

ASX Announcement / Media Release

22 March 2013

Cooper Energy upgrades Indonesian portfolio with high prospectivity block

- New oil and gas prospective block in South Sumatra Basin, Indonesia
- Adjacent to producing large gas fields and processing facilities
- 18 possible drilling locations identified
- Significant farm-in interest already received

Cooper Energy Limited ("Cooper Energy", ASX: **COE**) is pleased to report that it has been awarded the Merangin III Production Sharing Contract ("PSC") onshore Indonesia, on a 100% basis. The new PSC is located within the central portion of the highly productive South Sumatra Basin (refer map following) and is considered by Cooper Energy to be very prospective for both oil and gas.

The committed Merangin III PSC work program consists of seismic acquisition and one well at a total cost (100% basis) of US\$9.7 million over the initial 3 years. There is also a signature bonus of US\$2 million for the PSC.

The Merangin III PSC is immediately adjacent to the Suban Field, which has reported Original Gas in Place in excess of 6 TCF¹. The reported gas prices for supply from fields adjacent to the Merangin III PSC are in excess of US\$10/mcf² and the reported gas price ex field is close to US\$6/mcf².

Cooper Energy Executive Director, Mr. Hector Gordon, said "The Merangin III PSC is highly prospective for both oil and gas and adds 'company-maker' sized opportunities to our exploration portfolio. We have already identified 18 possible drilling locations, each of which we assess to have the potential to make a substantial addition to our reserves base. The committed work program of seismic acquisition and one well is modest in relation to the prospectivity of the block".

"Cooper Energy will initially hold 100% equity. However, in accordance with prudent risk management, we propose to farm-out a portion of our interest prior to any significant capital expenditure" he said. Mr. Gordon noted that Cooper Energy "had already received several expressions of interest from companies interested in acquiring equity in the Merangin III PSC."

¹ TCF = trillion cubic feet

² 1 mcf = 1.06 GJ, mcf = thousand cubic feet

Cooper Energy Managing Director, Mr. David Maxwell said “Merangin III brings important materiality to our Indonesia portfolio and considerable value opportunity for our shareholders. The addition of the Merangin III PSC to the Cooper Energy portfolio advances our Indonesia strategy of building a material onshore production and reserves portfolio with good netback pricing, whilst keeping technical risk and financial exposure low.”

The initial Merangin III activity will consist of seismic reprocessing and interpretation, followed by seismic acquisition in 2014 and drilling in 2015.

Further comment and information:

David Maxwell

Hector Gordon

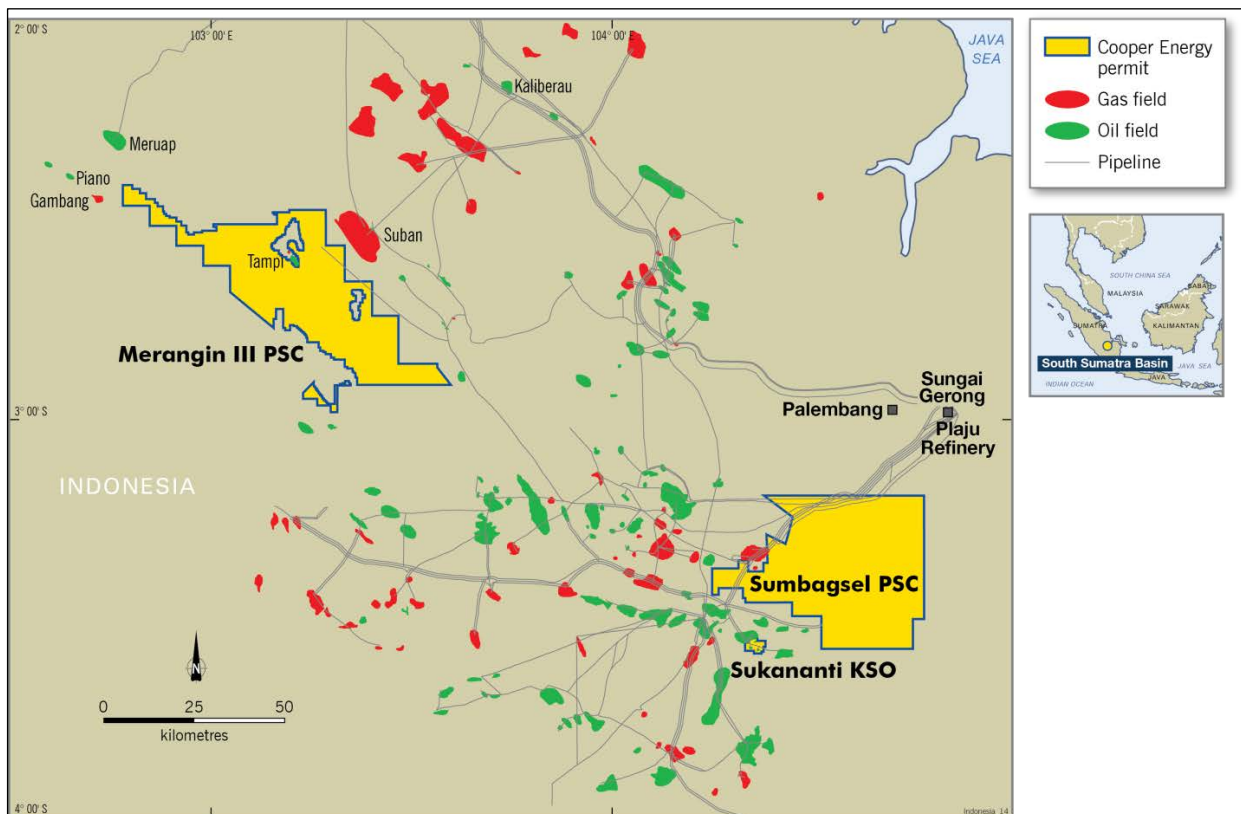
Managing Director

Executive Director - Exploration and Production

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Location Map of Merangin III PSC awarded to Cooper Energy



About Cooper Energy Limited (“Cooper”)

Since listing on the ASX in 2002, Cooper has built a portfolio of near term low risk development and appraisal projects as well as high impact exploration prospects. Cooper currently benefits from approximately 500,000 barrels of oil production per year from the Cooper Basin, South Australia, with approximately 150 barrels of oil per day gross production from its Sukananti KSO in Indonesia. Cooper also has prospective exploration licenses in Australia (Cooper and Otway Basins), Tunisia and Indonesia. Cooper enjoys a strong balance sheet, good production earnings, and has a clear strategy to enhance shareholder return.

www.cooperenergy.com.au