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## ASX Announcement / Media Release

12 October 2011

### COOPER ENERGY APPOINTS MANAGING DIRECTOR, NEW NON EXECUTIVE DIRECTOR AND ANNOUNCES FUTURE PLANS

- Appointment of leading international oil and gas industry executive, David Maxwell, as Managing Director, effective immediately.
- Appointment of experienced international oil and gas industry executive and director, Jeffrey Schneider, as a Non-Executive Director, effective immediately.
- Adoption of recommended plans
  - ✓ increased focus on areas of strength (Australia and Tunisia);
  - ✓ continuing plans to grow the Cooper Basin and Eromanga Basin oil business; and
  - ✓ development of gas opportunities to supply the rapidly growing Australian gas market.
- Resignation of three Directors: Gregory Hancock, Stephen Abbott and Christopher Porter.
- Postponement of Extraordinary General Meeting until 4 November 2011 to provide shareholders with time to consider the corporate and strategic changes.

In March 2011 Cooper Energy Limited (**ASX: COE**) ("**Cooper**" or "**the Company**") commenced a strategic review with the clear objective to maximise value for shareholders.

#### Board Endorsed Strategy

The Board has carefully considered and adopted a set of strategic recommendations to drive further shareholder value prepared by David Maxwell.

The core of the strategy will be a clear focus on areas of comparative strength and where the Company can extract maximum value for shareholders. The strategy recognises that some overseas markets will value some of Cooper's assets more highly than others. The key elements of the Company's strategy include:

- Develop and further grow the Cooper Basin and Eromanga Basin oil business

- Pursue and develop gas opportunities in the Cooper Basin and Otway Basin to supply the Eastern Australian gas market and incorporate the results of the review by Netherland Sewell & Associates, Inc. currently underway
- Farm-out the forthcoming Bargou well in Tunisia and evaluate the optimal plan to deliver maximum return for shareholders from the other two adjoining Tunisia licenses
- Identify and implement the best method to maximise value for the Indonesia, Poland and Romania assets
- Pursue corporate activity which is consistent with the plan and adds shareholder value

## **Managing Director Appointment**

The Company has appointed leading international oil and gas industry executive, Mr David Maxwell, as Managing Director, effective immediately. Mr Maxwell has had a distinguished career of more than 25 years in senior executive roles with companies such as BG Group, Woodside Petroleum Limited and Santos Limited.

Mr Maxwell's CV and Terms of Employment are attached.

**Laurie Shervington, Chairman, Cooper Energy**, said "after an extensive local and international executive search, following which the Board considered a number of impressive candidates for the position, I am delighted to welcome David Maxwell to the Company".

"David is a highly experienced international oil and gas industry executive with impeccable credentials and a proven track record of delivering value for shareholders. Following his high quality strategic work in advising the Board, we formed the strong view that he was the right person to take Cooper to the next stage in its growth".

**Cooper's new Managing Director, David Maxwell**, said "I am looking forward to the opportunities ahead and implementing the Company's plans".

"We will use the Company's strong oil business cash flow and balance sheet wisely to drive gas growth, continue growing the oil business and create further, long term shareholder value," Mr Maxwell added.

"The plans are already being implemented with the farm-out of the Bargou Permit, as announced on 10 October 2011, and I welcome the participation of Dragon Oil as the ideal strategic partner with the right technical and operational experience to help advance the project".

## **Board Changes to Underpin Growth**

The Board initiated a process to identify potential candidates who could assist with implementation of the growth strategy and ongoing stewardship of the Company to help maximise shareholder wealth. Consistent with this plan, the Board is pleased to announce the appointment of experienced oil and gas industry executive and director Mr Jeffrey Schneider as a Non-Executive Director.

Mr Schneider has over 30 years of experience in senior roles in the oil and gas industry, including 24 years with Woodside Petroleum Limited. Mr Schneider also has extensive corporate governance and board experience as both a non-executive director and chairman in resources companies.

Mr Schneider's CV is attached.

The Board is considering the appointment of a further new Director.

In support of the future strategy, Messrs Gregory Hancock, Executive Director; Stephen H. Abbott, Non-Executive Director; and Christopher R. Porter, Non-Executive Director have tendered their resignations from the Board with immediate effect.

### **Postponement of Extraordinary General Meeting**

Driven predominantly by these significant changes, and in accordance with Cooper's Constitution, the Board has decided to postpone the EGM scheduled to be held on Friday 14 October 2011 until 10.15am on 4 November 2011. The EGM will now be held at Westend One Room, Rydges Hotel, Corner of King and Hay Streets, Perth.

Due to the resignations of Messrs Hancock, Abbott and Porter, resolutions 3, 4 and 5 in the notice of meeting for the EGM will now be of no effect. Shareholders will be able to consider the remaining resolutions in the light of the strategic and corporate changes announced today.

### **Comment from Cooper Chairman, Mr Laurie Shervington**

"We are delighted to be announcing the culmination of the recent strategy review with the adoption of a clear growth plan, the appointment of David Maxwell as Managing Director and the restructuring of the Board. These changes are designed to underpin the next exciting phase in the Company's growth."

"These changes are the outcome of a process to enhance shareholder value which commenced in March this year. Mr Hancock, in particular, had a leading role in initiating the review. The process has resulted in a compelling set of strategic recommendations which have been adopted, and which the reconstituted Board is confident will help realise significant shareholder value."

"It is imperative that our shareholders be given adequate time to consider these strategic and corporate changes prior to the EGM. David and I look forward to discussing the changes further with shareholders over the coming weeks."

"I want to express my gratitude and appreciation to Gregory Hancock, Stephen Abbott, and Christopher Porter for their tremendous contribution to Cooper's growth over the years. Mr Hancock was the founding Chairman of the Company. I thank and wish each of them well in their future endeavours."

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## About Cooper Energy

Since listing on the ASX in 2002, Cooper Energy has built up a substantial international portfolio of near term low risk development / appraisal projects as well as high impact exploration prospects stretching from Eastern Europe and North Africa to Asia and Australia. More recently the Company has entered into low risk, low cost prolific petroleum producing countries that were previously monopolised by state entities. The Company benefits from approximately 1,150 barrels of oil per day net production from the Cooper Basin, South Australia, with approximately 130 bbl/d gross production from its Sukananti field, in Indonesia.

The Company has 2.5 Mmbbls in 2P reserves the greater proportion coming from the Cooper Basin, Australia with the remainder from its operations in Indonesia.

The majority of the Company's contingent and prospective resource base of approximately 160 Mmbbls is held across its Tunisian permits, Bargou and Nabeul. An exploration and development drilling programme in the Cooper basin, Australia, in the near term could add a further 2.6 Mmbbls net 2P reserves as well as boosting production levels.

The Company enjoys a solid balance sheet, good production earnings, and a diversified asset portfolio, and is pursuing a 4 pronged strategy to generate further shareholder wealth:

1. Positioning itself to benefit from the growth in the gas industry (conventional and unconventional) both in Australia and internationally;
2. Further developing the existing oil business;
3. Looking for new partnerships to unlock the value of the international assets; and
4. Evaluating corporate opportunities and investment proposals received from other companies.

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### 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 presentation.
- 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, 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 practicing 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 hydrocarbons in accordance with Cooper Energy's Hydrocarbon Reporting Guidelines that is freely available from Cooper Energy's website <http://www.cooperenergy.com.au/policies/index.php>.

**BIOGRAPHY: DAVID P. MAXWELL M. TECH, F.A.I.C.D.**

Mr Maxwell is a senior executive with a record for delivering material value for international resources companies – particularly in oil and gas. He has had a distinguished career over more than 25 years in senior executive roles with companies such as BG Group, Woodside Petroleum Limited and Santos Limited.



Until December 2010 Mr Maxwell was Senior Vice President at QGC - a BG Group business. In this role he was responsible for all commercial, exploration, business development, strategy and marketing activities in the company. Mr Maxwell also led Government discussions on the various environmental, fiscal and other approvals required for the Queensland Curtis LNG project which was sanctioned in October 2010.

Mr Maxwell led BG Group's entry into Australia, its involvement in the alliance with Queensland Gas Company Limited and its subsequent takeover by BG Group. Prior to this, he was based in Singapore where he led the development of the BG Group LNG business in the Asia Pacific region.

Before joining BG Group in 2006 Mr Maxwell was director of gas and marketing with Woodside in Perth. He was on Woodside's executive committee with specific responsibility for LNG, commercial, gas and liquids marketing, development of Woodside's gas projects and interest in the North West Shelf Gas and LNG Project.

Prior to joining Woodside in 1996, Mr Maxwell had senior management roles in business development, marketing and project management at Santos Limited.

Mr Maxwell has served on a number of industry association boards, government advisory groups and public company boards.

In 2001, Mr Maxwell was awarded the Australian Gas Association Silver Flame Award for his contribution to the gas industry.

## **SUMMARY OF TERMS OF EMPLOYMENT FOR MANAGING DIRECTOR**

### **1. Role**

Managing Director

### **2. Commencement and Term**

12 October 2011 for three years with mutual option to renew

### **3. Remuneration**

\$600,000 (including \$50,000 superannuation). In addition, subject to shareholder approval, Mr Maxwell is entitled to participate in the Cooper Energy Performance Rights Plan pursuant to which performance rights are issued subject to a maximum of 1.2 times his fixed annual remuneration, and a short term incentive plan, which is subject to a maximum of one times his fixed annual remuneration.

### **4. Termination**

6 months' notice

## **Jeffery W. Schneider B.Com**

Mr Schneider has over 30 years of experience in senior management roles in the oil and gas industry, including 24 years with Woodside Petroleum Limited.

Mr Schneider was on the Woodside senior executive committee for years. His roles at Woodside included General Manager Commercial, accountable for business and strategic planning, mergers and acquisitions, as well as business performance of Woodside's North West Shelf investment. In this position he was also responsible for marketing all of the company's products including natural gas, LNG, condensate and oil. Other roles within Woodside included Director Australian Gas where he was responsible for the commercialisation of reserves in the Otway Basin, Timor Sea and Browse Basin.

Mr Schneider has extensive corporate governance and board experience. He is presently non-executive Chairman of Green Rock Energy Limited (GRK) and is a non-executive director of Comet Ridge Limited (COI). Mr Schneider was also the Chairman of Strike Energy Limited (STX) from its ASX listing in 2004 until August 2010.



10