

10 February 2020

New Casino Henry gas contract with O-I

- Multi-year supply agreement to existing industry gas customer
- 2-year agreement plus 3-year extension option
- Commences 1 January 2021

Cooper Energy (ASX: COE) announces it has signed a new gas supply agreement with O-I for the supply of 1 PJ per annum for two years commencing 1 January 2021.

The gas is to be supplied from the company's equity share of production from its Casino Henry operations. (Cooper Energy 50% interest and Operator with the balance held by Mitsui E&P Australia and its associated entities). The agreement includes an option for an extension of a further 3 years.

The contract is Cooper Energy's third gas sales agreement with O-I, an industrial gas user which is Australia's largest manufacturer of glass container products. O-I committed to the inaugural gas supply agreement for the Sole Gas Project (a life of field agreement for 1 PJ per annum) in 2015 and previously contracted gas supply from Casino Henry for the 2019 calendar year.

Cooper Energy Managing Director David Maxwell said the company was very pleased to have secured an additional agreement with O-I.

"O-I were our first gas customer and we are delighted at the opportunity this contract has presented to deepen our commercial relationship. It is also the first agreement for supply in 2021 from our offshore Otway operations, where we are investing to build our gas business further" said Mr Maxwell.

Cooper Energy, together with Mitsui, recently acquired the idle Minerva Gas Plant to establish a low-cost gas processing hub for their existing offshore Otway gas production and new discoveries such as Annie. The plant is expected to receive its first gas from Casino Henry in the first half of calendar 2021.

The gas sales agreement with O-I provides for flexibility in processing arrangements, and the provision of gas on a firm basis once supply from the Minerva Gas Plant is established. Prior to that date, processing of gas from Casino Henry will remain at the Iona Gas Plant.

Mr Maxwell said the new contract was consistent with Cooper Energy's gas contracting strategy.

"We have chosen to focus our business on supply agreements with utility and blue-chip industrial customers that feature the right combination of price, term and load factor to deliver stable long-term cash flow and efficient production. This agreement is another example and we look forward to securing additional agreements in 2020" he said.

The contracted volume is approximately 17% of Cooper Energy's share of Casino Henry 2020 gas production of 6 petajoules. Cooper Energy expects to initiate marketing for other volumes of Casino Henry 2021 gas production prior to 30 June 2020.

Cooper Energy Limited (ASX: COE) is an ASX200 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. The most significant resource, the Sole gas field in the Gippsland Basin, is currently being developed to provide a new source of gas supply for south-east Australia.

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