

20 June 2022

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

Acquisition of the Orbost Gas Processing Plant, \$244 million equity raise and \$400 million underwritten debt facility

- **Transformational earnings and cash flow accretive acquisition that adds strategic value**
- **Enhanced operating capabilities**
 - **integrating upstream and midstream operations in the Gippsland Basin**
 - **complementary to the Offshore Otway and Athena Gas Plant**
- **Strengthens domestic South-east Australia gas portfolio**
 - **integrated across the full production chain**
 - **customer supply can be optimised from two strategic ideally located hubs**
- **Strengthens the balance sheet and improves funding and liquidity**

Cooper Energy Ltd (“Cooper Energy” or the “Company”) (ASX:COE) has entered into a binding agreement to acquire the Orbost Gas Processing Plant from APA Orbost Gas Plant Pty Ltd, an entity controlled by APA Group (“APA”) (the “Acquisition”).

Cooper Energy will also undertake a fully underwritten \$244 million equity offering comprising a \$84 million placement to institutional investors and a 2-for-5 accelerated, non-renounceable entitlement offer to raise a total of \$160 million (the “Equity Raising”) underwritten by Canaccord Genuity, Euroz Hartleys and RBC Capital Markets (the “Underwriters”).

Additionally, Cooper Energy announces a new, fully underwritten \$400 million revolving corporate debt facility and \$20 million working capital facility which will refinance the existing syndicated debt facility, conditional on completion of the Acquisition and other customary conditions. Completion of the sale under the Asset Sale Agreement is not conditional or reliant on the new debt facility. Financial close of the new debt facility is expected by 31 July 2022.

Acquisition overview

Cooper Energy will acquire the Orbost Gas Processing Plant for between \$270-330 million, structured as:

- a fixed payment of \$210 million due at financial close of the Acquisition
- a fixed deferred payment of \$40 million due 12 months after financial close of the Acquisition
- a fixed deferred payment of \$20 million due 24 months after financial close of the Acquisition
- a variable deferred performance payment ranging from \$0-20 million due 24 months after financial close of the Acquisition

- a variable deferred performance payment ranging from \$0-40 million due 36 months after financial close of the Acquisition

APA will remain the operator of the plant in the period between the financial close date and the date on which the Major Hazard Facilities Licence has been transferred from APA to Cooper Energy ("Operations Services Period"). The variable deferred payments will be determined based on the average daily production rate achieved during the Operations Services Period.

Following the Acquisition, Cooper Energy will operate three gas fields and two gas plants supplying domestic gas into the highly attractive South-east Australia gas market.

David Maxwell, Cooper Energy's Managing Director, said:

"Cooper Energy's acquisition of the Orbost Gas Processing Plant is transformative for the company. It accelerates our strategic position in the Gippsland Basin and strengthens our end-to-end capability to produce, process and deliver gas to our high-quality domestic customers and the spot market. The Acquisition represents the next step in Cooper Energy's twin gas supply hub position and is underpinned by attractive market dynamics through the tightening South-east Australia gas supply.

Ownership of the Orbost Gas Processing Plant provides Cooper Energy with complete control of integrated operations in the Gippsland Basin and this provides a platform for future development opportunities in the region. The Acquisition is accretive to earnings and cashflow. The company's funding and liquidity position is further strengthened by the immediate cashflow uplift from owning the plant coupled with an enlarged debt facility.

We look forward to welcoming the employees and integrating the plant into our portfolio, maintaining a laser focus on safely delivering gas to the Australian domestic market, growing production and maintaining our industry leading net zero carbon position¹."

About the Orbost Gas Processing Plant

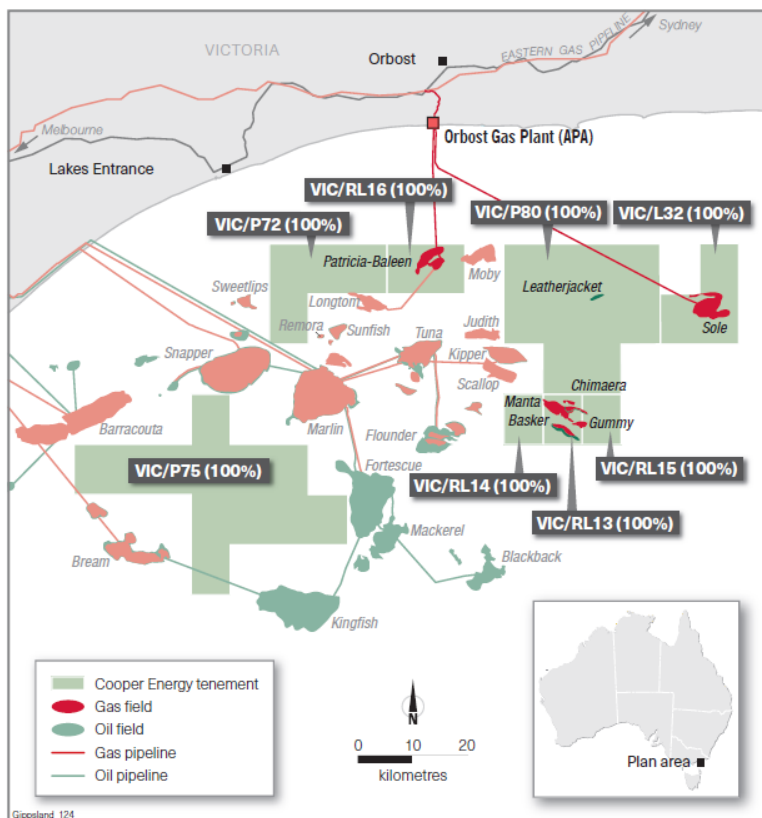
The Orbost Gas Processing Plant is ~14 kms from Orbost, Victoria and in close proximity to both Cooper Energy's offshore Gippsland Basin assets² and connection into the South-east Australian gas market. APA acquired the plant in 2017 from Cooper Energy and commenced a redevelopment program in preparation for processing Sole gas. Processed gas is delivered into the South-east Australia gas market via a nearby pipeline connection into the Eastern Gas Pipeline.

The plant has demonstrated an ability to deliver processing at average rates of around 55 TJ/day³ following recent upgrade works undertaken during March and April 2022. Cooper Energy is focused on further improving plant performance.

¹ Refers to Cooper Energy's carbon neutral position with respect to Scope-1, Scope-2 and controllable Scope-3 emissions

² The Sole gas field lies approximately 45km offshore from Orbost

³ OGPP achieved an average processing rate of 55.7 TJ/day in May 2022 (calculated over the period 1 May 2022 to 31 May 2022) and this incorporates the impact of lower processing output during absorber cleaning periods



Map of Orbest Gas Processing Plant and Cooper Energy tenements.

Equity raising

Cooper Energy announces a fully underwritten \$244 million equity raising of fully paid ordinary shares at an offer price of \$0.245 per new share. Cooper Energy proposes to issue approximately 966 million New Shares in conjunction with the equity raising, structured as:

- \$84 million placement to institutional investors
- 2-for-5 accelerated, non-renounceable entitlement offer to raise \$160 million

The offer price represents a:

- 16.3% discount to the 1-day volume weighted average share price on 17 June 2022;
- 17.1% discount to the 5-day volume weighted average share price on 17 June 2022; and
- 10.8% discount to the theoretical ex-rights price of \$0.275⁴.

Each new share issued will rank equally with all existing fully paid ordinary Cooper Energy shares on issue. Cooper Energy will apply for quotation of the New Shares on the ASX.

The Equity Raising is fully underwritten by Canaccord Genuity (Australia) Limited, Euroz Hartleys Limited and RBC Capital Markets pursuant to an underwriting agreement between Cooper Energy and the Underwriters. Further information is contained in the investor presentation released to the ASX in

⁴ Theoretical ex-rights price calculated using 1-day volume weighted average share price on 17 June 2022

conjunction with this announcement, including a summary of the termination events included in the underwriting agreement.

New debt facility

Cooper Energy has executed binding commitment letters with a group of domestic and international relationship banks for a new \$400 million revolving corporate debt facility and \$20 million working capital facility with a maturity date of 30 September 2027. The new debt facility will provide a significant uplift to the existing facility limit of approximately \$200 million. There will be an ability to increase the limit by a further \$120 million (increase to facility limit is uncommitted and subject to lender approval). Financial close under the new debt facility is subject to completion of the Acquisition, as well as customary conditions precedent for a facility of this nature and is expected to occur by 31 July 2022.

Completion of the Acquisition is not reliant on the new debt facility and completion of the Acquisition is expected prior to the new debt facility reaching financial close.

Details of the entitlement offer

The entitlement offer is available to all registered shareholders who hold shares in Cooper Energy on the record date (defined below) with a registered address in Australia, New Zealand, or certain other foreign jurisdictions determined by the Directors of Cooper Energy as described in the investor presentation released to the ASX at the same time as this announcement (“Investor Presentation”).

Under the retail entitlement offer, eligible retail shareholders will be able to subscribe for 2 New Shares for every 5 existing Cooper Energy shares held as at the record date being 7.00pm AEST on Wednesday, 22 June 2022.

The entitlement offer comprises the following components:

- **Institutional Entitlement Offer** – Eligible institutional shareholders are invited to take up all or part of their entitlement under the institutional component of the entitlement offer.

The Institutional Entitlement Offer will open today and is expected to close at 4:00pm AEST on Tuesday, 21 June 2022. Institutional entitlements not taken up, along with entitlements of ineligible institutional shareholders, will be sold under an institutional shortfall bookbuild.

- **Retail Entitlement Offer** – Eligible retail shareholders will be allotted their entitlements under the Retail Entitlement Offer which can be taken up in whole or in part, or in whole with the ability to subscribe for additional New Shares in excess of their entitlement, to be allocated in the top-up facility.

The Retail Entitlement Offer will open on Tuesday, 28 June 2022. The Retail Entitlement Offer will be conducted at the same Offer Price and ratio as under the Institutional Entitlement Offer.

A retail offer booklet containing information in respect of the Retail Entitlement Offer (“Retail Offer Booklet”) will be lodged with ASX on Tuesday, 28 June 2022. Eligible retail shareholders who have nominated to receive documents from Cooper Energy electronically will receive access via email on Tuesday, 28 June 2022 to a copy of a Retail Offer Booklet and a personalised entitlement and acceptance form. Eligible retail shareholders who have not elected to receive electronic communications will be posted a letter on Tuesday, 28 June 2022 detailing how to access the Retail Offer Booklet and their personalised entitlement and acceptance form. Entitlements to subscribe for New Shares under the Entitlement Offer cannot be traded.

Retail shareholders that are not an Eligible Retail Shareholder are “Ineligible Retail Shareholders” and are not entitled to participate in the Equity Raising.

Key Dates for the Equity Raising

Key dates of the Equity Raising are provided in the timetable below.

Event	Date
Institutional Placement and Institutional Entitlement Offer opens	20 June 2022
Institutional Placement and Institutional Entitlement Offer closes	22 June 2022
Trading halt lifted and shares recommence trading on ex-entitlement basis	23 June 2022
Results of Institutional Placement and Institutional Entitlement Offer announced	23 June 2022
Record Date for Entitlement Offer	23 June 2022
Retail Offer Booklet made available and Retail Entitlement Offer opens	28 June 2022
Institutional Entitlement Offer and Institutional Placement settlement	30 June 2022
Allotment and normal trading of New Shares issued under the Institutional Placement and Institutional Entitlement Offer	1 July 2022
Retail Entitlement Offer Closing	7 July 2022
Announcement of results of Retail Entitlement Offer	12 July 2022
Issue of New Shares under Retail Entitlement Offer	14 July 2022
Trading of New Shares issued under Retail Entitlement Offer commences	15 July 2022
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	18 July 2022

Note: All dates and times above are indicative only, and Cooper Energy reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Australian Eastern Standard time. The commencement of quotation of New Shares under the Equity Raising is subject to confirmation from ASX.

Further information

Cooper Energy expects to announce the outcome of the Institutional Entitlement Offer to the market on Thursday, 23 June 2022 and will remain in a trading halt until this time.

In conjunction with this announcement, the Company has today released to the ASX a Cleansing Notice (in accordance with section 708AA(2)(f) of the Corporations Act 2001 (Cth) (as modified by ASIC instrument)), an investor presentation and an Appendix 3B (New Issue Announcement) in connection with the Equity Raising.

Further details about the Equity Raising are set out in these documents. The Investor Presentation contains important information including key risks, assumptions and foreign selling restrictions with respect to the Equity Raising. The investor presentation also outlines material information concerning the asset sale agreement and transitional services agreement executed between Cooper Energy and APA and the termination events of the underwriting agreement executed between Cooper Energy and the Underwriters.

Advisers

Cooper Energy is being advised by Grant Samuel as financial adviser, Johnston Winter Slattery as legal counsel in respect of the equity raising and the acquisition of the Orbost Gas Processing Plant, and Gilbert + Tobin as legal counsel in respect of the financing arrangements.

Webcast and conference call details

Managing Director David Maxwell will lead a webcast and conference call to present the Acquisition.

- **Time:** 2.00pm AEDT (Sydney, Melbourne)
- **Date:** Monday, 20 June 2022
- **Webcast link** (listen only): [Webcast link](#)
- **Registration link** (for Q&A participation): [Registration link](#)

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

Retail investor enquiries

If you have any questions in relation to the Equity Raising, please contact the Offer Information Line on 1300 655 248 (within Australia) +61 3 9415 4887 (from outside Australia) between 8.30am and 5.00pm (Australian Eastern time) Monday to Friday.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and consult your independent broker, solicitor, accountant, financial adviser or other professional adviser in relation to the information in this announcement and any action to be taken on the basis of that information.

Authorised by:	Investors:	Media:
David Maxwell Managing Director +61 8 8100 4900	Eddy Glavas General Manager Commercial and Development +61 8 8100 4900 Dan Young Chief Financial Officer +61 8 8100 4900	Bindi Gove Head of External Affairs +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.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person that is, or is acting for the account or benefit of, a "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933 ("U.S. Securities Act")) ("U.S. Person") or in any other jurisdiction in which such an offer would be illegal. The securities to be offered and sold in the Equity Raising have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, such securities may not be offered or sold, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a U.S. Person unless they have been registered under the Securities Act (which Cooper Energy has no obligation to do or procure) or are offered or sold pursuant to an

exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities law of any state or other jurisdiction of the United States.

This announcement may not be released or distributed in the United States or to U.S. Persons.

This announcement includes certain forward-looking statements, including statements regarding the completion of the Acquisition, the impact of the Acquisition and the future strategies and results of Cooper Energy and the opportunities available to it, the integration process and the timing and amount of synergies, the timing and outcome of the Entitlement Offer and the use of proceeds, as well as statements regarding projected earnings, revenue, growth, commodity prices, outlook, plans and strategies. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words and include statements regarding certain plans, strategies and objectives of management, trends and outlook. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Cooper Energy’s actual results, performance and achievements or industry results to differ materially from any future results, performance or achievements, or industry results, expressed or implied by these forward-looking statements. Forward-looking statements are based upon management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect Cooper Energy’s business and operations in the future. Cooper Energy cannot give any assurance that the assumptions upon which management based its forward-looking statements will prove to be correct, or that Cooper Energy’s business and operations will not be affected in any substantial manner by other factors not currently foreseeable by management or beyond its control. Any forward-looking statements contained in this announcement speak only as of the date of this announcement.

Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, Cooper Energy disclaims any obligation or undertaking to publicly update or revise any forward-looking statement contained in this announcement or to reflect any change in management’s expectations with regard thereto after the date hereof of any change in events, conditions or circumstances on which any such statement is based. No representation or warranty, express or implied, is given as to the accuracy, completeness, likelihood of achievement or reasonableness of any forecasts, projections or prospects referred to in this announcement.