Cooper Energy

Cooper Energy Limited
Investor Pack
20 June 2013

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Competent Person

- This report contains information on Cooper Energy's petroleum resources which has been reviewed by Mr Hector Gordon who is a full time employee of Cooper Energy, holds a Bachelor of Science (Hons), is a member of the American Association of Petroleum Geologists and the Society of Petroleum Engineers and is qualified in accordance with ASX listing rule 5.11 and has consented to the inclusion of this information in the form and context in which it appears.

Hydrocarbon Reporting Standard

- Cooper Energy reports hydrocarbons in accordance with the SPE Petroleum Resources Management System 2007 (SPE-PRMS).

Key features

ASX 300 Exploration and production company	▪ Market cap of $142 million (1) ▪ Strong, stable register with ~ 67% institutional and corporate shareholders
High margin production assets	▪ Cooper Basin western flank oil production ▪ Indonesia oil production
Prospective and strategic exploration acreage	▪ Cooper, Otway, Gippsland - conventional and unconventional oil and gas ▪ Material upside in prospective acreage in Indonesia, Tunisia
Experienced and proven management	▪ Management with proven experience in Australia and international ▪ Deep knowledge of Eastern Australian basins and gas commercialisation
Strong cash flow and balance sheet	▪ Strong cash generation from core Cooper Basin assets ▪ Cash and financial assets of $72 million (2)
Focused strategy on TSR and Australia	▪ Executing strategy that leverages deep gas commercialisation and geoscience capabilities with financial resources

(1) As at 19 June 2013
(2) As at 31 March 2013

Re-oriented to Australia – particularly Eastern Australia

2002

- Cooper Energy established
- Immediate success with Sellicks oil discovery in western flank of Cooper Basin

2003- 2011

- Profitable production from Cooper Basin
- International exploration focus including Romania, Poland, Tunisia, Indonesia

2011

- Strategy review & turned focus to Australia, reduced international spend
- New management (David Maxwell, Managing Director)

2012

- Somerton acquisition - added material Otway Basin exposure
- Hector Gordon appointed Executive Director- Exploration and Production
- Head office moved to Adelaide and new team with focus on technical and commercial delivery

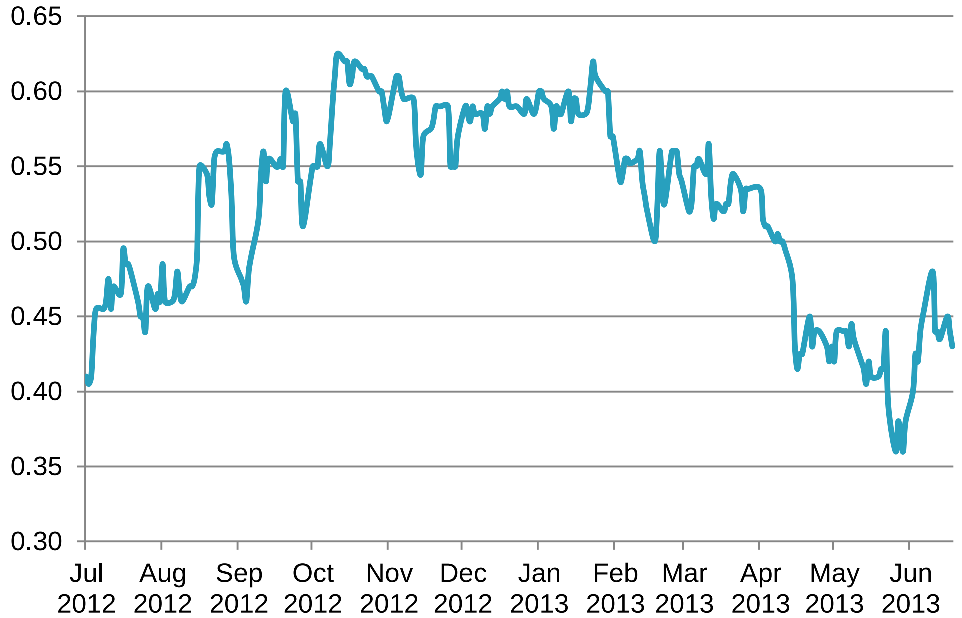
2013

- Cooper Basin exploration success continues
- Sawpit 2 investigates unconventional potential of Casterton Shale in Otway Basin
- Reviewing opportunities consistent with strategy
- Financial assets of $72 million, (including 19.9% of BAS) to apply to execution of strategy
- Announced intention to divest Tunisian portfolio

Company snapshot

Capital structure	
Share price range,12 months to 19 June 2013	**$0.355 - $0.635**
Shares on issue	**329.0 mill**
Market capitalisation 43cts on 19 June 2013	**$141.5 mill**
Cash, term deposits & investments at cost at 31 March 2013	**$71.7 mill**
Debt	**Nil**
Shareholders on 31 March 2013	**Top 20 ~64%** **Funds/Corp ~67%**

COE Share Price
$ financial year to date



Strong balance sheet, stable register

Our strategy and business

TOTAL SHAREHOLDER RETURN
AND
Health, Safety, Environment and Community

Experience & Skills
Link Results
and Remuneration

Leverage & Grow Strengths
Assets,
Cash & Cash Flow

Fundamentals Focus
Market, Commercial,
Technical & Costs

OIL & GAS
Australia and Indonesia

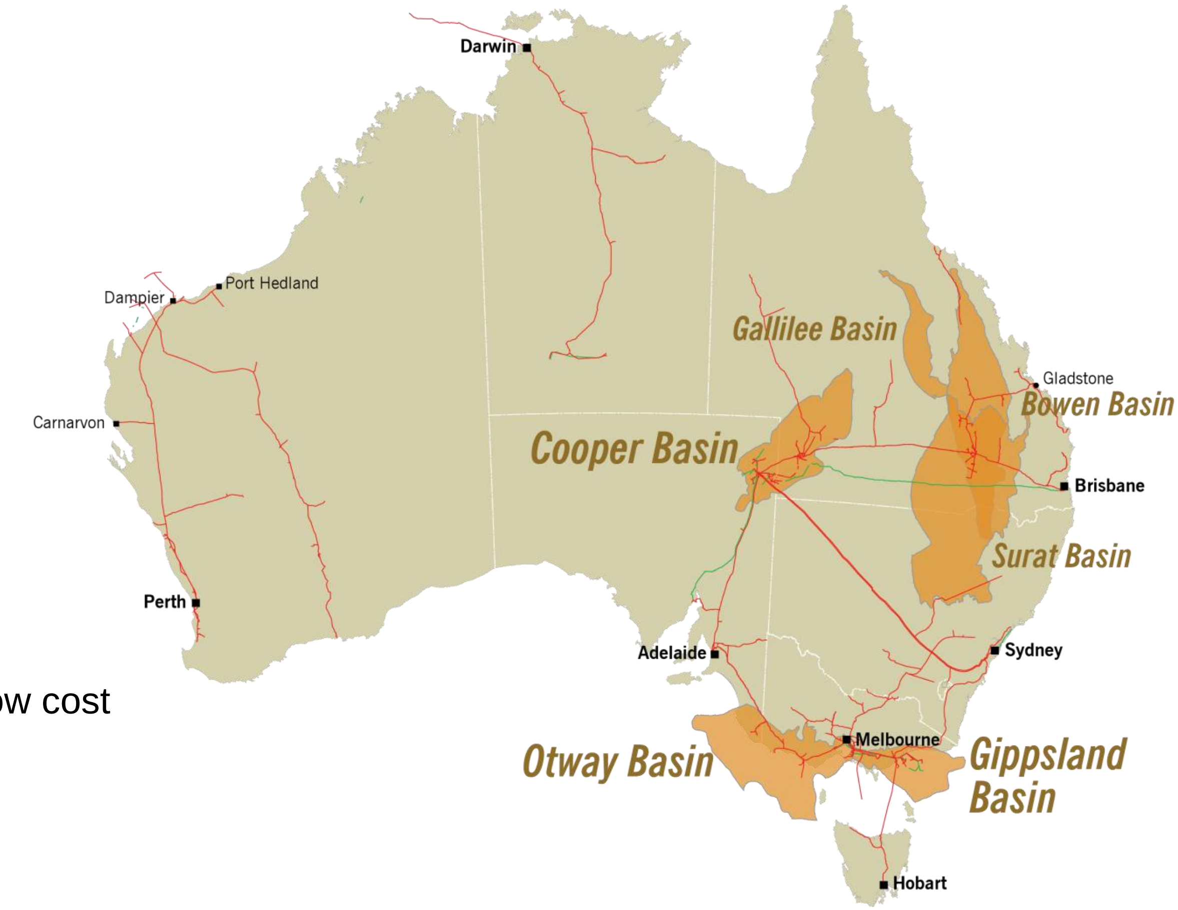
Australia focus dominates

Cooper Basin
- western flank oil
- gas potential

Otway Basin
- conventional and unconventional
  - oil and gas plays

Gippsland Basin
- gas resources

Opportunities
- reviewing and screening
- grow foundation assets plus
- 1 or 2 game-changers per year at low cost

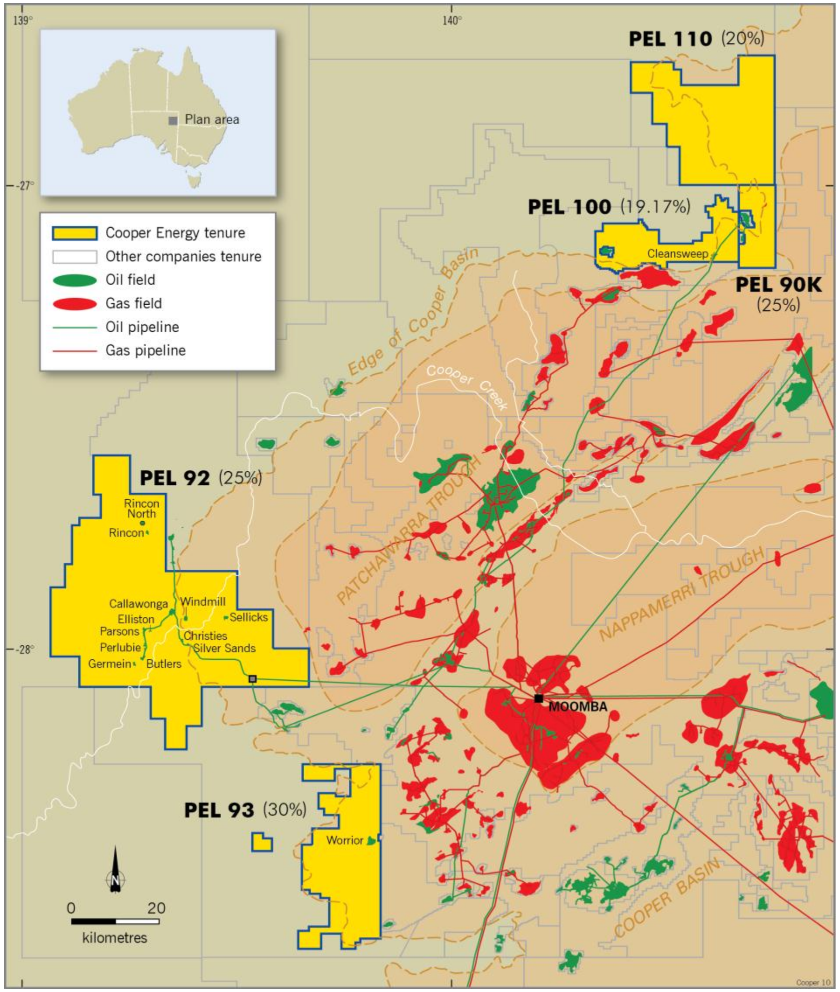


Nearby infrastructure and low cost

Cooper Basin (COE 19.16 – 30%)

- **Discovered 5.4 mill bbls (net) to date***
- **Produced 3.6 mill bbls (net) to date***
- **Current oil production rate:**
  - ~1,500 to 2,000 bopd (net)
- **Very high margins**
- **Significant remaining potential**
- **2012/13 activity:**
  - 11 wells in total
  - 1,048 km^2 3D seismic
  - build prospects & leads inventory
  - grow production

*As at 30 June 2012



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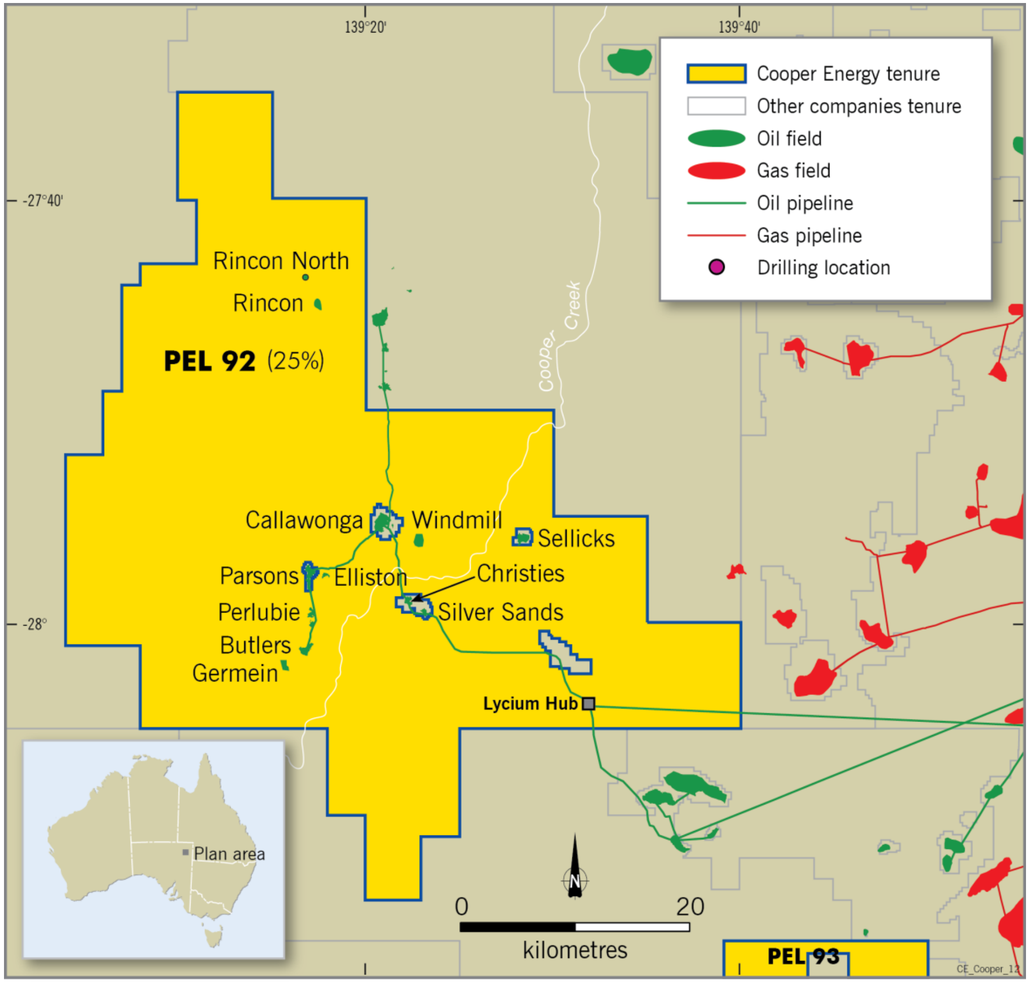
Foundation and growth

Cooper Basin – PEL 92 (COE 25%)

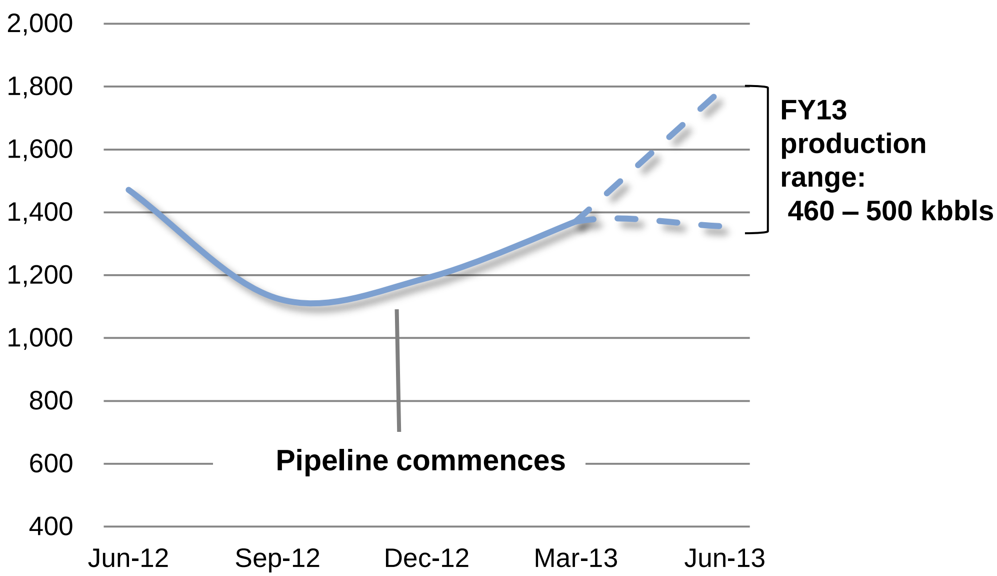
- **Production**
  - record production in FY12
  - new pipeline commenced Dec. 2012
  - production building over 2H FY13
- **Significant remaining potential**
  - current EUR ~15 mill bbls (gross)
  - further growth from exploration and existing fields
  - gas potential in east
- **3D over most of prospective area by end 2013**



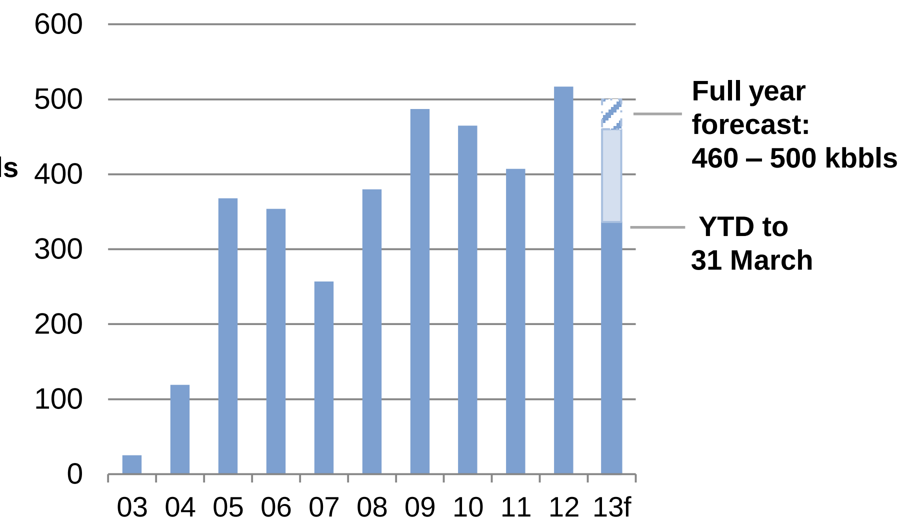
Low cost production with material upside

Oil production - historical and 2012/13 forecast

FY13 Production by quarter
(average BOPD)



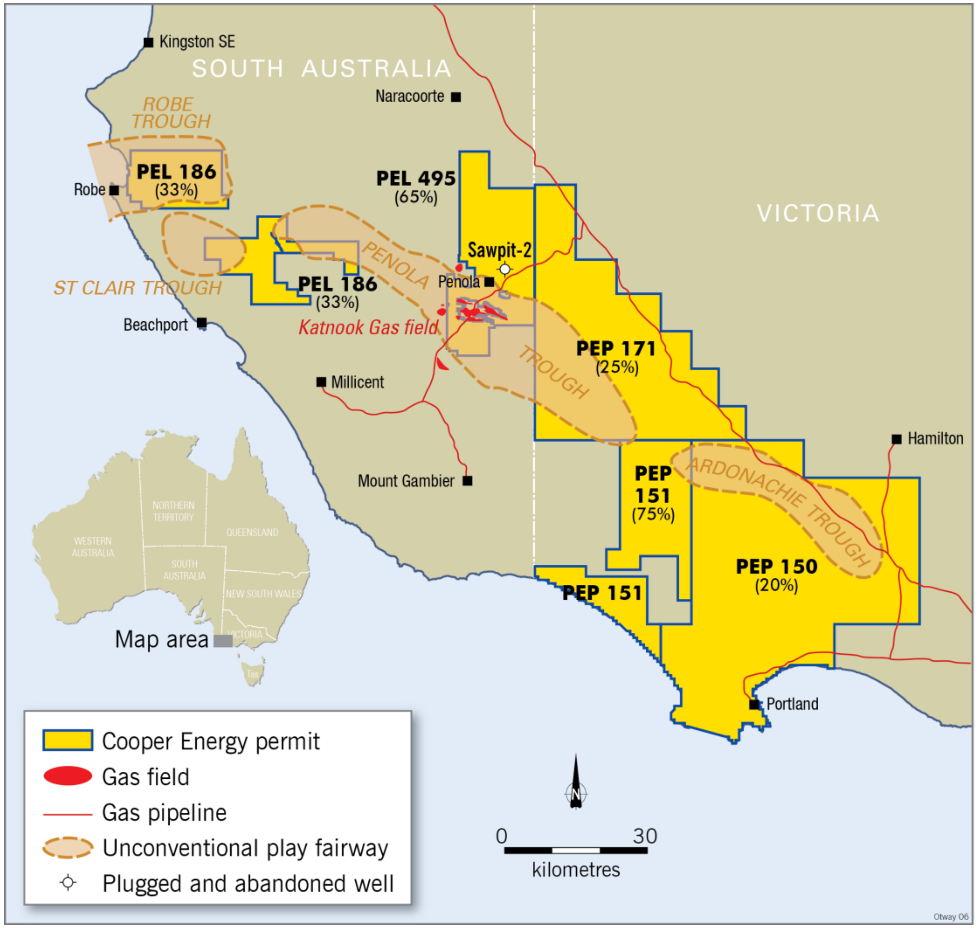
FY13 Production forecast and prior periods
(kbbls, financial year)



High margin production base

Otway Basin (COE 20 – 65%)

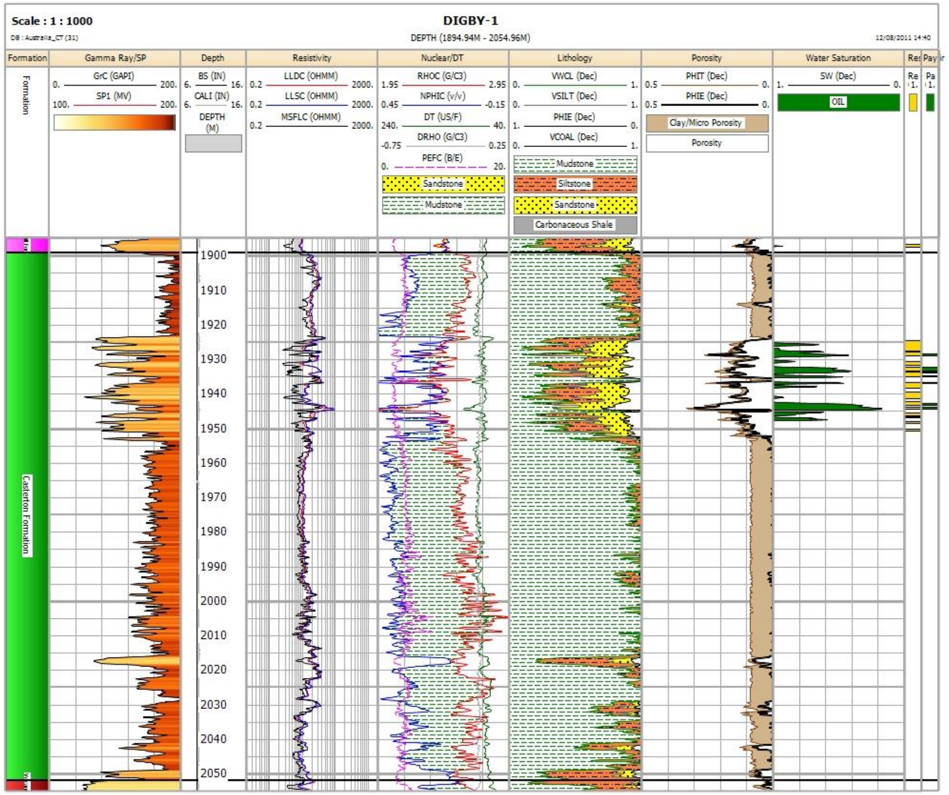
- **Proven basin for conventional plays**
- **Liquids-prone Jurassic source rocks**
- **Close to infrastructure**
- **Close to oil and gas markets**
- **COE strong regional position**
- **Potential GIP 17-58 TCF**
  - COE share ~27%



Key ingredients in place

Casterton Formation – unconventional oil and gas

- **Late Jurassic - early Cretaceous rift fill**
  - lacustrine/fluvial rift fill sediments
  - shale with some sands, coals and tuffs
  - penetrated in 10 wells
  - deepest penetration ~2,500m
- **Key source rock for Penola Trough**
  - gas, gas liquids & oil
  - TOC 2–20%
- **Thick and aerially extensive**
  - up to 300m thick in troughs
  - play fairway >2,000km^2
- **Mature/over-mature**
  - overpressure expected below 2,600m
- **Example: Digby-1 (PEP 150, COE 20%)**
  - 150m good-excellent oil source
  - TOC 2.3-8.9%
  - oil bearing interbedded sandstone



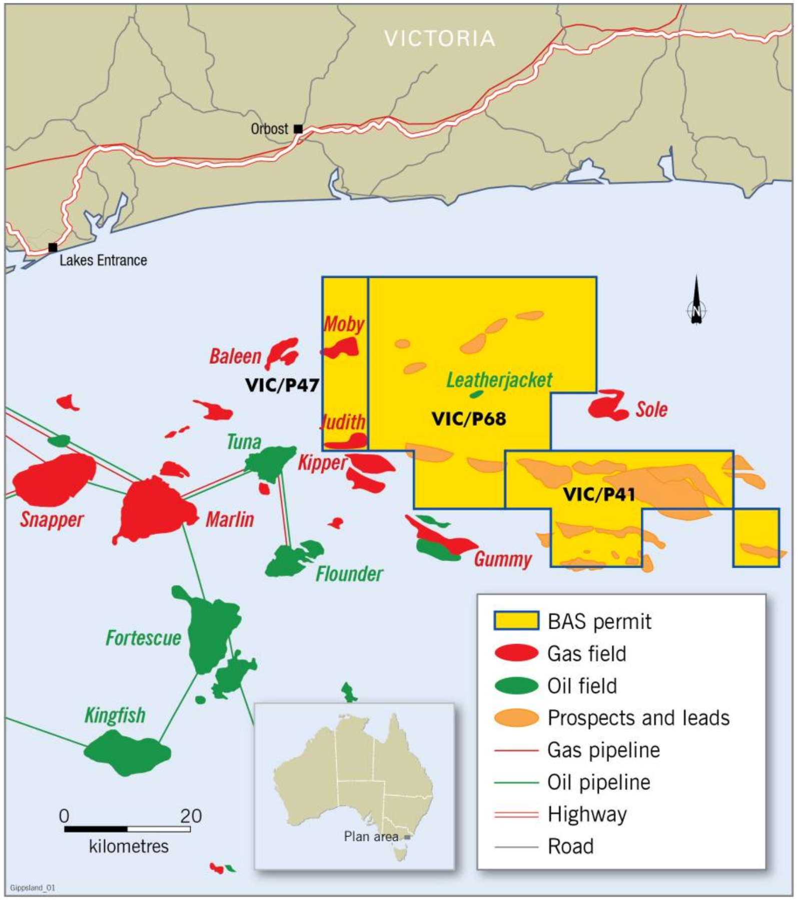
Otway Basin – Casterton shale

Casterton Formation Core

- **56 metres of core in Casterton and Sawpit shales from Sawpit-2**
- **Core analysis conducted to determine source rock potential and fracability**
- **Results to date confirm potential of deep Casterton shales**
- **Expect to assess further with seismic and drilling from Dec. Quarter 2013**

Gippsland Basin – a proven basin

- **19.9% interest in Bass Strait Oil Company (BAS)**
- **COE providing technical and commercial support**
- **BAS assets include 5 offshore Gippsland Basin permits**
  - Moby, Judith and Patricia gas discoveries
- **Sizeable gas prospects in Vic-P68 and Vic-P41**
  - close to infrastructure
  - range of development and market opportunities



Conventional close to market

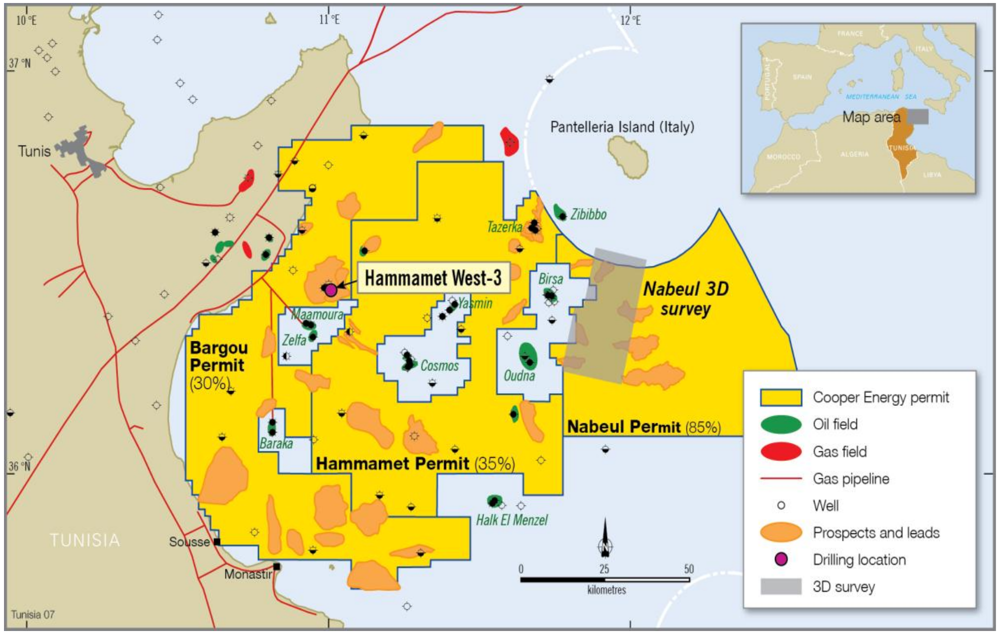
Strategy implementation – international assets

- **How to unlock best value for Cooper Energy shareholders?**
  - right investment market
  - ownership
  - management
- **Factors influencing include:**
  - capital
  - risk
  - fit with core competencies
- **Pursue best return options**

Pursuing best Cooper Energy return

Tunisia

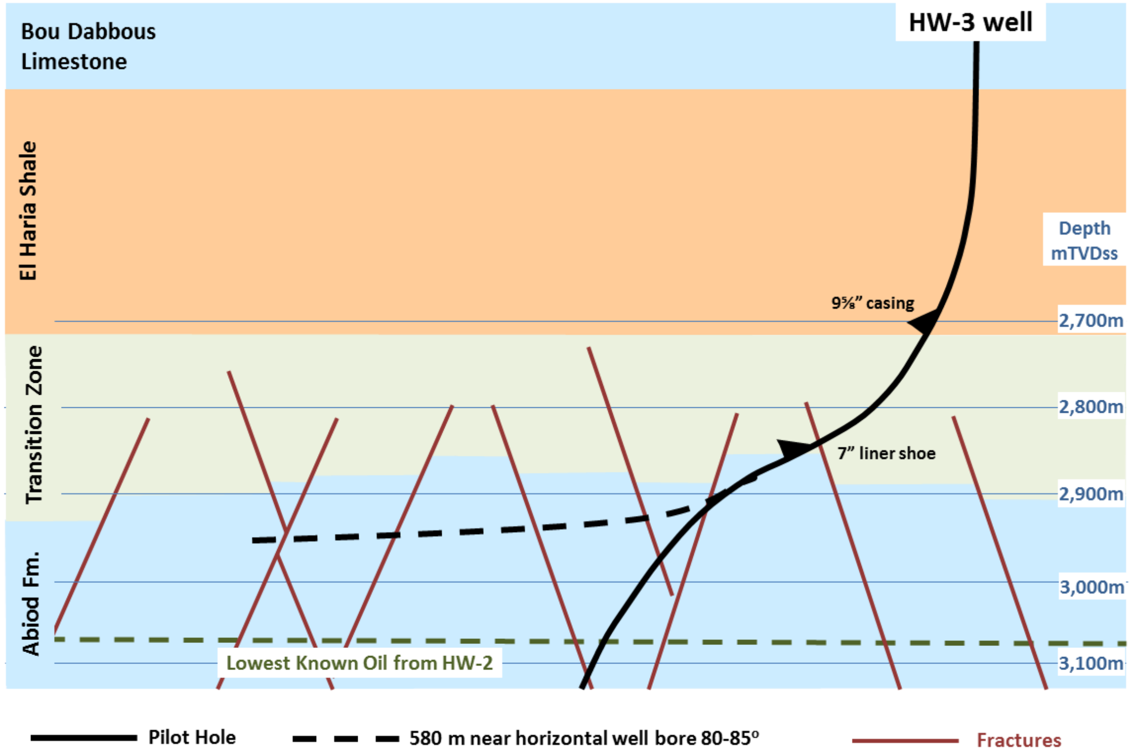
- **Divestment post Hammamet West-3 announced**
  - greater value for Africa focused player
  - Cooper Energy leveraging strengths
- **Many attractive features**
  - 3 contiguous permits, 12,600 km^2
  - extensive prospects and leads
  - undeveloped resource
  - adjacent to producing oil and gas fields
  - competitive fiscal terms
- **Hammamet West-3 underway** **(COE 30%)**
  - expect results June/early July



Strategic exit to focus on core skills

Hammamet West-3 (COE 30%)

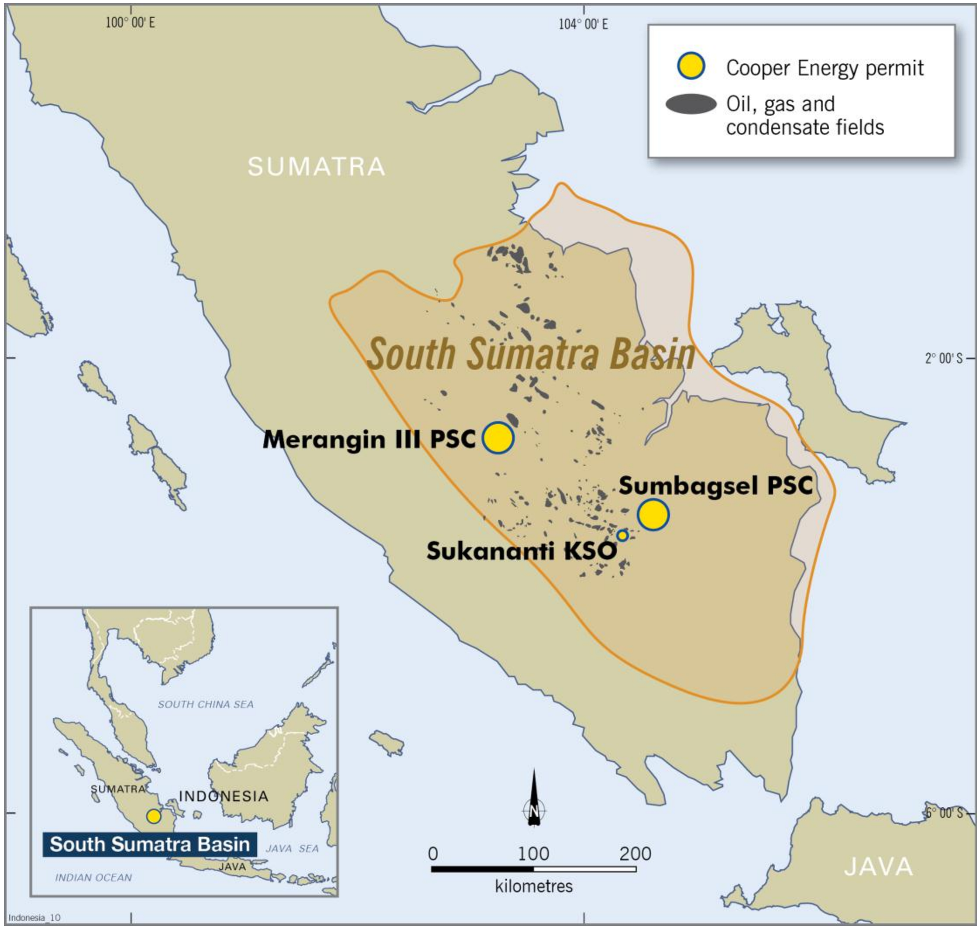
- **Hammamet West-3 currently drilling**
  - fractured carbonate
  - very large structure
  - proven oil charge
  - adjacent field produces same reservoir
  - primary objectives to test oil productivity from horizontal wellbore
  - shallow water / near shore



Approaching primary objective

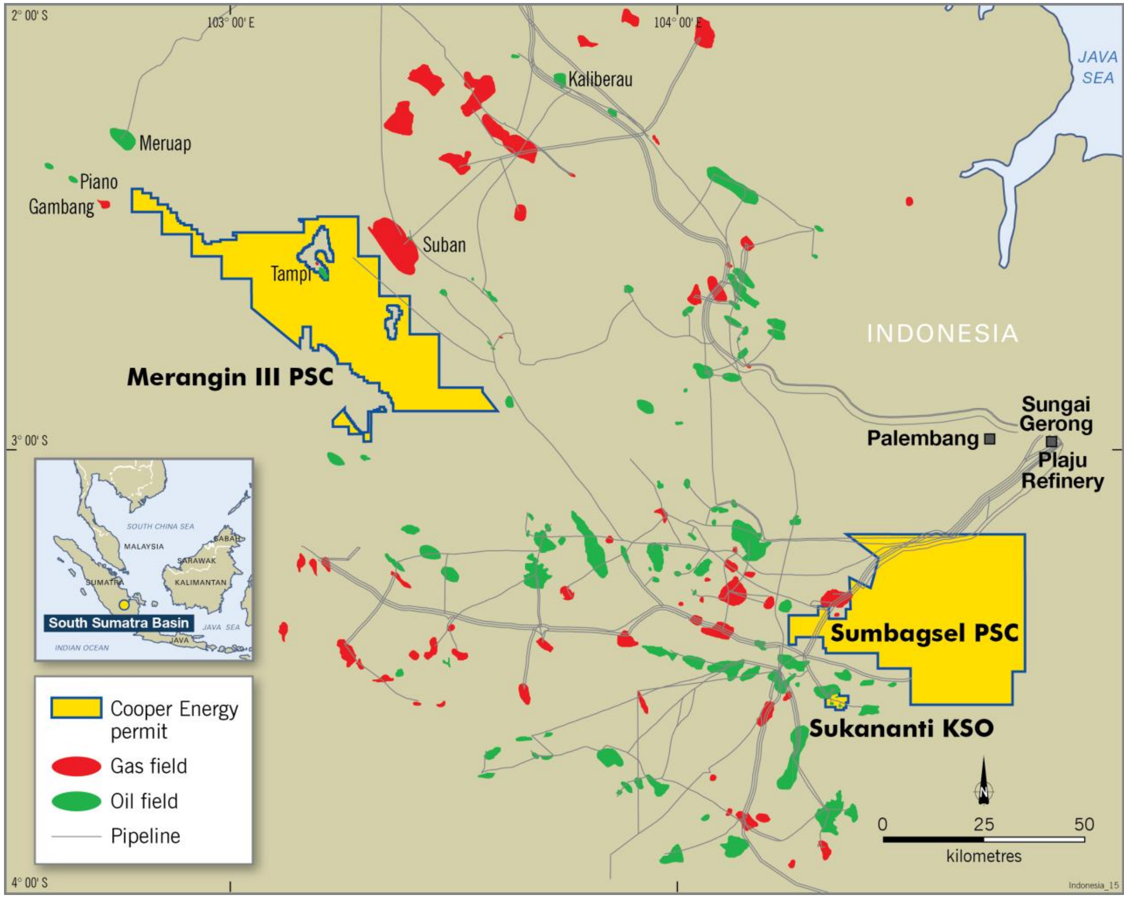
Indonesia – increasing production and reserves

- **South Sumatra Basin**
  - prolific hydrocarbon province
- **Range of onshore opportunities to add value**
  - exploration & development
  - shallow oil
  - deep gas
  - CSG
  - shale plays
- **Low technical risk**
- **Competitive fiscal terms (gas & oil)**
- **Low cost game-changing opportunities**
- **Local self-funding office**
  - competitive advantage



South Sumatra Basin

- **Sukananti KSO (COE 55%)**
  - ex Pertamina fields ~50 bopd (gross)
  - currently ~200 bopd (gross)
  - Tangai workover success expected to add production
  - sustained production test yet to be completed
  - contractor share 15% oil / 20% gas (after tax)
- **Sumbagsel PSC (COE 100%)**
  - shallow oil targets (1-5 mill bbls) & CSG
  - seismic 2013 / drilling 2014
  - farm-out planned
  - equity hydrocarbons share 25% oil / 40% gas (after tax)
- **Merangin III PSC (COE 100%)**
  - highly prospective & identified prospects
  - adjacent to existing gas and oil fields
  - seismic and 1 well commitment
  - farm-out with strong interest already received
  - equity hydrocarbons share 30% oil / 35% gas (after tax)



Build material value at low cost

Summary

✓**Made the changes**

- head office moved, Chairman succession implemented, new team in place
- increased focus on Eastern Australia oil and gas & added good assets
- non-core assets – exit or maximising value and monetising for best TSR

✓**Solid production and reserves, with material growth opportunities**

- on track for one of best production years
- ongoing Cooper Basin drilling successes
- screening opportunities and acquisitions to add further value

✓**2013 features increased activity and company changing opportunities**

- Cooper Basin exploration and development
- Otway encouraging, data evaluation in progress
- corporate activity

✓**Clear focus on shareholder return – fully funded**

- building value and position in core areas consistent with capability and strengths
- Australia gas market opportunities
- remuneration closely linked to company performance