

ASX Announcement



14 December 2018

The Company Announcement Officer ASX Ltd
via electronic lodgement

CHAIRMAN'S ADDRESS AND AGM PRESENTATION

Please find attached the following items to be presented at Strike Energy Limited's Annual General Meeting to be held at 10.30am today in Adelaide.

- Chairman's address; and
- Managing Director and Chief Executive Officer's 2018 Annual General Meeting presentation.

Yours faithfully

A handwritten signature in black ink, appearing to read "Justin Ferravant".

Justin Ferravant
Chief Financial Officer & Company Secretary

STRIKE ENERGY LIMITED
CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING
14 DECEMBER 2018

Ladies and Gentlemen,

The last financial year has been a significant one for Strike with the implementation of Strike's refreshed strategy and execution of its 'Jaws' project in the Cooper Basin from the new Adelaide headquarters.

During the year, there were significant developments with the Australian east coast energy shortage. In particular, several key political and industry decisions were taken on how gas may be positioned within the energy system in the long-term. These have included the roll out of the Australian Domestic Gas Security Mechanism, the National Energy Guarantee proposal, repeal of the hydraulic stimulation moratorium in the Northern Territory and the decision not to proceed with the West-East Gas Pipeline. The common theme across these decisions is both government and industry attempting to secure the future gas supply for the highly constrained domestic market.

Strike sees the role of gas in the energy system increasing in importance as an immediate and effective way of reducing Australia's carbon intensity. However, the eastern states of Australia find themselves in a position where the shortage of gas supply has impacted upon the perception of its reliability and competitiveness. This is due to several compounding issues which include the over-construction of LNG export facilities with contracted volumes, natural field decline and the lack of credible new development options. This lack of new and material gas supply highlights the strategic importance of Strike's flagship project in the southern Cooper Basin, being one of only a handful of projects currently undergoing appraisal for near term development.

Over the last 12 months we have observed decreasing confidence in the future of Queensland gas resources as write downs and project feasibility studies have yielded non-commercial projects. The concerns around the erosion of these future contingent resources has been exacerbated by the notifications of the impending curtailment of production from the offshore Victorian gas fields due to their natural decline. The growing support from industrial gas users for import terminals is likely to lock the eastern States into LNG netback pricing. This emerging market dynamic plays to Strike's opportunity set and means that the stage is set for the Southern Cooper Basin Gas Project (SCBGP) to make a potentially transformational impact. Success at Strike's appraisal project, Jaws-1, should enable the rapid commercialisation of this major resource.

Building on last year's forensic sub-surface review, the Jaws project was conceptualised from the 'rocks up' and designed to incorporate the five years of learnings that Strike had built since beginning its exploration and appraisal activities in the SCBGP. In partnership with major oil field service provider, Halliburton, Strike was able to execute the Jaws wells effectively, achieving several Australian drilling milestones along the way. Strike has since embarked on a period of pilot testing the Jaws wells and remains confident of its long-held ambition of being the first company to commercialise a deep coal seam resource.

During the year Strike re-entered Western Australia with its West Erregulla acquisition. Strike made this move after several months of technical due diligence which revealed a major conventional gas resource akin to the adjacent Waitsia gas field. Strike and its new joint venture partner Warrego Energy Pty Ltd, look forward to drilling this exciting prospect in the first quarter of 2019.

In summary, whilst not without challenges, it has been a good year for Strike. The hard work and unrelenting efforts of the Strike management and execution teams have set the company up for a transformational period ahead. I acknowledge with gratitude the efforts of all involved, including those of our contractors.

To you my fellow shareholders, I extend my sincere appreciation for your ongoing support. My fellow Board members and I are looking forward to the future with confidence and hope that we can deliver significant value over the balance of the 2019 financial year.

John Poynton AO

Chairman – Strike Energy Limited

Strike Energy Limited

AGM

14 December 2018

Stuart Nicholls

CEO & Managing Director

Jaws-1 horizontal well 2018

Important Notice



Summary information

This presentation contains summary information regarding Strike Energy and its subsidiaries current as at 24 October 2018. The information in this presentation is of general background only and does not purport to be complete. The contents of this presentation should be considered in conjunction with Strike Energy's other announcements lodged with the Australian Securities Exchange available at www.asx.com.au.

Not an offer

This presentation does not constitute an offer, invitation or recommendation to subscribe for, or purchase any security and neither this presentation nor anything contained in it shall form the basis of any contract or commitment.

Not financial product advice

Reliance should not be placed on the information or opinions contained in this presentation. This presentation does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. Any decision to purchase or subscribe for any shares in Strike Energy Limited should only be made after consideration of your own objectives and financial situation, making independent enquiries and seeking appropriate financial advice.

Past performance

Statements about past performance provides no guarantee or guidance as to future performance, including in respect of the price of Strike shares.

Future Statements

Statements contained in this presentation, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, production levels or rates, oil and gas prices, reserve or resource potential, exploration drilling, potential growth of Strike Energy Limited, industry growth and any estimated company earnings are or may be forward looking statements.

Such statements relate to future events and expectations and as such involve known and unknown risk and uncertainties associated with oil, gas, geothermal and related businesses, many of which are outside the control of Strike Energy Limited, and are not guarantees of future performance.

Although the Company believes that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results, actions and developments to differ materially from those expressed or implied by the statements in this presentation, including, but not limited to: price fluctuations, actual demand, drilling and production results, reserve estimates, regulatory developments, project delays or advancements and approvals and costs estimates.

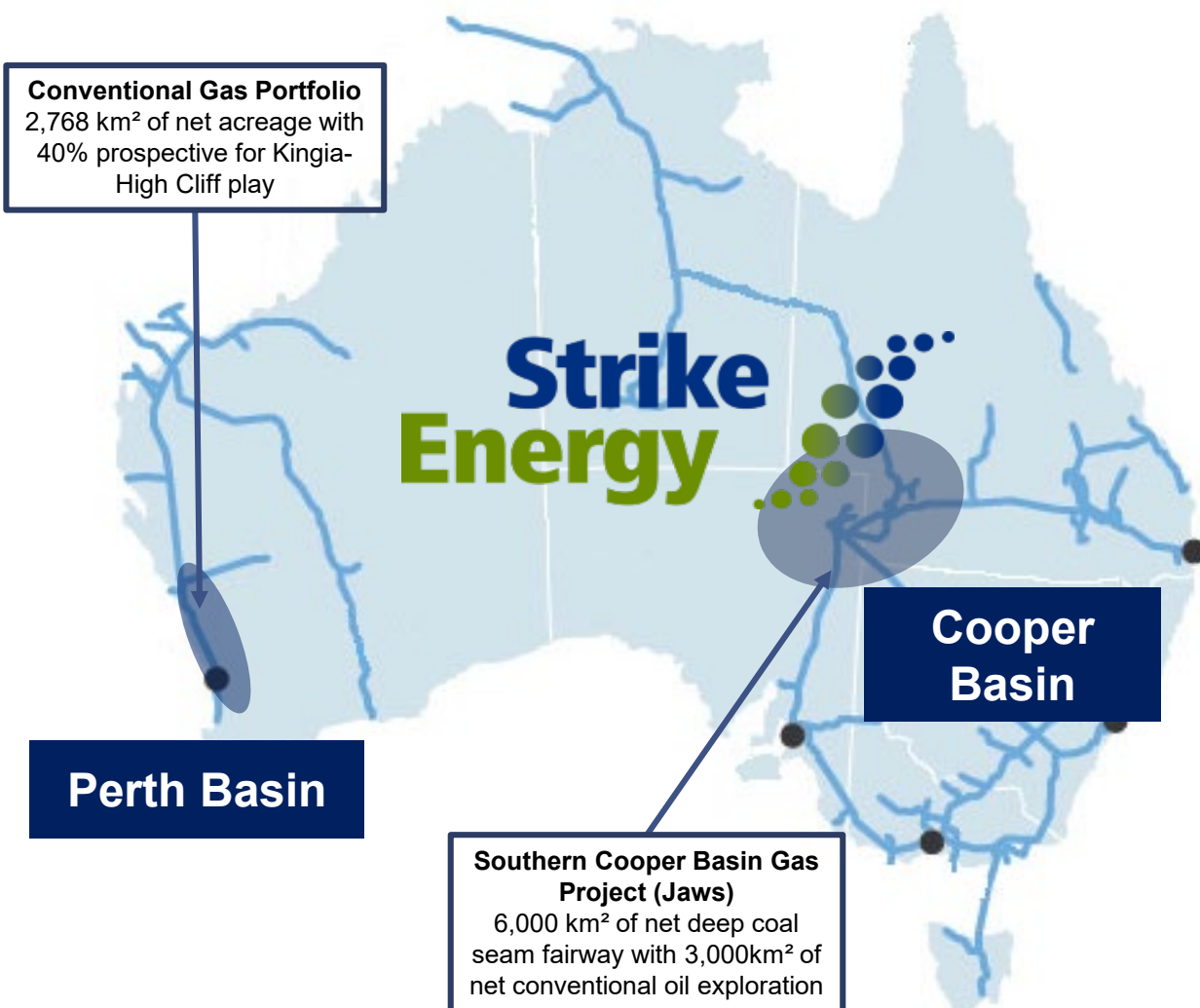
Subject to any continuing obligations under applicable law and the Listing Rules of ASX Limited, Strike Energy Limited does not undertake any obligation to publicly update or revise any of the forward looking statements in this presentation or any changes in events, conditions or circumstances on which any such statement is based.

Competent person's statements

The information in this presentation that relates to resource estimates is based on information compiled or reviewed by Mr A. Farley who holds a B.Sc in Geology and is a member of the Society of Petroleum Engineers. Mr A. Farley is Manager Geoscience for the Group and has worked in the petroleum industry as a practicing geologist for over 16 years. Mr A. Farley has consented to the inclusion in this report of matters based on his information in the form and context in which it appears.

Mr Tony Cortis (M.Sc. Geology) of Igesi Consulting has consented to the inclusion in this report of matters based on his information in the form and context in which they appear. Mr Cortis has over 29 years of industry experience, 28 of which were with Shell International, and is a member of APEGA and the AAPG. He has extensive technical and delivery experience in all three Unconventional Resource play types: tight clastic, shale and coal bed reservoirs. He has actively worked on CBM projects in the Bowser Basin, the Western Canada Sedimentary Basin and in the Ordos Basin of China. He has also worked on numerous conventional clastic and carbonate plays worldwide.

With two significant landholdings in Australia's premium onshore O&G basins, Strike is poised to become the next mid-cap O&G company



Strike is a highly attractive Australian domestic gas investment opportunity

1. Australian domestic gas market focus
2. Diversity across basins, play types, timelines and markets
3. Significant landholdings in two of Australia's premier onshore O&G basins
4. Track record of identifying attractive opportunities and competent well delivery
5. Projects strategically located near major gas infrastructure including pipelines and processing plants
6. Near to medium term share price catalysts including commercial success of Jaws and high-impact drilling of West Erregulla

Executing Strike's Strategy



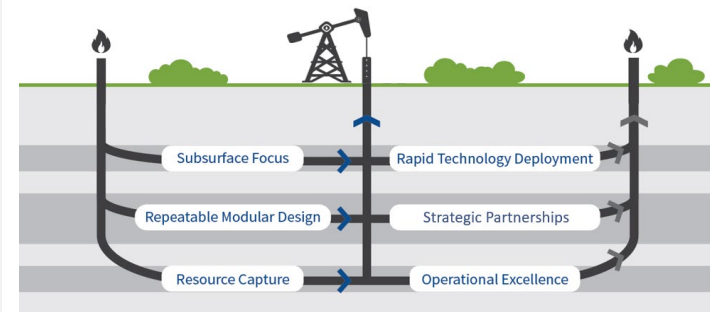
Strike has continued to deliver on its revised transformational strategy since the new Board & Management took over some 18 months ago:

1. **Subsurface Focus:** Klebb 'Technical Success' & Perth Basin Kingia High-cliff play entry
2. **Rapid Technology Deployment:** Jaws
3. **Strategic Partnerships:** Halliburton
4. **Operational Excellence:** World first Jaws style wells with zero recorded lost time incidents
5. **Resource capture:** West Erregulla & UIL Acquisition
6. **Repeatable Design:** No bespoke manufactured materials for Jaws



Vision & Strategy

"Strike Energy will focus on delivering material gas production from its extensive deep coal seam assets, in order to drive major value creation by 2020."



A coherent strategy that underpins Strike's foundations as a low cost high impact exploration and appraisal company

Key Milestones over the past 18 months:

- ✓ Successfully drilled, completed and brought the Jaws appraisal wells online and into test production to prove commerciality of Southern Cooper Basin Gas Project
- ✓ Relocated to S.A., received a PACE Grant and location incentives from S.A. Government
- ✓ Renegotiated expired Orica & Orora gas sales agreements
- ✓ Acquisition of 50% and operatorship of the north Perth Basin block EP 469 (West-Erregulla);
- ✓ Acquisition of UIL Energy.

Southern Cooper Basin Gas Project



Excellence in Operations

Safety

- Zero lost time incident across its operations over the last reporting year.
- Some ~120 contractors and staff visited or worked on the Jaws site during the execution.

Technical Excellence

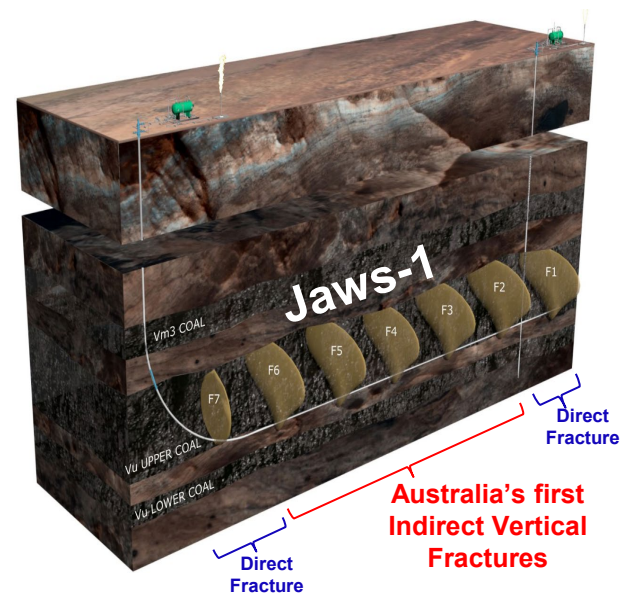
- In collaboration with Halliburton executed a first of its kind deep CSG well in Jaws-1.
- Achieved several Australian firsts and records in drilling and fracture stimulation.

Uptime

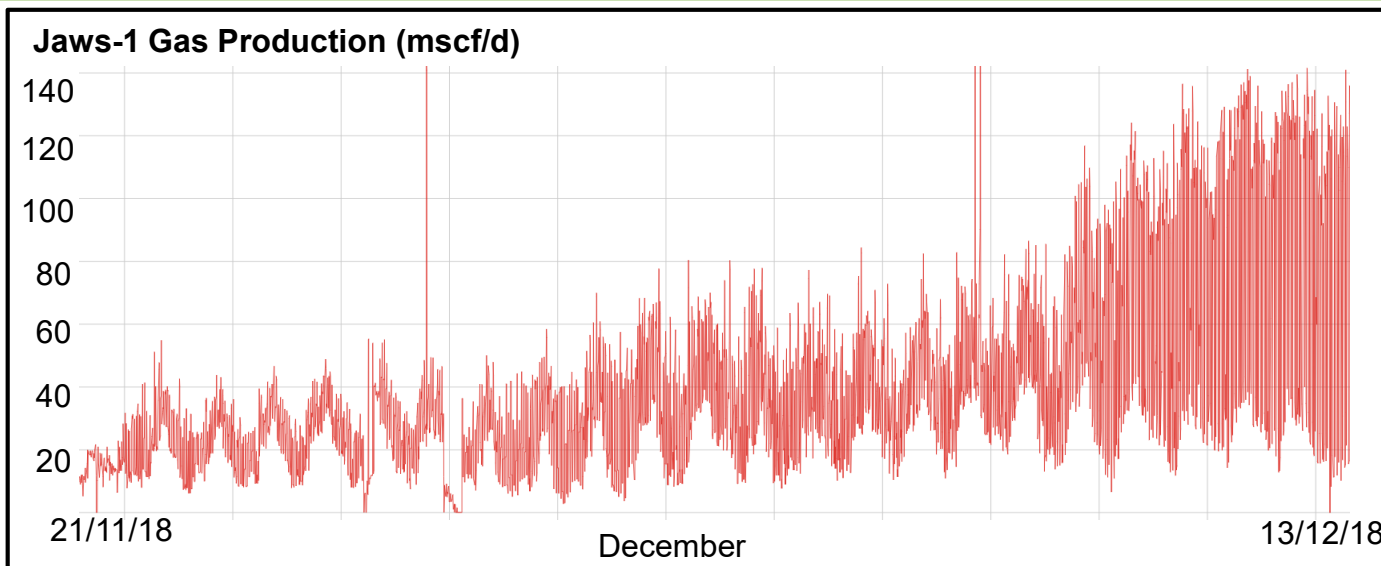
- Less than 7 hours of downtime at Jaws-1 across ~150 days of piloting operations, all whilst within remote and arduous conditions.

Continuous Improvement

- Removed 29% from the per month cost of the piloting operations.



Jaws-1 – Progress Update



Gas Production

- Gas production began in-line with modelling (October) with low baseline production and surging.
- End November to present has shown the beginning of a trend as the daily production range tightens and measurable daily growth is observed; growth rate is positive.

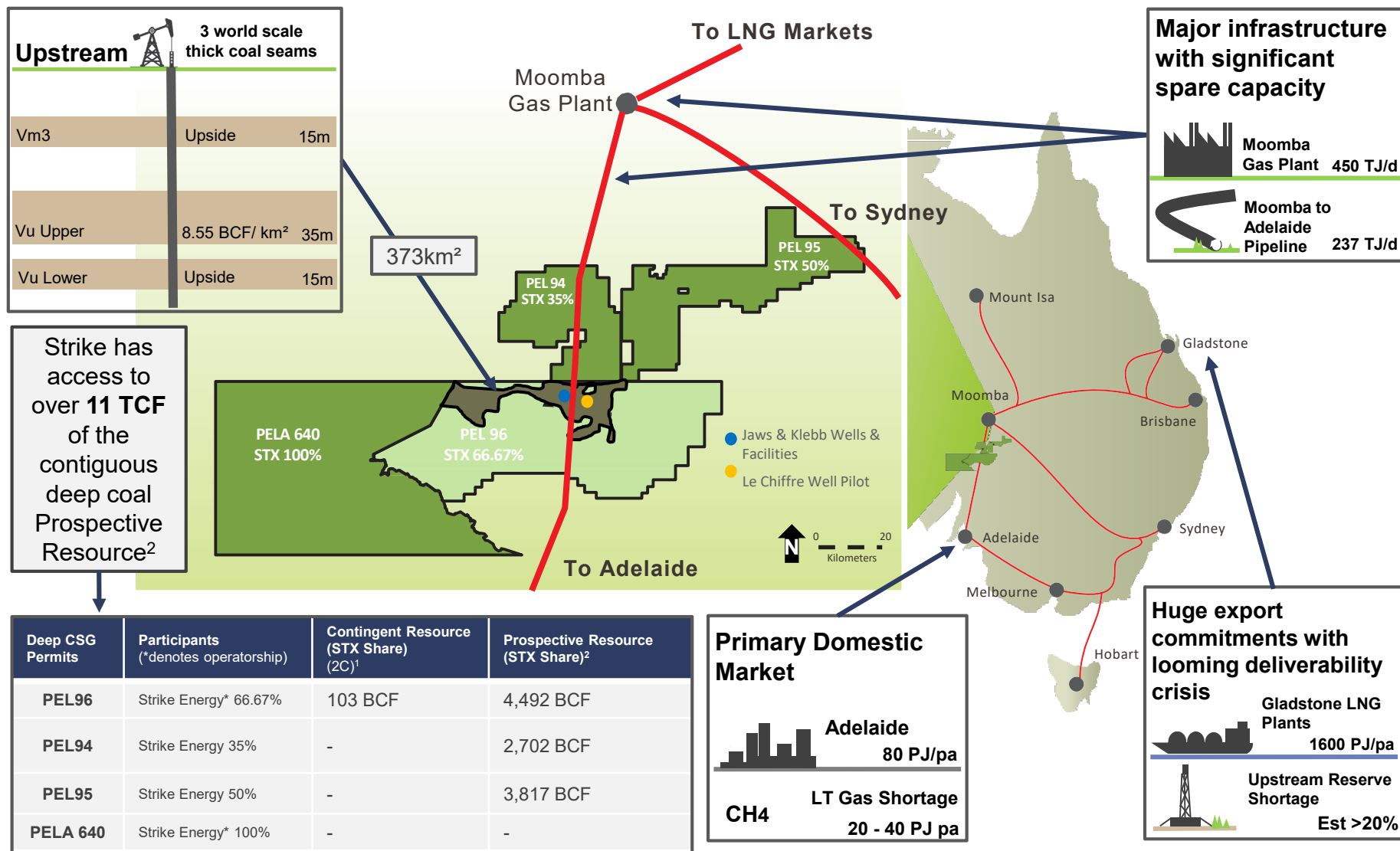
Reservoir Performance

- Bottom Hole Pressures (BHP) have been brought down ~7 PSI per day and are currently sitting at ~300 PSI.
- During this drawdown period water production has remained strong at ~700 bwpd, with the reservoir currently producing 640 bwpd.
- Current relationship between BHP and water production is a very good indicator that permeability has been retained throughout the reservoir and there are no adverse effects resulting from the increase in differential pressure between the well bore and reservoir.

Future Operations

- Continue to pilot the Jaws wells towards commercial success.

The SCBGP is transformational for the East Coast



1. Contingent Resource estimate is as at 31 March 2015, as announced to ASX on 27 April 2015.

2. The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates are unrisks and have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. Prospective Resource estimate for PEL 96 is as at 1 February 2014, as announced to ASX on 19 February 2014. Prospective Resource estimates for PEL94 and PEL95 are as at 19 September 2012, as announced to ASX on that same date.

Perth Basin

High Cliff Sand from Field Visit to Perth Basin

Strike acquisition of UIL on track

Strike plans to build a material domestic gas business in the Perth Basin to complement its extensive Cooper Basin position.

Transaction Rationale

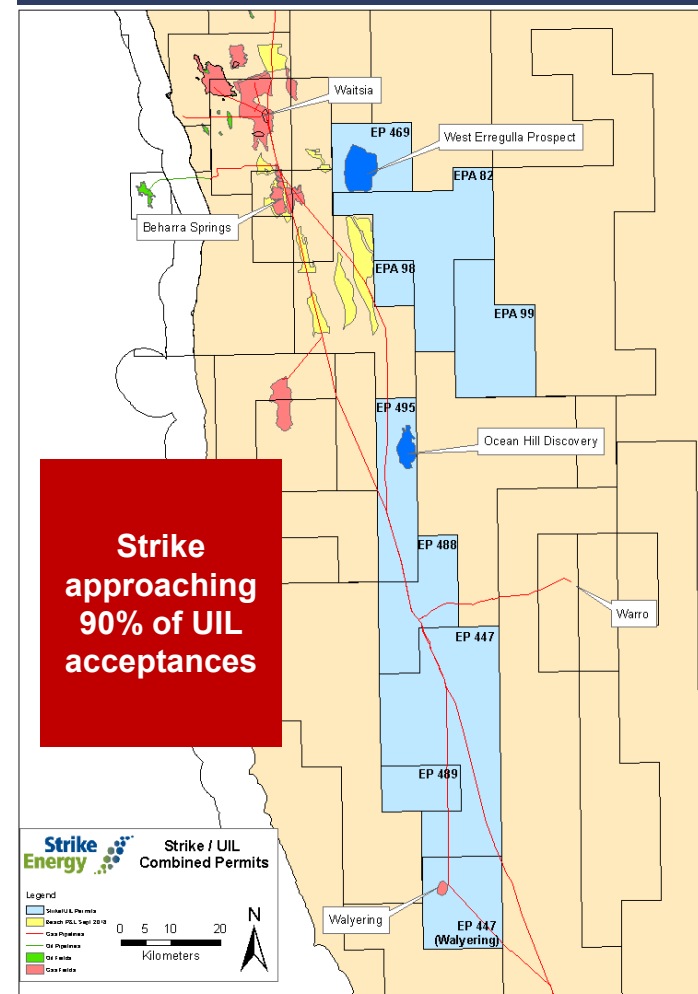
Technical

1. Follow-on activity in the highly prospective Kingia-High Cliff play (Waitsia play type), where West Erregulla will prove the extent.
2. Understudied UIL portfolio will be easily leveraged by Strike's excellent subsurface expertise and well delivery competence.
3. Geological risk now diversified across multiple plays in the Perth Basin (~3,000 km² of a proven petroleum basin).

Commercial

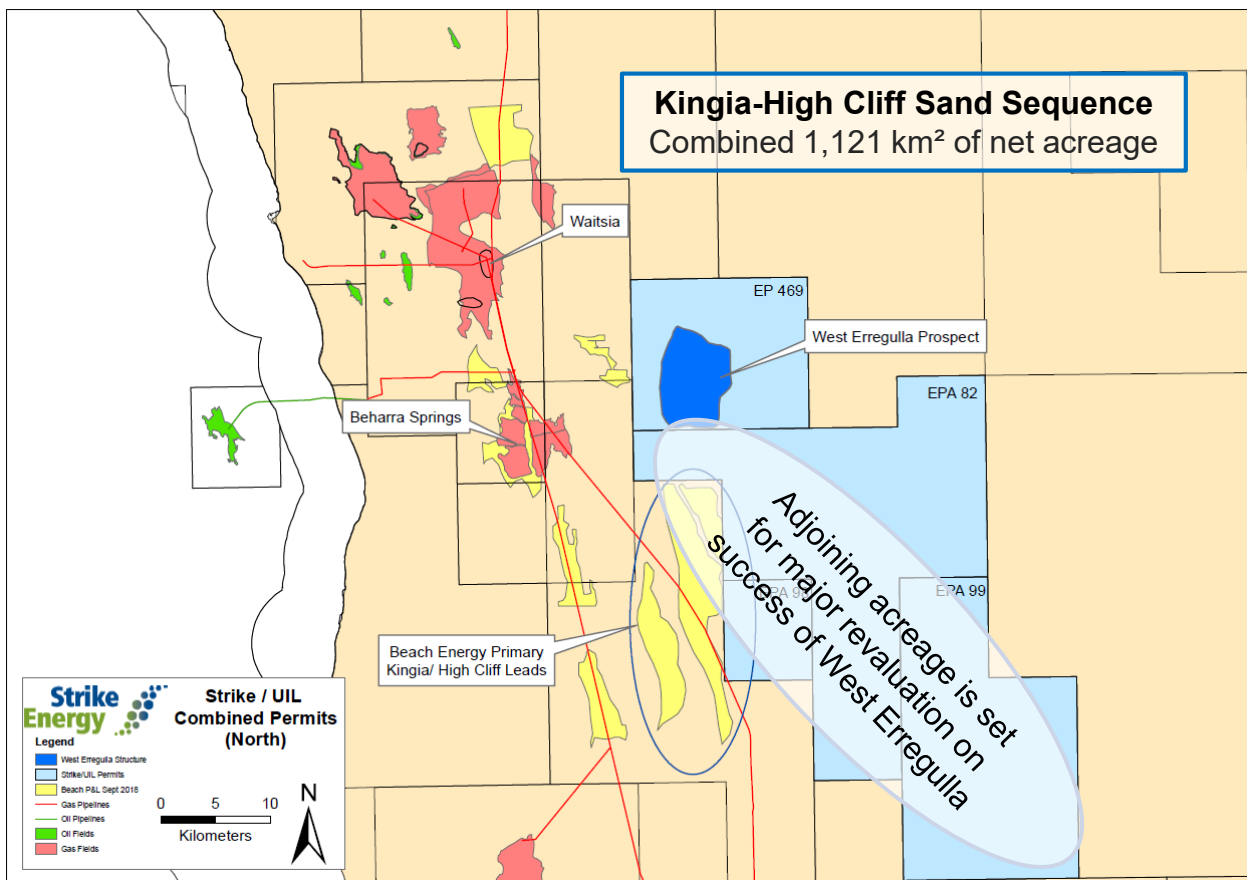
1. Strike's new Perth Basin acreage has very high equity in all blocks, leading to broader funding solutions.
2. Cost synergies and overhead reductions in merged group.
3. Additional exploration / appraisal activity will allow Strike to negotiate deals / services with critical mass.
4. Deepens exposure to long term WA gas markets.
5. Provides further resilience to the East/West portfolio.

A Prominent Perth Basin Position



Strike intends to enter the compulsory acquisition process for the remaining UIL ordinary shares once acceptances reach 90%

Strike's major position in the Kingia High Cliff



A successful West Erregulla-2 well will make the combined holdings in the Northern Perth basin very valuable and highly attractive

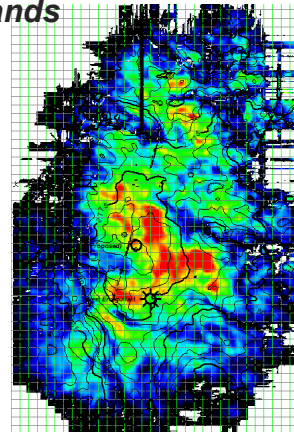
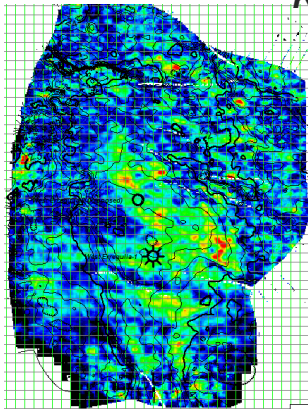
- Existing regional 2D lines show similar lead potential in EPA-82 & 98 as West Erregulla.
- West Erregulla QI work by Strike has shown that porosity preservation is seismically mappable beyond 5,000m.
- Drilling of West Erregulla-2 early next year targeted to prove the concept and will revalue adjoining southern permits.
- ex-UIL blocks are all at 100% equity, considerable farm out opportunities of attractive acreage.
- Beach Energy are shooting 3D seismic in 1H/19 in the neighbouring blocks over Kingia-High Cliff leads which lie on block boundary.

West Erregulla – Advanced Reprocessing

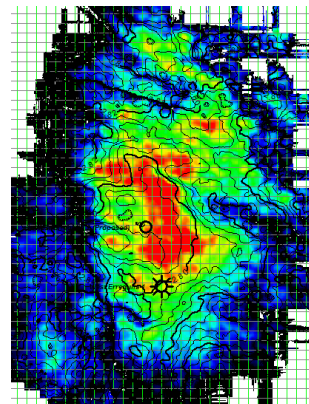
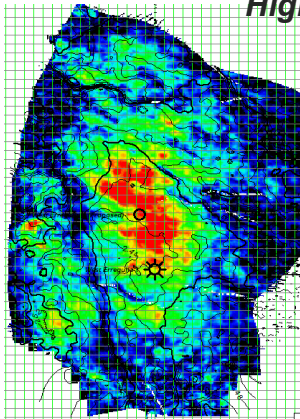
Original
Amplitude Maps

New Amplitude
Maps

Kingia Sands



High Cliff Sands



Defined structurally conformable amplitudes & abrupt shut offs display crisp gas / water contacts

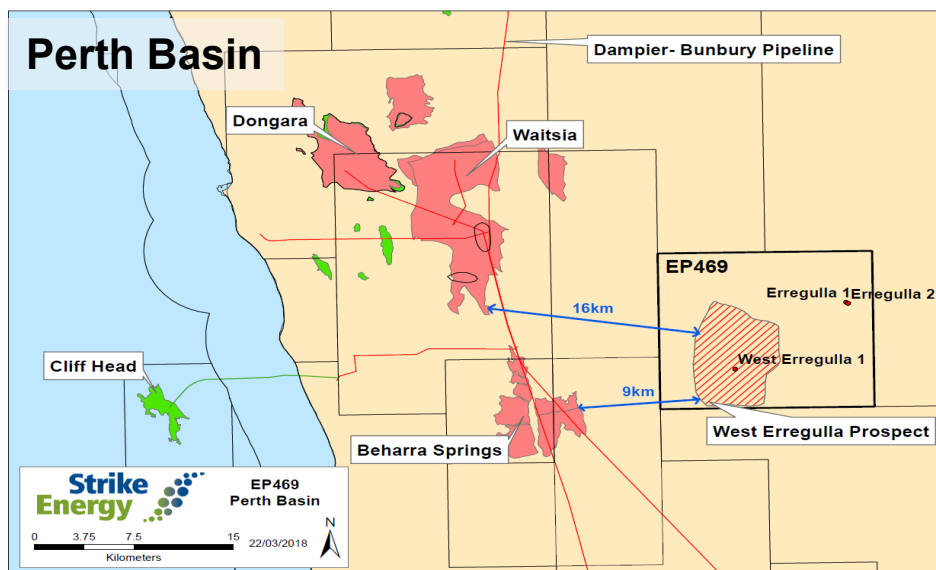
Improved Quantitative Interpretation (QI) on commercial porosity preservation

Direct Hydrocarbon Indicators are more definitive

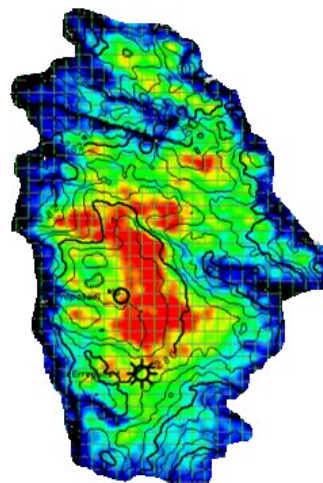
Wedge and fluid substitution models are supportive of two gas-charged sands

Overall POS improved via clarity of risk factors

West Erregulla-2 Multiple Stacked Plays



Kingia High Cliff
(Waitsia Analogue)



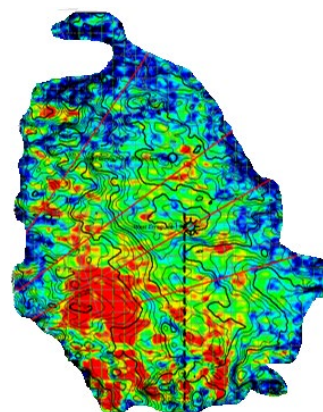
**West Erregulla Conventional Gas (BCF)
Kingia- High Cliff Prospective Resource²**

OGIIP	STX Share	100%
Low Estimate (P90)	285	570
Best Estimate (P50)	442	884
High Estimate (P10)	620	1,240

West Erregulla - a material standalone conventional gas prospect

- Displays very similar attributes to Waitsia in the Kingia High Cliff sand sequence
- Similar play attributes to Beharra Springs in the lower Dongara (Basal Wagina) sandstone
- Adjacent to existing gas processing infrastructure & two major pipelines
- Is drill-ready and targeted for early 2019.

Basal Wagina
(Beharra Springs Analogue)

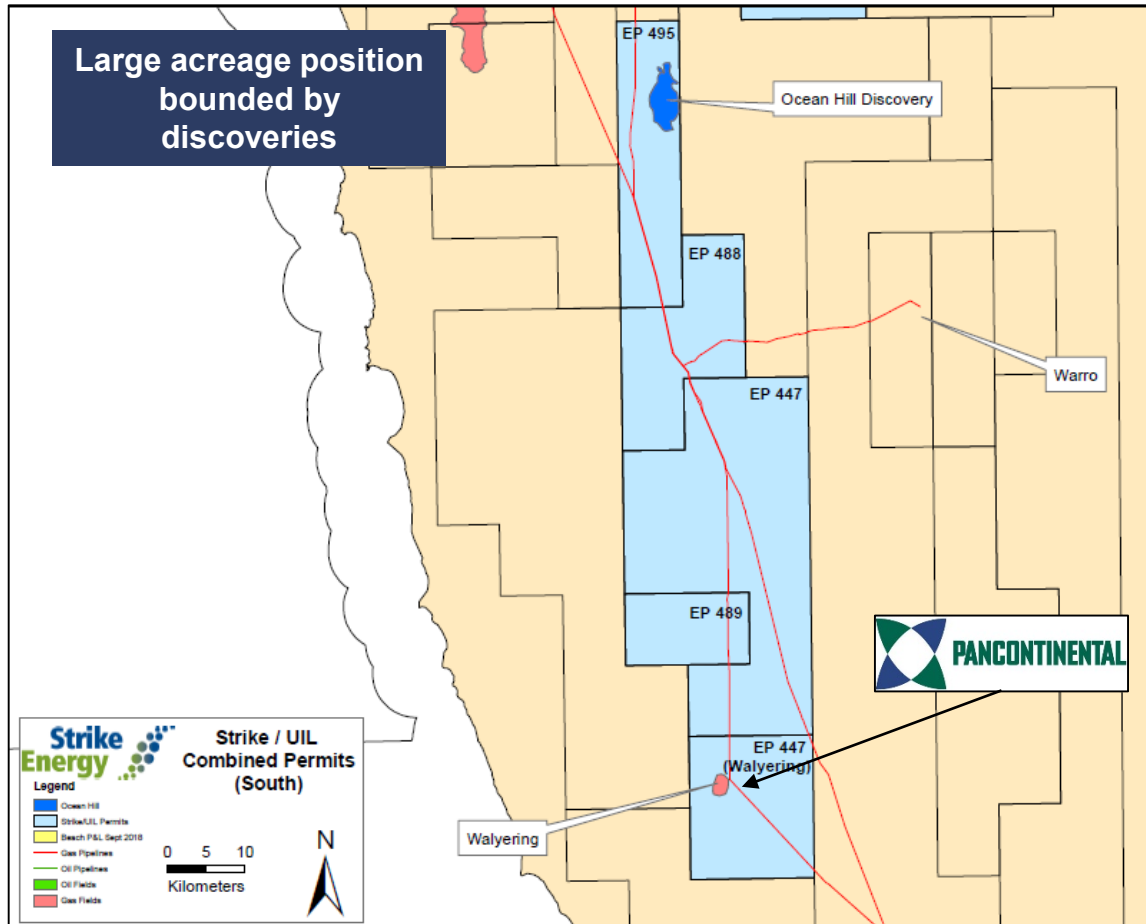


**West Erregulla Conventional Gas (BCF)
Lower Dongara Prospective Resource¹**

OGIIP	STX Share	100%
Low Estimate (P90)	30	60
Best Estimate (P50)	64	127
High Estimate (P10)	117	234

1. West Erregulla is drill-ready subject to regulatory approvals and the procurement of capital associated with the drilling activities.
2. The Prospective Resource volumes are probabilistic in nature; are raw gas and are estimates based on work completed by Igesi Consulting in Q4/2018 on the West Erregulla 3D. STX interest is 50%. The Prospective Resources should be read in conjunction with the cautionary statement on slide 2.

UIL – Southern Permits



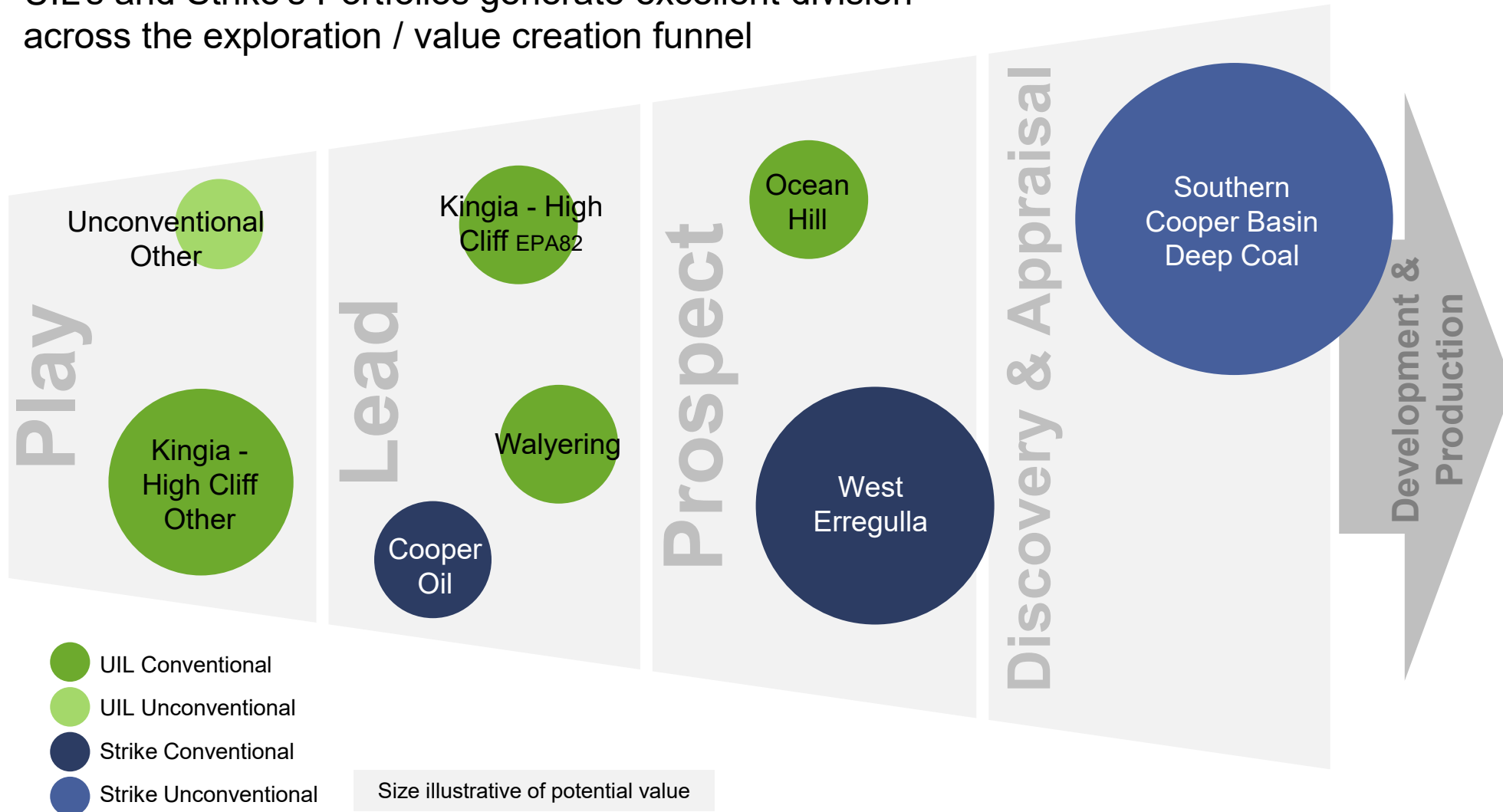
Play diversification provides longer term optionality for combined portfolio across the basin.

- Covers a diverse range of conventional and unconventional plays, including the Ocean Hill and Walpyring discoveries, which are proven to contain both gas and liquids.
- Includes Ocean Hill, a potential near term drilling target presenting conventional gas attributes in the Cadda and Cattmarra formations.
- Southern permits straddle a major pipeline, providing market access.
- Underexplored area with sparse 2D seismic coverage.
- Pancontinental Oil & Gas NL preparing to shoot ~90km² 3D over Walpyring (EP447) in 2019 to complete farm-in to Walpyring blocks¹
- Strike plans to execute seismic commitments over 2019² in order to delineate best acreage to place targeted follow on 3D campaigns in northern permit areas.

1. Carrying out of 3D seismic by Pancontinental is subject to Pancontinental exercising its right to farm into Walpyring blocks following completion of 3D preparatory work within agreed timeframes.
2. Subject to obtaining of required regulatory approvals and procurement of necessary capital.

Diversified Combined Portfolio

UIL's and Strike's Portfolios generate excellent division across the exploration / value creation funnel



- UIL Conventional
- UIL Unconventional
- Strike Conventional
- Strike Unconventional

Size illustrative of potential value

Potential major news flow over the next ~7 months



Southern Cooper Basin¹



Perth Basin

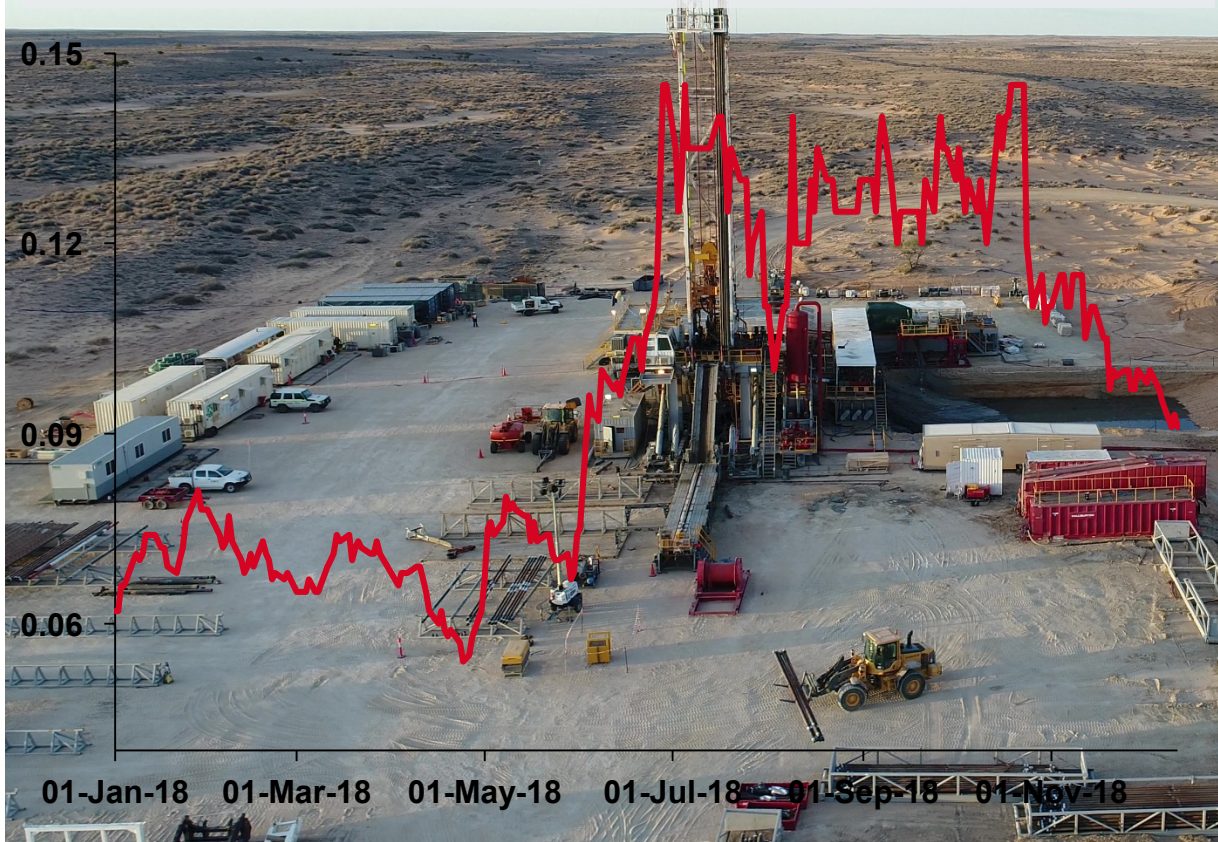


1. Milestones associated with the SCBGP are contingent on operational success and reservoir performance.
2. Strike share price as at 19 October 2018.
3. Walyering 3D campaign contingent on final regulatory approvals and Pancontinental exercising right to farm into Walyering upon completion of 3D seismic preparatory work and within agreed timeframes
4. The delivery of WE-2 is contingent on final regulatory approvals and the procurement of capital associated with the drilling activities.

Strike Energy Limited



Strike has a portfolio of high quality and potentially transformational gas projects capable of delivering material near term value



Board of Directors

John Poynton (Chair)
Jody Rowe
Andrew Seaton
Stuart Nicholls (MD)
Tim Goyder

Securities Exchange

ASX: STX

Market Capitalisation

\$115 million

11th Dec 2018

\$0.093 per share

Securities on Issue

Shares: 1,246,208,188

Options: 28,000,000

Performance Rights 9,430,299

Top 30 Shareholders

39.9% ownership

Cash & Facilities

~\$13million as per Nov 2018

Corporate / Registered Office

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An Experienced Board with a High Performance Team



Board of Directors



Chairman

John Poynton AO Cit WA
Australian Business Leader
Governance & Finance



Managing Director

Stuart Nicholls
Ex-Shell International
Exploration & Commercial



Non-Exec Director

Tim Goyder
Mining & Drilling Executive
Exploration & Management



Non-Exec Director

Jody Rowe
Ex-QGC, Rowe Consultants
Contracting & Procurement



Non-Exec Director

Andrew Seaton
Ex CFO Santos
Finance & Commercial



Journey since
April 2017

New Board



New Strategy



New Team



New Plan



Today's Results

Trusted Advisor



Subsurface Consultant

Tony Cortis
From Shell International
Global Geology
Exclusive Access

Leadership Team



Chief Financial Officer

Justin Ferravant
Ex Santos, Origin
Finance



GM Commercial & Legal

Lucy Gauvin
Ex-Partner Piper Alderman
Energy, Resources



GM Operations

Pax Barkla
Ex Fyfe, Santos
Upstream & Operations

Strike & UIL Combined Acreage Position¹



Permit	Basin	Lifecycle	Target	Operator (Parent)	STX/UIL Position	Gross Area (Acres)	Gross Area (km2)	STX/UIL Net Area (acres)	STX/UIL Net Area (km ²)
PEL 94	Cooper Basin	Exploration	Deep Coal Seam Gas	Beach	35%	222,963	902	78,037	316
PEL 95	Cooper Basin	Exploration	Deep Coal Seam Gas	Beach	50%	316,418	1,281	158,209	640
PEL 96 (Jaws)	Cooper Basin	Appraisal	Deep Coal Seam Gas	Strike	67%	668,098	2,704	444,953	1801
PELA640	Cooper Basin	Exploration	Deep Coal Seam Gas	Strike	100%	821,056	3,323	821,056	3323
PEL 515	Cooper Basin	Exploration	Shallow Oil	Strike	100%	750,483	3,037	750,483	3037
PPL210 (Aldinga)	Cooper Basin	Production	Shallow Oil	Beach	50%	988	4	494	2
EP447	Perth Basin	Exploration	Unconventional Gas	UIL	100%	201,391	815	201,391	815
EP447 (Walyering)	Perth Basin	Exploration	Shallow Oil	Pancontinental ²	100% ²	72,896	295	21,869	89
EP488	Perth Basin	Exploration	Unconventional Gas	UIL	100%	73,390	297	73,390	297
EP489	Perth Basin	Exploration	Unconventional Gas	UIL	100%	36,572	148	36,572	148
EP495 (Ocean Hill)	Perth Basin	Exploration	Conventional Gas	UIL	100%	73,637	298	73,637	298
EPA-82	Perth Basin	Exploration	Conventional Gas	UIL	100%	138,626	561	138,626	561
EPA-98	Perth Basin	Exploration	Conventional Gas	UIL	100%	18,533	75	18,533	75
EPA-99	Perth Basin	Exploration	Conventional Gas	UIL	100%	92,170	373	92,170	373
EP469 (West Erregulla)	Perth Basin	Exploration	Conventional Gas	Strike	50%	55,500	225	27,750	112
								Total Net km²	11,886

1. Sourced from GPInfo (Sept 2018 Update). Areas derived from GPInfo may vary slightly from title documents.

2. Transfer of operatorship of EP447 (Walyering) is subject to Pancontinental Oil and Gas NL (**Pancontinental**) exercising its farm-in right and completing the obligations as per the farm-in agreement. On satisfaction of the farm-in obligations, a 70% interest in Walyering will be transferred to Pancontinental