

Financing Strategy Update

- Additional \$20 million facility has been agreed with Macquarie Bank Limited.
 - \$10 million committed and executed for current operational activities.
 - \$10 million which is uncommitted and is intended to progress development of Strike's Perth Basin gas assets, including Walyering, subject to Macquarie approval.
 - Existing fully drawn \$13 million Macquarie facility extended by a year.
 - Facilities to finance Strike's pre-FID expenditure across its various high quality gas projects in the Perth Basin.
 - Project Haber pre-FID financing being pursued at the project entity level.
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Macquarie Debt Facility

Strike Energy Limited (Strike - ASX: STX) is pleased to announce that it has secured an additional up to \$20 million secured debt facility with Macquarie Bank Limited ("Macquarie") to cover pre-development and development costs across its portfolio of high-quality Perth Basin gas projects. The facility is intended to provide Strike with the capital required to continue to progress its journey to becoming a significant Western Australia's gas producer.

The facility is structured in two tranches, with the first tranche of \$10 million committed with similar conditions to the existing drawn debt. The second tranche of \$10 million is uncommitted and is subject to Macquarie approvals which is intended to cover Strike's share of the costs to bring the Walyering gas project into production. In addition, Macquarie has agreed to extend repayment for the existing \$13 million of drawn debt by a further year to November 2023.

The facility includes capitalising interest where all outstanding funds are to be repaid on maturity in November 2023. The facility contains customary covenants and reflects the excellent relationship that exists between Strike and Macquarie.

Strike expects that as Walyering passes through FID in 2H 2022 and subject to Macquarie's further approvals, the total drawn debt may be rolled into a proposed project finance facility supported by Walyering production which would provide a longer term and more competitive cost of capital. This could occur as early as the third quarter of CY22.

As part of the establishment cost of this new facility, Strike will issue Macquarie with 20.7 million options to subscribe for Strike ordinary shares at an exercise price of 34 cents (a 15% premium to the 30-day VWAP at the time of commitment). These options will be issued at the financial close of the initial tranche, will not be subject to shareholder approval, and will expire 22 December 2024. The facilities are to be secured against Strike's West Erregulla and Walyering assets and will rank behind joint venture cross security.

Project Haber Pre-Development Financing

Project Haber has been corporately structured so as to quarantine the fertiliser plant, the South Erregulla gas fields, sequestration reservoir and the recently acquired land that forms the Mid West Low Carbon Manufacturing Precinct. Strike and its advisers are investigating potential



options for pre-FID capital expenditure to be funded from within this structure which may include possible nonparent recourse pre-development facilities or a potential initial sell down of a minority interest at the project level. In the medium term, a further project equity sell down prior to FID is the primary mechanism that Strike intends to use to fund its equity contribution to construction.

This announcement is authorised by Stuart Nicholls, Managing Director & Chief Executive Officer of Strike in accordance with the Company's Continuous Disclosure Policy.

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