

26 October 2016

customerservice@cooperenergy.com.au
www.cooperenergy.com.au

Dear Shareholder

Cooper Energy Limited A\$62.6 million accelerated non-renounceable pro-rata entitlement offer**Ineligible shareholder letter**

On Monday, 24 October 2016 Cooper Energy Limited (ABN 93 096 170 295) (ASX: COE) (**Cooper Energy**) announced a fully underwritten accelerated non-renounceable pro-rata entitlement offer (**Entitlement Offer**) of one fully paid ordinary share in Cooper Energy (**New Share**) for every two fully paid ordinary shares in Cooper Energy held as at 7.00pm (Sydney time) on Wednesday, 26 October 2016 (**Record Date**).

The Entitlement Offer is being made by Cooper Energy without a disclosure document under section 708AA of the *Corporations Act 2001* (Cth) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Corporations Act**).

The Entitlement Offer is fully underwritten by Euroz Securities Limited and Canaccord Genuity (Australia) Limited.

The Entitlement Offer comprises an offer to Eligible Institutional Shareholders (as defined below) (**Institutional Entitlement Offer**) and Eligible Retail Shareholders (as defined below) (**Retail Entitlement Offer**).

As the Entitlement Offer is non-renounceable, entitlements under the Entitlement Offer cannot be sold, traded on the ASX or on any other exchange, nor can they be privately transferred.

Documents relating to the Retail Entitlement Offer were lodged with ASX today and will be despatched to Eligible Retail Shareholders on Monday, 31 October 2016.

Eligibility Criteria

Eligible Institutional Shareholders are those persons who:

- were identified as an Institutional Shareholder (as defined in the Retail Offer Booklet lodged with ASX today) by Cooper Energy;
- have a registered address on Cooper Energy's share register in Australia, New Zealand or certain other jurisdictions (except the United States) disclosed in the "Offer Jurisdiction" slides of the investor presentation lodged with ASX on Monday, 24 October 2016;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- are eligible under all applicable securities laws to receive an offer under the Institutional Entitlement Offer; and
- have successfully received an offer under the Institutional Entitlement Offer.

Eligible Retail Shareholders are those persons who:

- are registered as holders of existing Cooper Energy ordinary shares as at 7:00pm (Sydney time) on the Record Date;
- have a registered address on Cooper Energy's share register in Australia or New Zealand;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and

- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Shareholders who do not qualify as an Eligible Institutional Shareholder are ineligible institutional shareholders and are unable to participate in the Institutional Entitlement Offer.

Shareholders who do not qualify as an Eligible Retail Shareholder are ineligible retail shareholders and are unable to participate in the Retail Entitlement Offer.

The restrictions upon eligibility to participate in the Entitlement Offer arise because of:

- the legal and regulatory requirements in countries other than Australia or New Zealand (in connection with the Retail Entitlement Offer) or the other jurisdictions referred to above (in connection with the Institutional Entitlement Offer);
- the potential costs to Cooper Energy of complying with these legal and regulatory requirements compared with the relatively small number of Cooper Energy shareholders in those countries;
- the relatively small number of existing Cooper Energy shares the shareholders in those countries hold; and
- the relatively low value of New Shares to which those shareholders would otherwise be entitled under the Institutional Entitlement Offer or the Retail Entitlement Offer (as applicable).

Cooper Energy has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3) of the Corporations Act, that it would be unreasonable to make or extend offers to Cooper Energy shareholders in certain countries under the Entitlement Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Institutional Shareholder or an Eligible Retail Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, Cooper Energy wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares under the Entitlement Offer. You will not be sent the documents relating to the Entitlement Offer and you will not receive any value for the New Shares to which you would otherwise have been entitled.

You are not required to do anything in response to this letter.

For further information on the Entitlement Offer or if you have any questions you can call the Cooper Energy Shareholder Information Line on 1300 655 248 (within Australia) or +61 3 9415 4887 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday (excluding public holidays). If you have any further questions you should contact your stockbroker, solicitor, accountant or other professional adviser. Thank you for your ongoing support of Cooper Energy.

Yours sincerely



Alison Evans
Company Secretary
Cooper Energy Limited

This document does not constitute an offer of securities for sale in the United States or any other jurisdiction. Any securities described in this document may not be offered or sold in the United States absent registration under the US Securities Act of 1933 or an exemption from registration.