ASX Announcement / Media Release

27 February 2024

H1 FY24 results summary

Record YTD performance compared to H1 FY23

- Group production up 0.5% to 60.8 TJe/d (up 1% to 61.7 TJe/d excluding planned Orbost shutdown)
- Revenue up 5% to $105.9 million
- Underlying EBITDAX up 2% to $60.9 million

Orbost Gas Processing Plant

- Average processing rate 47.4 TJ/d, in line with H1 FY23 (up 2% to 48.5 TJ/d excluding planned shutdown)
- Significant progress being made on OGPP Improvement Project and subsequent to half end, record 12-day average of 62.8 TJ/d, and record 60-day average of 55.2 TJ/d

BMG decommissioning

- Helix Q7000 intervention vessel on site progressing through the decommissioning programme
- Successful completion of lower abandonment plugs on three wells to date
- Expected completion of wells decommissioning in early May 2024

Transformation and cost-out initiative

- Targeting $10 million or more of annualised savings in FY25. Over 90 initiatives identified, targeting 85% completion by 30 June 2024
- Production expenses for H1 FY24 were $27.9 million[1]
- 20% net G&A reduction achieved to date (~40% excluding H1 FY24 restructuring & other non-recurring costs)

Results webcast

- Today - 8.30am ACDT (Adelaide) / 9.00am AEDT (Sydney, Melbourne)

Cooper Energy Limited ("Cooper Energy", or the Company) (ASX:COE) has today announced record production, revenue, and underlying EBITDAX for the six months ended 31 December 2023.

The results highlight the robust nature of the underlying business and, setting aside planned downtime at the Orbost Gas Processing Plant (OGPP), group production was up 1% to 61.7 TJe/d compared to H1 FY23.

Managing Director and CEO Jane Norman said that H1 FY24 results were pleasing, with good progress being made with the OGPP improvement project and on the BMG wells decommissioning.

"The half year results announced today demonstrate that the underlying performance of the business continues to grow. The performance improvement initiatives at Orbost in particular have led to record performance across several key metrics for the half, despite first quarter production at Orbost being impacted by improvement workstreams, and revenue impacted by softer, shoulder season spot gas prices.

"In addition to the Orbost Improvement Project, work on the BMG wells decommissioning programme is underway, with the lower abandonment plugs being completed on three wells to date. I'm also pleased to report that the cost-out initiative is starting to deliver meaningful savings, with $10 million of annualised savings being targeted from end of FY24."

[1] Including PEL 92 oil inventory movements

Orbost Gas Processing Plant

H1 FY24 Sole gas production of 47.4 TJ/d was similar to H1 FY23 of 47.5 TJ/d. Excluding the planned December shutdown, Sole production for H1 FY24 was 48.5 TJ/d, up 2% from H1 FY23. Performance has been steadily improving at OGPP with the impacts of the improvement project coming to fruition.

Reinstatement of the polishing unit in late December delivered a positive outcome, driving improved performance. A new type of polisher media was loaded; one that has been selected to maximise longevity between changeouts. Better performance of the polishing unit enables a longer duration between cleaning of absorber beds, leading to higher average processing rates and lower production costs.

In February 2024, subsequent to the half end, a 12-day production record was set at OGPP, with the plant averaging 62.8 TJ/d during that particular 12-day period between absorber cleans. For the 60-day period ending on the same day in February, a record was also set, with the plant averaging 55.2 TJ/d during that time.

BMG decommissioning

The Helix Q7000 intervention vessel is currently on site at BMG, progressing through the decommissioning programme.

Current progress is in line with the revised forecast provided to the market on 22 January 2024.

During the remainder of the programme, where possible, Cooper Energy and its contractors continue to pursue savings to offset increased costs, including implementing operational learnings and efficiencies and simplifying the scope of decommissioning.

Based on the updated mid-case estimate, the wells decommissioning programme is expected to be completed in early May 2024.

Transformation programme

As outlined during the FY23 full year results, the transformation programme is a Group-wide initiative, targeting savings and efficiency across the entire business, including a minimum 10% saving in G&A.

Over 90 initiatives have been identified across the business, with 19 initiatives completed or actioned so far, and $4.1 million in G&A savings delivered in H1 FY24 versus H2 FY23 (excluding H1 FY24 restructuring and other non-recurring H2 FY23 costs). Around 85% of the identified initiatives are targeted to be completed or actioned by the end of FY24, with the full effect of cost savings and benefits realised into FY25 and beyond.

Financial results

Record half-year results have been reported across many key metrics. Production for the half was 60.8 TJe/d which is a record for the Company, 0.5% above the prior comparable period.

Revenue of $105.9 million was also a record for the first half, 5% higher than H1 FY23.

Underlying EBITDAX was up by 2% to $60.9 million, also a record for the company, driven by higher spot gas volumes sold compared to H1 FY23, increased crude oil liftings, and lower G&A costs as a result of the transformation programme.

First half production expenses of $27.9 million (H1 FY23: $26.2 million), inclusive of PEL 92 oil inventory movements, reflects the reduction in absorber downtime gas-to-gas and fewer polisher media change-outs at OGPP versus planned. Compared to H1 FY23, H1 FY24 reflects a full period of operating the OGPP with no toll payable to APA, while incurring more operating costs in addressing the sulphur depositional issues at OGPP as well as costs associated with the Performance Improvement Project.

Operating cashflows for the period were $21.1 million in H1 FY24, compared to $55.3 million in H1 FY23. Excluding restoration spend and other non-recurring and non-underlying items, operating cash flow is $70.6 million (H1 FY23: $61.0 million).

FY24 capex guidance has increased in line with the revised BMG wells decommissioning mid-case cost estimate announced to the ASX on 22 January 2024, which dominates this year's capex programme. FY24 capex guidance is $240 – 280 million.

Underlying profit after tax was $5.4 million compared with an underlying loss after tax of $1.2 million in H1 FY23.

Further details of the financial results can be found in the H1 FY24 Financial Report released today and will be discussed during the results webcast.

Results webcast

Managing Director and CEO Jane Norman will lead a webcast today to discuss the FY24 half year results.

- **Time**: 8.30am ACDT (Adelaide) / 9.00am AEDT (Sydney, Melbourne)
- **Date**: Tuesday, 27 February 2024
- **Webcast link** (listen only): Webcast link
- **Registration link** (for Q&A participation): Registration link

A recording of the webcast will be available via the webcast link and the Cooper Energy website later today.

For more information, please contact our team for investors and media.

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Cooper Energy Limited (ASX:COE) is an exploration and production company which generates revenue from gas supply to Southeast Australia and low-cost Cooper Basin oil production. The company is an emerging player in the Southeast Australian energy sector holding a portfolio of gas supply contracts and one of the most extensive portfolios of gas-focused acreage and assets, including well located reserves and resources in the Otway and Gippsland basins. These include the Sole gas field in the Gippsland Basin which recently became the first new offshore gas development in Southeast Australia to commence production in several years, the Casino Henry operations in the offshore Otway Basin and undeveloped resources such as Manta and Annie.