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19 October 2011

Dear Shareholder,

I send this letter to you as a courtesy to update you on recent developments.

The directors have postponed the General Meeting previously scheduled for 14 October 2011. We made this decision to ensure that shareholders have adequate time to consider and take into account the following significant announcements made on 12 October, 2011:

- **resignation of three directors** (Gregory Hancock, Stephen Abbott and Christopher Porter);
- **appointment of David Maxwell as Managing Director**, a highly experienced international oil and gas executive with a proven track record of delivering shareholder value;
- **appointment of Jeffrey Schneider** as Non-Executive Director. Jeffrey has extensive oil and gas industry experience and is a valuable addition to your company;
- **growth plans for the Australian (Cooper Basin and Otway Basin) and Tunisian assets**; plans to develop opportunities to supply the rapidly growing Australian gas market and to maximize value for shareholders from Cooper Energy's international assets.

As set out below, if you have already lodged a Proxy Form and wish to change your vote as a result of these developments, you are able to do so by submitting a new Proxy Form in the reply paid envelope enclosed.

**The details for the postponed General Meeting are as follows:**

**DATE:** Friday, 4 November 2011

**TIME:** 10.15 am (Western Australia time)

**VENUE:** Westend One Room, Rydges Hotel, Corner of King and Hay Streets, Perth, WA.

The announced changes mean that Resolutions 3, 4 and 5 will not be put to shareholders at the General Meeting as the directors to which these Resolutions relate have resigned.

I have previously advised that I will not sit on a Board which includes Mr Smith. In light of the change in circumstances, I confirm that notwithstanding that I do not support the election of Mr Smith or Mr Crawford, I now intend to remain on your company's Board regardless of the outcome of the General Meeting in order to support implementation of the plans outlined above.

Your new Board firmly believes that the plan to grow the company outlined on 12 October will provide the best returns to shareholders.

It is important that shareholders are aware of the implications of Mr Smith's plans. Some of these implications are:

- Mr Smith's plan for a *"special fully franked dividend of \$38 million (\$0.13 cash per share) ..... within 90 days"* **will only be franked up to 4.8 cents**. The **balance of 8.2 cents** would need to be paid out of contributed equity and would be **unfranked** to shareholders and **taxed accordingly**;
- Mr Smith's plan to *"farm-out/dispose of Tunisia..."* means that shareholders would lose the opportunity to participate in the Hammamet West-3 well to be drilled in 2012. After the farm-out to Dragon Oil announced on 10 October 2011, the costs of drilling this well are being paid by other parties (up to US\$26.6 million). If the Tunisian assets are sold, this **valuable opportunity will be lost for Cooper Energy shareholders**;
- Mr Smith's plan to *"Find [a] partner to acquire/merge remaining Cooper Basin assets"* would mean the significant **upside value** from these growing foundation assets **could be lost for Cooper Energy shareholders**; and
- Mr Smith refers to a *"conservative valuation of 61 cents per share"* (August 2011, Hartleys). He fails to mention however, that this is on the basis that the business continues in its present form. The **new Board** believes the **plan outlined will generate a greater return** for shareholders than the piecemeal sale of company assets.

Your new Board firmly believes that the plans announced on 12 October represent the best opportunity to maximize shareholder return.


The Board's confidence in the value delivery potential of our plans is supported by the outstanding business outcomes that Mr Maxwell (the new Managing Director) has delivered during his career at BG Group, Woodside and Santos. By way of example, within the last 5 years he led teams which materially enhanced the value of BG Group's Australian business and resulted in acquisitions and project approvals in excess of US\$23 billion.

Please find enclosed a Proxy Form and a reply-paid envelope.

- i. If you have **already lodged a Proxy Form** for the General Meeting and **wish to change** your vote, you may do so by **completing and returning the attached Proxy Form**. This will then automatically replace your previous proxy.
- ii. If you have **not yet lodged a Proxy Form** for the General Meeting and wish to vote, we encourage you to **complete and return the attached Proxy Form**.
- iii. If you have already lodged a Proxy Form and do not wish to change your vote, then you need take no further action.

If you have any questions, we encourage you to visit the Cooper Energy web site at [www.cooperenergy.com.au](http://www.cooperenergy.com.au) and go to the General Meeting link where more information is available, or call 9489 3777.

We look forward to your continuing support.



Laurie Shervington  
**Chairman**

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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IND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

#### Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Cooper Energy Limited hereby appoint



the Chairman  
of the Meeting OR



**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Cooper Energy Limited to be held at the Westend One Room, Rydges Hotel, Corner of King and Hay Streets, Perth, WA, originally scheduled to be held on Friday, 14 October 2011 but postponed until **Friday, 4 November 2011 at 10:15am WST** and at any adjournment of that meeting.

### STEP 2

#### Items of Business



**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

#### ORDINARY BUSINESS

		For	Against	Abstain
Resolution 1	Appoint of Director - Mr Edward S Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Appoint of Director - Mr James B Crawford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Removal of Director - Mr Gregory G Hancock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Removal of Director - Mr Stephen H Abbott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Removal of Director - Mr Christopher R Porter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Removal of Other Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies against each item of business.

### SIGN

#### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /

COE

999999A

Computershare +

## Lodge your vote:



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 655 248  
(outside Australia) +61 3 9415 4887

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MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

 **For your vote to be effective it must be received by 10:15am WST Wednesday 2 November 2011**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** ➔



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**



**Review your securityholding**



**Update your securityholding**

**Your secure access information is:**

**SRN/HIN: I999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.