

Notice of Annual General Meeting and Explanatory Memorandum

Date of meeting:

Thursday 10 November 2016

Time of meeting:

10:30am

(Australian Central Daylight Time)

Place of meeting:

PwC Building

Level 11, 70 Franklin Street

Adelaide, South Australia

This is an important document. Please read it carefully and in its entirety. If you do not understand it, please consult with your professional advisers.

If you are unable to attend the Annual General Meeting (AGM), please complete the Proxy Form enclosed and return it in accordance with the instructions set out in that form.

The annual report is available online, visit
<http://www.cooperenergy.com.au/investor-information/reports>

Notice of 2016 Annual General Meeting

Background Information

To assist you in deciding how to vote on the Resolutions, further details as background information to the Resolutions are set out in the Explanatory Notes forming part of this Notice of Meeting.

The Annual General Meeting of Cooper Energy Limited ABN 93 096 170 295 (Company) will be held at 10.30 am (ACDT) on Thursday, 10 November 2016 at PwC Building, Level 11, 70 Franklin Street, Adelaide, South Australia

Business

Financial Statements and Reports

To receive and consider the Company's Annual Report, Directors' Report (incorporating the Remuneration Report) and Auditor's Report for the financial year ended 30 June 2016.

Note: There is no vote on this item.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the Remuneration Report as set out in the Directors' Report for the financial year ended 30 June 2016 be adopted.”

Note: A voting exclusion for this Resolution is set out under Important Information below.

Resolution 2 – Re-election of Mr John Conde as a director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr John Conde, a director of the Company who retires by rotation in accordance with clause 5.1 of the Constitution and being eligible, offers himself for re-election, be re-elected as a director of the Company.”

Resolution 3 – Issue of rights to Mr David Maxwell, Managing Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purpose of Listing Rule 10.14 and for all other purposes, the issue to Mr David Maxwell of performance rights and share appreciation rights pursuant to the Company's equity incentive plan as described in the Explanatory Notes, be approved.”

Note: A voting exclusion for this Resolution is set out under Important Information below.

Resolution 4 – Issue of rights to Mr Hector Gordon, Executive Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purpose of Listing Rule 10.14 and for all other purposes, the issue to Mr Hector Gordon of performance rights and share appreciation rights pursuant to the Company’s equity incentive plan as described in the Explanatory Notes, be approved.”

Note: A voting exclusion for this Resolution is set out under Important Information below.

Resolution 5 – Re-fresh of 15% Placement Facility

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purpose of Listing Rule 7.4 and for all other purposes, the issue of 83,436,816 shares pursuant to a placement announced on 18 May 2016 as summarised in the Explanatory Notes, be approved.”

Note: A voting exclusion for this Resolution is set out under Important Information below.

Resolution 6 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That for the purpose of Listing Rule 7.1A and for all other purposes, the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 on the terms and conditions set out in the Explanatory Notes, be approved.”

Note: A voting exclusion for this Resolution is set out under Important Information below.

Resolution 7 – Renewal of proportional takeover provisions

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That pursuant to section 648G of the Corporations Act, the existing proportional takeover approval provision in clause 163 of the Constitution is renewed for a period of three years, commencing on the date of the expiry of the last renewal period for clause 163.”

By order of the Board



Alison Evans
Company Secretary

11 October 2016

Important Information

The information set out below forms part of this Notice of Meeting.

1. Voting exclusion for Resolution 1

The Company will disregard any votes cast on Resolution 1 by the Company's key management personnel (**KMP**), as named in the Remuneration Report, or any Closely Related Party of a member of the KMP.

The Company need not disregard a vote cast on this Resolution by a person described above if the vote is cast by that person as proxy for a person who is permitted to vote on the Resolution and in accordance with directions on the proxy form.

If you appoint the Chairman as your proxy on this Resolution and the proxy is not directed, you expressly authorise the Chairman to cast your vote on this Resolution.

The Chairman intends to vote all available proxies including undirected proxies in favour of Resolution 1.

2. Voting exclusions for Resolutions 3 and 4

In accordance with the Listing Rules, the Company will disregard any votes cast on Resolutions 3 and 4 by any director that is eligible to participate in the Company's employee incentive plan and any of their Associates. However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with the *Corporations Act 2001* (Cth), a vote must not be cast on Resolutions 3 and 4 by the Company's KMP (or by any Closely Related Party of a member of the KMP) acting as a proxy unless the vote is cast as proxy for a person who is permitted to vote and in accordance with the directions on the proxy form.

If you appoint the Chairman as your proxy on Resolutions 3 and 4 and the proxy is not directed, you expressly authorise the Chairman to cast your vote on these Resolutions.

The Chairman intends to vote all available proxies including undirected proxies in favour of Resolutions 3 and 4.

3. Voting exclusion for Resolution 5

The Company will disregard any votes cast on Resolution 5 by a person (and any Associates of such a person) who participated in the issue of shares referred to in Resolution 5. However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Chairman intends to vote all available proxies including undirected proxies in favour of Resolution 5.

4. Voting exclusion for Resolution 6

The Company will disregard any votes cast on Resolution 6 by a person (and any Associates of such a person) who may participate in the 10% placement facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary Shares, if Resolution 6 is passed. However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

At the date of this Notice of Meeting, the Company has not approached any particular existing Shareholder or identifiable class of existing Shareholder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

The Chairman intends to vote all available proxies including undirected proxies in favour of Resolution 6.

5. Entitlement to vote

For the purpose of voting at the AGM, shares in the Company will be taken to be held by the persons who are registered as Shareholders in the Company at Close of Business (ACDT) on Tuesday 8 November 2016.

6. Voting in person

Please arrive at the venue 15 minutes before the start of the AGM so the Company may check shareholding against the Share Register and note attendances.

7. Voting by proxy

A proxy form accompanies this Notice. A Shareholder who is entitled to vote at the AGM may appoint not more than two people as proxy to vote in the Shareholder's place. The proxy need not be a Shareholder. A Shareholder that appoints two proxies may specify the proportion or number of votes each proxy may exercise, failing which each proxy may exercise half the Shareholder's votes.

If the proxy chooses to vote, the proxy must vote in accordance with the directions on the proxy form. If a Shareholder does not indicate on the proxy form the manner in which the proxy is to vote, the proxy may vote as he or she thinks fit.

To vote by proxy, the proxy form (together with the original or certified copy of any power of attorney or other authority under which the form is signed, if any) must be received at the Share Registrar no later than 10.30am (ACDT) on Tuesday 8 November 2016 via any of the following methods.

Proxy Forms received after this time will not be valid for the purposes of the AGM.

Online:
www.investorvote.com.au

By mobile:
Scan the QR Code on your proxy form and follow the prompts

By post:

Computershare Investor Services Pty Ltd
GPO Box 242
Melbourne Victoria 3001

By facsimile (within Australia):

1800 783 447

By facsimile (outside Australia):

+61 3 9473 2555

By hand:

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide South Australia 5000

For Intermediary Online subscribers only (custodians): Visit www.intermediaryonline.com to submit your voting intentions.

8. Voting by corporate representative

A body corporate Shareholder may appoint an individual as a corporate representative to vote at the AGM. Corporate representatives must lodge a certificate of appointment with the Company and/or the Share Registrar before the AGM or at the registration desk on the day of the AGM. Certificates of appointment of corporate representatives are available on request by contacting the Share Registrar on 1300 655 248 (within Australia) or +61 3 9415 4887 (outside Australia).

9. Questions from shareholders

The Chairman will allow a reasonable opportunity for Shareholders at the AGM:

- (a) to ask questions about the management and performance of the Company; and
- (b) to ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditors in relation to the conduct of the audit.

Shareholders may submit a written question to the auditors relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Report by no later than 10.30am (ACDT) on Thursday 3 November 2016 via any of the following:

By post:

Attention: Company Secretary
Level 10, 60 Waymouth Street, Adelaide
South Australia 5000

By facsimile (within Australia):

08 8100 4997

By facsimile (outside Australia):

+61 8 8100 4997

By email:

customerservice@cooperenergy.com.au

10. Enquiries

Shareholders are invited to contact the Company Secretary, Ms Alison Evans on +61 8 8100 4900 or customerservice@cooperenergy.com.au if they have any queries in respect of the matters set out in these documents.

These Explanatory Notes form part of this Notice of Meeting.

1. Financial Statements and Reports

The Corporations Act requires the Company's Annual Report, Directors' Report (incorporating the Remuneration Report), and the Auditor's Report to be received and considered at the AGM. The Corporations Act does not require Shareholders to vote on these Reports.

An electronic copy of the Company's Annual Report is available on the Company's website:

<http://www.cooperenergy.com.au/investor-information/reports>.

The 2016 Annual Report has also been sent by post to those Shareholders who have previously elected to receive a hard copy.

2. Resolution 1 – Adoption of Remuneration Report

The Remuneration Report is set out on pages 37 to 51 of the 2016 Annual Report.

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for adoption. The vote on this Resolution is advisory only and does not bind the directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration practices and policies.

Shareholders should also note that if 25% or more of votes cast are against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of the consecutive AGMs on a resolution (spill resolution) to determine whether another meeting of Shareholders (spill meeting) be held to consider the re-election of the directors (other than the Managing Director). If a spill resolution is passed, all directors (other than the Managing Director) will cease to hold office at the end of the spill meeting, unless re-elected at that meeting.

The Company received 96% of proxy votes in favour of its Remuneration Report for the 2015 financial year. The vote was carried unanimously on a show of hands.

The Board recommends that Shareholders vote in favour of adopting the Remuneration Report.

The Chairman intends to vote undirected proxies in favour of this Resolution 1.

3. Resolution 2 – Re-election of Mr John Conde as a director

Mr Conde will retire by rotation at the AGM in accordance with Rule 5.1 of the Constitution and, being eligible, offers himself for re-election.

Mr Conde was appointed to the Board as Chairman on 25 February 2013. He has extensive experience in business and commerce and in chairing high profile business, arts and sporting organisations. Biographical details for Mr Conde, including relevant qualifications, skills and experience, other material directorships currently held and status as an independent non-executive director, are set out in the 2016 Annual Report.

Explanatory Notes

The Board supports the re-election of Mr Conde as a director and (with Mr Conde abstaining) recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to vote undirected proxies in favour of Resolution 2.

4. Resolutions 3 and 4 – Issue of rights to Mr David Maxwell, Managing Director, and Mr Hector Gordon, Executive Director Exploration and Production

4.1 Background

The Board considers that its senior executives should be remunerated in a manner that encourages them to become Shareholders as this is the best mechanism to align their interests with those of the Company's Shareholders. It is the Company's policy that the performance based (or at risk) pay of senior executives forms a significant portion of their total remuneration. Granting incentives under a long term incentive plan seeks to encourage and reward long-term sustainable performance.

Listing Rule 10.14 provides that a company must not permit a director to acquire securities under an employee incentive scheme without the prior approval of holders of ordinary securities.

Under Resolutions 3 and 4, Shareholder approval is sought for the issue of performance rights and share appreciation rights (Incentives) to Mr Maxwell and Mr Gordon (Executive Directors). Subject to Shareholder approval, the Incentives will be issued in accordance with an invitation made by the Board (Invitation) pursuant to the terms of the Company's equity incentive plan approved at the 2015 AGM (EIP).

4.2 Invitations under EIP

(a) Type of Incentives

Incentives will be granted in two equal tranches as follows:

Tranche	Percentage	Type of Incentive
1	50% of maximum award	Performance Rights
2	50% of maximum award	Share Appreciation Rights (SARs)

A Performance Right will entitle the Executive Director one ordinary share in the Company (ranking equally with other ordinary shares on issue) (**share**) if that Performance Right vests. No consideration is payable on the issue or vesting of the Performance Right.

A SAR will entitle the Executive Director to an amount equal to the increase in value of a share over the relevant performance period, settled in shares (or cash at the discretion of the Board) if that SAR vests. No consideration is payable on the grant or vesting of the SAR.

(b) Number of Incentives

The number of Incentives to be granted to the Executive Directors will be calculated by reference to their organisational level benchmarks (**OLB**) determined by the Board. The Executive Directors' OLBs are a percentage of fixed annual remuneration (inclusive of superannuation) (**FAR**) as follows:

i. for the Managing Director, Mr Maxwell – 120% of FAR;

ii. for the Executive Director, Mr Gordon – 95% of FAR;

The number of Incentives to be offered to the Executive Directors is calculated by dividing their respective OLB by:

i. for the Tranche 1 Performance Rights – the Market Value of a share on 12 September 2016. The Market Value of a share on a day is determined as, in summary, the volume weighted average price of shares over the 20 Trading Days ending on that day; and

ii. for the Tranche 2 SARs – the fair value of the SARs on 12 September 2016. The fair value is determined using a Black Scholes valuation model, based on a range of input assumptions (including volatility, performance period, time to vest, share price at grant etc. but excluding the probability of vesting based on performance hurdles).

(c) Grant Date

The grant date is the date on which the Incentives are granted. If Shareholder approval is obtained, the Board intends that the Incentives will be granted shortly after the AGM and in any event no later than 12 months after the date of the AGM.

(d) Performance Period

The Incentives are subject to performance conditions that must be met for the Incentives to vest (**Vesting Criteria**). The period over which the Vesting Criteria will be measured is 3 years from the grant date, subject to a retest in accordance with section 5.2(f) below (**Performance Period**).

(e) Vesting Criteria

The Company's relative total Shareholder return (**RTSR**) performance over the Performance Period will be assessed against 12 peer companies. The Vesting Criteria is challenging and the maximum award opportunities are only achieved by outstanding performance. No Incentives will vest if performance is below medium level and less than half (30%) of the Incentives will vest if at the 50th percentile. Incentives may vest in accordance with the Vesting Criteria set out below:

RTSR percentile ranking	Percentage of Incentives to vest
Lower than 50th percentile	No Incentives
50th percentile	30% of Incentives
Between 51st to 89th percentile	Pro rata percentage of Incentives
90th percentile or greater	100% of Incentives

(f) Testing and Retest

Incentives will be tested against the Vesting Criteria on the earliest date reasonably practicable after the end of the Performance Period.

Incentives not achieved on or after the first 3 year performance period can be retested against the Vesting Criteria over a period of 4 years from the grant date. Incentives which have not vested after the retest will lapse.

4.3 Information for the purposes of Listing Rule 10.15

For the purposes of Listing Rule 10.15, the following further information is provided:

- (a) The following securities have been issued under the EIP since shareholder approval was obtained at the 2015 AGM:
 - a. 2,228,571 Performance Rights and 6,290,322 SARS have been issued to Mr Maxwell for nil consideration; and
 - b. 645,810 Performance Rights and 1,822,850 SARS have been issued to Mr Gordon for nil consideration
- (b) The persons entitled to participate in the EIP for the purposes of Listing Rule 10.14 are Mr Maxwell and Mr Gordon; and
- (c) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision as to whether it is in the Company's best interests to pass Resolutions 3 and 4.

The Board (with Mr Maxwell abstaining) recommends that Shareholders vote in favour of Resolution 3.

The Board (with Mr Gordon abstaining) recommends that Shareholders vote in favour of Resolution 4.

The Chairman intends to vote undirected proxies in favour of Resolutions 3 and 4.

5. Resolution 5 – Re-fresh of 15% Placement Facility

5.1 Background

On 18 May 2016, the Company announced the completion of a placement of 83,436,816 shares to qualified institutional and sophisticated investors in Australia and internationally at a price of \$0.22 per share to raise approximately \$18.4 million. The placement represented an additional 25% of the shares on issue as at 18 May 2016.

5.2 Listing Rule 7.1

Under Listing Rule 7.1, the Company is generally not permitted to issue more than 15% of its Equity Securities in any 12 month period unless the issue is approved by Shareholders or an exemption applies (**15% Placement Facility**).

At the Company's 2015 AGM, shareholders approved the issue by the Company of a further 10% of Equity Securities under Listing Rule 7.1A without the issue being approved by Shareholders. Prior to the issue of shares described in Section 5.1 occurring, the Company was permitted to issue 25% of its Equity Securities without the issue being approved by Shareholders (**Combined Placement Facility**).

Listing Rule 7.4 provides that an issue of Equity Securities made without prior approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the Shareholders subsequently approve it.

All of the shares issued by the Company described in Section 5.1 came within the Company's Combined Placement Facility under Listing Rules 7.1 and 7.1A (50,055,399 shares issued under the Company's 15% Placement Facility and 33,381,417 issued under the Company's 10% Placement Facility), and did not require

Shareholder approval to be effected. The purpose of Resolution 5 is to refresh the Company's 15% Placement Facility to issue shares under Listing Rule 7.1 (but not to refresh the Company's 10% Placement Facility under Listing Rule 7.1A). If Resolution 5 is passed, the issue of those shares will be excluded when calculating whether a future issue of Equity Securities can be accommodated within the Company's 15% Placement Facility under Listing Rule 7.1.

Shareholder approval of Resolution 5 will replenish the Company's placement capacity under its 15% Placement Facility and maximise the Company's flexibility in managing its future capital requirements without prior Shareholder approval if the Board considers that it is in the Company's interests to do so.

5.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5.1, the following information is provided in relation to the subsequent approval of the share issue under Listing Rule 7.1:

- (a) 50,055,399 shares were issued without approval under Listing Rule 7.1;
- (b) the issue price was \$0.22 per share;
- (c) the shares issued were issued on the same terms and conditions as the Company's existing shares;
- (d) the shares were issued to qualified institutional and sophisticated investors in Australia and internationally; and
- (e) the purpose of the share issue was to raise funds for a range of corporate purposes, including (but not limited to) capital expenditure and to provide enhanced financial flexibility for the implementation of the Company's eastern Australia gas strategy, in particular supporting the funding of the Company's equity share in the Sole Gas Project.

The Board recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to vote undirected proxies in favour of Resolution 5.

6. Resolution 6 – Approval 10% Placement Facility

6.1 General Comments

Listing Rule 7.1A enables eligible entities to issue Equity Securities (as defined in the Listing Rules) up to 10% of its issued share capital through placements over a 12 month period after the AGM (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% Placement Facility under Listing Rule 7.1.

The 10% Placement Facility will provide the Board flexibility to continue to manage its capital requirements efficiently by ensuring that the Company has the capacity to issue equity to pursue Company objectives should the opportunity arise in the 12 months following the AGM.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

Explanatory Notes

If Shareholders approve Resolution 6, the exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

6.2 Explanation of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an AGM. It therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company, that is, ordinary fully paid shares in the Company.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that an eligible entity which has obtained Shareholder approval at an AGM may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of fully paid ordinary shares on issue 12 months before the issue date or date of agreement to issue:

- (A) plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- (C) plus the number of fully paid ordinary shares issued in the 12 months with approval of Shareholders under Listing Rule 7.1 or Listing Rule 7.4. This does not include an issue of fully paid shares under the Company's 15% Placement Facility without Shareholder approval;
- (D) less the number of fully paid ordinary shares cancelled in the 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or Listing Rule 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1 A is in addition to the Company's 15% Placement Facility under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has on issue 435,186,129 shares and therefore has a capacity to issue:

- (i) 65,277,919 Equity Securities under Listing Rule 7.1 subject to Shareholder approval being obtained under Resolution 5; and
- (ii) 43,518,612 Equity Securities under Listing Rule 7.1A subject to Shareholder approval being obtained under Resolution 6.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be no less than a specified minimum price – refer Section 6.4(a) for further information.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; and
- (ii) the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX.

6.3 Effect of approval of Resolution 6

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price (**VWAP**) for the Company's Equity Securities in the same class calculated over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table on page 9. Shareholders may be exposed to economic risk and voting dilution, including the following:
 - (i) the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than on the date of the AGM; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

The table below shows the potential dilution of existing holders of Shares on the basis of the current market price of shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice of Meeting.

The table also shows the voting dilution impact where the number of shares on issue (Variable 'A' in the formula) changes and the economic dilution where there are changes in the issue price of shares issued under the 10% Placement Facility.

The Listing Rules require that an example be provided assuming that the number of shares on issue has increased by 100%. The number of shares on issue may increase as a result of issues of shares that do not require Shareholder approval (e.g. a pro rata entitlement issue or a placement that is approved under Listing Rule 7.1 at a future Shareholders' meeting). However, the Board considers an increase of 100% during the 12 months following the AGM highly unlikely.

The Listing Rules also require that an example be provided assuming that the price of shares has fallen by at least 50%.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

- (ii) No options or performance rights are exercised into shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the AGM.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of shares.
- (vii) The issue price is \$0.30 being the closing price of the Shares on ASX on 21 September 2016.

- (c) The Company will only issue the Equity Securities during the 10% Placement Period (refer Section 6.2(f) above). The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

Share Capital Variable 'A' in Listing Rule 7.1A.2 (refer Section 6.2(c))	Dilution			
		\$0.15 50% decrease in Issue Price	\$0.30 Issue Price	\$0.45 50% increase in Issue Price
Current Variable A	10% Voting Dilution	43,518,612 Shares	43,518,612 Shares	43,518,612 Shares
435,186,129 Shares	Funds raised	\$6,527,791.80	\$13,055,583.60	\$19,583,375.40
25% increase in current Variable A	10% Voting Dilution	54,398,266 Shares	54,398,266 Shares	54,398,266 Shares
543,982,661 Shares	Funds raised	\$8,159,739.90	\$16,319,479.80	\$24,479,219.70
50% increase in current Variable A	10% Voting Dilution	65,277,919 Shares	65,277,919 Shares	65,277,919 Shares
652,779,194 Shares	Funds raised	\$9,791,687.85	\$19,583,375.70	\$29,375,063.55
100% increase in current Variable A	10% Voting Dilution	87,037,225 Shares	87,037,225 Shares	87,037,225 Shares
870,372,258 Shares	Funds raised	\$13,055,583.75	\$26,111,167.50	\$39,166,751.25

Explanatory Notes

(d) The Company may issue the Equity Securities for the following purposes:

- (i) as non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised for a range of corporate purposes, including (but not limited to) capital expenditure and to provide enhanced financial flexibility for the implementation of the Company's eastern Australia gas strategy, in particular supporting the funding of the Company's equity share in its gas projects.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and Listing Rule 3.10.5A upon issue of any Equity Securities.

(e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the persons to whom the Company will issue Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing Shareholders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The persons to whom the Company will issue Equity Securities under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or Associates of a related party of the Company.

If the Company is successful in pursuing potential acquisitions of new assets, the recipient(s) of the 10% Placement Facility may be the vendor(s) of the new assets.

(f) As required to be provided under Listing Rule 7.3A.6(a), in the 12 months preceding the date of the AGM, the Company has issued 131,682,728 Equity Securities, representing 38% of the total number of Equity Securities on issue at the commencement of that 12 month period (10 November 2015).

As required to be provided under Listing Rule 7.3A.6(b), the details of all issues of Equity Securities during the 12 months preceding the date of the AGM is outlined in the table on page 11:

(g) A voting exclusion statement is included in the Notice of Meeting. At the date of this Notice of Meeting, the Company has not approached any particular existing Shareholder or identifiable class of existing Shareholder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

The Board recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to vote undirected proxies in favour of Resolution 6.

7. Resolution 7 - Renewal of proportional takeover provisions

7.1 General Comments

Clause 163 of the Constitution deals with proportional takeover bids for Shares in accordance with the Corporations Act and is designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company.

Under the Corporations Act, this provision must be renewed every three years or it will cease to have effect. Clause 163 was renewed at the 2013 AGM and continues to have effect until 7 November 2016. If renewed, the provision in clause 163 will continue to have effect for a further 3 year period until 9 November 2019 (unless renewed by a further special resolution of Shareholders).

The proportional takeover provisions set out in clause 163 do not apply to full takeover bids.

The Corporations Act requires that the following information is provided to shareholders when they are considering the inclusion of a proportional takeover provision in a constitution.

7.2 Effect of the proportional takeover provisions

A proportional takeover bid is one where an offer is made to each Shareholder for a proportion of that Shareholder's Shares.

Under clause 163 of the Constitution, in the event of a proportional takeover bid being made, the Directors must hold a meeting of the Shareholders of the class of Shares the subject of the bid to consider whether or not to approve the bid. A resolution approving the bid must be voted on by the 14th day before the end of the bid period. If the resolution is not voted on within this timeframe, a resolution approving the bid is taken to have been passed. The resolution will be passed if more than 50% of the votes are cast in favour of approving the bid by Shareholders entitled to vote. The bidder and its associates are not allowed to vote on the resolution.

If a resolution to approve the bid is rejected, accepted offers are entitled to be rescinded, and all unaccepted offers and offers failing to result in binding contracts are treated as withdrawn at the end of the 14th day before the end of the bid period.

If the bid is approved or taken to have been approved, the transfers resulting from the bid may be registered provided they comply with the provisions of the Corporations Act and the Constitution.

7.3 Reasons for renewal of the proportional takeover provisions

Without the proportional takeover approval provision being included in the Constitution, a proportional takeover bid may enable control of the Company to pass without Shareholders having the opportunity to sell all of their Shares to the bidder. Shareholders may be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their Shares.

Date of Issue:	15 December 2015	15 December 2015	12 January 2016	2 May 2016	18 May 2016	31 May 2016	20 June 2016
Number issued:	7,892,812	22,278,100	72,955	66,902	83,436,816	325,453	17,609,690
Class/Type of equity security:	Performance Rights	Share Appreciation Rights	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares
Summary of terms:	Issued pursuant to terms of Equity Incentive Plan approved by shareholders at AGM on 12 November 2015. A Performance Right will entitle the participant to one ordinary share in the Company (ranking equally with other ordinary shares on issue) (share) if that Performance Right vests	Issued pursuant to terms of Equity Incentive Plan approved by shareholders at AGM on 12 November 2015. A SAR will entitle the participant to an amount equal to the increase in value of a share over the relevant performance period, settled in shares if that SAR vests	Issued on vesting of Performance Rights. Shares ranking equally with shares already on issue	Issued on vesting of Performance Rights. Shares ranking equally with shares already on issue	Issue of shares ranking equally with shares already on issue	Issued on vesting of Performance Rights. Shares ranking equally with shares already on issue	Issued to existing Shareholders under share purchase plan in accordance with LR 7.2, Exception 15. Shares ranking equally with shares already on issue
Names of persons who received securities or basis on which those persons was determined:	Key Company staff	Key Company staff	Company staff holding Performance Rights that vested	Company staff holding Performance Rights that vested	Qualified institutional and sophisticated investors in Australia and internationally	Company staff holding Performance Rights that vested	Eligible existing Shareholders under share purchase plan
Price:	n/a	n/a	n/a	n/a	\$0.22	n/a	\$0.22
Discount to market price (if any):	n/a	n/a	n/a	n/a	18.5%	n/a	18.5%
For cash issues:							
Total cash consideration received:	n/a	n/a	n/a	n/a	\$18,356,100	n/a	\$3,874,132
Amount of cash consideration spent:	n/a	n/a	n/a	n/a	The cash contributed to the Company's general liquidity pool and therefore the exact amount spent cannot be determined	n/a	The cash contributed to the Company's general liquidity pool and therefore the exact amount spent cannot be determined
Use of cash consideration:	n/a	n/a	n/a	n/a	A range of corporate purposes, including capital expenditure and to provide enhanced financial flexibility for the implementation of the Company's eastern Australia gas strategy	n/a	A range of corporate purposes, including capital expenditure and to provide enhanced financial flexibility for the implementation of the Company's eastern Australia gas strategy
Intended use for remaining amount of cash (if any):	n/a	n/a	n/a	n/a	As above	n/a	As above
For non-cash issues:							
Non-cash consideration paid:	Performance Rights issued as part of remuneration arrangements for services performed	Share Appreciation Rights issued as part of remuneration arrangements for services performed	Shares issued upon vesting of Performance Rights as conditions met	Shares issued upon vesting of Performance Rights as conditions met	n/a	Shares issued upon vesting of Performance Rights as conditions met	n/a
Current value of that non-cash consideration:	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Explanatory Notes

The proportional takeover provisions lessens this risk because it allows Shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

7.4 No knowledge of any acquisition proposals

As at the date of this Explanatory Memorandum, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

7.5 Review of advantages and disadvantages of the proportional takeover provisions

During the time the proportional takeover provisions have been in effect, no takeover bids for the Company have been made, either proportional or otherwise. Accordingly, there are no actual examples against which the advantages or disadvantages for the Directors and Shareholders of the renewal of clause 163 of the Constitution can be reviewed.

The Directors are not aware of any potential takeover bid that was discouraged by clause 163 of the Constitution.

7.6 Potential advantages and disadvantages of renewal of the proportional takeover provisions

The Directors consider that the proposed renewal of clause 163 of the Constitution has no potential advantages or potential disadvantages for Directors because they remain free to make a recommendation on whether a proportional takeover bid should be approved. However, it enables Directors to formally obtain the views of Shareholders in respect of a bid.

The potential advantages of renewing clause 163 of the Constitution for Shareholders are:

- (a) it gives Shareholders their say in determining by majority vote whether a proportional takeover bid should proceed;
- (b) it may assist Shareholders to avoid being locked in as a relatively powerless minority;
- (c) it increases Shareholders' bargaining power and may assist in ensuring that any bid is adequately priced; and
- (d) knowing the view of the majority of Shareholders assists each individual Shareholder in assessing the likely outcome of the bid and whether to approve or reject a particular bid.

As a bid would be required to undergo an approval process under clause 163 of the Constitution, some potential disadvantages renewing clause 163 of the Constitution for Shareholders are:

- (a) it may be a hurdle to, and may therefore discourage, the making of proportional takeover bids in respect of the Company;
- (b) this hurdle may depress the share price or deny Shareholders an opportunity of selling their Shares at a premium; and
- (c) it may reduce the likelihood of a proportional takeover bid being successful.

However, the Directors do not perceive those or any other possible disadvantages as justification for not renewing the proportional takeover provisions in clause 163 of the Constitution for a further period of three years.

The Board recommends that Shareholders vote in favour of this Resolution.

The Chairman intends to vote undirected proxies in favour of Resolution 7.

Glossary

In this document:

ACDT means Australian Central Daylight Saving Time.

AGM means annual general meeting.

Annual Report means the Company's annual report for the year ended 30 June 2016 containing the Financial Report, the Directors' Report and the Audit Report.

Associate has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691).

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the Company's board of directors.

Chairman means the chairman of the AGM and chairman of the Board.

Closely Related Party of a member of the Key Management Personnel means:

a spouse or child of the member;

a child of the member's spouse;

a dependent of the member or the member's spouse;

anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealing with the entity;

a company the member controls; or

a person prescribed by the *Corporations Regulations 2001* (Cth).

Company means Cooper Energy Limited (ABN 93 096 170 295).

Constitution means the Company's constitution, as amended from time-to-time.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

EIP means equity incentive plan.

Explanatory Memorandum means the explanatory memorandum which accompanies and forms part of the Notice of Meeting.

FAR means fixed annual remuneration (including superannuation).

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice or **Notice of Meeting** means this notice of annual general meeting.

OLB means organisational level benchmark.

Proxy Form means the proxy form attached to the Notice of Meeting.

Resolution means a resolution referred to in the Notice of Meeting.

RTSR means relative total Shareholder return.

SAR means a share appreciation right.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a share.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **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

For all enquiries call:
(within Australia) 1300 655 248
(outside Australia) +61 3 9415 4887

Proxy Form

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 <p>Vote and view the annual report online</p> <ul style="list-style-type: none"> • Go to www.investorvote.com.au or scan the QR Code with your mobile device. • Follow the instructions on the secure website to vote. 	
<p>Your access information that you will need to vote:</p> <p>Control Number:</p> <p>SRN/HIN:</p> <p>PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.</p>	

 **For your vote to be effective it must be received by 10:30am (ACDT) Tuesday 8 November 2016**

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 or abstain as they choose (to the extent permitted by law). 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 for Postal Forms

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 under the help tab, "Printable 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.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

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.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Cooper Energy Limited to be held at PWC Building, Level 11, 70 Franklin Street, Adelaide, South Australia on Thursday, 10 November 2016 at 10:30am (ACDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 3 and 4** (except where I/we have indicated a different voting intention below) even though **Items 1, 3 and 4** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 3 and 4** by marking the appropriate box in step 2 below.

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
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr John Conde as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Issue of rights to Mr David Maxwell, Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of rights to Mr Hector Gordon, Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Re-fresh of 15% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Renewal of proportional takeover provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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

/ /
