



ABN 93 096 170 295

ASX ANNOUNCEMENT

Quarterly Activity Report - Period Ending 30 June 2011

HIGHLIGHTS

RESERVES:	2P ultimate recovery has grown by 0.94 million barrels of oil due to successful development activities. As a result, 2P recoverable oil has grown to 2.5 million barrels of oil.
PRODUCTION:	<p>398,859 barrels of oil produced from the Cooper Basin for the financial year exceeding the budget guidance of 320,000 barrels of oil due to successful development activities.</p> <p>Production of 7,718 barrels of oil in Indonesia delivers on the objective of establishing International production operations.</p>
OIL REVENUE:	A\$39.1 million for the financial year.
DRILLING:	Eleven wells drilled, 45% overall success rate for the program for the financial year.
APPRAISAL:	Gas successfully tested at Pola-2 in Poland.
CASH:	A\$72 million – down due to a number of large new ventures and operational commitments being satisfied.
FUTURE DRILLING:	Twelve wells have been agreed and budgeted in South Australia.

During the period the following financial and operational results were delivered:

Key Company Indicators

Description	Units	Full Year 2009-2010 (audited)	March 2011 Quarter	June 2011 Quarter	Quarter Change
PRODUCTION					
Cooper Basin oil production	Barrels	465,012	108,815	73,170	33% ▼
Cooper Basin sales revenue	A\$000	40,030	12,514	8,273	33% ▼
LIQUID ASSETS					
Cash and term deposits	A\$000	92,485	82,091	72,365	12% ▼
FINANCIAL INSTRUMENTS					
Debt	A\$000	None	None	None	0% →
Forex or Oil Price Hedging	A\$000	None	None	None	0% →
EXPENDITURE					
Exploration payments ⁽¹⁾	A\$000	17,622	10,183	3,292	
Development payments ⁽¹⁾	A\$000	4,694	1,386	4,046	
Production payments ⁽¹⁾	A\$000	8,293	1,856	3,281	
FINANCIALS					
Working capital ⁽²⁾	A\$000	95,443	89,568	78,169	13% ▼
EBITDAX ⁽³⁾	A\$000	21,247			
Profit before tax ⁽²⁾	A\$000	7,221			
Profit after tax ⁽²⁾	A\$000	1,247			
CAPITAL					
Issued shares	# millions	292.576	292.576	292.576	0% →
Unlisted Options	# millions	19.395	11.620	11.620	0% →

Notes:

(1) Operations payments that occurred during the quarter. Production payments do not include depreciation, royalty or tax.

(2) Working Capital is a balance sheet calculation equal to cash plus debtors minus creditors minus current tax payable. Unaudited if provided during the quarter.

(3) EBITDAX, PBT, PAT are accounting numbers that are reported at the half (December) and full year (June) once available.

Production and revenue was down during the quarter due to the recent SACB pipeline disruption event deferring production off-take from PEL92. The PEL92 Joint Venture is awaiting guidance from SACB regarding reinstatement of the pipeline. Alternative off-take via trucking is currently assisting to mitigate the effects of the disruption.

Cash was reduced due to a large number of financial commitments being fulfilled during the quarter. This is discussed further in the next section.

Cash Reconciliation and Expenditure Guidance

At the start of the quarter cash was A\$82 million.

During the quarter the following expenditures were cash called by various Joint Ventures, which impacted the cash balance. The amounts have not yet been fully expended and therefore are not fully reflected in the reported Exploration payments:

Pola 2 and 3 well testing	A\$6.7 million.
Menzel Horr-1 exploration well	A\$4.2 million
Nabeul Permit acquisition	A\$1.7 million
Seismic pre payment for Hammamet	A\$1.7 million
Production Joint Venture cash calls	A\$1.6 million
Corporate income tax instalment	A\$1.3 million
Romania funding obligation	A\$1.0 million
Sukunanti operational start up costs	A\$0.9 million

The expenditures during the quarter were offset by the following sales receipts:

April	A\$0.6 million
May	A\$7.1 million
June	A\$0.9 million

Taking into account the expenditures and inflows, the closing cash at the 30 June was A\$72 million.

Looking forward across the international portfolio, the Company expects to spend approximately A\$30 million in exploration and approximately A\$10 million in development activities in the 2011-2012 financial year.

Drilling Results and Guidance

The Company has been pursuing an aggressive domestic drilling strategy in order to replace reserves and production volumes. Over the 2010-2011 financial year eleven wells have been drilled and the results are shown below:

Date	Well	Type	Result
July 2010	Gigir East-1	Exploration	Dry Hole
Jan 2011	Menzel Horr-1	Exploration	Dry Hole
February 2011	Parsons-3	Appraisal/Development	Success
April 2011	Parsons-4	Appraisal/Development	Success
April 2011	Butlers-2	Appraisal/Development	Success
April 2011	Butlers-3	Appraisal/Development	Success
May 2011	Parham-1	Exploration	Dry Hole
May 2011	Stenhouse-1	Exploration	Dry Hole
May 2011	Turton-1	Exploration	Dry Hole
June 2011	Westall-1	Exploration	Dry Hole
June 2011	Parsons-5	Appraisal/Development	Success
July 2011	Wheatons-1	Exploration	Dry Hole

As can be seen from the table, the majority of wells were drilled during the June quarter. From the eleven wells, five of these wells were appraisal/development wells and these wells were all successful in delineating the reservoirs. Unfortunately no success was experienced in the seven well exploration program.

The impact of the appraisal/development wells on the ultimate recovery and reserves are discussed later in this report.

Looking forward, the Beach Energy and Cooper Energy Joint Venture (PEL92) and the Beach Energy, Somerton Energy and Cooper Energy Joint Venture (PEL495) have agreed to continue with the aggressive drilling program and have agreed to drill the following wells:

Exploration Wells	Appraisal/Development Wells
Rincon-1 (PEL92)	Butlers-4 (PEL92)
Germein-1 (PEL92)	Butlers-5 (PEL92)
Riley-1 (PEL92)	Christies-6 (PEL92)
Elliston-1 (PEL92)	Perlubie-2 (PEL92)
	Perlubie-3 (PEL92)
	Perlubie-4 (PEL92)
Sawpit-2 (PEL495)	Perlubie-5 (PEL92)

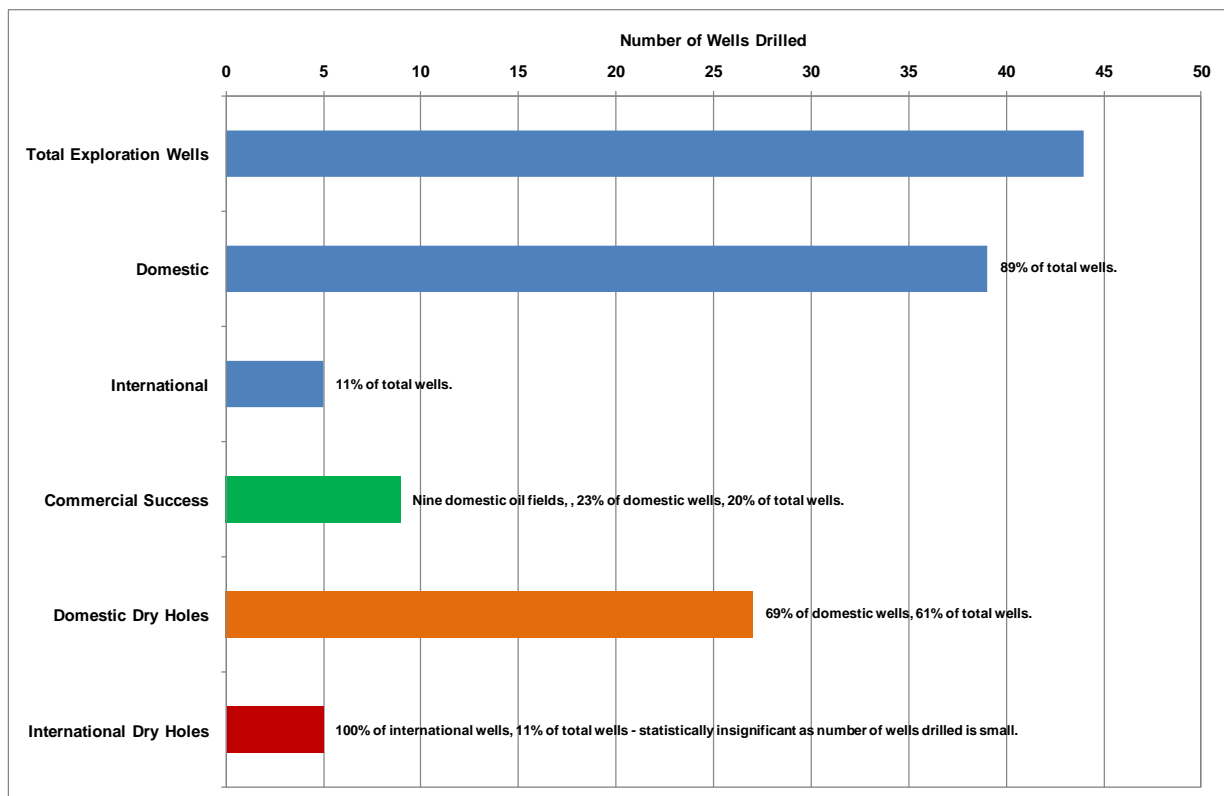
Details of the targets will be announced closer to the spud dates of each of the wells.

Well costs in PEL92 are typically less than A\$2 million per well (A\$0.5 million Cooper Energy share). The Company has a funded carry on the Updip Sawpit-1 well in PEL495.

The PEL92 appraisal/development wells are targeting probable reserves within the discovered fields.

No international wells are firm on the schedule at this time.

Cooper Energy's drilling record since inception to 30 June 2011 is shown below.



The success rate in the portfolio is currently 20%, which is close to the worldwide average for exploration as reported last year at the APPEX conference in London.

Appraisal Testing Results

The Pola-2 well test in Poland has successfully completed a gas production test of the upper Ciezkowice reservoir interval at 1720-1738 metres measured depth. A production rate of approximately 1600 cubic metres per hour (~1.4 million standard cubic feet per day) @ 11.5 bar (167 psia) well head pressure with a 36/64" choke was achieved over a 3.5 day flow period. The gas appears to be dry with low liquids content.

The Operator (RWE DEA) will complete and analysis of the data collected during the well test in order to secure an understanding of the upper Ciezkowice reservoir deliverability and connected gas volume.

The plan is to move to the Krosno Reservoir at 1113-1120.5 metres measured depth to test for the oil potential in that reservoir.



Cooper Energy has an option to participate in the field development of the Pola field for €10 million. Further information on the exercise or non-exercise of this option will be communicated at the appropriate time. Gas is a valuable commodity in eastern Europe and Cooper Energy is looking forward to understanding the potential of the Pola resource.

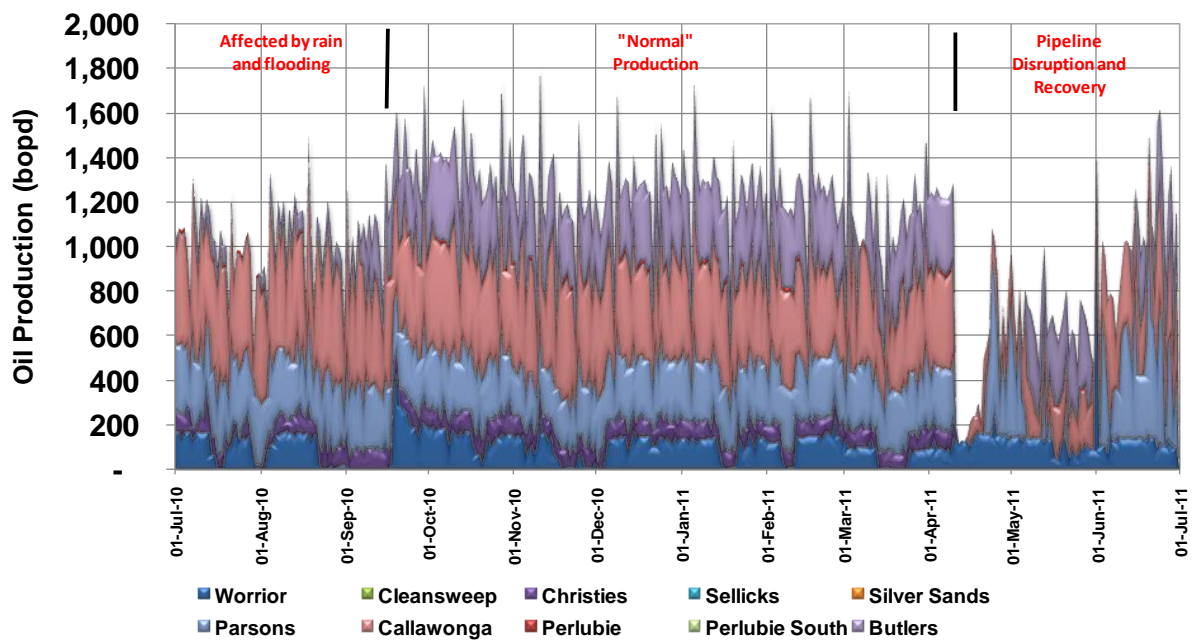
Production Results and Guidance

Cooper Energy is pleased to report that the production budget of 320,000 barrels of oil for the Cooper Basin for the financial year has been exceeded.

During the quarter, 398,859 barrels of oil were produced in the Cooper Basin.

The Cooper Basin production over the year is shown in the following graph.

Cooper Energy 2010-2011 Cooper Basin Production

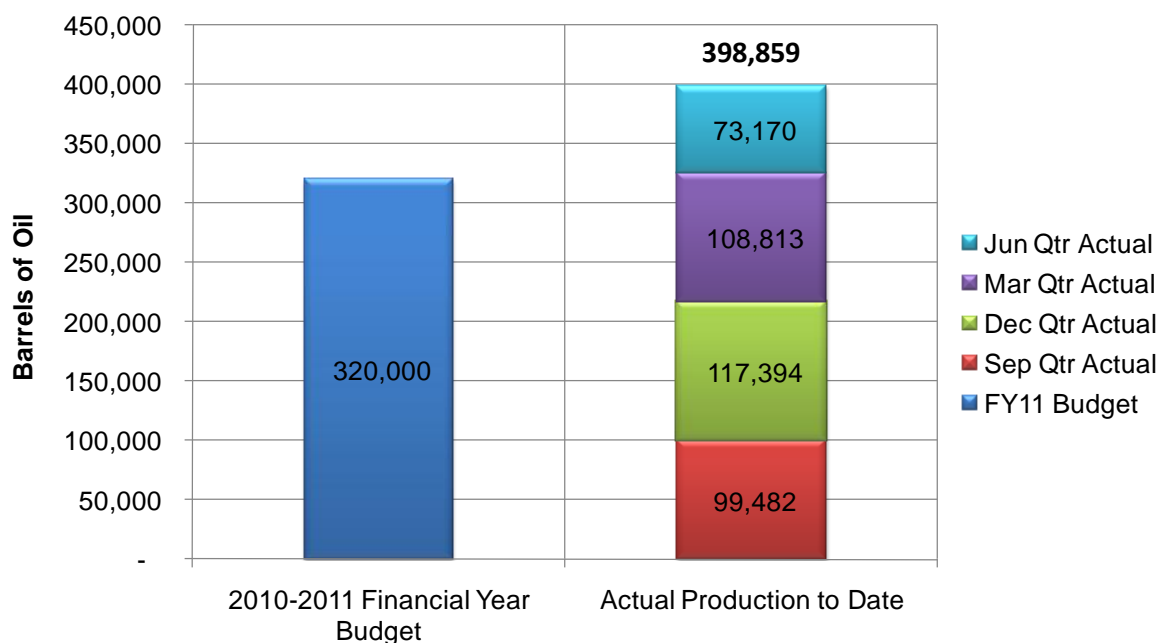


In addition to the Cooper Basin, 7,718 barrels were produced in Indonesia. Indonesian production commenced in February 2011 and during the first quarter the Company produced 1,714 barrels of oil. Although the oil volumes are relatively insignificant, the Company has delivered on the objective of establishing itself as a production operator in Indonesia and is looking to grow this volume thereby creating a self sustaining affiliate in that country.

Production for the financial year for the whole portfolio has come in at 406,577 barrels of oil.

The production figures for the Cooper Basin are shown graphically below:

Cooper Energy Budget v Actual Production Statistics



For the 2011-2012 financial year the company has budgeted the following volumes:

PEL92 area, South Australia	366,000 barrels of oil
PEL93 area, South Australia	42,000 barrels of oil
Sukananti area, South Sumatra	29,529 barrels of oil

Total 437,529 barrels of oil

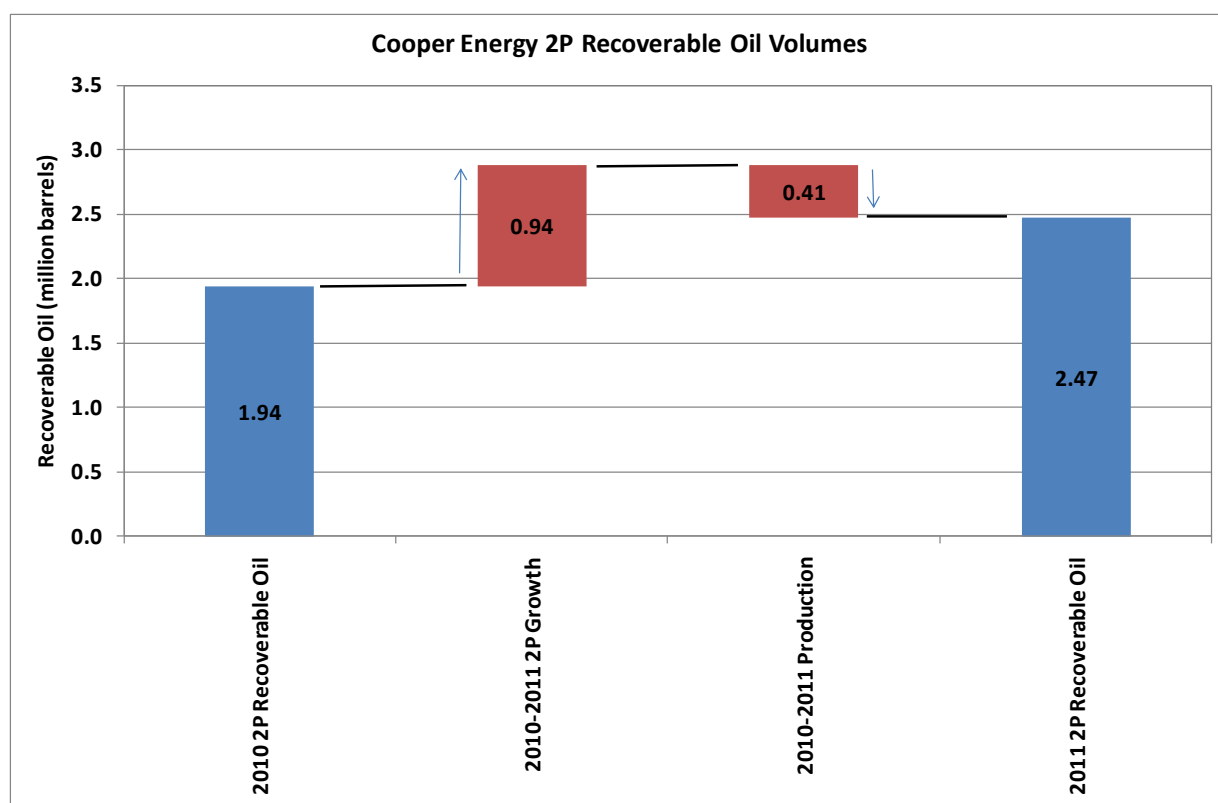
The production volumes are subject to a number of factors, especially the PEL92 export pipeline disruption. At this time the timing for resolution of the pipeline disruption is unknown but the budget is forecasting that it will be operational again in early 2012.

Reserves Results

As a direct result of ongoing subsurface appraisal and development work and surface development work, the Company is pleased to announce a 0.94 million barrels increase in 2P ultimate recovery.

The Company has achieved greater than a 100% production replacement ratio for the year.

The recoverable oil position for the Company at the end of 30 June 2011 is as follows:



Proved developed recoverable oil makes up 66% of the total with proved undeveloped and probable making up 18% and 15% respectively. The probable oil is being targeted in the current PEL92 appraisal/development drilling program. Other minor volumes are being targeted with a number of well workovers.

The Company is looking forward to another strong production and revenue generating year.

Other Assets

A number of seismic programs are planned or currently ongoing in Australia, Indonesia, Tunisia and Poland. The seismic programs are expected to reveal a number of leads and prospects that will be pursued for drilling in the near future.

Efforts to farm out the Bargou block are ongoing and progress will be announced to shareholders at the appropriate juncture.

Corporate

Transaction with GBX

The transaction with GB Energy (ASX: GBX) that included the sale of Worrior, PEL90, PEL93 and farm outs for PEL100, PEL110 and PEL495 was terminated due to market conditions preventing GB Energy from raising sufficient capital. Cooper Energy retained a non-refundable \$200,000 deposit from GBX.

No further announcement on this transaction is expected.

Managing Director to be Replaced

As per the ASX announcement on the 15 June 2011 (COE150611a Board seeking new Managing Director), the Board has engaged Gerard Daniels to assist with the search for a suitable candidate and further information will be announced at the appropriate time.

The ex-Managing Director has been retained as a Chief Operating Officer during the interim period to ensure business continuity.

Corporate Strategy and Direction

The Company has entered into a number of mandates to assist the Board with ongoing strategy and Company direction. Further information will be provided to shareholders at the conclusion of those studies.

Annual Report Results - Early Guidance

The Company expects to write off a number of expenditures across the portfolio, which will affect the end of year profit result.

Specific write-offs worthy of note are:

Menzel Horr-1 exploration well	A\$9.8 million	Dry Hole
South Madura PSC	A\$7.6 million	Sold for A\$0.5 million
Cooper Basin Exploration	A\$1.6 million	Dry Holes

In total the Company expects write-offs to be in the order of A\$18-22 million, which will deliver a negative accounting profit result. The magnitude of the loss will be reported once the financial results have been audited.

Corporate Reporting Schedule

Cooper Energy's look forward reporting schedule is expected to be as follows:

Item	Timing	(Estimated Dates)
Full Year Accounts	End August 2011	(31/08/2011)
Annual Report Dispatched	Early October 2011	(04/10/2011)
September 2011 Quarterly Report	End October 2011	(28/10/2011)
Annual General Meeting	Early November 2011	(10/11/2011)
December 2011 Quarterly Report	End January 2012	(28/01/2012)
Half Yearly Accounts	End February 2012	(28/02/2012)
March 2012 Quarterly Report	End April 2012	(29/04/2012)
June 2012 Quarterly Report	End July 2012	(29/07/2012)

Further announcements on the Company will be provided to shareholders when appropriate.

Regards,
Cooper Energy Limited

Laurie Shervington
Chairman

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) in this report.
- 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.

Competent Persons Statement

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 Stephen Twartz. Mr Twartz holds a BSc in Geology and Marine Sciences, has a Masters in Environmental Studies and is a member of the American Association of Petroleum Geologists and the Society of Petroleum Engineers. Mr Twartz has worked in the industry as a practising petroleum geoscientist for over 30 years. Mr Twartz is employed full-time by Cooper Energy as its Exploration Manager 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 using deterministic classification categories in accordance with Cooper Energy's Recoverable Hydrocarbon Reporting Guidelines. Cooper Energy's guidelines correct the discontinuity between deterministic and probabilistic methodologies in SPE PRMS and use the Possible category as it was originally defined by Lahee in the 1950s. The guidelines are freely available from Cooper Energy's website (www.cooperenergy.com.au).