Q4 FY19

Quarterly Report for 3 months to 30 June 2019

17 July 2019

Key features:

- **Quarterly production:** 0.32 million boe vs prior quarter's 0.33 million boe
- **Quarterly revenue:** $18.7 million down from $20.6 million in prior quarter
- **Full year production:** 1.31 million boe, within revised guidance, down from 1.49 million boe
- **Full year sales revenue:** $75.5 million up 12% from $67.5 million
- **Sole:** offshore project construction completed, within budget, zero LTI
- **Exploration activity:** ready for busy September quarter, drilling offshore and onshore
- **FY20 full year production:** approximating 1.2 million boe before Sole contribution

Managing Director's comments

"The June quarter results have seen a strong close to the year with increased revenue and good operational performance. Full year revenue is up 12% showing the value of new gas contracts. Repairs to the Sole pipeline were completed and the offshore project construction is complete and positioned to deliver a transformational step-change in our production, revenue and cash generation.

"To have reached this point with a zero LTI[1] safety record is a triumph for our employees and contractors, to whom credit for this achievement is due. New gas agreements secured with utility and industry customers has Sole with a full contract book for the coming three years. We are now keenly awaiting the commissioning of the Orbost Gas Plant upgrade that will usher in a new gas supply for south-east Australia.

This event, together with the exploration drilling we have planned for the offshore and onshore Otway and Cooper Basin, means the coming months are shaping as the most eventful period in our company's history."

Key measures

$ million unless indicated	3 months to 30 June 19	Prior Qtr Mar 19	Qtr on Qtr change %	FY19 Full year	FY18 Full year	YTD change %
Production MMboe	0.32	0.33	*-2%*	1.31	1.49	*- 12%*
Sales revenue	18.7	20.6	*-9%*	75.5	67.5	*12%*
Capital expenditure (cash)	35.5	49.1	*-28%*	204.7	203.1	*1%*
Cash	165.8	157.1	*6%*	165.8	236.9	*-30%*
Net (debt) / cash[2]	(52.4)	(32.3)	*62%*	(52.4)	111.0	*- 147%*

Further comment and information:

David Maxwell +61 8 8100 4900	Don Murchland +61 439 300 932
Managing Director	Investor Relations

[1] Lost time injury
[2] Excluding capitalised transaction costs

Financial

Sales

Sales revenue for the three months to 30 June 2019 (the June quarter) was $18.7 million, 9% lower than the prior quarter's $20.6 million due to lower oil sales volume. The volume of gas sold was in line with the previous quarter.

Full year sales revenue for FY19 of $75.5 million was 12% higher than the comparative of $67.5 million. Growth in revenue was recorded from both gas and oil.

Cash and borrowings

Cash at 30 June 2019 was $165.8 million, compared with $157.1 million at the beginning of the quarter. Borrowings increased from $189.4 million to $218.2 million. Net debt of $52.4 million at 30 June 2019 compares to $32.3 million at the beginning of the quarter and net cash of $111.0 million at the beginning of the year. The increase in borrowings is due to expenditure on the Sole Gas Project, offset by cash generation from operations.

Commodity hedging

No oil price hedging was in place as at 30 June 2019.

Capital expenditure

Incurred capital expenditure

	June quarter FY19			Full year FY19		
$ million	Exploration	Development	Total	Exploration	Development	Total
Otway Basin	3.4	7.5	10.9	7.4	15.3	22.7
Gippsland Basin	1.6	32.3	33.9	4.7	171.0	175.7
Cooper Basin	0.2	0.4	0.6	1.4	1.0	2.4
Other	-	1.0	1.0	-	1.9	1.9
Total	5.2	41.2	46.4	13.5	189.2	202.7

Cash capital expenditure

	June quarter FY19			Full year FY19		
$ million	Exploration	Development	Total	Exploration	Development	Total
Otway Basin	2.9	4.9	7.8	6.2	11.0	17.2
Gippsland Basin	1.9	22.9	24.8	4.2	178.5	182.7
Cooper Basin	0.6	0.6	1.2	1.0	1.2	2.2
Other	-	1.7	1.7	-	2.6	2.6
Total	5.4	30.1	35.5	11.4	193.3	204.7

Quarterly financial statistics

Refer notes below for information on calculations		Jun qtr 19	Prior qtr Mar 19	PCP qtr Jun 18	Change on prior qtr %	Change on PCP %	FY19	FY18	YTD change %
Sales									
Sales revenue	$ million	18.7	20.6	20.4	*-9%*	*-8%*	75.5	67.5	*12%*
Sales volume	Gas PJ	1.6	1.6	1.7	*0%*	*-6%*	6.5	7.0	*-7%*
	Oil kbbl	54.5	60.0	63.6	*-9%*	*-14%*	231.6	267.9	*-14%*
	Condensate kbbl	1.2	1.1	1.2	*9%*	*0%*	4.7	6.1	*- 23%*
Oil direct operating cost	AUD/bbl	32.98	39.84	35.76	*-17%*	*-8%*	36.18	33.84	*7%*
Capital Expenditure (incurred)									
Exploration & appraisal	$ million	5.2	5.6	0.4	*-7%*	*1200%*	13.5	25.9	*-48%*
Development & fixed assets	$ million	41.2	42.8	78.6	*-4%*	*-48%*	189.2	177.6	*7%*
Total incurred capital expenditure	$ million	46.4	48.4	79.0	*-4%*	*-41%*	202.7	203.5	*0%*
Capital Expenditure (cash)	$ million	35.5	49.1	65.9	*-28%*	*-46%*	204.7	203.1	*1%*
Cash									
Cash and term deposits	$ million	165.8	157.1	236.9	*6%*	*-30%*	165.8	236.9	*-30%*
Cash held in escrow	$ million	-	-	20.2	*0%*	*-100%*	-	20.2	*-100%*
Investments	$ million	1.1	1.6	2.2	*-31%*	*-50%*	1.1	2.2	*-50%*
Total financial assets	$ million	166.9	158.7	259.3	*5%*	*-36%*	166.9	259.3	*-36%*
Total drawn debt	$ million	218.2	189.4	125.9	*15%*	*73%*	218.2	125.9	*73%*
Net (debt) / cash	$ million	(52.4)	(32.3)	111.0	*62%*	*-147%*	(52.4)	111.0	*-147%*
Issued Capital									
Issued shares	million	1,621.6	1,621.6	1,601.1	-	*1%*	1,621.6	1,601.1	*1%*
Performance Rights	million	16.0	16.0	17.8	-	*- 10%*	16.0	17.8	*- 10%*
Share Appreciation Rights	million	39.8	39.8	46.0	-	*- 13%*	39.8	46.0	*- 13%*

Notes:

- Sales figures for most recent quarter are preliminary
- Sales revenue includes impacts from provisional pricing. Under the accounting standard AASB 15 *Revenue from Contracts with Customers* which was adopted by the company on 1 July 2018, movements in provisional pricing will be disclosed separately in the financial report
- Prior periods have been updated for final reconciled figures
- Direct operating costs include production, transport and royalties
- Investments shown at fair value at the reporting date shown
- Drawn debt excludes capitalised transaction costs

Production

Total production for the quarter of 0.32 million boe was marginally below the 0.33 million boe of the March quarter due to lower oil production. Crude oil and condensate production for the quarter of 57.23 kbbl was 9% lower than the prior quarter's production of 62.87 kbbl. The lower crude oil production led to a marginal reduction in total production from the prior quarter.

Gas production of 1.63 PJ for the quarter was unchanged from the prior quarter, albeit affected by the interruption to production brought by the shutdown of Casino Henry in April to complete repair and upgrade of the offshore control system.

June 2019 was the best production month for the company since August 2017 with 135 kboe total production. This was driven by restoration of full operating capability at Casino Henry after the control system repair and upgrade, Minerva moving into its final high rate blowdown phase and PEL 92 oil production continuing to make a solid contribution.

Full year production totaled 1.31 million boe, in line with revised guidance issued with the March quarterly report, and 12% lower than the FY18 production of 1.49 million boe. The reduction in full year output is the result of natural field decline.

Quarterly production by project is discussed under 'Operations review', commencing on the following page.

Cooper Energy share of production for 3 months to 30 June 2019 and full year

By product	June qtr 19	Prior qtr Mar 19	PCP qtr Jun 18	Change on prior qtr %	Change on PCP %	FY19 Full year	FY18 Full year	change %
Sales gas PJ	1.63	1.63	1.67	-	*-2%*	6.55	7.04	*-7%*
Crude oil & condensate kbbl	57.23	62.87	66.93	*-9%*	*-14%*	242.56	280.98	*-14%*
Total MMboe	0.32	0.33	0.35	*-3%*	*-9%*	1.31	1.49	*-12%*
By project	**June qtr 19**	**Prior qtr Mar 19**	**PCP qtr Jun 18**	**Change on prior qtr %**	**Change on PCP %**	**FY19 Full year**	**FY18 Full year**	**change %**
Casino Henry								
- gas PJ	1.37	1.41	1.40	*-3%*	*-2%*	5.52	5.73	*-4%*
- condensate kbbl	0.44	0.43	0.51	*2%*	*-14%*	1.73	2.98	*-42%*
Minerva								
- gas PJ	0.26	0.23	0.28	*13%*	*-7%*	1.03	1.31	*-21%*
- condensate kbbl	0.73	0.62	0.72	*18%*	*1%*	2.96	3.20	*-8%*
Cooper Basin								
- oil kbbl	56.06	61.81	65.70	*-9%*	*-15%*	237.87	274.80	*-13%*
Total MMboe	0.32	0.33	0.35	*-3%*	*-9%*	1.31	1.49	*-12%*

Note: figures rounded. As a result, some totals and percentage changes displayed may not equate with calculation from figures displayed.

Gas marketing

New gas supply agreements were announced during, and shortly after, the quarter following successful conclusion of negotiations commenced earlier in the year.

New contracts announced were:

- agreement with AGL Energy for the sale of Sole gas from commissioning until 30 April 2020, in advance of its pre-existing agreement for supply commencing 1 May 2020.
- agreement with AGL Energy for the supply of 100% of Cooper Energy's share of gas production from Casino Henry gas operations for calendar year 2020.
- agreement with industrial gas user Visy announced in July 2019, for the supply of 7.6 PJ of gas from Sole over the period January 2020 to December 2022 with an option to extend for a further three years.

The longer-term gas sales agreements for Sole are now in place for the period to 2023. Discussions with customers on the contracting of any remaining available Sole production are underway.

Operations review

Otway Basin

Offshore

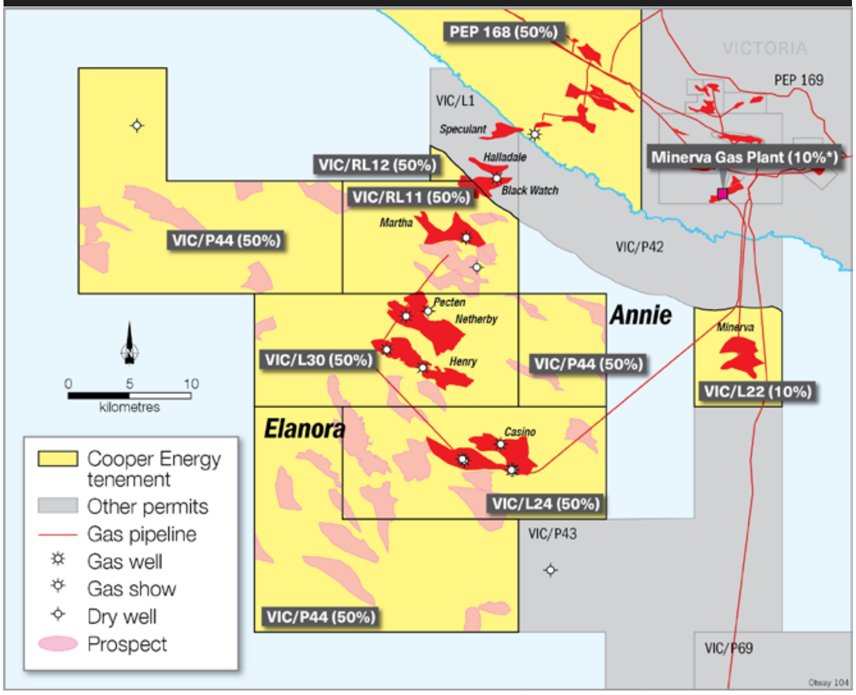
The company's interests in the Otway Basin offshore Victoria include:

1) a 50% interest in, and Operatorship of, the producing Casino Henry Netherby ("Casino Henry") Joint Venture (VIC/L24 and VIC/L30);

2) a 50% interest in, and Operatorship of, Retention Leases VIC/RL11 and VIC/RL12 which contain part of the undeveloped Black Watch gas field. An application to convert these retention leases to a production licence has been submitted;

3) a 50% interest in, and Operatorship of, the VIC/P44 exploration permit; and

Otway Basin, offshore Victoria



4) a 10% interest in the Minerva gas project comprising the offshore licence VIC/L22 and the Minerva Gas Plant, onshore Victoria. The Casino Henry Joint Venture parties have contracted to acquire the Minerva Gas Plant on cessation of the plant processing gas from the Minerva field.

Production

Cooper Energy's share of production from the offshore Otway Basin during the June quarter comprised 1.63 PJ of gas and 1.17 kbbl of condensate, broadly in line with prior quarter levels.

Casino Henry contributed gas production of 1.37 PJ, compared to the prior quarter's 1.41 PJ. Production from Casino Henry was shut down for 14 days in April and May whilst repair and upgrade of the offshore control system was undertaken. Operations were coordinated with Lochard Energy, who own and operate the Iona Gas Plant, to align the offshore work with the onshore plant's routine plant maintenance shutdown and thereby minimise overall production downtime.

Casino Henry also contributed 0.44 kbbl of condensate to June quarter production compared with 0.43 kbbl in the previous quarter.

As at the end of the quarter, gas production from Casino Henry was approximately 42 TJ/day.

Production from the Minerva gas field increased during the period following the commissioning of additional water handling facilities and the switch of production from Minerva-3 to Minerva-4. Minerva contributed 0.26 PJ of gas for the June quarter compared to 0.23 PJ in the March quarter. The field produced 0.73 kbbl of condensate in the June quarter compared with 0.62 kbbl in the prior quarter.

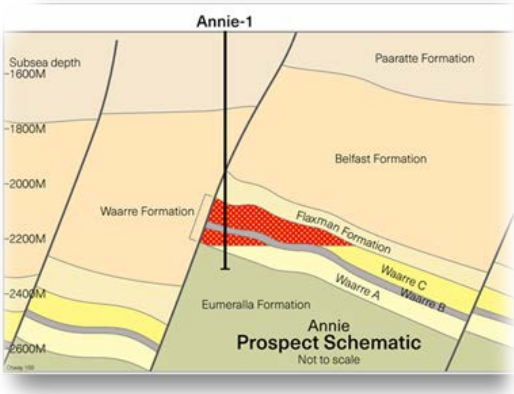
Minerva is now in its final high rate blowdown phase, producing at a gross rate of 60 TJ/day from Minerva-4.

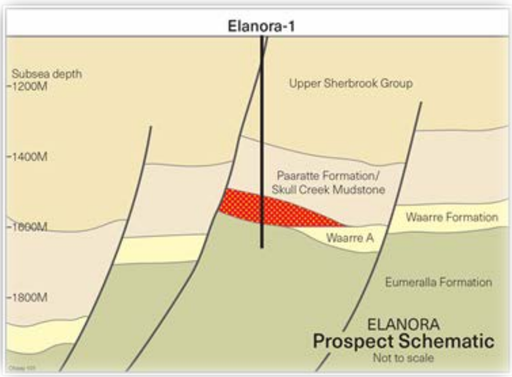
Exploration

Preparations for drilling the Annie and Elanora exploration prospects were ongoing in the June quarter. The wells are to be drilled by the Diamond Offshore semi-submersible rig Ocean Monarch. This rig successfully completed the Casino-5 workover and Sole-3 and Sole-4 gas production wells for Cooper Energy in 2018. Commencement of the program was delayed by an extension to the previous Operator's program and the first well, Annie-1 is now expected to spud in late July/early August 2019.

As illustrated in the accompanying map on page 5, the Annie and Elanora prospects are located close to existing offshore production infrastructure. Both wells will target reservoirs that are gas-producing in nearby fields: Annie's primary target is the Waarre 'C' reservoir producing at Minerva and Casino-5; and Elanora's primary target is the Waarre 'A' reservoir producing at Casino-4, Henry and Netherby.

The Annie and Elanora prospects are assessed to have Best Estimate (P50) Prospective Resources of 71 Bcf and 100 Bcf respectively, as announced to the ASX on 8 November 2018[3]. The chance of success (56% at Annie-1 and 44% at Elanora) is considered high as both prospects exhibit seismic amplitudes indicative of the presence of gas. Drilling results at Annie and Elanora have the potential to significantly de-risk the remaining prospect inventory. The estimated quantities of petroleum that may be potentially recovered by the exploration and application of future development project(s) at Annie and Elanora relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.





3 Prospective Resources attributable to the Annie and Elanora prospects were announced to the ASX on 8 November 2018. Cooper Energy is not aware of any new information or data that materially affects the information provided in that release and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply. Refer notes on page 12 for information on calculation.

Drilling of the two wells is expected to take approximately 60 days. In the event of success, it is anticipated the exploration well will be plugged and abandoned, with the drilling of subsequent development or appraisal wells to be performed by the drilling campaign being planned for 2020/21. It is expected such discoveries would be developed and connected for processing at the Minerva Gas Plant, which the Casino Henry Joint Venture parties have an agreement to acquire on cessation of production at the Minerva gas field.

Development

As previously announced, an agreement exists for the Casino Henry joint venture parties to purchase the Minerva Gas Plant from BHP at the cessation of production from the Minerva gas field. Planning continues for processing of Casino Henry gas through the Minerva Gas Plant and the Minerva Cutback Project. The Minerva Cutback Project includes minor modification to the gas plant, connection of the Casino pipeline to the onshore section of the existing pipeline to Minerva and connection of the Casino Henry control system to the Minerva Gas Plant Control room. Processing gas through the Minerva Gas Plant provides significant benefits including possible cost savings and improved reserve recovery as a result of lower plant inlet pressures.

Planning for a Henry development well continues. A decision on timing of the well is expected in the December quarter 2019 after assessing the exploration drilling outcomes at Annie and Elanora. This may impact the order of future developments to maximise production and value. A future offshore drilling campaign is targeted for late 2020/early 2021, subject to rig availability.

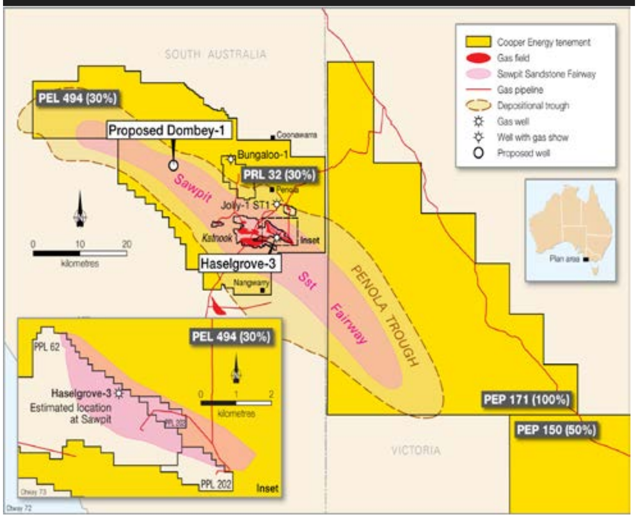
Onshore

Cooper Energy's interests in the onshore Otway Basin include licences in South Australia and permits in Victoria. Activities in the latter are currently suspended pursuant to the moratorium on onshore gas exploration until June 2020 imposed by the Victorian state government.

The onshore Otway interests comprise:

1) 30% interests in PEL 494 and PRL 32, South Australia;
2) 50% interests in PEP 150 and PEP 168 in Victoria; and
3) a 75% interest in PEP 171 in Victoria which may reduce by up to a further 25% on fulfilment of farm-in arrangements executed with Vintage Energy Ltd.

Onshore Otway Basin, Penola Trough



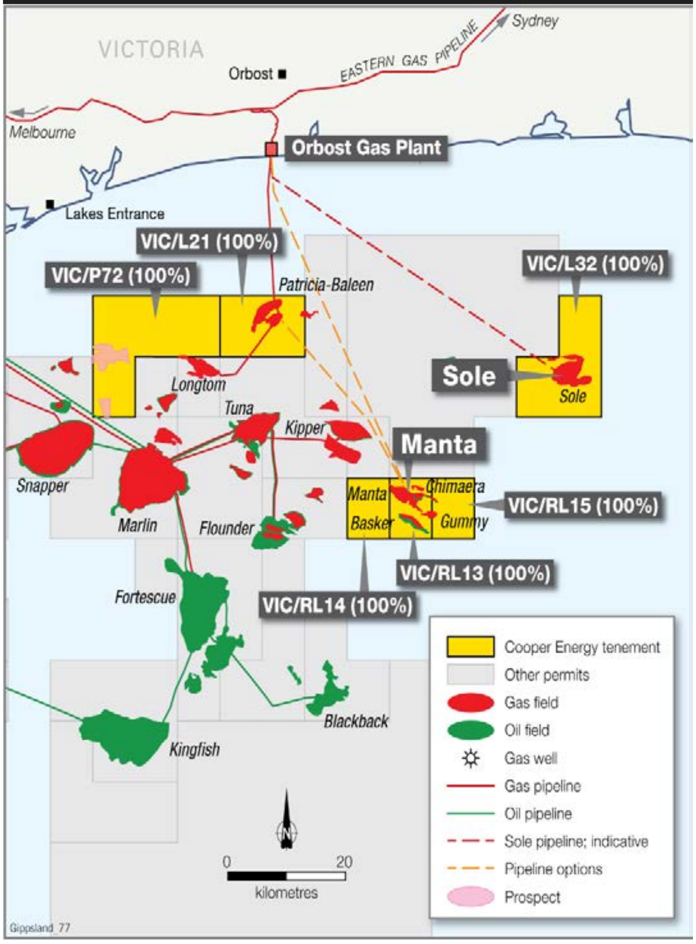
Dombey-1, an exploration well in PEL 494 (Cooper Energy 30%, Beach Energy 70% and Operator), is scheduled as the second well in a two-well campaign the operator has commenced in the onshore Otway Basin. It is to be located 20 kilometres north-west of the Katnook Gas Plant and will be part-funded through a $6.89 million PACE Gas Round 2 grant by the South Australian Government. Dombey-1 is expected to spud following Haselgrove-4 in late August. The primary targets are the Pretty Hill Sandstone and the Sawpit Sandstone, which was confirmed as a viable deep gas exploration target by the discovery at Haselgrove-3 ST1 in PPL 62.

Gippsland Basin

Cooper Energy's interests in the Gippsland Basin include:

1) a 100% interest in, and Operatorship, of production licence VIC/L32, which holds the Sole gas field currently under development;
2) a 100% interest and Operatorship of retention leases VIC/RL13, VIC/RL14 and VIC/RL15 which contain the Manta gas and liquids resource;
3) a 100% interest in and Operatorship of production licence VIC/L21, which contains the depleted Patricia-Baleen gas field; and
4) a 100% interest in and Operatorship of exploration permit VIC/P72 which was awarded in May 2018.

Gippsland Basin, Offshore Victoria



Exploration

VIC/P72

Interpretation of reprocessed 3D seismic and Quantitative Interpretation inversion volumes progressed during the quarter. VIC/P72 adjoins the company's VIC/L21 licence which holds the Patricia-Baleen gas field and its associated subsea production infrastructure connected to the Orbost Gas Plant. The permit is close to several Esso-operated gas and oil fields including Remora, Snapper, Sunfish, Sweetlips and the SGH Energy operated Longtom gas field. Prospects identified in VIC/P72 are analogues to offset fields.

Development

Sole Gas Project

The Sole Gas Project involves the development of the Sole gas field and upgrade of the Orbost Gas Plant to supply approximately 24 PJ per annum.

Cooper Energy is conducting the offshore project to develop and connect the gas field to the Orbost Gas Plant. The offshore project involved the drilling and connection of two near-horizontal production wells, subsea wellheads and connection of the subsea pipeline and control umbilical to the plant via two horizontal drilled shore crossings.

APA Group is undertaking the onshore project to upgrade the Orbost Gas Plant to process gas from Sole.

Project progress and status

The construction phase of the offshore project, including the pipeline repair and testing has been completed. The upstream facilities, including subsea wells, pipeline and control system are now ready for the introduction of Sole gas for plant commissioning activities. Capital expenditure incurred on the project to end-June 2019 by Cooper Energy was $339 million. This figure is not the final capital expenditure on the offshore project, which remains subject to commercial close-out of key supplier contracts, that may include rebates or credits, and addition of planned expenditure for supporting commissioning activities. The forecast final cost remains within budget for the P50 estimated offshore project cost of $355 million.

APA has advised they remain on track for commencement of commissioning activities, including the flowing of Sole gas into the Orbost gas plant during the September quarter.

Manta

The business case for development of the Manta gas field has been reinforced by gas supply and demand forecasts, customer enquiries, detailed knowledge of cost reductions acquired through conduct of the Sole Gas Project and identification of the synergies available between the Sole and Manta projects.

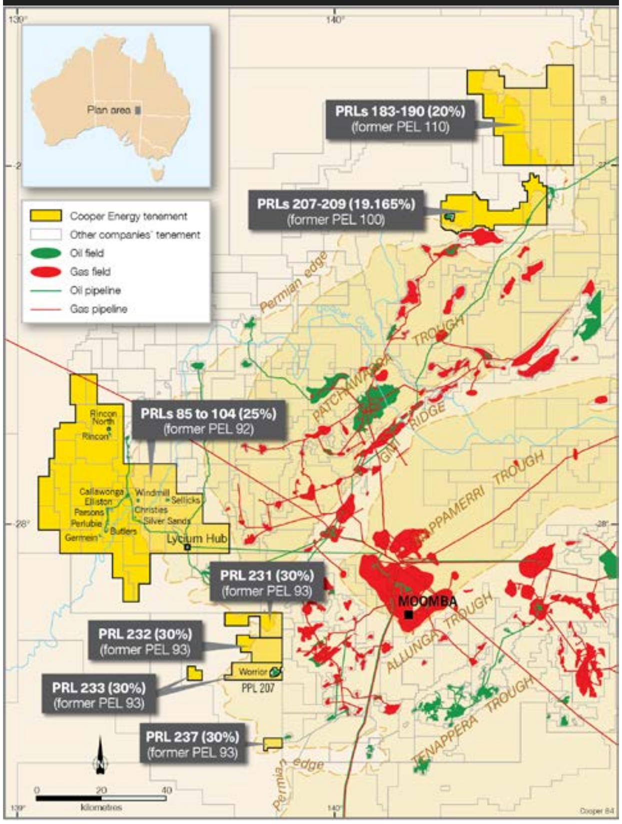
Current plans include the drilling of an appraisal well, Manta-3, which will also test the Manta Deep exploration prospect. Planning has been initiated for the drilling of Manta-3 within the offshore drilling campaign being planned, subject to rig availability, for 2020/2021. Conceptual engineering for the new pipeline and Orbost plant modifications has commenced.

Cooper Basin

The company's Cooper Basin interests during the quarter comprised:

1) a 25% interest in the oil-producing PEL 92 Joint Venture which holds the PRLs 85 -104 on the western flank of the Cooper Basin and production licences within this region. The PEL 92 Joint Venture accounted for approximately 96% of the company's oil production for the quarter;
2) a 30% interest in the oil producing PPL 207 ('Worrior') Joint Venture and PRL's 231, 232, 233 and 237 on the western flank of the Cooper Basin; and
3) interests in northern Cooper Basin exploration licences PRLs 183 - 190 and PRLs 207 – 209.

Cooper Basin, South Australia



Production

Cooper Energy's share of oil production from its Cooper Basin tenements for the June quarter was 56.06 kbbl (average 616 bopd) compared with 61.81 kbbl (average 679 bopd) in the previous quarter.

Production from Cooper Energy's interest in the PEL 92 Joint Venture in the June quarter accounted for 54.0 kbbl of oil representing an average daily rate of 592 bopd. In comparison, production from PEL 92 averaged 663 bopd in the previous quarter and 695 bopd in the June quarter FY18. Production from the PPL 207 Joint Venture (Worrior oil field) accounted for the balance of the company's Cooper Basin production. Cooper Energy's share of PPL 207 June quarter production was 2.1 kbbl, in line with the previous quarter.

Exploration and Appraisal

The PEL 92 Joint Venture commenced interpretation of the reprocessed and merged Caseolus, NMC and Rincon 3D seismic survey. The results of this activity will assist future definition of exploration prospectivity. In addition, planning commenced on a 3 appraisal well drilling campaign in the Parsons field starting late July. In FY20 the PEL 92 Joint Venture is planning drilling up to 13 exploration and appraisal wells and pending results a further 6 development wells.

In PRL 231, 232 and 233 (formerly PEL 93), the acquisition of the Westeros 3D seismic survey was completed. This 600 km^2 survey covered 278 km^2 in the joint venture's permit to address the highly prospective Namur Sandstone and support testing a southern extension of the western flank oil play. The seismic data is now being processed, with prospects to be identified in FY20. Cooper Energy withdrew from PEL 90K during the quarter.

FY20 outlook

Production

FY20 is expected to be a milestone year in the life of the company as the Sole gas field comes on line. The contribution from Sole is expected to increase Cooper Energy daily gas production by more than five times from an annual average of approximately 15 terajoules per day to in excess of 80 terajoules per day. Initial Sole gas flow will occur during the plant commissioning process at a date to be advised by APA. Guidance from APA is that this will occur within the September quarter 2019.

As this date is uncertain, the company has elected to issue interim production guidance based on expectations for existing producing assets only. These assets, in the Otway and Cooper Basins are expected to generate production approximating 1.2 million boe in FY20, which includes gas production expected to exceed 5 petajoules. Oil production of approximately 240,000 barrels is expected from the Cooper Basin.

Guidance for FY20 will be revised and announced when firm dates for Sole commencement are known. Sole is expected to add 68 TJ (11,000 boe) per day at plant design rates.

Capital Expenditure

Indicative incurred capital expenditure for FY20 totals $106 million. Cash capital expenditure for the year will differ from incurred capital expenditure due to the timing of payments.

Indicative forecast incurred capital expenditure by region is summarised below.

Indicative $ million	Exploration	Development	Total	
Otway Basin	37	20	57	• Annie-1 and Elanora-1 • Henry development preparation to FID • Minerva Gas Plant front-end engineering, planning etc • Onshore Otway exploration: Dombey-1
Gippsland Basin	12	10[4]	22	• Sole commissioning, close-out & routine maintenance • Capitalised interest of $4 million • Maintenance of offshore facilities • Manta-3 front-end well design • VIC/P72 studies and exploration well design
Cooper Basin	9	13	22	• 10 appraisal wells • 6 development wells (pending appraisal results)
Other non-classified			5	
Total	58	43	106	

[4] Indicative and to be determined after final expenditure on Sole commissioning and commercial close-out of key supplier contracts which may include credits and rebates.

Terms and abbreviations

Cooper Energy reports uses terms and abbreviations common to the petroleum industry and the financial sector.

Terms used include:

- 2C: Best Estimate, contingent resources
- 2D, 3D: two dimensional, three dimensional (with respect to seismic surveys)
- 2P: Proved and Probable Reserves
- bbl: barrels
- Bcf: Billion cubic feet (of gas)
- bfpd: barrels of fluid per day
- barrels of oil equivalent. Conversion factors used are disclosed in the notes on reserve and resource calculation on the following page
- bopd: barrels of oil per day
- Casino Henry: Casino Henry Netherby
- company: Cooper Energy Limited and/or its subsidiaries
- Cooper Energy: Cooper Energy Limited and/or its subsidiaries
- FEED: Front End Engineering and Design
- FID: Final Investment Decision
- Financial year: 12 months ending 30 June
- FY19, FY20: 12 months to 30 June of the year specified
- HDD: Horizontally directional drill
- JV: Joint Venture
- kbbl: thousand barrels
- kboe: thousand barrels of oil equivalent
- km: kilometres
- m: metres
- MM: million
- MMboe: Million barrels of oil equivalent
- MMscf/day: Million standard cubic feet per day
- MDRT: measured depth rotary table
- n/m: not meaningful
- pcp: prior corresponding period
- PEL: Petroleum Exploration Licence
- PEP: Petroleum Exploration Permit
- PJ: petajoules
- PRL: Petroleum Retention Licence
- PPL: Petroleum Production Licence
- the quarter: three months ended 30 December
- SPE: Society of Petroleum Engineers
- spudding: the commencement of drilling a petroleum well
- TJ: Terajoules
- TRCFR: total recordable injury frequency rate per million hours worked

Disclaimer and explanatory notes

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.

The 2019 financial outcomes disclosed in this report are preliminary and subject to finalisation of the company's audit processes and board review. As such, the actual results for the year ended 30 June 2019 may differ from the results disclosed in this report.

Hydrocarbon Reporting Standard

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

Calculation of Reserves and Contingent and Prospective Resources

Cooper Energy has completed its own estimation of reserves and resources in its Operated permits and for non-operated permits based on information provided by the permit Operators Beach Energy Ltd, Senex Ltd, Santos Ltd, and BHP Billiton Petroleum (Victoria) P/L in accordance with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS). Petroleum reserves and resources estimates are prepared by deterministic and probabilistic methods. The resources estimate methodologies incorporate a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes. Project and field totals are aggregated by arithmetic summation by category. Aggregated 1P, 1C and Low (P90) estimates may be conservative, and aggregated 3P, 3C and High (P10) estimates may be optimistic due to the effects of arithmetic summation.

Reserves

Under the SPE PRMS, reserves are those petroleum volumes that are anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.

The Otway Basin totals comprise the arithmetically aggregated project fields (Casino-Henry-Netherby and Minerva) and exclude reserves used for field fuel.

The Cooper Basin totals comprise the arithmetically aggregated PEL 92 project fields and the arithmetic summation of the Worrior project reserves, and exclude reserves used for field fuel.

The Gippsland Basin total comprise Sole field only. A revised reserves assessment to reflect the reclassification of Sole gas from contingent resources was announced to the ASX on 29 August 2017.

Contingent Resources

Under the SPE PRMS, contingent resources are those petroleum volumes that are estimated, as of a given date, to be potentially recoverable from known accumulations but for which the applied projects are not considered mature enough for commercial development due to one or more contingencies.

The contingent resources assessment includes resources in the Gippsland, Otway and Cooper basins. The following contingent resources assessments have been released to the ASX:

- Manta Field on 16 July 2015; and
- Basker and Manta fields on 18 August 2014.

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 estimates provided in the releases continue to apply.

Contingent and Prospective Resources have been assessed 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 conversion factor of 1 PJ = 0.163 MMboe has been used to convert from Sales Gas (PJ) to Oil Equivalent (MMboe) from the September quarter 2018, as first advised on 13 August 2018 in the announcement of reserves and resources at 30 June 2018. Total production in prior periods is reported in MMboe as previously reported and calculated using the conversion factor 1 PJ = 0.172 MMboe. Contingent Resources for the Manta Field have been aggregated by arithmetic summation.

Prospective Resources

Under the SPE PRMS, Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Cooper Energy has undertaken a Prospective Resources assessment using probabilistic resource estimation for the Waarre Formation in the Annie and Elanora prospects. This methodology incorporates a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes. This approach is consistent with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS). Analytical procedures used to assess Prospective Resources were:

- interpretation of reprocessed 3D seismic data;
- detailed seismic time to depth conversion; and
- wireline log correlation and petrophysical analysis from the wells drilled in the adjacent fields;

The date of this Prospective Resource assessment is 8 November 2018.

Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

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.