

2 September 2021

Operations update

- **Stable processing rates at the Orbost Gas Processing Plant in August**
 - average processing rate of 41 TJ/day (Q4 FY21: 33 TJ/day)
- **Sole gas sales continued at maximum daily contract quantities in August**
 - average gas sales volume of 59 TJ/day (Q4 FY21: 54 TJ/day)
- **Athena Gas Plant commissioning commenced**
 - sales gas introduced into the plant

Cooper Energy (ASX: COE) is pleased to provide the following operations update.

Gippsland Basin

Orbost Gas Processing Plant and Sole gas field

The average Sole production rate in August of 41 TJ/day was 24% higher than the Q4 FY21 average of 33 TJ/day due to improved performance and stable processing at the Orbost Gas Processing Plant (OGPP), owned and operated by APA Group (ASX: APA). The frequency of cleaning each absorber was extended slightly in August which resulted in a marginal increase in the average daily processing rate.

Cooper Energy and APA approved the Phase 2B capital works at OGPP designed to improve reliability and increase sustainable production rates. The agreed Phase 2B works include:

- installation of spray nozzles in the absorbers to suppress foaming and reduce fouling (end Q1 FY22); and
- installation of solids removal technology to prevent fouling within the absorbers (Q3 FY22).

The root cause analysis is continuing, with the objective of identifying the underlying cause of OGPP foaming and fouling.

Sole gas sales volume

Higher seasonal winter demand has continued with gas sales into the Sole Gas Sales Agreements at maximum daily quantities. The average gas sales volume in August was 59 TJ/day, with OGPP processing shortfalls met through Cooper Energy's back-up gas supply arrangements. All daily nominations from Sole customers continue to be met.

Sole gas field performance

The Sole gas field continues to perform without interruption and in line with expectations.

Otway Basin

Production

Uninterrupted processing of Casino Henry gas at the Iona Gas Plant (owned and operated by Lochard Energy) continued in August with an average processing rate of 14 TJ/day, net to Cooper Energy (Q4 FY21: 9 TJ/day).

Athena Gas Plant Project

The Athena Gas Plant Project achieved a significant milestone in August with sales gas from the SEAGas pipeline introduced into the plant. This marked commencement of the commissioning phase. The plant is now considered live while commissioning activities progress.

Pipeline cutover activities are progressing to re-direct gas from Casino Henry to the Athena pipeline (formerly known as the Minerva pipeline), which connects to the Athena Gas Plant. Cutover of processing from the Iona Gas Plant to the Athena Gas Plant is expected in Q2 FY22.

Once operational, the Athena Gas Plant will be an integral asset within Cooper Energy's gas portfolio, with expected benefits including:

- the ability to produce gas from the Casino Henry fields at a higher rate due to the plant's lower inlet pressure relative to the Iona Gas Plant;
- lower operating costs relative to current tariffs paid for gas processed through the Iona Gas Plant;
- additional gas processing capacity (total plant capacity of ~150 TJ/day) to support Otway Basin gas developments such as OP3D and future discoveries; and
- enhanced gas production and marketing flexibility, with the ability to offer firm gas supply and manage Sole customer requirements using Cooper Energy's Otway Basin gas if required.

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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.

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