

Strike commits to gas plant procurement at West Erregulla

- Strike has committed to the procurement, fabrication and timeline of the 87 TJ/d Phase 1 gas processing plant long lead items with AGIG.
- AGIG development and gas processing agreements progressing towards finalisation.

Strike Energy Limited (Strike - ASX: STX) is pleased to provide an update on the development of the West Erregulla gas field as part of the proposed Phase 1 development.

Strike has made firm commitments with Australian Gas Infrastructure Group (AGIG) to commence procurement of long lead items required for the proposed 87 TJ/d Phase 1 gas processing plant. The components to be procured have a gross value of \$31.5 million in relation to which the West Erregulla Joint Venture parties will provide security against break costs in accordance with an agreed escalating commitment profile. The initial commitments are minimal but will rise over time as the components are fabricated. Once AGIG make their construction undertaking (expected post environmental approval in Q4/21) and other conditions precedent are satisfied, the long lead items will form part of the gas processing plant to be delivered under a full project development agreement where the existing security will be refunded back to Strike.

The parties can opt to exit the procurement process before entering into final agreements with AGIG but will face escalating break costs from the contracts with the vendors.

Strike Energy Limited, Managing Director & CEO, Stuart Nicholls said:

"This is an exciting time for Strike as it formally crosses the line into development. Whilst only an initial commitment, this procurement paves the way for the beginning of the construction of the AGIG gas plant, which is a central to Strike's Greater Erregulla gas strategy.

AGIG have been a pleasure to work with to this point and the parties have found strong alignment in agreeing these important interim arrangements. The company looks forward to formalising the investment decision with AGIG in the near term."

Strike Energy Limited operator and the holder of a 50% joint venture interest in EP469, and Warrego Energy (ASX: WGO) holder of the other 50% joint venture interest.

This announcement is authorised for release by the Managing Director and Chief Executive Officer in accordance with the Company's Continuous Disclosure Policy.

Company Contact

Stuart Nicholls

Managing Director & CEO

Email: stuart.nicholls@strikeenergy.com.au

Investor & Media Contacts

Paul Ryan (Citadel-MAGNUS)

Phone: 0409 296 511

Email: pryan@citadelmagnus.com