

23 April 2015

Q3 FY15 Highlights

- **Third quarter production:** 112 kbbl in the 3 months to 31 March, 6% lower than previous quarter of 119 kbbl. Year to date production of 357 kbbl
- **Revenue of \$6.8 million;** down from \$8.8 million in previous quarter principally due to 19% reduction in average A\$ oil price
- **Low cost oil production:** average total cash operating costs of A\$32.38/bbl vs average oil price of A\$63.90/bbl
- **Gas projects:** Sole Pre-FEED well advanced, BMG business case preparation on schedule. Customer discussions progressing well
- **Indonesia:** quarterly oil production up 11% on previous record level; promising drilling results from Bunian-3.
- **Strong financial position:** cash of \$47.5 million at 31 March 2015, plus financial assets of \$3.0 million
- **Full year production:** will be influenced by the timing and initial production rates of new wells and will be updated after Bunian-3 commences production.

Managing Director's Comments

"The highlights of the March quarter are ongoing low production costs, strong cash balance, the opportunity for production and reserves increases in Indonesia and the good progress being made in developing the Australian gas projects.

"Our direct production cost of approximately A\$32 a barrel compares very well with the average price received of A\$64 a barrel. The balance sheet remains strong, with cash and financial assets exceeding \$50 million.

"The primary target in the Bunian-3 well (Indonesia) is 18 metres higher, and 11 metres thicker, than in the adjacent producing Bunian-1 well. Bunian-3 also identified additional resources which will be tested and evaluated. These results have the potential to significantly upgrade the value of our Indonesian operations.

"The Gippsland gas projects (Sole and BMG) are very important growth assets and work on these projects is proceeding well. Importantly, gas buyers are engaged and demonstrating firm interest in securing gas supply from these well located

projects. We expect to enter the Front End Engineering and Design phase on the Sole gas project in the near future.

“The gas project activity, together with the production testing at Bunian-3 and further drilling scheduled in the Cooper Basin and Indonesia, means the June quarter will be a busy and potentially significant close to the financial year.”

Further comment and information:

David Maxwell +61 8 8100 4900

Don Murchland +61 439 300 932

Managing Director

Investor Relations

Financial

March quarter

Sales revenue for the 3 months to 31 March 2015 was \$6.8 million compared with \$8.8 million in the previous quarter and \$19.2 million in the previous corresponding quarter.

The movement in revenue compared with the previous quarter is principally attributable to lower oil prices.

The average oil price for the quarter of A\$63.90/bbl was 19% lower than the A\$78.64/bbl average in the December quarter. Total cash operating costs, including royalties, were A\$32.38/bbl.

A total of 106.4 kbbl of oil was delivered for sale, compared with 111.9 kbbl in the December quarter, reflecting lower production.

Capital expenditure was \$5.7 million, up from \$4.4 million in the previous quarter with the movement being due to drilling activity in Indonesia and expenditure associated with the Sole Gas Project.

Total cash and financial assets at 31 March was \$50.5 million compared with \$53.1 million at the beginning of the quarter. The movement is due to the application of cash to capital expenditure during the period. Cash holdings were increased to \$47.5 million from \$37.4 million through the monetisation of available for sale financial assets during the period. The value of remaining available for sale financial assets held at 31 March was \$3.0 million.

Oil price hedging was put in place during the quarter in the form of A\$ put options to December 2015 to protect against downside oil price scenarios and remain fully exposed to higher oil prices. The table below summarises the hedging in place as at 31 March 2015:

Hedge arrangements:	FY15 bbls	FY16 bbls	Total bbls
A\$50 put options (remaining):	62,499	124,998	187,497

Production and Outlook

Production for the quarter was 112.0 kbbl, 6% lower than the previous quarter due to lower output from Cooper Basin operations, offset in part by increased output from Indonesia. FY15 year to date production is 357.3 kbbls.

Whilst some wells and fields in PEL 92 (Cooper Basin) continue to produce significantly better than forecast, the Cooper Basin year-end production estimate is influenced by the timing and production rates for new wells.

The results of Bunian-3 (Indonesia) to date augur well for increases in production and reserves. However, as the well has taken longer than anticipated, the full year production estimate has been impacted by the delay in contributions from Bunian-3 and Tangai-5 as well as the scheduling of Cooper Basin development drilling.

The current expectation is that FY15 production will be in the range 470 to 500 kbbls, with the timing, and outcome, of production testing at Bunian-3 forecast to be a key factor in where the full year result falls within that range.

Bunian-3 and its results to date are discussed under the heading 'Indonesia' later in this report.

Quarterly and Year to Date Summary

Description	Units	Quarter Ending			Year to Date		
		31-Mar 2015 ¹	31-Dec 2014 ²	Change	31-Mar 2015 ¹	31-Mar 2014 ²	Change
Production and Sales							
Group oil produced	kbbbl	112.0	118.5	-6%	357.3	456.4	-22%
Group oil sold / delivered for sale	kbbbl	106.4	111.9	-5%	342.1	447.5	-24%
Group sales revenue	\$ million	6.8	8.8	-23%	29.7	56.2	-47%
Average oil price	A\$/bbl	63.90	78.64	-19%	86.82	125.59	-31%
Capital Expenditure							
Exploration and appraisal	\$ million	3.4	2.5	36%	10.3	30.1	-66%
Development and fixed assets	\$ million	2.3	1.9	21%	6.5	7.3	- 11%
Total Capital Expenditure		5.7	4.4	30%	16.8	37.4	-55%
Financial Assets							
Cash and term deposits	\$ million	47.5	37.4	27%	47.5	50.0	-5%
Available for sale financial assets ³	\$ million	3.0	15.7	-81%	3.0	29.7	-90%
Total Financial Assets		50.5	53.1	-5%	50.5	79.7	-37%
Capital							
Issued shares	million	331.9	329.9	1%	331.9	329.2	1%
Performance Rights	million	17.3	19.5	-11%	17.3	14.7	18%

Notes:

- (1) Current quarter includes preliminary production figures for PEL 92 and PEL 93 in the Cooper Basin
- (2) Prior periods have been updated for final reconciled production figures
- (3) Available for sale financial assets shown at fair value at the reporting date shown

Production – Cooper Basin

The Company's share of oil production from its Cooper Basin tenements for the March quarter was 94 kbbl (average 1,046 bopd) compared to 102 kbbl (average 1,108 bopd) in the preceding quarter and 142 kbbl in the previous corresponding period.

Exploration and Development – Cooper Basin

In PRL's 85 – 104 (formerly known as PEL 92, COE interest 25%), interpretation of the reprocessed Neritus, Modiolus and Calpurnus 3D seismic data continued. The interpretation will be used for the definition of exploration and development targets for drilling in PRL's 85 – 104 later in FY15. A work program is ongoing to address facilities constraints at Rincon, which commenced production in July, and to connect Rincon North-1.

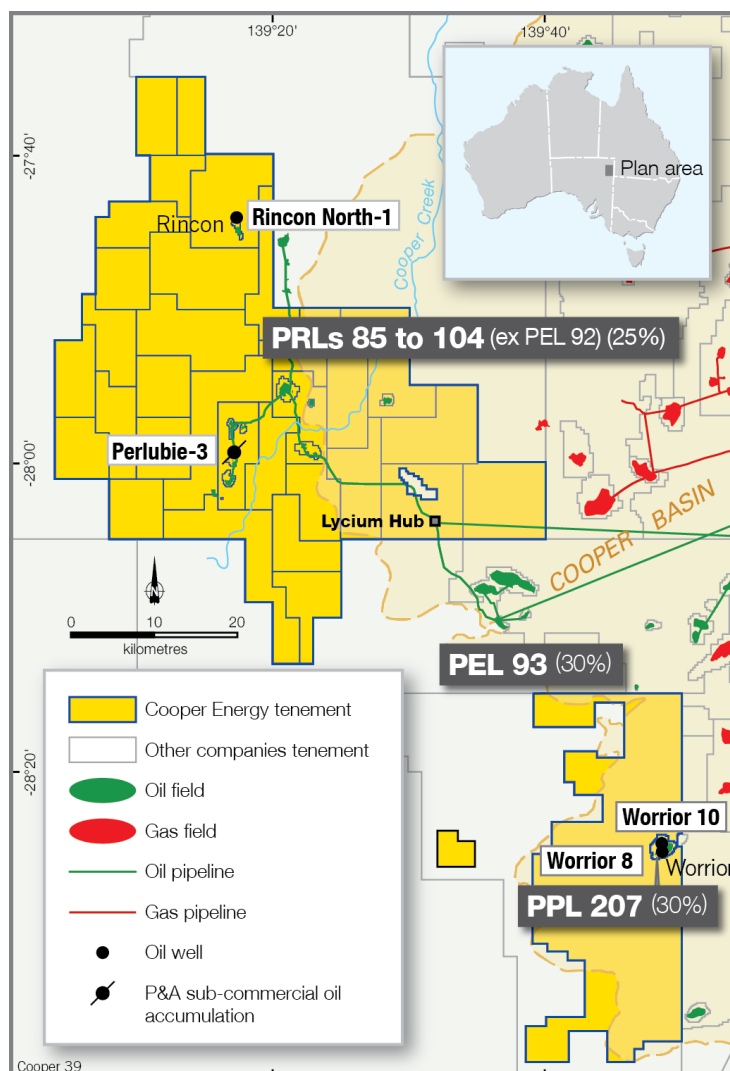
The Perlubie-3 oil appraisal well, located in PPL 247, targeted the Namur Sandstone and was drilled to appraise the northern area of the currently producing Perlubie Field. The well encountered approximately 1.1 metres of net pay in the Namur sandstone and was plugged and abandoned due to the result being sub-commercial.

The joint venture anticipates drilling three wells during the final quarter, including two in the Callawonga Field.

In PPL 207 (COE interest 30%), an extended production test of the Patchawarra Formation in Worrior-8 began in late December 2014. Prior to being shut-in on 9 March 2015 to acquire pressure build-up data to assist estimation of the potential volume that can be accessed, the well had recorded cumulative production of approximately 13,500 bbl of oil with a peak daily production rate of 446 bopd. The well was subsequently brought back on line on 13 April.

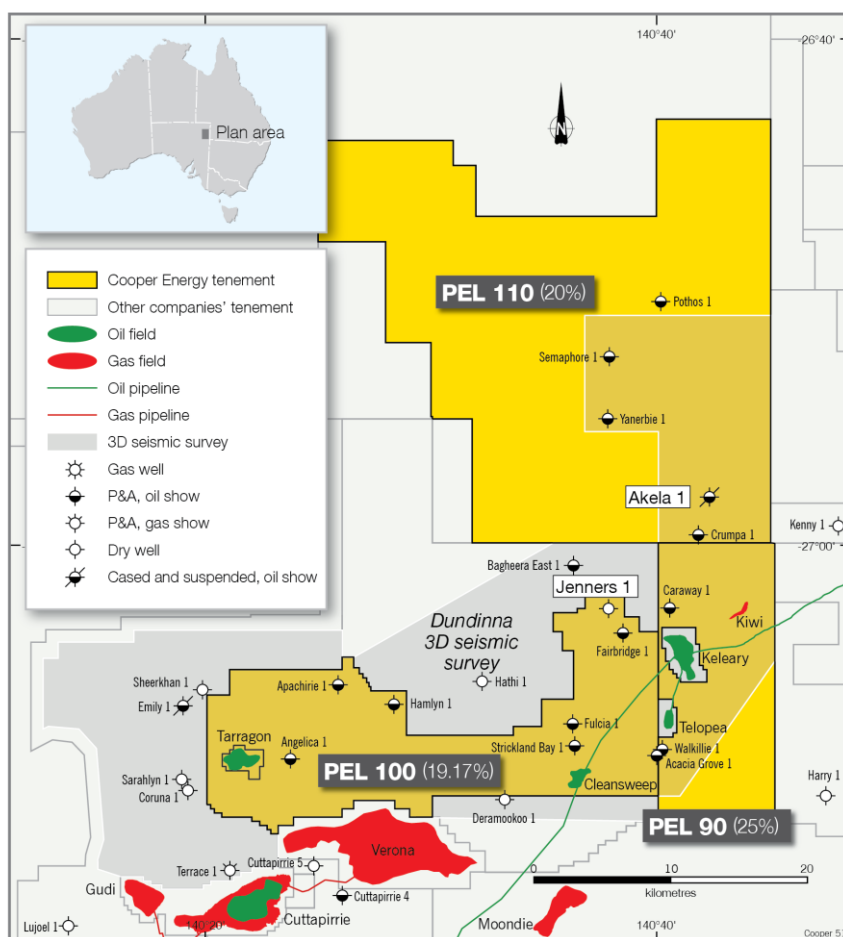
Analysis of the pressure and flow rate data from the test is being undertaken to determine the most effective way to maximise oil recovery.

The Worrior-10 production test was completed and results are being evaluated.



In PEL 100 (COE interest 19.17%), Jenners-1 was plugged and abandoned in January after reaching a total depth of 2,525 metres in Pre-Permian Basement and recording poor oil shows.

No further drilling is planned for the northern permits PELs 90, 100 and 110 in FY15, with review and analysis to continue during the final quarter.



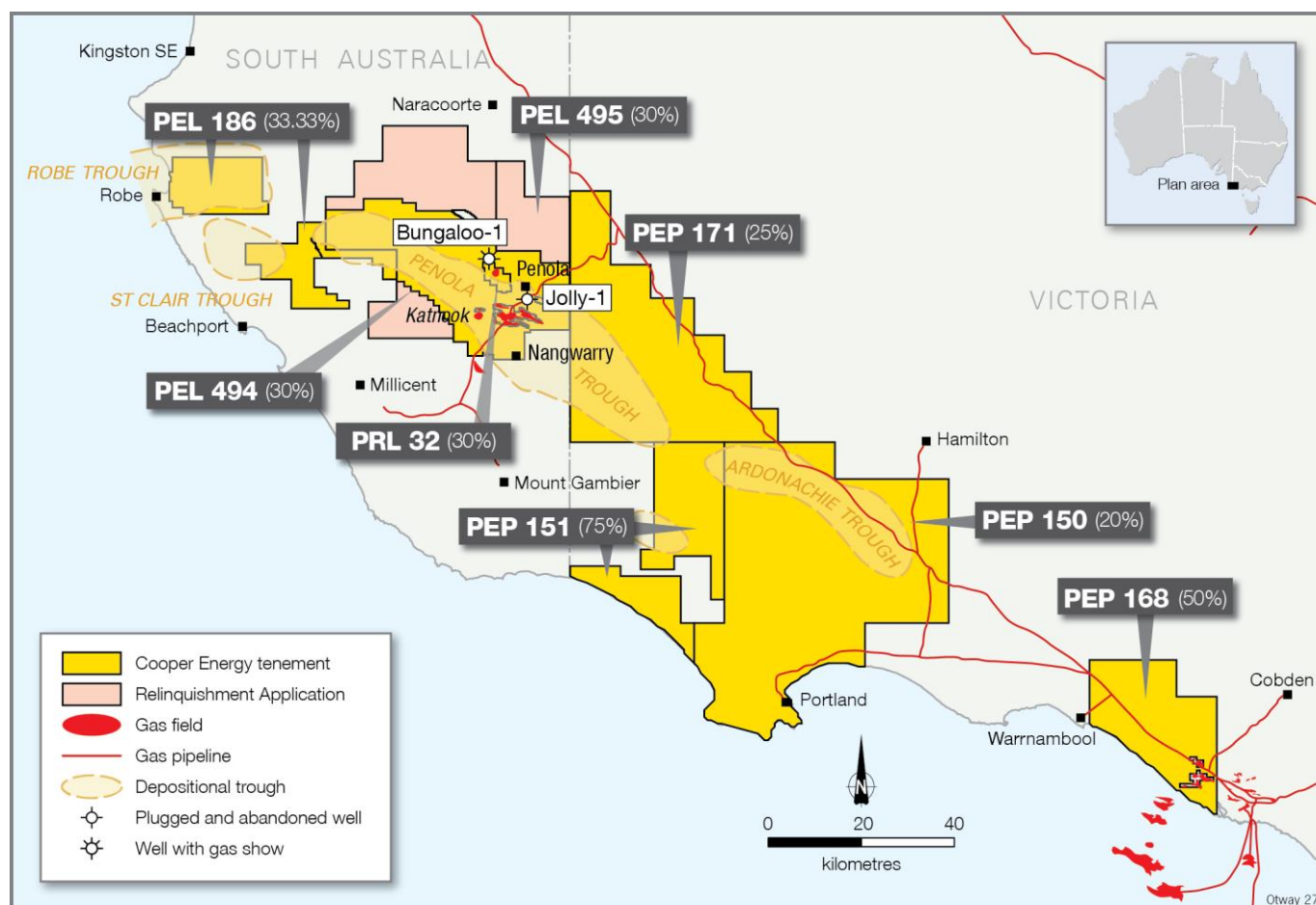
Otway Basin

Laboratory reports of the analysis of data and cores obtained from Jolly-1 (PEL 495) and Bungalow-1 (PRL 32) in the Penola Trough, onshore Otway Basin, South Australia (Cooper Energy 30%) became available during the quarter. Results to date have identified a number of opportunities for future evaluation of the prospectivity of the deeper Penola Trough.

Interpretation of the Haselgrove 3D seismic survey and 222 line kilometers of 2D seismic data in PEL 495 was completed in the March quarter.

Applications to consolidate PELs 494 and 495 into a single licence and to renew for an additional five year term were submitted to the South Australian regulatory authority during the quarter. It is a requirement of the renewal to relinquish 50% of the combined licence area.

Applications to suspend and extend PEPs 150, 151, 168 and 171 for a further 12 months were submitted to the Victorian regulatory authority due to the ongoing moratorium on gas production.



Gippsland Basin

Sole gas project and Orbost gas plant

The company announced agreement with Santos Limited to acquire a 50% interest in VIC/RL3 and the Orbost gas plant on 15 December 2014. VIC/RL3 contains the Sole gas field, an undeveloped resource which is expected to enter FEED for development to commence supply to eastern Australia from late 2018/early 2019.

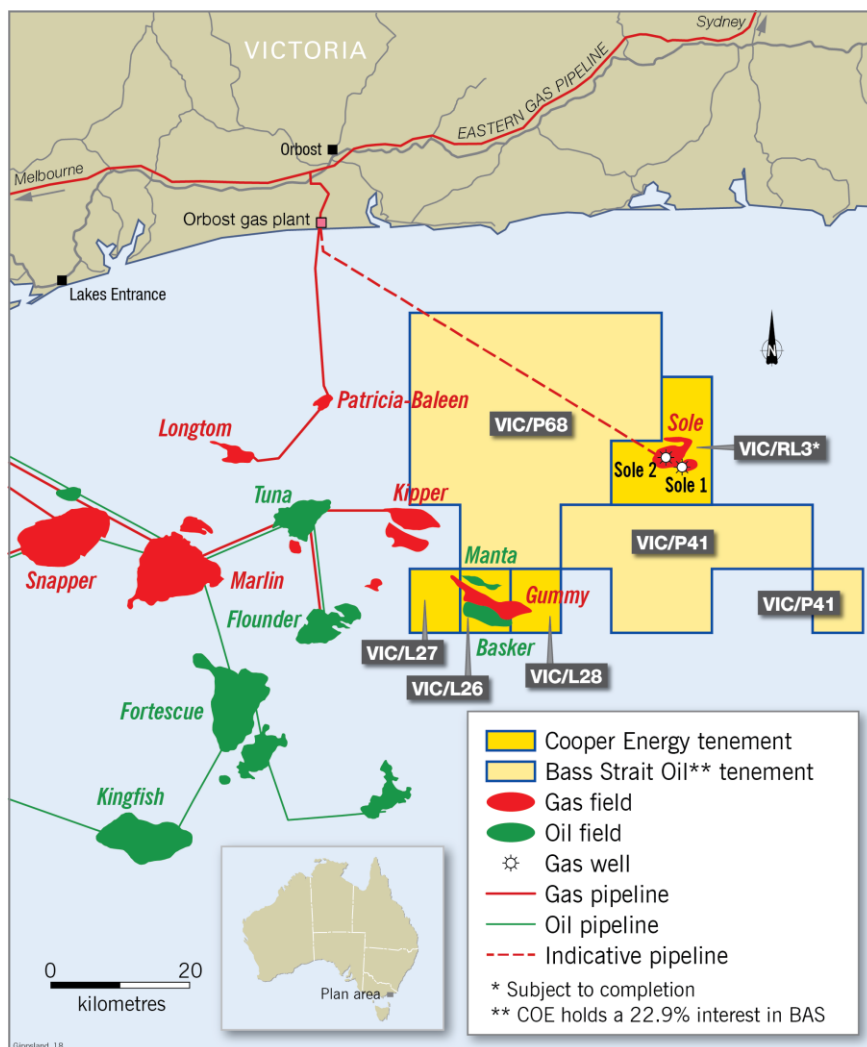
Completion of the transaction is subject to a regulatory approval and the completion and approval of the FEED AFE by Cooper Energy.

Cooper Energy expects that completion of the transaction will occur in the June quarter and result in the addition of approximately 100 PJ of gas to its 2C Contingent Resources, based on information provided by Santos¹.

Pre-FEED was advanced during the March quarter. The company expects that the Sole Gas Project will enter FEED in May 2015.

The FEED phase is anticipated to be completed in mid-calendar 2016. Gas market offtake contracts and finance for project construction will be developed in parallel with the FEED in readiness for a likely Final Investment Decision (FID) in the third quarter of the 2016 calendar year.

Discussions with gas customers interested in contracting to purchase Sole gas are underway. It is anticipated that detailed Letters of Intent with Sole gas customers will be concluded during 2015.



BMG Project

The inputs and analysis for the preparation of a business case for the development of the BMG gas and liquids resource continued during the quarter. The business case will identify the optimum development plan for the resource and is targeted for completion in the June quarter 2015.

Work conducted during the March quarter included reservoir engineering studies to model hydrocarbon production from the Manta Field and conceptual engineering studies analysing a range of potential development and export options.

¹ Cooper Energy expects to announce its assessment of Contingent Resources (in accordance with ASX Listing Rules) attributable to the Sole gas field after the transaction has been completed.

Indonesia

Production

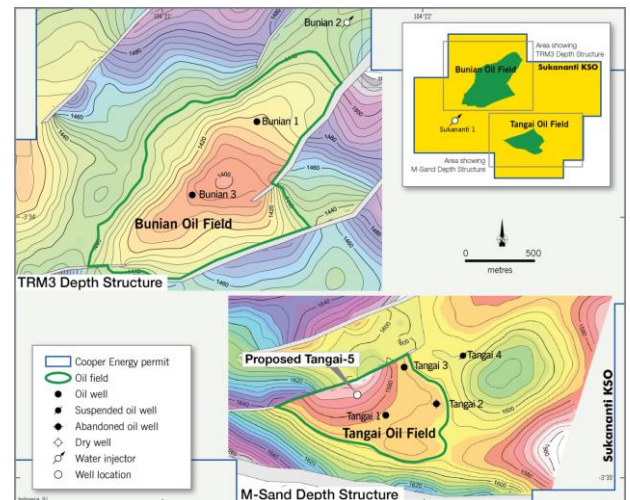
Cooper Energy's share of oil production from the Sukananti KSO (Cooper Energy 55%) during the March quarter was 18.2 kbbl (202 bopd). The daily production rate is 12% above the previous quarter's 16.5 kbbl (180 bopd) a figure which was the highest quarterly production achieved in Cooper Energy's tenure. The March quarter production represents a seven-fold increase on the rate recorded prior to the licence being shut-in by the previous Operator.

Exploration and Development

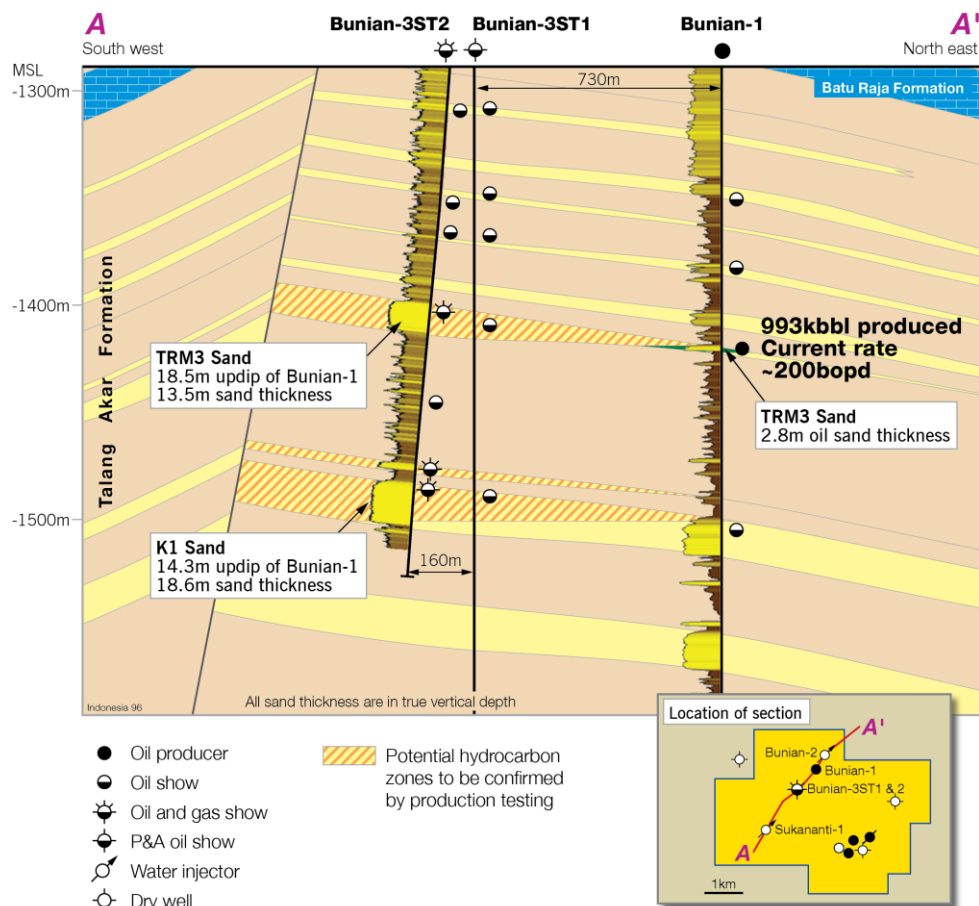
A development drilling program in the Sukananti KSO consisting of two firm wells and one contingent well commenced on 31 December 2014 with the spudding of Bunian-3.

As reported in ASX releases on 12 February and 24 March, operational issues were encountered that resulted in Bunian-3 being side-tracked twice. As reported in 21 April, wireline logging operations were conducted and Bunian-3 ST2 was successfully cased as a future producer after the quarter close.

The primary target TRM3 sand at Bunian-3 ST2 was intersected 18.5 metres higher than at the Bunian-1 oil producing well which is located less than a kilometer to the northeast. The sand is 13.5 metres thick compared to 2.8 metres thick in Bunian-1.



Schematic cross section showing thick sands updip of producing Bunian-1 and additional potential hydrocarbon bearing zone in the K1 sand



Bunian-1 was drilled in 1998 and initially tested the TRM3 sand at 1,585 barrels of oil per day. Bunian-1 has produced 993,000 barrels of oil and is currently producing at approximately 200 barrels of oil per day.

An additional potential hydrocarbon producing zone was encountered in the K1 sand, intersected 14.9 metres up dip of the same zone in the Bunian-1 well.

The production performance of the TRM3 and K1 sands will be evaluated as part of the testing program currently in progress. Further production and incremental reserve potential was also identified in various other zones which will require further appraisal activity to evaluate.

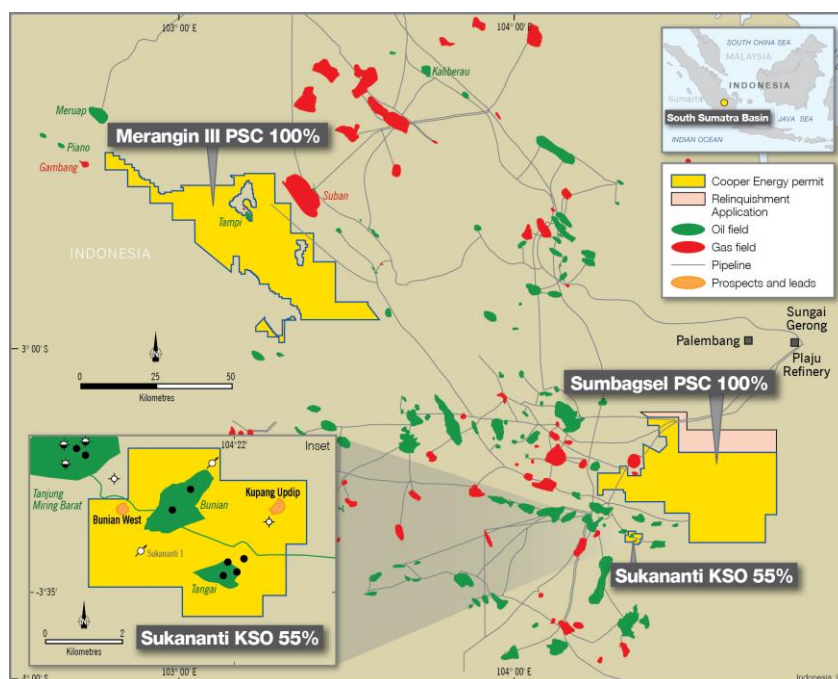
Bunian-3 ST2 will be tested via a temporary production facility immediately after the drilling rig is moved off site.

Following Bunian-3 ST2 the rig will move to drill the Tangai-5 development well.

Seismic survey planning is in progress in the Sumbagsel PSC (Cooper Energy 100%). An application to relinquish 15% of the original contract area as per the conditions of the permit contract was submitted to SKKMigas.

Interpretation of the Merangin III PSC (Cooper Energy 100%) dataset is being revised following sourcing of additional modern seismic data which will high-grade areas of the permit for future seismic acquisition.

A process to farm out equity in the Sumbagsel and Merangin III exploration permits continued during the March quarter with several interested parties reviewing the assets. Discussion with interested parties will continue during the June 2015 quarter.



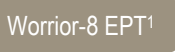



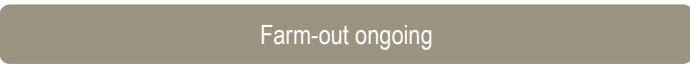



Tunisia

No drilling activity is anticipated in the Tunisian permits in the current financial year. Discussions are ongoing with the Tunisian government regarding an exit or modified work commitments in the Bargou and Nabeul permits. Pending joint venture and government approval, an exploration well at Fushia West-1 in the Hammamet permit may start in FY16.

Cooper Energy remains committed to, and confident of, completing an exit from Tunisia, albeit at a later date than targeted.

Major Activities: Q4 FY15

Location	License	Operator	June Qtr	
Cooper	PEL 92	Beach Energy		2 development wells and 1 exploration well
	PEL 90, 100,110	Senex Energy		3D seismic processing ongoing
	PPL 207	Senex Energy		Worrior-8 brought back online in April and continuing to produce
Otway	PEL 495 /4 94, PRL 32	Beach Energy		Jolly-1 and Bungaloo-1 studies ongoing, permit renewals in March
Gippsland	VIC/L26/L27/L28	Cooper Energy		Business case within June 2015
	VIC/RL3	Santos		Sole FEED process starts April
Indonesia	Sukananti KSO	Cooper Energy		Bunian-3 ongoing. Tangai-5 to follow, then Bunian-4 (contingent on B-3).
	Sumbagsel PSC	Cooper Energy		Farmout discussions
	Merangin III PSC	Cooper Energy		Farmout discussions



Exploration well (firm)



Development well (firm)



Seismic



Exploration well (contingent)



Development well (contingent)

¹ EPT: Extended Production Test

Disclaimer

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- 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.
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- 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).

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.

Terms and abbreviations

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

Terms used include:

- 2D, 3D: two dimensional, three dimensional (with respect to seismic surveys)
- bbl: barrels
- Bcf: Billion cubic feet (of gas)
- bopd: barrels of oil per day
- FEED: Front End Engineering and Design
- Financial year: 12 months ending 30 June
- FY14: financial year ending 30 June 2014
- FY15: financial year ending 30 June 2015
- JV: Joint Venture
- kbbbl: thousand barrels
- KSO: Kerja Sama Operasi (joint venture, Indonesia)
- m: metres
- mMDRT: measured depth in metres below the rotary table or drilling floor
- MM: million
- MMboe: Million barrels of oil equivalent
- pcp: prior corresponding period
- PEL: Petroleum Exploration Licence
- PEP: Petroleum Exploration Permit
- PRL: Petroleum Retention Licence
- PPL: Petroleum Production Licence
- PSC: Production Sharing Contract
- scf: Standard cubic feet (of gas)
- SPE: Society of Petroleum Engineers