

20 January 2014

Highlights

- **Record first half production and sales:** year to date production up 41% to 299 kbbl and sales revenue up 54% to \$37.0 million
- **Sales revenue up 1% on previous quarter and up 50% on December 2012 quarter:** sales revenue for the quarter was \$18.6 million
- **Production up 3% on previous quarter and 39% on December 2012 quarter:** production for the quarter was 152 kbbl
- **Production in line with guidance:** FY14 guidance of 540 to 580 kbbls
- **Sustained drilling success:** all 3 development wells drilled in PEL 92 successful and now producing plus successful Worrior-8 production test in PEL 93
- **Strong cash and financial assets position maintained:** total financial assets of \$65.5 million at 31 December 2013

Managing Director's Comments

"The strong December quarter results have enabled Cooper Energy to close out the first half with record production and sales revenue. Our sales revenue for the six months to December of \$37.0 million is 54% higher than 2013 and significantly above our previous half-year record of \$33.0 million.

"Cooper Energy is comfortably on track to record production consistent with our FY14 guidance of an increase of 10% to 18% over FY13. Our cash and financial assets remain strong at \$65.5 million.

"The third quarter activity program includes some interesting exploration, development and commercial opportunities: the drilling of Jolly-1 and Bungaloo-1 targeting unconventional oil and gas in the Penola Trough (Otway Basin); further workovers in Indonesia, where we have had excellent results to date; and the receipt of an independent report on the Hammamet West discovery (Tunisia) and the opening of the data room for the proposed divestment of our Tunisian portfolio."

Further comment and information:

David Maxwell

Managing Director

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Financial

December quarter

Sales revenue for the December quarter 2013 was \$18.6 million, 1% higher than the previous quarter's revenue of \$18.4 million, and 50% higher than the pcg sales of \$12.4 million.

The increased revenue compared with the previous quarter was the result of a higher volume of oil delivered for sale partially offset by marginally lower average oil prices. The average oil price for the quarter was \$125.93/barrel compared with \$127.35/barrel in the September quarter. A total of 147.7 kbbl of oil was delivered for sale.

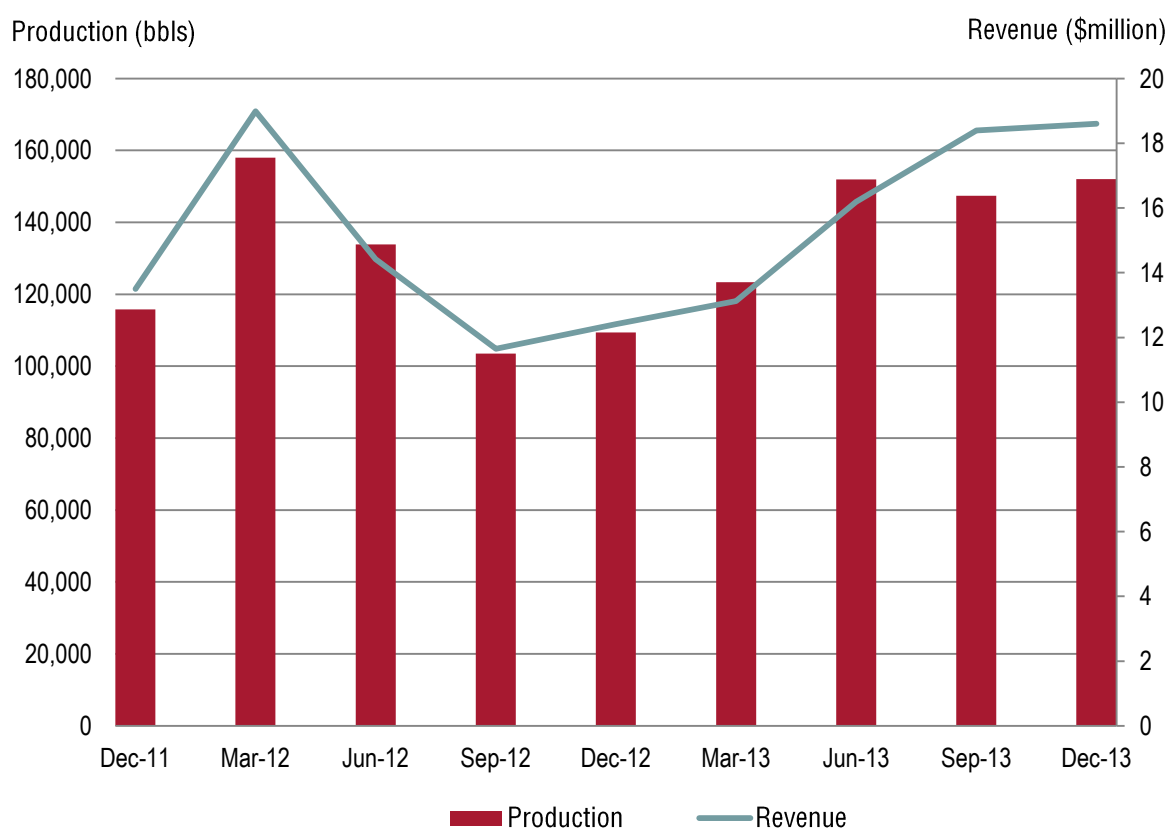
Capital expenditure for the quarter was \$15.8 million, down from \$18.6 million in the previous quarter with the movement largely attributable to the Tunisian offshore well Hammamet West-3, which commenced in April and concluded in November.

Total financial assets as at 31 December 2013 were \$65.5 million, comprising cash and security deposits of \$40.3 million and investments available for sale at fair value of \$25.2 million. This position is marginally lower than the quarter's opening total financial assets of \$67.8 million mainly due to lower cash balances.

Year to date

Sales revenue for the six months to 31 December is \$37.0 million, 54% higher than the previous half year sales revenue of \$24.1 million and the highest yet recorded by Cooper Energy. This is attributable to both increased oil volumes and higher prices. Cooper Energy production for the period was 299.4 kbbls, the highest first half production yet recorded by Cooper Energy and 41% higher than the 2013 first half production of 212.9 kbbls. Average oil price for the first half was A\$126.63/bbl, 12% higher than the pcg comparative of A\$113.20/bbl.

Quarterly Production and Revenue



Quarterly and Year to Date Summary

Description	Units	Quarter Ending			Year to date		
		31 Dec 2013 ¹	30 Sept 2013 ²	Change	31 Dec 2013 ¹	31 Dec 2012 ²	Change
Production and Sales							
Group oil produced	kbbbl	152.0	147.4	3%	299.4	212.9	41%
Group oil sold/delivered for sale ²	kbbbl	147.7	144.5	2%	292.2	Not reported	n/a
Group sales revenue	\$MM	18.6	18.4	1%	37.0	24.1	54%
Average oil price	A\$/bbl	125.93	127.35	-1%	126.63	113.20	12%
Exploration and appraisal	\$MM	12.8	16.7	-23%	29.5	2.2	1241%
Development and fixed assets	\$MM	3.0	1.9	58%	4.9	5.0	-2%
Total capital expenditure		15.8	18.6	-15%	34.4	7.2	378%
Financial Assets							
Cash and term deposits	\$MM	40.3	44.4	-9%	40.3	47.6	- 15%
Available for sale financial assets ³	\$MM	25.2	23.4	8%	25.2	30.3	-17 %
Total financial assets		65.5	67.8	- 3%	65.5	77.9	- 16%
Capital							
Issued shares	million	329.2	329.1	0%	329.2	329.0	0.1%
Performance rights	million	14.7	8.6	71%	14.7	8.7	69%

Notes:

- (1) Current quarter and year to date includes preliminary production figures for PEL 92 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.

Australia

Production – Cooper Basin

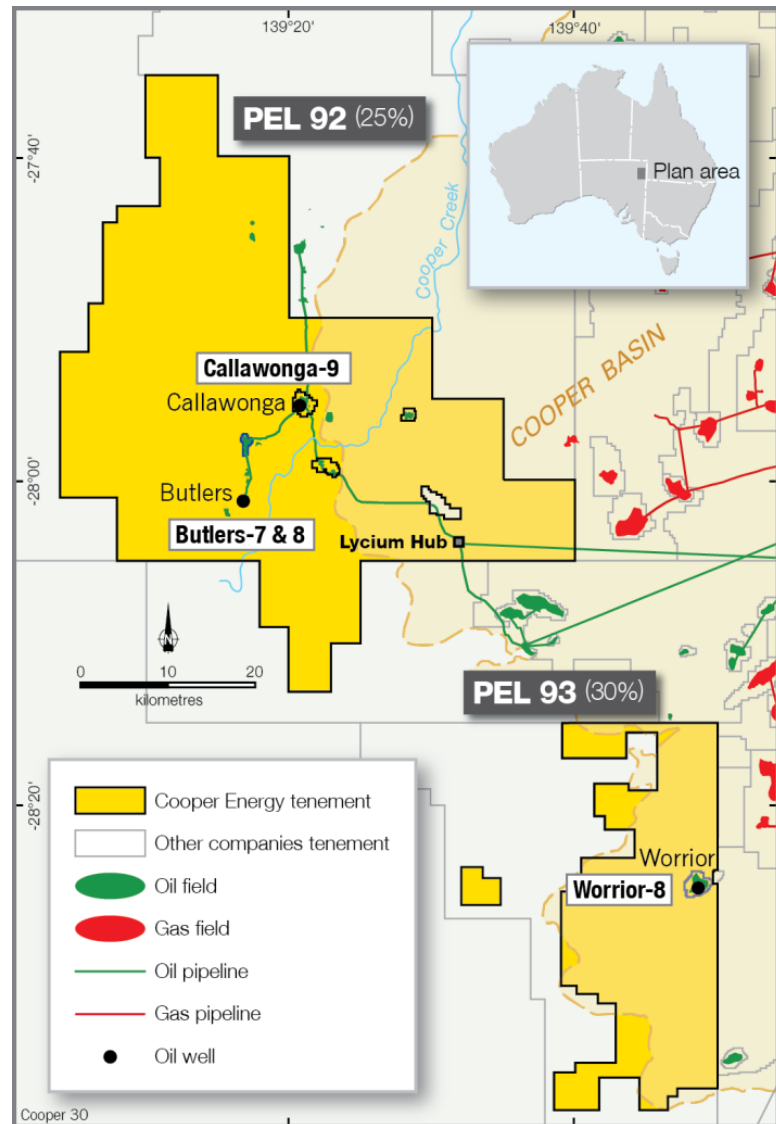
The Company's share of oil production from its Cooper Basin tenements for the December quarter was 139 kbbl (average 1,514 bopd) compared to 131 kbbl (1,427 bopd) in the preceding quarter and 104 kbbl in the previous corresponding period.

Exploration and Development – Cooper Basin

Three oil development wells, Butlers-7, Butlers-8 and Callawonga-9 were drilled in PEL 92 (Cooper Energy 25%) during the quarter. All three wells were successful and commenced oil production in December.

Production testing of Worrior-8 (PPL 207, Cooper Energy 30%), which was drilled in July 2013, was undertaken during the quarter and confirmed the discovery of a new oil pool in the Patchawarra Formation, with a stabilised flowrate of 670 barrels of oil per day (accompanied by 0.7 million cubic feet per day of gas). The well will initially be completed for oil production from the McKinlay and Birkhead Formations, with production expected to commence in the March quarter. Further appraisal of the Patchawarra Formation is planned for the March quarter, with the drilling of Worrior-10.

During the quarter the PEL 92 Joint Venture submitted applications for Petroleum Retention Licences covering the entire area of PEL 92 to the South Australian Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE).



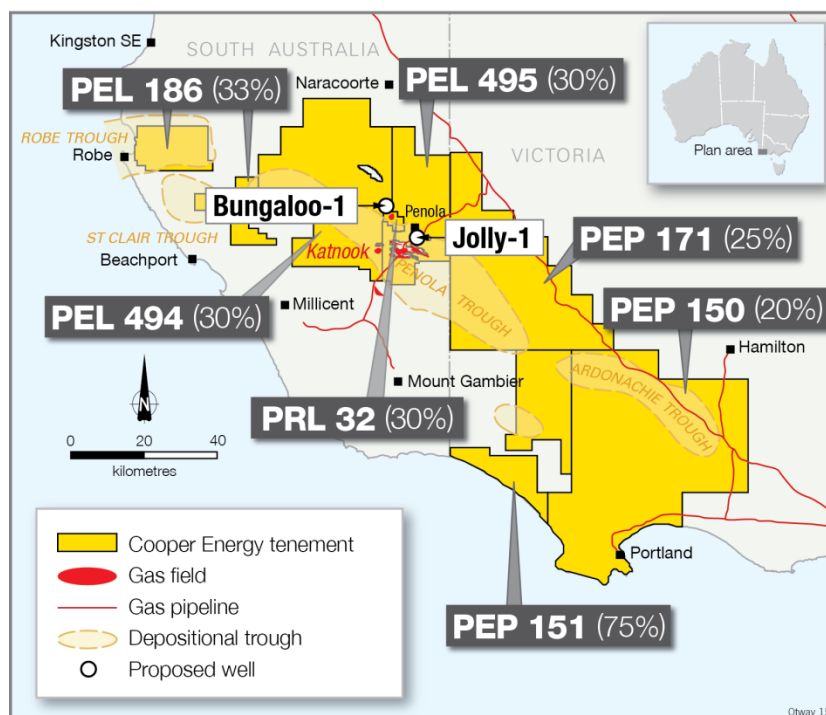
Otway Basin

During the quarter Cooper Energy acquired a 30% interest in onshore Otway Basin tenements PEL 494 and PRL 32 from Beach Energy Limited (Beach) and simultaneously divested a 35% equity in the adjoining PEL 495 tenement to Beach.

As a result of these transactions, which involved zero net cost to Cooper Energy, the company now holds a 30% equity across the key tenements in the South Australian section of Penola Trough.

Cooper Energy and Beach Energy are planning to drill two wells, Jolly-1 (PEL 495), and Bungaloo-1 (PRL 32) targeting unconventional gas plays, commencing January 2014. Jolly-1 has a planned total depth of 4,070 metres and is expected to be the deepest petroleum well drilled in the Otway Basin to date.

Beach Energy is the Operator for all three permits.



Subsequent to the end of the quarter, Jolly-1 spudded on 11 January 2014.

Cooper Energy has resigned as Operator of the PEP 151 Joint Venture and that role has been taken up by Bridgeport Energy.

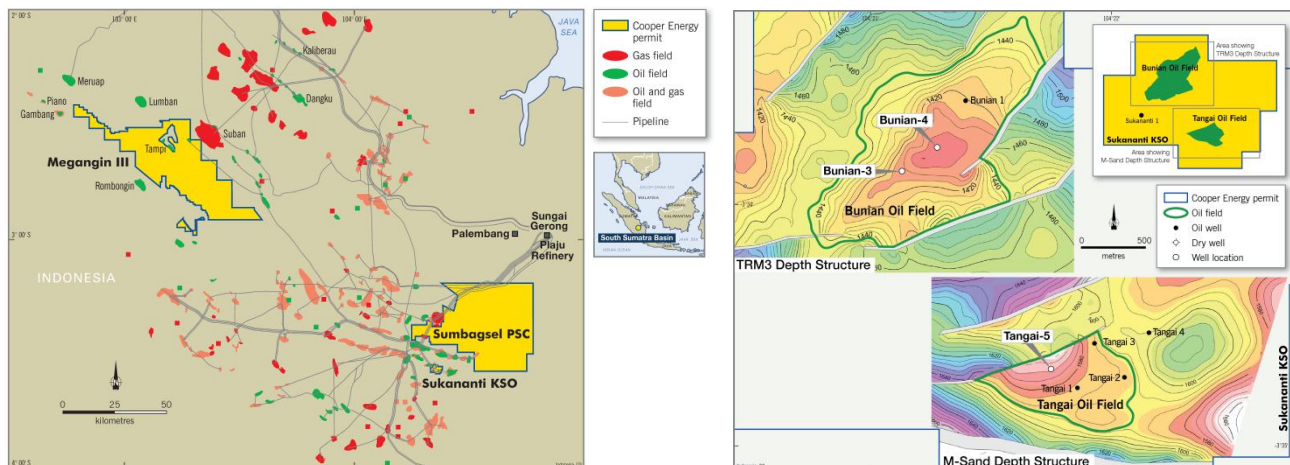
Gippsland Basin

The proposed farmin and option agreements between Cooper Energy and Bass Strait Oil Company Ltd (BAS) in relation to permits Vic/P41 and Vic/P68, offshore Gippsland Basin were not approved by BAS shareholders at that company's Annual General Meeting and the farmins will not proceed. However, Cooper Energy will continue to assess gas exploration and development opportunities in this area in its own right.

Indonesia

Production

Cooper Energy's share of production from the Sukananti KSO was 13 kbbl (138 bopd), below that of the previous quarter's 16 kbbl (176 bopd), due to Tangai-1 being off-line for 20 days during the quarter because of mechanical issues. Installation of artificial lift at Tangai-1 is planned for the June quarter of 2014.



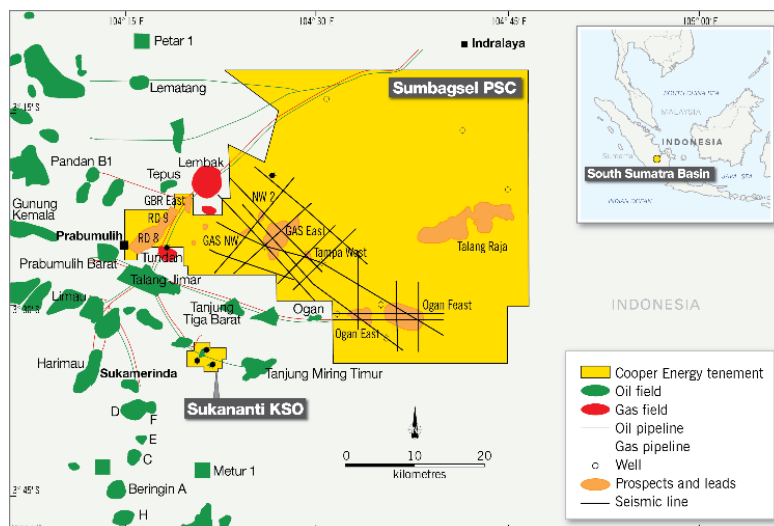
Exploration and Development

Workovers of Sukananti-1 and Tangai-3 are planned to be undertaken in the March quarter, with the aim of accessing bypassed oil zones in these suspended wells.

Planning continues for the drilling of 3 development wells, Bunian-3, Bunian-4 and Tangai-5, in the Sukananti KSO, commencing in the June quarter of 2014.

Acquisition of a 265 km 2D seismic survey was completed in the Sumbagsel PSC. The objective of the survey is to delineate exploration targets for drilling during 2014, immediately following the Sukananti KSO development drilling program noted above.

Reprocessing of over 3,000km of 2D seismic data from the Merangin III PSC continued during the quarter, with the objective of maturing targets for seismic acquisition in calendar 2014.



Tunisia

Exploration

Hammamet West-3, located offshore Tunisia (Bargou Permit - Cooper Energy 30%) spudded in April 2013, with the objective of confirming oil productivity from the naturally fractured Abiod Formation, through drilling and testing a highly deviated wellbore.

The well reached a total depth of 3,443 metres in a near horizontal sidetrack (ST-1) in July. Major gas and oil influxes and major drilling mud losses were experienced during the drilling of ST-1, indicating the presence of open, hydrocarbon bearing fractures within the Abiod Formation. Testing commenced in August but could not be completed due to ongoing blockages and obstructions caused by lost circulation material. During testing the well recorded flow rates averaging 1,290 barrels of fluid per day for 1.5 hours, including oil to surface.

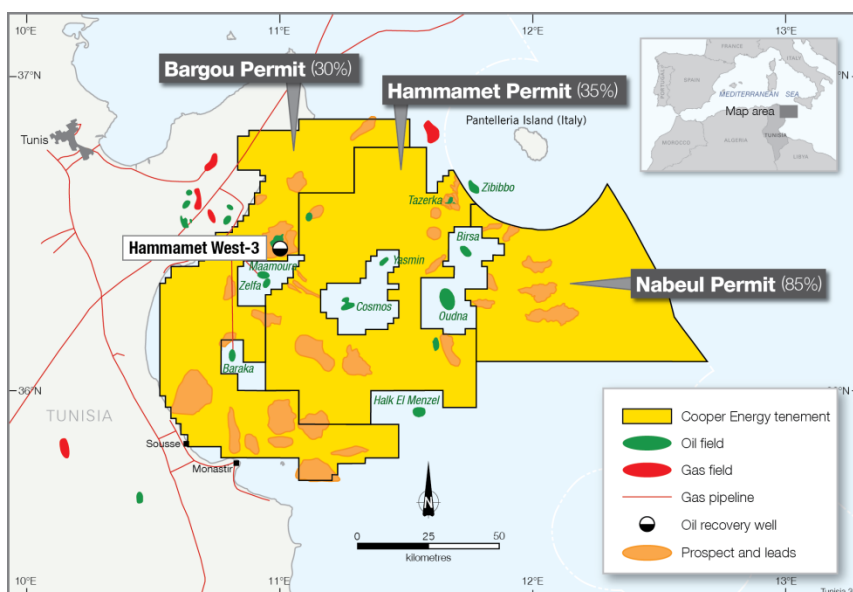
During the December quarter the Bargou Joint Venture decided to cease attempts to test ST-1 and to temporarily suspend the well, in order to secure a different rig to drill and test a second sidetrack. The ST-1 was plugged and Hammamet West-3 suspended and the drilling rig released in November 2013.

It is expected that operations at Hammamet West-3 will re-commence in the second half of 2014, subject to rig availability and government approval.

Senergy, a global integrated energy services company, has been commissioned to prepare an independent assessment of the Contingent Resource of the Hammamet West discovery. The results of this review are expected to be available during the March quarter of 2014.

Geological studies continue in the Hammamet Permit. The joint venture is planning to drill an exploration well in the first half of 2015.
















In the Nabeul Permit reprocessing of the Nabeul 3D seismic survey was completed. The data is being interpreted and will be used to define a prospect which will be the target for the first exploration well likely to be drilled in late 2014-early 2015.



Poland

Divestment of the company's remaining tenements in Poland is being finalised. No exploration activities were undertaken during the quarter.

Cooper Energy 2014 Q3 – Q4 major exploration and development activities schedule

Location	License	Operator	March Qtr	June Qtr	Comments
Cooper Basin	PEL 92	Beach Energy			3 exploration wells
	PEL 90, 100, 110	Senex			Dundinna 3D processing
	PPL 207	Senex			Worrior-8 completion Worrior-10 (Patchawarra appraisal well)
Otway Basin	PEL 495/PRL 32	Beach Energy			Jolly-1 and Bungaloo-1, deep unconventional target wells
	PEP 150, 168, 171	Beach Energy			2D seismic acquisition
	PEP 151	Bridgeport Energy			2D seismic acquisition
Tunisia	Bargou	Cooper Energy			Hammamet West-3 Sidetrack 2 expected second half CY14
	Hammamet	Storm International			Tazerka 3D reprocessing
	Nabuel	Cooper Energy			3D interpretation
Indonesia	Sukananti KSO	Cooper Energy		  	Workover of Sukananti-1 and Tangai-3, development wells, facilities upgrade
	Sumbagsel PSC	Cooper Energy			Seismic processing & interpretation
	Merangin III PSC	Cooper Energy			2D interpretation prior to 2D acquisition in FY15



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- 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).

Terms and abbreviations

This report uses terms and abbreviations common to the petroleum industry and the financial sector. These include:

- 2D, 3D: two dimensional, three dimensional
- bbl: barrels
- bopd:- barrels of oil per day
- Financial year: 12 months ending 30 June
- FY14: financial year ending 30 June 2014
- kbbl: thousand barrels
- m: metres
- mMDRT: measured depth in metres below the rotary table or drilling floor
- MM: million
- PCP: prior corresponding period
- PEL: Petroleum Exploration License
- PEP: Petroleum Exploration Permit
- PSC: Production Sharing Contract