

# Strike Energy Limited

*Euroz Rottnest Institutional Conference*

March 2021



*"We're only just getting started"*

## Summary information

This presentation contains summary information regarding Strike Energy and its subsidiaries current as at 8<sup>th</sup> March 2021. 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](http://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

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## 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, timeline, 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.

## Information regarding Resource Estimates

Information in this presentation relating to:

- the 2C Contingent Resource Estimate and Prospective Resource Estimate for the West Erregulla Project is set out in the ASX announcement dated 11 November 2018 entitled "West Erregulla Resource Statement". Strike Energy interest is 50%;
- The Prospective Resource Estimate for South Erregulla is set out in the ASX announcement dated 17 February 2020 entitled "Exploration Portfolio Update" and is an aggregate of Strike's 100% equity interest in EPA 82 (subject to grant of that permit) and, to a relatively marginal extent, Strike's 50% equity interest in EP 469.
- the Oceanhill 2C Contingent Resource is sourced from the ASX Announcement of Greenrock Energy Limited (ASX:GRK) dated 4 October 2013 titled "Ocean Hill Independent Resource Certification". Strike Energy interest is 100%; and
- the Walyering 2C Contingent Resource is sourced from the ASX Announcement of Pancontinental Oil & Gas NL (ASX:PCL) dated 16 May 2018 titled "Gas & Condensate Resource Upgrade at Walyering Gas Field". Strike Energy interest is 100%.
- The Walyering Prospective Resource Estimate is set out in ASX announcement dated 9 June 2020 entitled "Greater Erregulla and Walyering Update". Strike Energy interest is 100%.

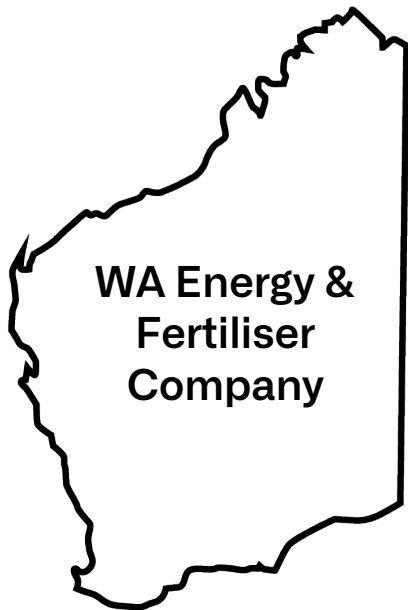
Strike Energy confirms it is not aware of any new information or data that materially affects the information included in the referenced announcements and that all the material assumptions and technical parameters underpinning the estimates in those announcements continue to apply.

## 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 Exploration Manager for the Group and has worked in the petroleum industry as a practicing geologist for over 17 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.

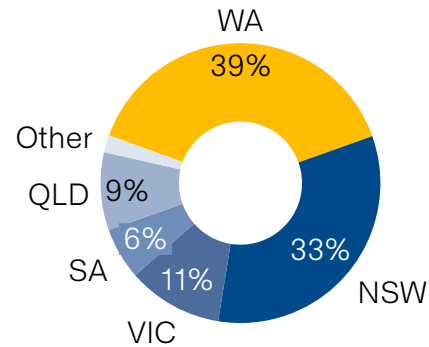
Mr Tony Cortis (M.Sc. Geology) of Igesi Consulting has consented to the inclusion in this report of matters based on his information in the form and context in which they appear. Mr Cortis has over 30 years of industry experience, 28 of which were with Shell International, and is a member of APEGA and 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.

## Head Office

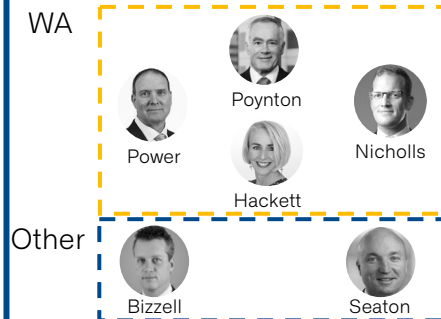


Assets, people and market are all co-located

## Shareholders

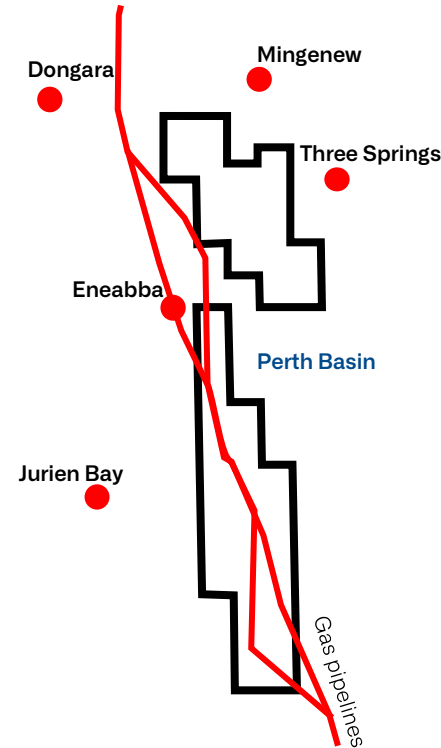


## Board of Directors



Owned and Managed by West Australian's

## Current assets



~3,000km<sup>2</sup> of onshore, operated, gas prone Perth Basin acreage

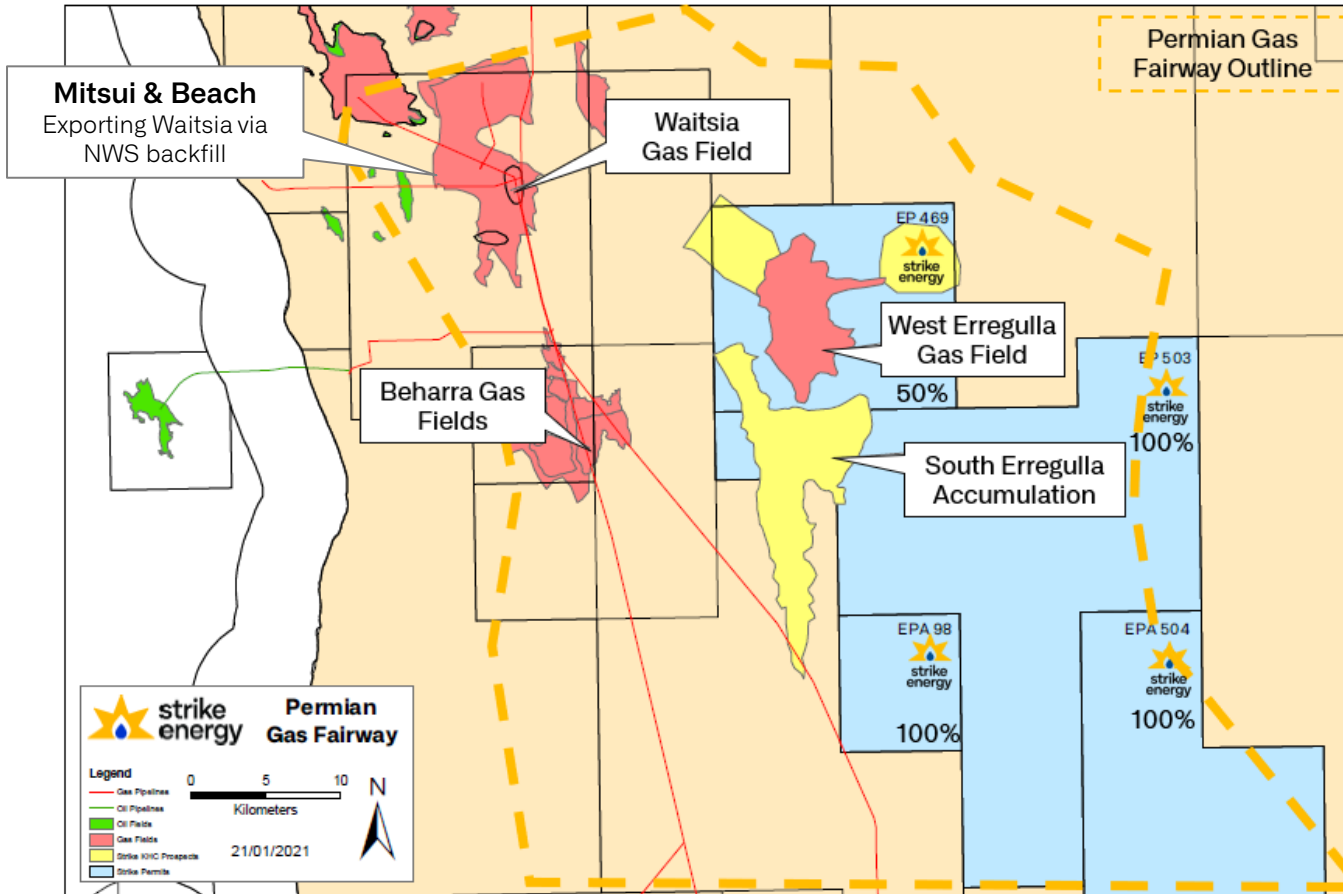
## Value Adding Focus



Consuming and high grading gas here in WA

*“An Australian energy company focussed on Australia”*

## North Perth Basin permits inside the Permian Gas Fairway



- Size, quality, productivity and location of these fields make the gas resources some of the lowest cost in Australia
- Strike has the largest equity position in this fairway and is operator in all permits
- Planning underway for a ‘Greater Erregulla’ development

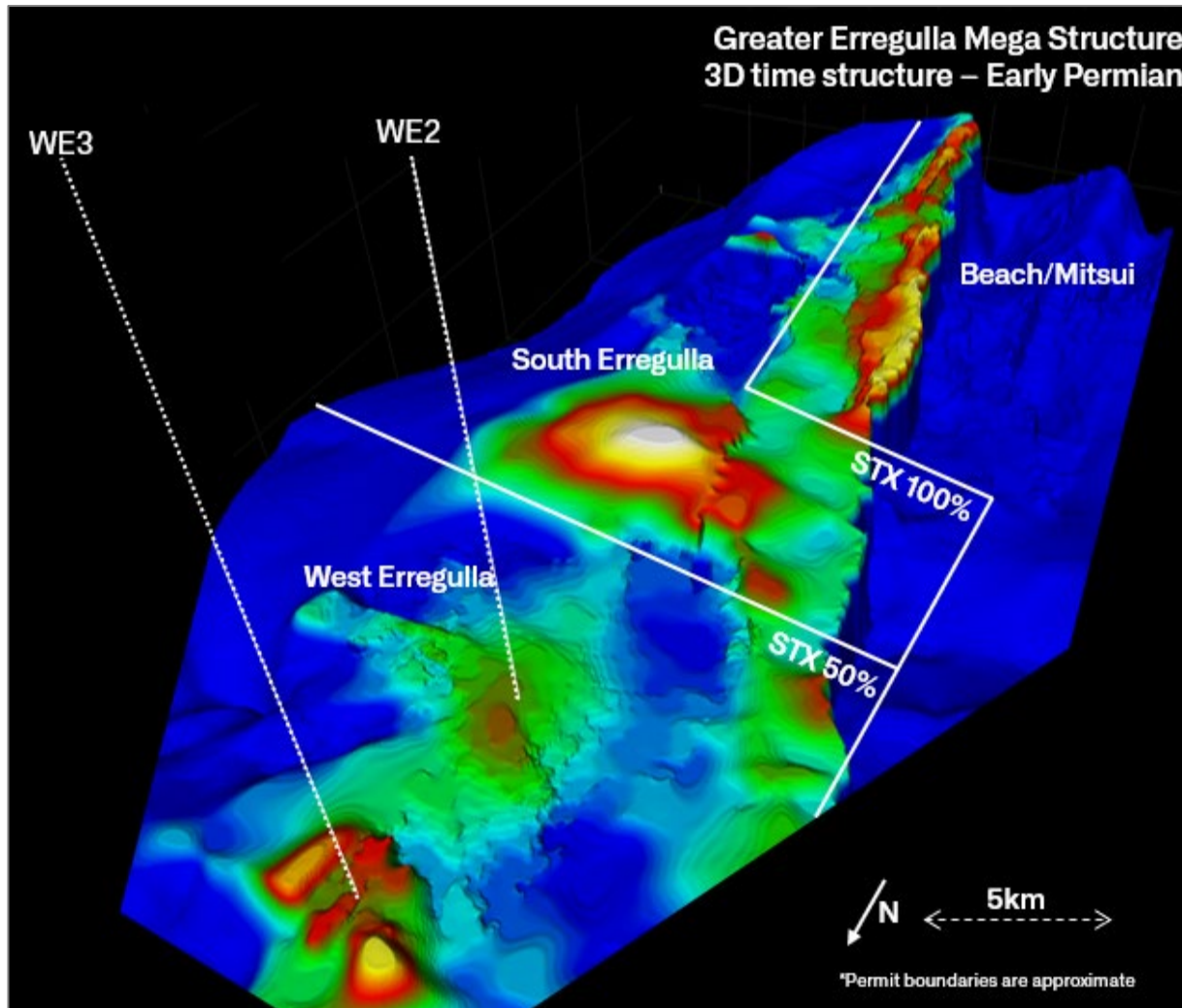
Permian gas fairway is host to > **3TCF** of discoveries, with a track record of 100% exploration success

West Erregulla-2 Kingia Flow Test  
69 mmscf/d



## West Erregulla Gas Project





- Strike's current interpretation yields a POS of 57% driven by:
  1. South Erregulla being the regional high
  2. Appearing connected to West Erregulla and is therefore likely co-charged
  3. Is shallower than West Erregulla
  4. Has appreciable amplitude blooms (diagnostic of hydrocarbons & porosity)

- Permits Issued
- Rig 970 secured for CY21 drilling
- Major 2D seismic program to be acquired in 1H/21

### South Erregulla Conventional Gas Prospective Resource OGIIIP (TCF)<sup>1</sup>

Strike Share	Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)
100%	<b>0.63</b>	<b>1.60</b>	<b>2.12</b>

<sup>1</sup> Refer Important Notice on slide 2 for Resource Estimate information. <sup>2</sup>**Prospective resource estimate cautionary statement:** The estimated quantities of petroleum that may potentially be recovered by the application of a future exploration and development project(s) relate to undiscovered accumulations. These estimates are un-risked 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.



Strike secured 3 option slots on Rig 970 post the West Erregulla appraisal campaign. Each slot to be firmed prior to well commitment.

## Rig 970 Strike Well Program

**West Erregulla 3**

Significant Permian upside  
*'suspended'*

**West Erregulla 4**

267 BCF Wagina upside  
*completed as producer*

**West Erregulla 5**

*completed as producer*

**Walyering 5**

Targeting gross (P50)  
86 BCF & 2.1m bbls

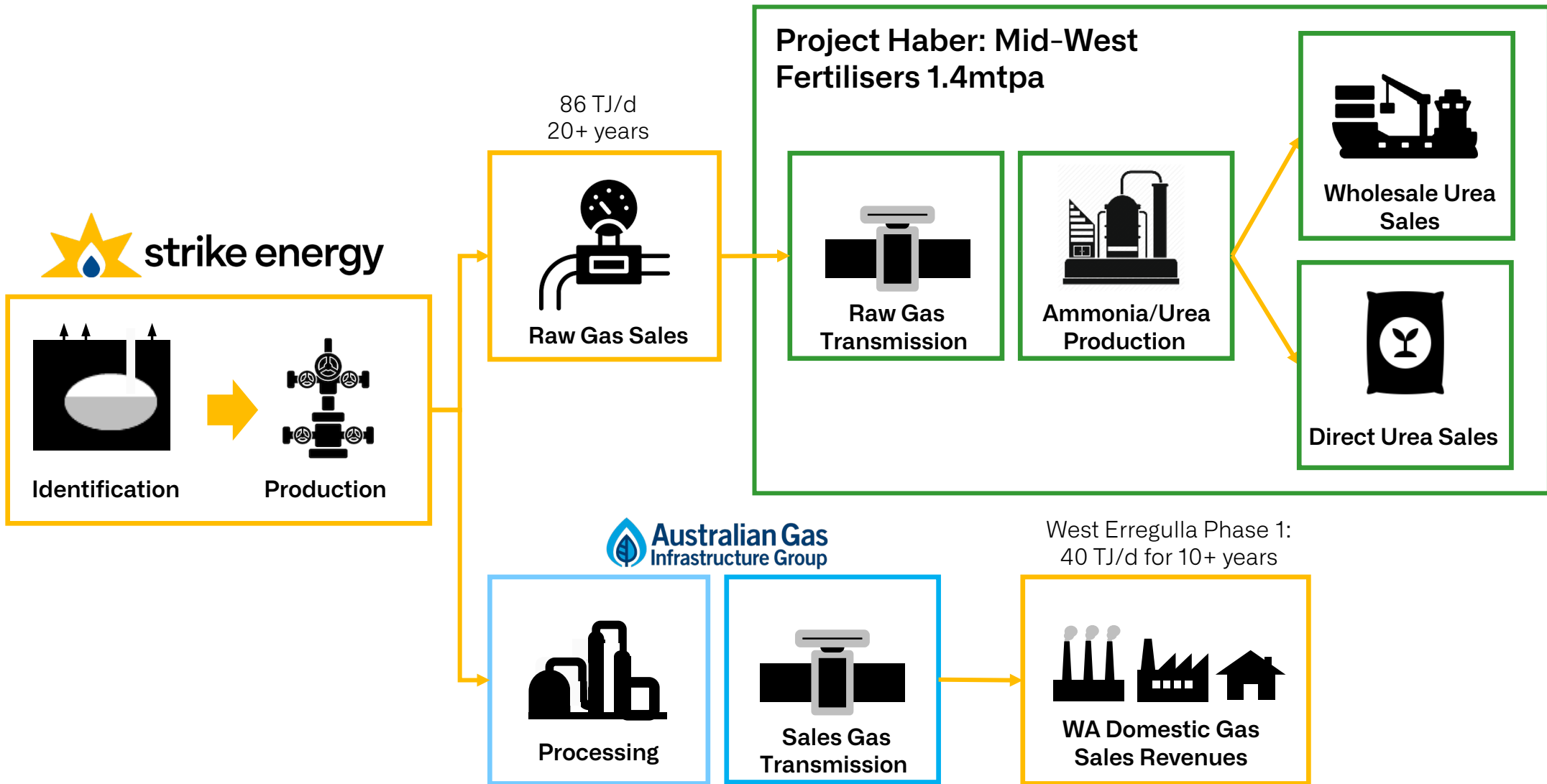
**South Erregulla 1**

Targeting  
1600 BCF (P50)

**Option Slot**

Follow up at Walyering  
or South Erregulla

<sup>1</sup> Refer Important Notice on slide 2 for Resource Estimate information. **Prospective resource estimate cautionary statement:** The estimated quantities of petroleum that may potentially be recovered by the application of a future exploration and development project(s) relate to undiscovered accumulations. These estimates are un-risked 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.



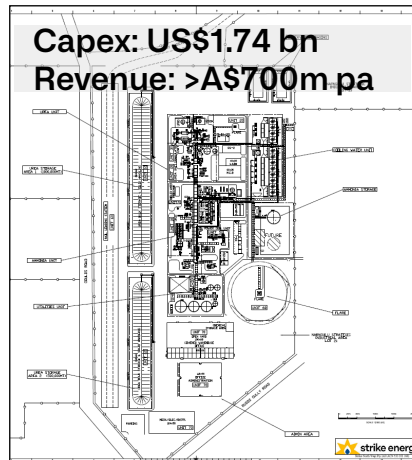
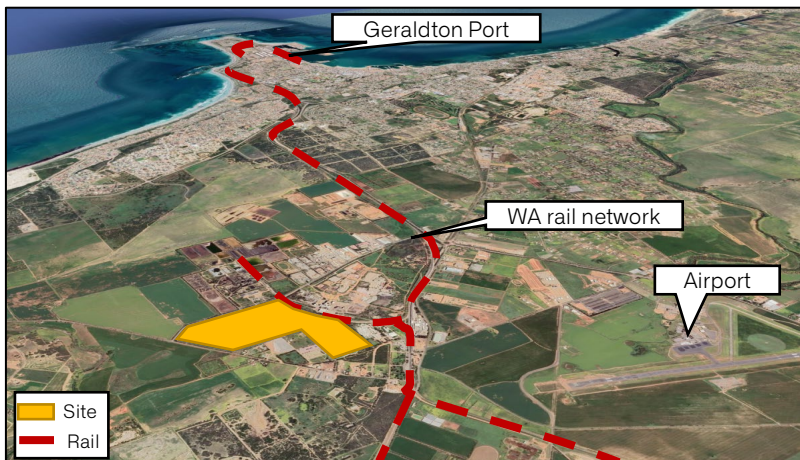
Strike will be positioned throughout the value chain providing diversified revenues whilst managing a common primary input cost



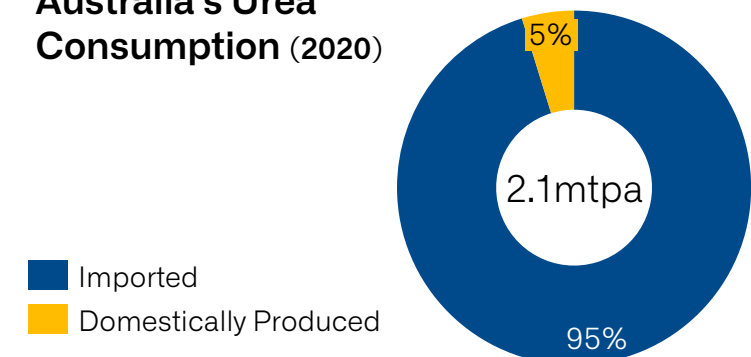


## Project Haber could:

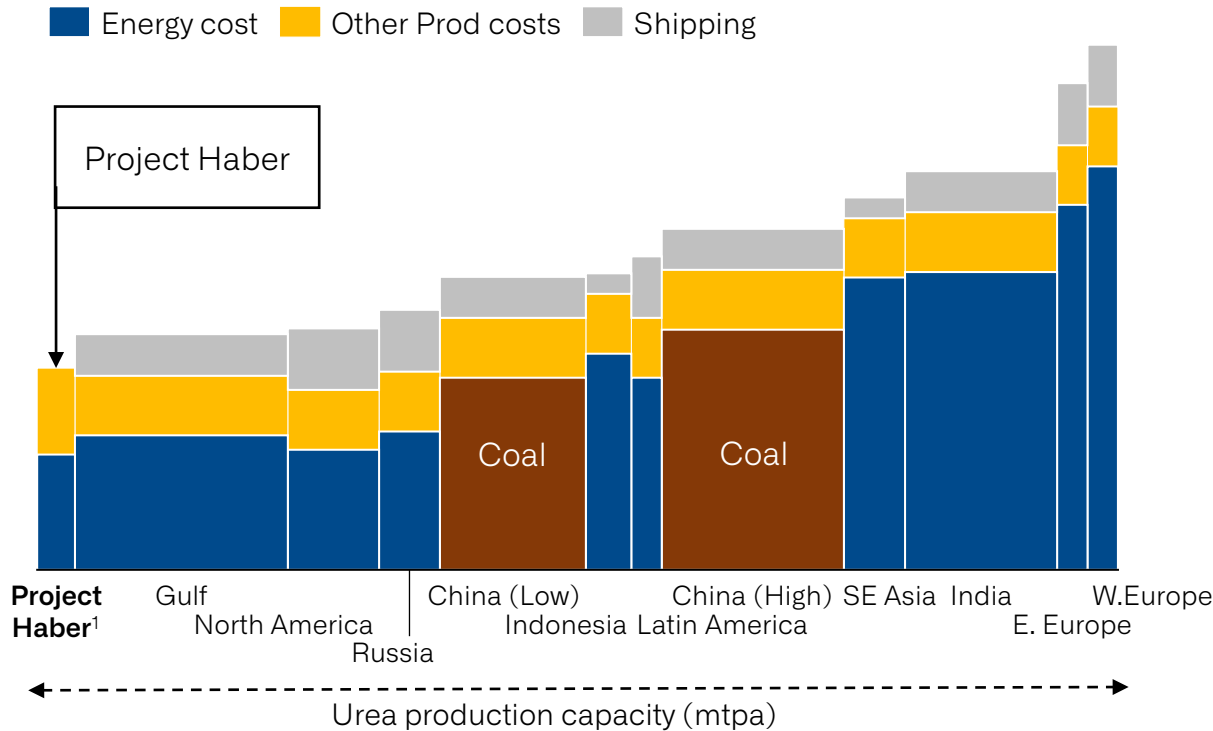
- Displace more than \$1 billion of imports (10% from China)
- Secure Australia’s supply of this critical commodity
- Reduce the cost of farming in Australia and make Australian cereals more competitive
- Reduce the carbon intensity of Australian farming
- Generate some of the world’s first green fertiliser



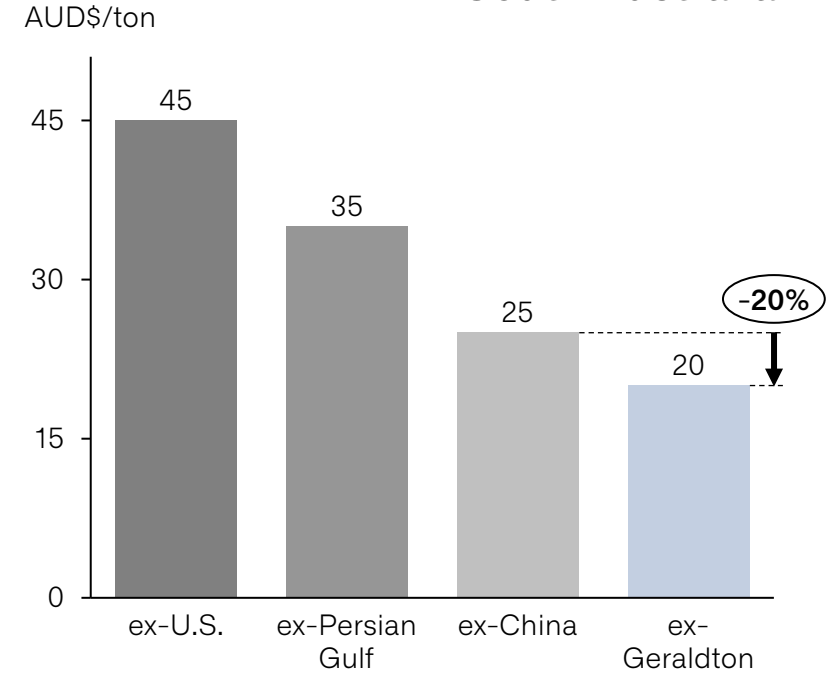
## Australia’s Urea Consumption (2020)



## A\$/t urea cash cost delivered Western Australia



## A\$/t shipping delivered to South Australia



- Greater Erregulla gas expected to be a more competitive energy feedstock than ~75% of the global urea market
- Shipping urea ex-Geraldton into SA will be 20% to 50% cheaper vs international import competitors

**Project Haber may land urea more competitively around Australia than importing from the major international competitors**

# Why is urea (fertiliser) for Strike?

## Create long term gas demand

- Generate gas demand (86TJ/d) equivalent to 628 PJ over 20-years
- Greater Erregulla regional gas has direct nearby consumer with dedicated pipeline

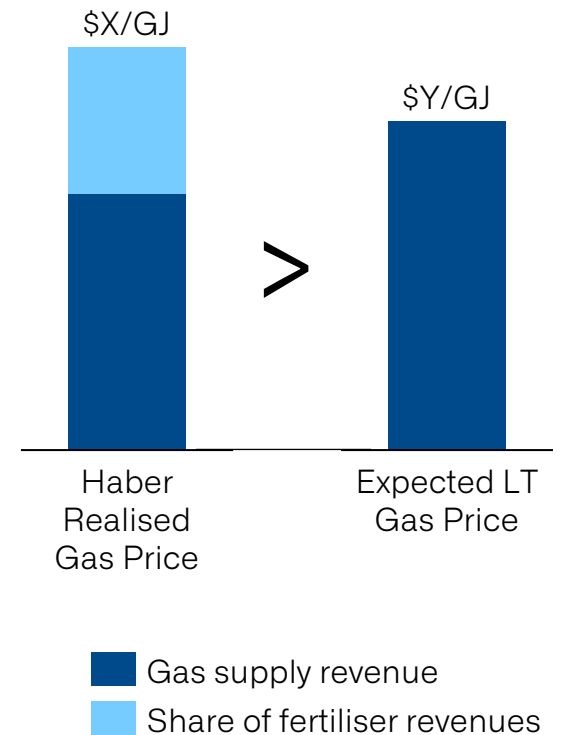
## Vertical integration

- Compelling economic case as gas forms 70% of the cost base for urea production
- Integration creates a diversified revenue stream with incremental margin
- Management of its entire carbon footprint from production to consumption

## Superior shareholder returns

- More attractive shareholder returns than a traditional long term domestic gas sales agreement
- Maximises the Realised Gas Price<sup>1</sup> it can attain for the resource it brings to market

**Project Haber is expected to generate a realised gas price<sup>1</sup> greater than expected long term WA gas prices**




<sup>1</sup> Realised Gas Price = revenue received for gas supply plus fertiliser revenues received as an equity holder in a downstream industry divided by the total volume of gas supplied to the fertiliser plant



20ktpa of green ammonia



Clean Energy Innovation Park



Badgingarra Renewable Hydrogen Project



Up to 5,000MW of capacity planned

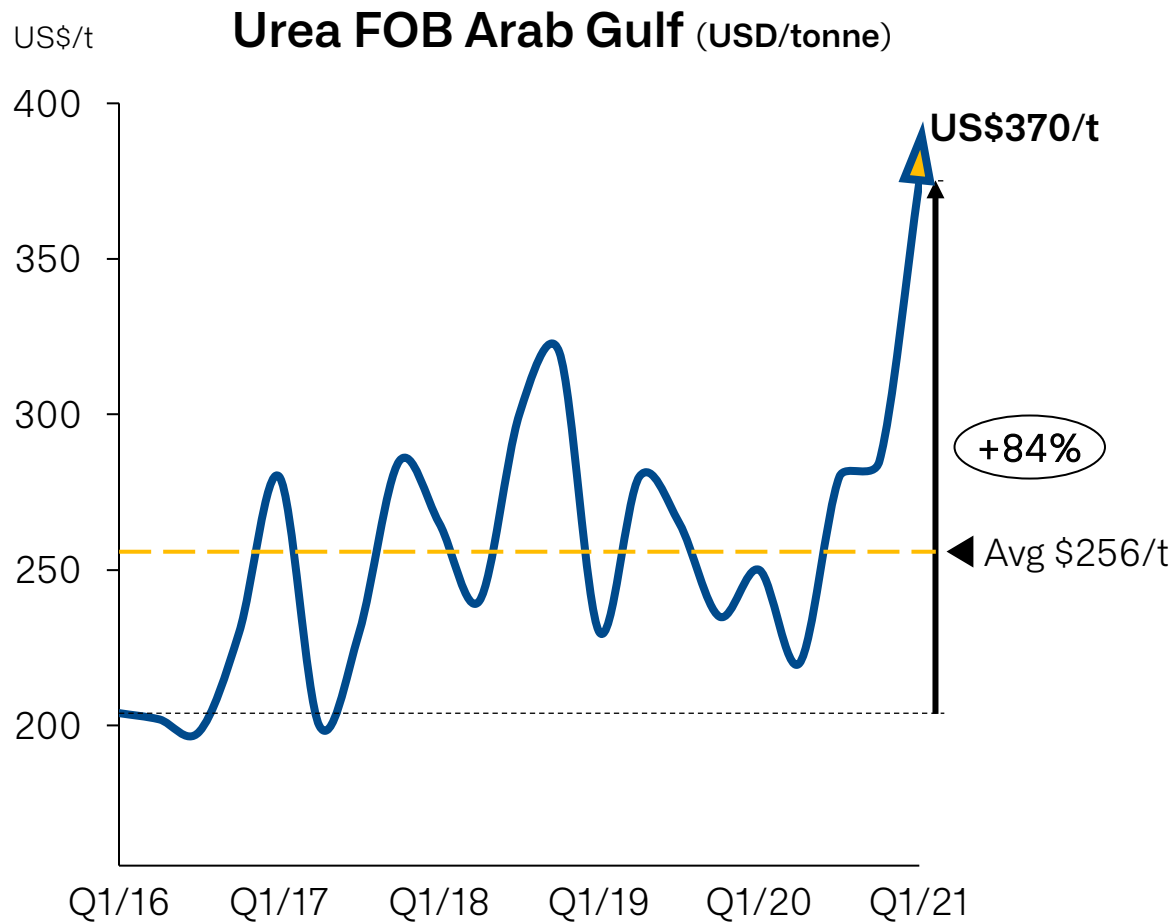
**Project Haber:**  
Dedicated 10MW electrolyser  
2% of total H2 input

**Oakajee Development:**  
Renewables park and future proponents



Arrowsmith Hydrogen Project

**Project Haber is an enabler to the Mid-West hydrogen vision and is supported by the 900 MW of local renewable energy**



More competitive pricing

Certainty of supply

Reduced pricing volatility

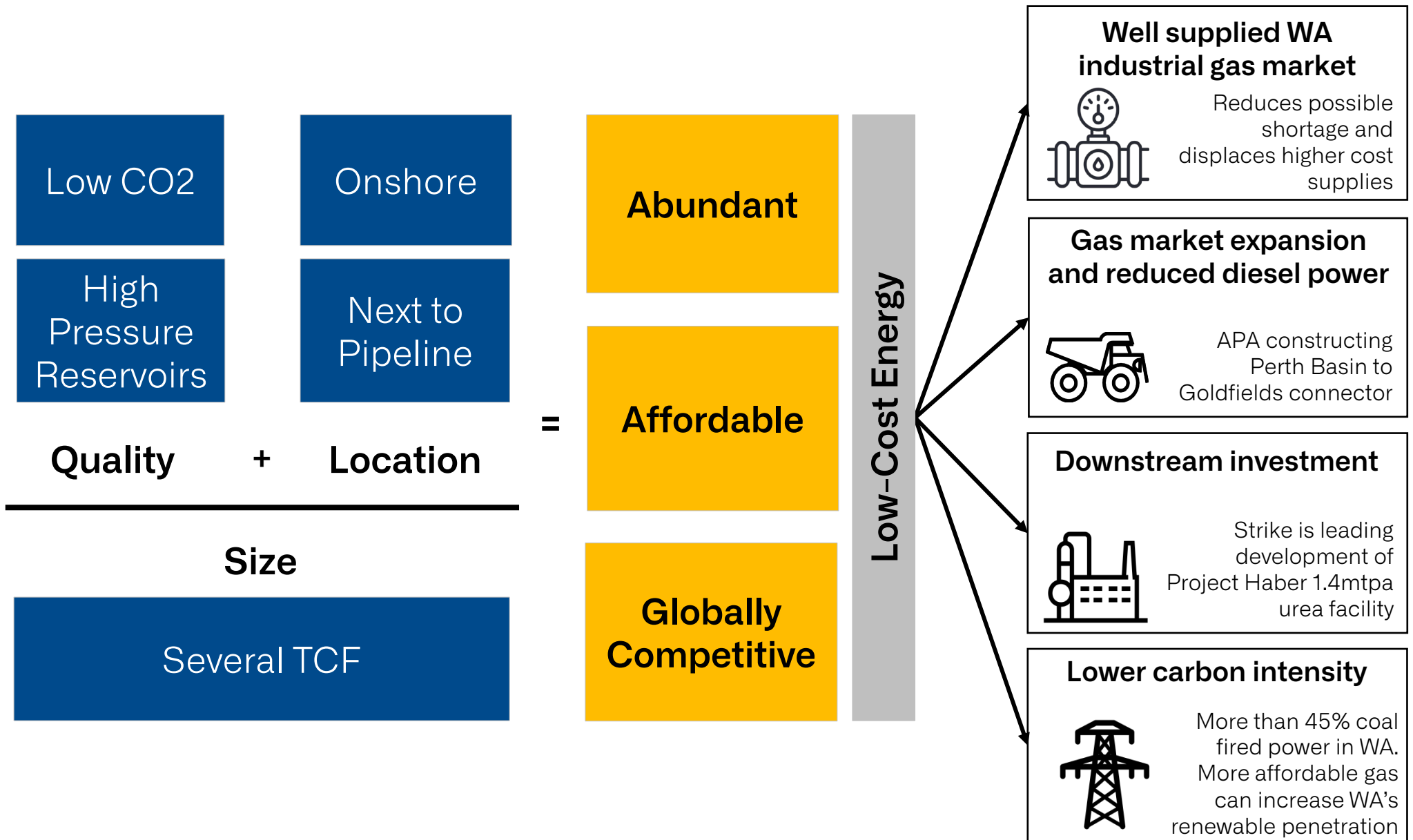
Carbon reduction

Guaranteed quality

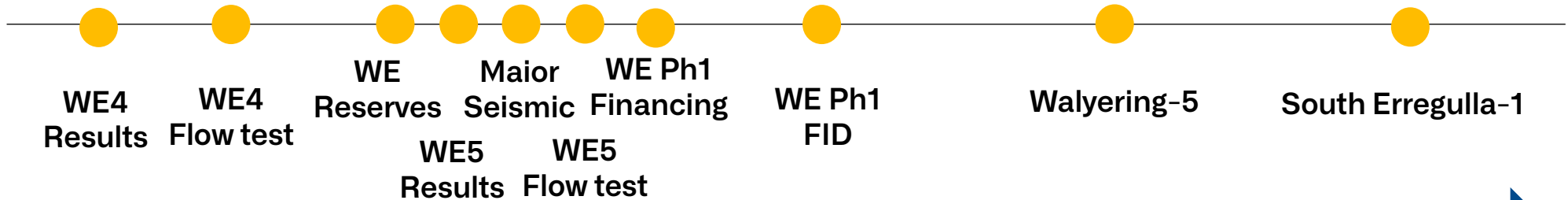
**Urea is at 5-year highs with prices north of US\$370/t**

**Shipping costs are currently >\$40/t**

# The Perth Basin equation to drive WA's economic growth



## Upstream targeted portfolio events



March 21

Strike

## Downstream targeted portfolio events



\*Milestones and timelines are contingent on, among other things, appraisal results, Joint Venture discussions/processes, capital procurement, commercial processes, engineering works, land access and regulatory approvals.



**strike**  
**energy**