

QUARTERLY REPORT

for the Quarter Ended 30 June 2012

Highlights

- **Record annual production:** oil production of 517,186 barrels for the 2011/12 Financial Year which is an increase of 27% compared with the previous 12 months. Record production notwithstanding oil production for the June 2012 Quarter was 26% less than the March 2012 Quarter due to oil transport capacity constraints until the new pipeline is commissioned – planned December 2012 Quarter
- **Record annual revenue:** A\$58.8 million oil revenue is an increase of 50% on the previous 12 months.
- **Successful acquisition of Somerton Energy :**secured 100% ownership in 14 weeks and this materially expanded the Otway Basin position and opportunities
- **Strong financial position;** A\$60 million cash and fully funded for a very active exploration and development program over the next 12 months

Managing Director's Comments

"The underlying business is now performing strongly with increasing production and revenue year on year. This trend is expected to continue with further increased production of 550,000 barrels forecast for the 2012/13 Financial Year from existing licences.

Somerton Energy acquired in the June 2012 Quarter significantly expands the Otway Basin position, the number of oil and gas exploration and development opportunities and importantly the exposure to the prospective Casterton oil and gas shale opportunity.

Hector Gordon (former Managing Director Somerton Energy) has joined the management team and been appointed an Executive Director adding important technical skills and more than 35 years experience which is very consistent with the Company's plans.

The next 12 months will be a very active period for Cooper Energy and further information on the future outlook will be provided when the annual results are announced later in August 2012."

ASX Code: COE

Capital Structure at 30 July 2012

Shares on issue: 328,694,257

Options on issue: 100,000

Performance Rights: 5,326,042

Board of Directors

Laurie Shervington – Chairman

David P. Maxwell – Managing Director

Jeffrey W. Schneider – Non Executive Director

Hector M. Gordon- Executive Director

Ian Gregory – Company Secretary

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Corporate Activity

Merger of Cooper Energy and Somerton Energy

**Merger with
Somerton
completed in 14
weeks**

On 19 April 2012 Cooper Energy Limited (“COE” or the “Company”) announced that the Company and Somerton Energy Limited (“Somerton”) had agreed to merge via a recommended off-market takeover bid under which Cooper will acquire all of the shares in Somerton. The Company offered all Somerton shareholders the choice of either:

- (i) One COE share for every 2.8 Somerton shares; or
- (ii) One COE share for every 4.73 Somerton shares plus 9 cents for each Somerton share.

By 15 June 2012 Cooper had acquired more than 90% of the capital of Somerton and advised its intention to compulsorily acquire all of the remaining shares in Somerton. On 26 July 2012 Cooper announced that it is the registered holder of 100% of the capital of Somerton.

The total consideration paid to acquire 100% of Somerton was 35,902,729 shares and A\$9.6 million. This includes all shares issued pursuant to the compulsory acquisition.

The merger was completed in 14 weeks and the two companies are now operating as one entity from a management perspective.

**Strong Otway
Basin position
with numerous
opportunities**

The merger is consistent with Cooper’s strategy to grow its presence in the Otway Basin and, along with existing assets and corporate activity, to build a well-funded production and exploration company focused on shareholder return.

On 27 June 2012 Mr Hector Gordon, previously Managing Director of Somerton was appointed as an Executive Director to the Cooper Board. Mr Gordon is a geologist with over 35 years experience in the petroleum industry. Prior to Somerton, Mr Gordon was an Executive Director with Beach Energy Limited where he was employed for more than 16 years. In this time Beach Energy experienced significant growth and Mr Gordon held a number of roles including Exploration Manager, Chief Operating Officer and, ultimately, Chief Executive Officer.

Poland Asset Sale

Consistent with the strategy to focus on the core assets activity is underway to sell the Poland assets.

Financial

Revenue for the June 2012 Quarter was A\$14.1 million – compared with A\$19 million from the March 2012 Quarter.

In the twelve months to June 2012 capital expenditure on exploration and development was A\$34.1 million (year to date to March 2012 was A\$20.5 million). This included cash allocated to the acquisition of the Somerton exploration assets.

Cash and term deposits at 30 June 2012 was A\$59.7 million (excluding security deposits of A\$2.6 million).

Activities

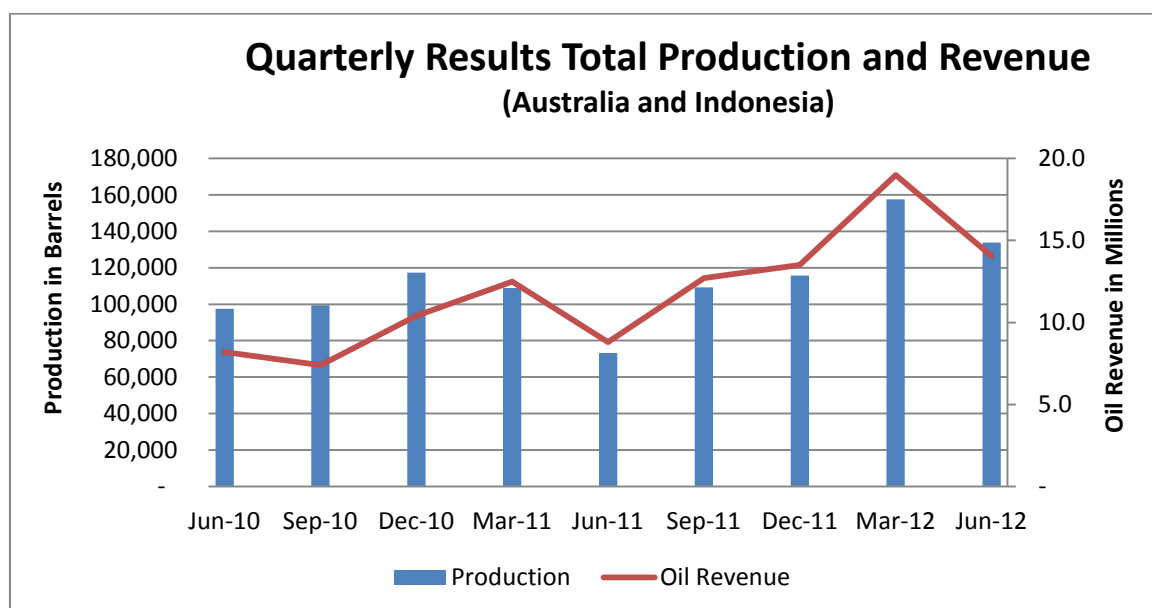
Australia Production – Cooper Basin

Oil production for the June 2012 Quarter of 130,578 barrels in the Cooper Basin (COE share) was 14% lower than the previous quarter. The average price received for Cooper Basin crude oil sales was A\$103 per barrel.

Cooper Energy's share of production from its Cooper Basin assets for the year ending 30 June 2012 was 501,012 barrels.

The Tantanna to Gidgealpa pipeline, which transports crude oil from the Western Flank oil fields, was closed from 1 June 2012 due to integrity concerns. Since that time, crude from the Company's Western Flank oil fields has been transported to Moomba by truck. Trucking will continue at least until the start-up of the Lycium to Moomba oil pipeline, which is currently under construction and expected to commence operation in the December Quarter of 2012.

Total oil production for the 2011/12 Financial Year of 517,186 barrels (Cooper Basin and Indonesia) is the highest annual production so far achieved by the Company and 27% higher than for the 2011/12 Financial Year.



Exploration and Development – Cooper Basin

During the June 2012 Quarter two wells were drilled in the Company's Cooper Basin tenements:

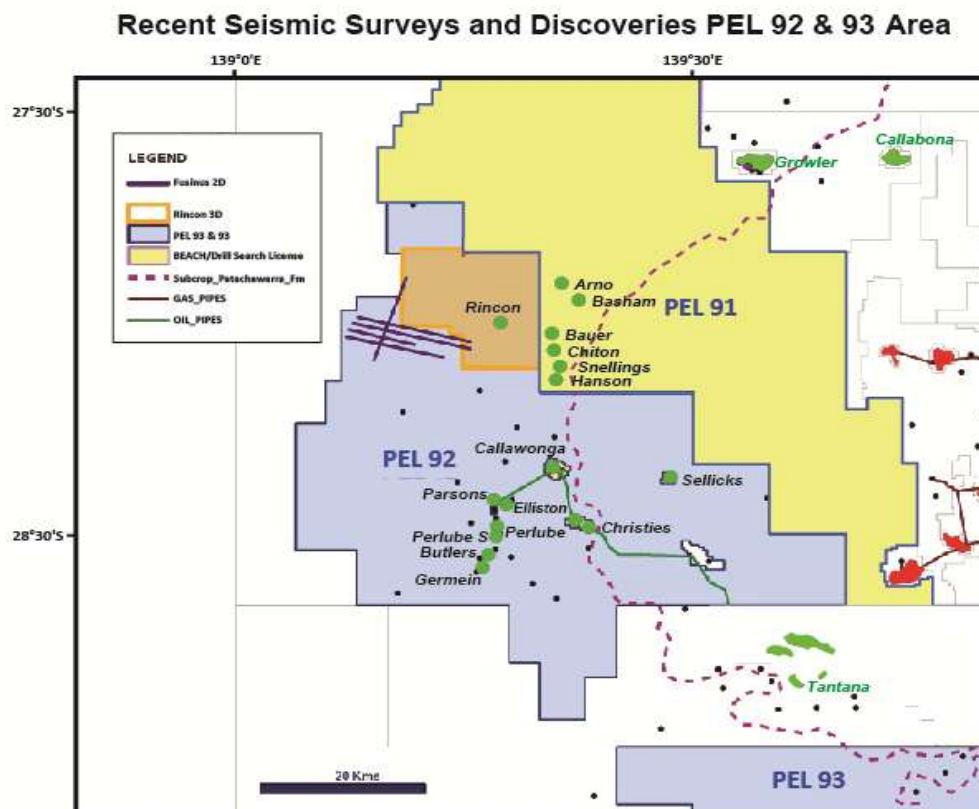
- *Riley-1*, an exploration well in PEL 92 (COE 25%), was plugged and abandoned after failing to intersect hydrocarbons
- *Christies-6*, a development well in PPL 205 (COE 25%), was cased and suspended for future production after intersecting 3.5 metres of net oil pay in the Namur Sandstone.
- *Christies-7*, spudded on 27 June and, subsequent to the end of the quarter, encountered 5.5 metres of net pay in the Namur Sandstone and a 3 metre gross column in the Hutton Sandstone. Christies-7 was also cased and suspended for future completion as an oil production well.

The successful two well program in the Christies field achieved its dual objectives of providing capacity to accelerate production from the field as well as allowing drainage of previously unaccessed reserves.

During the Quarter acquisition of the Rincon 3D Seismic Survey and the Fusinus 2D survey was completed in PEL 92. Interpretation of the data from these surveys is expected to be received in the September 2012 Quarter and will be used to assist in delineation of well locations for drilling later in Financial Year 2012/13.

Further 3D seismic is planned for acquisition in PEL 92 in the September 2012 Quarter. 3D seismic acquisition in PEL 90 and PEL 110 is also planned during the Financial Year 2012/13.

During the forthcoming Financial Year Cooper Energy expects that up to 10 wells will be drilled in its Western Flank tenements, addressing a mixture of exploration, appraisal and development opportunities.



Otway & Gippsland activity increase following merger with Somerton

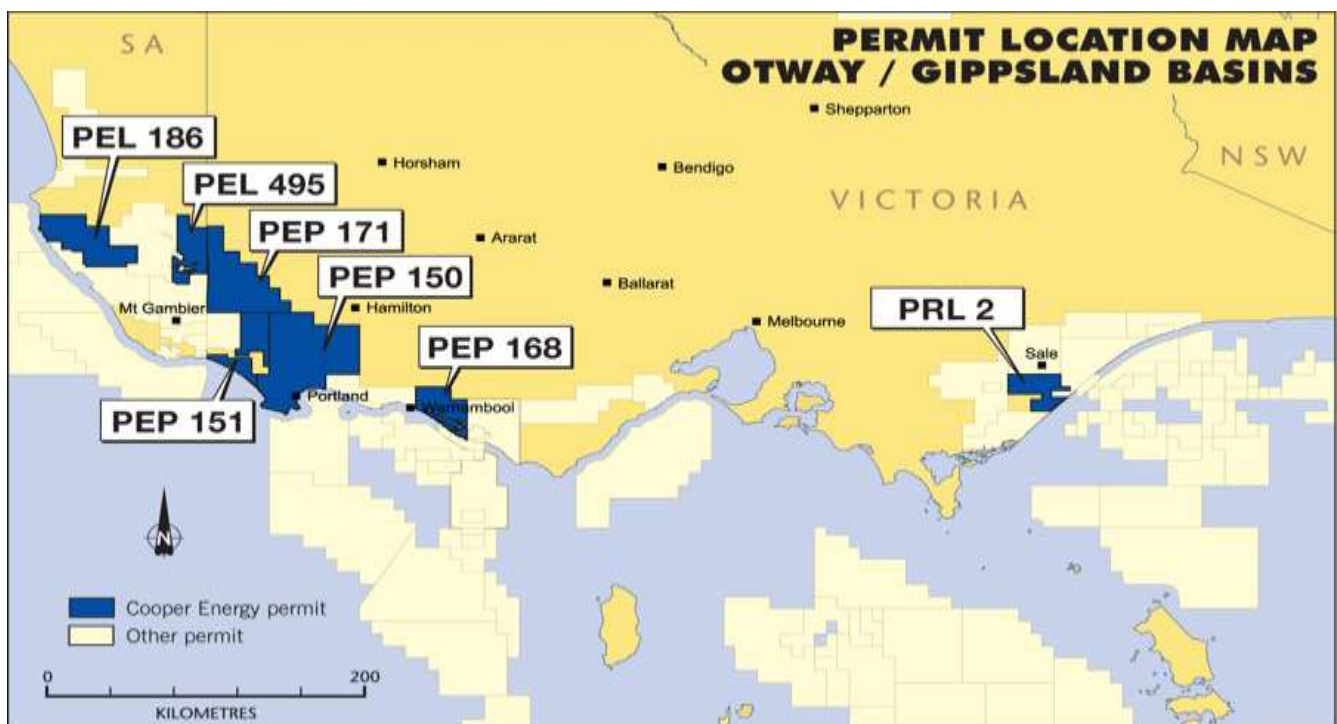
Exploration – Otway Basin

During the June 2012 Quarter acquisition of 100 kilometres of 2D seismic was completed in PEP 168 (COE 50%) and 60 km² of 3D seismic was acquired in PEL 186 (COE 33.33%). The results of these surveys will be used to delineate locations for drilling later in Financial Year 2012/13.

The Sawpit-2 exploration well in PEL 495 (COE 65%) is now expected to commence drilling in the December 2012 Quarter with drilling to be operated by Beach Energy. The well will test a conventional oil target as well as evaluate the Casterton Formation unconventional play.

Exploration – Gippsland Basin

Commencement of fracture stimulation and testing of Wombat-4 and Boundary Creek-2 is awaiting regulatory approval.



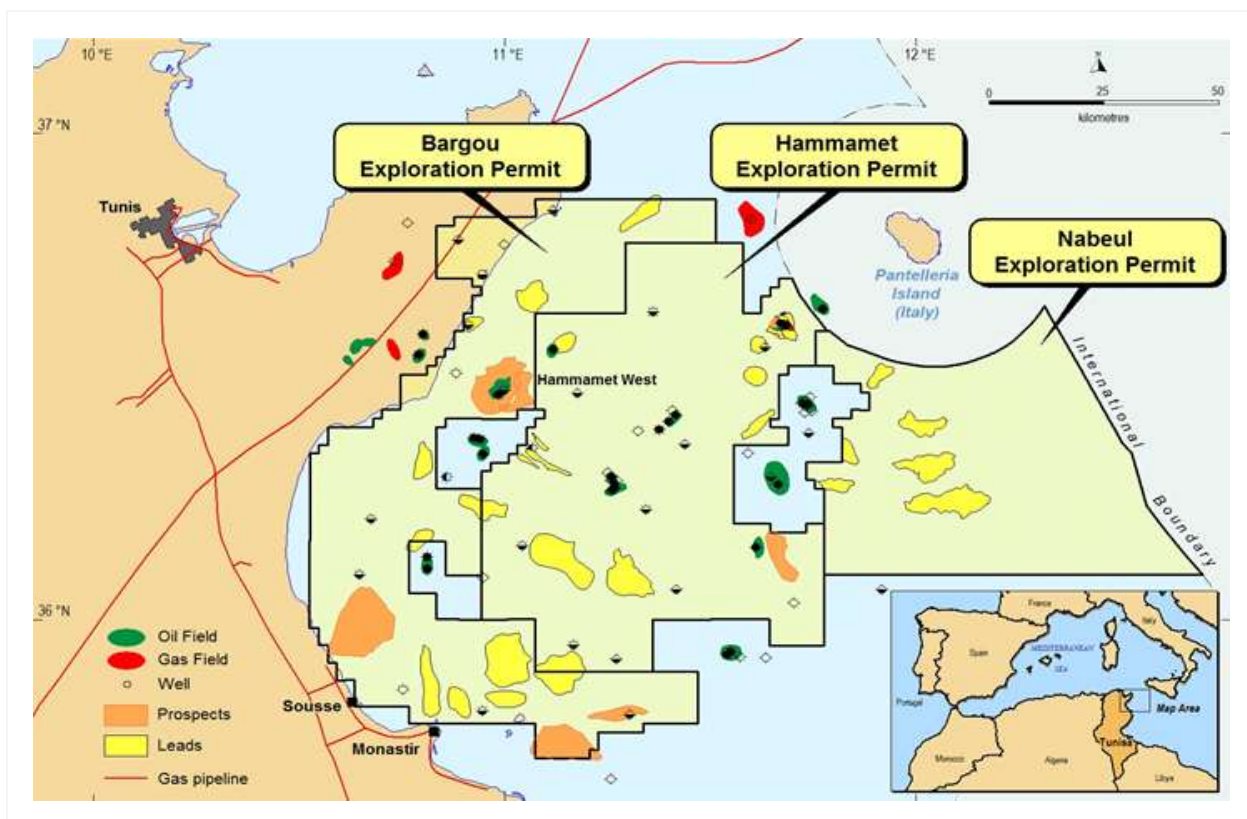
Tunisia Exploration – Tunisia

Hammamet West-3 plans & contracts to drill in place

Activity continued on planning for the drilling of the Hammamet West-3 well in the Bargou Permit (COE 30%). Evaluation of final fracture study results was completed and conceptual design work for well path and trajectory continued.

Subsequent to the end of the June 2012 Quarter the Bargou Joint Venture entered into a legally binding Letter of Intent with Grup Servicii Petroliere SA (GSP) for the jack-up rig “GPS Jupiter”. Hammamet West-3 is expected to spud December 2012. However, this is dependent upon when the rig is released from earlier commitments and drilling could start during the March 2013 Quarter.

Processing of the 3D seismic survey in the Nabeul Permit (COE 85%) is nearing completion with results expected to be available for interpretation in the September 2012 Quarter.



Indonesia

Production – Indonesia

The Cooper Energy Indonesian oil entitlement for the June 2012 Quarter was 3,295 barrels. This was a 48% decrease from the March 2012 Quarter and due to operational issues which have now been rectified.

Exploration – Indonesia

Interpretation of recent 3D seismic in the Sukananti KSO has been completed and the results are being evaluated. This work is expected to lead to the drilling of one well during 2013. Planning commenced for the work-over of Tangai-1, in order to also commence production from that well and increase total production from the Company's Indonesian assets.

Preparations for the acquisition of 600 km of 2D seismic in the Sumbagsel PSC commenced. Discussions are also underway with parties interested to farm-in to the Sumbagsel PSC held 100% by Cooper.

Poland

Exploration – Poland

The process to divest the Company's tenements in Poland has commenced.

Production Summary and Financial Highlights

Description	Units	Full Year 30 June 2011	Half Year 31 December 2011	Quarter 31 March 2012	Quarter 30 June 2012
		Audited	Audited	Unaudited	Unaudited
PRODUCTION					
Group oil produced and sold	Barrels	406,710	225,291	158,022	133,873
Group sales revenue	A\$000	39,121	25,803	18,992	14,051
LIQUID ASSETS					
Cash and term deposits	A\$000	72,358	64,287	69,112	59,672
GROUP EXPENDITURE					
Exploration ⁽³⁾	A\$000	21,003	12,698	919	11,061
Development	A\$000	6,984	4,885	1,969	2,540
Production expenses	A\$000	8,133	5,365	5,031	2,211
Royalties	A\$000	3,893	2,127	1,725	1,197
Corporate taxation	A\$000	5,637	3,488	2,805	1,113
GROUP RESULTS					
Working capital ⁽¹⁾	A\$000	79,520	67,964	73,897	54,590
Available for sale financial assets	A\$000	-	1,049	2,990	12,858
EBITRDAX ⁽²⁾	A\$000	21,797	15,188		
(Loss)/Profit before tax	A\$000	(5,489)	11,817		
(Loss)/Profit from discontinued operations	A\$000	-	(12,432)		
(Loss)/Profit after tax and discontinued operations	A\$000	(10,350)	(4,103)		
CAPITAL					
Issued shares	millions	292.576	292.576	292.792	327.329
Unlisted Options	millions	11.620	11.620	0.600	0.100
Performance Rights	millions	-	-	-	5.856

Notes:

1. Working Capital is Current Assets less Current Liabilities.
2. EBITRDAX = Earnings before interest earned, taxation, royalties, depreciation, amortisation and exploration and other write off's.
3. Exploration expenditure includes exploration expenditure for continuing operations and assets held for sale.

Cooper Energy Licences

Australia	License	COE Equity	Operator	Notes
Cooper Basin	PEL 90 (Kiwi)	25%	Senex	
	PEL 92 ⁽¹⁾	25%	Beach	Oil production
	PEL 93 ⁽¹⁾	30%	Senex	Oil production
	PEL 100	19.16%	Senex	
	PEL 110	20%	Senex	
Otway Basin	PEL 186	33.33%	Cooper	
	PEL 495	65% ⁽²⁾	Cooper ⁽³⁾	
	PEP 150	20% ⁽⁴⁾	Beach	
	PEP 151	75%	Cooper	
	PEP 168	50%	Beach	
	PEP 171	25% ⁽⁴⁾	Beach	
Gippsland Basin	PRL 2	Earning up to 16.7%	Beach	
Tunisia	Bargou	30% ⁽⁵⁾	Cooper	
	Hammamet	35%	Storm Ventures	
	Nabeul	85% ⁽⁶⁾	Cooper	
Poland	MUA 1 ⁽⁵⁾	40%	RWE	
	MUA 2	40%	RWE	
	MUA 3	40%	RWE	
Indonesia	Sukananti KSO	55%	Cooper	Oil production
	Sumbagsel PSC	100%	Cooper	

1. Oil fields are separate licenses delineated from within these original exploration licenses.
2. After farm-in by Beach Energy, which is partially funding Sawpit-2 to earn 35%.
3. Beach will operate the drilling of Sawpit-2.
4. Subject to Native Title Agreement.
5. Subject to farm-in by Dragon Oil and Jacka Resources.
6. Enterprise Tunisienne d'Activités Pétrolières (ETAP) can back in up to 55% in the event of a commercial hydrocarbon development.

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 presentation.
- 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 Cooper Energy's Hydrocarbon Reporting Guidelines that are available from the Corporate Centre section of the Company's website which is at the following address www.cooperenergy.com.au