



Developing gas for southern Australia

Euroz Hartleys Institutional Conference

10 March 2021

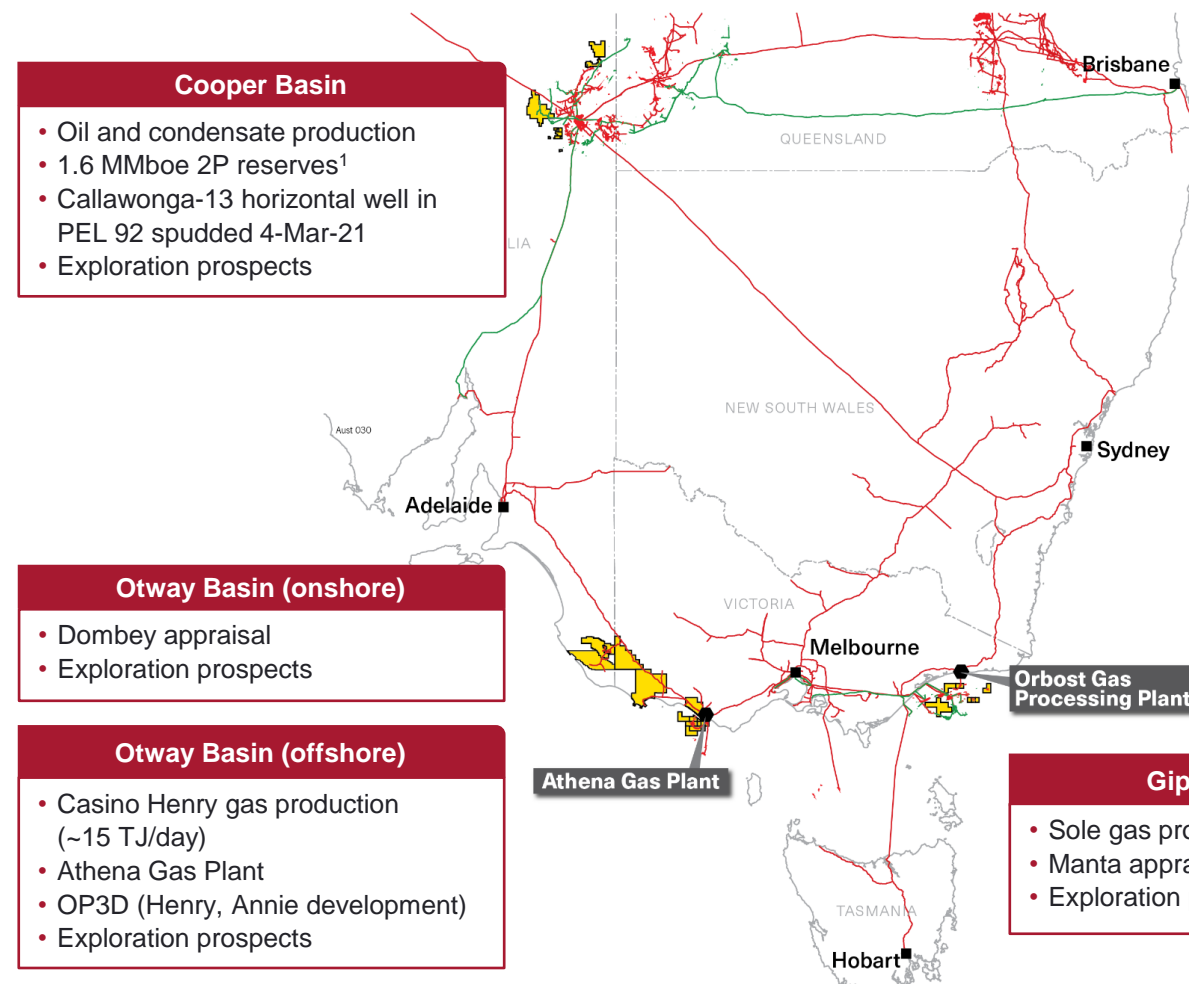


- 1. Strategically located gas portfolio**
- 2. Southern gas shortfalls**
- 3. Gas projects align with forecast shortfalls**

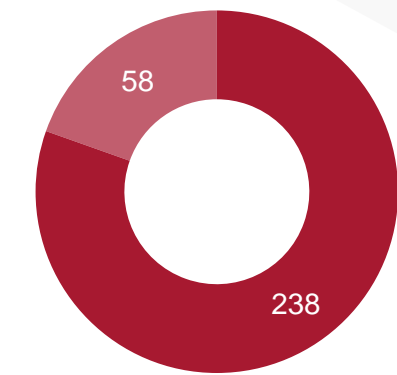


A material gas portfolio ideally located for southern markets...

Strategically positioned close to infrastructure and customers

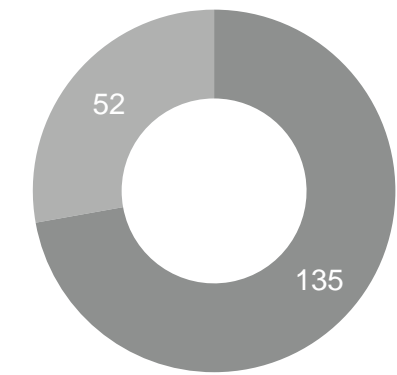


2P gas reserves: 296 PJ¹



■ Gippsland Basin ■ Otway Basin

2C gas resources: 187 PJ¹



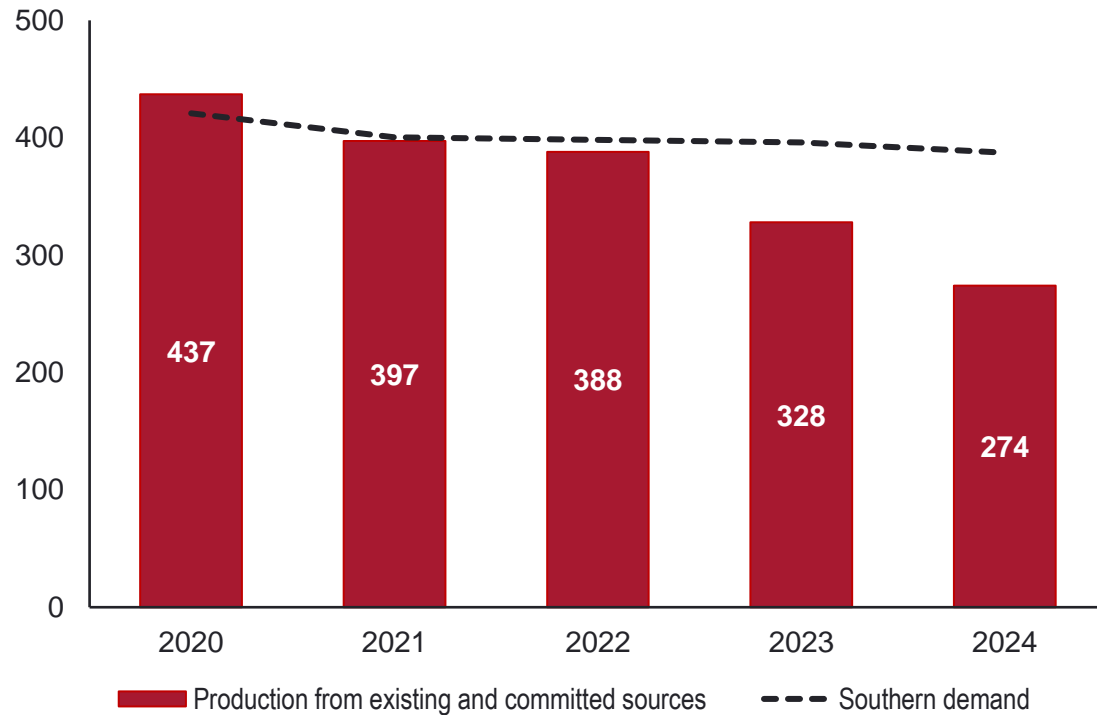
■ Gippsland Basin ■ Otway Basin

1. For further information on reserves and resources, refer to ASX announcement dated 31 August 2020; there have been no material changes to information or assumptions contained in this announcement

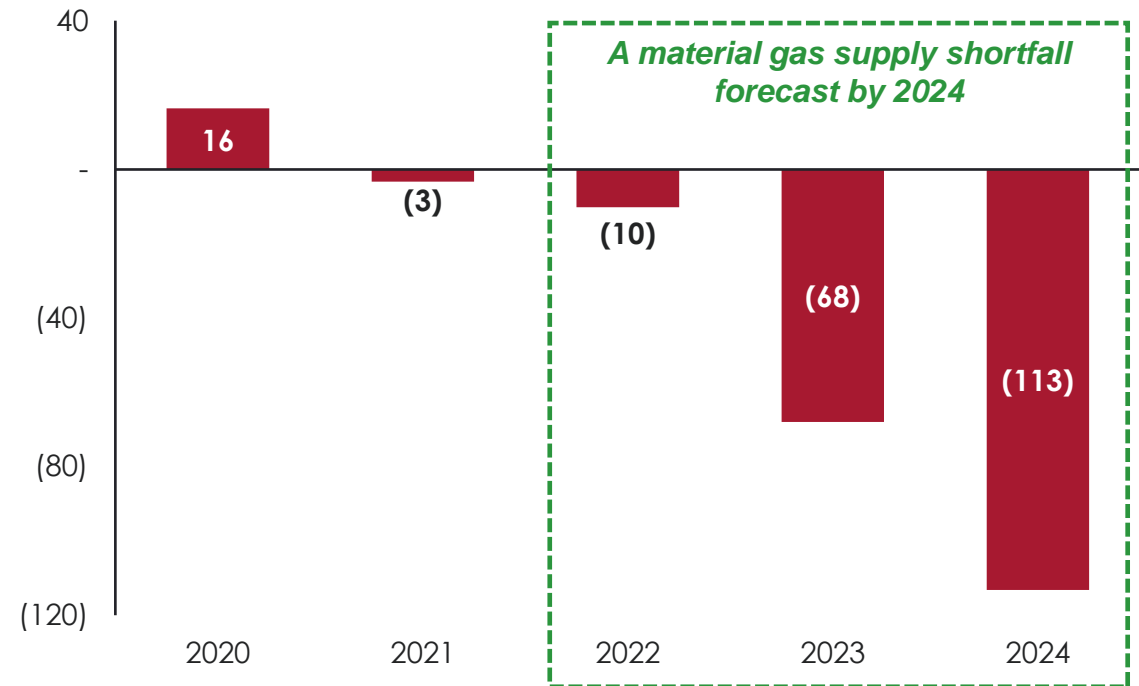
...as gas supply shortages are forecast to grow...

By 2024, southern gas production expected to lag demand by 113 PJ (~5x annual Sole production)

Forecast southern¹ gas demand and production
PJ



Surplus / (shortfall) in southern production relative to demand
PJ

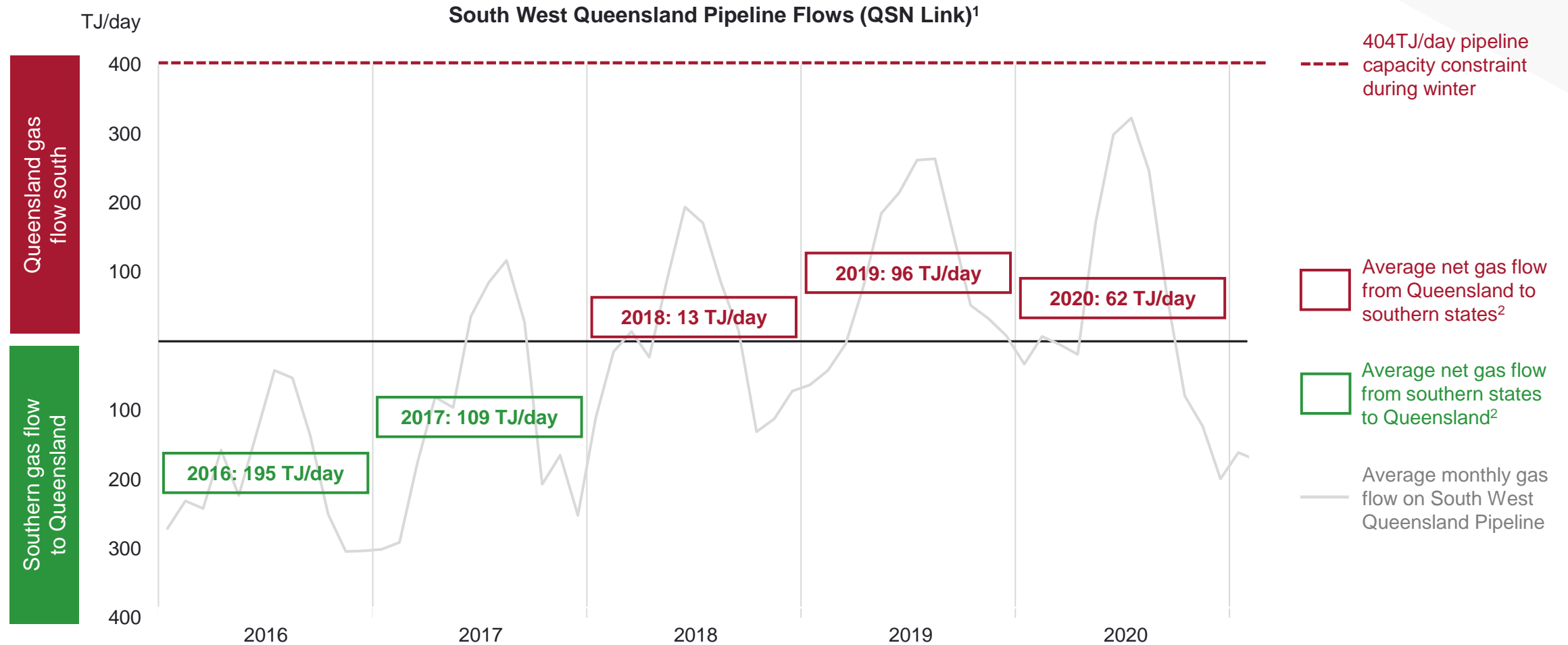


Source: AEMO Gas Statement of Opportunities 2020

1. AEMO defines southern states as New South Wales, Victoria, Tasmania and South Australia

...and reliance on gas from Queensland continues to increase

Pipeline capacity an imminent constraint on winter gas supply from Queensland



1. Source: Australian Energy Regulator

2. Based on monthly averages provided by the Australian Energy Regulator

Cooper Energy gas projects align with supply shortage outlook

Targeting drilling for OP3D and Manta late CY2022 / early CY2023

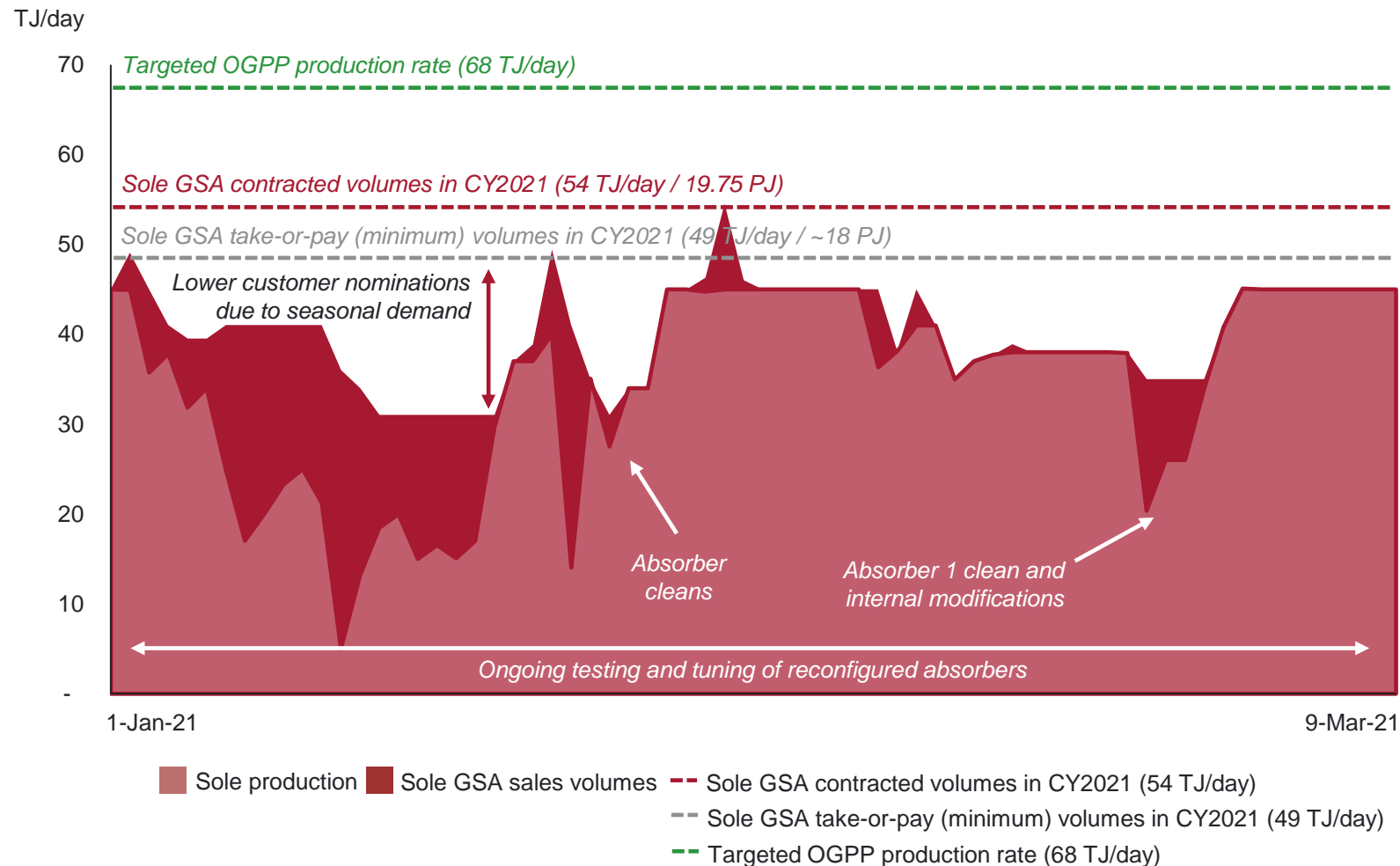


Project:	Phase:	ASSESS	SELECT	DEVELOP	EXECUTE	OPERATE	Upcoming catalysts
	FEED		FID				
Sole						Commissioning OGPP	<ul style="list-style-type: none"> Production ramp-up to 68 TJ/day
Athena Gas Plant					FID taken July 2020		<ul style="list-style-type: none"> First gas in Q1 FY22
OP3D	Concept selection for FEED						<ul style="list-style-type: none"> FID in H1 FY22¹ Potential drilling 2022/23
Manta	Manta-3 appraisal well engineering						<ul style="list-style-type: none"> FID in H1 FY22 Potential drilling 2022/23
Otway offshore exploration	Prospects being evaluated (including Elanora)						<ul style="list-style-type: none"> Select phase in H1 FY22
Gippsland exploration	Prospects being evaluated (including Manta Deep)						<ul style="list-style-type: none"> Select phase in H1 FY22
Otway onshore	Dombey being evaluated						<ul style="list-style-type: none"> 3D seismic acquisition in Q2 FY22

1. Subject to FID and joint venture approval

Sole production stabilising with improving OGPP performance

APA and Cooper Energy focused on reaching planned production rate of 68 TJ/day



- All customer nominations met since start of GSAs on 1 December 2020 and 1 January 2021
- GSA sales volumes contracted in CY2021 of 54 TJ/day (average)
- GSA take-or-pay sales volumes contracted in CY2021 of 49 TJ/day (average)
- Daily sales volumes to increase with seasonal variations
- Absorber 1 internal modifications made to replicate absorber 2
- Ongoing technical and engineering activities to improve production rates

Athena Gas Plant Project

Increasing margins, free cash flow generation, gas processing capacity and flexibility

The opportunity

- Low-cost processing hub for Casino Henry and new discoveries
- Ownership of processing capacity enables marketing of firm gas supply terms
- Capacity to support increased daily production rates
- Productivity gains from lower inlet pressure plant

Develop Phase completed

- FID taken July 2020
- \$37 million capital cost (gross; Cooper Energy 50%)
- Plant modifications include compressor and control upgrades
- Pipeline tie-in



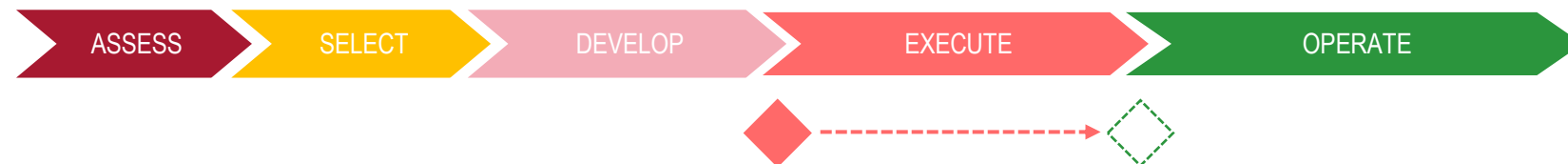
Execute Phase underway

- Commenced October 2020
- Targeting first gas in Q1 FY22
 - subject to no material COVID-19 impacts on supply chain and travel
- ~60% complete at 28 February 2021

Project benefits upon commissioning

- ~\$0.50/GJ targeted operating cost saving¹
- ~3 TJ/day (net) production uplift²
- Increased processing capacity for future gas developments

Status and expected schedule



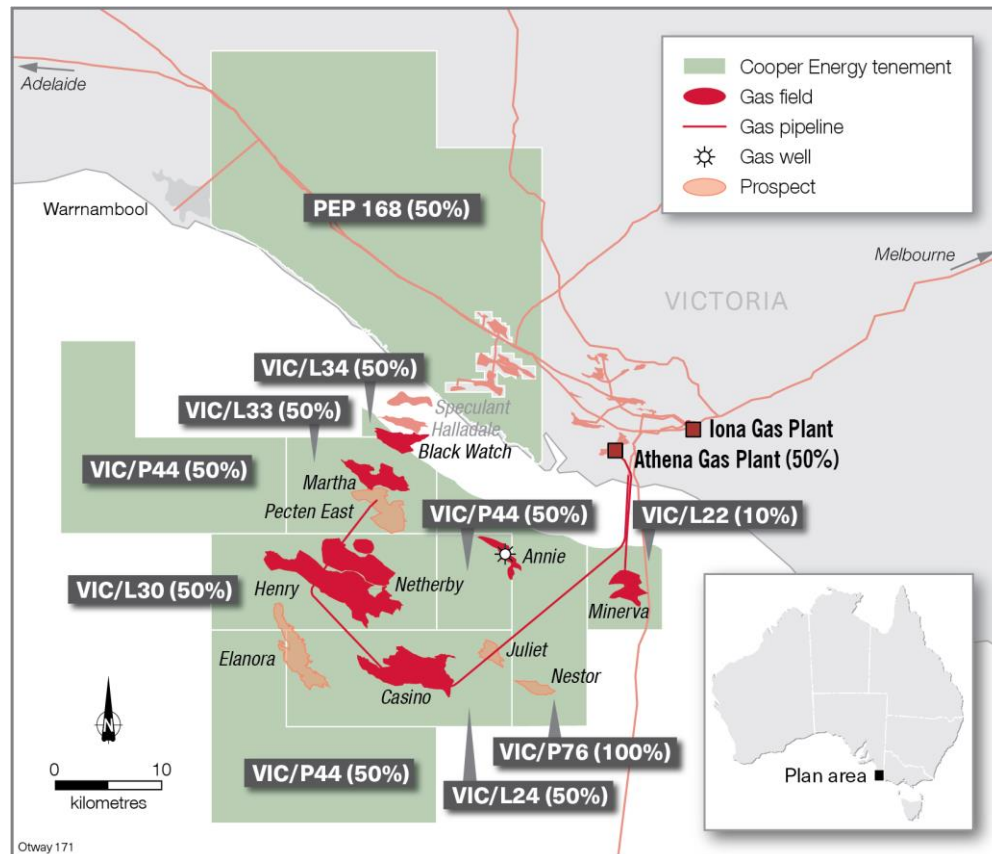
FID taken
July 2020

Targeting first gas to
plant in Q1 FY22

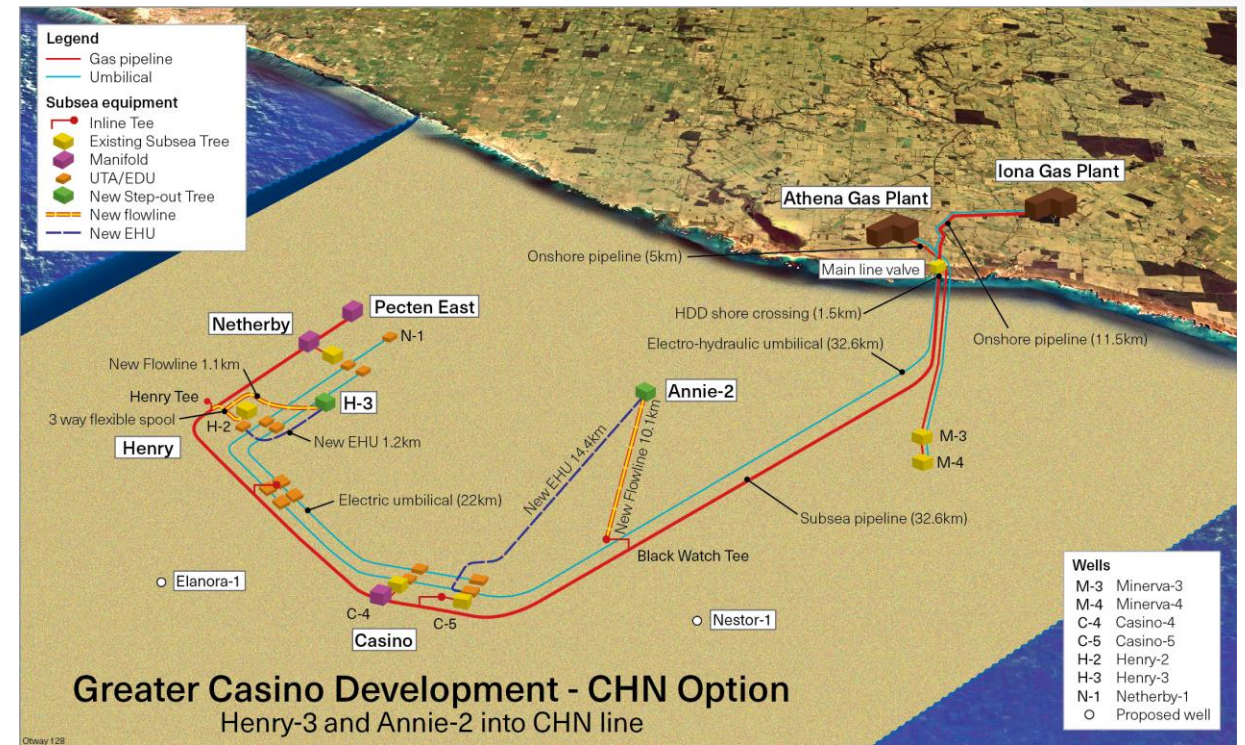
1. Estimate of operating cost saving for current production based on forecast Athena Gas Plant costs relative to existing Iona Gas Plant processing tariffs
2. Based on existing wells and infrastructure; increased production attributable to lower Athena Gas Plant inlet pressure relative to the Iona gas plant

Otway Phase 3 Development Project (OP3D)

Developing Henry-3 and Annie-2 via the Athena Gas Plant



OP3D indicative development concept

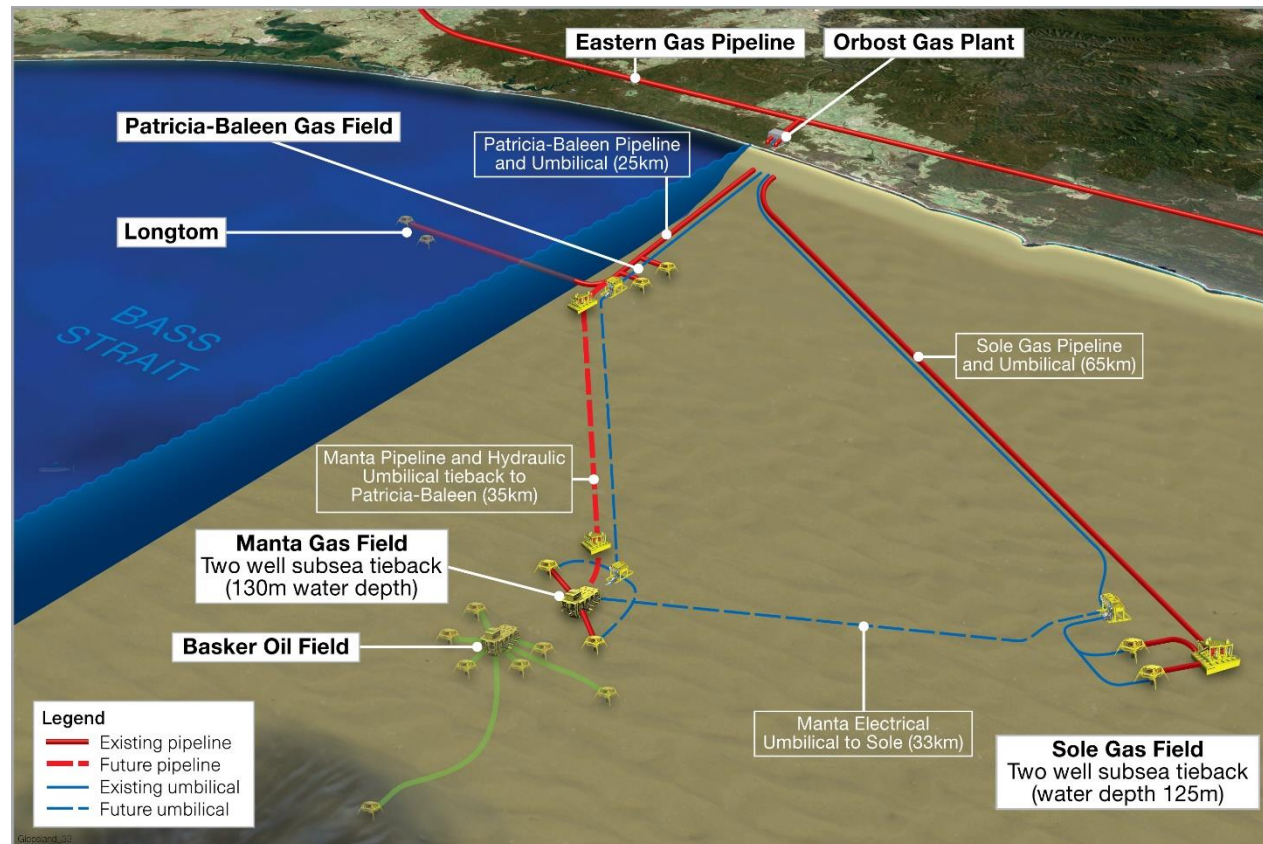


- Potential drilling of Henry-3 and Annie-2 in the second half of CY2022, subject to FID and joint venture approval
- Currently in Select phase; preparing to enter FEED
- Targeting FID in H1 FY22

Manta

Manta-3 appraisal well a follow-on Gippsland development to Sole

Manta indicative development concept



Manta Contingent Resource ¹ estimate		1C	2C	3C
Gas	PJ	78	121	190
Condensate	MMbbl	2.2	3.4	5.4

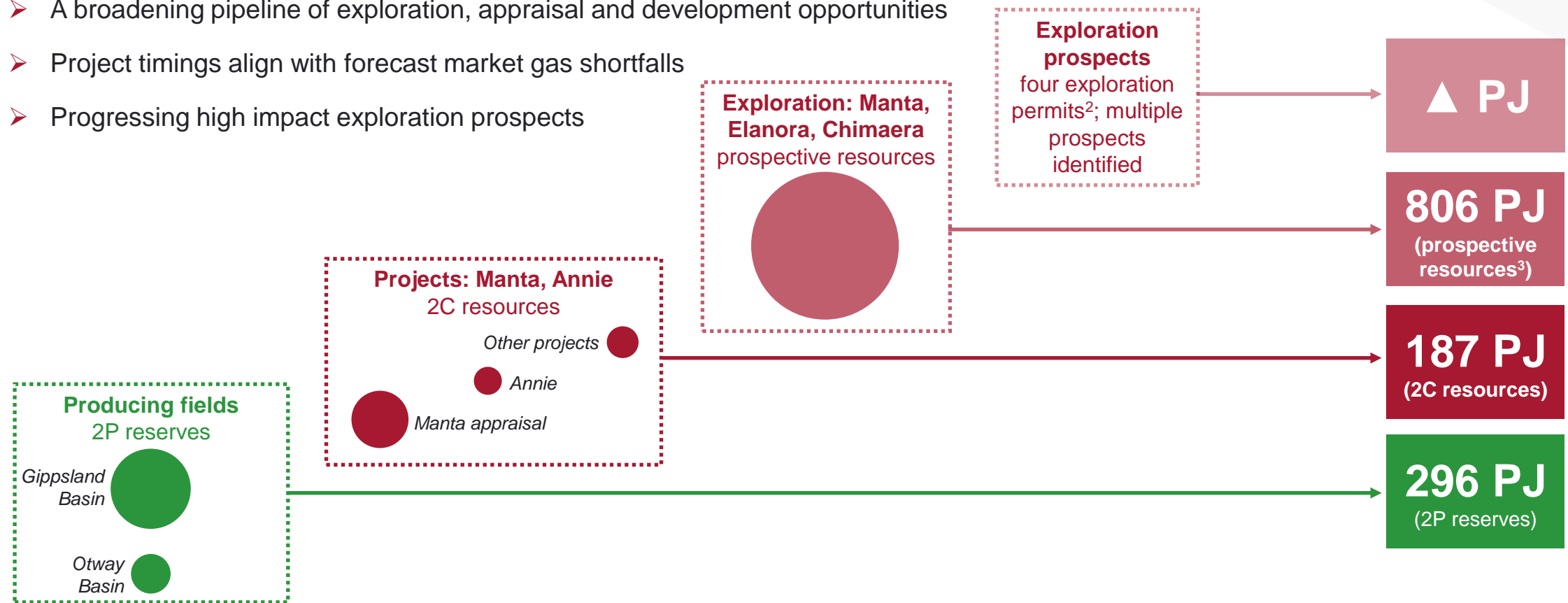
- Development concept utilises existing infrastructure at Sole and Patricia Baleen
- Manta-3 appraisal well required to develop contingent resources
 - candidate for drilling program in second half of CY2022
- Substantial deeper exploration target to assess

1. Contingent Resource for the Manta gas and liquids resource was announced to ASX on 12 August 2019. Prospective Resource for the field was announced to the ASX on 4 May 2016. Cooper Energy confirms that it is not aware of any new information or data that materially affects the information included in the announcements of 12 August 2019 or 4 May 2016 and that all the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed

Opportunities in place for growing gas reserves

Clear pathway for new discoveries and converting contingent and prospective resources into reserves¹

- A broadening pipeline of exploration, appraisal and development opportunities
- Project timings align with forecast market gas shortfalls
- Progressing high impact exploration prospects



1. For further information on reserves and resources, refer to ASX announcements dated 31 August 2020 (reserves and contingent resources as at 30 June 2020; Annie 2C contingent resources), 12 August 2019 (Manta 2C contingent resources), 8 November 2018 (Elanora prospective resources) and 4 May 2016 (Manta Deep, Chimaera East prospective resources); there have been no material changes to information or assumptions contained in these announcements

2. VIC/P72 and VIC/P75 (Gippsland Basin); VIC/P44 and VIC/P76 (Otway Basin) 3. Unrisked best estimate (P50)

Net zero carbon emissions for FY20

Pursuing partnerships and emission reductions for long-term net zero carbon objectives

- In partnership with Greening Australia and BioDiverse Carbon and their Coorong Biodiversity Project
- Purchased 11,410 Australian Carbon Credit Units (ACCU) through the partnership in H1 FY21
- 10,022 ACCU retired to fully offset FY20 Scope 1, Scope 2 and controllable Scope 3 emissions
- Seeking formal accreditation of carbon neutral status from ClimateActive
- Progressing other strategic partnerships and opportunities to reduce and offset emissions from day-to-day operations
- Further details available in Cooper Energy's Sustainability Report 2020 ([Link](#))

Coorong Biodiversity Project

- Environmental plantings, reforestation and revegetation of 600 ha of degraded farmland in the Coorong wetlands region of South Australia
- Restoring native vegetation and wildlife habitats, including threatened Malleefowl and migratory shorebirds, and improving the condition of subcoastal wetlands
- A registered Emissions Reduction Fund project



Wrap up

Step-change in gas production underway with southern supply shortages forecast to grow

- ✓ Challenged gas market fundamentals with increasing supply deficits forecast
 - southern markets particularly challenged
- ✓ Cooper Energy uniquely positioned for supply of gas to southern markets
 - gas resources located close to infrastructure and customers
 - exploration and development projects align with forecast gas supply shortages
- ✓ Current gas production of ~60 TJ/day (H1 FY21: 37 TJ/day)
 - further increases from Sole/OGPP and OP3D
- ✓ Stable long-term cash flows underpinned by gas sales agreements with blue chip customers
 - ~10-year Sole 2P reserves life

Appendix

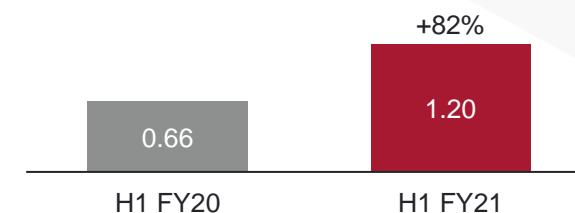


H1 FY21 results: Demonstrated progress during a challenging period

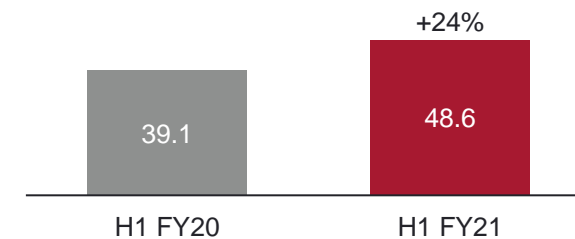
Transition Agreement with APA underpins step-change growth in 2021

Transition Agreement signed	<ul style="list-style-type: none"> OGPP reconfiguration enabled commencement of Sole GSAs APA and Cooper Energy focussed on OGPP reaching 68 TJ/day
Sole GSAs commenced	<ul style="list-style-type: none"> Step-change in production, revenue and cash flow 19.75 PJ¹ in CY2021 to long-term customers
Production and revenue growth	<ul style="list-style-type: none"> 82% production increase and 24% revenue increase in H1 FY21 FY21 full year production guidance of 2.7 – 2.9 MMboe (FY20: 1.56)
Balance Sheet strength	<ul style="list-style-type: none"> H1 FY21 results include Sole production increase and Transition Agreement impacts \$115 million cash reserves at 31 December 2020 Continuing lender support; targeting debt facility adjustments by end FY21

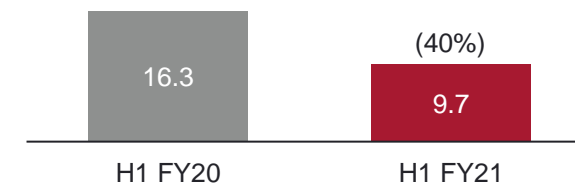
Production (MMboe)



Sales revenue (\$ million)



Underlying EBITDAX (\$ million)



1. Sole GSA annual contract quantity total for CY2021

H1 FY21 headline financial metrics

Transition Agreement costs reflected in H1 FY21 results

<i>\$ million unless indicated</i>	H1 FY20	H1 FY21	Change
Production (MMboe)	0.66	1.20	▲ 82%
Sales volumes (MMboe)	0.65	1.21	▲ 86%
Sales revenue	39.1	48.6	▲ 24%
Average realised gas price (\$/GJ)	8.35	6.35	▼ 24%
Underlying EBITDAX	16.3	9.7	▼ 40%
Statutory net profit / (loss) after tax	6.3	(23.1)	▼ 466%
Underlying net profit / (loss) after tax	(2.0)	(17.4)	▼ 769%
Operating cash flow	31.4	6.7	▼ 79%
Capital expenditure	63.8	17.0	▼ 73%
	30-June-20	31-Dec-20	Change
Cash and cash equivalents	131.6	115.3	▼ 12%
Drawn debt	229.4	229.4	–
Net debt	97.8	114.1	▲ 17%

- Gas revenue up 53% to \$43.6 million from increased Sole production
- Oil and condensate revenue down 53% to \$5.0 million from lower production and pricing
- Depreciation and amortisation (included in Cost of Sales) up 48% to \$20.5 million in line with increased Sole production
- PRRT expense up 178% to \$5.8 million
- Capital expenditure down 73% to \$17.0 million on completion of Sole development

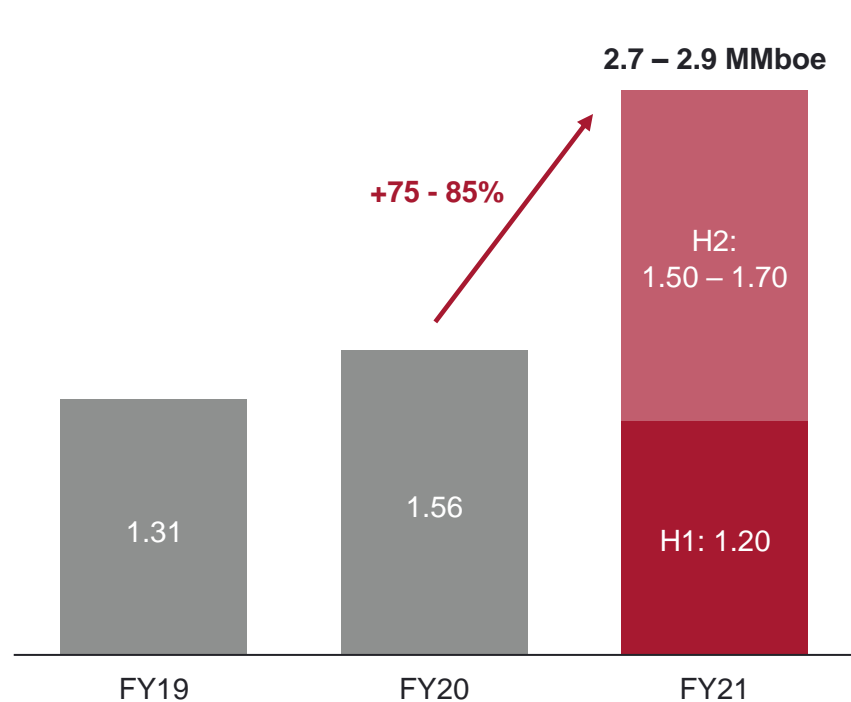
Transition Agreement impacts

- Cost of sales up 74% to \$43.5 million due to Sole revenue and cost sharing arrangements per the Transition Agreement
 - \$7.6 million for APA's share of revenue from gas volumes sold on the spot market
 - \$3.1 million for Cooper Energy's share of associated operating costs
 - no processing toll paid on gas volumes sold on the spot market
- Accrual for OGPP reconfiguration and commissioning of \$11.2 million

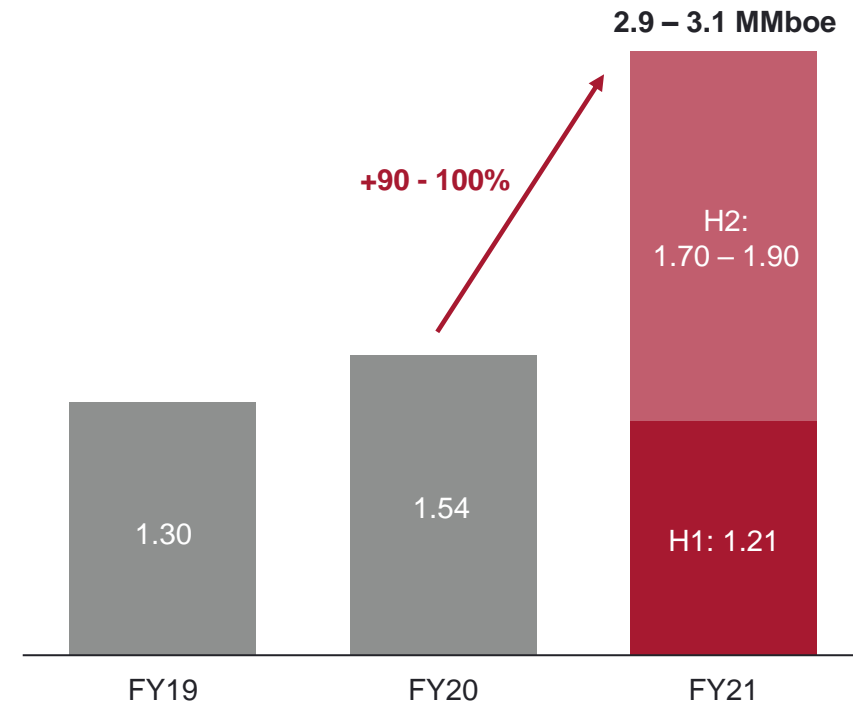
FY21 production and sales volume guidance

Improving OGPP performance and Sole GSAs underpin step-change in production and sales volumes

FY21 production guidance: 2.7 – 2.9 MMboe



FY21 sales volumes guidance: 2.9 – 3.1 MMboe



FY21 capital expenditure guidance

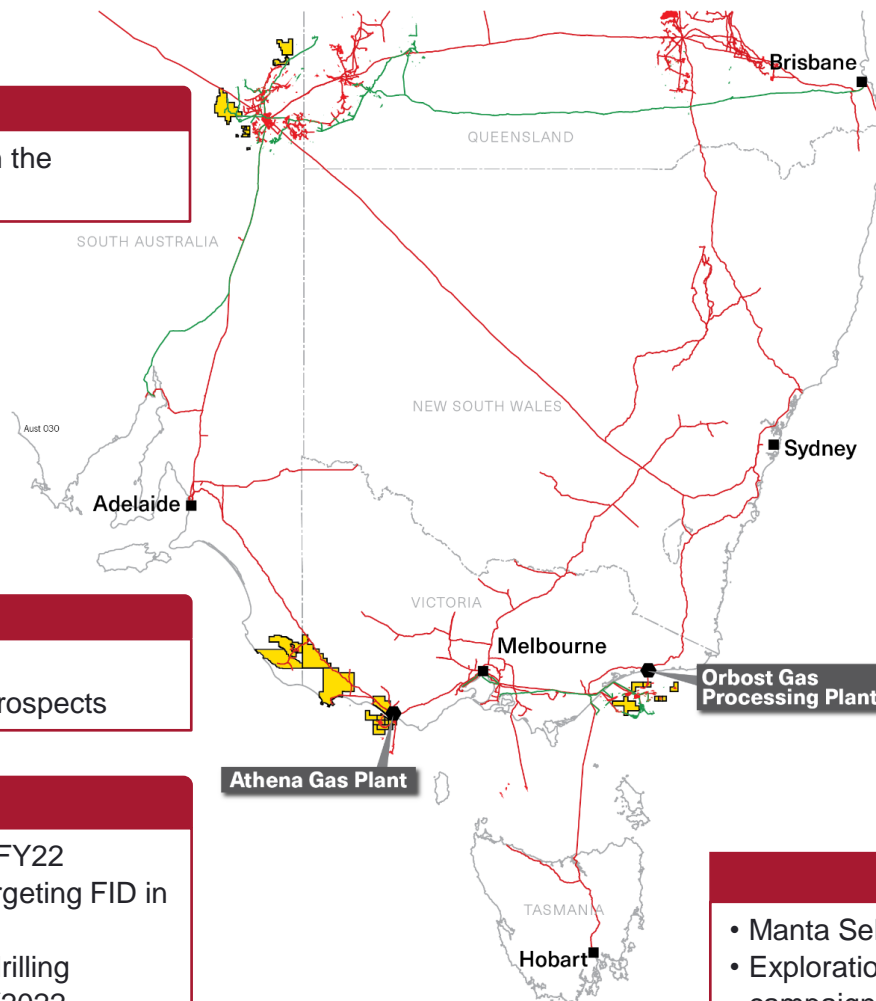
Progressing development and exploration growth projects

FY21 capital expenditure: \$45 – 50 million
(Prior guidance: \$50 – 58 million¹)

By category	H1 FY20	FY21 ²
Exploration	1.8	Up to 5
Development	15.2	40 – 45
Total	17.0	45 – 50

By basin	H1 FY20	FY21 ²
Otway Basin ³	13.4	30 – 35
Gippsland Basin	1.0	Up to 5
Cooper Basin	0.5	Up to 5
Other	2.1	Up to 5
Total	17.0	45 – 50

1. Refer FY20 full year results presentation of 31 August 2020
 2. Capital expenditure guidance excludes abandonment costs and expenditure for OGPP reconfiguration and commissioning works; includes corporate expenditure on IT hardware and systems upgrades
 3. Expenditure predominantly relates to the Athena Gas Plant Project



Cooper Basin

- Horizontal oil development well in the Callawonga Field in Q3 FY21

Onshore Otway

- Dombey 3D seismic preparation
- Subsurface studies to progress prospects

Offshore Otway

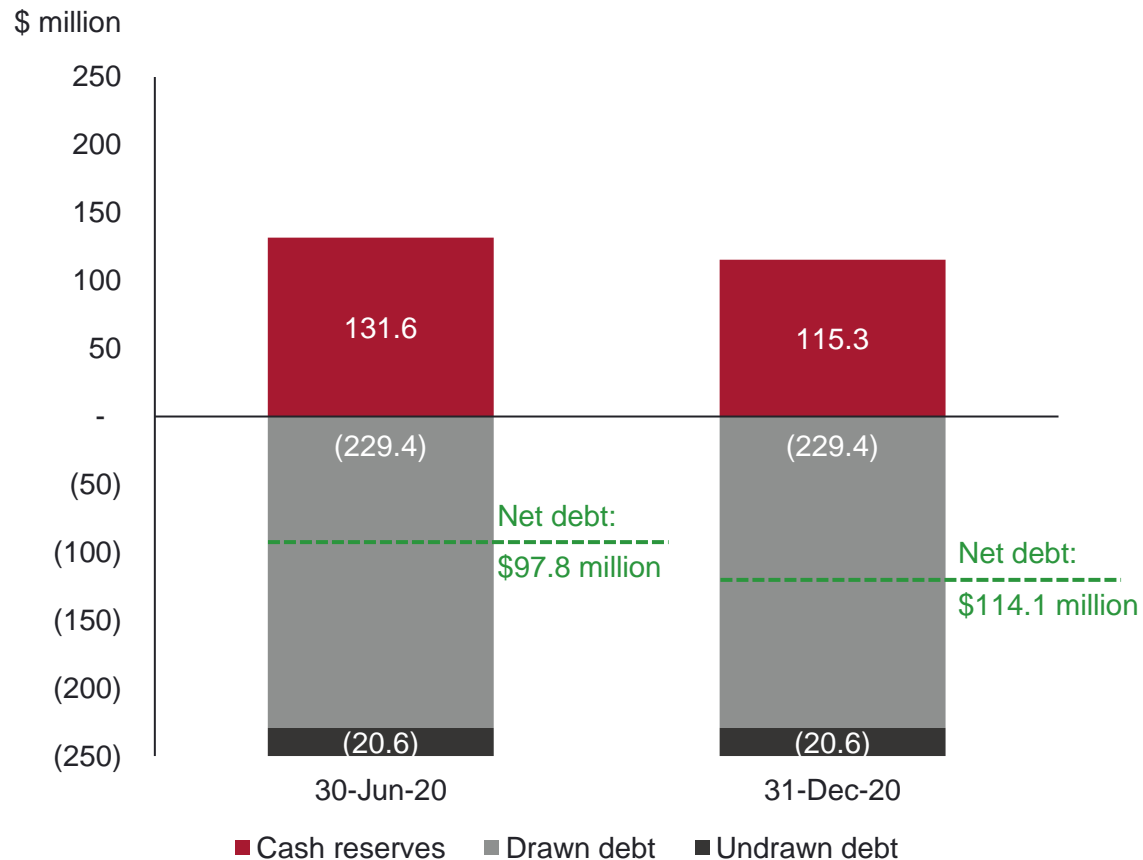
- Athena Gas Plant first gas in Q1 FY22
- Continue OP3D Select phase; targeting FID in H1 FY22
- Exploration studies for potential drilling campaign from second half of CY2022

Gippsland Basin

- Manta Select phase; targeting FID in H1 FY22
- Exploration studies for potential drilling campaign in second half of CY2022

Debt facility

Deleveraging to commence in Q3 FY21; targeting facility adjustments by end FY21



- Reserves-based lending facility
- \$250 million limit plus \$15 million working capital facility
- First principal repayment due in March 2021 (\$4.5 million)
- Targeting facility adjustments by end FY21
 - facility amortisation profile to be reviewed due to delayed Sole revenue
- Next step to progress refinance of facility
 - borrowing arrangements to align with OP3D / Manta objectives

Continued support from banking syndicate



Abbreviations

\$	Australian dollars
APA	APA Group (ASX: APA)
bbl	Barrels
Bcf	Billion cubic feet of gas
bopd	Barrels of oil per day
Cooper Energy	Cooper Energy Limited ABN 93 096 170 295
FEED	Front End Engineering and Design
FID	Final Investment Decision
GSA	Gas Sales Agreement
kbbl	Thousand barrels
km	Kilometres
m	Metres
MMboe	Million barrels of oil equivalent
MMscf/day	Million standard cubic feet of gas per day
n/m	Not meaningful
NOPTA	National Offshore Petroleum Titles Administrator
OGPP	Orbost Gas Processing Plant
PEL	Petroleum Exploration Licence
PEP	Petroleum Exploration Permit
PJ	Petajoules

PPL	Petroleum Production Licence
PRL	Petroleum Retention Lease
scf	Standard cubic feet of gas
TJ	Terajoules
YTD	Year to date

Disclaimer

This presentation may contain forward looking statements, including statements of current intention, statements of opinion and expectations regarding Cooper Energy's present and future operations, possible future events and future financial prospects. Such statements are not statements of fact and may be affected by a range of variables which could cause Cooper Energy's actual results, performance or trends to materially differ from the results or performance expressed or implied by such statements. There can be no certainty of outcome in relation to the matters to which the statements relate, and the outcomes are not all within the control of Cooper Energy.

Cooper Energy makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statement. The forward-looking statements in this report reflect expectations held at the date of this report. Except as required by applicable law or the ASX Listing Rules, Cooper Energy disclaims any obligation or undertaking to publicly update any forward-looking statements, or discussion of future financial prospects, whether as a result of new information or of future events.

EBITDAX (earnings before interest, tax, depreciation, depletion, exploration, evaluation and impairment), EBITDA (earnings before interest, tax, depreciation, depletion and impairment), EBIT (earnings before interest and tax), underlying profit and free cash flow (operating cash flows less investing cash flows net of acquisitions and disposals and major growth capex less lease liability payments) are non-IFRS measures that are presented to provide an understanding of the performance of the Company's operations. Underlying profit excludes the impacts of asset acquisitions and disposals, impairments, hedging, as well as items that are subject to significant variability from one period to the next. The non-IFRS financial information is unaudited however the numbers have been extracted from the financial statements which have been subject to review by the auditor.

Qualified petroleum reserve and resources evaluator: This Presentation contains information on petroleum reserves and resources which is based on and fairly represents information and supporting documentation reviewed by Mr Andrew Thomas who is a full time employee of Cooper Energy holding the position of General Manager, Exploration & Subsurface, 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. P50 as it relates to costs is best estimate; P90 as it relates to costs is high estimate. Information on the company's reserves and resources and their calculation are provided in the appendices to this Presentation.

Numbers in this report have been rounded. As a result, some figures may differ insignificantly due to rounding and totals reported may differ insignificantly from arithmetic addition of the rounded numbers.

Approved and authorised for release by David Maxwell, Managing Director, Cooper Energy Limited.

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