



Investor update



Orbest Gas Plant, hub for the Gippsland Basin Gas Projects

December 2015

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Qualified petroleum reserves and resources evaluator

The information contained in this report regarding the Cooper Energy Reserves and Contingent Resources is based on and fairly represents information and supporting documentation reviewed by Mr Andrew Thomas who is a full-time employee of Cooper Energy Limited holding the position of Exploration Manager, holds a Bachelor of Science (Hons), is a member of the American Association of Petroleum Geologists and the Society of Petroleum Engineers and is qualified in accordance with ASX listing rule 5.41 and has consented to the inclusion of this information in the form and context in which it appears.

Rounding

All 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.

Reserves and resources calculation

Information on the company's reserves and resources and their calculation are provided in the appendices to this presentation.

Currency

All financial information is expressed in Australian dollars unless otherwise specified

Position update

Transformational growth from east coast gas, advancing according to plan

- 1 Oil production is in line with guidance; low costs YTD¹ of ~A\$33/bbl vs current price of ~A\$52/bbl.
- 2 Cooper Energy's Gippsland gas projects are among the most competitive sources of supply for eastern Australia. First production is expected in ~ 3 years (January Qtr, 2019).
- 3 The first project, Sole, is ahead of schedule, and within budget; Final Investment Decision within 9 months.
- 4 Cooper Energy is anticipating transformational growth in production, revenue and cash generation.
- 5 The coming 6 months expect to see a progression of catalysts as marketing, capital management and project front end engineering and design milestones are met.

Cooper Energy: key features

Established cash flow and production, projects to deliver transformational growth, zero debt

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1 Oil production



~500,000 bbls pa

Operating cost¹: A\$33/bbl

5th largest onshore
Australian oil producer

Cooper Basin 69%,

Indonesia 31%¹

2 Transformational gas projects



Gippsland Basin Gas Hub

2C Contingent Resource: 347 PJ²

Low on cost curve, well located

5x production uplift in ~3 years

3 Balance sheet & capital management plan



Net cash & investments :
\$38 million¹

Zero debt¹

Finance facilities

Capital management plan to
fund growth

4 Proven board & management



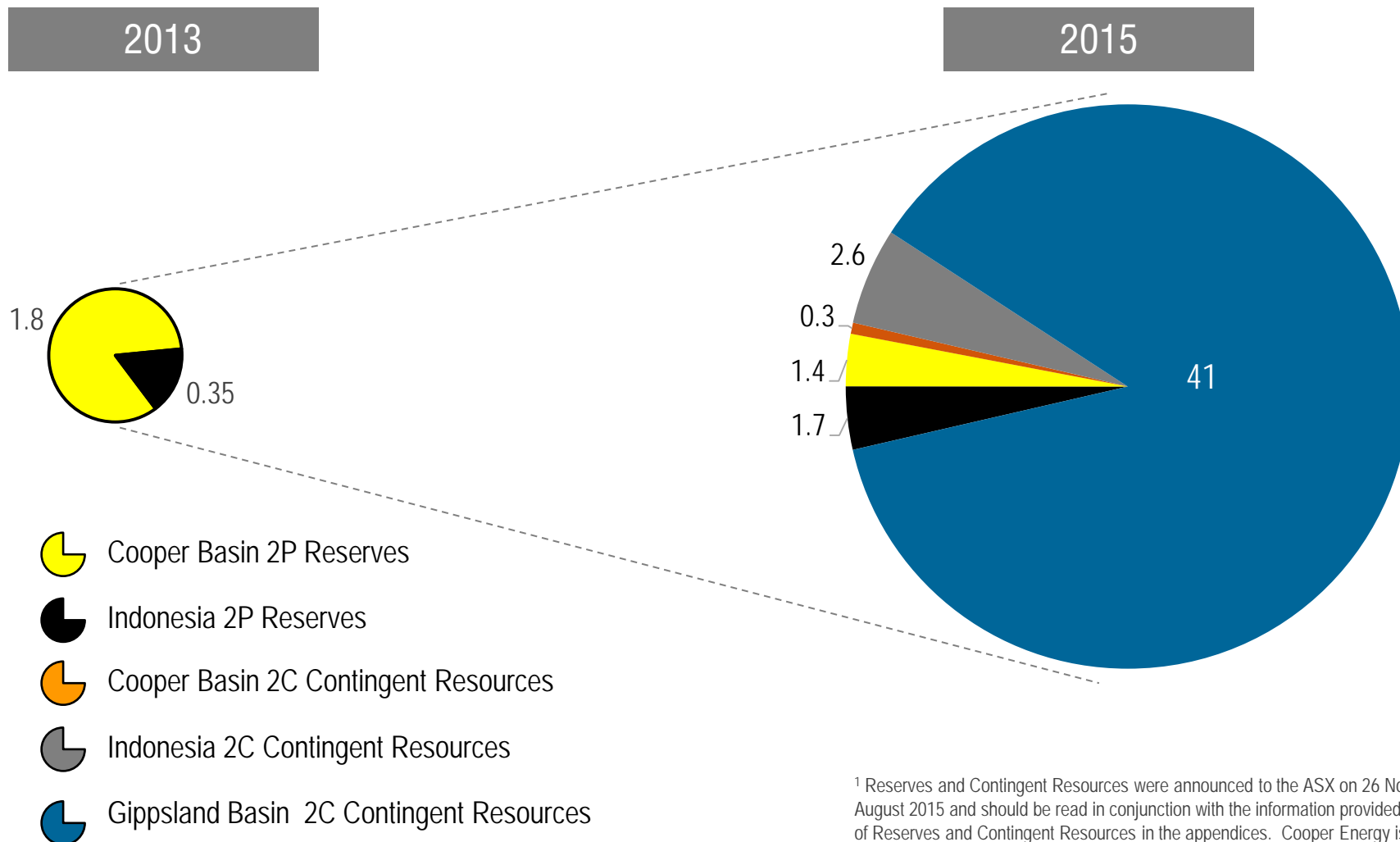
Management experienced in
gas commercialisation

Board experience in growing gas
and resource companies

Rem. structure linked to success

Reserves and Resources¹

2P Reserves and 2C Contingent Resources 2013 vs 2015 mmboe, Australia and Indonesia



-  Cooper Basin 2P Reserves
-  Indonesia 2P Reserves
-  Cooper Basin 2C Contingent Resources
-  Indonesia 2C Contingent Resources
-  Gippsland Basin 2C Contingent Resources

¹ Reserves and Contingent Resources were announced to the ASX on 26 November and 17 August 2015 and should be read in conjunction with the information provided on the calculation of Reserves and Contingent Resources in the appendices. Cooper Energy is not aware of any new information or data that materially affects the information provided in those releases and all material assumptions and technical parameters underpinning the assessment provided in the announcements continues to apply.

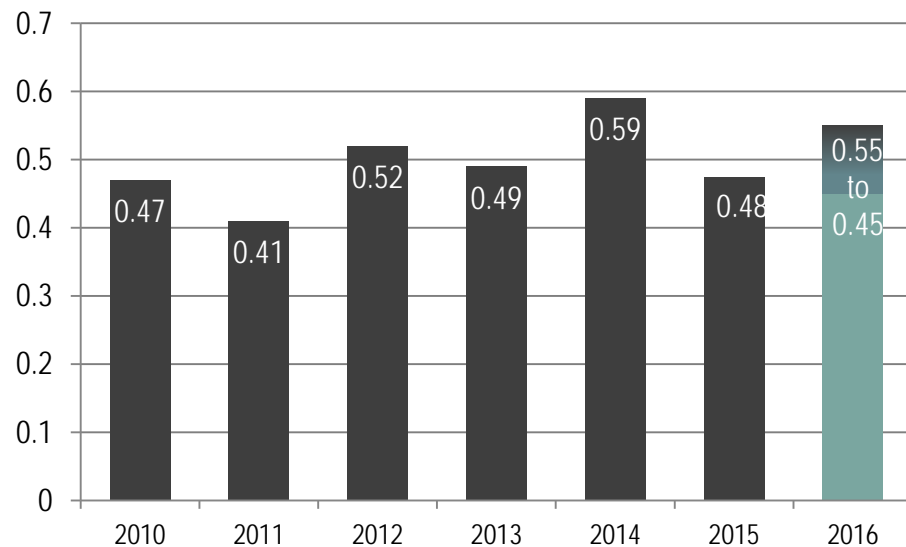
Oil production

Maintaining ~ 500,000 barrels per annum, with low production cost that generates cash

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Cooper Energy oil production

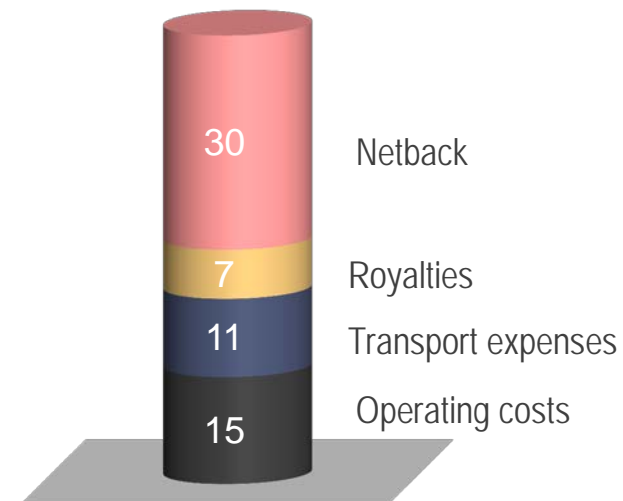
Million barrels



- Annual production of ~ 500,000 bbls pa
- FY16 guidance: 450,000 – 550,000 bbls
 - timing of well connections
 - drilling results

Production costs

Direct cost A\$ per barrel

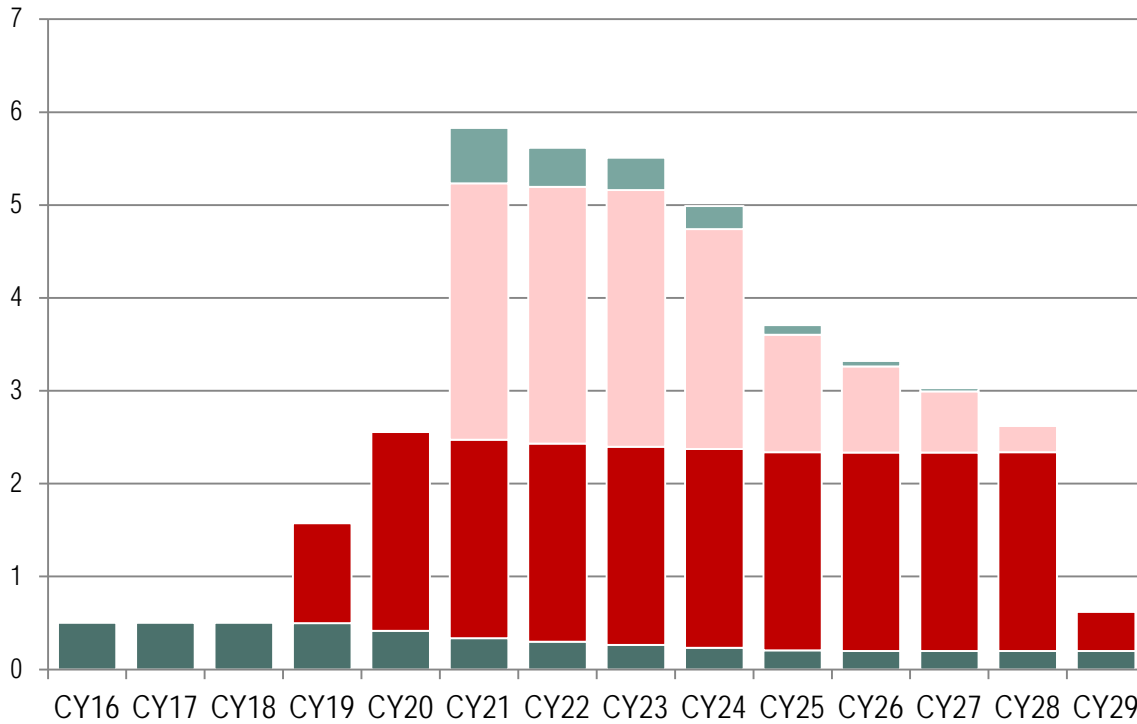


- Sept Qtr 15 direct costs A\$33.16/bbl
- Sept Qtr 15 average oil price A\$62.83

Cooper Energy production outlook¹

Gas projects deliver transformational growth to 2.5 million boe² then to ~ 5 million boe² pa

Indicative net production (mmboe)



- Manta - Liquids
- Manta - Gas
- Sole - gas
- Existing³ Cooper Basin & Indonesia - oil

¹ Indicative only from existing Contingent Resources and subject to key milestone achievement and joint venture decision.
² Current equity share of 50% (Sole) and 65% (Manta), equity selldown is a funding option which will be considered.
³ Existing production and appraisal and development.

- Cash generation from existing production
- Step changes in production¹ in CY19 and again in CY21 as Sole then Manta commence supply

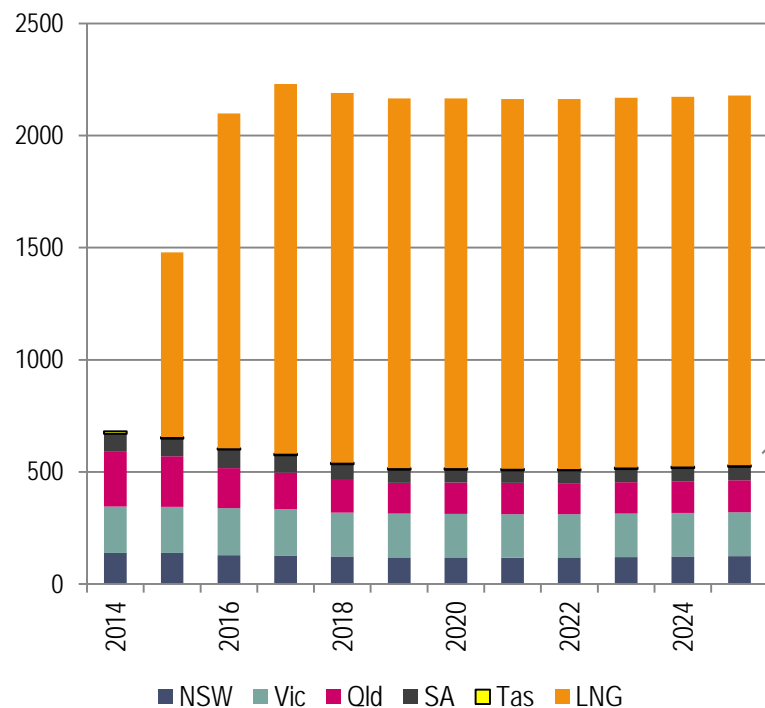
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Eastern Australian gas demand vs contracted supply

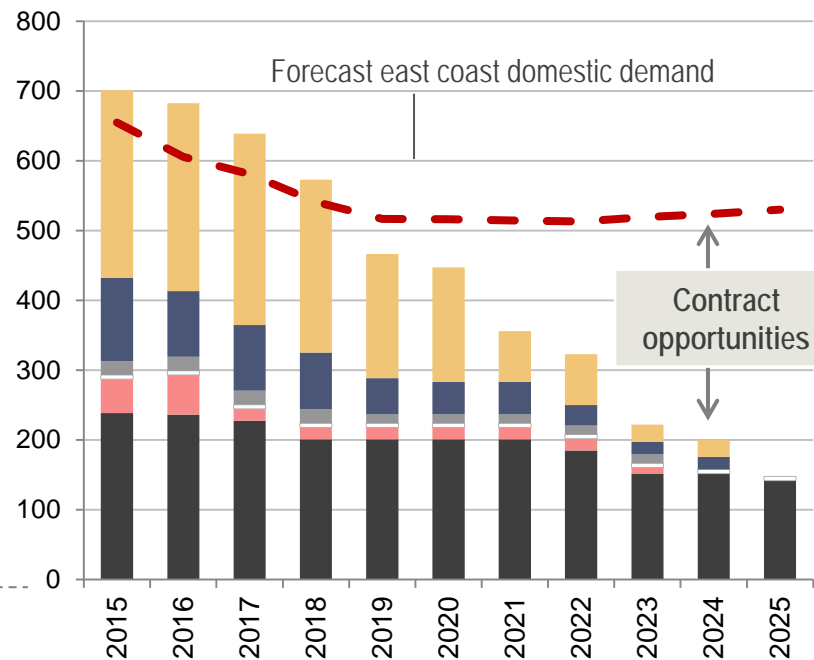
COE identified opportunities in the growing shortfall between forecast demand and existing contracts

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Forecast Eastern Australian gas demand (PJ)



Eastern Australia domestic demand and contracted supply (PJ)



Contracted supply from:

- Surat-Bowen
- Sydney Basin
- Otway
- Cooper
- Bass
- Gippsland
- Domestic demand (AEMO)

Source: AEMO: National Gas Forecasting Report Dec 2015

Source: EnergyQuest, AEMO

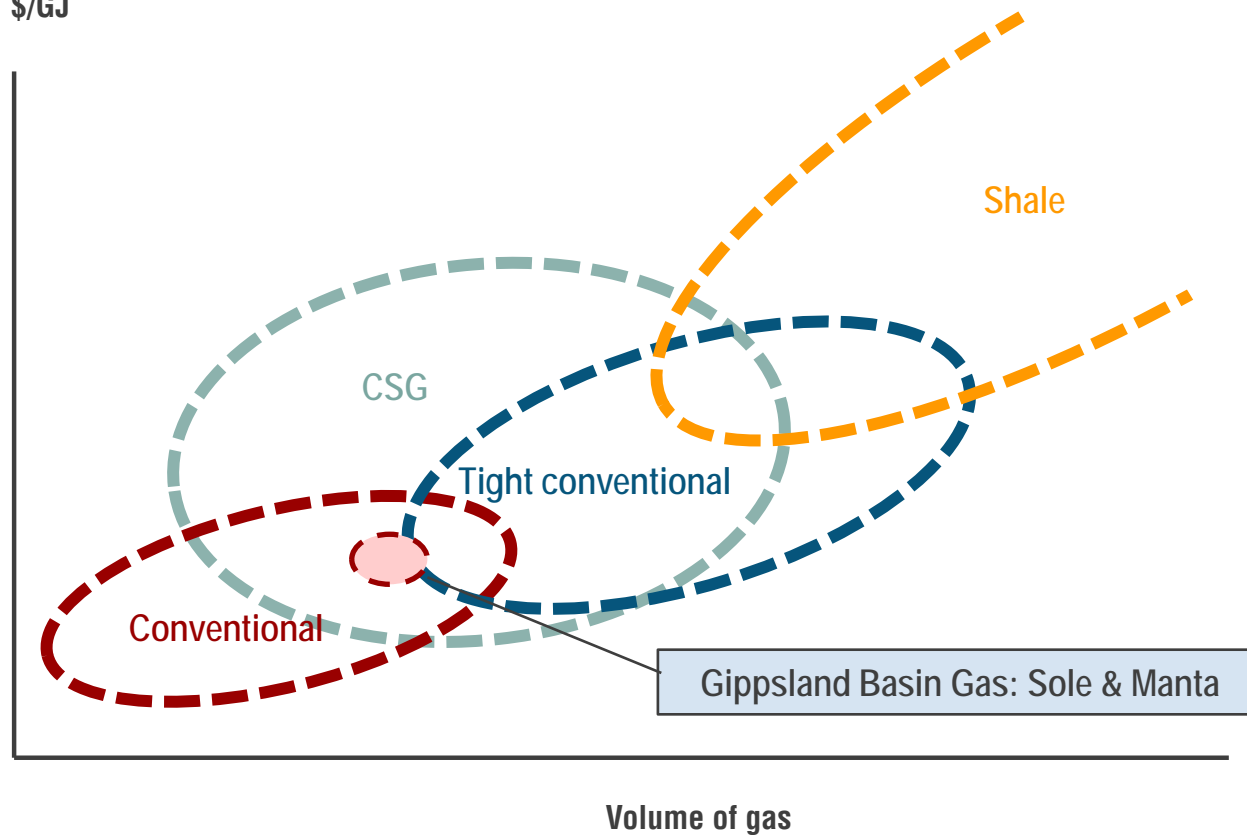


Indicative gas supply cost curve

Gippsland gas is among most competitive new supply sources for eastern Australia

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Economic ex-field gas price
\$/GJ



Other key variables

- Liquids content
- Inerts content e.g. CO₂, N₂
- Size/economy of scale
- Community & approvals
- Access to infrastructure
- Distance/cost to market

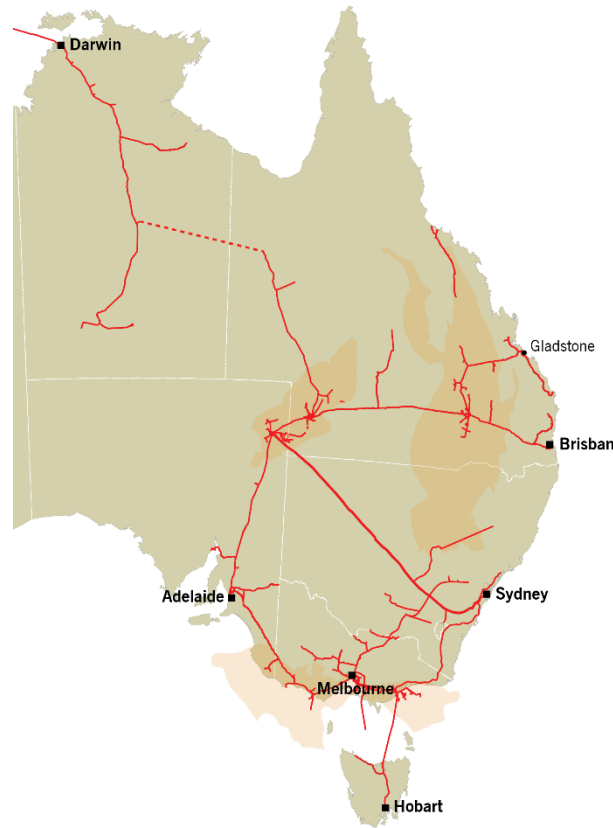
South east Australian gas market

Gas buyer activity increasing as supply options are contracting

Demand-side

- Eastern Australian demand not covered by existing contracts
- Gas buyers increasingly active; industrials and utilities
- Seeking supply from 2016 – 2025+

= gas buyers facing, and responding to, uncertainty



Supply-side

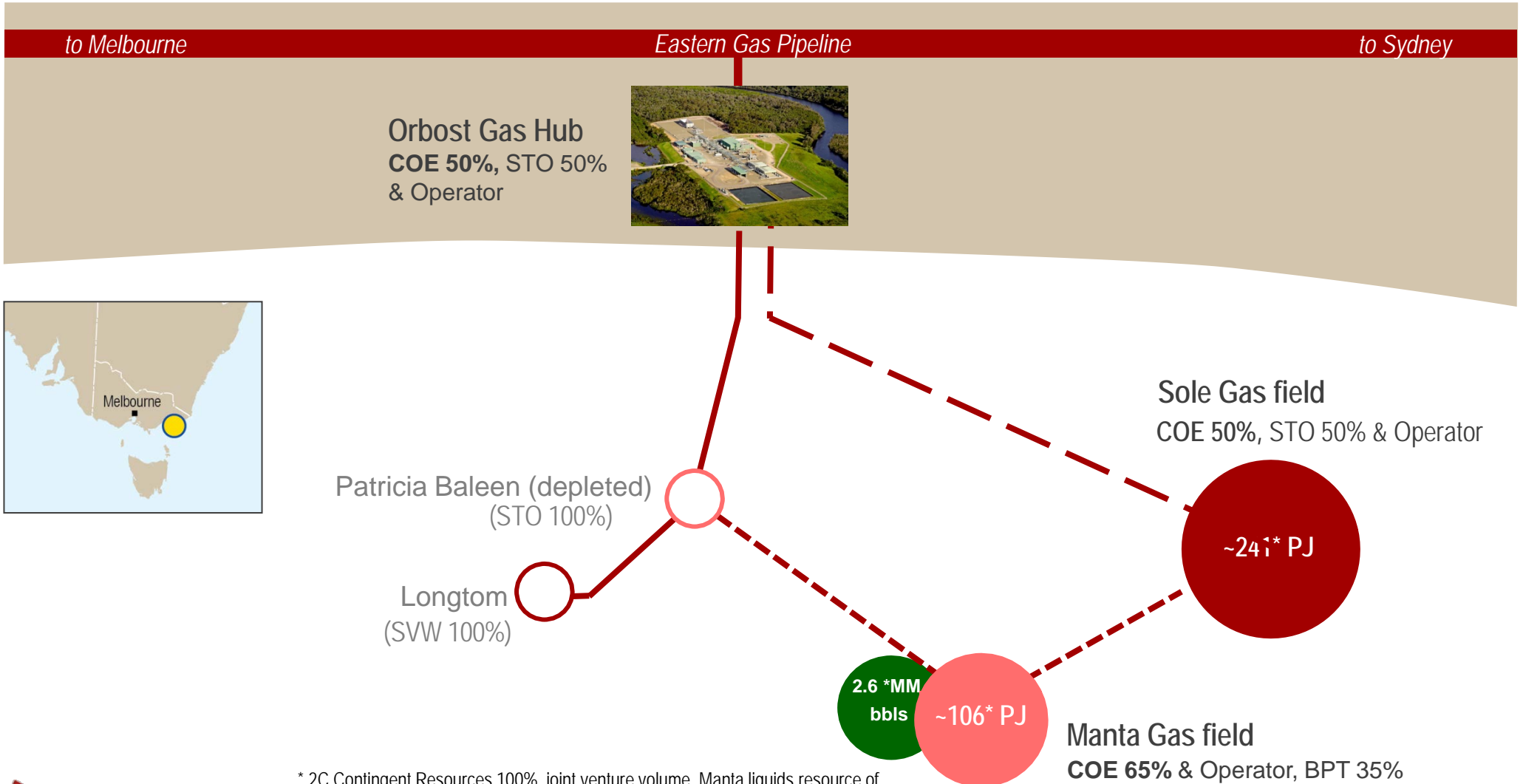
- Existing producing fields in decline
- Queensland and Cooper Basin commitments to Gladstone LNG
- Lower oil price outlook likely to impact available gas
- NEGI to direct NT gas to Queensland
- Transportation to south eastern Australia ex central and northern Australia adds ~\$2.50 - \$3/GJ
- NSW & Victoria onshore gas policy

= positive climate for best-placed gas in S E Australia

Gippsland Gas Projects and Orbost Gas Hub

Marketable gas volumes, existing plant and pipeline access

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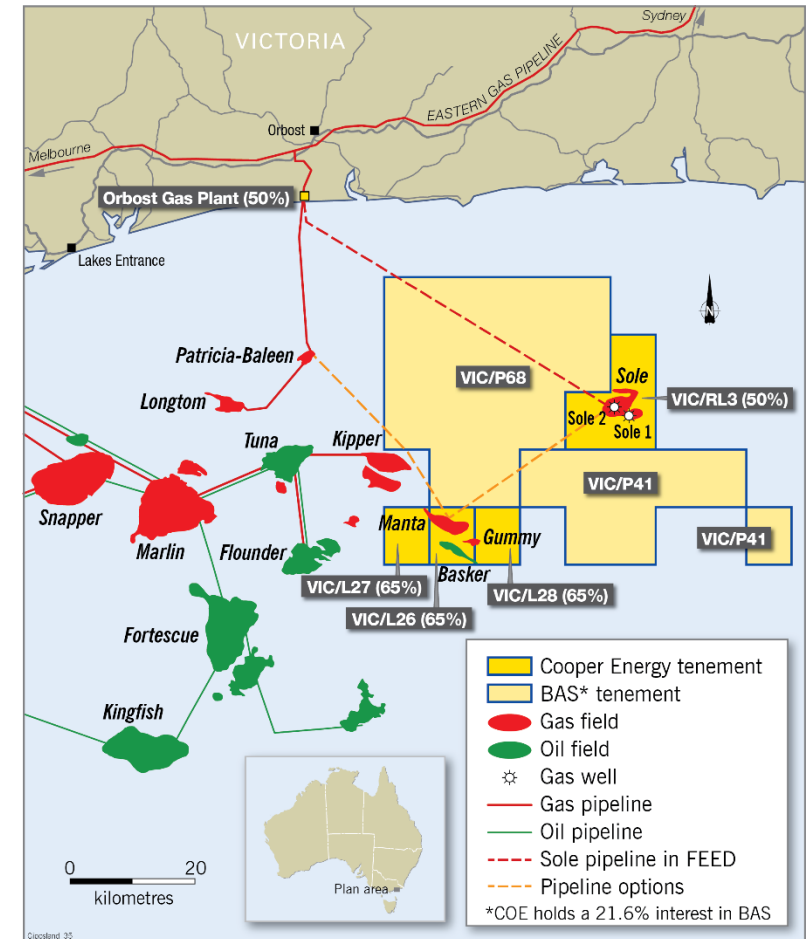
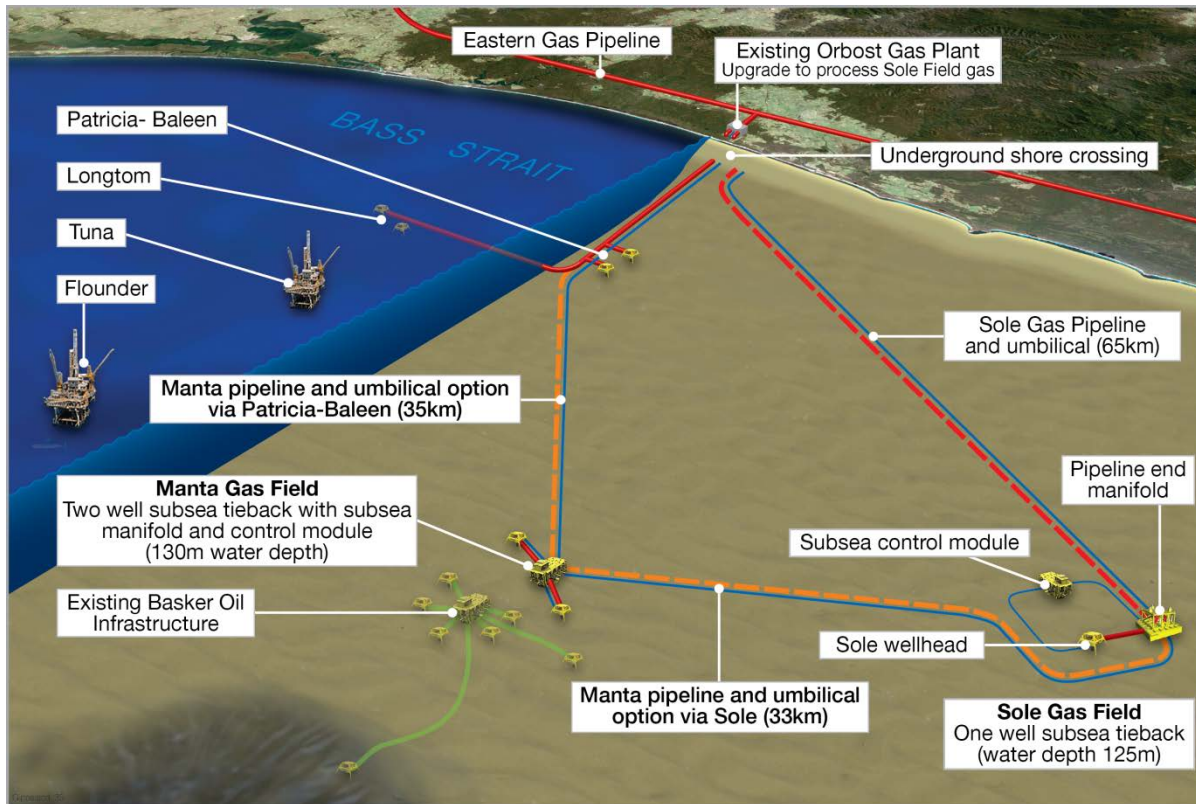


* 2C Contingent Resources 100% joint venture volume. Manta liquids resource of 2.6MM bbls refers to condensate only. Refer notes on resource calculation included in the appendices to this document.

Gippsland Basin Gas Hub

Staged development utilising existing Orbest Gas Plant

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- Commercial alignment unlocks significant value increments through synergy

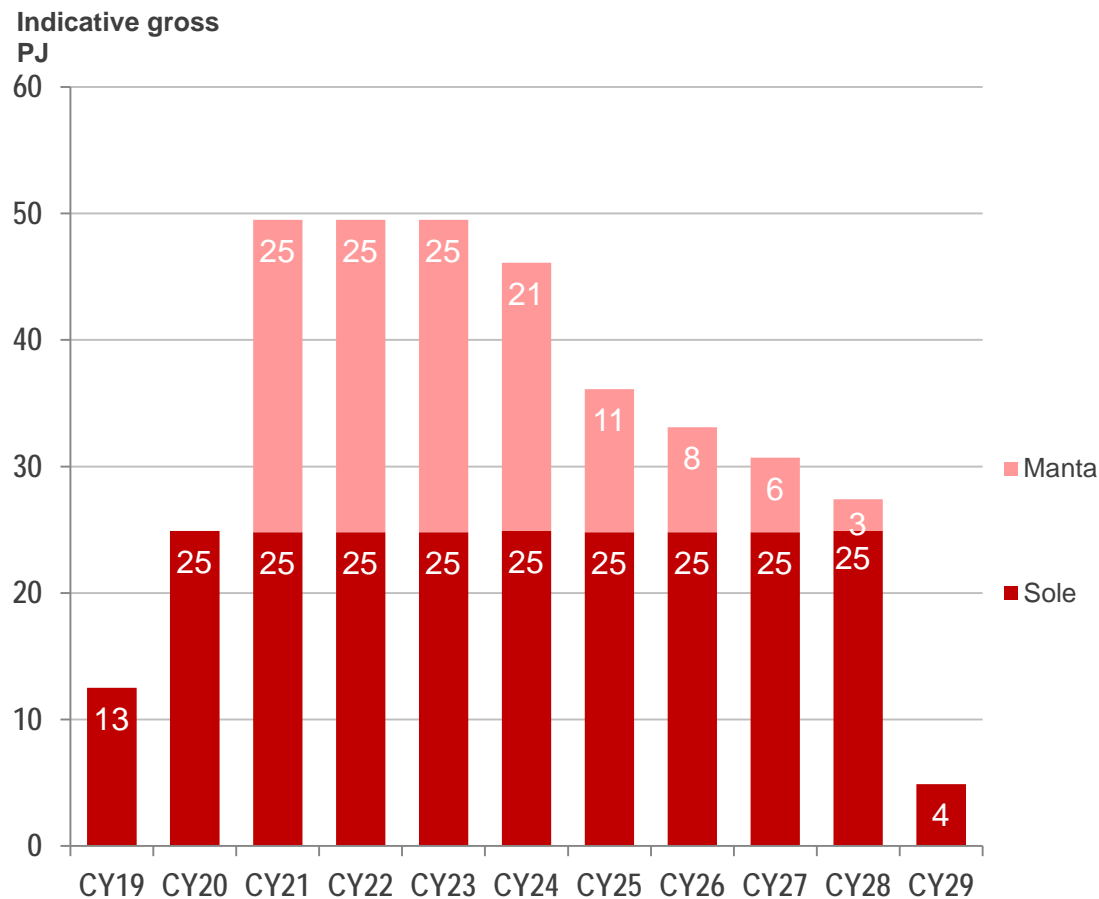
Gippsland Basin Gas Project update overview

FEED on schedule and on budget, data room opened, gas marketing on track

- 1 Sole FEED advancing on schedule and within budget for FID in September quarter 2016
- 2 Sole Contingent Resources (2C) upgraded from 211 PJ gross to 241 PJ gross. COE share up from 105 PJ to 121 PJ
- 3 Data room opened for Gippsland Basin Gas Hub: capital and return optimisation for COE holders through commercial alignment and involvement of additional partner
- 4 Negotiations and approvals around further contracts from Sole. On track for 80% COE gas committed pre FID
- 5 Manta gas being sought by gas users, in discussions
- 6 Manta commercialisation and development pathways being assessed
- 7 Alignment of portfolio to concentrate capital on Gippsland opportunity; Indonesia divestment and Tunisia withdrawal progressing

Sole and Manta gas production profile¹: 100% Joint Venture volume

Solid production profile peaking at 50 PJ pa and opportunity to extend production profile



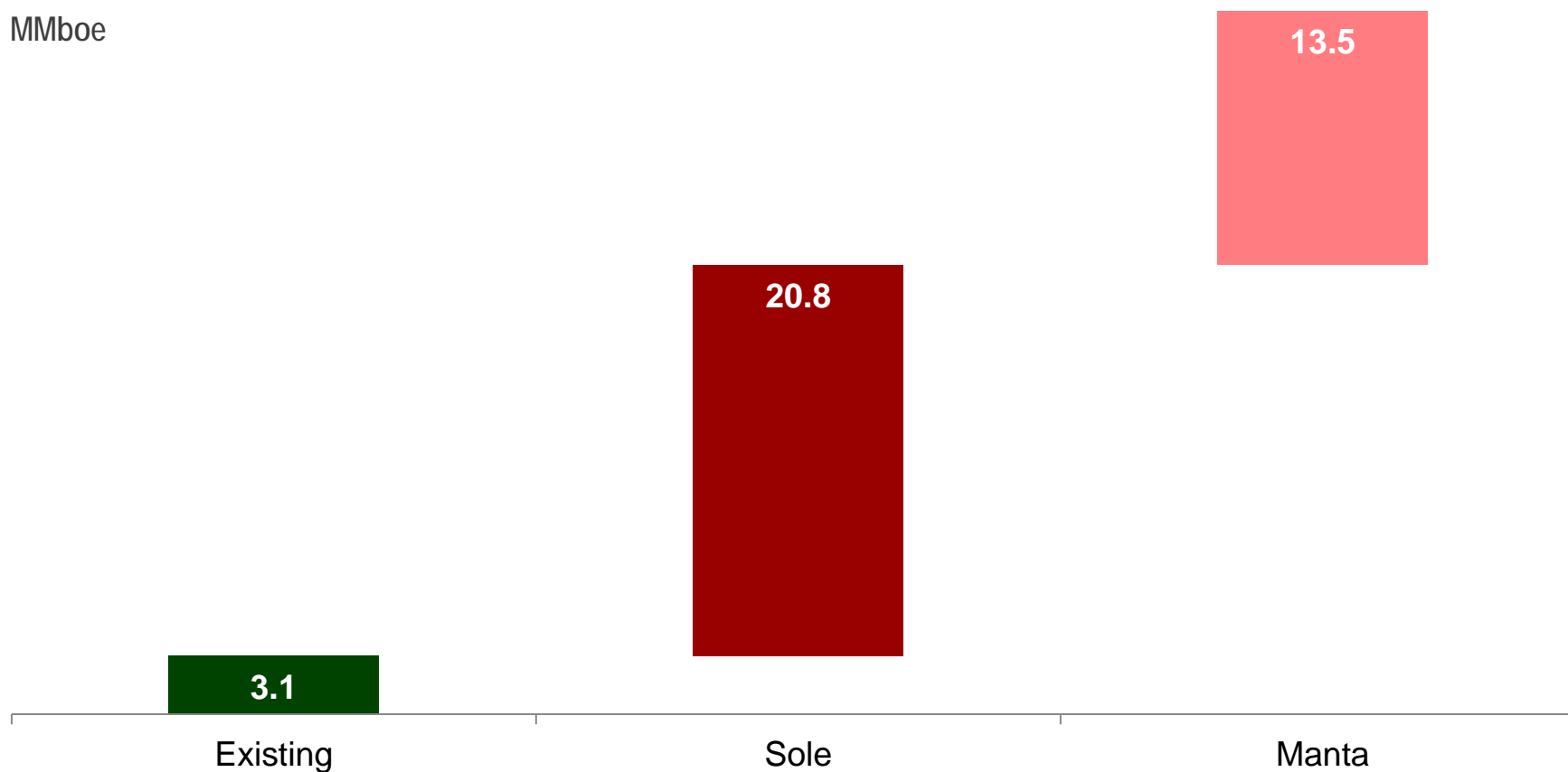
- Gippsland gas projects can produce more than 360 PJ (gross) from current projects
- Peak production ~50 PJ p.a
- Strong stable cash flow anticipated
- Gas price of \$8/GJ generates ~\$400 million gas revenue per annum in the plateau period
- Cumulative gas revenue of \$2.5 – 2.9 billion at prices of \$7 to \$8/GJ
- Additional revenue from Manta liquids production
- Near field exploration and third party agreements will likely extend the production profile

¹Indicative only and subject to key milestone achievement and joint venture decision

Potential reserve additions from Gippsland Basin Gas Projects

2P Reserves to COE anticipated from affirmative FID of projects at current equity levels

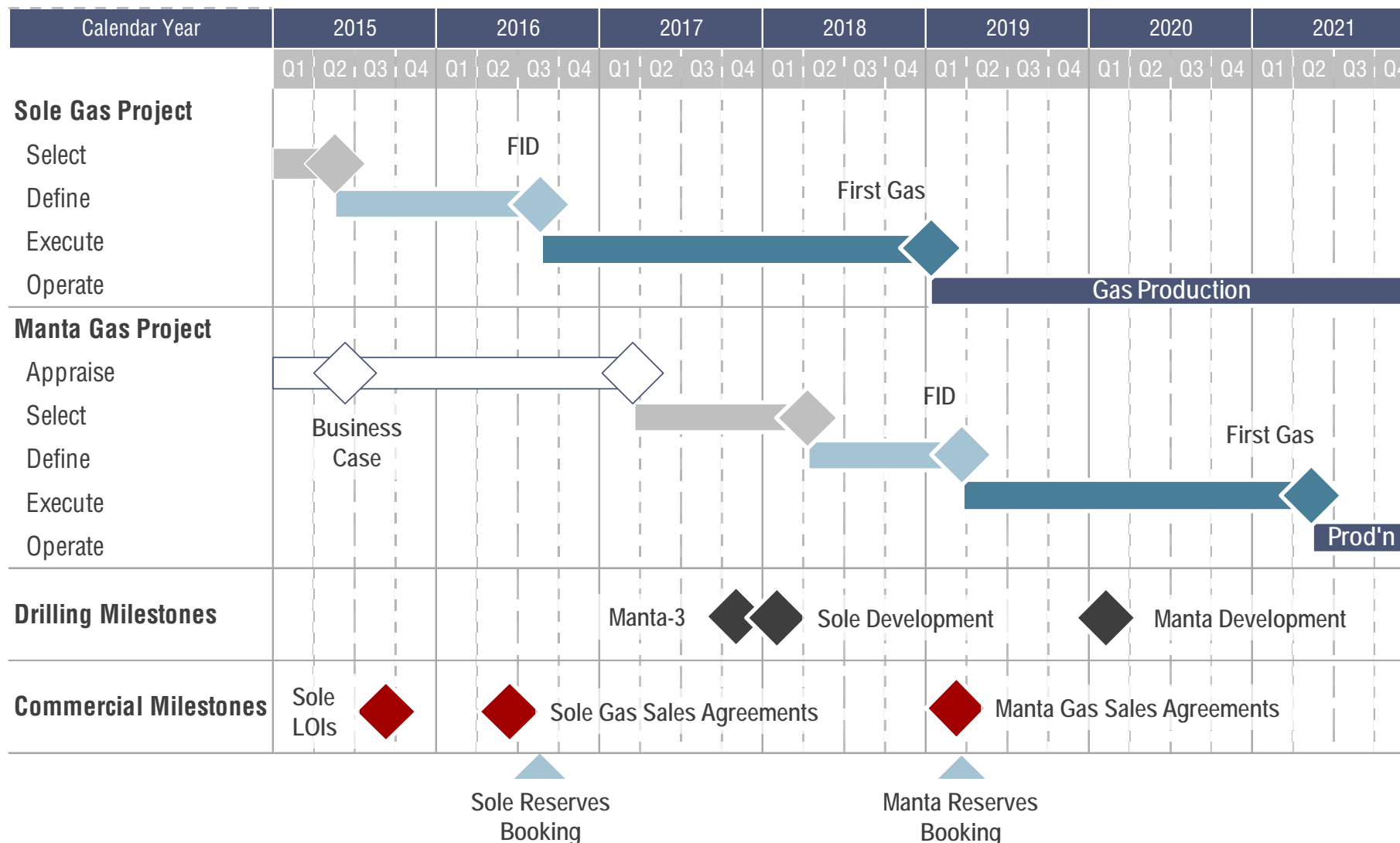
MMboe



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Gippsland gas projects indicative¹ timeline

Key commercial and project milestones for value accretion



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¹ Indicative only and subject to review at key milestones and joint venture decisions

Near term events

Near term features catalysts and milestones in contracts, costings, funding and project commitment

2015		2016	
Dec Qtr	Mar Qtr	Jun Qtr	Sept Qtr

Gippsland data room opens

FEED ongoing

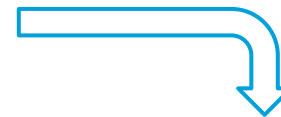
Capital management: Indonesia assessment initiated



Data room outcome

Pre-FID sales contracts secured

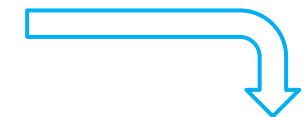
Indonesia assessment



FEED complete

Bankable gas contracts

Funding finalised



FID

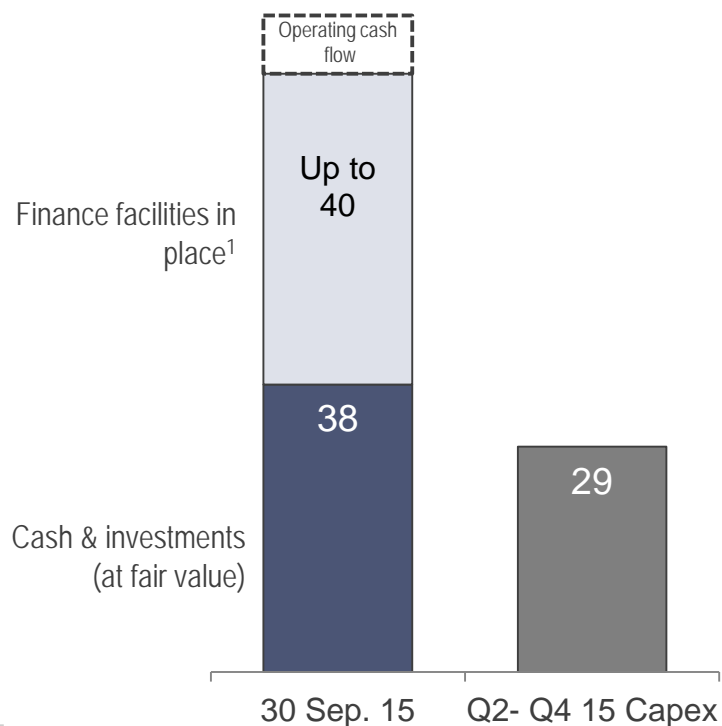
Reserves booking

Manta pre-feed

Funding & capital management

Fully funded for current year, cash & investments exceeding capex, plus finance facilities

\$ million



¹ Reserve based lending subject to conditions. Refer September quarter report 2015 for further information

Fully funded for FY16

- Existing financial resources sufficient for FY16 capital expenditure plans, some of which is discretionary or can be deferred.
- Financial assets in place at 30 Sept 15 of \$38 million can be supplemented by finance facilities and operating cash flow from production of 450,000 – 550,000 barrels.
- Hedging in place to protect cash flow from downside in oil prices.

Project funding strategy

- Fully funded past FID
- Funding analysis and strategy completed
- Multiple funding options possible, including:
 - proceeds from equity alignment/interest sell down, other asset sales
 - project finance at joint venture level and/or project finance at corporate level
 - equity / equity like funding

Capital and portfolio alignment for shareholder value

- Portfolio and capital management is aligned with strategy and designed to provide the best value for COE shareholders
 - Indonesia: investigating opportunities for divestment
 - Tunisia: prosecuting most cost effective withdrawal on permit by permit basis

Near term plan: ~9 month look-ahead

How will Cooper Energy look in 6 – 9 months with success from current work program

~ 95 PJ Contracted gas

- Firm gas sales agreements for 95 PJ that are expected to generate revenue between \$660 million to \$760 million to COE at gas prices of \$7/GJ to \$8/GJ

~ 90 PJ Uncommitted gas

- Gas available for contracting into eastern Australian gas opportunity
- Remaining Sole gas for best opportunities and Manta project gas

2 Gas projects advancing

- Sole project into development following FID
- Manta commercialisation pathway identified, into pre-FEED

Australian 2P Reserves of
~22- 23 MMboe

- Reserves increased from 3 MMboe to approximately 22-23 million boe through uplift from Sole

Solid low cost oil production

- Stable low cost Cooper Basin oil production ~ 400,000 barrels

Portfolio aligned

- Gippsland interests commercially aligned to optimise returns from development
- Acreage, portfolio and capital management aligned around Australian gas and low cost Australian oil

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Appendices

Company snapshot

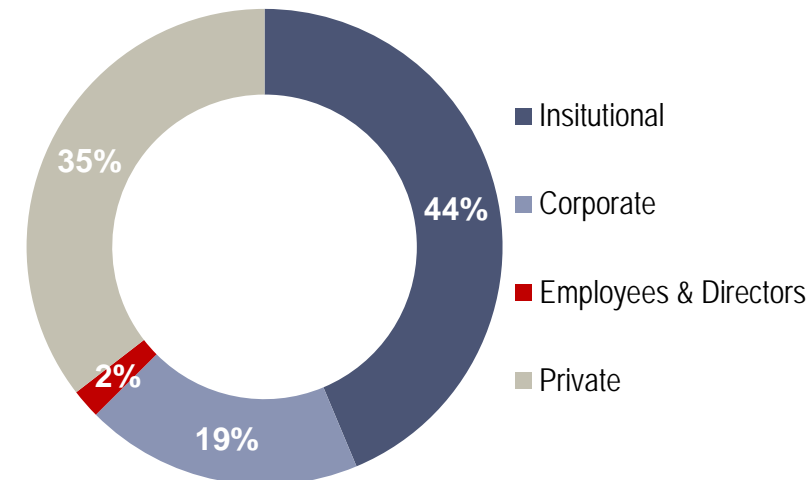
ASX listed, strong balance sheet and stable share register

Cooper Energy is an independent Australian exploration and production company

- Cash generating from production of approx. 500,000 barrels of oil per annum
- Strong balance sheet, zero debt
- 212 PJ of 2C Contingent Resources¹ (net to COE) being developed for eastern Australian gas opportunity
- Management team and Board experienced in growing resource companies
- Incorporated in 2002, history of profitable operations and successful exploration and development

Key figures	
Shares on issue	333.7 mill
Shareholders	5,035
Market capitalisation ²	~\$55 mill
Cash & investments ³	\$37.9 mill
Debt	Nil
Employees (FTE Australia)	21

Cooper Energy share register



¹ Refer notes on Contingent Resources included in Appendices to this document

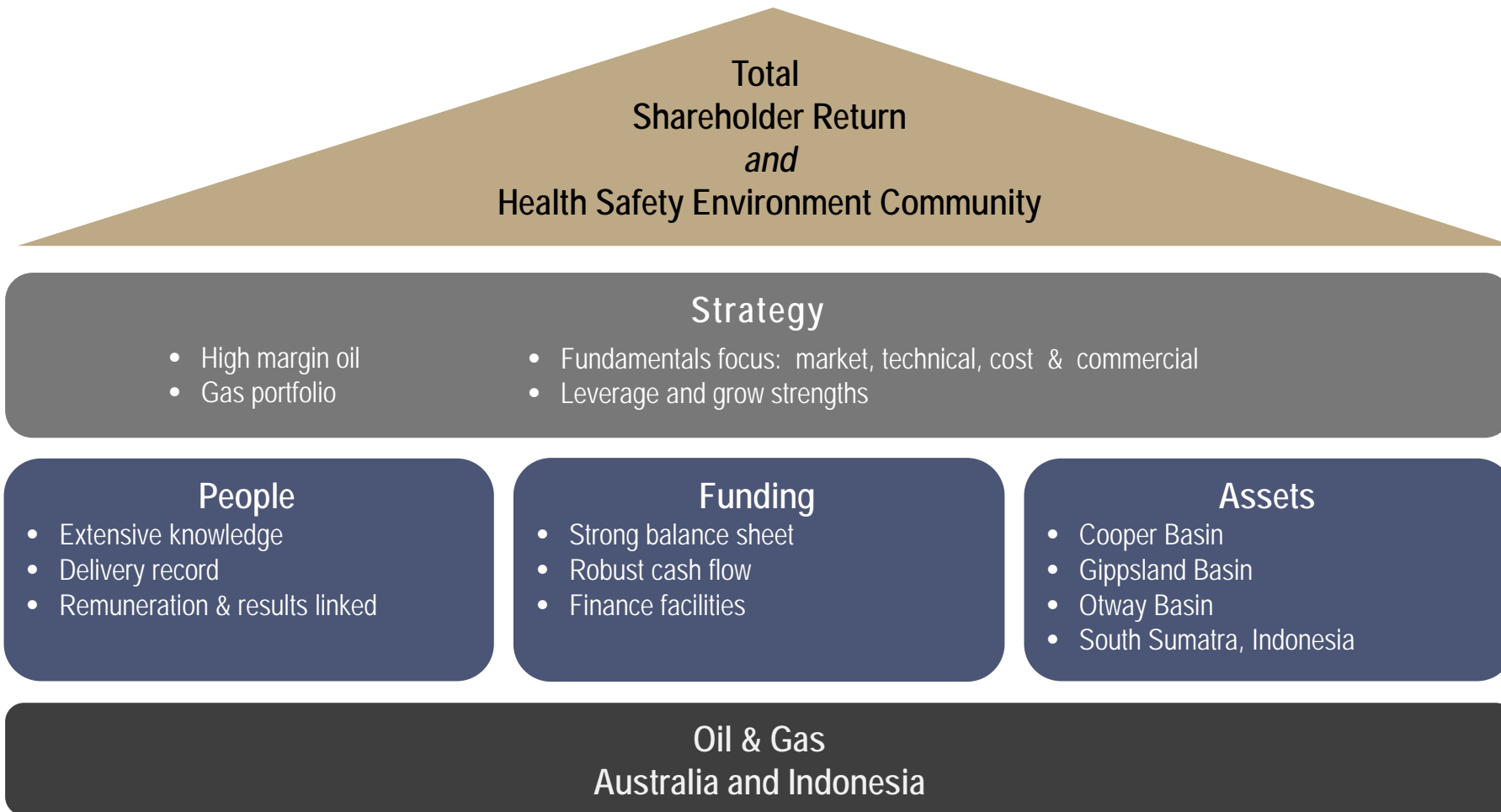
² As at 13 Dec 2015

³ As at 30 Sept 2015



Business model and focus

Focus on returns & care through disciplined application of resources and core skills

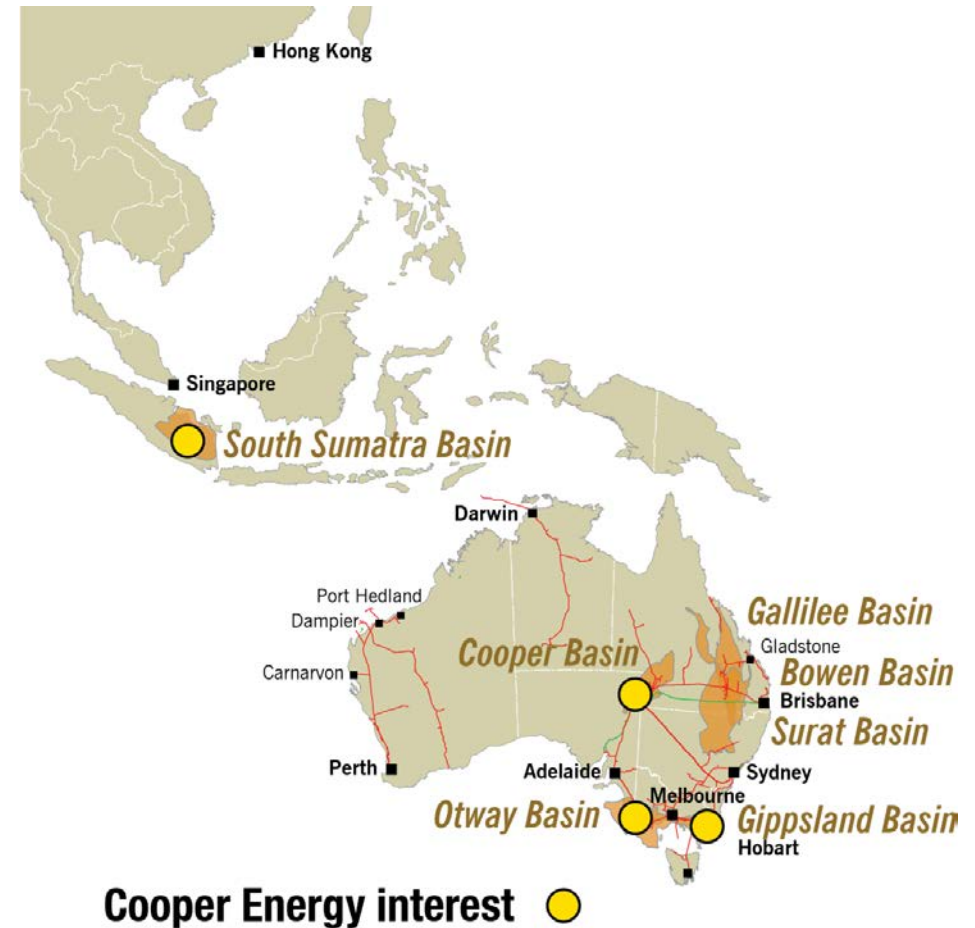


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Cooper Energy interests

Portfolio prioritised on Cooper Basin oil production and gas to Eastern Australia....

- Cooper Basin Oil
 - oil production
 - development & appraisal
 - exploration
- Otway Gas
 - exploration
- Gippsland Gas
 - development
 - appraisal & exploration
 - major shareholder in Bass Strait Oil Company
 - joint ventures with Santos and Beach Energy
- Indonesia (onshore Sumatra)
 - oil production, development and appraisal
- Tunisia (being divested)

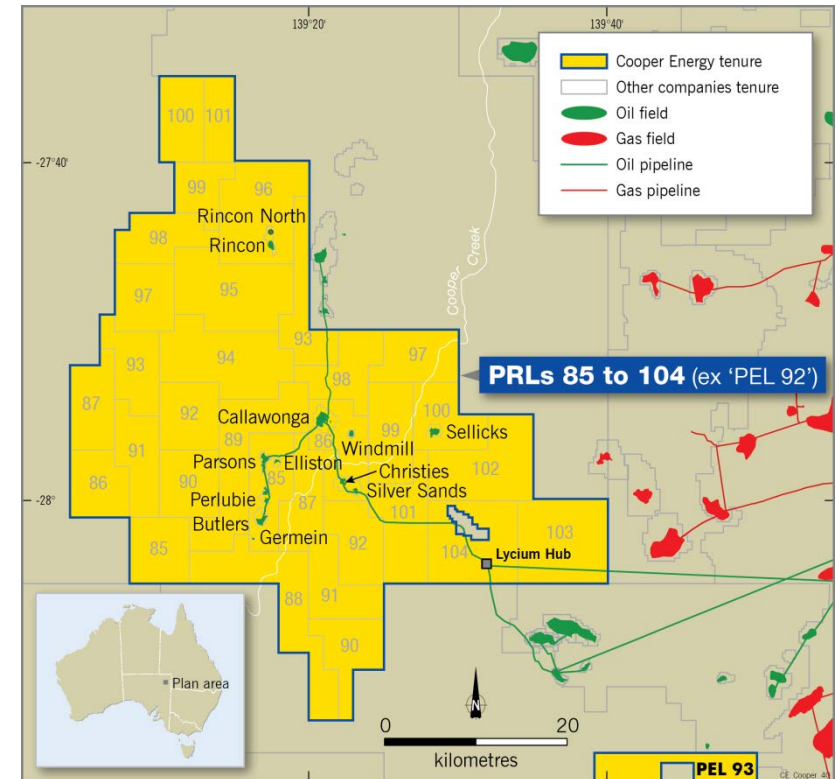


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Cooper Basin Oil production

Cash generator with low production cost. Working in FY16 for production growth in FY17

- Direct operating costs of A\$32/bbl vs sale price of ~A\$64/bbl (Sept Qtr average)
- FY15 reserves replacement 120%
- Field performance & appraisal continues to add reserves
- FY16 program expected to add production and reserves
 - Callawonga appraisal
 - low cost facilities optimisation to remove bottlenecks
- Unaddressed exploration potential eg Sellicks analogues, Permian edge



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Sole Gas Project

Market interest, contracting on track for FID

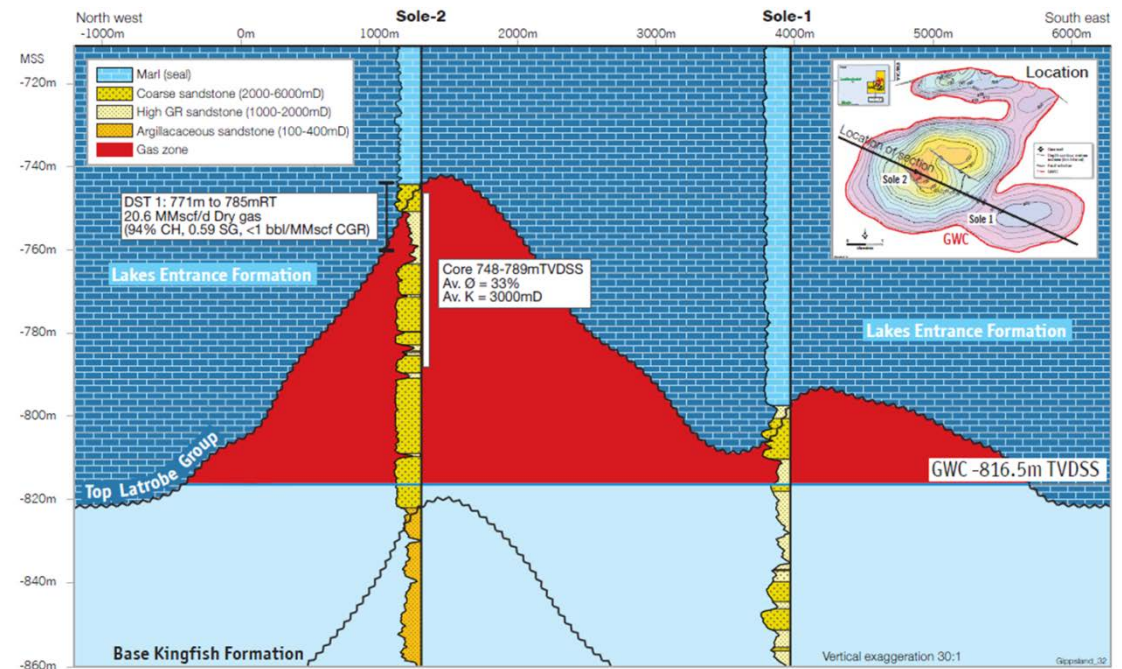
- COE production share ~ 12.5 PJ pa
- Initial gas contract with O-I Australia
- Discussions for additional contracts well advanced
 - good interest levels
- Prices supportive of economic project and within forecast range
- Expect to achieve pre-FID target of contracting sales for 80% of Sole output in March Quarter 2016

Contingent Resource ¹ estimate in Kingfish Formation, Sole field, Gippsland Basin PJ

	1C	2C	3C
Gross (100% field)	203	241	285
Cooper Energy (50%)	102	121	143

¹ Contingent Resource estimate for Sole was announced to the ASX on 26 November 2015. Refer notes on resource calculation included in the appendices to this document

Sole field schematic cross section



Onshore Facilities – Orbost Gas Plant



- Existing plant with capacity of approximately 90 TJ/d connected to the Eastern Gas Pipeline (EGP) allowing access to the interconnected East Australia gas market
- Commissioned in 2003 by OMV Australia, upgraded in 2009 for Longtom gas
- August 2015 put in care and maintenance mode (Longtom ceased production in May 2015)
- Orbost Gas Plant Upgrade Project currently in FEED. Plant modifications required to process Sole gas: H₂S, compression etc
- Gas hub for processing gas from owners and third parties
- Interests: Cooper Energy 50%; Santos 50%

Manta Gas Project

65% interest and Operator of gas project offering commercial opportunity and synergies with Sole

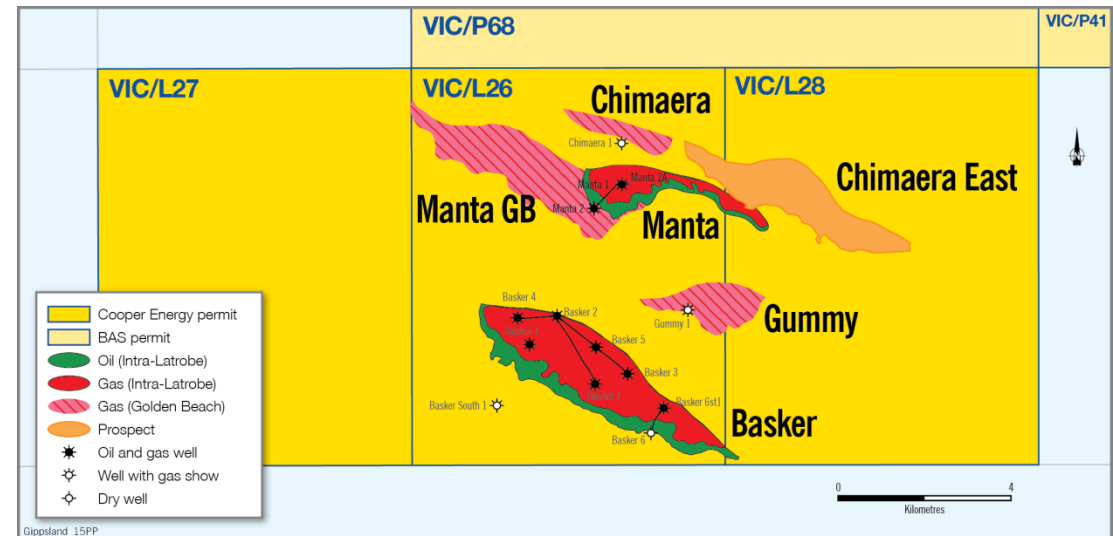
- Gas resource of 106 PJ 2C Contingent and Risked Prospective Resource of 11PJ
- COE Business case identified economic opportunity
- Attracting interest from gas buyers
- Preferred option utilises synergies with adjacent Sole project and Orbost Gas Hub:
 - 2 well subsea development, transports gas to Orbost Gas Plant
 - optimisation with Sole reduces capital costs for both projects
- Vic /L26 , L27 and L28 Joint Venture
 - Cooper Energy 65% and Operator
 - Beach Energy 35%

Manta Contingent Resource¹

(100% JV)		1C	2C	3C
Gas	PJ	68	106	165
Condensate	MMbbls	1.7	2.6	4.0
Total	MMboe	13.3	20.8	32.4

¹ Contingent Resource estimate for Manta was announced to the ASX on 16 July 2015. This table does not display oil Contingent Resource announced 16 July. Refer notes on resource calculation provided in Appendices to this presentation.

Manta field location, VIC/L26-28, Gippsland Basin , offshore Victoria

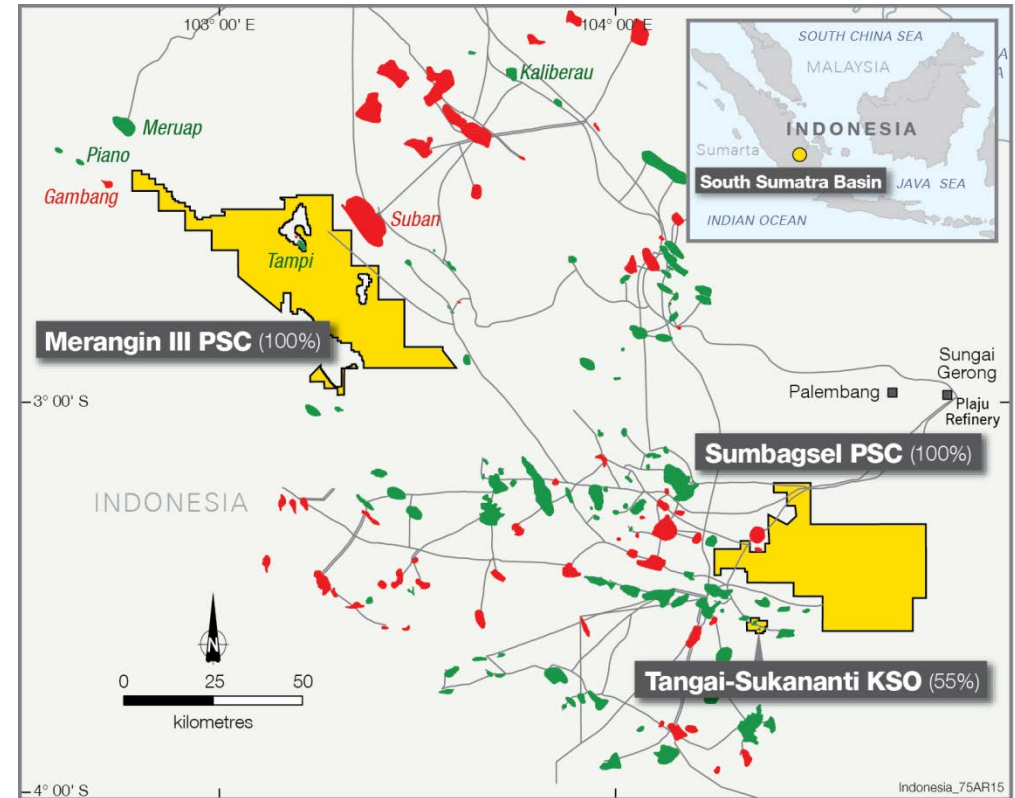
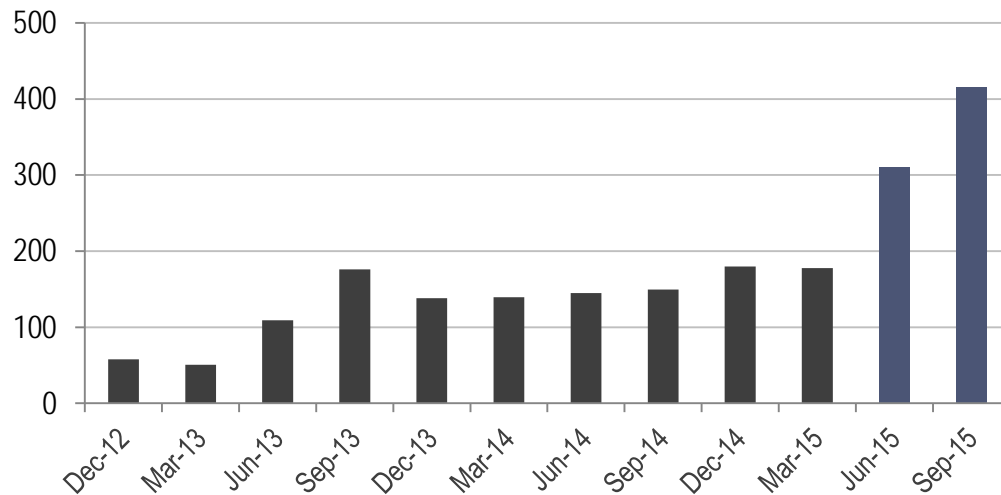


Indonesian oil production & reserves uplift

Step change in reserves and production from low-risk value add strategy

- Appraisal and development drilling program successful in adding reserves and production
- Prospective exploration blocks
- Opportunity to step up production beyond current capacity constraints with capital expenditure on pipelines
- Opportune for COE to monetise position so capital can be concentrated on Gippsland projects

Indonesian quarterly production
barrels of oil per day, COE share



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Notes on calculation of Reserves and Resources

The approach for all reserve and resource calculations is consistent with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS). The resource 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 and probabilistic summation. Aggregated 1P or 1C may be a conservative estimate and aggregated 3P and 3C may be an optimistic estimate due to the effects of arithmetic summation. Totals may not exactly reflect arithmetic addition due to rounding.

Reserves

The Cooper Basin totals comprise the probabilistically aggregated PEL 92 project fields and the arithmetic summation of the Worrior project reserves. Total includes 0.05 MMbbl oil reserves used for field fuel. The Indonesia totals include removal of non-shareable oil (NSO) and comprise the probabilistically

Notes on calculation of Contingent Resources

Sole gas field

Contingent Resources have been assessed using probabilistic simulation modelling for the Kingfish Formation at the Sole Field. This methodology incorporates a range of uncertainty relating to each of the key reservoir input parameters to predict the likely range of outcomes. The conversion factor of 1PJ = 0.172MMboe has been used to convert from Sales Gas (PJ) to Oil Equivalent (MMboe). The date of the Sole Contingent Resource Assessment is 26 November 2015 and the assessment was announced to the ASX on 26 November 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.

Manta gas and oil field

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 = 0.172MMboe 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. The date of the Manta Contingent Resource assessment is 16 July 2015 and the assessment was announced to the ASX on 16 July 2015. Cooper Energy is not aware of any new information or data that materially affects the information provided in that release and all material assumptions and technical parameters underpinning the assessment provided in the announcement continues to apply.

Basker gas and oil field.

Contingent and Resources have been assessed using deterministic simulation modelling and probabilistic resource estimation for the Intra-Latrobe Sub-Group in the Basker 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 = 0.172MMboe has been used to convert from Sales Gas (PJ) to Oil Equivalent (MMboe). Contingent Resources for the Basker Field have been aggregated by arithmetic summation. The date of the Basker Contingent Resource assessment is 15 August 2014 and the assessment was announced to the ASX on 18 August 2014. 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.

Cautionary Prospective Resource Statement

These estimated quantities of petroleum that may be potentially recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to confirm the existence of a significant quantity of potentially movable hydrocarbons.

Abbreviations

\$, A\$	Australian dollars unless specified otherwise
Bbls	barrels of oil
boe	barrel of oil equivalent
bopd	barrel of oil per day
EBITDA	earnings before interest, tax, depreciation and amortisation
FEED	Front end engineering and design
kbbbls	thousand barrels
LTIFR	Lost Time Injury Frequency Rate. Lost Time Incidents per million man hours worked
MMbbl	million barrels of oil
MMboe	million barrels of oil equivalent
NPAT	net profit after tax
PEL 92	SA Cooper Basin acreage held by the PEL 92 joint venture now encompassed by Petroleum Retention Licences 85 – 104 (refer slide 24)
TSR	total shareholder return
1P reserves	Proved reserves
2P reserves	Proved and Probable reserves
3P	Proved, Probable and Possible reserves
1C, 2C, 3C	high, medium and low estimates of contingent resources

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