



Sole-3 flow-back 6 July 2018

# Conference call details

---

11:30 am EST Monday 16 July. Recording available at [www.cooperenergy.com.au](http://www.cooperenergy.com.au) from 5 pm

<b>Conference ID</b>	<b>1768 317</b>
----------------------	-----------------

<b>Australia Toll-free</b>	<b>1800 123 296</b>
----------------------------	---------------------

<b>Australia Toll:</b>	+61 2 8038 5221 (can be used if dialing from international location)
------------------------	----------------------------------------------------------------------

## International toll free

<b>Canada</b>	1855 5616 766
<b>China</b>	4001 203 085
<b>Hong Kong</b>	800 908 865
<b>India</b>	1800 3010 6141
<b>Japan</b>	0120 994 669
<b>New Zealand</b>	0800 452 782
<b>Singapore</b>	800 616 2288
<b>United Kingdom</b>	0808 234 0757
<b>United States</b>	1855 293 1544

# Important Notice – Disclaimer

---

This investor presentation (“Presentation”) is issued by Cooper Energy Limited ABN 93 096 170 295 (“Cooper Energy” or “COE”).

**Summary information:** This Presentation contains summary information about Cooper Energy and its activities as at the date of this Presentation and should not be considered to be comprehensive or to comprise all the information which a shareholder or potential investor in Cooper Energy may require in order to determine whether to deal in Cooper Energy shares. The information in this Presentation is a general background and does not purport to be complete. It should be read in conjunction with Cooper Energy’s periodic reports and other continuous disclosure announcements released to the Australian Securities Exchange, which are available at [www.asx.com.au](http://www.asx.com.au).

**Not financial product advice:** This Presentation is for information purposes only and is not a prospectus under Australian law (and will not be lodged with the Australian Securities and Investments Commission) or financial product or investment advice or a recommendation to acquire Cooper Energy shares (nor does it or will it form any part of any contract to acquire Cooper Energy shares). It has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Cooper Energy is not licensed to provide financial product advice in respect of Cooper Energy shares. Cooling off rights do not apply to the acquisition of Cooper Energy shares.

**Past performance:** Past performance and pro forma historical financial information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information included in this Presentation is, or is based on, information that has previously been released to the market.

**Future performance:** This Presentation may contain certain statements and projections provided by or on behalf of Cooper Energy with respect to anticipated future undertakings. Forward looking words such as, “expect”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings, distributions and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, including projections, forecasts, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

**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.

**Reserves and Contingent Resources estimates:** Information on the company’s reserves and resources and their calculation are provided in the appendices to this presentation.

**Investment risk:** An investment in Cooper Energy shares is subject to investment and other known and unknown risks, some of which are beyond the control of Cooper Energy. None of Cooper Energy, any of its related bodies corporate or any other person or organisation guarantees any particular rate of return or the performance of Cooper Energy, nor do any of them guarantee the repayment of capital from Cooper Energy or any particular tax treatment.

**Not an offer:** This Presentation is not and should not be considered an offer or an invitation to acquire Cooper Energy shares or any other financial products and does not and will not form any part of any contract for the acquisition of Cooper Energy shares. This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any “U.S. person” (as defined in Regulation S under the US Securities Act of 1933, as amended (“Securities Act”)) (“U.S. Person”). Cooper Energy shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any U.S. Person absent registration except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities laws. This document may not be distributed or released in the United States or to any U.S. person.

**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.

**Currency:** All financial information is expressed in Australian dollars unless otherwise specified.

**P50** as it relates to costs is best estimate; **P90** as it relates to costs is high estimate

# Highlights

## Production & sales revenue up; Sole meets critical milestone

### Q4 Production

- Q4 production up 6% on previous quarter, down 10% on pcq
- Full year production up 54% to 1.5 MMboe, at high end of upgraded guidance
- Successful Casino-5 workover lifts Casino Henry production 24% to 33 TJ/day (100% basis)

### Q4 Sales revenue

- Q4 revenue up 24% on previous quarter and 51% on pcq
- Full year revenue of \$66.7 million up 71%

### Sole Gas Project

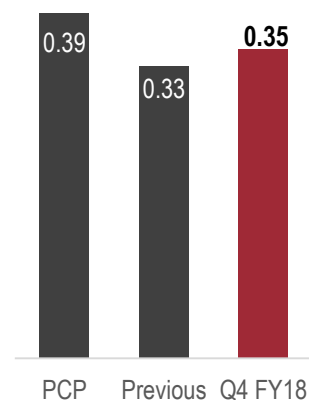
- 56% complete at 30 June
- First production well, Sole-3, completed and successfully tested 5-6 July
- Capex incurred to 30 June 2018: \$189 million
- Offshore project within schedule and budget at 30 June and at Sole-3 completion

### Commercial and other activity

- Agreement for Casino Henry joint venture to acquire Minerva Gas Plant
- Casino Henry gas supply tender for 2019 calendar year
- Planning for future drilling projects: Henry-2, Manta appraisal and exploration

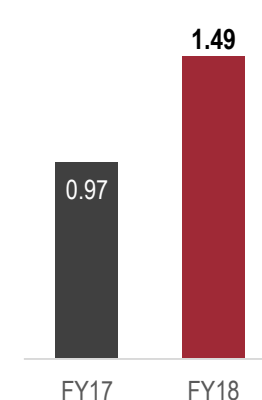
#### Production

MMboe, financial year



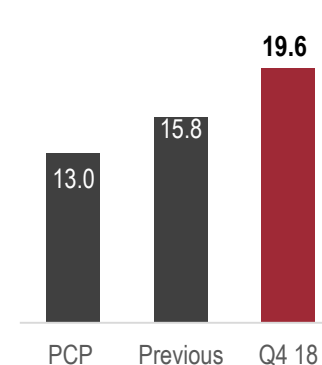
#### Full year production

MMboe, financial year



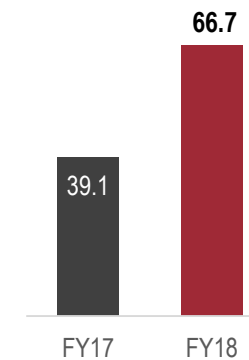
#### Sales revenue

\$ million, financial year



#### Full Year sales revenue

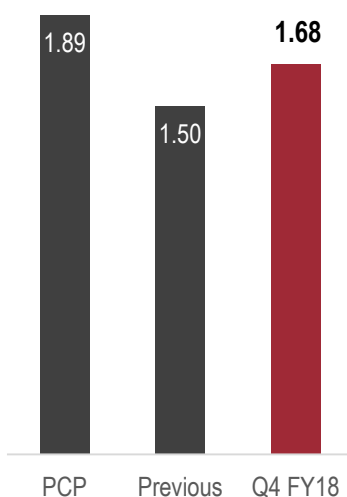
\$ million, financial year



# Production

## Uplift from Casino Henry workover

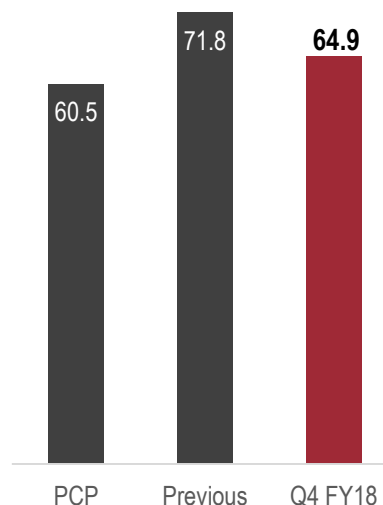
**Q4 Gas production**  
PJ



### Gas

- Up 12% on previous quarter
- Casino Henry gross 33.3 TJ/day vs 26.7 TJ/day in Q3

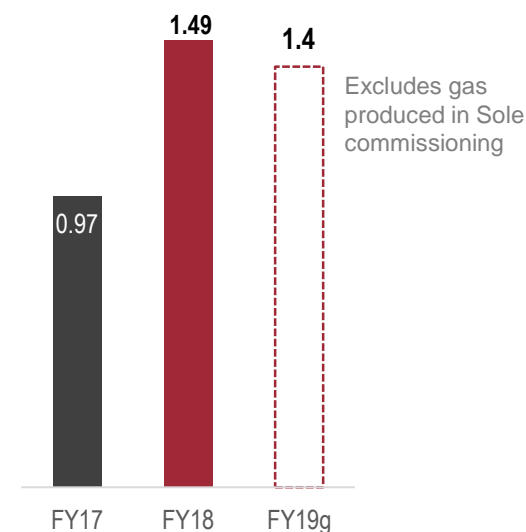
**Q4 Crude oil & condensate**  
'000 bbl



### Crude oil & condensate

- Down 10% on previous quarter

**Total full year (existing developed assets)**  
MMboe



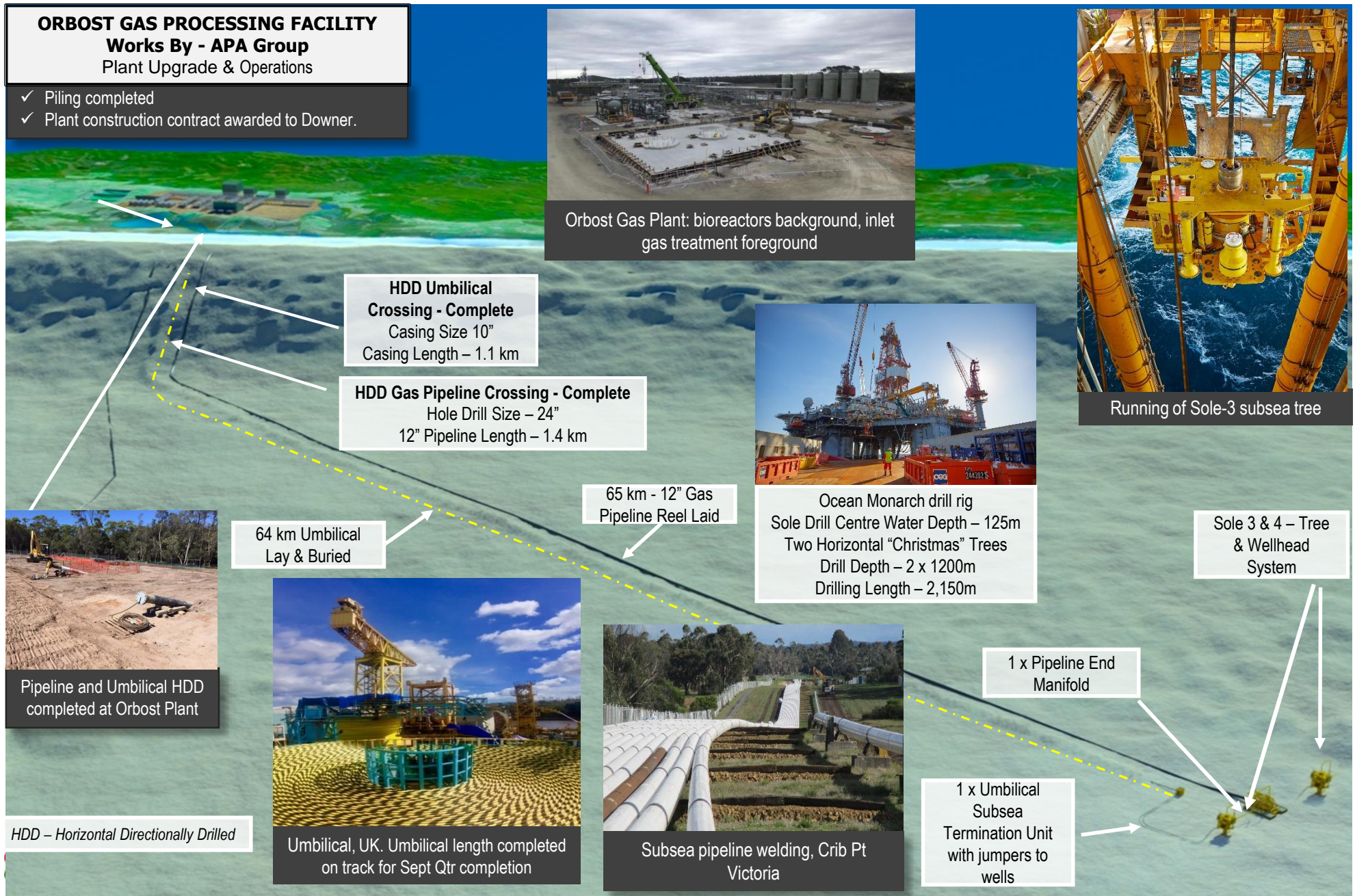
### Total production

- Up 54% on FY17
- FY19 guidance 1.4 MMboe (excludes Sole)



# Sole Gas Project

56% complete at end June 2018, within schedule and budget





# Post 30 June: Sole-3 completed, Sole-4 resumed

## First production well completed, performance proven to plant design

- Sole-3 flowback completed 6 July
- Reservoir intersection, characteristics and gas composition all in line with pre-drill expectations
- Confirmed Sole-3 capability to produce above maximum plant design rate of 68 TJ/day
- Sole-4 now advancing:
  - drilling of Sole-4 resumed 12 July
  - drilled to casing point 1,094 m MDRT <sup>(2)</sup>
  - currently running 9 5/8" casing
  - expect to complete early August

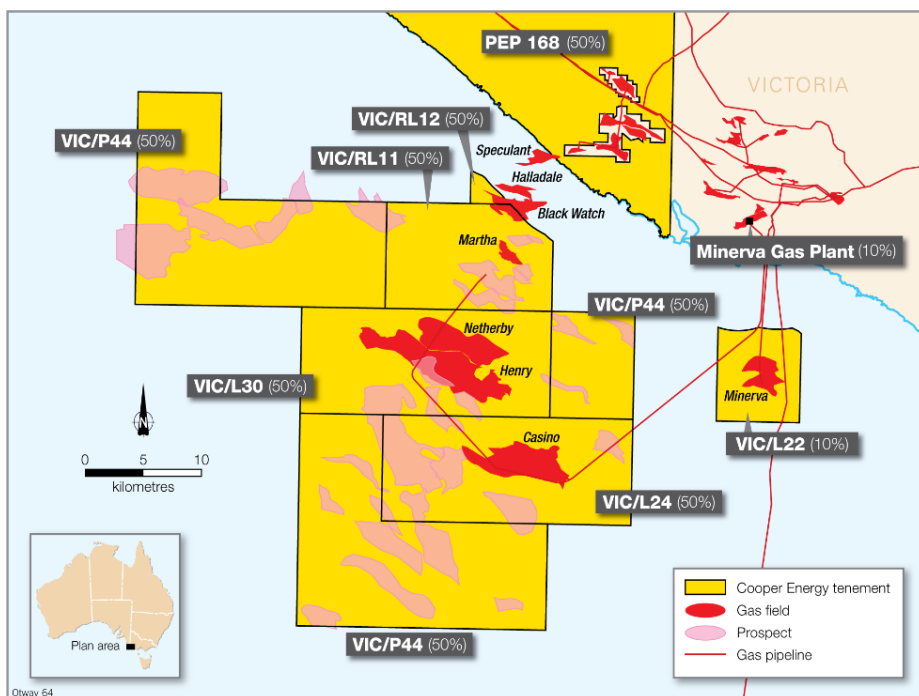


### Sole-3 development well flow back 5 - 6 July, 2018

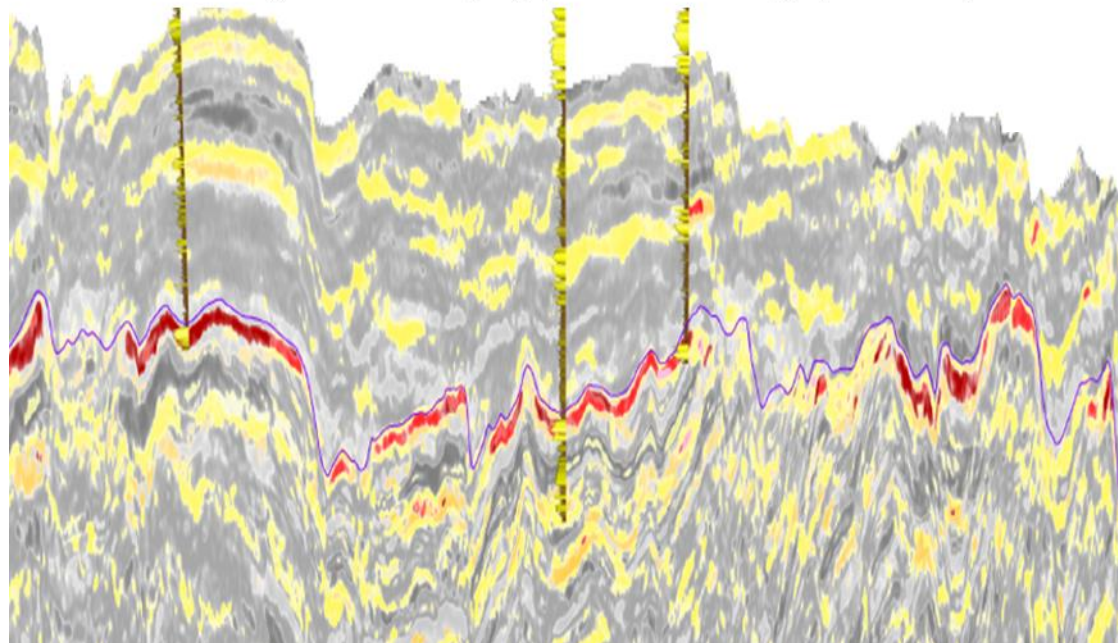
Formation drilled:	Kingfish Formation, Top Latrobe Group
Top reservoir depth:	745.8 metres TVDSS <sup>(1)</sup> , 1,113.0 metres MDRT <sup>(2)</sup>
Net pay thickness:	102 metres measured along near horizontal wellbore
Depth of zone tested:	746.5 – 757.0 metres TVDSS <sup>(1)</sup> 1,118.0 – 1,215.0 metres MDRT <sup>(2)</sup>
Completed interval:	97 metres

# Exploration: Otway Basin offshore

## Planning for drilling of two exploration wells in 2020<sup>1</sup>



Gas Probability Seismic Display (red indicates high probability of gas)



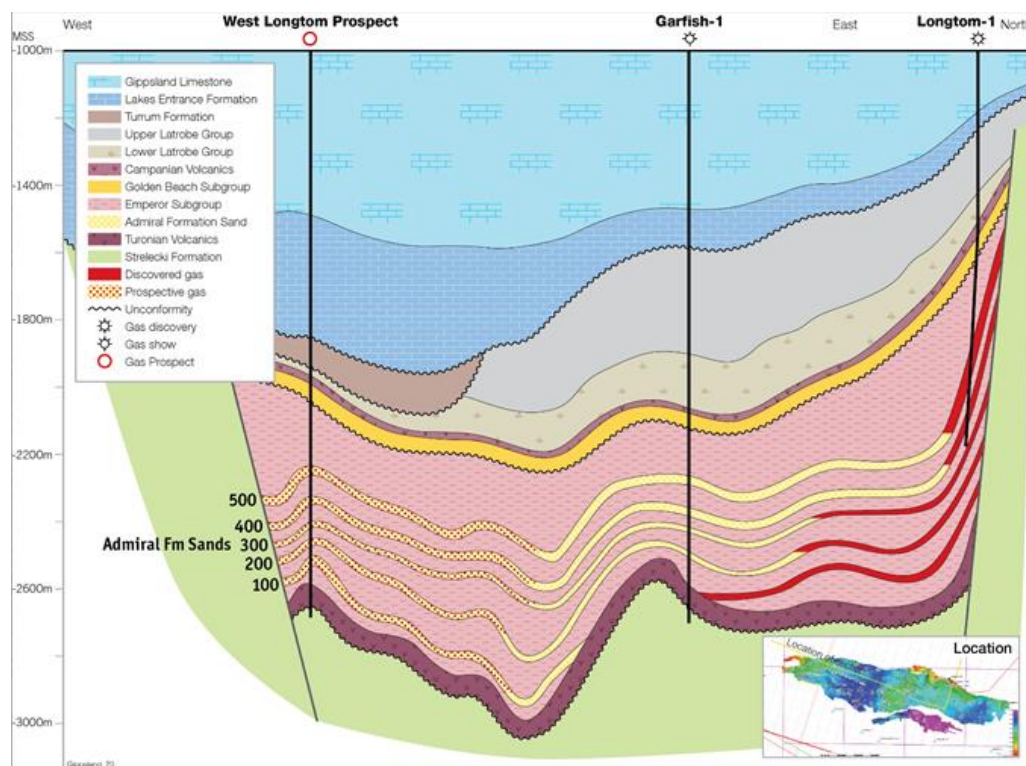
- Several prospects on trend with producing fields high graded as potential candidates for 2020 drilling campaign
- Easily defined 3-way structural traps
- Completed 3D seismic inversion study validates Direct Hydrocarbon Indicators (“DHI”) suggesting lower risk of finding gas
- Prospects are adjacent to existing infrastructure and tie-in points which facilitates accelerated time to first gas

<sup>1</sup> Future drilling plans are subject to joint venture approval

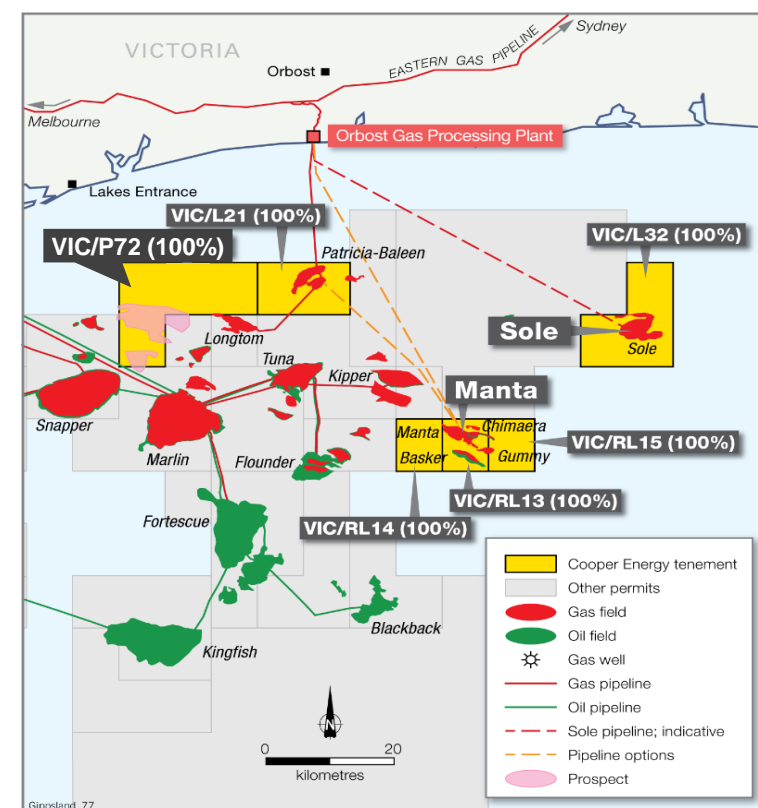


# Exploration: Gippsland Basin

## New prospectivity adjacent to existing Patricia Baleen infrastructure



- VIC/P72 adjoins VIC/L21 (Cooper Energy 100%) which holds the depleted Patricia-Baleen gas field and its associated subsea production infrastructure connected to the Orbost Gas Plant.
- 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.



### VIC/P72

Equity: 100%

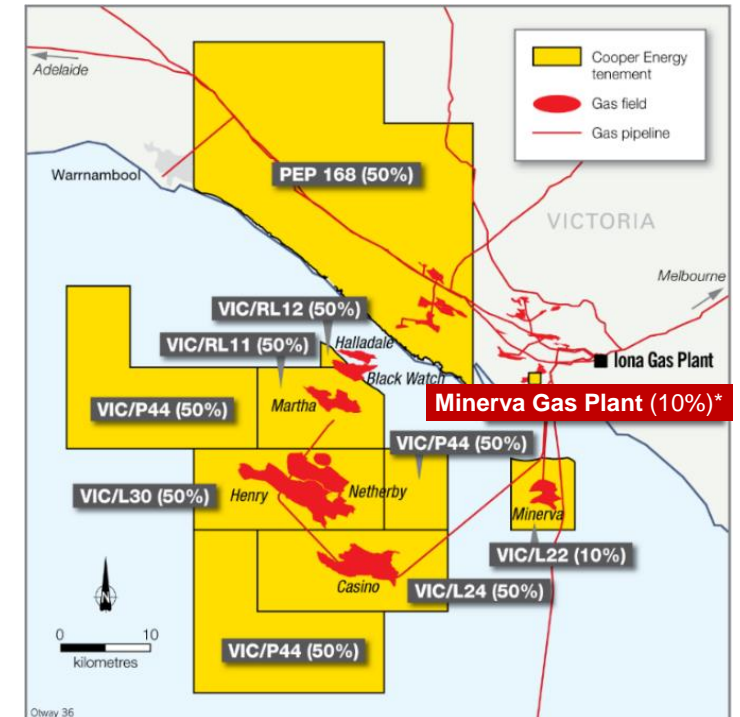
Term: 6 years

Work program: 3 years guaranteed

- 260 km<sup>2</sup> 3D seismic reprocessing studies
- 1 well

# Commercial

## Gas plant acquisition agreement, 2019 gas tender



### Minerva Gas Plant acquisition

- Casino Henry Joint Venture agreed acquisition of Minerva Gas Plant from BHP
- 150 TJ/day capacity, plus liquids handling capability
- Transaction subject to cessation of processing gas from Minerva Gas Field, regulatory approvals and assignments
- Minerva Cutback Project: engineering design advanced for connection of Casino Henry to Minerva Gas Plant
- Offers reduced processing costs; productivity & developed reserves increase on lower inlet pressure and processing for future developments

### Casino Henry 2019 Gas Tender

- Tendered gas supply from 1 January 2019 from Casino Henry

\* Equity to increase to 50% on completion of acquisition by Casino Henry Joint Venture as announced 1 May 2018

# FY19 production and capex guidance

## Production

by product	Gas PJ	Crude oil & condensate bbl	Total MMboe	Notes
<b>Total</b>	~ 6	~238,000	1.4	<ul style="list-style-type: none"> <li>Does not include gas production from Sole which is due to commence supplying gas to plant for commissioning in Q4 FY19</li> </ul>

## Indicative incurred\* capital expenditure

by region \$ million	Exploration	Development	Total	Notes
<b>Otway Basin</b>	7	22	29	<ul style="list-style-type: none"> <li>Casino Henry subsea umbilical repair and expansion readiness</li> <li>Henry 2 sidetrack preparation</li> <li>Scheduled 5 year offshore pipeline and wellhead survey</li> <li>Onshore Otway exploration: Dombey-1</li> </ul>
<b>Gippsland Basin</b>	3	144	147	<ul style="list-style-type: none"> <li>Sole development project</li> </ul>
<b>Cooper Basin</b>	3	2	5	<ul style="list-style-type: none"> <li>Production optimisation projects including workovers</li> <li>3D seismic PEL 93</li> </ul>
<b>Other non-classified</b>			2	<ul style="list-style-type: none"> <li>Hardware, software and other</li> </ul>
<b>Total</b>	13	168	183	

\* 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.



# Update summary

---

## **1. June quarter results up.**

Benefits of new gas contracts and development work to lift gas production evident in fourth quarter results

## **2. Sole on track.**

Sole-3 completed and capability to exceed project requirements

Project approaching 60% complete and within schedule and budget

## **3. Otway gas revenue upside in 2019.**

Negotiation of new gas contracts for the calendar year underway

## **4. Growth after Sole.**

Planning the drilling campaign for the next growth wave is underway: Henry development, Manta appraisal and Otway exploration

## **5. Build-out of our Gas Strategy ongoing.**

Minerva Gas Plant, exploration that leverages the established hubs and gas to market with prices increasing