Quarterly Report June 2015

30 July 2015

Q4 FY15 Highlights

- **Production:** 119 kbbl in the quarter is 8% higher than previous quarter. Full financial year production of 475 kbbl
- **Revenue:** $9.2 million up from $6.8 million in previous quarter due to higher A$ oil price and higher volumes
- **Low cost oil production:** average total cash operating costs of A$32.69/bbl vs average oil price of A$80.44/bbl
- **Gas projects:** Sole Project enters FEED; Sole gas field and Orbost gas plant acquisition completed; and BMG business case completed and identifies Manta gas project opportunity
- **Indonesia:** quarterly oil production up 75%; reserves increased more than 3.5 times to 1.55 MMbbls after Bunian-3 success
- **Financial position:** strong cash and financial assets of $41.5 million at 30 June 2015
- **FY16 production:** expected to be in line with FY15, guidance of 450 – 550 kbbls
- **Reserves and resources[1] increased substantially:** addition of 1.26 mmbbls 2P oil reserves (Bunian-3); 2C Contingent Resources for Sole and Manta added 120 PJ of gas and lifted total 2C Contingent Resources to 196PJ (COE share Gippsland Basin).

Managing Director's Comments

"Our fourth quarter results are a strong finish to the year. Production and revenue increased above that recorded in the previous two quarters and substantial additions were made to oil reserves and gas resources. The Cooper Basin drilling program has also identified further upside in the Callawonga oil field.

"The Gippsland gas projects milestones achieved mean Cooper Energy now has conventional gas resources in the right place, with the right cost structure for a new business to supply gas to eastern Australia within four years.

Achievement of further milestones can be expected in the near future as we progress the initial gas sales agreements and the appointment of lead contractors for Sole FEED."

Further comment and information:	
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Managing Director	**Investor Relations**

[1] Refer notes on reserves and resources announcements in footnotes on pages 5,6, 8, 10 & 11 following

Financial

June quarter

Sales revenue for the 3 months to 30 June 2015 was $9.2 million compared with $6.8 million in the previous quarter and $16.1 million in the previous corresponding quarter.

The movement in revenue compared with the previous quarter was the result of higher Australian dollar oil prices and increased sales volume.

The average oil price received for the quarter of A$80.44/bbl was 26% higher than the A$63.82/bbl average in the March quarter. Prices received were well in excess of total cash operating costs (including transport and royalties) of A$32.69/bbl.

Sales volume of 114.4 bbl for the period was 7% above the previous quarter.

Total cash at 30 June was $39.2 million compared with $47.5 million at the commencement of the quarter. The movement is due to the application of cash to acquisitions and capital expenditure during the period. Capital expenditure of $11.6 million during the quarter was 104% higher than the preceding quarter with the increase being attributable to expenditure on Gippsland Basin gas assets, including payment of $2.5 million consideration on completion of the acquisition of a 50% interest in the Sole gas field and Orbost gas plant.

The value of remaining available for sale financial assets held at 31 March was $2.3 million down from $3.0 million due to lower equity market valuations.

Hedging

Additional oil price hedging was put in place during the quarter in the form of A$ collar options to June 2016 to protect against downside oil price scenarios and remain partially exposed to higher oil prices. The table below summarises the hedging in place as at 30 June 2015:

Hedge arrangements (bbls remaining):**:**	**FY16H1**	**FY16H2**	**Total**
A$50 put options	124,998	-	124,998
A$80.00 – 90.57 collar options	60,000	60,000	120,000
Total	**184,998**	**60,000**	**244,998**

Production and Outlook

Production for the quarter was 119.2 kbbl, 8% higher than the previous quarter due to increased output from Indonesia, offset in part by decreased output from Cooper Basin operations.

FY15 full year production is 475.0 kbbl compared with the previous year's record of 594.5 kbbl and in line with the guidance of 470-500 kbbl communicated to the market in the March quarterly report.

Current expectations are that production for FY16 will be in the range 450 – 550 kbbl.

Quarterly and Year to Date Summary

Description	Units	Quarter Ending 30 Jun 2015 [1]	Quarter Ending 31 Mar 2015[2]	Change	Year to Date 30 Jun 2015 [1]	Year to Date 30 Jun 2014[2]	Change
Production and Sales							
Group oil produced	kbbl	**119.0**	110.0	8%	**475.0**	594.5	-20%
Group oil sold / delivered for sale	kbbl	**114.4**	106.6	7%	**456.6**	582.8	-22%
Group sales revenue	$ million	**9.2**	6.8	35%	**38.9**	72.3	-46%
Average oil price	A$/bbl	**80.44**	63.82	26%	**85.19**	124.06	-31%
Capital Expenditure							
Exploration and Appraisal	$ million	**8.8**	3.4	159%	**19.1**	43.3	-56%
Development and Fixed Assets	$ million	**2.8**	2.3	22%	**9.3**	6.0	55%
Total Capital Expenditure		**11.6**	5.7	104%	**28.4**	49.3	-42%
Financial Assets							
Cash and term deposits	$ million	**39.2**	47.5	-17%	**39.2**	49.1	-20%
Available for sale financial assets[3]	$ million	**2.3**	3.0	-23%	**2.3**	26.0	-91%
Total Financial Assets		**41.5**	50.5	-18%	**41.5**	75.1	-45%
Capital							
Issued shares	million	**331.9**	331.9	0.0%	**331.9**	329.2	0.8%
Performance Rights	million	**17.3**	17.3	0%	**17.3**	14.7	18%

Notes:

(1) Current quarter includes preliminary production figures for PEL 92 and PEL 93 in the Cooper Basin

(2) Prior periods have been updated for final reconciled production figures

(3) Available for sale financial assets shown at fair value at the reporting date shown

Production, Exploration & Development

Production – Cooper Basin

The Company's share of oil production from its Cooper Basin tenements for the June quarter was 91 kbbl (average 1,000 bopd) compared to 94 kbbl (average 1,046 bopd) in the preceding quarter and 125 kbbl in the previous corresponding period.

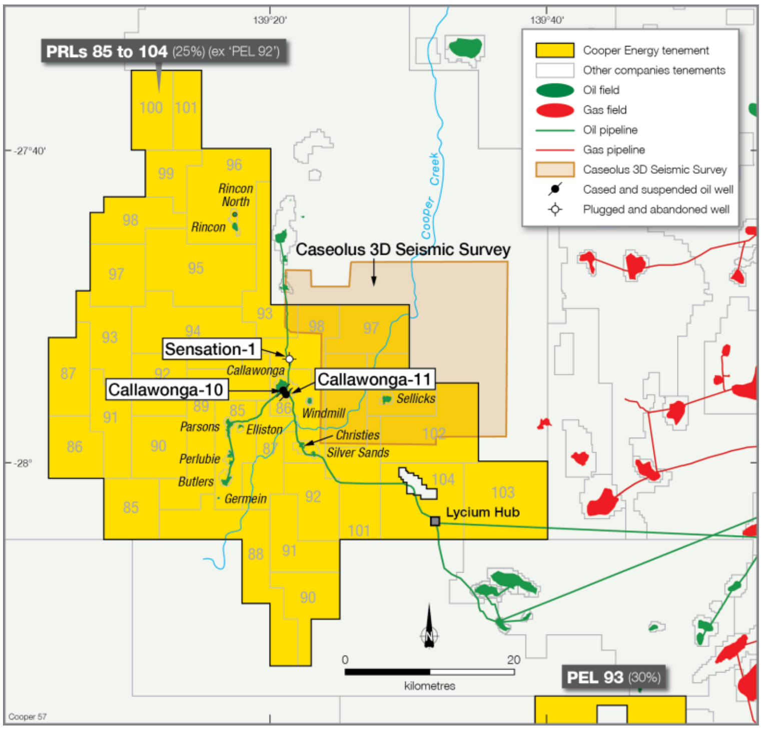
Exploration and Development – Cooper Basin

In PRL's 85 – 104 (formerly known as PEL 92, COE interest 25%), interpretation of the reprocessed Neritus, Modiolus and Calpurnus 3D seismic data continued. The interpretation will be used for the definition of exploration and development targets for drilling in FY16.

The joint venture drilled three wells at Callawonga-10, Callawonga-11 and Sensation-1.

Callawonga-10, an oil development well in PPL 220, located 280 metres east of Callawonga-2, was drilled to accelerate production from the southern area of the Callawonga Field. The well encountered a 4.8 metre gross oil column in the McKinlay Member and Namur Sandstone primary targets.

Callawonga-11 was drilled 670 metres south-east of the Callawonga-9 production well to appraise a potential large extension to the southern flank of the field. A gross oil column of 4.2 metres is interpreted in the McKinlay Member and Namur Sandstone primary targets.



The successful drilling results at Callawonga have highlighted additional opportunities for development and appraisal drilling. Callawonga 10 and 11 remain on schedule to commence production in August 2015.

Sensation-1, an exploration well located in PRL 98, was drilled to test a structure located approximately three kilometres north of the Callawonga Field. No hydrocarbon oil shows were recorded in the primary target Namur Sandstone and the well was plugged and abandoned.

A seismic survey inversion project of 164 km^2 of the Caseolus 3D seismic survey was completed during the quarter. Interpretation of results will commence in the current quarter with a focus on identifying Birkhead Formation prospects.

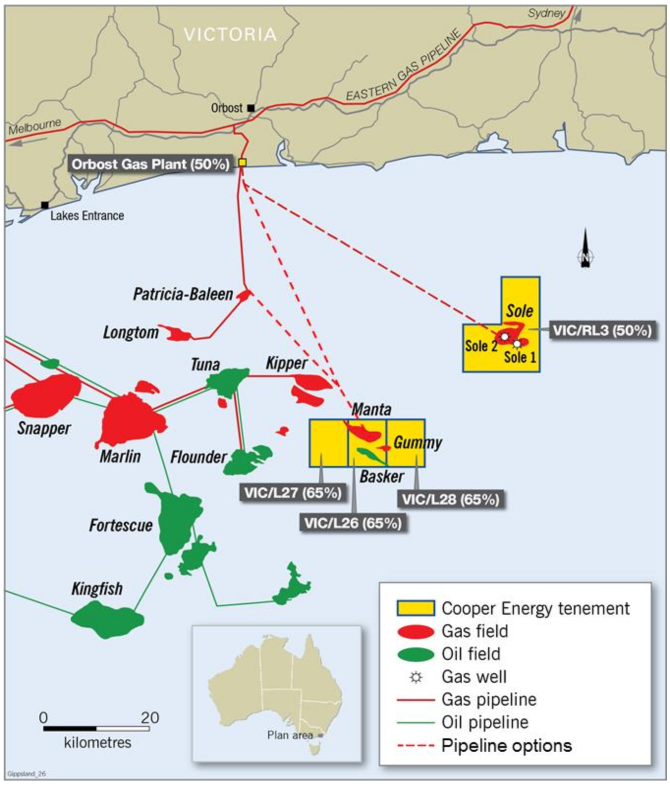
In PPL 207 (COE interest 30%), the extended production test of Worrior-8 is continuing. Analysis of the test data has enhanced understanding of the extent, connectivity, oil production potential and gas content of the Patchawarra Formation.

In PEL's 90K, 100 and 110 (COE interest 25%, 19.17% and 20% respectively) a seismic survey inversion project of 595 km^2 of the Dundinna 3D seismic survey was ongoing. Project completion is scheduled for Q1 FY16 and the results will assist in defining Birkhead Formation prospectivity.

Gippsland Basin

Cooper Energy's interests in the Gippsland Basins comprise:

- a 50% interest in VIC/RL-3 which holds the Sole gas field;
- a 65% interest and Operatorship of VIC/L26, /L27 and /L28 which contains the Basker Manta Gummy (BMG) gas and liquids resource; and
- a 50% interest in the Orbost gas plant, located onshore Victoria. The plant is currently in care and maintenance.



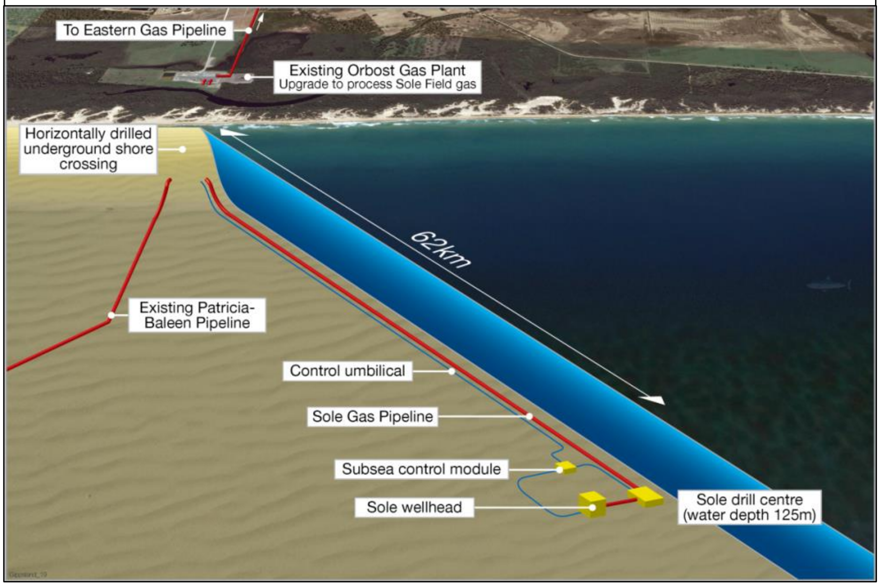
Activities and outcomes in respect of these interests for the quarter are reported below.

Sole gas project and Orbost gas plant

The acquisition of a 50% interest in the Sole gas field and Orbost gas plant announced on 15 December 2014 was completed on 22 May with the project entering Front End Engineering and Design (FEED). Completion of the acquisition resulted in Cooper Energy booking[1] 2C Contingent Resources of 106PJ.

The VIC/RL 3 Joint Venture, which comprises Cooper Energy and Santos Limited, will now work to completion of FEED for a Final Investment Decision (FID) in the September quarter 2016. The FEED phase is budgeted to cost approximately $27 million, which Cooper Energy will fund 100% as part of its commitment to pay the first $50 million of project costs. Cooper Energy's costs through to the FID are expected to be fully funded from available cash resources and cash flow.

Sole Gas Project: Schematic of development



Gas market offtake contracts and finance for project construction will be developed in parallel with the FEED in advance of the FID.

Negotiations with gas customers advanced during the quarter and the first heads of agreement for sales of gas from the project are expected in the September quarter.

[1] Contingent Resources assessed for the Sole field were announced to the ASX on 25 May 2015. Cooper Energy is not aware of any new information or data that materially affects the information provided in those releases and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply.

Cooper Energy has assessed the Sole gas field to contain a Contingent Resource (2C) of 211 PJ of sales gas (100% Joint Venture). Project development and costing will be determined by the FEED process and the field is expected to provide gas supply of approximately 25 PJ per annum over 8 years commencing from early 2019. Gas produced from Sole would be transported by pipeline to the Orbost gas plant onshore Victoria, from where it can be distributed to eastern Australian gas customers via the Eastern Gas Pipeline.

The Sole Gas Project is expected to comprise a single vertical subsea well and pipeline to the Orbost gas plant which is connected to the Eastern Gas Pipeline.

BMG Project – Manta Gas Field

Cooper Energy as Operator of VIC/L26, VIC/L27 and VIC/ L28 completed the BMG Business Case analysis. The analysis had two key findings:

1. development of the Manta gas resource is technically feasible and a sound business opportunity; and
2. a subsea gas development of the Manta gas resource is the preferred option for a capital efficient, low operating cost project that can deliver gas within two years of FID.

The Manta gas field is located in the licences held by the BMG Joint Venture (VIC/L26, VIC/L27 and VIC/L28) in the Gippsland Basin approximately 57 km offshore Victoria in water depths of approximately 130 metres.

The Cooper Energy Business Case utilised updated Contingent and Prospective Resources assessments. These were assessed following interpretation of new studies including 3D seismic reprocessing and inversion work together with dynamic simulation modelling that has been undertaken since Cooper Energy entered the permit as Operator in May 2014.

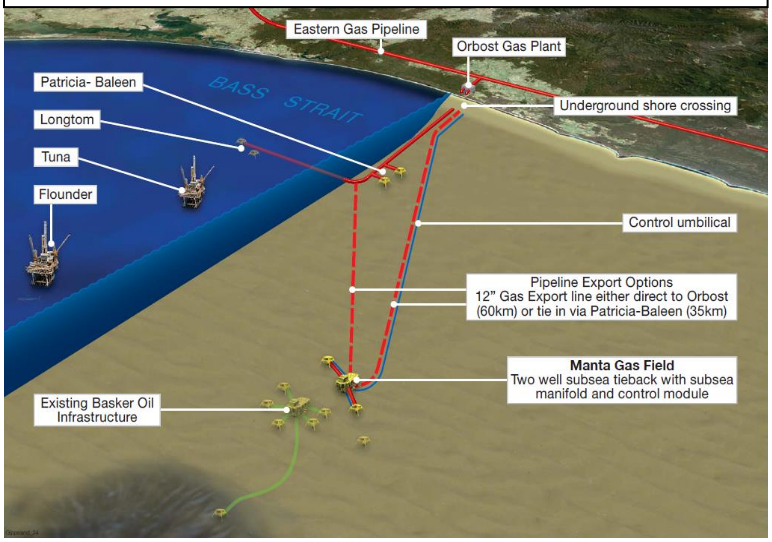
As advised to the ASX on 16 July[2] Cooper Energy has re-assessed its net 2C Contingent Resource in the Manta field to be 13.9 MMboe which is a 2.5 MMboe (22%) increase on the previous assessment dated 18 August 2014. In addition, it has re-assessed its risked Best Estimate (P50) Prospective Resource in the Manta Field to be 1.8 MMboe. These totals represent a 100% Joint Venture 2C Contingent Resource of sales gas of 106PJ and 2.6 million barrels of condensate. Estimated quantities of petroleum that may be potentially recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. These estimates have been adjusted for risk using the chance of discovery. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

It was concluded that these resources can be developed most economically via a 2 well subsea development with gas export to the Orbost gas plant.

The Manta Gas Project has the potential to produce 23 PJ of gas per annum for supply to eastern Australia gas users, with additional revenue from the condensate production.

The preferred option is distinguished from alternatives in its exclusive focus on the gas resource of the Manta field. This offers a simpler, lower risk and lower cost development which can be implemented more rapidly than the alternatives evaluated, which included floating

Manta Gas Project: Schematic of preferred development and pipeline options



[2] Contingent Resources assessed for the Manta field were announced to the ASX on 16 July 2015. Cooper Energy is not aware of any new information or data that materially affects the information provided in those releases and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply

facilities or a fixed platform to cater for oil production.

An alternative scenario has been retained involving subsea development with an FPSO (Floating Production Storage and Offtake) vessel if required.

The Business Case outlined an indicative schedule which includes development feasibility confirmed on the results of the Manta-3 appraisal well towards the end of 2017, for an entry into FEED early in 2018, with FID approximately 12 months later early in 2019. Based on this schedule, first gas is anticipated from mid-2021.

The estimated capital cost for the preferred option is approximately $560 million (100% Joint Venture share), inclusive of appraisal drilling.

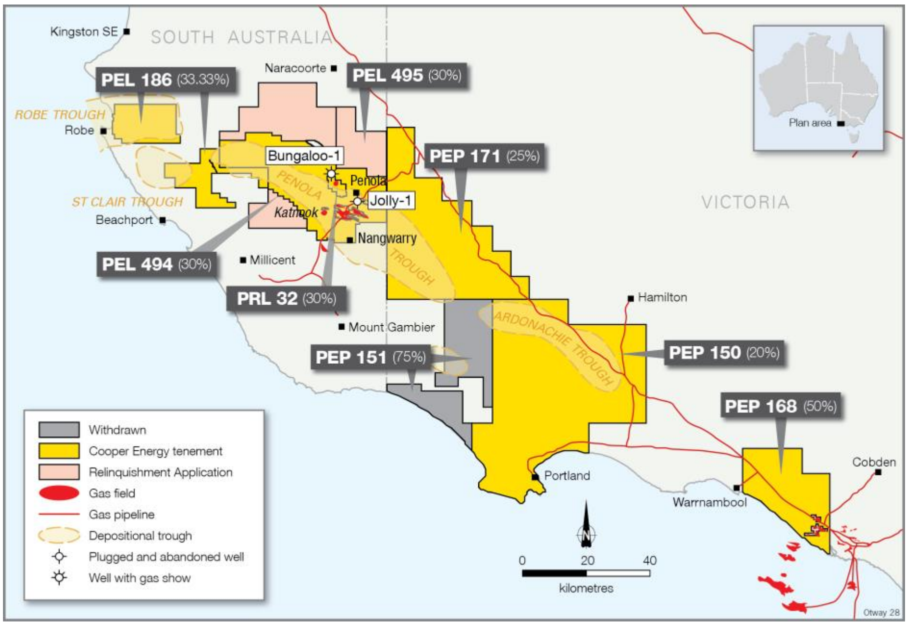
The fifth anniversary of last hydrocarbon production from the Basker and Manta fields will occur in August 2015. An application to convert production licences VIC/L26, L27 and L28 to retention licences will be submitted to the regulator at that time.

Otway Basin

Analysis of well and core data obtained from Jolly-1 (PEL 495) and Bungaloo-1 (PRL 32) in the Penola Trough, onshore Otway Basin, South Australia (Cooper Energy 30%) was completed during the quarter. The results are being analysed as a part of the preparation for future evaluation of the prospectivity of the deeper Penola Trough.

Applications to consolidate PELs 494 and 495 into a single license and to renew for an additional five year term were submitted to the South Australian regulatory authority during the March quarter and are currently under review. Relinquishment of 50% of the combined licence area is a requirement of the renewal.

Applications to suspend and extend PEPs 150, 151, 168 and 171 for a further 12 months due to the ongoing moratorium on gas production were submitted to the Victorian regulatory authority during the previous quarter.



Interpretation of the Morgan 2D seismic survey acquired in 2014 in PEP 151 did not enhance the prospectivity of this permit and Cooper Energy has begun the process of withdrawing from the PEP151 Joint Venture (subject to regulatory approval).

Indonesia

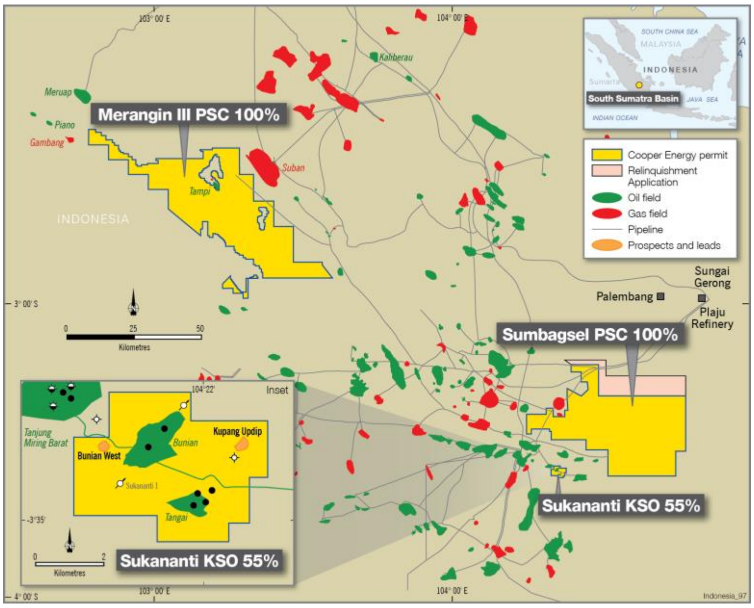
Production

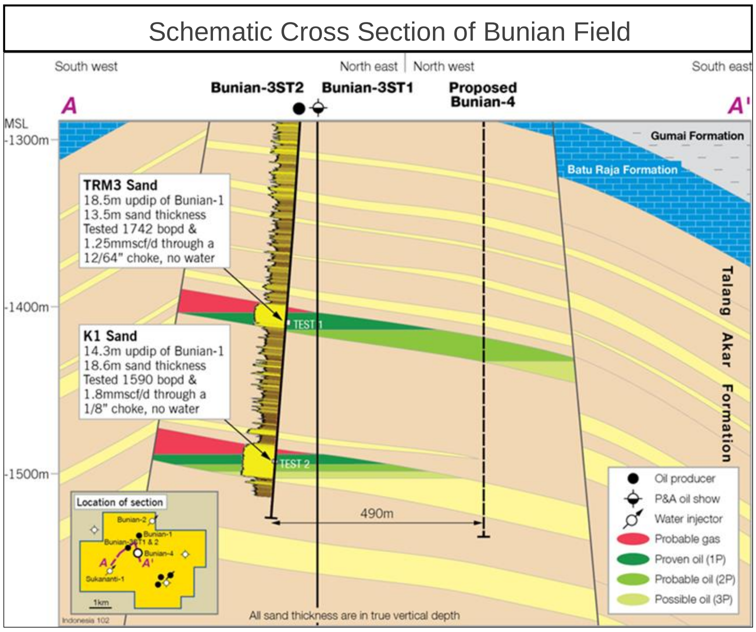
Cooper Energy's share of oil production from the Sukananti KSO (Cooper Energy 55%) during the March quarter was 28.3 kbbl (311 bopd). The daily production rate is 75% above the previous quarter's 16.0 kbbl (178 bopd). This represents a new record for Cooper Energy's tenure, 71% higher than the previous record achieved in the December quarter 2015.

Bunian-3, a development well in the Sukananti KSO was completed during the quarter. As reported in ASX releases in April and May, the well resulted in an upgraded assessment of oil reserves in the Bunian field of 1.26 million barrels of 2P[3] oil reserves to Cooper Energy which is an increase of more than 350% on the 2P reserves of 0.33 million barrels at 30 June 2014.

As a result of operational issues, it was necessary to sidetrack the well twice. However, the data gathered in drilling the first sidetrack allowed the second sidetrack to be oriented to intersect additional hydrocarbons. The Bunian-3 ST2 development well intersected the TRM3 Sand 18.5 metres high to Bunian-1. The well intersected 13.5 metres of net sand, consisting of 4 metres of gas and 9.5 metres of oil, compared to 2.8 metres of net oil sand in Bunian-1. On flow testing, the TRM3 Sand achieved a stabilised flow rate equivalent to 1,742 barrels per day of 35 degrees API oil and 1.25 mmscf/day of gas through a 12/64 inch choke.

A new oil pool discovery was also made in the deeper K1 Sandstone. The K1 Sand was intersected 14.3 metres high to Bunian-1 and 18.6 metres of net sand is interpreted comprising 8.8 metres of gas and 9.8 metres of oil. The K1 Sand flowed on test at a rate equivalent to 1,590 barrels per day of 41 degrees API oil and 1.8 mmscf/day of gas through a 1/8 inch choke.





Bunian-3ST2 was completed as an oil producer from the TRM3 and K1 Sands and was brought online just 6 days after rig release.

[3] Reserves assessed for the Bunian field incorporating the results of Bunian-3 were announced to the ASX on 18 May 2015. Cooper Energy is not aware of any new information or data that materially affects the information provided in those releases and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply

As a result of the success of Bunian-3, the drilling of Bunian-4 has been prioritised over the previously proposed Tangai-5 development well. Bunian-4 is intended to delineate the extent of the TRM3 and K1 oil pools and to test additional potential in TRM1/2 Sands not tested in the Bunian-3 well. Following Bunian-4, the results of drilling will be incorporated into a field development plan aimed at optimising oil recovery and production. Bunian-4 spudded on 25 July and is expected to take 26 days to complete.

The Sukananti KSO is currently producing at approximately 800 barrels oil per day (100% Joint Venture), limited by transport capacity constraints. Studies have been initiated to optimise the overall field development. In the meantime, a program of work is underway to increase short-term production capacity. This includes increasing the surface facility fluid handling capacity, reviewing crude oil haulage and road infrastructure limits as well as addressing downstream pumping limitations and improving access to the Pertamina downstream pipeline network. When these debottlenecking activities are complete, it is anticipated that the Sukananti KSO production can be increased to over 1,000 barrels oil per day (100% basis).

Seismic survey planning is progressing in the Sumbagsel PSC (Cooper Energy 100%). An application to relinquish 15% of the original contract area as per the conditions of the permit contract was submitted to SKKMigas.

Geologic studies in the Merangin III PSC (Cooper Energy 100%) are ongoing and will high-grade areas of the permit for future seismic acquisition.

Tunisia

As previously announced, Cooper Energy planned to divest the Tunisia assets in order to concentrate its portfolio on assets consistent with its strategy. The divestment process has yet to generate acceptable offers. The current market conditions mean that an exit through a Tunisia portfolio divestment transaction is not presently foreseeable.

Cooper Energy has been seeking to defer and limit further capital expenditure where feasible. Consistent with this Cooper Energy has advised the Tunisian Government of its intention to not to extend or renew the Nabuel permit and is continuing efforts to divest and reduce commitments in the Bargou and Hammamet permits as soon as practicable.

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).
- 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 the SPE Petroleum Resources Management System 2007 (SPE-PRMS).

Calculation of reserves and resources

The approach for all reserve and resource calculations is consistent with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS). Field totals are aggregated by arithmetic summation. Aggregated 1P or 1C may be a very conservative estimate and aggregated 3P and 3C may be a very optimistic estimate due to the effects of this process on probabilistic estimates.

Sole gas field

In the Sole gas field, VIC/RL3 in the Gippsland Basin, offshore Victoria, Contingent Resources have been assessed using probabilistic simulation modelling for the Kingfish Formation at the Sole Field. This methodology incorporates a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes.

The date of the Sole Contingent Resource Assessment is 25 May 2015. The conversion factor of 1 PJ = 0.171936 MMboe has been used to convert from Sales Gas (PJ) to Oil Equivalent (MMboe). Contingent Resources assessed for the Sole field were announced to the ASX on 25 May 2015.

Manta gas and oil field

In the Manta gas field, Manta Field in VIC/L26 and VIC/L27 in the Gippsland Basin, offshore Victoria, VIC/RL3, offshore Victoria Cooper Energy Limited (COE) has undertaken a Contingent and Prospective Resources assessment using deterministic simulation modelling and probabilistic resource estimation for the Intra-Latrobe and Golden Beach Sub-Group in the Manta field. This methodology incorporates a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes.

The date of the Manta Contingent Resource and Prospective Resource assessment is 16 July 2015. Contingent Resources for the Manta Fields have been aggregated by arithmetic summation. Conversion factors for the Manta fields are 1 Bcf = 1.125 PJ and 1 PJ = 0.172 MMboe. Contingent and Prospective Resources assessed for the Manta field were announced to the ASX on 16 July 2015.

Bunian oil field

In the Bunian oil field, Tangai-Sukananti KSO, Indonesia, Reserves have been assessed using a methodology that consists of probabilistic estimation for both the TRM3 Sand and the K1 Sand reservoirs and incorporates a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes.
The date of the Bunian field reserves assessment is 18 May 2015. The Reserves assessed for the Bunian field incorporating the results of Bunian-3 were announced to the ASX on 18 May 2015.

Rounding

Numbers in this presentation have been rounded. As a result, some total figures may differ insignificantly from totals obtained from arithmetic addition of the rounded numbers presented.

Terms and abbreviations

Cooper Energy reports uses terms and abbreviations common to the petroleum industry and the financial sector. Terms used include:

- 2D, 3D: two dimensional, three dimensional (with respect to seismic surveys)
- bbl: barrels
- Bcf: Billion cubic feet (of gas)
- bopd: barrels of oil per day
- FEED: Front End Engineering and Design
- Financial year: 12 months ending 30 June
- FY14: financial year ending 30 June 2014
- FY15: financial year ending 30 June 2015
- JV: Joint Venture
- kbbl: thousand barrels
- KSO: Kerja Sama Operasi (joint venture, Indonesia)
- m: metres
- mMDRT: measured depth in metres below the rotary table or drilling floor
- MM: million
- MMboe: Million barrels of oil equivalent
- pcp: prior corresponding period
- PEL: Petroleum Exploration Licence
- PEP: Petroleum Exploration Permit
- PRL: Petroleum Retention Licence
- PPL: Petroleum Production Licence
- PSC: Production Sharing Contract
- scf: Standard cubic feet (of gas)
- SPE: Society of Petroleum Engineers