For personal use only

ASX Announcement / Media Release

11 November 2021

2021 Annual General Meeting addresses

Cooper Energy (ASX:COE) will hold its 2021 Annual General Meeting today at 10.30 am ACDT / 11.00am AEDT.

The meeting will be held virtually via the Lumi online platform at https://web.lumiagm.com with meeting ID **373-924-797**.

To follow is the Chairman's address and Managing Director's address to be delivered at the AGM.

Additional information is available at the following link: 2021 Annual General Meeting.

Authorised by:	Investors:	Media:
David Maxwell	**Derek Piper**	**Bindi Gove**
Managing Director	Head of Investor Relations	Head of External Affairs
+61 8 8100 4900	+61 8 8100 4908	+61 406 644 913

Cooper Energy Limited (ASX: COE) is an exploration and production company which generates revenue from gas supply to south-east Australia and low-cost Cooper Basin oil production. The company is an emerging player in the south-east 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 south-east Australia to commence production in several years, the Casino Henry operations in the offshore Otway Basin and undeveloped resources such as Manta and Annie.

Disclaimer: This announcement may contain forward looking statements that are subject to risk factors related to oil, gas and associated businesses. The expectations reflected in these statements are believed to be reasonable. However, they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to diverge materially, including in respect of: price fluctuations and currency fluctuations, drilling and production results, actual demand, reserve estimates, loss of market, competition in the industry, risks (environmental, physical, political etc.), developments (regulatory and fiscal etc.), economic and financial market conditions in Australia and elsewhere, changes in project timings, approvals and cost estimates.

Address by the Chairman, John Conde AO to the 2021 Annual General Meeting of Cooper Energy Limited

11 November 2021

For personal use only

Introduction

The 2021 financial year did not play out as we were expecting. This time last year, my hope was to be meeting with you in person today. I was also hoping that the Orbost Gas Processing Plant would be humming along at something resembling its nameplate capacity. Unfortunately, neither is true.

The COVID-19 pandemic

The COVID-19 pandemic continued to evolve in ways that weren't anticipated. It has been a challenging period for all of us, corporately and personally.

At Cooper Energy, we acted quickly in 2020 to implement procedures and practices to navigate the pandemic, and we continue to monitor, respond and adapt as required. It is pleasing to note that we have had:

- No reported cases of COVID-19 among our staff or contractors;
- No COVID-19 related interruptions to processing of gas and oil; and
- No interruptions to progressing the Athena Gas Plant Project.

I extend my gratitude to the Cooper Energy Pandemic Response Team and all staff and contractors for their stringent health and safety efforts and for continually looking out for each other.

Today the outlook is much brighter. With the support of high vaccination rates, Australia's borders are re-opening and it may not be too long before we can all travel without restrictions domestically. However, there will no doubt be challenges as we adapt to living with COVID-19.

The Orbost Gas Processing Plant

The past year was also punctuated by challenges with the Orbost Gas Processing Plant, which is owned and operated by APA Group. Although we have a useful Transition Agreement with APA covering an extended commissioning schedule, and although we continue to satisfy our customers and our financiers, the Orbost plant continues to operate below nameplate expectations in terms of stable processing rates. Consequently, we were not able to process and sell our Sole gas at originally forecast levels. This had an obvious flow-on effect to revenue, cash flow and earnings – none of which was as high as planned. This in turn negatively impacted our progress with other growth projects.

That said, there has been progress at Orbost. We have seen gradual performance improvements and, also, debottlenecking activities have provided some incremental benefits. However, the issues at Orbost have not yet been resolved and the plant is only operating at rates of around 45 TJ/day which, as we all know, is well short of what was intended. Further works which I will discuss shortly are planned by APA for this financial year.

We are working constructively with APA to secure certainty regarding the long-term arrangements for processing Sole gas. We look forward to providing clarity on this as the year progresses.

For personal use only

The performance issues at Orbost, however, clearly impacted our share price performance. We acknowledge the frustration this has caused our shareholders and we appreciate the loyalty shown by many.

Other external factors

There is increasing pressure in the energy sector for companies to demonstrate their commitment to emissions management. Activism towards the sector is increasing and accessing funding can be more difficult for companies that do not meet emissions management standards.

The messaging crescendo to reduce dependence on fossil fuels and embrace renewable energy sources is loud and getting louder. However, recent global events have highlighted the unintended, although surely not entirely unexpected, consequences of rushing the transition with price spikes for coal, oil and gas.

As you saw in this morning's video, Cooper Energy is committed to profitable development in the interests of all of our stakeholders. Sustainable development is that which meets the needs of the present without compromising the ability of future generations to meet their needs. The transition to this new world must be done in an orderly manner and with continued investment in cleaner energy transition fuels such as gas.

Debate continues about the roles of gas, batteries, green hydrogen and even nuclear lately, and the part each will have in supporting continued growth in wind and small and large scale solar – and then there's Snowy 2.0, which many people regard as one giant battery.

Anything other than an orderly transition will see energy disruptions – that is, blackouts and more expensive power – with the unacceptable consequences for personal, commercial and industrial life.

Summary

In summary, these were the key challenges we faced last year.

COVID-19 and sector pressures were felt by all in the industry. Cooper Energy's performance suffered and was well below all of our expectations and budgets.

In response, short-term incentive payments were cut significantly across the organisation and base salaries have again been held constant for the Board and staff. We've done our best, and it is worth noting that all four proxy advisors have recommended shareholders vote in favour of our remuneration report.

FY21 milestones

In amongst the challenges which I have outlined, there has been evidence of value growth and upside for shareholders. I would like to touch upon some of these.

We have maintained a strict focus on delivering our south-eastern Australia gas strategy, and in doing so, achieved several key milestones which are transforming Cooper Energy. These milestones include:

- Record annual production, sales volume and revenue;
- Reconfiguration works at the Orbost Gas Processing Plant;
- First gas sales from Sole under our long-term Gas Sales Agreements;
- Commissioning of the Athena Gas Plant;

- Carbon neutral certification from Climate Active; and
- Adjustments to our debt facility.

These were great accomplishments for the organisation. Let me elaborate on some of these in a little more detail.

Gas infrastructure operator

First, we made great strides in establishing ourselves as a gas infrastructure operator, with the Athena Gas Plant upgrade and commissioning completed. We are on schedule to commence processing our Otway Basin gas through Athena this quarter. The Athena Gas Plant will be a valuable asset within our portfolio as it provides control over gas processing at very competitive costs and extra capacity for the next wave of gas developments.

Supplier of gas to south-eastern Australia

Secondly, we took a major step in establishing ourselves as a material and important supplier of gas to south-eastern Australia with the initiation of our Sole Gas Sales Agreements last December and January. With support from our customers and the guiding principles of the Transition Agreement we negotiated with APA, we were able to commence gas sales to our customers. As a result, a material increase in revenue, earnings and cash flow was recorded in the second half of FY21, and this momentum is continuing in FY22.

Since the Gas Sales Agreements commenced, we have met all customer nominations on every day with the support of back-up gas supply arrangements and APA's contributions to the cost of this back-up supply. To achieve this, Cooper Energy has bolstered its gas trading capabilities, internal management systems and processes. This is another example of the progress we are making as we transition to an integrated gas supplier.

Climate action

Thirdly, we established ourselves as an industry leader on climate action. We received independent certification by Climate Active of our carbon neutral position with respect to Scope 1, Scope 2 and controllable Scope 3 emissions. This confirmed and validated Cooper Energy as Australia's first carbon neutral gas and oil producer. While many companies talk of future net zero aspirations, our actions to achieve carbon neutrality have put us many years ahead of our peers. As we grow, we plan to maintain our net zero carbon status and will seek innovative ways to harness the momentum in this area.

I encourage you to read our 2021 Annual Report and our separate Sustainability Report. These documents provide more detail on our progress and our achievements in 2021 and set out some of the challenges for the 2022 financial year and beyond.

FY22 outlook

Let me say a few things about FY22.

The progress made last year has set the stage for an exciting year ahead. The foundation for continuing growth is now clear to see:

- Our twin gas hubs are established;
- Domestic gas supply is tight and getting tighter;
- The Athena Gas Plant has been commissioned;

For personal use only

- Phase 2B works at the Orbost Gas Processing Plant are underway; and
- Our Sole Gas Sales Agreements have demonstrated the inherent value of the Sole development.

The Managing Director will talk to this foundation in more detail, however, it is worth my noting the following.

In the Otway Basin, the Athena Gas Plant has been commissioned and will be processing gas this quarter. The plant provides us with operatorship of our own processing facility, with significant capacity for future developments.

The Otway Phase 3 Development, or OP3D as we call it, has just entered the Front-End Engineering and Design stage. This will be our first new development to utilise the additional capacity at Athena, resulting in new gas supply for south-eastern Australia and a step-up in cash flow and earnings for Cooper Energy. We expect this will be followed by further gas discoveries in the basin, which will be at a time when there is continuing gas supply tightness and gas price increases.

In the Gippsland Basin, APA will be undertaking additional work at the Orbost Gas Processing Plant, which they plan to complete within the March quarter. The objective of these works is to improve plant stability and the gas processing rate. Extensive testing on solids removal technology provided the confidence to proceed with installation of a filtration system, which is on schedule to occur in January.

In the Cooper Basin, our low-cost oil production continues and we are currently benefitting from strength in the oil price. Details of the work program for the 2022 financial year are being finalised with our joint venture partner and operator, Beach Energy.

Sustainability

In the coming year, we will continue our commitment to net zero carbon emissions and pursue new initiatives aligned to this. Our industry-leading net zero position is but one part of Cooper Energy's strategy – a strategy which is sustainable. That means we will be offering a long-term value proposition for all stakeholders while leaving our environment in a better state than we found it. Our assets, strategy and values are aligned with this. For example:

- We produce gas which we know will be required for decades to come as the world transitions to renewable energy sources;
- We have consolidated the company's asset portfolio around proven, cost competitive gas provinces and established infrastructure located close to the key gas markets;
- We have an extensive resource position which provides the foundation for increasing production and cash flow;
- Most of our gas reserves are linked to long-term contracts which provide stable prices and cash flow through the take-or-pay terms with our strong customers;
- We are proud of our environmental track record and the relationships we have built with the communities in which we operate; and
- Our governance framework and the Cooper Energy Values guide all our decisions and actions.

We thank our customers, our shareholders, our lenders and the communities in which we operate for their support and endorsement of our strategic objectives in these important areas.

For personal use only

Acknowledgements

More generally, the progress we made last year in what was a challenging environment across many dimensions of our operations could not have been achieved without the strong support from all of our stakeholders. I would like briefly to acknowledge them now.

First, our lenders have demonstrated continued commitment to Cooper Energy. Earlier this year they approved adjustments to our debt facility to align it with the current performance at Orbost. A lot of effort has gone into the debt facility for which we are grateful. Thank you to our lenders: ANZ, ING, NAB and Natixis, and most recently Deutsche Bank, which took over ABN AMRO's syndicate exposure.

Our gas customers have been similarly supportive. From accepting a delay to the commencement of our Gas Sales Agreements through to re-negotiating some terms and delivery points, as was recently announced with AGL.

We greatly appreciate the support we receive from our local communities. In the Otway and Gippsland basins, farming, tourism and other industries have operated alongside the gas industry for decades. We have proved that gas extraction risks can be managed and economic benefits can accrue to local economies. We actively support our communities and greatly appreciate the support we receive in return.

Lastly, and most importantly, I thank you, our shareholders, for your continuing support. It was unquestionably a difficult year and your patience during this period has been very much appreciated.

We are confident that with APA we can achieve more certainty around the performance of the Orbost Gas Processing Plant, and that certainty will translate into firmer plans to pursue the many strategic growth opportunities that we have to create value for you, our shareholders.

Concluding remarks

Finally, I record my thanks to my Board colleagues and to our Company Secretary for their counsel and support. In August, we welcomed Ms Giselle Collins to the Board, subject to confirmation by shareholders at today's meeting. Ms Collins brings valuable expertise to the Board and adds diversity of experience. We have a great Board and it's my very real honour to be your Chairman, working with these fine colleagues.

I also record my appreciation to our Managing Director, David Maxwell, and his team for their leadership and commitment to Cooper Energy. I am grateful for their continued tireless efforts during this protracted period of great challenges, many of which have been completely beyond their control.

I now ask our Managing Director, David Maxwell to address us.

For personal use only

For personal use only

Address by the Managing Director, David Maxwell to the 2021 Annual General Meeting of Cooper Energy Limited

11 November 2021

SLIDE 1: MANAGING DIRECTOR'S ADDRESS

Thank you, Chairman and good morning fellow shareholders.

SLIDE 2: DISCLAIMER

Our disclaimer is set out on this slide. I will leave this for you to review at your leisure.

SLIDE 3: OUR VALUES, PUPRPOSE AND PEOPLE

I will begin my address with a recap of the fundamental drivers for Cooper Energy – our Values, Purpose and People.

At Cooper Energy, our culture is driven by the Cooper Energy Values, these being:

- Care
- Integrity
- Fairness and respect
- Transparency
- Collaboration
- Awareness
- Commitment

The Cooper Energy Values are fundamental to the way we do business. They inform our decision making and guide our behaviours.

Our Values support us in delivering our Purpose. Cooper Energy's Purpose is to contribute to Australia's sustainable energy future by commercialising gas, oil and other resources for domestic markets. We operate with an emphasis on care, shareholder value and sustainability.

Our People are key. They are our enablers. I thank all staff and contractors for their continuing commitment and dedication. The past year has been challenging, as I will discuss in a moment. Our committed people have helped us navigate the challenges and deliver many key milestones.

I am pleased to say that we have a highly engaged workforce. Our most recent employee survey undertaken in FY21 by an independent organisation confirms this. The study was structured around two key focus areas:

1. Engagement, the 'want to'; and
2. Enablement, the 'able to and can do'.

Cooper Energy's employee engagement score is particularly encouraging and continues to sit high against global benchmarks.

The 2021 Sustainability Report, which was published at the time of our Annual Report, provides more information on our Values, Purpose and People. I encourage you to read this report.

For personal use only

SLIDE 4: RECORD PERFORMANCE AND KEY MILESTONES IN FY21

Turning now to our results for the 2021 financial year, which were largely shaped by the ongoing delay in commissioning the Orbost Gas Processing Plant, owned and operated by APA.

We achieved record results in FY21, however, Sole production, cash flow and earnings were constrained relative to our original expectations. This impacted the progress of our growth projects, financial results and share price. The Chairman spoke to the disappointing share price performance. I too acknowledge the frustration this has caused. I extend my personal gratitude to you, my fellow shareholders, for your ongoing support through this period.

Despite the challenges at Sole, and the continuing backdrop of COVID-19, the 2021 financial year had many highlights and positioned us well for sustained growth. We achieved record full-year performance, improved safety and environmental outcomes, and many key milestones.

The initiation of our Sole Gas Sales Agreements and improving performance of the Orbost Gas Processing Plant drove record production, record sales volume and record revenue. Production was up 69% to 2.63 MMboe, sales volume up 94% to 3.01 MMboe and revenue up 69% to $132 million.

Initiation of our Sole Gas Sales Agreements in the middle of the year was a significant achievement for Cooper Energy, particularly given the volatile performance of the Orbost Gas Processing Plant. With support from our customers, third-party gas suppliers and APA, and guided by the principles of the Transition Agreement, we delivered over 8 petajoules of gas into our Sole Gas Sales Agreements. During the peak winter gas demand months, we averaged gas supply of 59 TJ/day, with Orbost shortfalls sourced from our back-up supply arrangements. This sales volume level for our Sole Gas Sales Agreements has continued every day since April of this year.

Beyond the financials, we recorded pleasing health, safety and environmental performance as we strive for continual improvement. The ever-changing COVID-19 situation provided challenges for us all. The policies and procedures implemented by our Company early in the pandemic have served us well and we continue to monitor, react and adapt as required.

We reported no cases of COVID-19 among our staff and contractors. We achieved no COVID-19 related interruptions to our oil and gas processing, and the Athena Gas Plant progressed to schedule.

We reported no lost-time injuries, although we did have two minor safety incidents which resulted in an increase to our total recordable injury frequency rate. The incidents were a hamstring strain and a cut on the nose. In both incidents, the individuals returned to work the following day. We again had no reportable environmental incidents at our operated sites.

We also delivered many key milestones during the year which are establishing Cooper Energy as a material and important supplier of gas to south-eastern Australia, and we are setting the foundation for sustainable growth in shareholder value. These milestones included:

- Reconfiguration of the Orbost Gas Processing Plant by APA, improving plant performance throughout the year and agreement with APA on the next phase of works;
- Initiation of the Sole Gas Sales Agreements, as I have mentioned;
- Significant progress in upgrading the Athena Gas Plant, which is now commissioned and will soon be processing our Otway gas;
- Independent certification as Australia's first carbon neutral (or net zero) gas and oil producer; and

- Adjustments to our debt facility.

These milestones were supported by strong relationships with our key stakeholders including our customers, banks and the communities in which we operate. Thank you to all for your support.

SLIDE 5: GAS MARKET DYNAMICS SUPPORT NEW DEVELOPMENTS

Before we look at the year ahead, it is worth setting the scene with an update on the domestic gas market in south-eastern Australia. The story remains the same: increasing gas supply shortages are playing out as we expected.

Independent forecasts continue to confirm that the gas demand-supply fundamentals remain challenged and strongly skewed towards increasing gas supply shortfalls. It is a fact that gas will be needed for decades to come, and that gas will support our transition to renewable energy sources. The video at the start of this meeting highlighted this. Industry and regulators continue to see tight gas supply for south-eastern Australia, with a supply shortfall of approximately 60 petajoules expected by 2025. This equates to roughly four Sole projects at current Orbost processing rates.

The shortfall is driven by several factors, including declining production from existing fields as reservoirs deplete, increasing costs and regulatory burden associated with new developments, and various drilling moratoriums which have hampered the opportunity for new supply. To have a positive impact on the supply shortfall come 2025, new gas projects need to be at the Final Investment Decision stage now or very soon.

Similar gas demand-supply dynamics are also playing out internationally. In Europe, the phasing out of fossil fuels over recent years and consequent underinvestment in new supply have contributed to the current spike in prices for coal, oil and gas. This highlights the consequences of not carefully planning the transition to renewable energy sources and the need for balance and clear policy.

We **do** need to increase renewable energy supply. To ensure this does not disrupt our economies and cost of living, the transition needs to be orderly, balanced and planned. At Cooper Energy we are acutely mindful of this.

SLIDE 6: A STRENGTHENING GAS PRICE OUTLOOK

The gas price outlook also remains sound for Cooper Energy. Domestic gas prices are becoming increasingly linked to LNG prices.

Today, over two thirds of east coast Australia gas production is sold into the global LNG market from LNG processing units in Gladstone, Queensland. The bulk of the gas feedstock for this comes from Queensland's relatively newly established coal seam gas industry. The Queensland coal seam gas resources underpinned the development of six LNG trains and the east coast LNG export industry as we know it today.

Meanwhile, declining gas supply from the traditional basins in the southern states has seen increasing volumes of gas flow south from Queensland, in particular in the Australian winter to service peak southern demand.

What this means for pricing is that when a gas or LNG producer is assessing the terms for gas supply to their customers, they will be increasingly influenced by trends in the international gas market.

For personal use only

For personal use only

Accordingly, the LNG netback price is having an increasing influence on domestic gas prices. The LNG netback price is calculated by the ACCC. This is the price which is equivalent to the export parity price for a Queensland LNG producer. The ACCC is currently forecasting an average LNG netback price across the course of 2022 of $19.75 per gigajoule. This is **not** the price in the domestic market, but it is influencing domestic gas prices.

Therefore, it is of no surprise that we have seen increases in both LNG prices and domestic gas prices over the course of 2021. The pricing dynamics in the east coast Australia LNG export industry are feeding through to domestic price forecasts at the Wallumbilla Gas Hub in Queensland. In southern states, a further $2.00 to $2.50 per gigajoule can be added to the Wallumbilla price to account for transportation costs.

These dynamics along with independent price forecasts confirm our internal view that long-term domestic gas prices in the range of $8 to $11 per gigajoule can be expected.

SLIDE 7: AUSTRALIA'S FIRST CARBON NEUTRAL DOMESTIC GAS PRODUCER

So how is Cooper Energy going to harness this gas market momentum within south-eastern Australia and address the increasing role of renewables and the global drive to reduce emissions?

Our twin gas hub strategy is established and our asset portfolio positions us well to become an important supplier of gas for decades to come.

An integral part of the strategy is our commitment to climate action. In October 2020 we announced our objective for net zero carbon emissions, that is Scope 1, Scope 2 and controllable Scope 3 emissions. Our accelerated push saw us achieve this through partnering with Greening Australia in the Coorong Biodiversity Project.

Towards the end of the 2021 financial year, we received independent certification from Climate Active as Australia's first carbon-neutral gas producer. This is a fantastic accomplishment for Cooper Energy. We are independently certified as a net zero organisation using 100% Australian Carbon Credit Units.

The feedback has been overwhelmingly supportive. Our staff appreciate it and are proud to be working for a net zero gas producer. Our lenders acknowledge it and their feedback suggests this will enhance our access to debt markets over time relative to many other oil and gas companies.

Our institutional shareholders like it, particularly those who may otherwise be restricted from investing in Cooper Energy. Lastly, our broader stakeholders and communities like it as it reinforces a key element of our commitment to working sustainably.

Our focus on maintaining carbon neutrality is one part of our broader objectives in the area of Environment, Sustainability and Governance, or ESG. Cooper Energy adopts the United Nations definition of sustainable development, which is "…. *development that meets the needs of the present without compromising the ability of future generations to meet their own needs*".

Our objectives and plans aim to create a long-term sustainable investment proposition for our shareholders **and** be a long-term valuable contributor to our broader stakeholders and communities.

For personal use only

SLIDE 8: OTWAY BASIN GAS HUB

Our twin gas hub strategy is focused on the Otway and Gippsland basins. I will talk first to the Otway Basin, which is a proven cost competitive hydrocarbon basin connected to south-eastern Australia markets.

During the 2021 financial year, we made significant progress in delivering the upgrade of the Athena Gas Plant. Cooper Energy is the operator of Athena and owns a 50% interest alongside Mitsui E&P Australia.

The Athena Gas Plant is a strategic asset ideally located within the core south-eastern Australia gas market and very close to the existing Iona Gas Storage facility. It is an integral asset within Cooper Energy's portfolio. It will allow:

- Higher processing rates from the existing Otway Basin fields;
- Lower operating costs relative to current processing arrangements;
- Significant extra capacity for future developments and discoveries; and
- Enhanced marketing of gas on a firm supply basis.

Commissioning of the Athena Gas Plant was completed after year-end. The pipeline cutover is expected to commence imminently, which will re-direct gas from the Casino, Henry and Netherby fields through the Athena pipeline to the plant. The pipeline cutover will mean production will be on hold for up to four weeks. If all goes to plan, we then expect a smooth ramp up of production over the ensuing 1-2 weeks, with initial production rates from the existing wells reached by the end of December.

Completing the Athena Gas Plant will be a significant milestone for your company and will establish Cooper Energy as a midstream gas infrastructure operator.

I want to thank all staff, contractors and stakeholders who have contributed to the Athena Gas Plant upgrade. The project has involved significant staff coordination, training and delivery throughout its various stages. Pleasingly, we recorded no lost-time injuries and the project stayed within schedule during FY21 despite the backdrop of COVID-19. The learnings gained from the project to date are extensive and will prove invaluable as we continue to grow our gas production.

On the 3rd of November we announced that we and Mitsui have agreed to enter the detailed front-end engineering and design phase (FEED) for the next phase of development and growth in the Otway Basin. This is known as the Otway Phase 3 Development, or OP3D, and includes the development of the Annie field and further development of the Henry field.

SLIDE 9: A BROAD PORTFOLIO OF OTWAY BASIN OPPORTUNITIES

In the Otway Basin we have a broad portfolio of development and exploration opportunities to feed the Athena Gas Plant.

The Otway Phase 3 Development, or OP3D, will be the first supply of new gas through the plant.

Beyond OP3D, the reprocessing of 3D seismic data over our Otway Basin permits was undertaken during FY21. Initial observations confirm our enthusiasm for the basin, including confirmation of seismic amplitude support for key prospects.

Seismic amplitude supported prospects are lower-risk and past exploration results have proven this. Since 2002, in our offshore Otway permits there have been eight exploration successes from eight wells

drilled with seismic amplitude support. More recently, Beach Energy's discoveries at Artisan and Enterprise provide further validation.

When you overlay the current domestic gas price outlook and the fixed cost operating structure at the Athena Gas Plant, you can see why we are excited by future developments in the Otway Basin. To illustrate, we estimate annual Athena operating costs are approximately $20 million and current upstream field costs are approximately $5 million. At initial processing rates, this equates to total operating costs of roughly $2.25/GJ. However, at plant capacity of 150 TJ/day, operating costs reduce dramatically to less than $1.00/GJ. After allowing for exploration and development costs, this is the opportunity for long-term and sustainable increases in cash flow generation. Hence our enthusiasm for the Otway Basin and the Athena Gas Plant.

SLIDE 10: GIPPSLAND BASIN GAS HUB

In the Gippsland Basin, our immediate focus is on improving processing rates and stability at the Orbost Gas Processing Plant.

During the 2021 financial year, APA reconfigured the Sulphur Recovery Unit (which includes the sulphur absorbers) and improved plant performance was delivered during the second half of the year. Processing rates increased from 23 TJ/day on average in the first half to 35 TJ/day on average in the second half. Subsequent to financial year-end, stability has further improved with regular cleaning of the absorbers. The average rate since the end of FY21 (i.e. since 1 July), including the days when parts of the Orbost Gas Processing Plant were down for cleaning, has been 38 TJ/day.

APA is undertaking further capital works at Orbost this financial year. The major component of these works is installation of a filtration system, which is on schedule for the March quarter. Extensive testing on filtration technology during 2021 provided us with confidence that the planned activities can further improve plant performance. For more details, I encourage you to review our presentation and webcast from the 19th of August which are on our website.

Your Board and Executive Leadership Team are acutely aware of the impact that the poor performance of Orbost has had on Cooper Energy's share price. We are focused on providing certainty regarding the longer-term arrangements for processing of Sole gas at Orbost. We are working constructively with APA to achieve such an outcome, as advised by the Chairman.

Beyond Orbost and Sole, future growth in the Gippsland Basin is expected from the Manta-3 appraisal well and deeper exploration plays in the Manta and Gummy fields. These opportunities are being progressed and will likely be considered as part of the next drilling campaign.

SLIDE 11: DEBT FUNDING

Our financial position remains solid. We are grateful for the ongoing support of our lenders.

Towards the end of the financial year, we adjusted our debt facility to align it with current processing rates at Orbost of 40-45 TJ/day. The adjustments helped preserve liquidity so we can continue advancing growth projects such as OP3D.

Bank security for our debt facility is mainly in the Sole 2P (Proven and Probable) Reserves and the long-term take or pay Gas Sales Agreements. The adjustments demonstrate the strength of this position and our lenders' support for Cooper Energy.

For personal use only

We welcomed Deutsche Bank to the lending syndicate at the end of the year. Deutsche Bank took over ABN AMRO's exposure, which follows ABN AMRO's announcement in 2020 of their planned exit from Australia. Detailed due diligence was undertaken by Deutsche Bank before entering the syndicate. Their support is further validation of our business approach, gas strategy, growth prospects and risk profile.

At the end of the financial year our cash reserves were $91 million, drawn debt was $218 million and net debt was $127 million. Since then, we have generated positive free cash flow, with net debt reducing to $115 million as at 30 September 2021.

SLIDE 12: GROWTH TRAJECTORY TO CONTINUE IN FY22

The outlook for Cooper Energy is positive. Our industry-leading position in climate action, the dynamics currently playing out in the global energy sector and our asset position are the ingredients for an exciting future for the Company.

Our growth momentum accelerated in the second half of FY21, largely due to the initiation of our Sole Gas Sales Agreements. The step-change in production and revenue we have been referring to for some time is now underway.

As we look to 2022, we expect it will be another year of growth, as demonstrated by our guidance for FY22. Specific activities planned for this year include:

- Finalising commercial arrangements with APA for the long-term certainty needed for processing of Sole gas;
- Participating in APA's delivery of the next phase of capital works at Orbost which aims to improve plant stability and performance;
- Ramping up of production at the Athena Gas Plant to deliver benefits such as higher processing rates, lower operating costs and improved gas marketing capability;
- New Gas Sales Agreements to support the next wave of gas developments at a time when gas supply is tight and gas prices are increasing;
- Progressing OP3D through FEED and preparing for a Final Investment Decision; and
- Progressing other exploration, appraisal and development activities within Cooper Energy's existing portfolio of growth opportunities.

SLIDE 13: SUMMARY

It is clear that gas supply challenges will persist for south-eastern Australia for many years to come. Our twin gas hub strategy and existing asset portfolio provide a clear pathway for discovering and developing new gas supply for the domestic market. Our Otway and Gippsland basin permits are in cost competitive gas producing regions, include many attractive exploration prospects and are connected to customers via existing gas processing plants and pipeline infrastructure. These are strategically located assets that will support customers while the gas supply shortfall increases.

The key messages I would like to leave you with today are:

- FY21 was a year of two halves with our growth trajectory now well underway;
- We are building a highly cash generative gas business, with exploration and development opportunities to drive sustainable growth;
- The Athena Gas Plant has been commissioned and is an important enabler for sustainable growth;

For personal use only

- APA has commenced Phase 2B works at Orbost and we have confidence in performance improvements as the year progresses;
- We are in a solid financial position with strong support from our lenders; and
- The global energy crisis currently playing out supports our long-held view that gas will be required for decades to come.

In closing, I would like to record my appreciation for the loyal support of our shareholders, lenders and customers. I acknowledge and thank our employees and contractors for their commitment and effort during the year. My thanks to my colleagues on the Executive Leadership Team for what has been a year of change and growth.

Finally, I acknowledge the valuable guidance and support provided by the Board during what was a challenging year.

I look forward to providing you with updates as the 2022 financial year progresses.

For personal use only

For personal use only



Managing Director's address

David Maxwell
Cooper Energy 2021 Annual General Meeting

Climate Active Carbon Neutral ORGANISATION
100% AUSTRALIAN OFFSETS
Supporting Australian Projects.

Climate Active Carbon Neutral ORGANISATION

COOPER ENERGY

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.

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, 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.

The estimates of petroleum reserves and contingent resources contained in this presentation are as at 30 June 2021. Cooper Energy is not aware of any new information or data that materially affects the estimates of reserves and contingent resources and the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Cooper Energy prepares its petroleum reserves and contingent resources estimates in accordance with the 2018 Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE). Unless otherwise stated, all references to petroleum reserves and contingent resources quantities in this presentation are Cooper Energy's net share. Reference points for Cooper Energy's petroleum reserves and production are defined points within Cooper Energy's operations where normal exploration and production business ceases, and quantities of produced product are measured under defined conditions prior to custody transfer. Fuel, flare and vent consumed to the reference points are excluded.

Petroleum reserves are aggregated by arithmetic summation by category and as a result, proved reserves may be a very conservative estimate due to the portfolio effects of arithmetic summation. Petroleum reserves are typically prepared by deterministic methods with support from probabilistic methods. Petroleum reserves replacement ratio is the ratio of the change in petroleum reserves (excluding production) divided by production. Organic reserves replacement ratio excludes net acquisitions and divestments. Conversion factors used to evaluate oil equivalent quantities are sales gas and ethane: 1PJ of sales gas and ethane equals 171,937 boe; 1 tonne of LPG equals 8.458 boe; 1 barrel of condensate equals 0.935 boe; 1 barrel of crude oil equals 1 boe.

Numbers in this presentation 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.

Level 8, 70 Franklin Street, Adelaide 5000

ersonal use only

Our Values, Purpose and People

- **CARE**
- **INTEGRITY**
- **FAIRNESS & RESPECT**
- **TRANSPARENCY**
- **COLLABORATION**
- **AWARENESS**
- **COMMITMENT**

Cooper Energy's ***PURPOSE*** *is to contribute to Australia's sustainable energy future by commercialising gas, oil and other resources for domestic markets*



Supporting the Warrnambool Surf Life Saving Club



Athena Gas Plant team

ersonal use only

Record performance and key milestones in FY21

Strengthening the foundation for sustainable growth

Record full-year performance

Production
2.63 MMboe
+69%

Sales volume
3.01 MMboe
+94%

Revenue
$132 million
+69%

Improving safety and environment outcomes

Lost time incidents
0 cases
-100%

COVID-19
0 cases
n/c

Net carbon emissions
0 tonnes (FY20)
-100%

Key milestones

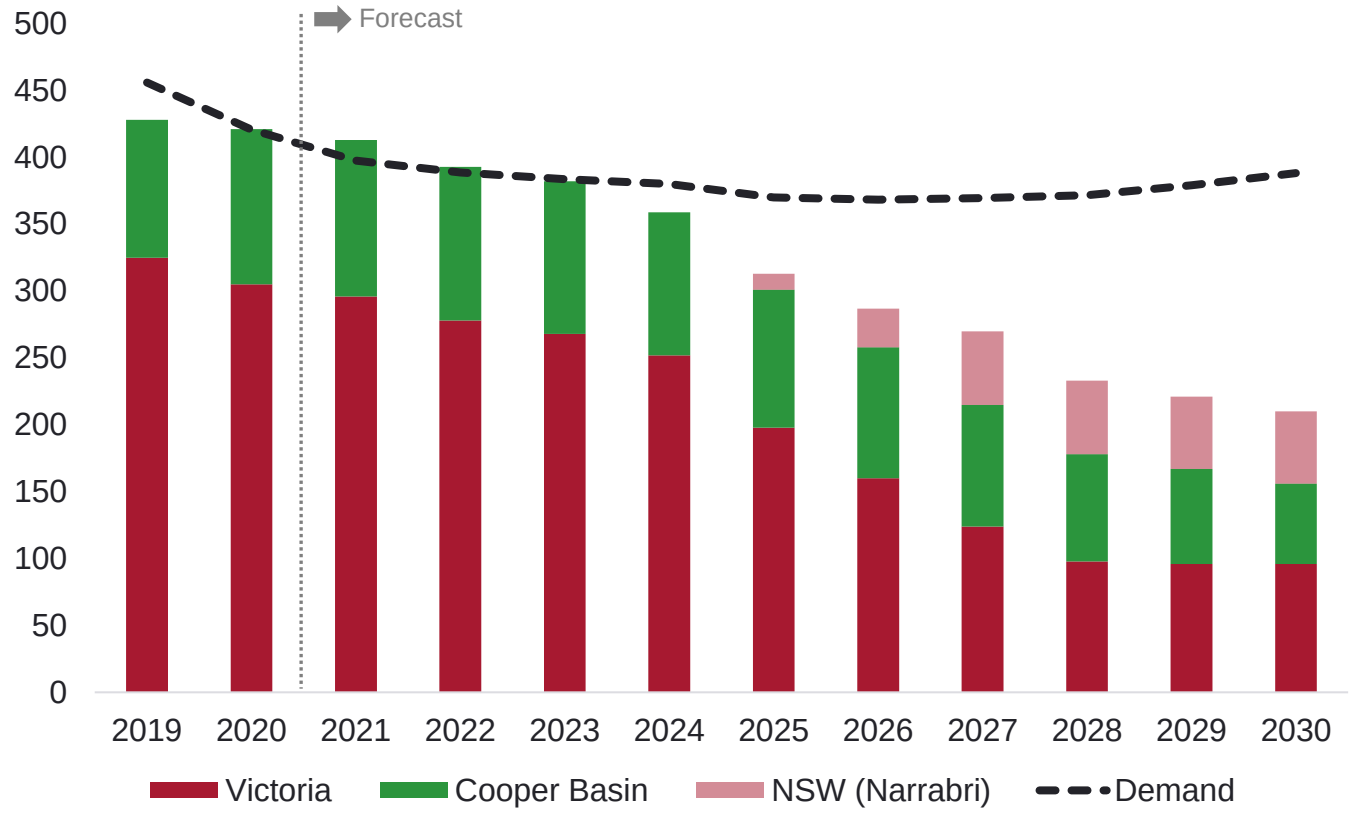
- ✓ *Sole GSAs commenced*
- ✓ *OGPP reconfiguration completed*
- ✓ *Debt facility adjusted*
- ✓ *Gas portfolio management*
- ✓ *Improving OGPP performance*
- ✓ *Athena Gas Plant >80% complete*
- ✓ *$50 million gas cash margin*
- ✓ *OGPP Phase 2B works agreed*
- ✓ *Climate Active certification*

ersonal use only

Gas market dynamics support new developments

Continuing trend of gas supply shortages and rapidly declining southern gas production

Southern gas production and demand (PJ)[1]



- Declining Victorian production a key driver of expected gas supply shortages
- Expected supply shortfall of ~60 PJ by 2025
- Macro setting and support for exploration and development are critical for new gas supply

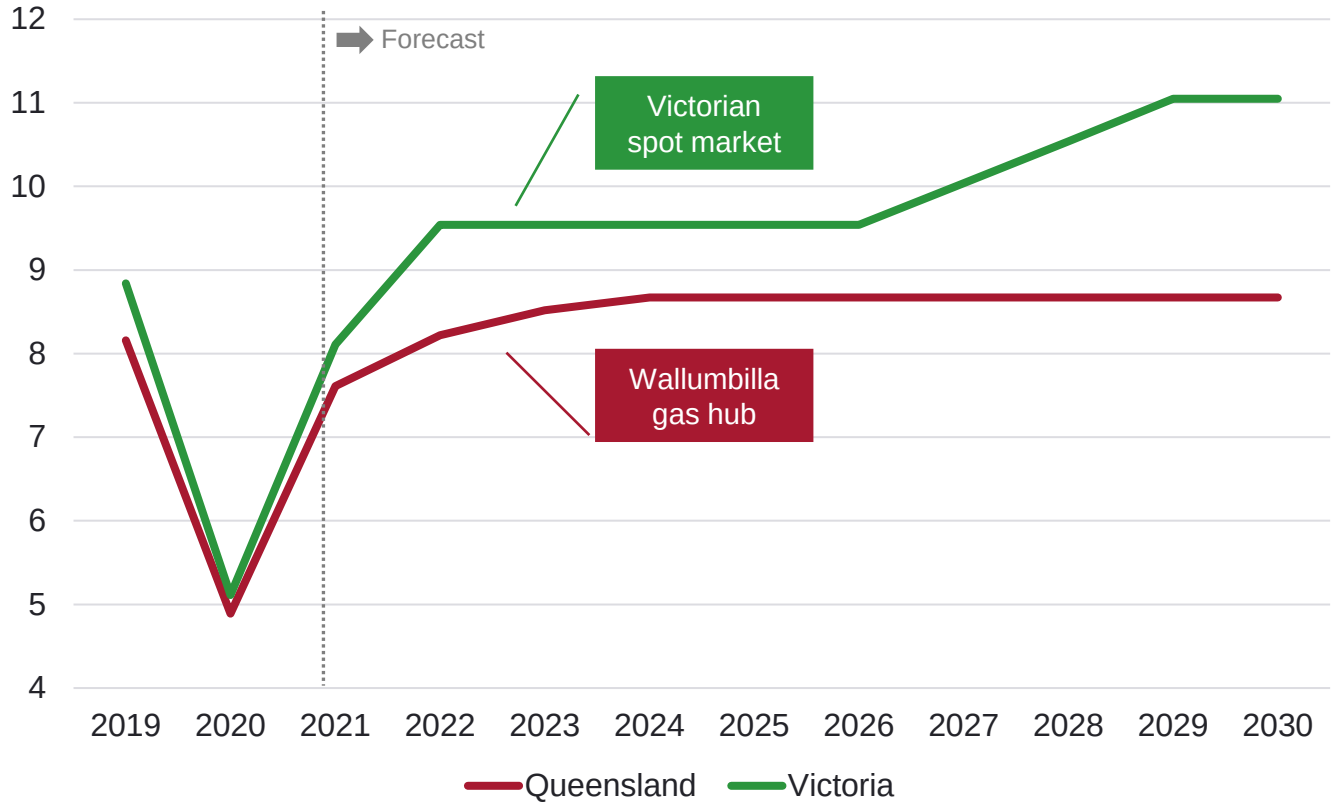
1. Source of production forecasts: EnergyQuest; Source of demand forecasts: Central scenario, AEMO Gas Statement of Opportunities 2021

ersonal use only

A strengthening gas price outlook

LNG netback becoming an emerging benchmark for domestic gas prices

Forecast gas prices ($/GJ)[1]



- Increasing correlation between global LNG prices and domestic gas prices
- LNG netback price is becoming the point of indifference for domestic gas supply
  - Average 2022 ACCC forecast LNG netback price of $19.75/GJ[2]
- Transport from Wallumbilla Gas Hub to Victoria adds $2.00/GJ - $2.50/GJ to delivered cost
- Long-term domestic gas prices expected to be $8/GJ - $11/GJ

1. Source: EnergyQuest
2. Source: ACCC; LNG netback price is ACCC's measure of an export parity price that a gas supplier can expect to receive for exporting its gas

ersonal use only

Australia's first carbon neutral domestic gas producer

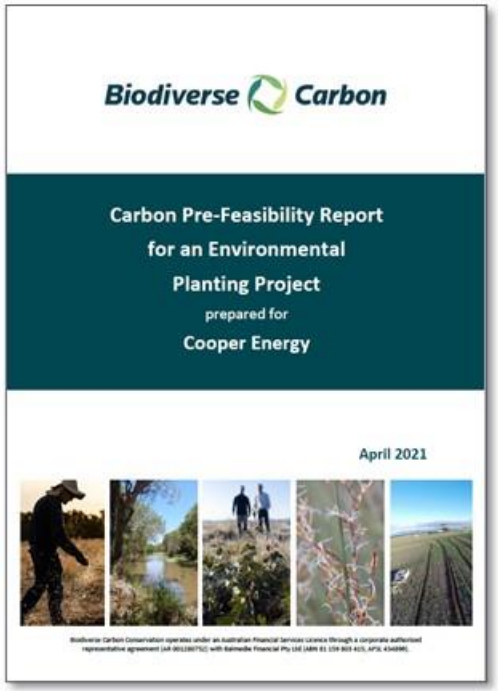
Climate Active carbon neutral certification

- ✓ Emissions fully offset with Australian Carbon Credit Units (ACCUs)
  - ➢ Scope 1, Scope 2 and controllable Scope 3 emissions
- ✓ Climate Active certification
- ✓ Objectives to maintain operational net zero carbon emissions, build a tradable carbon credit portfolio and partner in renewable projects
- ✓ 2020 South Australian Premier's Environment Award
- ✓ Assessing partnerships, opportunities and emissions reduction initiatives to maintain net zero long-term
  - ➢ New offset projects in south-eastern Australia to offset emissions
  - ➢ Wholesale customer initiatives for Scope 3 emissions
  - ➢ Potential grid scale solar at Athena for own electricity needs

2020 ENERGY & MINING PREMIER'S AWARDS

Climate Active Carbon Neutral ORGANISATION

Climate Active Carbon Neutral ORGANISATION
100% AUSTRALIAN OFFSETS
Supporting Australian Projects.



ersonal use only

Otway Basin Gas Hub

An integrated operation enabling growing gas supply and free cash flow



Athena Gas Plant

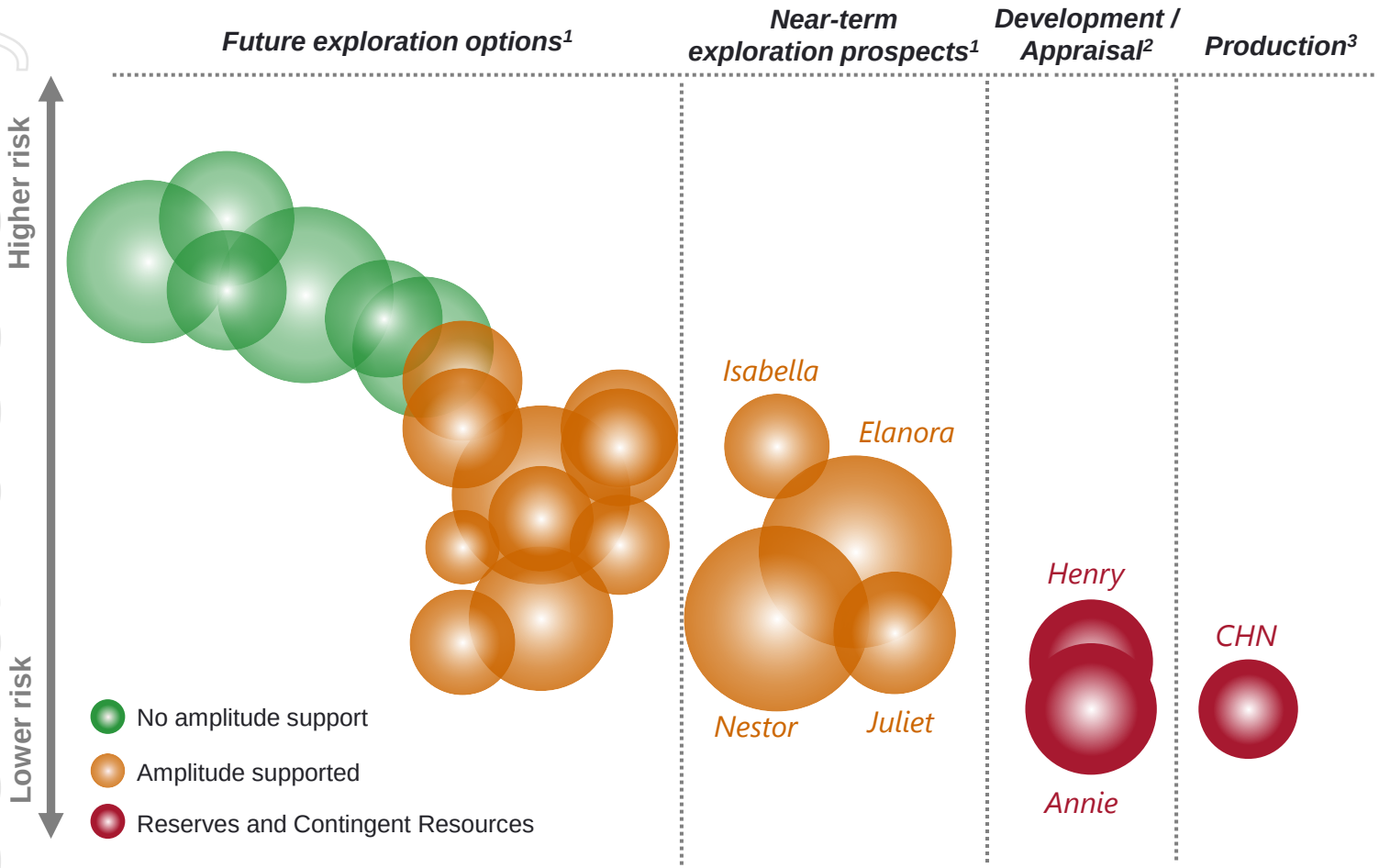
- ✓ Proven cost competitive hydrocarbon basin connected to south-eastern markets
- ✓ Athena Gas Plant commissioned; returning to service in Q2 FY22
  - ➢ Low-cost, owned and operated gas processing infrastructure[1]
  - ➢ ~150 TJ/day gas processing capacity
  - ➢ Significant economies of scale from increasing gas throughput
- ✓ Otway Phase 3 Development (OP3D) commenced FEED phase[2]
- ✓ New reprocessed 3D seismic data completed in Q1 FY22
  - ➢ Seismic amplitude supported (low-risk) exploration prospects adjacent to existing production infrastructure
  - ➢ Targeting updated prospective resource estimates in Q3 FY22

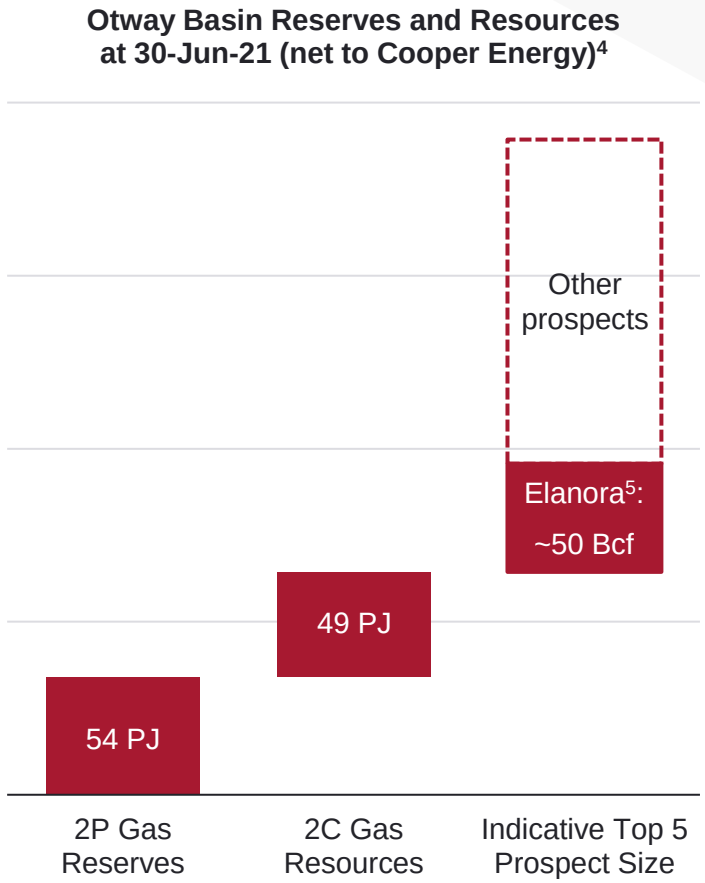
1. Cooper Energy: 50% operated ownership interest; Mitsui E&P Australia: 50%
2. FEED: Front End Engineering and Design; refer to ASX announcement of 3 November 2021 for further information

personal use only

A broad portfolio of Otway Basin opportunities

Production, development and exploration opportunities to feed the Athena Gas Plant



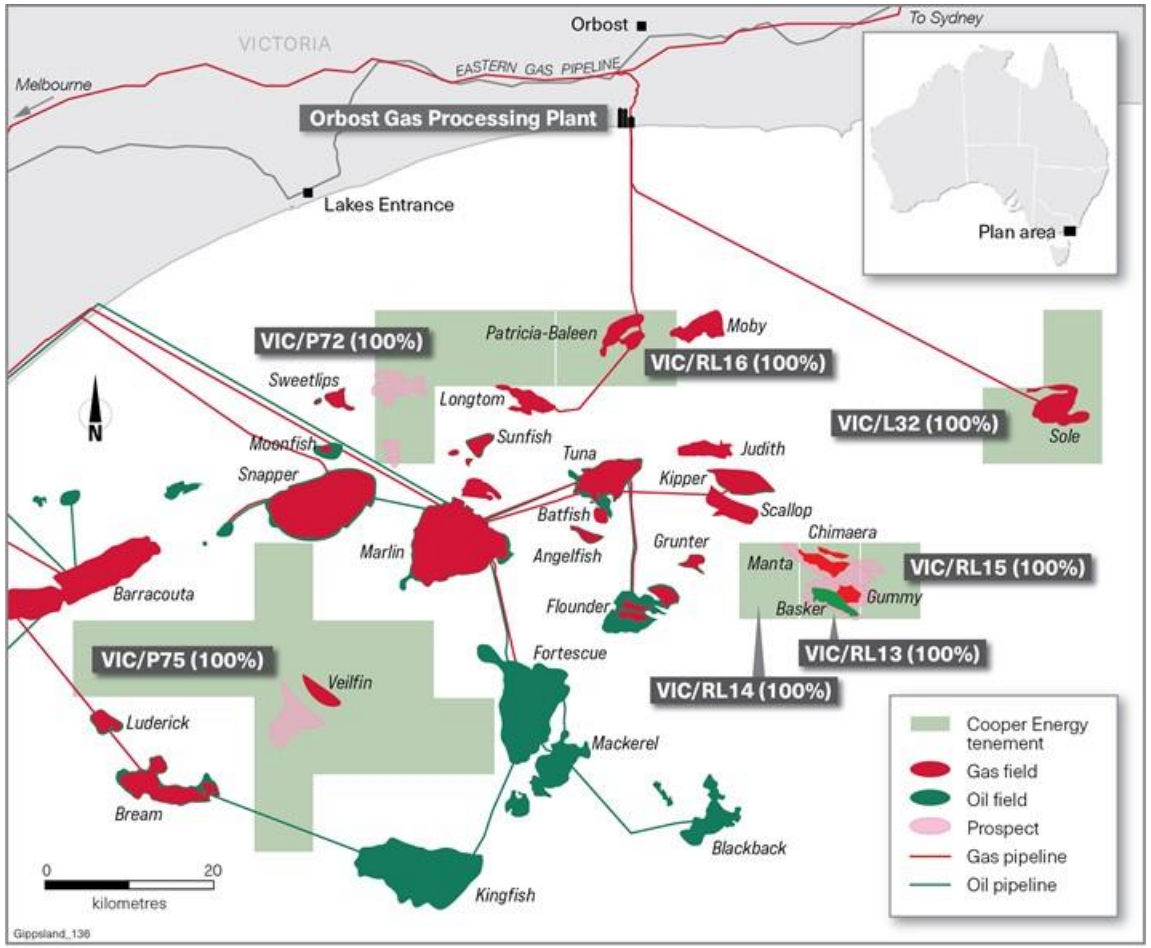


1. Bubble size of exploration prospects is based on Best Estimate (P50) unrisked recoverable resource assessment (Cooper Energy net share) 2. Bubble size of Henry is based on 2P Undeveloped Reserves estimate and Annie bubble size is based on 2C Contingent Resources estimate (Cooper Energy net share) 3. Bubble size of CHN is based on 2P Reserves estimate (Cooper Energy net share) 4. As announced to the ASX on 23 August 2021; there have been no material changes to the information or assumptions contained in this announcement 5. As announced to the ASX on 8 November 2018; there have been no material changes to the information or assumptions contained in this announcement

personal use only

Gippsland Basin Gas Hub

A prolific hydrocarbon basin connected to south-eastern markets



- ✓ Broad portfolio of exploration and appraisal opportunities
- ✓ Potential for new exploration play from deeper prospects
- ✓ 100% ownership of Cooper Energy permits
- ✓ APA undertaking Phase 2B works at OGPP

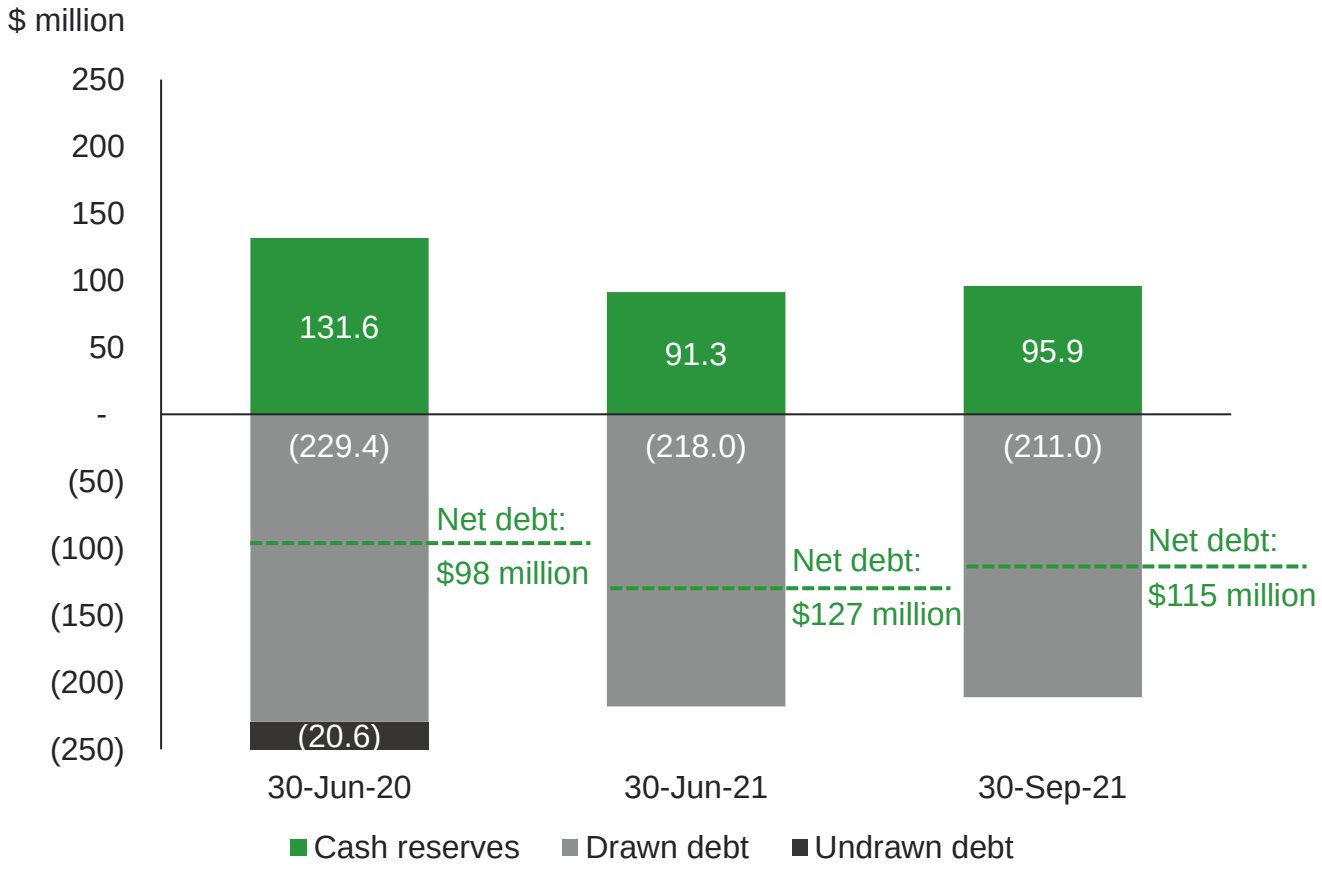


Orbost Gas Processing Plant, owned and operated by APA

ersonal use only

Debt funding

Debt facility adjusted; Deutsche Bank entered lending syndicate



- Reserves-based debt facility
- $211 million limit plus $15 million working capital facility
- Debt facility adjustments finalised
  - Realigned principal repayments through to expiry of the Transition Agreement on 1 May 2022
  - Next step to progress refinance of facility for OP3D
- Deutsche Bank entered the lending syndicate
  - Further validation of strategy and growth prospects
- Strong support from lending syndicate

Cooper Energy lending syndicate

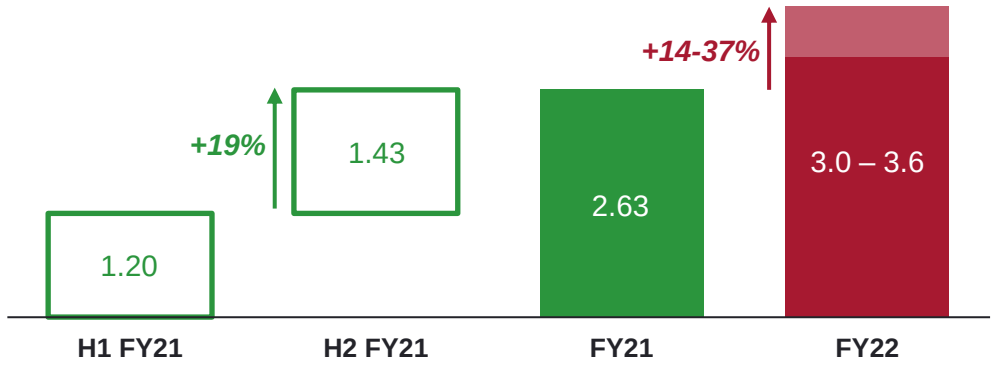
ANZ Deutsche Bank ING nab NATIXIS

ersonal use only

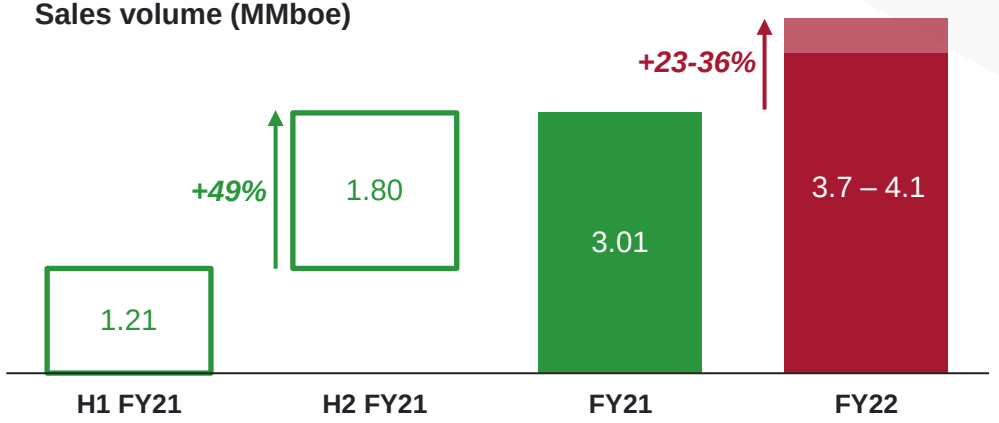
Growth trajectory to continue in FY22

Strong momentum since commencement of Sole Gas Sales Agreements

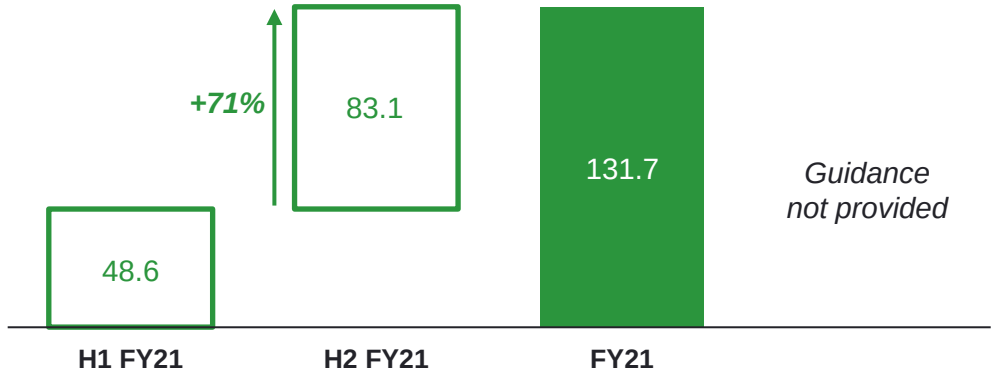
Production (MMboe)



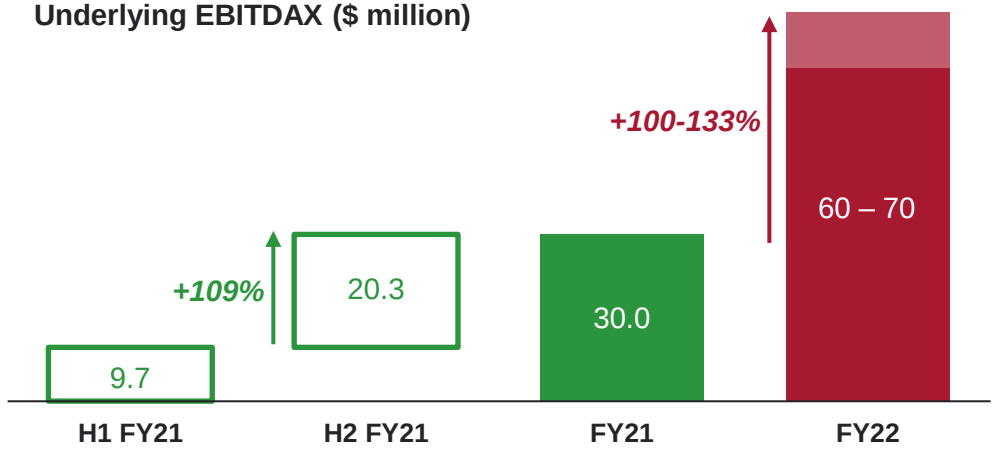
Sales volume (MMboe)



Revenue ($ million)



Underlying EBITDAX ($ million)



ersonal use only

Summary

Twin gas hub strategy to underpin sustainable growth in shareholder value

- ✓ FY21 was a year of two halves
  - ➢ *Growth trajectory now well underway*
- ✓ Building a highly cash generative gas business
  - ➢ *Exploration and development to drive sustainable growth*
- ✓ Athena Gas Plant commissioned
  - ➢ *An important enabler for sustainable growth*
- ✓ Phase 2B works underway at the Orbost Gas Processing Plant
  - ➢ *Confidence in performance improvements as FY22 progresses*
- ✓ Solid financial position
  - ➢ *Strong support from lending syndicate*
- ✓ Global energy challenges currently playing out
  - ➢ *Support long-held view that gas will be required for decades to come*

ersonal use only