



13 March 2024

# Euroz Hartleys Rottneast Island Institutional Conference 2024

Jane Norman | Managing Director & CEO



# Disclaimer

---

This document contains summary information about Cooper Energy and its activities as at the date of this document 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 is a general summary only 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).

This document contains forward looking statements. These statements are subject to risks associated with the oil and gas industry. Cooper Energy believes the expectations reflected in these statements are reasonable. A range of variables or changes in underlying assumptions may affect these statements and may cause actual results to differ. These variables or changes include but are not limited to price, demand, currency, geotechnical factors, drilling and production results, development progress, operating results, engineering estimates, reserve estimates, environmental risks, physical risks, regulatory developments, approvals and cost estimates.

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. 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.

The following are non-IFRS measures: 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). Cooper Energy presents these measures to provide an understanding of Cooper Energy's performance. They are not audited but are from financial statements reviewed by Cooper Energy's auditor. Underlying profit excludes the impacts of asset acquisitions and disposals, impairments, hedging, and items that fluctuate between periods.

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 Jane Norman, Managing Director and CEO, Cooper Energy Limited, Level 8, 70 Franklin Street, Adelaide 5000.

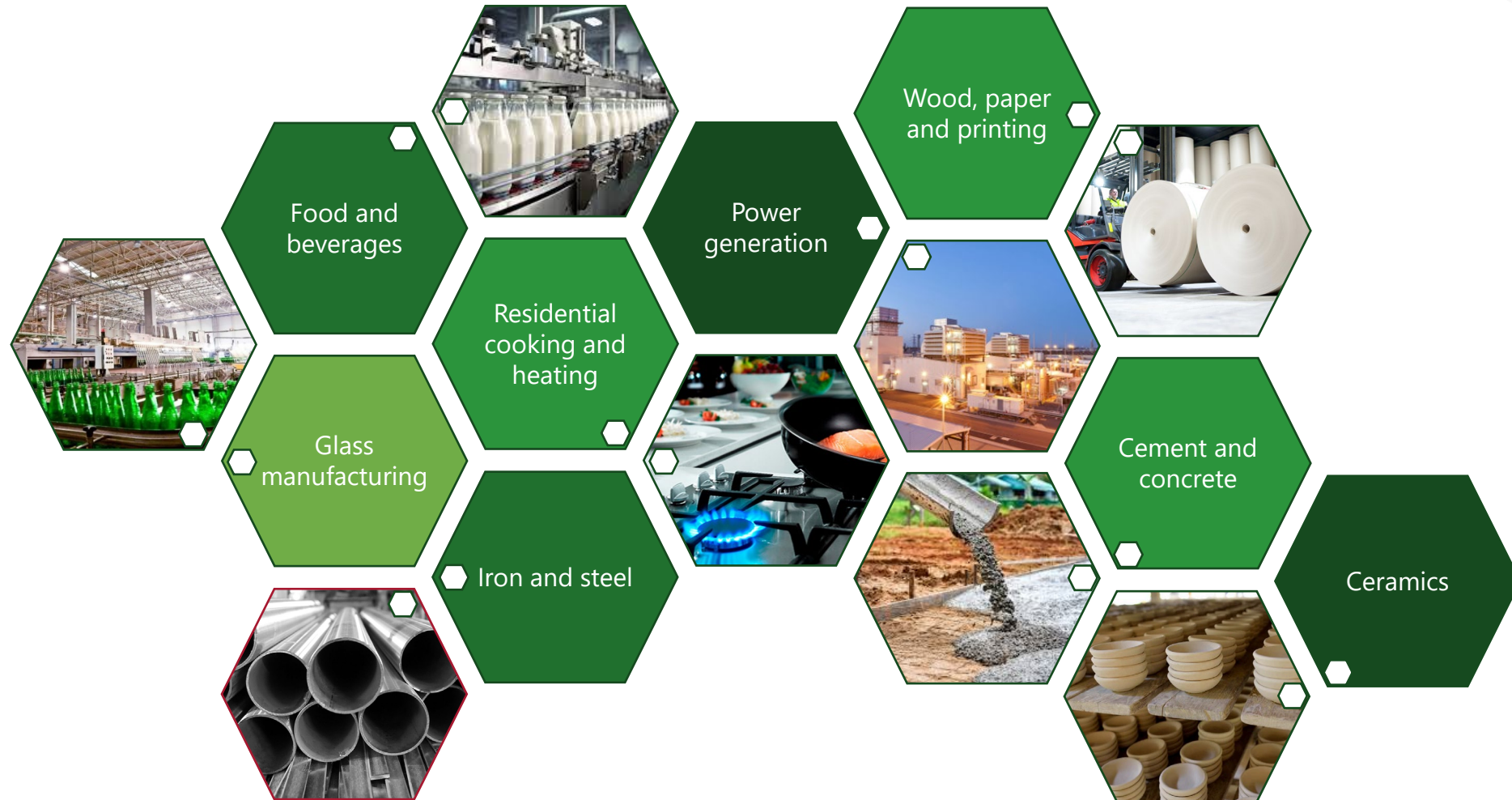
## Key Contacts

**Investor enquiries:** Morgan Wright, Investor Relations Lead. +61 437 569 711

**Media enquiries:** Bindi Gove, Head of External Affairs. +61 406 644 913

# Gas is fundamental for our way of life

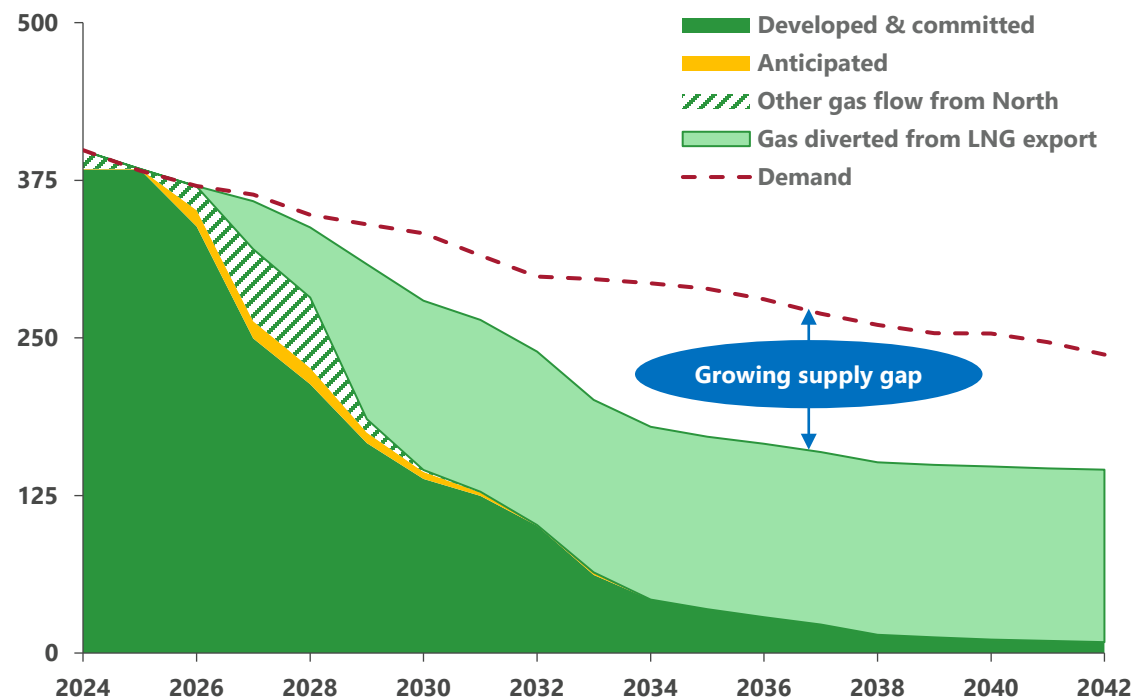
Manufacturing, power generation, residential use



# Positioned to capture medium-term supply gap

Market supports medium-term growth opportunities with pricing moving to LNG import parity

## Southern states forecast supply/demand (source: AEMO), PJ/year<sup>1</sup>



## Contributing factors for gas price re-rate to mid-high teens \$/GJ

### 1 New domestic field development requires higher prices

- Declining profile, new fields require higher prices to justify development
- Cycle time impacted by consultation and approval requirements
- Price for near term GSAs contracted at around \$15/GJ<sup>2</sup>**

### 2 Gas diverted from LNG export

- SWQP transportation constraints
- Ex-Wallumbilla subject to \$12/GJ cap+ \$2-4/GJ transport<sup>3</sup>
- Indicative delivered price \$14-16/GJ delivered<sup>3</sup>**

### 3 Imported LNG may become the marginal source of supply

- Four regas terminals currently proposed in Australia
- More gas storage required
- \$16-24/GJ reflective of JKM + regassification fee<sup>4</sup>**

**Supply is declining, gas price is increasing and trending to a range of \$14-24/GJ**

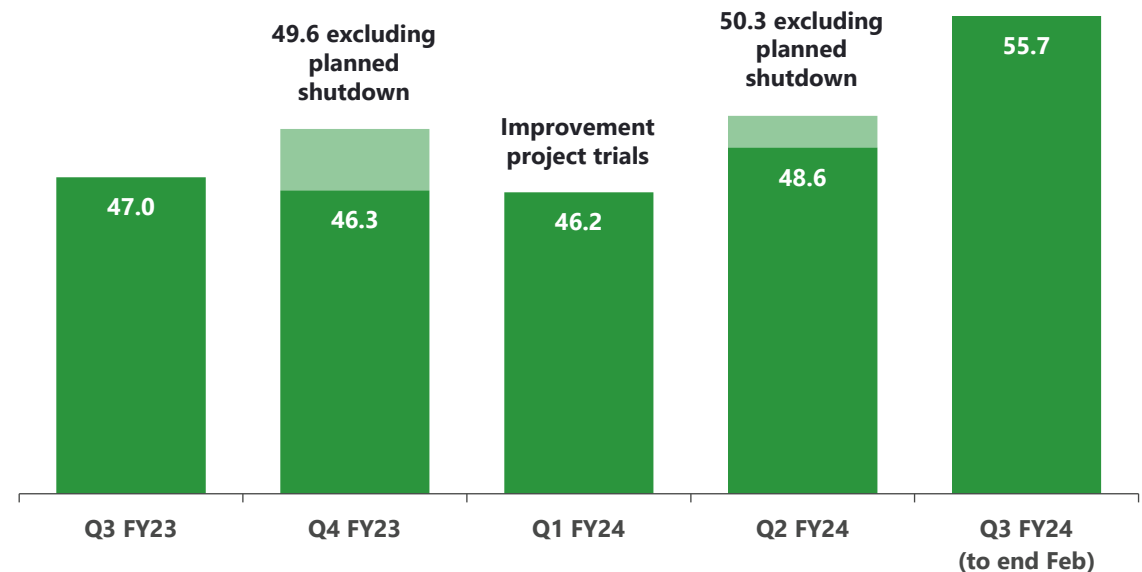
<sup>1</sup> Cooper Energy analysis of 2023 AEMO GSOO Report | <sup>2</sup> ACCC Gas Inquiry Report, December 2023, Page 87, Chart 4.8 | <sup>3</sup> Transport tariffs sourced from www.apa.com.au | <sup>4</sup> EnergyQuest, East Coast Gas Outlook 2023, low to high estimate for imports from Port Kembla Energy Terminal

# Orbost Gas Processing Plant

## Orbost improvement project increasing plant stability and processing capability

- H1 FY24 average processing rate 47.4 TJe/d (H1 FY23: 47.5 TJe/d)
  - H1 FY24 48.5 TJe/d excluding planned shutdown
  - Q1 FY24 production impacted by improvement project trials, learnings captured
- 12.8% (6.3 TJ/d, or 1.2 PJ for the half) of volumes sold to spot market in H1 FY24 (H1 FY23: 2.7 TJ/d)
- Methodical approach to solving issues based on first principles

OGPP average processing rate, TJ/d (100% gross<sup>1</sup>)



**Improvement project outcomes driving positive production trend**

<sup>1</sup> Cooper Energy holds a 100% interest in, and operatorship of the Sole field and the Orbost Gas Processing Plant

# Operational highlights

## Basker Manta Gummy wells decommissioning

- Helix Q7000 vessel on site and progressing through decommissioning programme
  - Plugged and pressure isolated the reservoir with completion of lower abandonment plugs on five wells
- Updated mid-case cost estimate \$240-280 million<sup>1</sup>
  - Work continuing to identify efficiency savings across activities
- Regulator direction to remove remaining seafloor infrastructure by end December 2026



**Lower abandonments represents two-thirds of the wells decommissioning programme**

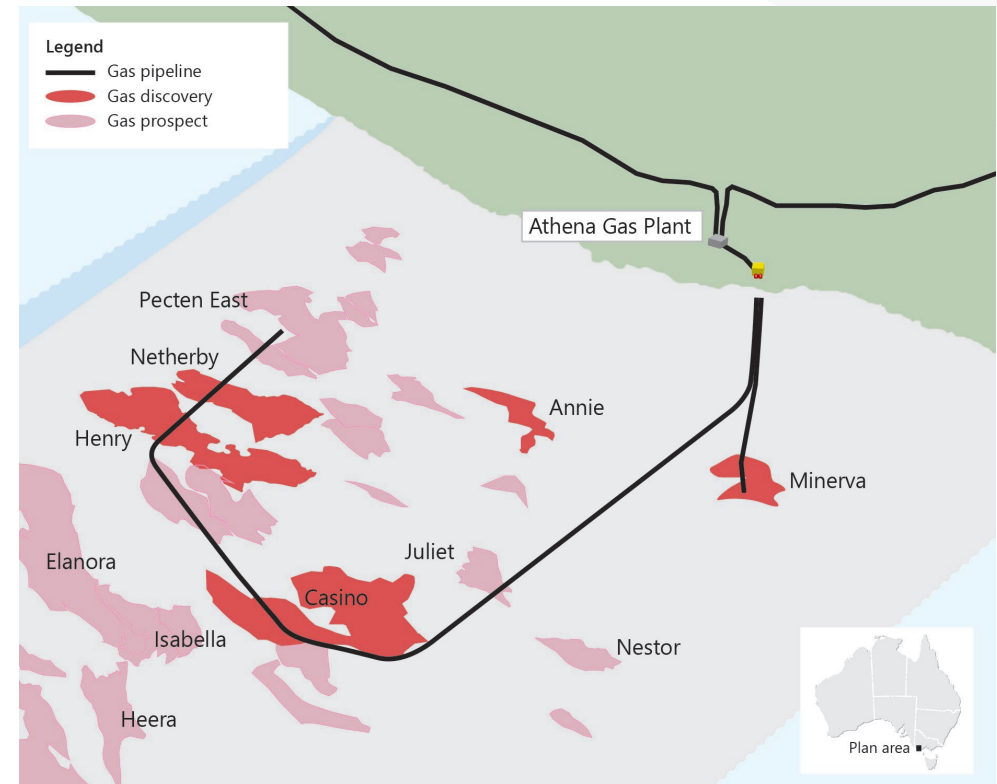
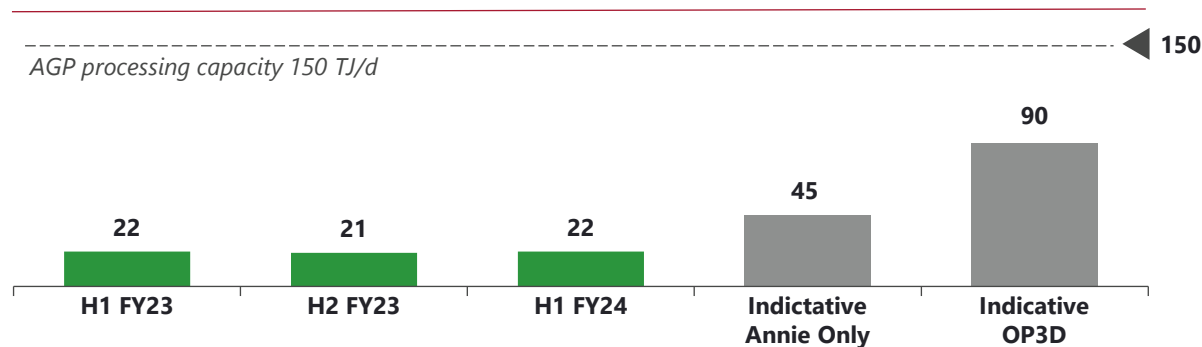
<sup>1</sup> For more information refer to ASX announcement 22 January 2024

# Otway growth – maximising utilisation of an existing asset

## Otway drilling campaign to underpin next phase of growth

- FEED complete
- Transocean Equinox rig contracted
  - Firm well, plus optional slots under review
- FID subject to partner alignment, gas sales agreements and finalising funding

### Athena, average processing rate (100% gross<sup>1</sup>), TJ/d



**All OP3D volumes could be fully contracted today at mid-teen \$/GJ pricing**

<sup>1</sup> Cooper Energy holds a 50% interest in, and operatorship of the Athena Gas Plant

# Operational excellence to drive improved production and cashflow

FY24 key corporate priorities

Orbest performance  
improvement plan

Delivery of BMG  
decommissioning

FY24 cost-out

Positioning for growth



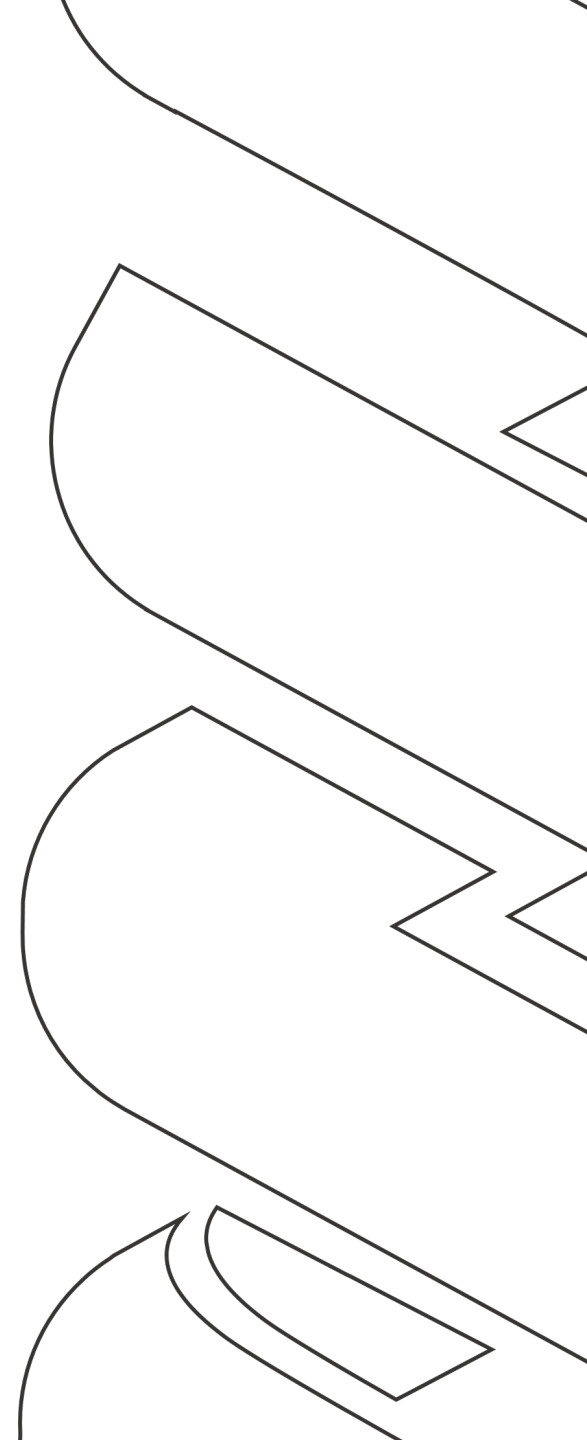
**Southeast Australia's pure play gas producer**





---

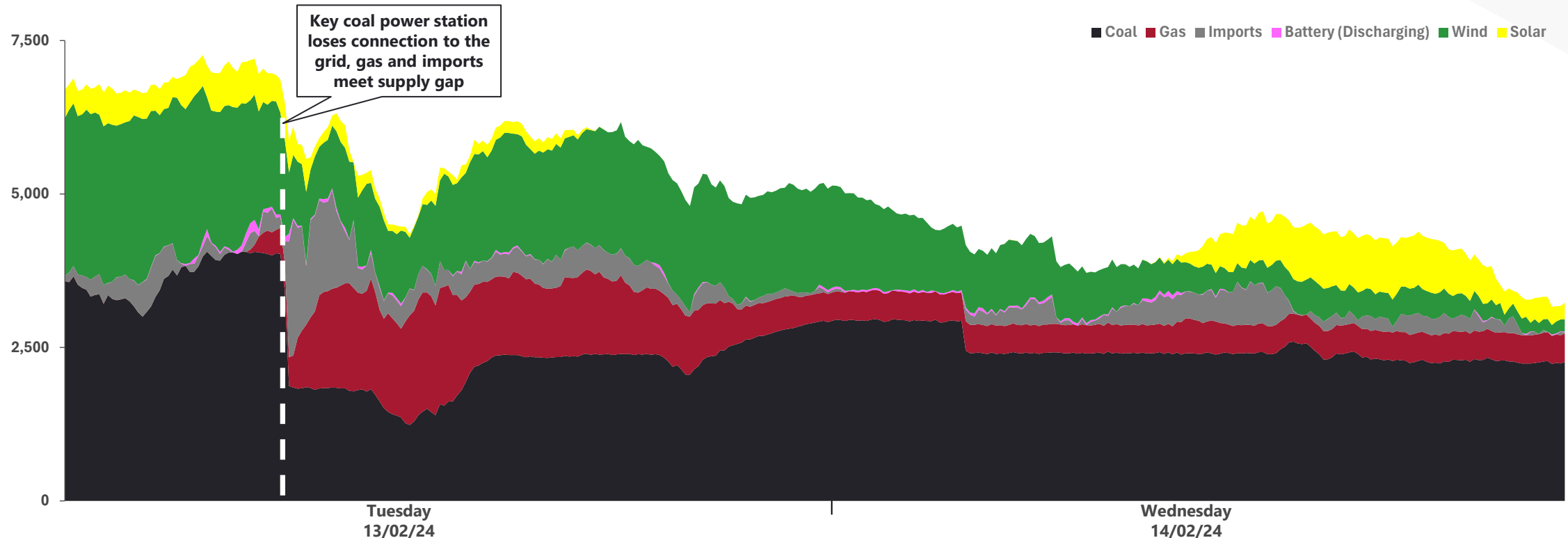
# Appendix



# Gas supports renewables by providing firming power when needed

Gas was critical to fill the supply gap in response to the mid-February weather event in Victoria

Victorian electricity supply by type (13 – 14 February), MW<sup>1</sup>



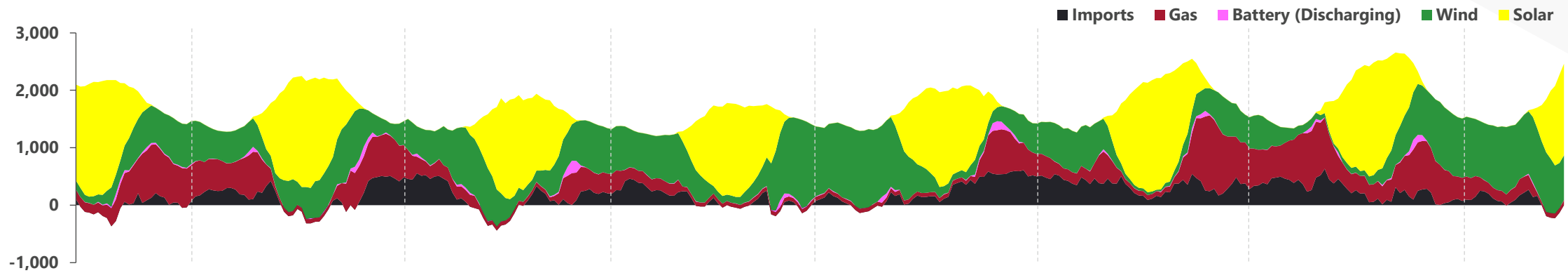
Increasing reliance on gas in the transition to renewables

<sup>1</sup> Data sourced from [www.opennem.org.au](http://www.opennem.org.au)

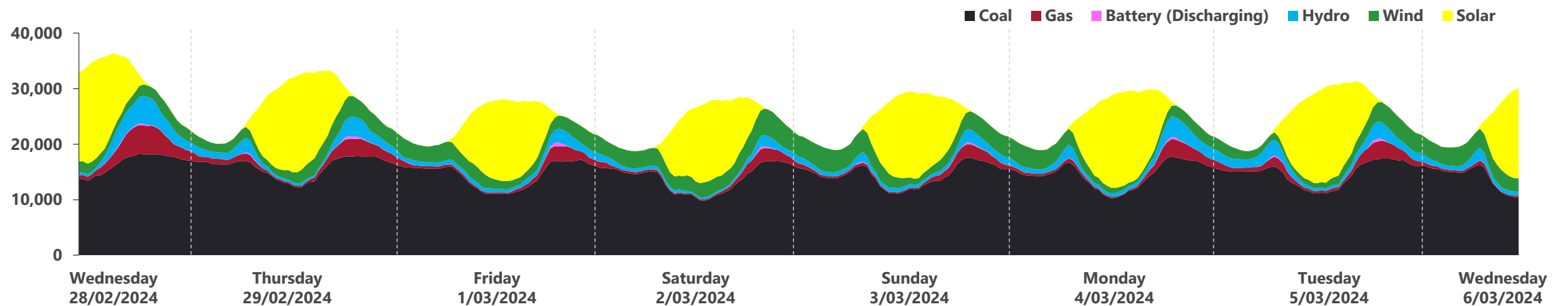
# Positioned to support further integration of variable renewables

South Australia is a window into the future role of gas supply in Southeast Australia's power mix

South<sup>1</sup> Australian electricity supply by type (~70% renewables annually), MW<sup>1</sup>



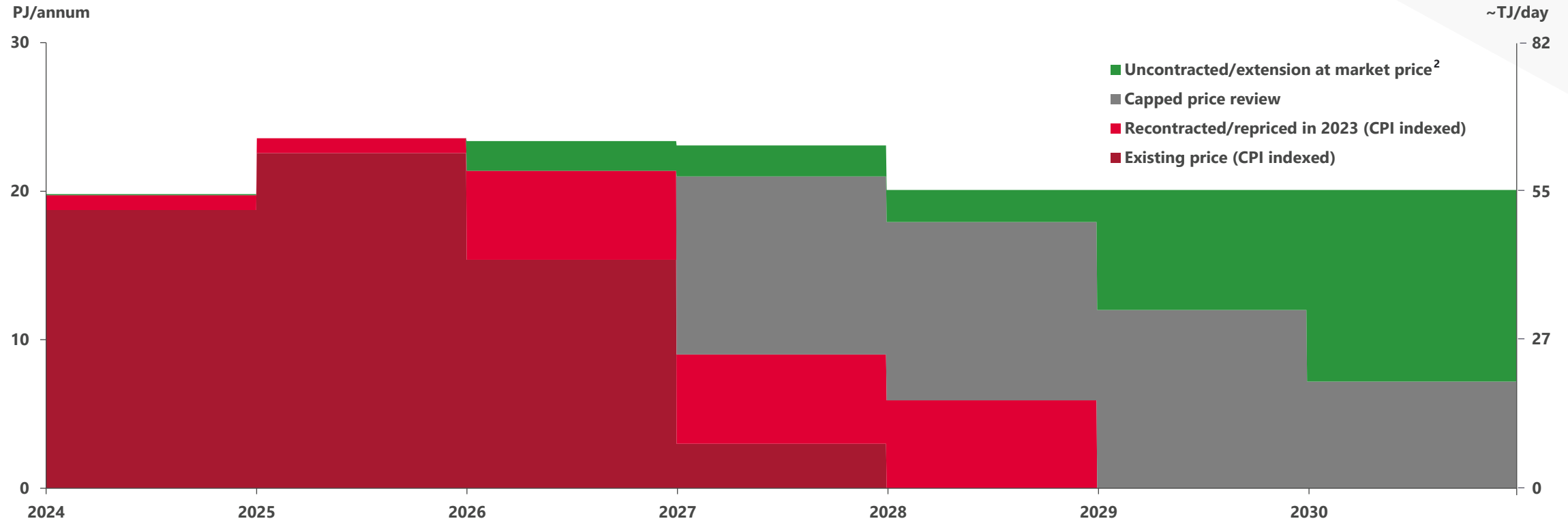
National<sup>2</sup> electricity supply by type (~37% renewables annually), MW<sup>1</sup>



<sup>1</sup> Data sourced from [www.opennem.org.au](http://www.opennem.org.au) | <sup>2</sup> National electricity supply refers to the National Electricity Market (NEM), incorporating all Australian states and territories excluding Western Australia and the Northern Territory

# Increasing exposure to higher term and uncontracted gas prices

Group annual contracted gas quantities (Gippsland/Sole<sup>1</sup> + Otway/Casino Henry Netherby)



**Portfolio pricing reflects tighter market and rising prices**

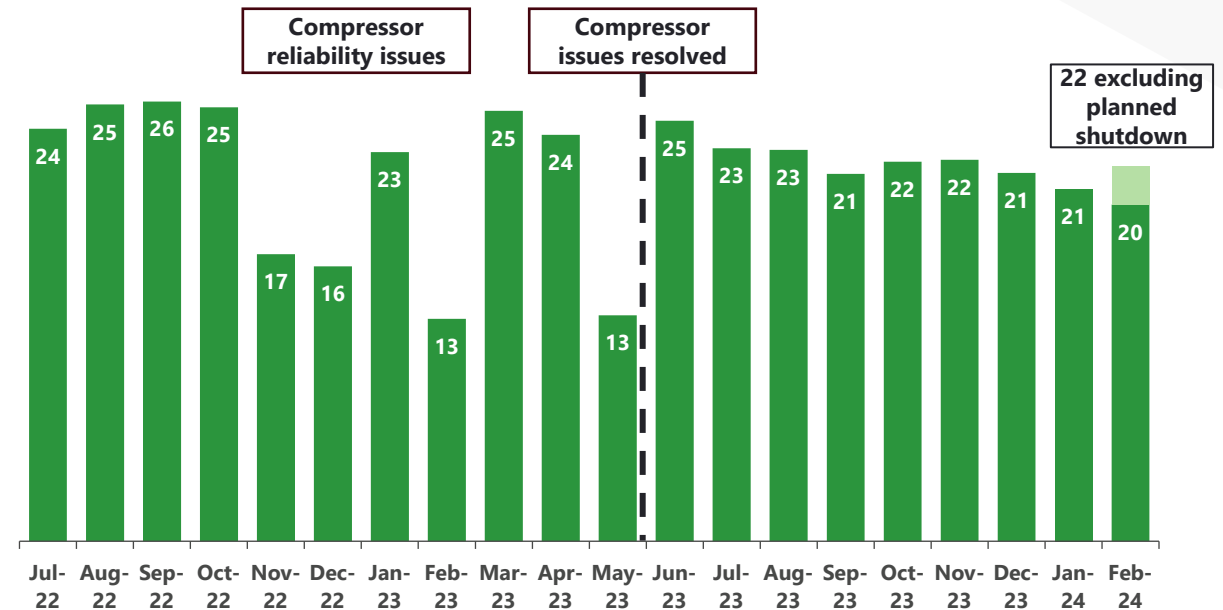
<sup>1</sup> The annual contract quantity volumes shown are indicative only and assume an increase in the assumed OGPP firm capacity of 5 PJ/year from 1 January 2025. This forward looking statement is subject to the qualifications on slide 2 of this presentation. There can be no guarantee that a firm capacity increase of 5 PJ/year will be achieved, notwithstanding recent improved average rates at OGPP. The annual contract quantity volumes shown are for illustrative purposes only and must not be taken as production guidance rates for OGPP | <sup>2</sup> Scope for parties to agree contract extensions on revised terms

# Athena Gas Plant

## Plant and field optimisation arresting natural decline

- H1 FY24 average processing rate 22.2 TJe/d, (H1 FY23 22.2 TJe/d), both 100% gross
- Resolved legacy compressor reliability issues
  - Plant uptime: 10% improvement compared to FY23
- Casino, Henry and Netherby wells cycled to optimise field performance
- Low inlet pressure project extends existing economic field life
  - Casino, Henry and Netherby 2P developed reserves support production to 2028 and beyond

AGP average processing rate, TJe/d (100% gross<sup>1</sup>)

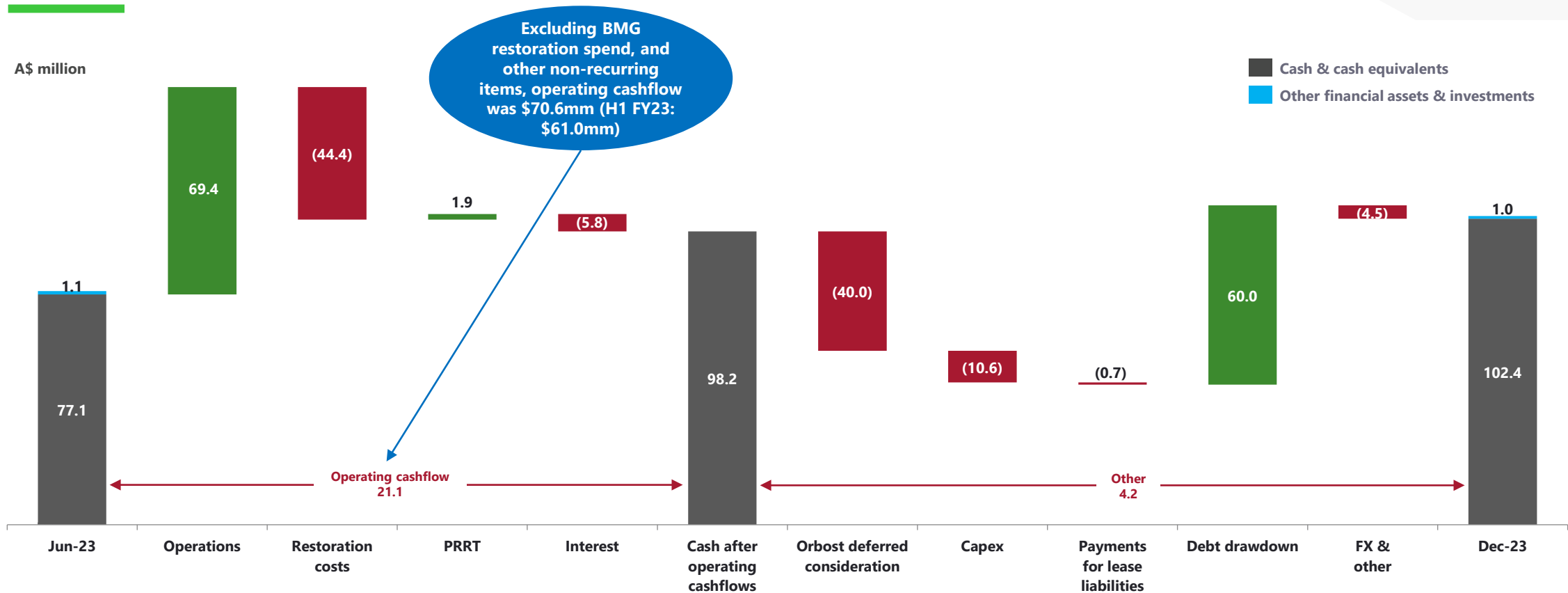


**Increased plant reliability to underpin stable FY24 production**

<sup>1</sup> Cooper Energy holds a 50% interest in, and operatorship of, Casino Henry Netherby and the Athena Gas Plant

# Group cash—record H1 underlying operating cashflow generation

Bridge from June 2023 to December 2023

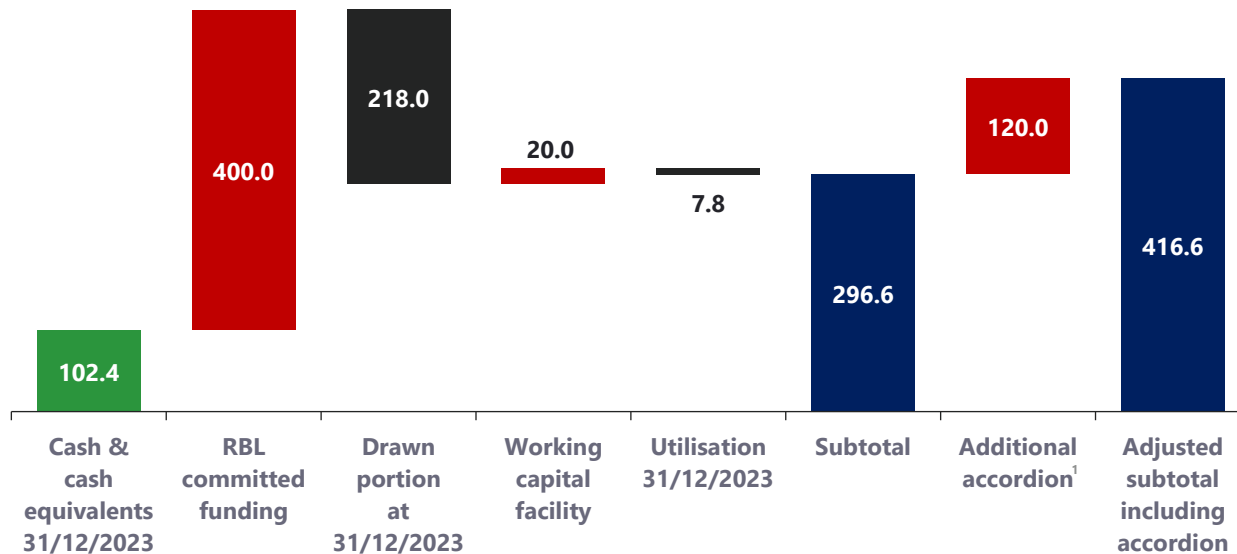


**With improved OGPP processing rates in January and February, underlying cash generation is set to continue to grow**

# Strong liquidity position

## Set up to fund decommissioning and support growth

A\$ million

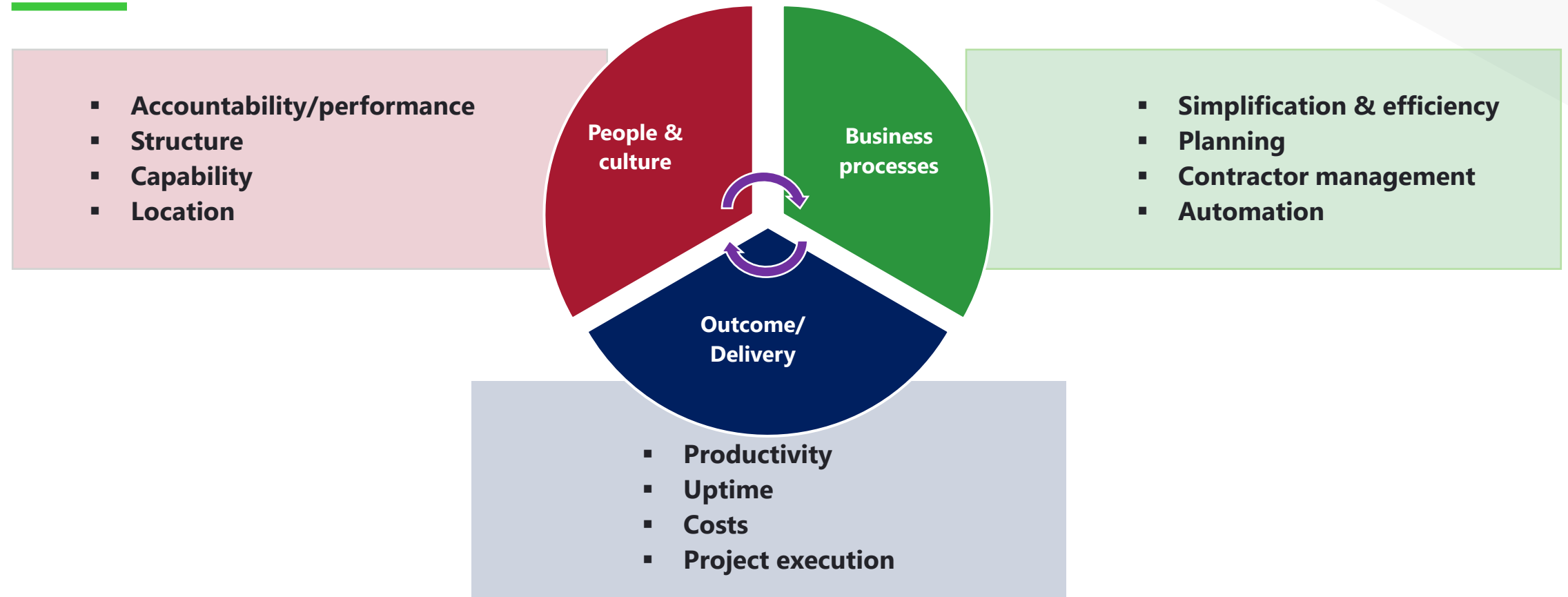


- \$400 million facility + \$20 million working capital facility
- Additional \$120 million accordion (subject to terms and conditions)
- \$218 million drawn at December 2023
- Recent redetermination resulted in a significant increase to assessed borrowing base
- Significant borrowing capacity remaining

<sup>1</sup> Subject to terms and conditions

# FY24 cost-out initiative

Group-wide review targeting savings across the business

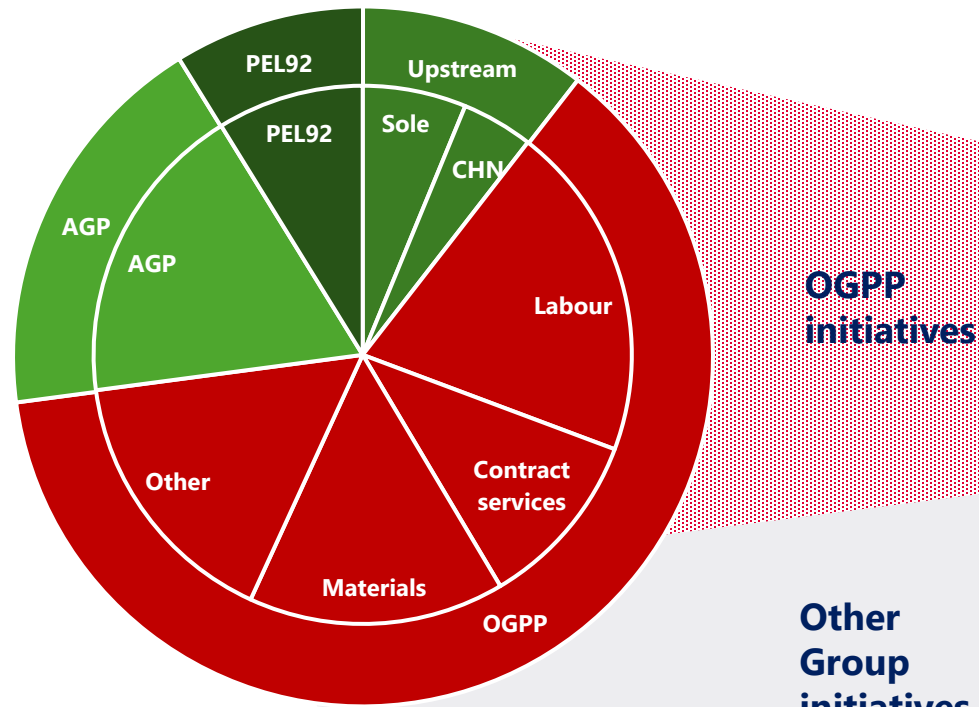


**Imperative to execute within FY24, while embedding a continuous improvement mindset**



# Substantial efficiency and savings in group production expenses

Breakdown by area and select examples under the transformation programme



FY24 production expenses guidance: \$60—68mm

Ongoing initiatives				
Select examples	Labour	Contract services	Materials	Other
Industrial waste reductions		✓	✓	✓
Process efficiency (absorber cleans)	✓	✓	✓	
Material selections (polisher media, absorber packing)		✓	✓	
Athena production initiatives				✓
Operations excellence		✓	✓	
Moving from manufacturer to risk-based maintenance schedule	✓	✓	✓	✓

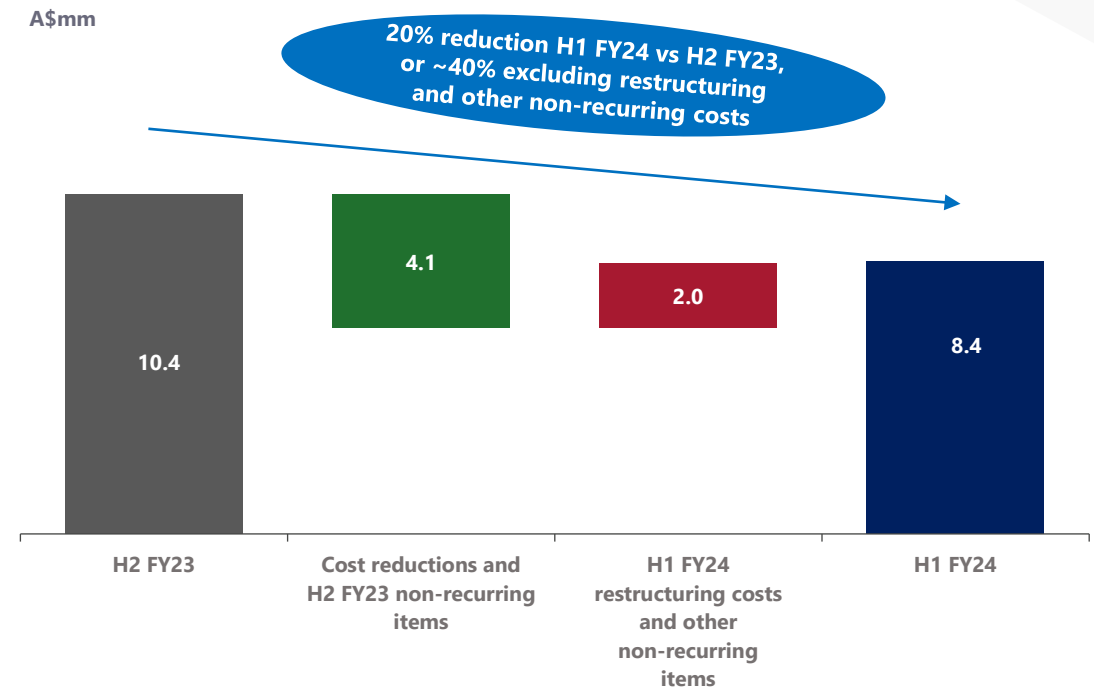
H1 FY24 production expenses were \$27.9 million<sup>1</sup>

<sup>1</sup> Inclusive of PEL 92 oil inventory movements

## Net G&A costs

20% reduction achieved to date, net of restructuring and other non-recurring costs

- ✓ Headcount
- ✓ Board
- ✓ Consultants
- ✓ Travel & entertainment
- ✓ Other
- ✗ Restructuring & other non-recurring costs
  - Cost out programme (e.g. redundancies)
  - ESG regulatory compliance



**Excluding H1 FY24 restructuring & other non-recurring costs, net G&A is down nearly 40%**

# Otway Basin gas hub— attractive near-term growth

Six prospects identified with high assessed chance of geological success

## Otway phase-3 development

- Development of Annie gas discovery 64.6 PJ 2C (100% basis)<sup>1</sup> through Athena
- Drilling campaign based around Annie + 2 low-risk exploration wells
  - Close to market and fast tie-back opportunity
- Timing of FID subject to economics and JV alignment

## Mean Prospective Resources<sup>2,3</sup>

Prospect	Gross (Bcf)	COE net (Bcf)	Pg <sup>4</sup>	Amplitude support
Elanora	161	81	67%	✓
Isabella	149	74	70%	✓
Heera	86	43	63%	✓
Pecten East	76	38	73%	✓
Nestor	64	64	81%	✓
Juliet	49	24	84%	✓
<b>Total</b>	<b>585</b>	<b>325</b>		



Athena Gas Plant

**Portfolio of high-quality prospects, close to existing infrastructure, provides next wave of growth and cash flow generation**

<sup>1</sup> Annie 2C resource included as part of the Otway Basin 2C number in the FY23 Reserves and Contingent Resources ASX release on the 25 August 2023. Cooper Energy's 50% 2C net share is 32.3 PJ | <sup>2</sup> See page 25 of the 2023 Cooper Energy annual report for the Company's net participating interest. Prospective Resources of the unrisked volume estimated to be recoverable from the prospect attributable to the Cooper Energy joint venture interest. The estimated quantities of petroleum that may be potentially recovered by the application of future development project(s) relate to undiscovered accumulations | <sup>3</sup> Mean Prospective Resource for the Otway prospects was announced to the ASX on 9 February 2022 See page 25 of the 2023 Cooper Energy annual report for the Company's net participating interest | <sup>4</sup> Pg represents the estimated probability of finding moveable gas

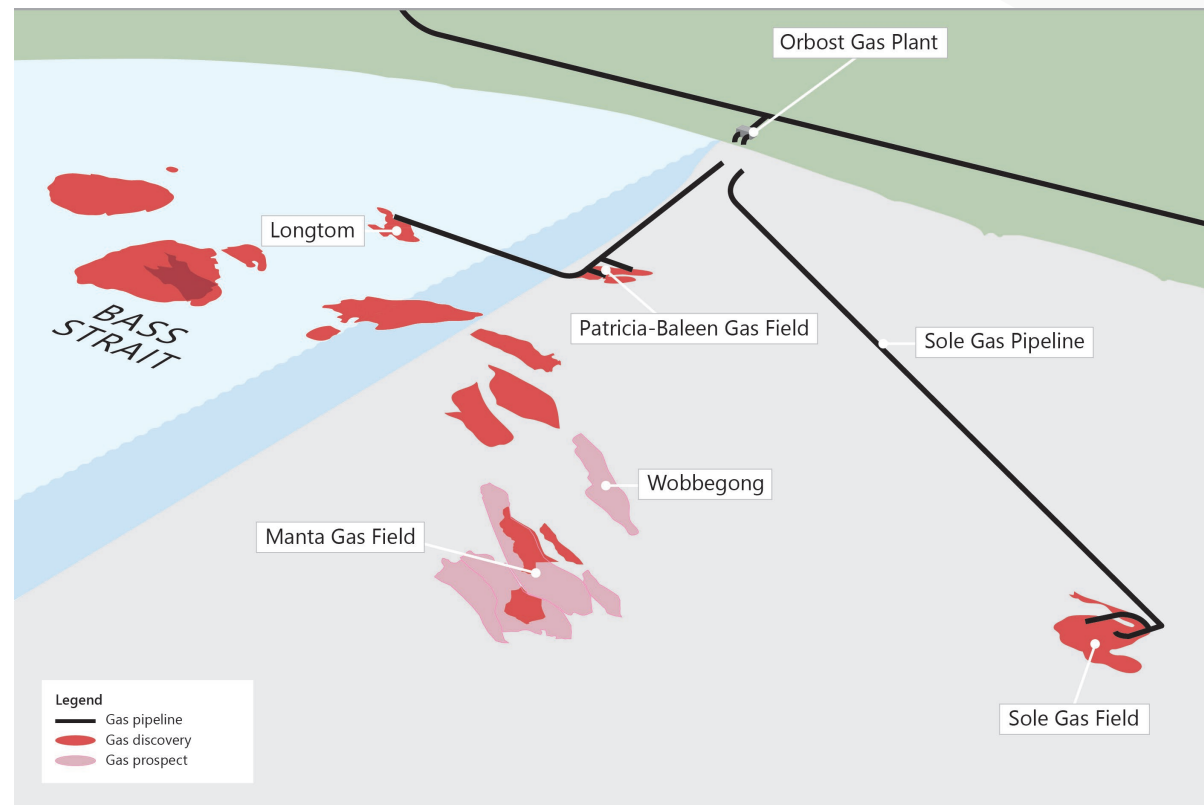
# Gippsland Basin gas hub

Foundation to develop Cooper Energy's proven and prospective Gippsland gas portfolio

Manta and Gummy Contingent Resource estimates (COE 100% interest) <sup>1</sup>		1C	2C	3C
Gas	PJ	95	185	343
Condensate	MMbbl	2.5	4.9	9.7

- Future development option, COE interest 100%
- Future appraisal of Manta-3 required
- Deepening Manta-3 tests Manta Deep exploration prospect
- May utilise existing infrastructure e.g., existing pipelines to OGPP

Mean Prospective Resources (COE 100% interest) <sup>2,3</sup>		
Prospect	COE net (Bcf)	Pg <sup>4</sup>
Gummy Deep	401	33%
Manta Deep	414	18%
Chimaera East	250	23%
Wobbegong	242	29%



**Prolific hydrocarbon basin immediately adjacent to the Southeast Australian gas market**

<sup>1</sup> Contingent Resource for the Manta gas and liquids resource was announced to ASX on 12 August 2019, Contingent Resource for Gummy gas and liquids resource was announced to ASX on 25 August 2023 | <sup>2</sup> Prospective Resources of the unrisks volume estimated to be recoverable from the prospect attributable to the Cooper Energy joint venture interest. The estimated quantities of petroleum that may be potentially recovered by the application of future development project(s) relate to undiscovered accumulations | <sup>3</sup> Prospective resources for Gummy Deep, Manta Deep, Chimaera East and Wobbegong were announced to the ASX on 15 May 2023 | <sup>4</sup> Pg represents the estimated probability of finding moveable gas