

24 October 2014

Key features

- **First quarter production:** 127 kbbl in the 3 months to 30 September, consistent with FY15 guidance and plan; 8% lower than previous quarter of 138 kbbl
- **Revenue of \$14.2 million;** down from \$16.1 million in previous quarter due to volume and price
- **Initial BMG resource assessment :** 2C Contingent gas and liquids resources of 18 million BOE (Cooper Energy share) assessed for the BMG project
- **Continued investment in seismic for future drilling and development:** seismic processing and interpretation in progress on Cooper Basin, Gippsland and Indonesian acreage
- **Strong financial position maintained:** cash and financial assets of \$70.9 million at 30 September

Managing Director's comments

"Results for the first quarter are consistent with our expectations and plans for FY15, with the larger share of exploration activity and production expected in the second half of the year as planned.

"Work on developing the optimum plan for a development of the BMG gas and liquids project is continuing and includes sub surface analysis, evaluation of facilities options and discussions with potential customers. We are taking a proactive approach to identifying enhancements to the BMG project's potential value at a time when gas customers in eastern Australia are actively seeking new gas supply arrangements.

"In the December quarter we will drill the first well in our northern Cooper Basin permits on targets identified by the Dundinna 3D seismic survey. We also plan to commence the development drilling program in Indonesia where our recent work on the Sukananti KSO has further increased production.

"The proposed divestment of our Tunisian acreage is progressing with a range of parties expressing interest in the assets. Our aim is to make an announcement on the divestment prior to 31 December".

Further comment and information:

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Financial

Sales revenue for the 3 months to 30 September 2014 was \$14.2 million compared with \$16.1 million in the previous quarter and \$18.4 million in the September quarter 2013.

The movement in revenue compared with the previous quarter was the result of lower prices and lower volumes. The average oil price for the quarter of A\$114.82/bbl was 3% lower than the A\$118.97/bbl in the June quarter. A total of 123.7 kbbl of oil was delivered for sale, compared with 135.3 kbbl in the June quarter.

Capital expenditure was \$6.7 million, down from \$11.9 million in the previous quarter with the movement being due to lower exploration activity. Cooper Energy anticipates that the bulk of its exploration drilling in FY15 will occur in the six months to June.

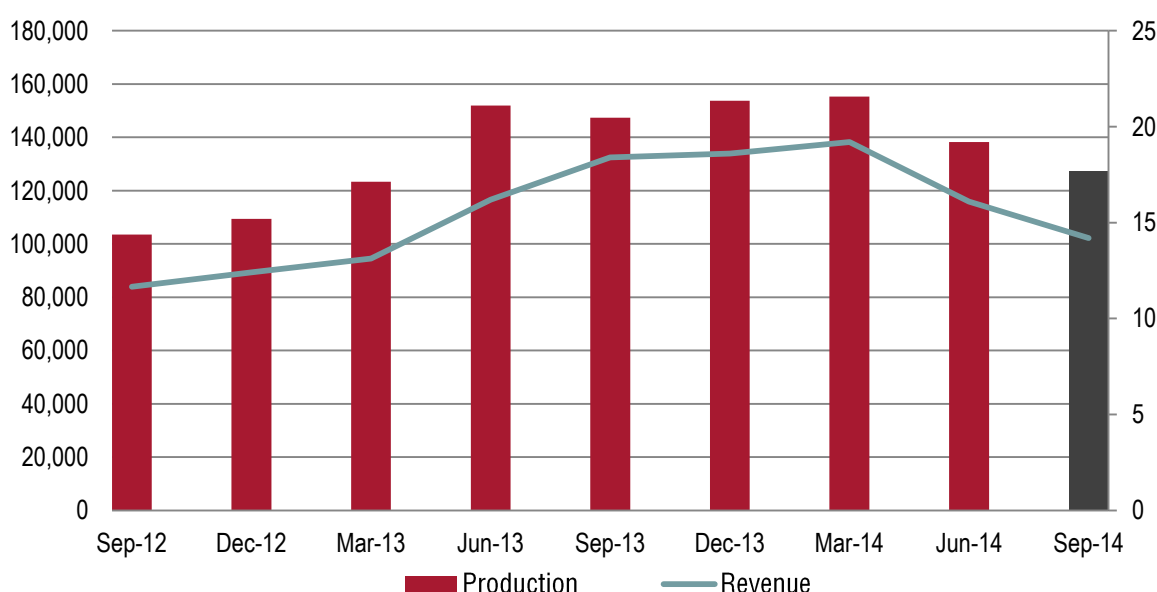
Cash at 30 September of \$47.0 million was lower than the quarter's opening balance of \$49.1 million and 6% higher than the previous corresponding figure of \$44.4 million. Total cash and investments available for sale at 30 September was \$70.9 million compared with \$75.1 million at the beginning of the quarter.

Production for the quarter was 127.4 kbbl, 8% lower than the previous quarter due to lower output from Cooper Basin operations, which was offset in part by increased output from Indonesia. The September quarter 2014 production is consistent with guidance and plan for FY15 full year production of 500,000 – 560,000 barrels of oil.

Quarterly Production and Revenue

Production (bbls)

Revenue (A\$ million)



Quarterly and Year to Date Summary

Description	Units	Quarter Ending			Year to Date		
		30-Sep 2014 ¹	30-Jun 2014 ²	Change	30-Sep 2014 ¹	30-Sep 2013	Change
Production and Sales							
Group oil produced	kbbl	127.4	138.2	-8%	127.4	147.4	-14%
Group oil sold / delivered for sale	kbbl	123.7	135.3	-9%	123.7	144.5	-14%
Group sales revenue	\$ million	14.2	16.1	-12%	14.2	18.4	-23%
Average oil price	A\$/bbl	114.82	118.97	-3%	114.82	124.86	-8%
Capital Expenditure							
Exploration and Appraisal	\$ million	4.4	10.6	-58%	4.4	16.7	-74%
Development and Fixed Assets	\$ million	2.3	1.3	77%	2.3	1.9	21%
Total Capital Expenditure		6.7	11.9	-44%	6.7	18.6	-64%
Financial Assets							
Cash and term deposits	\$ million	47.0	49.1	-4%	47.0	44.4	6%
Available for sale financial assets ³	\$ million	23.9	26.0	-8%	23.9	23.4	2%
Total Financial Assets		70.9	75.1	- 6%	70.9	67.8	5%
Capital							
Issued shares	million	329.2	329.2	0%	329.2	329.1	0%
Performance Rights	million	15.0	14.7	2%	15.0	8.6	74%

Notes:

- (1) Current quarter 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 shown

Australia

Production – Cooper Basin

The Company's share of oil production from its Cooper Basin tenements for the September quarter was 113 kbbl (average 1,228 bopd) compared to 125 kbbl (average 1,373 bopd) in the preceding quarter and 131 kbbl in the previous corresponding period.

Exploration and Development – Cooper Basin

During the quarter the PEL 92 Joint Venture (Cooper Energy 25%) continued reprocessing the Neritus, Modiolus and Calpurnus 3D seismic surveys. The merging and reprocessing of over 590 km² of PEL 92 data from these surveys is intended to improve seismic data quality available to the joint venture and is being used to define exploration and development targets scheduled for drilling in early 2015.

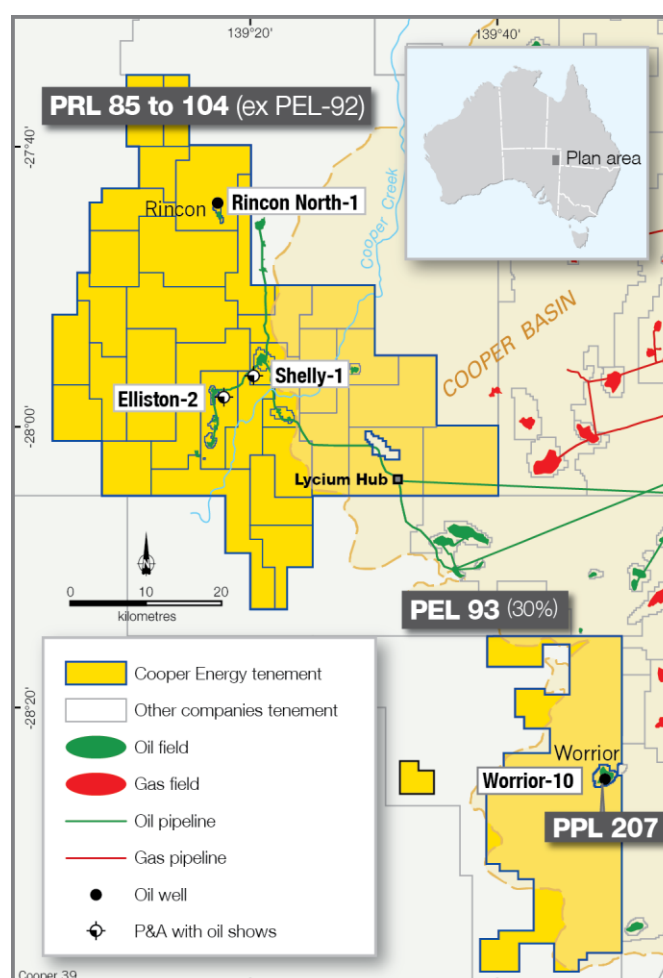
One exploration well, Shelley-1 (PRL 86), was drilled during the quarter. The well was plugged and abandoned after encountering a hydrocarbon accumulation considered uneconomic for development at this location.

Elliston-2, a development well, was drilled in PPL 249 in July. The well encountered a 1.5 m oil column in the Namur Sandstone; however this was considered insufficient to warrant completion and the well was plugged and abandoned. Further opportunities to drill development wells on the Elliston field will be assessed when the reprocessed 3D seismic data is available for interpretation.

Production commenced from the Rincon discovery in July. A work program to address facilities constraints at Rincon and to connect Rincon North-1 is being developed.

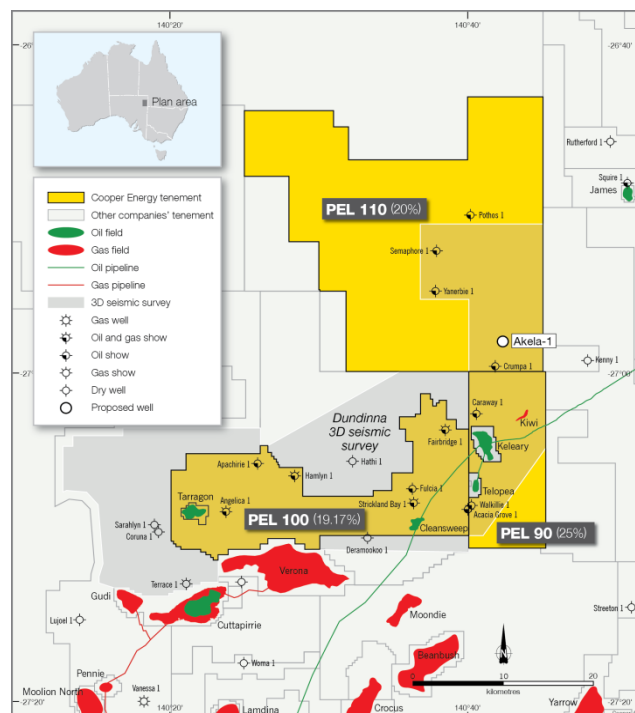
In PPL 207, (Cooper Energy 30%) reprocessing of the Worrior field 3D seismic data was completed. This data is currently being interpreted and will be used to define targets for development and appraisal drilling scheduled to commence early in the June Quarter 2015.

An extended production test of the Patchawarra Formation in Worrior-10 commenced in September and is ongoing.



The northern Cooper Basin permits PEL 90 (Cooper Energy 25%), PEL 100 (Cooper Energy 19.17%) and PEL 110 (Cooper Energy 20%) were the focus of the Dundinna 3D seismic survey conducted in FY14.

Processing of the survey data was completed during the quarter and interpretation is ongoing. Subsequent to the quarter, the PEL 110 joint venture approved the drilling of the Akela-1 exploration well, which is scheduled to spud in late October. Other exploration well locations are currently under review by the joint venture.

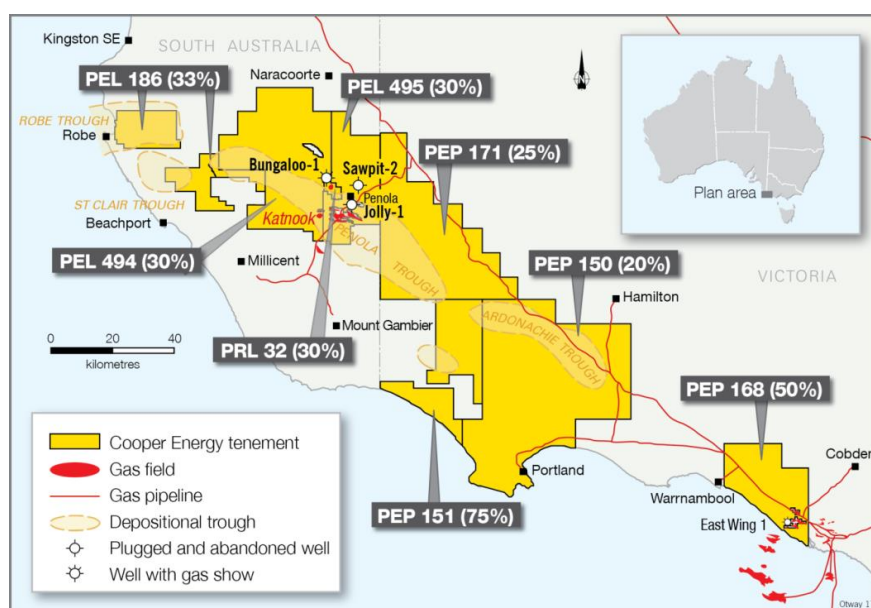


Otway Basin

In the first half of 2014 two deep wells, Jolly-1 (PEL 495) and Bungaloo-1 (PRL 32), were drilled in the Penola Trough, onshore Otway Basin South Australia (Cooper Energy 30%). Both wells encountered elevated mud gas readings in the Casterton Formation and Lower Sawpit Shale and hydrocarbon fluorescence was observed within sandstone intervals of the Lower Sawpit Shale at Bungaloo-1.

Analysis of the data and cores obtained from the two wells is ongoing and is expected to be concluded in the current quarter. In addition, the joint venture commenced reprocessing of the Haselgrove 3D seismic survey and 212 line kilometres of 2D seismic data in PEL 495. The seismic reprocessing is expected to be completed in the December quarter 2014.

The results of the well analyses and interpretation of processed seismic will be integrated to improve understanding of the gas potential of the Penola Trough before determining the next steps in the exploration program. The results to date have identified a number of opportunities for future evaluation of the prospectivity of the deeper Penola Trough.



Gippsland Basin

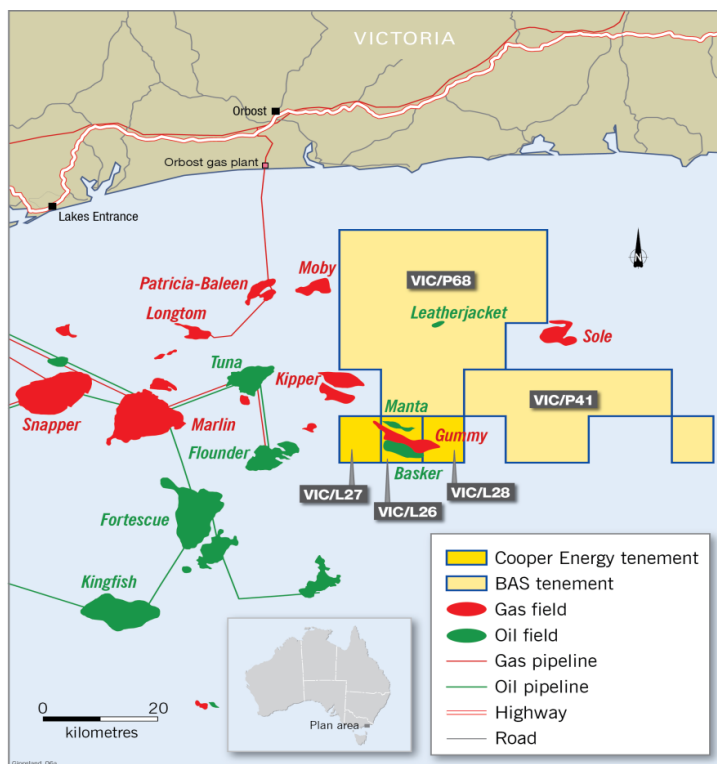
Final regulatory approvals for the acquisition of a 65% interest in the Basker/Manta/Gummy (BMG) gas and liquids project (Cooper Energy Operator) were received during the quarter.

Work on the preparation of a business case for development of the BMG gas and liquids resource commenced. The objective of the business case is to identify the optimum development plan and is targeted to be completed in the June 2015 quarter. The work includes geologic studies to define the next phase of activity in the tenements and analysis of development options.

Reprocessing of the 3D seismic at BMG was completed and seismic inversion processing was ongoing.

The results of the subsurface studies will be key inputs to the business case, which may include appraisal drilling in FY16.

A Contingent Resource assessment of the Basker and Manta fields was released to the ASX on 18 August. The table below sets out the assessment of total joint venture and Cooper Energy share of the Contingent Resource for the Basker and Manta fields.



Joint Venture Contingent Resource Basker & Manta 100% Joint Venture interest				Cooper Energy Contingent Resource Basker & Manta Cooper Energy interest = 65% of Joint Venture			
	1C (P90)	2C (P50)	3C (P10)		1C (P90)	2C (P50)	3C (P10)
Gas Bcf	63	104	181	Gas Bcf	40.7	67.3	117.9
Liquids MMbbl	4	7	11	Liquids MMbbl	2.8	4.7	7.2
Total JV MMboe	17	28	47	Total COE MMboe	10.8	18.0	30.6

Notes on Contingent Resource Assessment:

- The Contingent Resource assessment includes resources in Basker and Manta Fields, in the Gippsland Basin, as released to the ASX on 18 August 2014. 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 estimates provided in that release continue to apply and have not changed.
- Contingent Resources have been assessed using deterministic simulation modelling for the Intra-Latrobe Group in the Basker and Manta fields and probabilistic estimation for the Manta Field Golden Beach Subgroup. This methodology incorporates a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes. This approach is consistent with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS).
- Contingent Resources for the Basker and Manta Fields have been aggregated by arithmetic summation. Aggregated 1C may be a very conservative estimate and aggregated 3C may be a very optimistic estimate due to the effects of arithmetic summation of probabilistic estimates.
- Bcf conversion factor to PJ is 1 Bcf = 1.153 PJ.
- Barrels of oil equivalent conversion factor of 1 boe = 5,051 scf (1 Bcf = 0.198 MMboe).

Indonesia

Production

Cooper Energy's share of production from the Sukananti KSO (Cooper Energy 55%) was 13.8 kbbl (150 bopd), 7% above the previous quarter's 13 kbbl (145 bopd).

Exploration and Development

The workover of Tangai-3 in the Sukananti KSO was successful and identified several zones of bypassed pay. The well is now producing, with the incremental oil production contributing to the field recording its second-highest quarterly production since Cooper Energy commenced production operations in Indonesia in 2011.

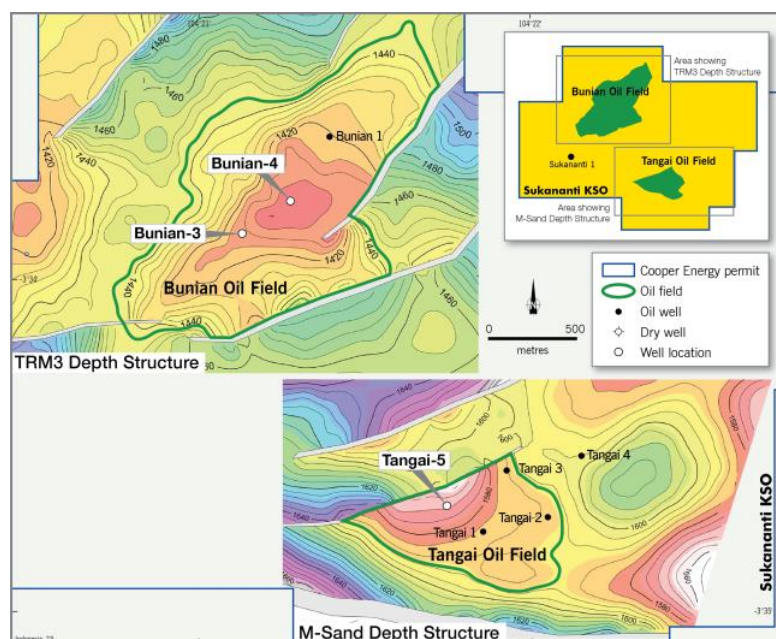
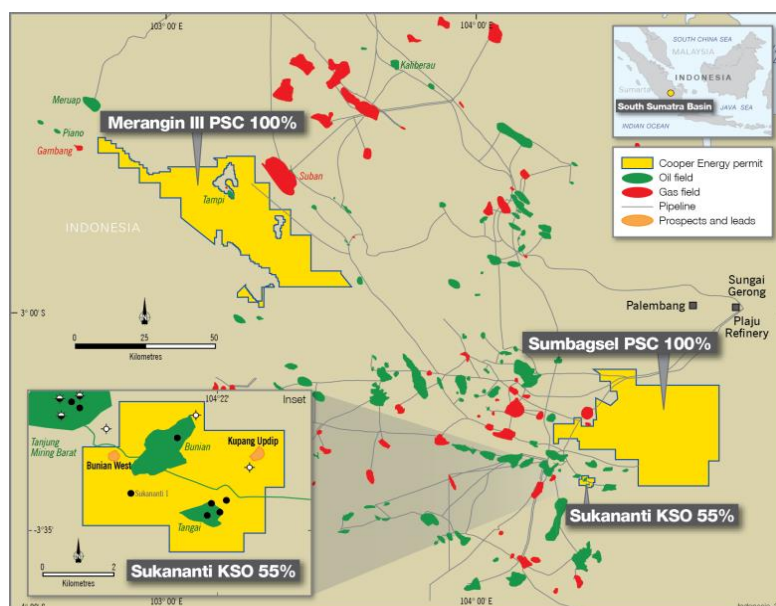
Oil production is now sourced from 3 wells; Bunian-1, Tangai-1 and Tangai-3, with water disposal to Sukananti-1. Studies to evaluate the optimal artificial lift option at Tangai for further production growth are ongoing.

Final preparations are underway for the drilling of development wells scheduled to commence in the December quarter. The campaign is planned to comprise the Bunian-3 and Tangai-5 wells and may also include Bunian-4.

Interpretation of the 257 km, 2D seismic survey acquired in the Sumbagsel PSC (Cooper Energy 100%) is in progress. The objective of the survey is to delineate exploration targets for future drilling.

Interpretation of 1,490 km of 2D seismic data from the Merangin III PSC (Cooper Energy 100%) has commenced, with the objective of maturing targets for seismic acquisition in the current financial year.

A process to farm out equity in the Sumbagsel and Merangin III exploration permits commenced during the quarter.



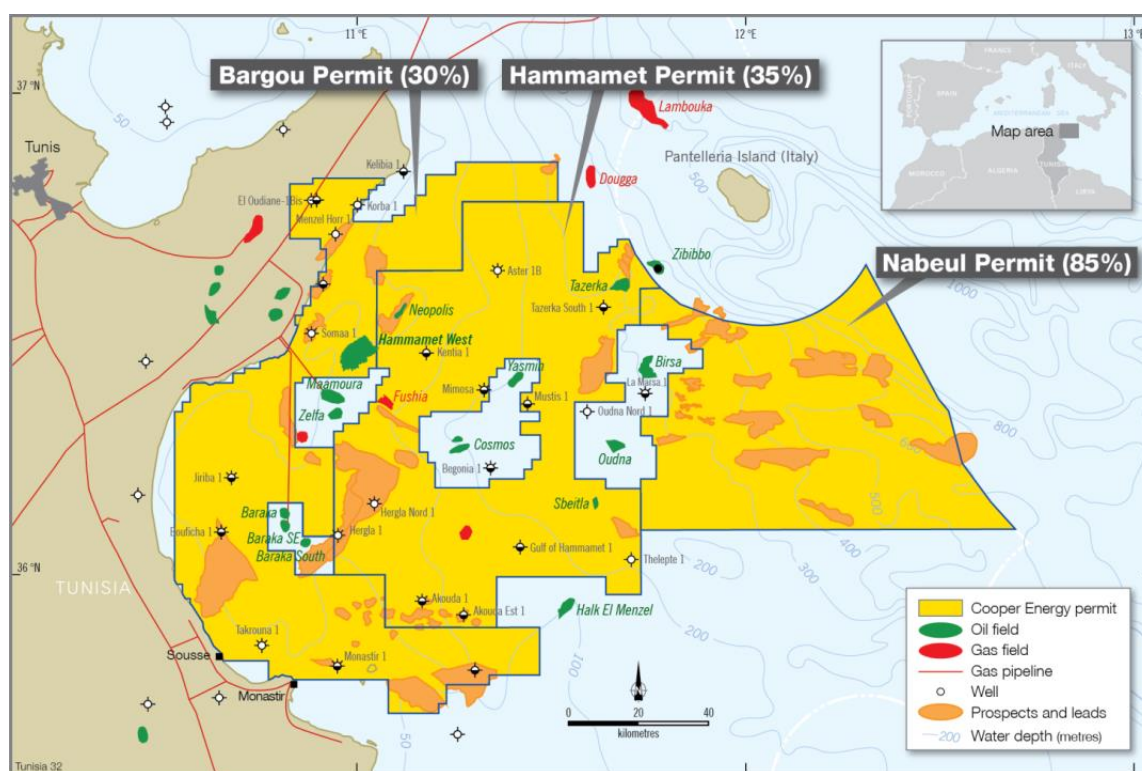
Tunisia

Tunisia portfolio divestment

The data room for the divestment of Cooper Energy's Tunisian portfolio remained open during the quarter with a number of interested parties engaged in reviewing the assets. It is intended that discussions with the interested parties will be progressed in the current quarter with a view to an announcement within December.

Exploration

Reprocessing of the Hammamet West 3D seismic survey (Bargou Permit Cooper Energy 30% and Operator) was conducted during the quarter. The Bargou Joint Venture is planning to re-enter Hammamet West-3 and drill and test a second sidetrack well. It is expected that Joint Venture operations at Hammamet West-3 will re-commence in 2015, subject to rig availability and government regulatory approvals.



Major Exploration and Development activities December quarter to June quarter 2015

Location	License	Operator	Dec Qtr	March Qtr	June Qtr	
Cooper	PEL 92 (PRL 85 – 104)	Beach	Reprocessing	● ●	● ● ● ● ●	Carryover wells & reprocessing in H1. 4 exploration wells, 3 development wells in H2
	PEL 90, 100,110	Senex	● ●	● ● ●		5 exploration wells
	PPL 207	Senex			● ● ● 3D Seismic	250 km ² 3D seismic, 3 development wells
Otway	PEL 494/495, PRL 32	Beach	G & G Studies			Analysis of results and cores from Jolly-1 and Bungalow-1
Gippsland	Vic/L26/L27/L28	Cooper Energy	3D Repro Sub-surface and development options evaluation			Business case preparation
	Vic/P41 & P68 ¹	Bass Strait Oil Co	3D Repro			Reprocessing and inversion of 3D seismic complete
Indonesia	Sukananti KSO	Cooper Energy		● ●		Workover of Tangai-3, development wells, facilities upgrade
	Sumbagsel PSC	Cooper Energy			3D Seismic	80 km ² 3D Seismic
	Merangin III PSC	Cooper Energy			2D Seismic	300 km of 2D interpretation seismic
Tunisia	Bargou, Hammamet, Nabeul	Cooper Energy	Divestment			Divestment process in train

● Exploration or appraisal well ● Development well Seismic

¹ COE does not hold a direct interest in Vic P/41 and Vic P/68 but holds a 22.9% shareholding in BAS.

Disclaimer

The information in this report

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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
- 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