

## Cooper Energy 2012 Annual Financial Results

### RECORD PRODUCTION AND PROFIT

#### Key Points

- Record NPAT of A\$8.4 million
- Production increased 27% to 517,186 barrels
- Sales revenue increased 52% to A\$59.6 million
- 2P reserves reduction to 1.88 million barrels
  - being mitigated by increased resource and prospects inventory
- New board and management
- Bargou – Tunisia (Hammamet West) farm-out to Dragon Oil
- Focus and expenditure moved from international to Australia
- Somerton Energy acquired – materially increases Otway opportunities

Cooper Energy Limited (**ASX: COE**) (“**the Company**” or “**COE**” or “**Cooper**”) is pleased to report the results of its financial and operating performance for the year ending 30 June 2012.

#### Managing Director, David Maxwell said:

“The past year has been a period of major changes and transition. The company is now moving to materially improve shareholder return and positioning for sustainable long term growth”.

“The benefit of the increased focus on the strong Cooper Basin and Tunisia assets and the reduced emphasis on international exploration is illustrated by the financial and operating improvements”.

“It is disappointing that the annual production was not replaced with additional reserves. However, to address this Cooper Energy will have a particularly busy next 12 months with drilling in the Cooper Basin, Otway Basin, Tunisia and Indonesia.”

“The acquisition of Somerton Energy concluded in July 2012 has materially increased the exploration opportunities available and added very relevant experienced technical management”.

“The objectives for the 2013 financial year include further increasing production, growing the reserves base and building the suite of opportunities in Australia and Tunisia to deliver continued increase in shareholder returns”.

ASX Code: COE

Capital Structure

Shares on issue: 328,694,257

#### Board of Directors

Laurie Shervington – Chairman

David P. Maxwell – Managing Director

Jeffrey W. Schneider – Non Executive Director

Hector M. Gordon- Executive Director

Ian Gregory – Company Secretary

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## Financial and Operating Summary

The net profit after tax from continuing operations was \$8,381,000 (2011: Loss \$10,349,000).

The net profit was significantly impacted by the accounting disclosure arising from the introduction of Petroleum Resource Rent Tax, which increased the net profit from continuing operations for the year by \$12,233,000, and the write down of the value of exploration assets in Indonesia and Poland by \$17,880,000 (2011: \$19,306,000). The following table summarises.

	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
Net profit after tax before abnormal events	15,760	11,729
Write off of unsuccessful exploration and impairments of assets	(19,612)	(22,078)
PRRT Deferred Tax Asset recognition	12,233	
Net profit/(loss) after taxation	<b>8,381</b>	<b>(10,349)</b>

In the twelve months to June 2012 the Company's share of oil from joint ventures in the Cooper Basin totalled 501,012 (2011: 398,859) barrels of oil and from the Sukananti field in Indonesian 16,174 (2011: 7,851) barrels of oil.

In the twelve months to June 2012 the Company's revenue from sales was \$59,606,000 (2011: \$39,121,000).

At 30 June 2012 the Proved and Probable reserves (2P) totalled 1,791,000 (2011: 2,348,000) barrels of oil in the Cooper Basin (South Australia) and 91,000 (2011: 123,000) barrels of oil at Sukananti (Indonesia).

The Company has also analysed and reviewed its Possible reserves and Contingent resources which are summarised in the following table (million barrels).

Net Oil Reserves			Net Oil Resources
Proved (1P)	Proved & Probable (2P)	Proved, Probable & Possible (3P)	Contingent
0.92	1.88	2.75	6.47

During the year the Company participated in the drilling of six exploration wells (2011: six wells) and five appraisal/development wells (2011: five wells) in the Cooper Basin, South Australia. Three of the exploration wells and four of the development wells were successful.

In June 2012 the Company acquired a controlling interest in Somerton Energy Limited ("Somerton") for a total cost of \$25,323,000 by the issue of shares valued at \$15,711,000 and payment of a cash consideration of \$9,613,000. Assets acquired were exploration and evaluation of \$20,963,000 including cash on hand of \$7,081,000 and a deferred tax liability of \$2,008,000. The Somerton acquisition was completed on 26 July 2012 and has materially increased the oil and gas opportunities available to the Company in the Otway Basin (a focus area) and provided exposure to the Gippsland Basin.

In August 2012 the Company (via Somerton) increased its strategic holding in Bass Strait Oil Company Limited ("Bass") to 16.7%. This interest may increase to 19.9% following the finalisation of a pro rata rights issue that a Group company has underwritten. Bass has a portfolio of assets in the Gippsland and Otway Basins which are complementary to the Group's interest in the area.

The Board announced in August 2012 that the head office of the Company will be relocated from Perth to Adelaide effective from the beginning of 2013. This move locates the management closer to the Company's core assets and joint venture partners.

## **Forward Plans and Outlook**

The production outlook for FY2013 is 550,000 barrels (an increase of 6% on FY2012) from existing Cooper Basin and Indonesia assets. The capital guidance is \$27 million.

In the year to June 2013 the Company currently plans to:

- drill 11 wells (Cooper Basin-7, Otway Basin-2, Tunisia-1, Indonesia-1);
- acquire 630 km<sup>2</sup> 3D seismic in Australia; and
- evaluate and pursue opportunities to further grow the business and shareholder return and provide the platform for longer term growth.

## **Contact:**

### **Cooper Energy Limited**

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## FY 2012 Results – Key Points

### Financial and Operations

- Record NPAT of A\$8.4 million
- Production increased 27% to 517,186 barrels
- Sales revenue increased 52% to A\$59.6 million
- Reduction in remaining 2P reserves to 1.88 million barrels
  - being mitigated by increased resource and prospects inventory

### Corporate

- New board and management
- Farm-out Bargou, Tunisia (Hammamet West) to Dragon Oil
- Focus and expenditure moved from international to Australia opportunities
  - with good results
- Somerton Energy acquisition materially increases Otway opportunities



# FY 2012 Financial Results Summary

		FY2011	FY2012	Change
Production	('000 barrels)	407	517	27%↑
Sales revenue	(A\$ million)	39.1	59.7	52%↑
Cash flow after tax from operating activity	(A\$ million)	10.9	35.9	229%↑
Cash flow after tax from operating activity/barrel	(A\$ barrel)	\$26.74	\$69.37	159%↑
Net profit / (loss) after tax	(A\$ million)	(10.3)	8.4	N/A ↑
Net profit after tax before abnormal events	(A\$ million)	11.7	15.7	34%↑
Reserves (2P) @ 30 June	(million barrels)	2.47	1.88	-23%↓
Reserves (3P) & contingent resources @ 30 June	(million barrels)	N/A	9.22	