COOPER ENERGY

Q4 FY18

Quarterly Report for 3 months to 30 June 2018

16 July 2018

Key features:

- **Quarterly production:** up 6% to 0.35 million boe from previous quarter's 0.33 million boe
- **Quarterly revenue:** up 51% on pcp to $19.6 million from $13.0 million
- **Full year production:** up 54% to 1.49 million boe, high end of upgraded guidance
- **Full year revenue:** up 71% to $66.7 million from $39.1 million
- **Sole gas proceeding to plan:** project 56% complete at 30 June, within budget & schedule
- **Sole-3 flow-back success**: completed 6 July, reservoir and well performance all to plan
- **Gas strategy:** agreement to acquire Minerva Gas Plant, CY19 Otway gas tender commenced

Managing Director's comments

"Cooper Energy has closed out the year meeting upgraded production guidance and within schedule and budget for our major development, the offshore Sole Gas Project. The increased revenue and production for the quarter show the benefits of our well workover at Casino and the new Otway gas contract.

"The successful completion of the Sole-3 production well is a critical milestone for the project and our company. We now have a production well, ready to go with proven capability for project requirements and with performance and gas composition entirely in line with project expectations.

"The project continues to progress within our budget and schedule, inclusive of the completion of Sole-3 after year end. Sole-4 drilling has resumed and is progressing.

Our gas tendering during the quarter has confirmed the south-east Australian gas market is continuing to evolve consistent with our strategy. In this respect, the securing of agreement with BHP to acquire the Minerva Gas Plant was a highlight and a great advance to our plans for the development of an Otway Basin supply hub."

Key Measures

$ million unless indicated	**3 months to 30 June 18**	3 months to 30 June 17	Qtr on Qtr change %	**FY18**	FY17	Yr on Yr change %
Production (MMboe)	**0.35**	0.39	*- 10%*	**1.49**	0.97	*54%*
Sales revenue	**19.6**	13.0	*51%*	**66.7**	39.1	*71%*
Capital expenditure (cash)	**38.7**	17.4	*122%*	**173.7**	42.1	*313%*
Cash	**254.3**	147.5	*72%*	**254.3**	147.5	*72%*
Borrowings	**125.9**	-	*100%*	**125.9**	-	*100%*

Further comment and information:

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Managing Director	Investor Relations

Financial

Sales

Sales revenue for the 3 months to 30 June 2018 (the June quarter) was $19.6 million; 24% higher than the previous quarter's $15.8 million and 51% higher than the previous corresponding period's ("pcp") $13.0 million.

The increase in quarterly revenue compared with the previous quarter is attributable to higher gas production and higher prices for gas and oil. The June quarter results incorporated a full quarter of sales under the Casino Henry joint venture's new gas supply agreement that commenced on 1 March 2018.

FY18 full year sales revenue of $66.7 million was 71% higher than the previous year's sale of $39.1 million reflecting higher volumes and prices for both gas and oil.

Cash and borrowings

Cash at 30 June was $254.3 million largely unchanged from $254.9 million at the beginning of the quarter. Cash receipts during the quarter included $48.1 million from exited parties to the Basker Manta Gummy ("BMG") oil project to fund their share of abandonment work on the disused legacy infrastructure on the project discussed on page 11.

Borrowings were $125.9 million compared with $123.9 million at the beginning of the quarter.

Capital expenditure

Cash capital expenditure of $38.7 million for the quarter compares with $54.2 million in the previous quarter and $17.4 million in the pcp.

Capital expenditure incurred during the quarter was $79.2 million; virtually all of which is accounted for by development activities in the Otway Basin (Casino-5 workover) and Gippsland (Sole Gas Project).

Incurred capital expenditure by region is as follows.

Capital expenditure (incurred)

	June quarter FY18			FY18		
$ million	Exploration	Development	Total	Exploration	Development	Total
Otway Basin	-	18.2	**18.2**	1.0	29.7	**30.7**
Gippsland Basin	0.3	59.8	**60.1**	23.7	145.0	**168.7**
Cooper Basin	0.1	0.1	**0.2**	1.1	1.5	**2.6**
Other	-	0.7	**0.7**	-	1.6	**1.6**
Total	0.4	78.8	**79.2**	25.8	177.8	**203.6**

Hedging

Cooper Energy uses hedging to protect against downside oil price scenarios and retain partial exposure to higher oil prices. Hedging in place as at 30 June 2018 is as follows:

(bbl remaining as at 30 June 2018):	FY19 H1	FY19 H2	Total
US$55.00 – U$79.50: zero cost collar options	55,028	9,812	64,840
Total	**55,028**	**9,812**	**64,840**

Key quarterly financial statistics

Refer notes below for information on calculation		June qtr 18	Prior qtr Mar 18	PCP qtr June 17	Change on prior qtr %	Change on PCP %	FY18	FY17	Yr on Yr change %
Sales									
Sales revenue	$ million	**19.6**	15.8	13.0	*24%*	*51%*	**66.7**	39.1	*71%*
Average realised oil price	AUD/bbl	**102.57**	90.40	66.83	*13%*	*53%*	**85.55**	63.54	*35%*
Oil direct operating cost	AUD/bbl	**35.76**	33.46	28.14	*7%*	*27%*	**33.08**	29.77	*11%*
Sales volume	Gas PJ	**1.7**	1.5	1.9	*13%*	*-11%*	**7.0**	3.6	*94%*
	Oil kbbl	**64.7**	71.3	57.4	*-9%*	*13%*	**274.0**	325.1	*-16%*
Capital Expenditure (incurred)									
Exploration & appraisal	$ million	**0.4**	0.5	31.7	*-20%*	*-99%*	**25.8**	63.1	*-59%*
Development & fixed assets	$ million	**78.8**	46.7	18.4	*69%*	*328%*	**177.8**	21.5	*727%*
Total incurred capital expenditure		**79.2**	47.2	50.1	*68%*	*58%*	**203.6**	84.6	*141%*
Capital Expenditure (cash)	$ million	**38.7**	54.2	17.4	*-29%*	*122%*	**173.7**	42.1	*313%*
Cash									
Cash and term deposits	$ million	**254.3**	254.9	147.5	*0%*	*72%*	**254.3**	147.5	*72%*
Investments	$ million	**1.5**	1.4	0.7	*7%*	*114%*	**1.5**	0.7	*114%*
Total financial assets		**255.8**	256.3	148.2	*0%*	*73%*	**255.8**	148.2	*73%*
Total debt	$ million	**125.9**	123.9	-	*2%*	*100%*	**125.9**	-	*100%*
Net cash/(debt)	$ million	**128.4**	131.0	147.5	*-2%*	*-13%*	**128.4**	147.5	*-13%*
Issued Capital									
Issued shares	million	**1,601.1**	1,601.1	1,140.6	-	*40%*	**1,601.1**	1,140.6	*40%*
Performance Rights	million	**17.8**	17.8	16.6	-	*7%*	**17.8**	16.6	*7%*
Share Appreciation Rights	million	**46.0**	46.0	30.1	-	*53%*	**46.0**	30.1	*53%*

Notes:

- Sales figures for most recent quarter are preliminary
- 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

Production

Production of 0.35 million boe for the quarter was 6% higher than the previous quarter comparative of 0.33 million boe due primarily to the reinstatement of Casino-5 at the end of April after workover, offsetting a small decline in Cooper Basin oil production.

Full year production of 1.49 million boe is 54% higher than the previous year. The rise in production is attributable to the inclusion of a full year contribution from the Casino Henry and Minerva assets acquired effective 1 January 2017 and increased Cooper Basin oil production.

Factors in quarterly production performance by project are discussed under 'Operations review' following.

Cooper Energy share of production for 3 months to 30 June 2018 and year to date.

By product	**June qtr 18**	Prior qtr Mar 18	PCP qtr June 17	Change on prior qtr %	Change on PCP %	FY18	FY17	Yr on Yr change %
Sales gas PJ	**1.68**	1.50	1.89	*12%*	*-11%*	**7.04**	4.03	*75%*
Crude oil & condensate kbbl	**64.87**	71.79	60.52	*-10%*	*7%*	**277.38**	280.22	*-1%*
Total MMboe	**0.35**	0.33	0.39	*6%*	*-10%*	**1.49**	0.97	*54%*

By project	**June qtr 18**	Prior qtr Mar 18	PCP qtr June 17	Change on prior qtr %	Change on PCP %	FY18	FY17	Yr on Yr change %
Casino Henry								
- gas PJ	**1.40**	1.20	1.50	*17%*	*-7%*	**5.73**	3.28	*75%*
- condensate kbbl	**0.51**	0.60	0.82	*-15%*	*-38%*	**2.98**	1.96	*52%*
Minerva								
- gas PJ	**0.28**	0.30	0.39	*-7%*	*-28%*	**1.31**	0.75	*75%*
- condensate kbbl	**0.72**	0.71	0.90	*1%*	*-19%*	**3.20**	1.70	*88%*
Cooper Basin								
- oil kbbl	**63.64**	70.48	58.81	*-10%*	*8%*	**271.20**	250.68	*8%*
Indonesia KSO								
- oil kbbl	**-**	-	-	-	-	**-**	25.9	*- 100%*
Total (MMboe)	**0.35**	0.33	0.39	6%	-10%	**1.49**	0.97	54%

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

Operations review

Otway Basin

Offshore

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

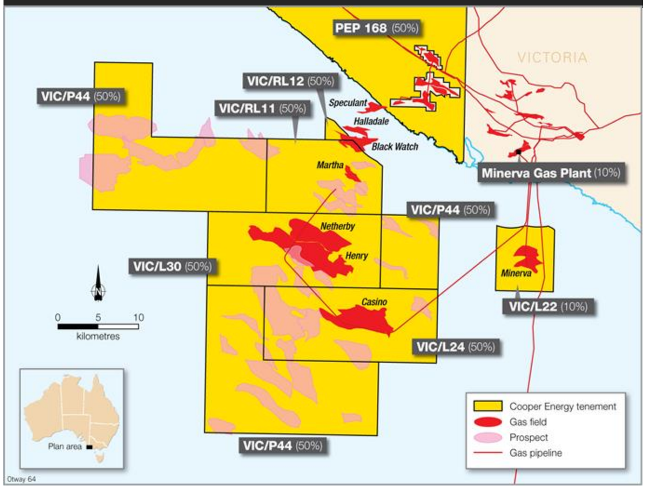
a) a 50% interest in, and Operatorship of, the producing Casino Henry Netherby ("Casino Henry") Joint Venture (VIC/L24 and VIC/L30);

b) a 50% interest in, and Operatorship of, Retention Leases VIC/RL11 and VIC/RL12;

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

d) a 10% interest in the Minerva gas project comprising the offshore licence VIC/L22 and the Minerva Gas Plant, onshore Victoria.

Otway Basin, offshore



During the quarter the company announced the signing of agreements by the Casino Henry joint venture and BHP Billiton Petroleum (Victoria) Pty Ltd for the acquisition of the Minerva Gas Plant on the cessation of the current operations processing gas from Minerva. The transaction is also subject to completion of regulatory approvals and assignments.

The Minerva Gas Plant is a key item of infrastructure for offshore Otway gas production, being one of 3 established plants in the region and a highly competitive processing option for gas from Casino Henry and other nearby fields. The Casino Henry joint venture has progressed preliminary engineering design work for processing gas at the Minerva Gas Plant, which will require the construction of a 0.25 kilometre pipeline tie-in together with modification of well control systems to connect the Casino Henry project.

The Casino Henry joint venture is currently contracted to process gas at the Iona gas processing and storage facility. Benefits accruing to the joint venture from processing at the Minerva Gas Plant include increments to gas reserves, higher production rates enabled by lower plant inlet pressure and reduced processing costs. More generally, availability and access to the plant will facilitate the development of exploration and development opportunities in the region.

The joint venture commenced a tender to receive offers for the supply of gas from Casino Henry for the 2019 calendar year. Offers received are currently being assessed.

Production

Cooper Energy's share of production from the offshore Otway Basin during the June quarter comprised 1.68 PJ of gas and 1.23 kbbl of condensate.

Casino Henry accounted for 1.40 PJ of gas and 0.51 kbbl of condensate compared with the previous quarter's 1.20 PJ and 0.60 kbbl. The increase in gas production followed the successful workover and return to service of the Casino-5 well on 25 April. Gross daily production from Casino Henry since the workover has averaged 33.2 TJ/day compared to 26.7 TJ/day in the March quarter.

The Minerva gas field contributed 0.28 PJ of gas for the quarter. Total Minerva production averaged 30.8 TJ/day (Cooper Energy share 10%) compared with 33.3 TJ/day in the previous quarter, as a result of natural field decline.

Minerva also contributed 0.72 kbbl of condensate to June quarter production compared with 0.71 kbbl in the previous quarter.

Development

Front end engineering and subsurface studies continue to progress planning for the drilling of a development well in the Henry field, subject to joint venture approval. An assurance review is scheduled for July 2018 to support progression towards a FID in the first half of FY19. It is envisaged the development well will be drilled within an offshore drilling campaign planned for commencement, subject to rig availability, in the December quarter 2019.

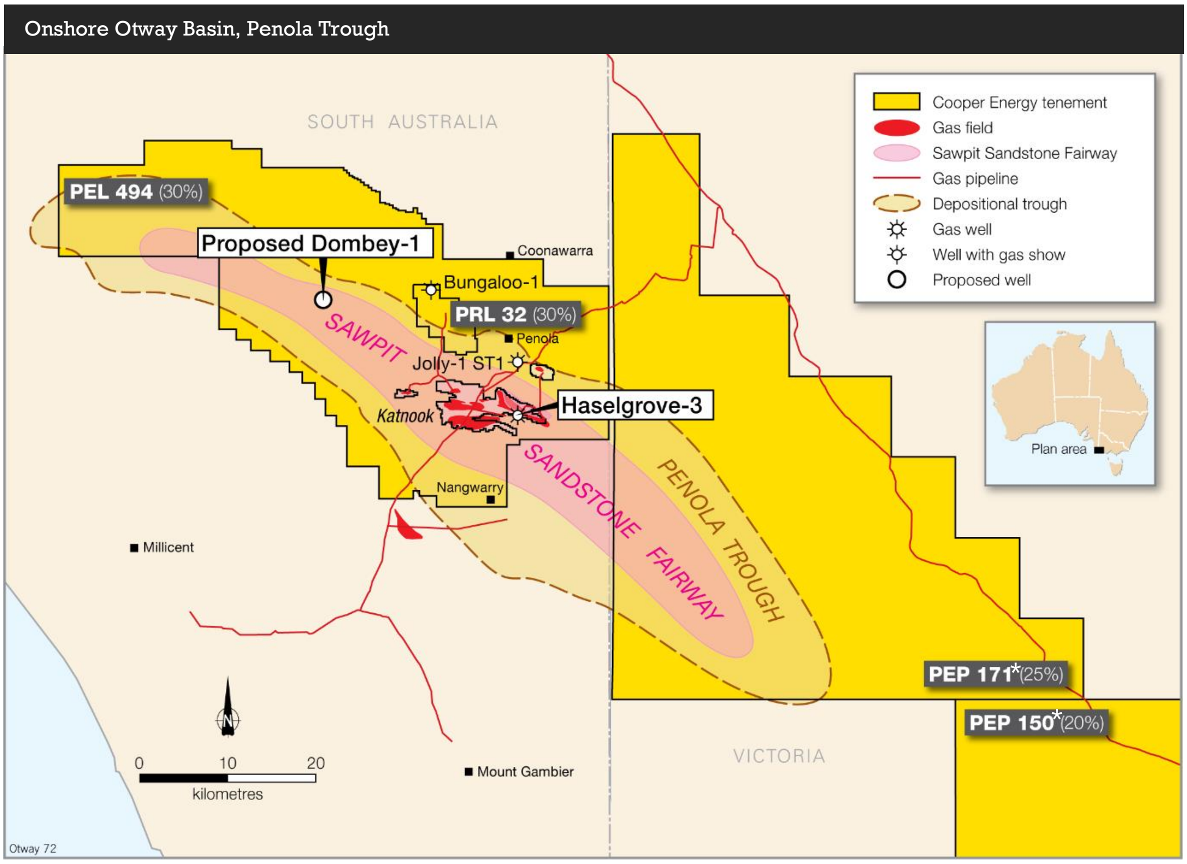
Exploration

Permit Year 5 of the VIC/P44 exploration permit was extended to May 2019. Processing of the VIC/P44 3D seismic survey to produce a Quantitative Interpretation seismic inversion volume was completed and integrated into other exploration studies. Several exploration prospects have been identified and planning on maturing up to two targets for drilling and inclusion in the planned 2019-2020 offshore drilling campaign is progressing.

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:

- 30% interests in PEL 494 and PRL 32, South Australia; and
- PEP 150 and PEP 171 in Victoria where, subject to government approval, Cooper Energy will assume a 100% interest following Beach Energy's notice of intention to withdraw from these permits.



** Interest in these permits to change on Victorian Government approval of transfer of tile interests based on withdrawal of joint venture partner. PEP 150 to increase to 50% and PEP 171 to increase to 100% on approval.*

An exploration well, Dombey-1, is planned to be drilled in PEL 494 (Cooper Energy 30%, Beach Energy 70% and Operator) in late 2018/early 2019. Dombey-1 is 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. The primary targets at Dombey-1 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:

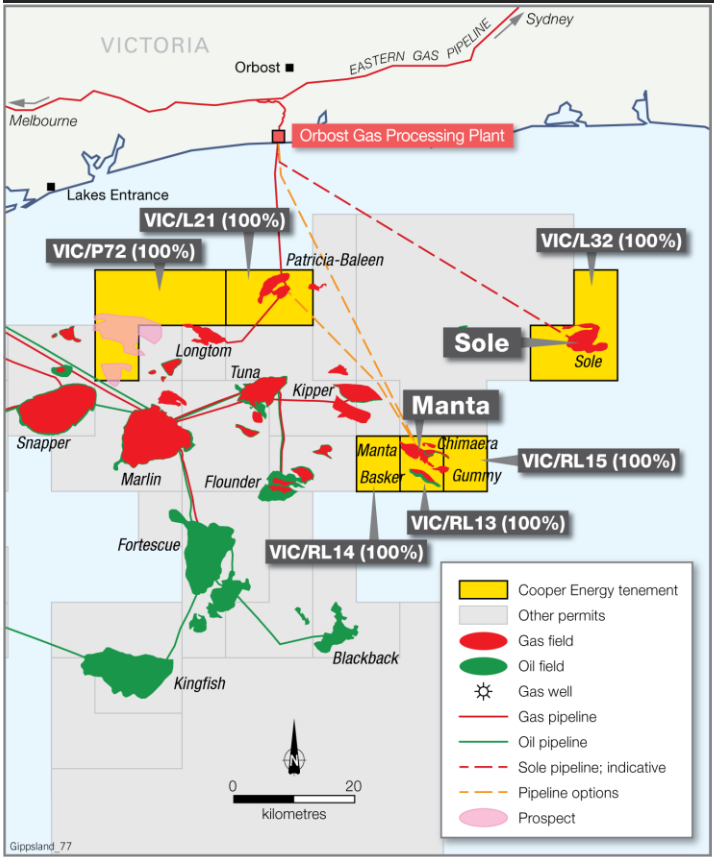
a) a 100% interest in, and Operatorship of, production licence VIC/L32, which holds the Sole gas field that is currently under development. Sole is assessed to contain proved and probable reserves of 249 PJ[1] of sales gas;

b) a 100% interest and Operatorship of retention leases VIC/RL13, VIC/RL14 and VIC/RL15 which contain the Manta gas and liquids resource. Manta is assessed to contain Contingent Resources[2] (2C) of 106 PJ of sales gas and 3.2 million barrels of oil and condensate;

c) a 100% interest in, and Operatorship of production licence VIC/L21, which contains the depleted Patricia-Baleen gas field; and

d) a 100% interest in and Operatorship of the exploration permit VIC/P72 which was awarded in May 2018.

Gippsland Basin



Development

Sole Gas Project

The Sole Gas Project involves the development of the Sole gas field and upgrade of the Orbost Gas Processing Plant to supply approximately 24 PJ per annum from 2019. Cooper Energy is conducting the upstream component and will develop and connect the gas field. APA Group is undertaking the upgrade of the Orbost Gas Processing Plant to process gas from Sole.

The upstream project involves the drilling and connection of two near-horizontal production wells, subsea wellheads and connection of the subsea pipeline and umbilical controls to the plant via two horizontal drilled shore crossings.

First gas from Sole is expected to be delivered into the Orbost Gas Processing Plant in the final quarter of FY19, on which basis first gas sales from the plant would be expected from July 2019. Approximately 186 PJ of the field's proved and probable gas reserves of 249 PJ have been contracted for sale with the balance retained for future sales contracts.

[1] Reserves attributable to the Sole gas field were announced to the ASX on 29 August 2017. 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 13 for information on calculation.

[2] Cooper Energy announced its assessment of the Manta Contingent Resource to the ASX on 16 July 2015. Cooper Energy is not aware of any new information or data that materially affects the information provided in that release and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply. Refer notes at the back of this report for information on calculation.

Sole Gas Project Progress

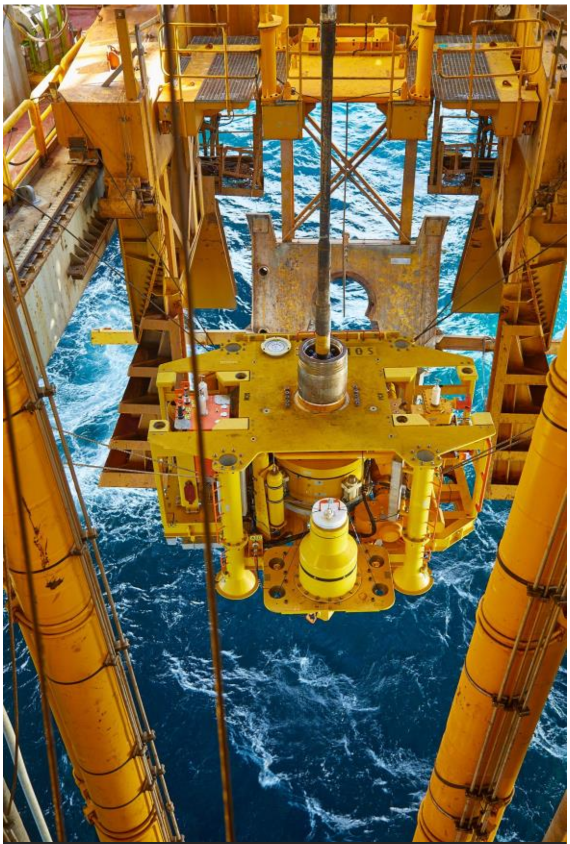
The total Sole Gas Project has progressed during the quarter to 56% complete as at 30 June 2018. Capital expenditure incurred by Cooper Energy on the offshore project to 30 June 2018 was $189 million. This progress has the offshore project within schedule and budget for the P50 estimated project cost of $355 million. This position within budget and schedule has been maintained inclusive of post 30 June activity on Sole-3.

Key milestones and progress include:

- **Sole-3 production well**: at 30 June Sole-3 was ready for the flow back test having been completed with production tubing and sand screens over a near-horizontal 97 metre completed section of the Top Latrobe Group sandstone reservoir. As announced to the ASX on 7 July, the flow-back was completed successfully subsequent to the end of the quarter and the well suspended for future pipeline connection. Flow rates were constrained by surface well test equipment to a maximum of approximately 48 MMscf/day, (million standard cubic feet per day) through a 104/64" choke. Over a 9-hour main flow period, through an 88/64" choke, the flow rate averaged approximately 38 MMscf/day. Post-test analysis of the measured data has confirmed Sole-3 capability to produce above the maximum Orbost Gas Processing Plant design rate of 68 TJ/day under production conditions. Analysis of the test data has confirmed that well performance and reservoir deliverability are consistent with pre-drill expectations.
- **Sole 4:** had been drilled to the intermediate casing point as planned at approximately 530 mMDRTat 30 June. Drilling of the well resumed on 12 July.
- **subsea wellhead trees:** have been installed on both Sole-3 and Sole-4.
- **subsea line pipe:** welding is well advanced at a spooling base established by Subsea7 at Crib Point, Victoria. Welding of 28 km of the 65 km subsea pipeline (in 1.5 km stalks) has been completed;
- **control umbilical**: manufacture by Technip is proceeding in the United Kingdom with the manufacture of the umbilical length completed with the end termination works underway and on track for completion in Q3 2018; and
- **onshore project**: the first of the large pieces of processing equipment has been installed at the Orbost Gas Processing Plant. Offsite fabrication of the pipe rack modules has commenced.

Completed pipeline stalks completed at Crib Pt spooling base

Orbost Gas Processing Plant: bioreactors background and inlet gas treatment foreground


Running of Sole-3 subsea wellhead tree


Sole-3 flowback test

Manta

The business case for the 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. In particular, project economics for Manta development have been enhanced by the combination of gas prices and demand, together with anticipated reductions to the cost of drilling and offshore equipment and services.

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 an offshore drilling campaign that, subject to joint venture approval, would also include the drilling of a development well on the Henry gas field in the Otway Basin and exploration drilling in VIC/P44. Subject to rig availability, it is expected the drilling campaign would commence in the December quarter 2019.

Exploration

VIC/P72

Cooper Energy was awarded 100% equity in offshore exploration permit VIC/P72 for a six-year term. The permit adjoins the company's VIC/L21 licence which holds the depleted Patricia-Baleen gas field and its associated subsea production infrastructure connected to the Orbost Gas Processing Plant.

VIC/P72 is in close proximity to several Esso-operated gas and oil fields including Snapper, Marlin, Sunfish and Sweetlips and the Longtom gas field operated by SGH Energy. Prospect analogues similar to the offset fields are identified in VIC/P72. The first three years' guaranteed work program consists of 260 km^2 of 3D seismic reprocessing and studies and the drilling of one exploration well.

Cooper Basin

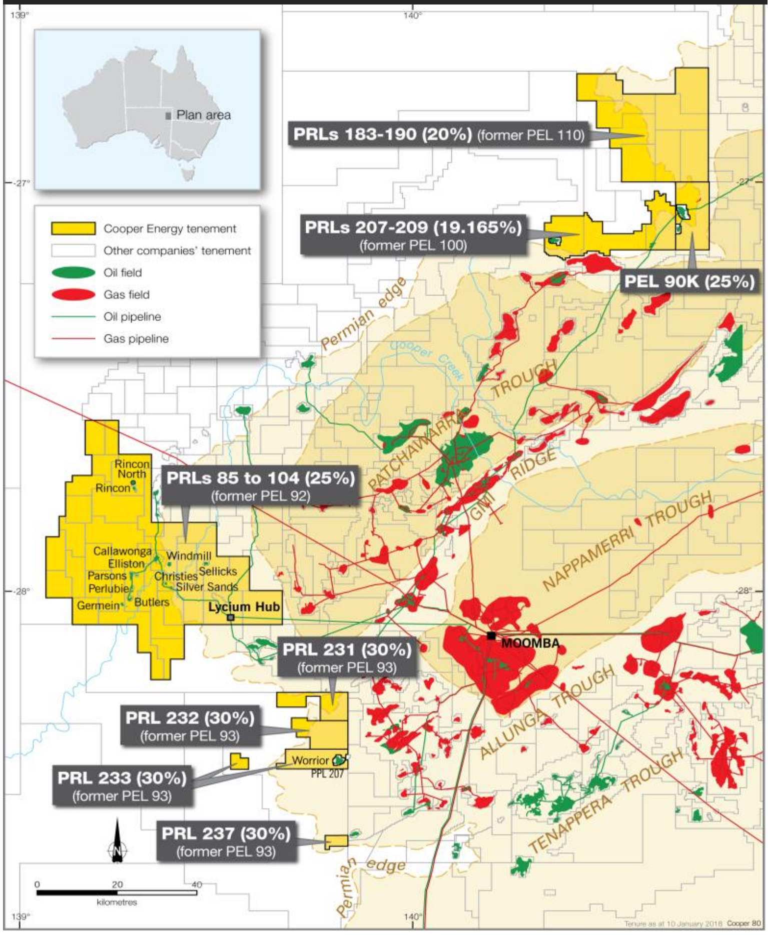
The company's Cooper Basin interests during the quarter comprised:

a) 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;

b) 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

c) interests in northern Cooper Basin exploration licences PEL 90K, 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 63.6 kbbl (average 699 bopd) compared with 70.5 kbbl (average 783 bopd) in the previous quarter. Production for the June quarter was 8% higher than the previous corresponding period production of 58.8 kbbl.

Production attributable to Cooper Energy's 25% interest of the PEL 92 Joint Venture in the June quarter accounted for 61.1 kbbl of oil representing an average daily rate of 672 bopd. In comparison, production from PEL 92 averaged 749 bopd in the previous quarter and 608 bopd in the June quarter 2017.

The increase in PEL 92 oil production over the March quarter 2018 is attributable to the successful 5 well infill drilling program at the Callawonga field.

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 2.5 kbbl, compared to 3.1 kbbl in the previous quarter.

There were no significant exploration activities undertaken on the Cooper Basin interests during the quarter.

2019 outlook

FY19 is expected to be a year of consolidation as the Sole Gas Project is completed and preparations made for an offshore drilling campaign to commence in the December quarter 2019 (subject to rig availability).

Key expectations for the 12 months to 30 June 2019 are summarised below.

Production

Production of approximately 1.4 million boe is expected from existing operations. This production guidance does not include gas produced from Sole, which is due to commence suppling gas to the Orbost Gas Processing Plant for commissioning purposes in the final quarter of the financial year.

The production expectation incorporates gas production of approximately 6 PJ and oil production of approximately 230,000 barrels of oil. At the project level, the Casino Henry joint venture anticipates lifting output in FY19 while slightly lower output is anticipated from the Minerva and PEL 92 joint ventures.

Capital Expenditure

Indicative incurred capital expenditure for FY19 totals $183 million. Cash capital expenditure for the year will include payment for capital expenditure incurred late in FY18 and paid in FY19 and is expected to total $234 million.

Indicative incurred capital expenditure by region is summarised below.

Indicative $ million	Exploration	Development	**Total**	
Otway Basin	7	22	**29**	• Casino Henry subsea umbilical repairs and expansion readiness • Henry-2 sidetrack preparation • Scheduled 5-year offshore pipeline and wellhead survey • Onshore Otway exploration: Dombey-1
Gippsland Basin	3	144	**147**	• Sole development project
Cooper Basin	3	2	**5**	• Production optimisation projects including workovers • 3D seismic PEL 93
Other non-classified			**2**	
Total	13	168	**183**	

Abandonment

After drilling, completing and testing Sole-4, it is planned to abandon Sole-2 and to carry out various abandonment works on the legacy oil infrastructure at BMG.

Cost of the BMG abandonment program is to be borne by the previous equity holders in the project (61%) and Cooper Energy (39%). It is planned that the bulk of this work will be carried out in the September 2018 quarter using the Diamond Offshore Ocean Monarch.

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
- bopd: barrels of oil per day
- Casino Henry: Casino Henry Netherby
- 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
- HDD: Horizontally directional drill
- JV: Joint Venture
- kbbl: thousand barrels
- 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 June
- scf: Standard cubic feet (of gas)
- SPE: Society of Petroleum Engineers
- TJ: Terajoules

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.

Hydrocarbon Reporting Standard

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

Calculation of reserves and resources

Cooper Energy has completed its own estimation of reserves and resources 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 contingent resources are typically prepared by deterministic methods with support from 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 and 1C estimates may be conservative, and aggregated 3P and 3C 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 1PJ = 0.172 MMboe has been used to convert from Sales Gas (PJ) to Oil Equivalent (MMboe). Contingent Resources for the Manta Field have been aggregated by arithmetic summation.

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.