



# **Brief Investor Update**

**20<sup>th</sup> September 2010**

**Michael Scott, Managing Director.**

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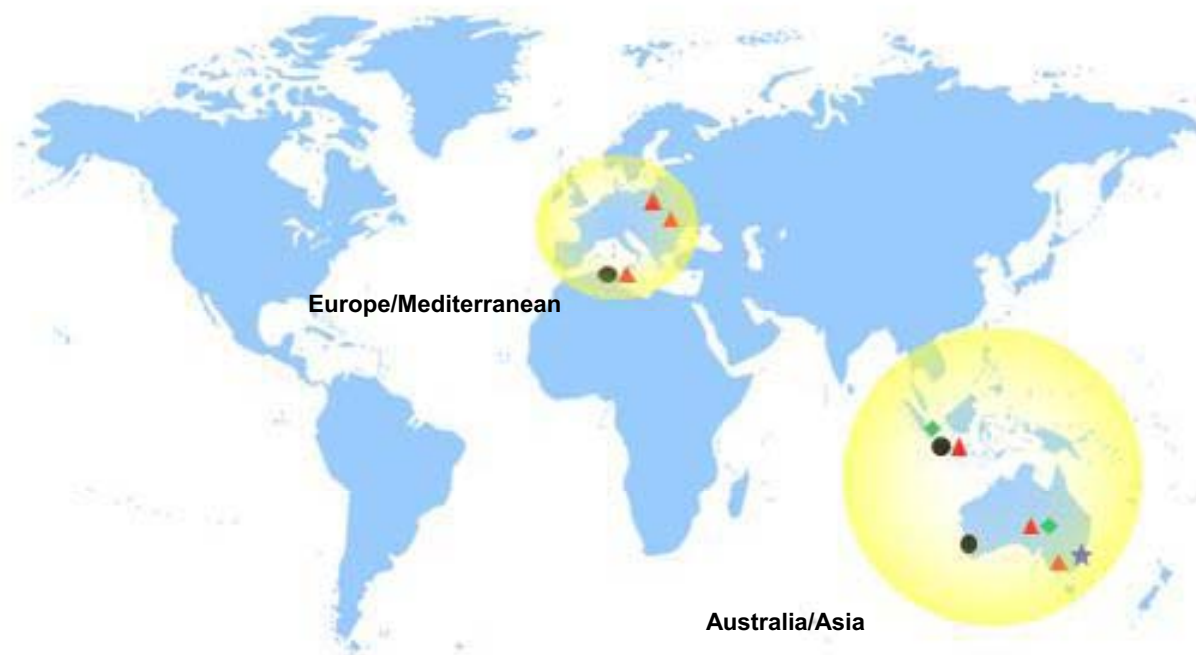
**Near-Term Schedule**

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# Company Snapshot

*Conventional oil and gas E&P Company with activity in all focus areas*



## Locations ●

Headquarters - Perth, **Australia**  
Operations – Jakarta, **Indonesia**  
Operations – Tunis, **Tunisia**

## Exploration/Appraisal Assets ▲

**Australia**  
**Indonesia**  
**Tunisia**  
**Romania**  
**Poland**

## Development/Production Assets ◆

**Australia (9 oil fields)**  
**Indonesia (3 oil fields)**

## Market ★

**Australia** - Australian Stock Exchange (ASX)

FY10 Cumulative  
Exploration Success Rate

**28%**

FY10 Oil Production  
(barrels)

**465,012**

FY10 EBITDAX  
(A\$ million)

**21**

FY10 PAT  
(A\$ million)

**1**

2P Oil Reserves  
at 30 June 10 (MMBO)

**2.0**

FY10 Production  
Revenue (A\$ million)

**40**

Cash at 30 June 2010  
(A\$ million)

**92**

*No debt, no hedging*

Market Capitalisation  
30 June 2010 (A\$ million)

**108**

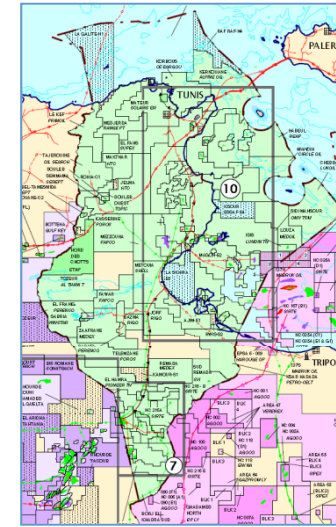
*292 shares @ 37c*

# Bargou Permit, Tunisia

# Why Tunisia?

Risk Aspect	Rating					Comment
	Poor			Excellent		
Prospectivity	★	★	★	★	★	Medium field sizes and proven petroleum system.
Fiscal System	★	★	★	★	★	Good PSC terms.
Legal Framework	★	★	★	★	★	Established Petroleum Laws and Legal System.
Regulatory Authority	★	★	★	★	★	DGE and ETAP excellent to deal with.
Operational Capability	★	★	★	★	★	High density of operations and skilled staff.
Infrastructure	★	★	★	★	★	Docks, yards, transportation, rigs, pipelines, refineries.
Political Stability	★	★	★	★	★	Democratically elected Government.
Corruption	★	★	★	★	★	Very clean and not experienced any evidence that it exists.
Personnel Safety	★	★	★	★	★	Restaurants, bars, golf courses, no AK47s.
Visa Requirements	★	★	★	★	★	Visa on arrival. UK passport no visa required.
Currency Movements	★	★	★	★	★	Established banking system with easy currency movements.

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**We have proven that we can successfully Operate in country and we are respected.**

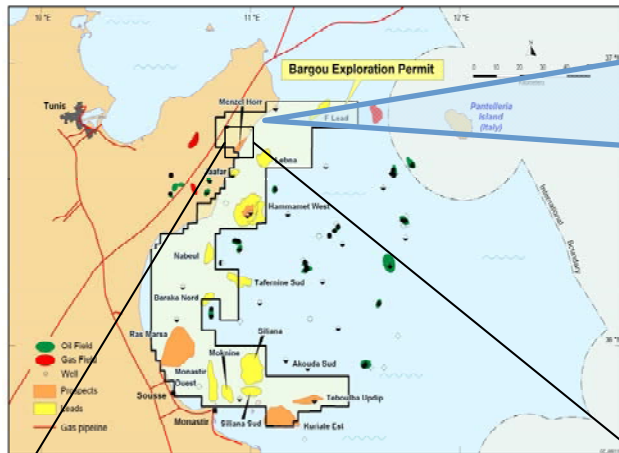
**The country is receptive to investment.**

**We believe we can make discoveries and build a profitable business.**

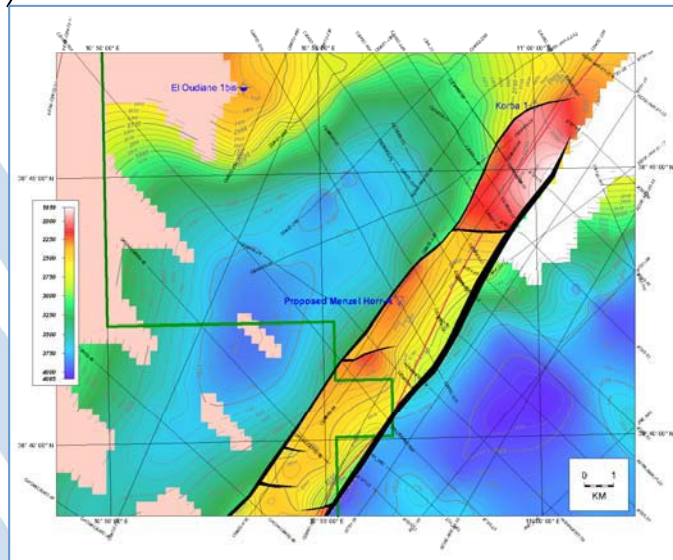
**We have established an in-country GM and office.**



# Tunisia – Bargou, Menzel Horr Prospect (COE 85%)



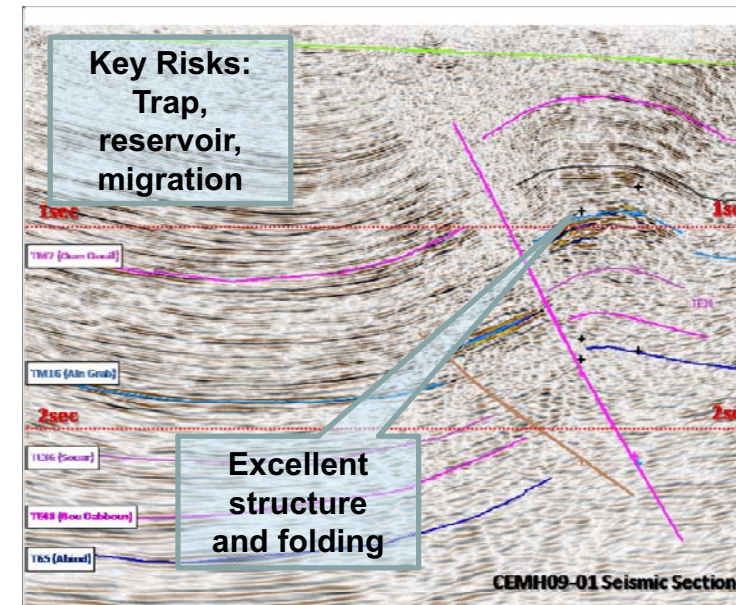
Just been awarded a block extension to cover the next lead on the trend – follow-up after Menzel Horr



Prospect Map (Abiod Formation Depth)

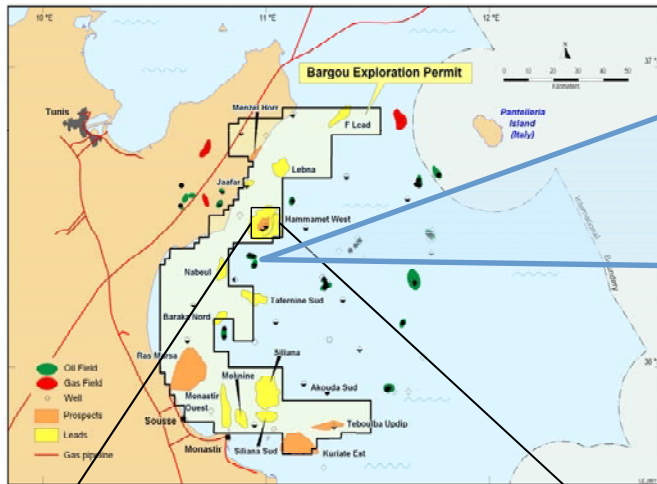
**Prospective Resources: 20 MMbbl (P50, Cooper Energy share)**

COE Cost:	A\$5 million
COS:	30%
Well depth:	2,400 metres
Target reservoir:	Multiple carbonate formations
Approvals Status:	80% complete
Planning Status:	80% complete
Next Key Step:	Award rig and materials
Expected Spud Date:	<b>November 2010</b>



Seismic Cross Section

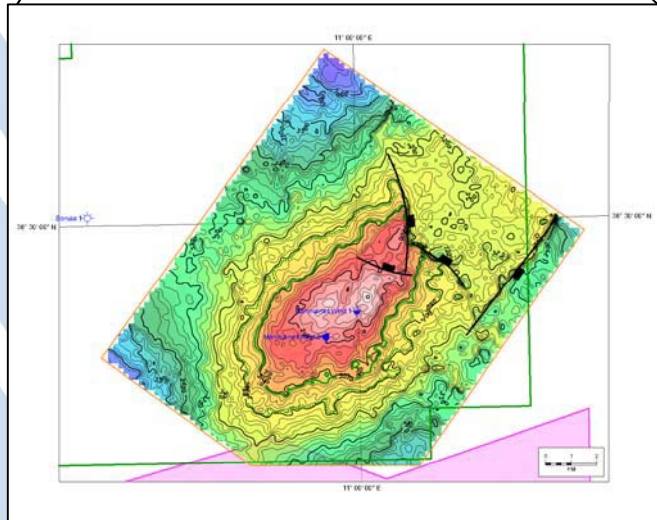
# Tunisia - Bargou Permit, Hammamet West (COE 85%)



**Analogous development:**

Eni operated Maamoura field developed Abiod reservoir by horizontal wells and low cost infrastructure.

Wellhead platform with pipeline to onshore processing facility.



Field and 3D Seismic Outline Map

## Contingent Resources (P50, Cooper Energy share):

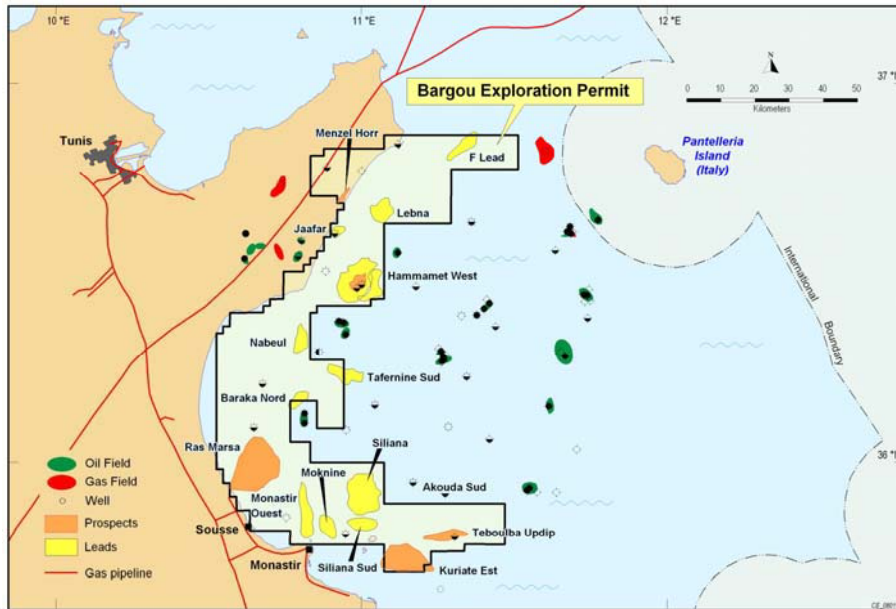
**Birsa (Sandstone) 7.7 MMbbl**

**Abiod (Carbonate) 34.0 MMbbl**

## Proven oil:

- Hammamet West-1 (1967): 7 m of oil on rock in Birsa.
- Hammamet West-2 (1990): 192 m of oil in Abiod and flowed 20 bopd.
- Hammamet West-2 recovered 27-33° API oil from Abiod.
- Shallow water: 50-60 metres water depth.
- 209 km<sup>2</sup> 3D shot on time and budget in 4Q2009.
- Proving productivity of carbonate reservoir is critical factor – high resolution 3D is expected to assist appraisal well placement.
- 3D seismic showing structure volume is 40-50% bigger than previously mapped.

# The Bargou Farm out



**Jacka Resources (ASX: JKA).**

**15% equity.**

**Back costs.**

**Promote on Menzel Horr-1 (spud November 2010).**

**Promote on Hammamet West-3 (spud 3Q2011).**

**US\$12MM transaction value.**

**Values block at US\$80MM (A\$90MM)  
(COE share A\$77 million).**



\$90 million  
in cash,  
production,  
one block  
worth \$77  
million and a  
whole lot of  
other stuff –  
and a  
market cap  
of A\$110?!

**First Energy managing a farm-out process in northern hemisphere.**

**Number of companies showing a keen interest in acquiring equity – first come, first served.**

**Cooper Energy expects to retain around 50% once process complete.**

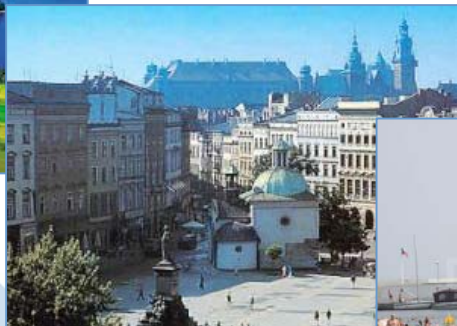
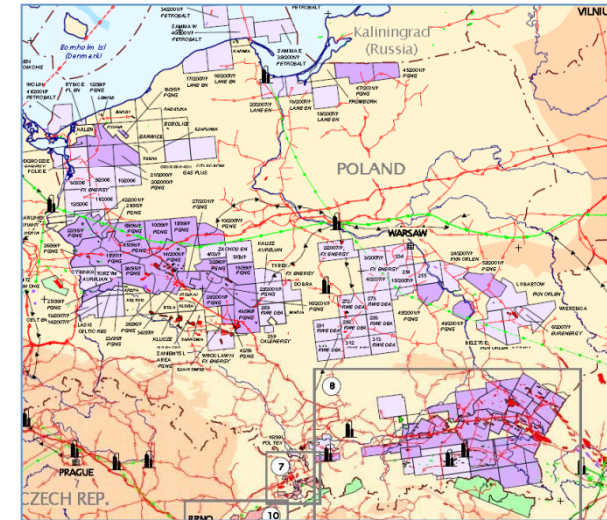


# Eastern Europe

# Why Poland?

Risk Aspect	Rating					Comment
	Poor			Excellent		
Prospectivity	★	★	★	★	★	Medium field sizes and proven petroleum system.
Fiscal System	★	★	★	★	★	Excellent royalty/tax terms.
Legal Framework	★	★	★	★	★	Member of EU.
Regulatory Authority	★	★	★	★	★	JV with RWE - one of Europe's largest Energy companies.
Operational Capability	★	★	★	★	★	High density of operations.
Infrastructure	★	★	★	★	★	Docks, yards, transportation, rigs, pipelines, refineries.
Political Stability	★	★	★	★	★	Democratically elected Government.
Corruption	★	★	★	★	★	Not experienced any evidence that it exists.
Personnel Safety	★	★	★	★	★	Restaurants, bars, golf courses, no AK47s.
Visa Requirements	★	★	★	★	★	Visa on arrival. EU passport no visa required.
Currency Movements	★	★	★	★	★	Established banking system with easy currency movements.

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**We have formed a JV with one of the Europe's largest energy companies.**

**The country is receptive to investment.**

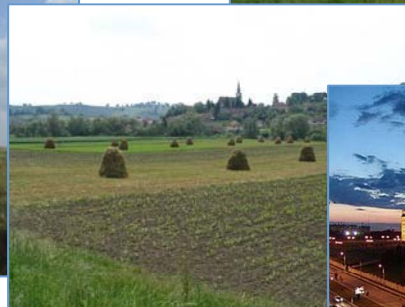
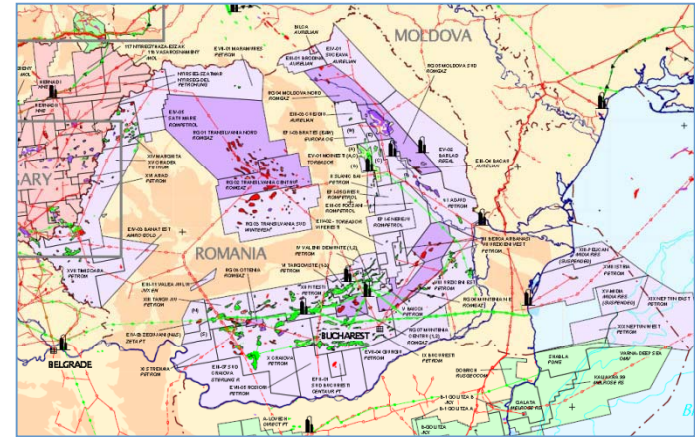
**We believe we can make discoveries and build a profitable business.**

**We are planning to expand our in-country presence.**

# Why Romania?

Risk Aspect	Rating					Comment
	Poor			Excellent		
Prospectivity	★	★	★	★	★	Large number of fields and proven petroleum system.
Fiscal System	★	★	★	★	★	Excellent royalty/tax terms.
Legal Framework	★	★	★	★	★	Member of EU.
Regulatory Authority	★	★	★	★	★	NAMR excellent to deal with.
Operational Capability	★	★	★	★	★	High density of operations.
Infrastructure	★	★	★	★	★	Docks, yards, transportation, rigs, pipelines, refineries.
Political Stability	★	★	★	★	★	Democratically elected Government.
Corruption	★	★	★	★	★	Not experienced any evidence that it exists.
Personnel Safety	★	★	★	★	★	Restaurants, bars, golf courses, no AK47s.
Visa Requirements	★	★	★	★	★	Visa on arrival. EU passport no visa required.
Currency Movements	★	★	★	★	★	Established banking system with easy currency movements.

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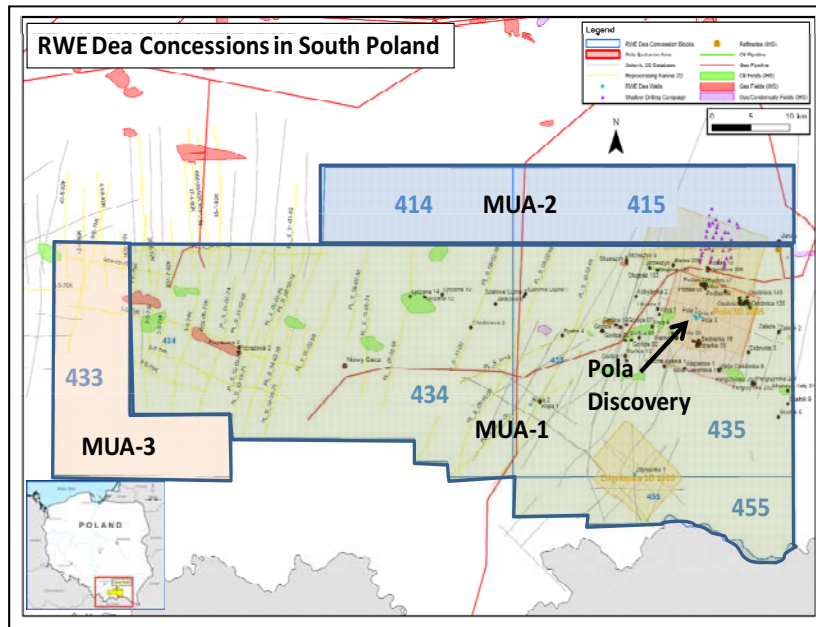
**We have formed an alliance with Zeta Petroleum.**

**The country is receptive to our investment.**

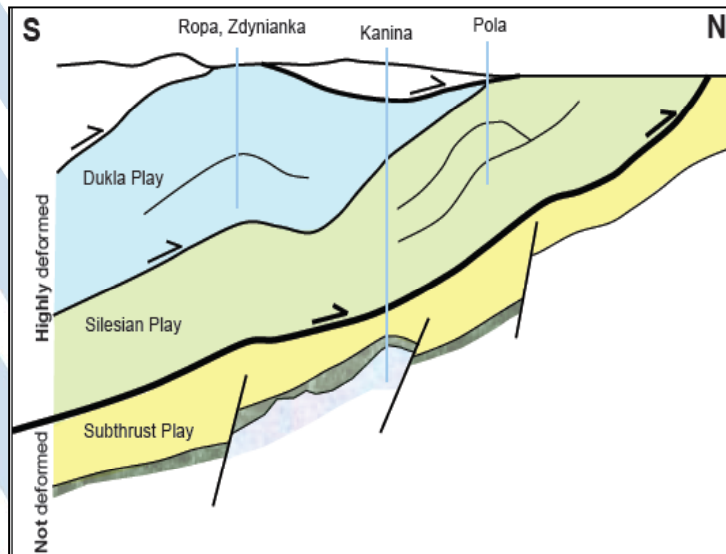
**We believe we can make discoveries and build a profitable business.**

**We are planning to expand our in-country presence.**

# Poland - Joint Venture With RWE Dea

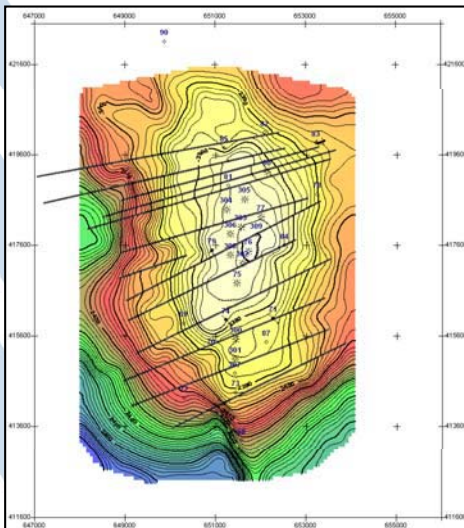
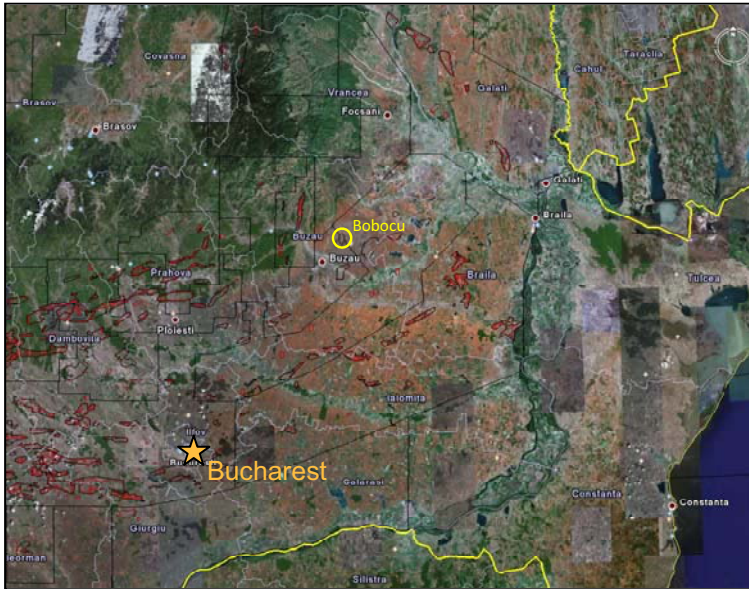


- **40% share in Joint Venture with RWE**
- **3 Mining Usufructs (MUA's) / 6 Blocks**
- **€7.1 million entry cost (~A\$10MM)**
- **Proven petroleum system**
- **Pola Oil Field Appraisal**
  - 7 million barrels (P50, 100% JV)
  - Pola-2 (frac) is key to economic viability of field
  - development participation right for further payment of €10 million (~A\$14 million, COE) after FDP complete
  - Key well test data expected by 2Q11
- **Exploration :**
  - Participation at working interest funding level
  - 2010 program ~€1.3 million (~A\$2MM, COE)
  - Multiple plays and reservoir targets
    - Shallow Overthrust Oil
    - Deep Subthrust Gas play
- **Cooper keen to pursue exploration plays within large acreage position**





# Romania – Corporate Holding in Zeta Petroleum



Bobocu top reservoir depth map  
100 km north-east of Bucharest

- Zeta is a private UK company
- Zeta is Romania focused with excellent Romanian relationships
- Under-funded but good people and assets
- Win-win alliance
  - COE assists Zeta with funding to meet aspirations
  - Zeta assists COE to enter Romania
  - Shareholding route mitigates single asset risk for COE
- COE will fund 2 years Zeta G&A plus staged success milestone appraisal of Bobocu gas field
- What we get in return
  - Fast-track entry into Romania
  - Access to projects on a 50:50 basis with Zeta
  - Value-adding shareholding in Zeta



# Near-Term Schedule

# 2010-2011 International Activity Program

Exploration			COE Share	COE share Net Recoverable Oil	COE share Net Capex A\$	2010		2011			
						Q3	Q4	Q1	Q2	Q3	Q4
Australia	PEL92	7 exploration wells	25%	1.5 MMBBL <sup>(1)</sup>	3.2						
	PEL100	250 km <sup>2</sup> 3D seismic	25%	-	1.2						
	PEL110	100 km <sup>2</sup> 3D seismic	25%	-	0 <sup>(2)</sup>						
Tunisia	Bargou	Menzel Horr-1 (oil prospect)	85%	20 MMBBL <sup>(3)</sup>	5 <sup>(3)</sup>		NEXT				
	Hammamet	300 km <sup>2</sup> 3D seismic	100%	-	2.9						
Appraisal/Development			COE Share	COE share Net Recoverable Oil	COE share Net Capex A\$	2010		2011			
						Q3	Q4	Q1	Q2	Q3	Q4
Australia	PEL92	4 development wells	25%	0.5 MMBBL <sup>(1)</sup>	1.8						
Tunisia	Bargou	Hammamet West-3 (oil field)	100%	42 MMBBL <sup>(3)</sup>	21 <sup>(3)</sup>						
Indonesia	Sukananti	Three workovers	55%	0.2 MMBBL	0.5						
	Sukananti	30 km <sup>2</sup> 3D seismic	55%	-	1.3						
Production			COE Share			2010		2011			
						Q3	Q4	Q1	Q2		
Australia	Cooper Basin	Nine oil fields	25-30%							320,000 barrels of oil net to COE	
Indonesia	Sukananti	Three oil fields	55%							37,500 barrels of oil net to COE	

## Notes

(1) Approximate to be finalised

(2) Carried

(3) To be farmed out - cost and volume net to COE will drop.

Legend	
Seismic	
Wells	

Programs on Romania and Poland to be firmed-up and announced when appropriate.

# Company Valuation

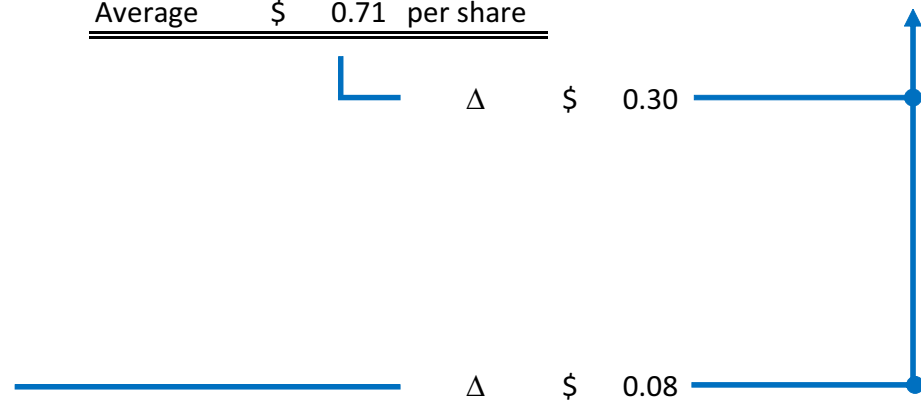
# Share Price Versus Portfolio Mismatch

Cash	\$ 90.00
Australia Production	\$ 40.00
Bargou	\$ 77.00
Australia Development	\$ -
Indonesia Development	\$ -
Australia Exploration	\$ -
Tunisia Other Exploration	\$ -
Poland Exploration	\$ -
Romania Shareholding	\$ -
Non-discretionary expenditure	-\$ 38.00
Corporate	-\$ 25.00
Total value	\$ 144.00
Share price	\$ 0.49

Euroz	\$ 0.73 per share
Pattersons	\$ 0.67 per share
Hartleys	\$ 0.74 per share
Average	\$ 0.71 per share

ASX	\$ 0.41 per share
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Average 47% deficit



No value for majority of portfolio.

Australian production is notional \$20/bbl x 2P

Discretionary expenditure assumes Bargou farmed out and the next 2 years

Broker reports dated 17/09/10

# Summary



# Positioned for Growth

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- **Past**

**Built reserves and production portfolio to support expansion expenditures**  
**Built exploration portfolio to seek company growth through the drill bit**

- **Now**

**Cash, reserves, resources, production**  
**Seeking to drill several high impact wells in next 2 years**  
**Seeking to add reserves and resources by unlocking value from exploration portfolio**  
**New ventures added in Eastern Europe**

- **Future**

**Continue to build portfolio in focus areas by adding more projects**  
**Bring forward prospects for drilling in a timely manner**  
**Continue to review block bids, farm-ins, project acquisitions and M&A**  
**Increased reserves and resources portfolio is the key to value equation**

**Primary Objective: “Create shareholder wealth”**



**Cooper Energy**

**[www.cooperenergy.com.au](http://www.cooperenergy.com.au)**

**“Infinite potential, solid results”**

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- 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.

## Person Compiling Information About Hydrocarbons

Pursuant to the requirements of the ASX Listing Rules 5.11, 5.11.1, 5.12 and 5.13, the reported recoverable hydrocarbon estimates are based on information compiled by Mr Michael Scott. Mr Scott holds a Master of Engineering in Petroleum Engineering and is a member of the Society of Petroleum Engineers. Mr Scott has worked in the industry as a practicing petroleum-reservoir engineer for over 20 years. Mr Scott is employed full-time by Cooper Energy as its Managing Director and has consented in writing to the inclusion in the report of the matters based on the information in the form and context in which it appears.

## Hydrocarbon Reporting Standard

Cooper Energy reports hydrocarbons in accordance with Cooper Energy's Hydrocarbon Reporting Guidelines that is freely available from Cooper Energy's website ([www.cooperenergy.com.au/policies/index.php](http://www.cooperenergy.com.au/policies/index.php)).