terajoules

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.