

Strike Energy Limited

Bell Potter - Energy Briefing

July 2022



The march towards production

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Project Haber and Precinct Development

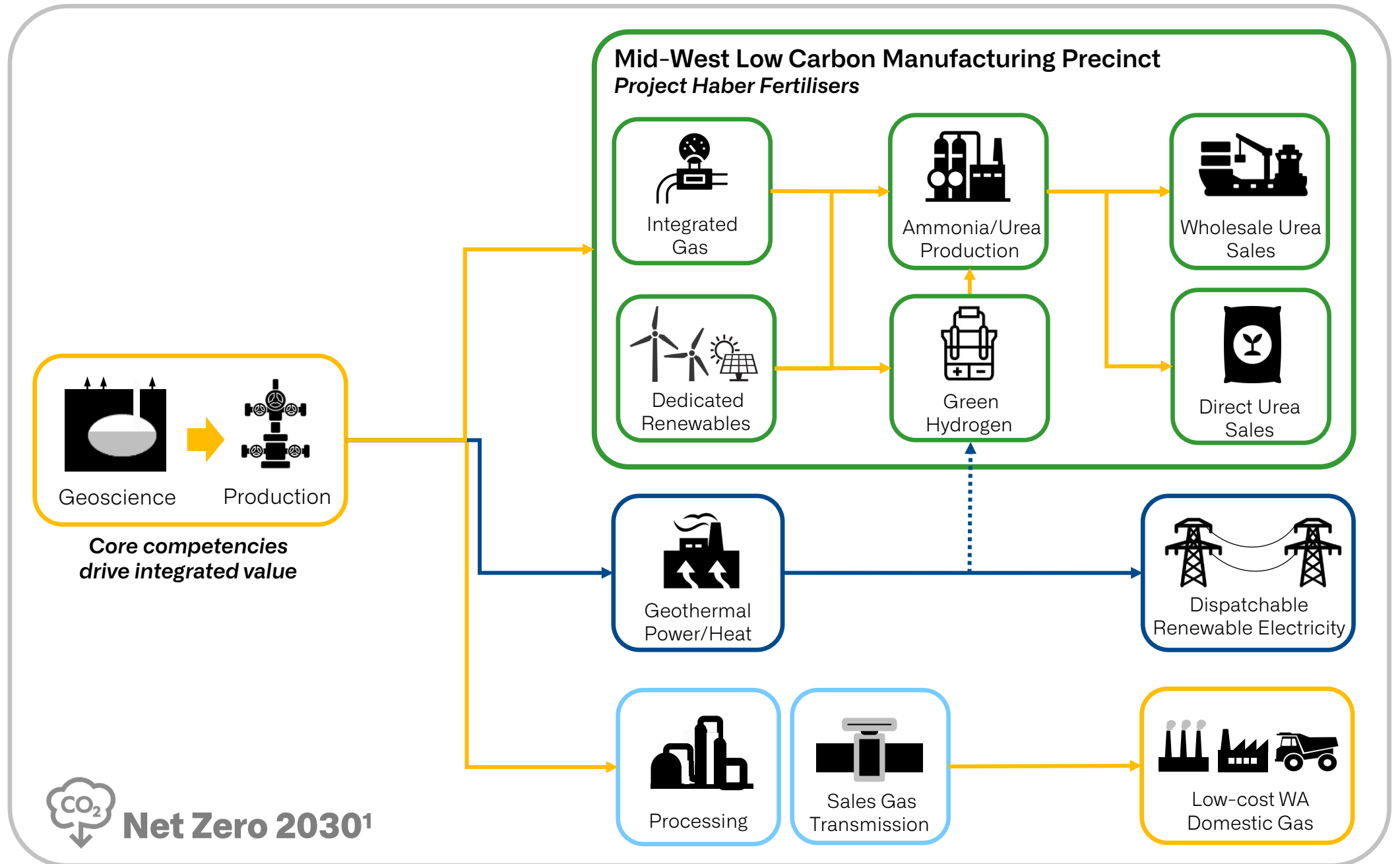
The proposed Low Carbon Mid-West Precinct development, including siting Project Haber within the Precinct area, will be contingent on, among other things, successfully re-zoning the land for the intended renewable and industrial uses, obtaining all other required regulatory approvals, licences and authorisations and, in the case of the renewable uses, securing renewables developer on terms acceptable to Strike Energy. The successful development of Project Haber is contingent on, among other things, the outcomes of FEED on Project Haber, the proving up of sufficient gas reserves at South Erregulla, access to finance and (where required) equity participation, finalising urea offtake agreements, and obtaining all requisite regulatory and stakeholder permits, approvals and authorisations. The concept, feasibility and pre-FEED studies prepared by TechnipFMC on Project Haber to date (as referenced in ASX announcement dated 15 December 2021 titled "Project Haber Update") have been undertaken to determine the potential viability of Project Haber and to reach a decision to proceed with more definitive studies, and as such are indicative in nature only. The studies are based on low-level technical and economic assessments and are insufficient to provide full assurance of an economic development case at this stage or provide certainty that the conclusions of the studies will be realised and that the development of Project Haber will be commercially viable.

Information regarding Reserve and Resource Estimates

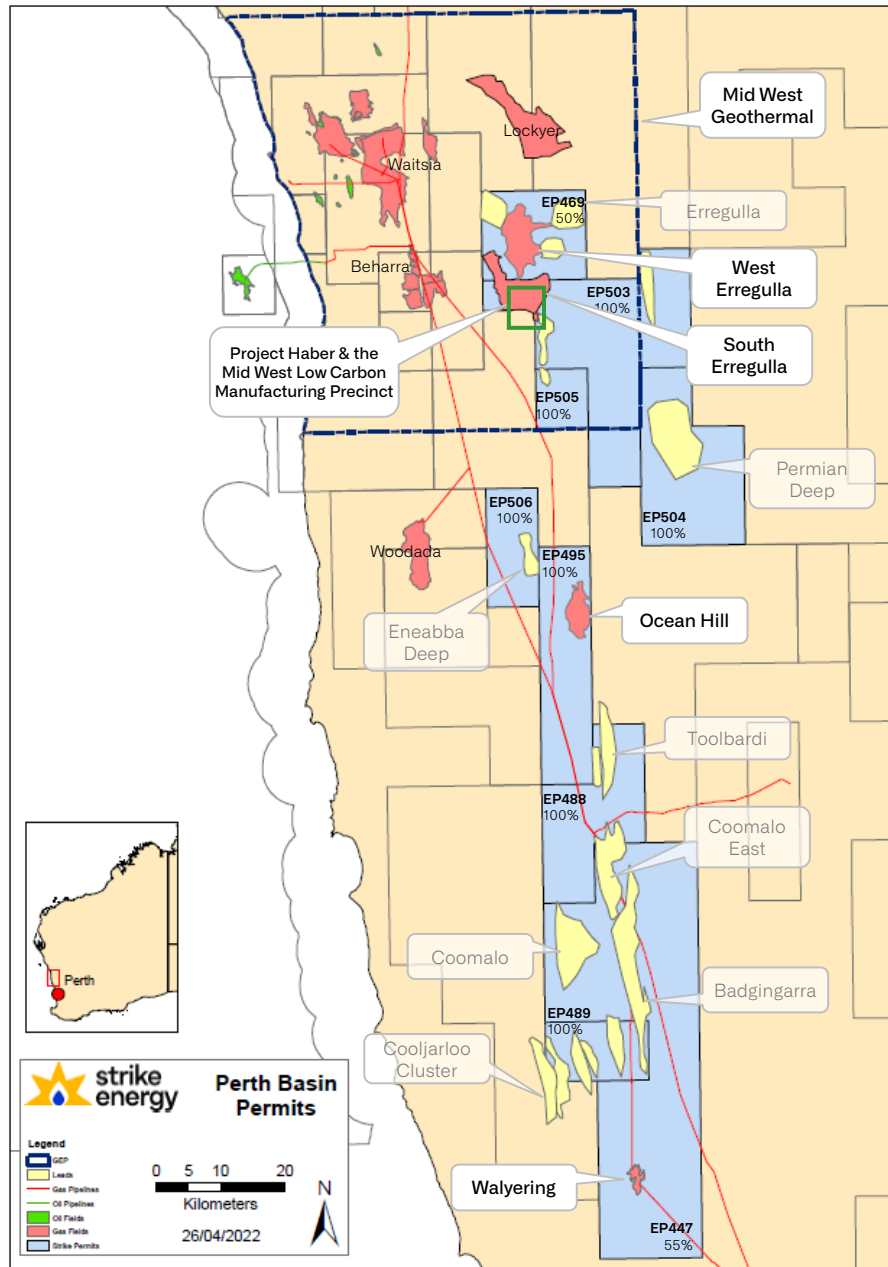
Information in this presentation relating to the Reserve and Resource Estimates for:

- the West Erregulla Project is set out in the ASX announcement dated 11 October 2021 entitled "Strike delivers maiden Perth Basin gas reserve". Strike Energy interest is 50%.
- The Walyering Reserve and Resource Estimate is set out in ASX announcement dated 21 July 2022 entitled "Independent Certification of Walyering Reserves". Strike Energy's equity interest is 55%.
- 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's equity interest is 100%.
- the Mid-West Geothermal Project Inferred Resource is set out in ASX announcement dated 5th May 2022 titled "Mid-West Geothermal Power Project Inferred Resource Statement".

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 announcement continues to apply.



¹ Refer to ASX announcement entitled "Strike Commits to Net Zero 2030" dated 14 May 2021 for the assumptions and source information on which Strike's Net Zero Plan is based.



WA Domestic Gas

- Low-cost onshore positions
- Adjacent to two major pipelines
- Closest source of gas for ~80% of WA market
- Operator in all permits



Walyering¹

Gas sales up to 37 TJ/d from En d 22-Q1/3. Gross 54 PJ 2P, 48 PJ 2C/2U : 55% Strike

West Erregulla¹

Gas sales 87 TJ/d expected late 2024. Gross 300 PJ 2P, 326 PJ 2C/2U: 50% Strike

Ocean Hill¹

360 PJ, 1.2 mln bbls condensate 2C: 100% net to Strike, appraisal planned 2023

Gas Exploration Upside

~3,000km² of highly gas prone Perth Basin acreage: 100% net to Strike

Project Haber

- Proposed 1.4mtpa Urea Fertiliser plant: 100% Strike
- Access to Port, Railway and major highways
- To be sited in the Mid West Low Carbon Manufacturing Precinct
- Opportunity for up to 170 MW of dedicated wind and solar resource



South Erregulla

Multi discovery success at SE1 with resource confidence to progress urea development
100% Strike

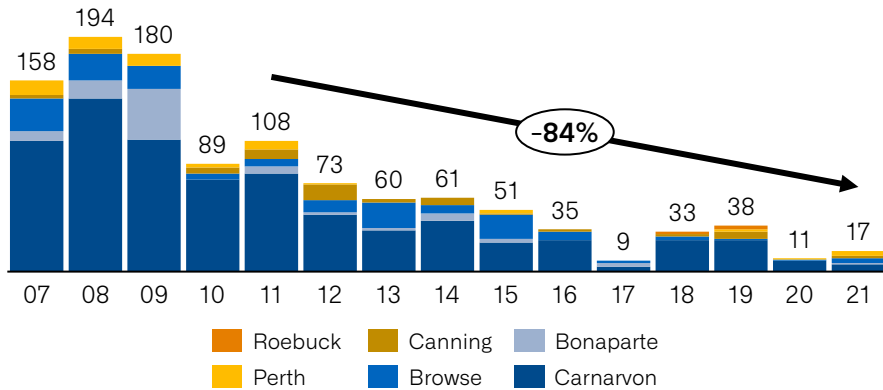
Mid-West Geothermal Power Project

- 1,750km² of prospective geothermal acreage under application
- 226 MWe, 30 years of mid-case P50 inferred resource¹
- Highly complementary to existing activities
- Strike 100%



WA (oil and gas) wells drilled per Basin per year

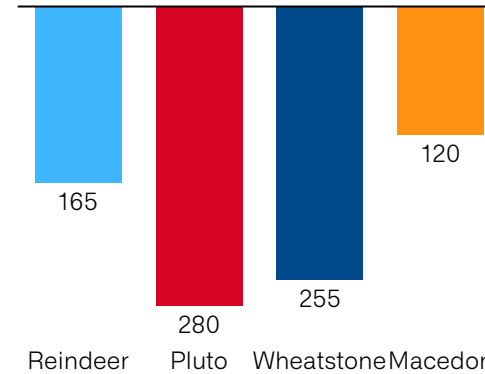
Under Investment



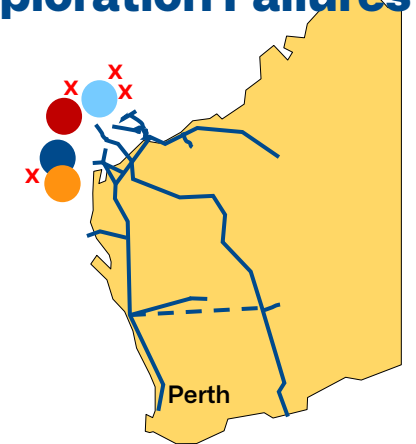
Source: Compiled using information from APPEA and National Offshore Petroleum Titles Administrator.

2P reserves write downs (PJc)

Write Downs & Exploration Failures

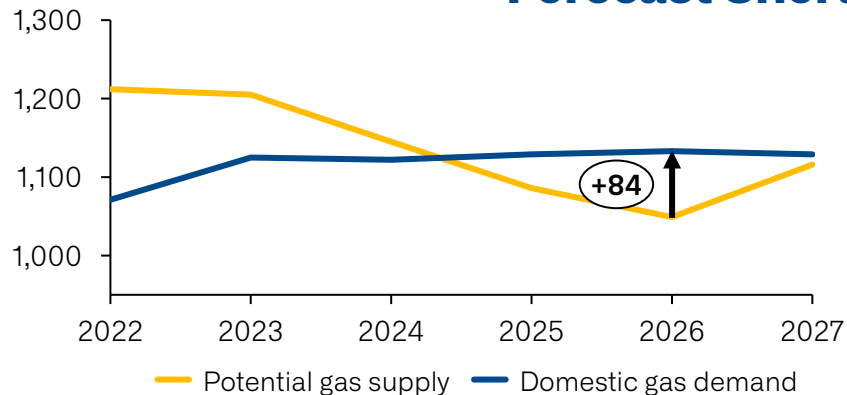


Source: Various Company announcements



AEMO Base scenario WA gas market balance (TJ/d)

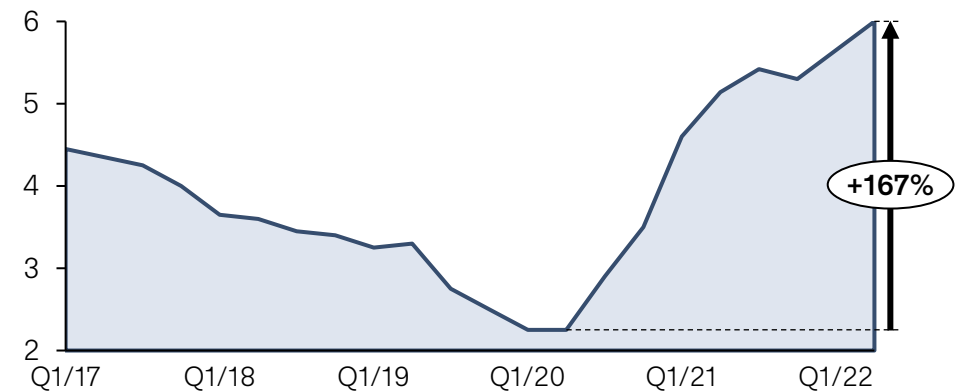
Growing Demand & Forecast Shortage



Source: AEMO Gas Statement of Opportunities 2021

WA spot gas price (\$/GJ)

Prices Up



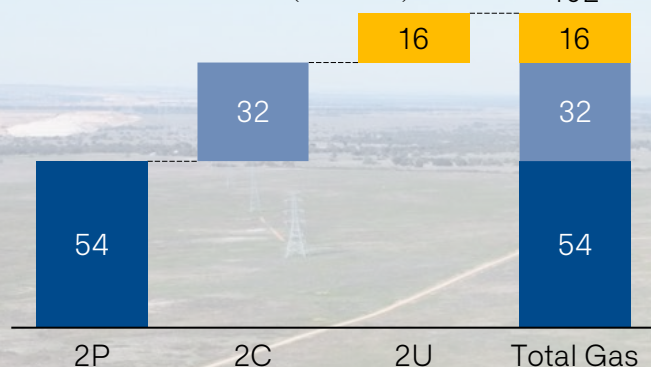
Source: Compiled using information from GasTrading Spot Market - Forecast v Actual: <http://www.gastrading.com.au/spot-market/historical-prices-and-volume>

A low-cost development that will translate into the Company's first cashflows

Independent Walyering Reserves & Resources¹

Gross, P50 PJ, RISC Advisory

Plus 1.02 mmbbls condensate (2P/2C/2U)



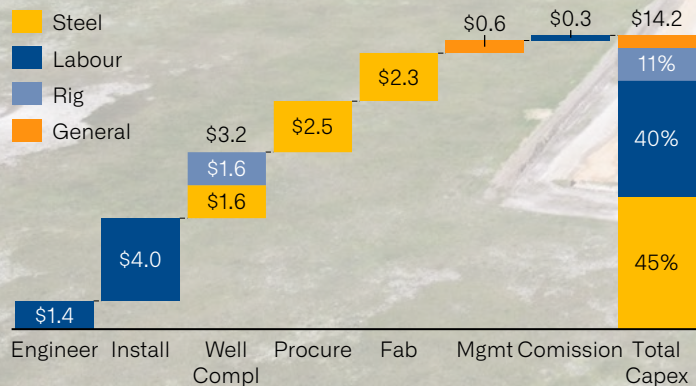
Walyering-5

- 75 TJ/d stabilised, 2,600psi WHP
- 8 bbls/mmscf of condensate
- 51m of net gas pay

Parmelia Gas Pipeline

- Compressor Station-3 and tie in point, 70 TJ/d capacity
- Metering/Gas Spec equip

Walyering Gas & Condensate Field: 2 well Development Capital Estimate (gross, A\$mIn)



Walyering-6

- 35mmscfd, 1900 psi FWHP, 10 bbls/mmscf condensate
- 12m of net gas pay

Upstream Facilities

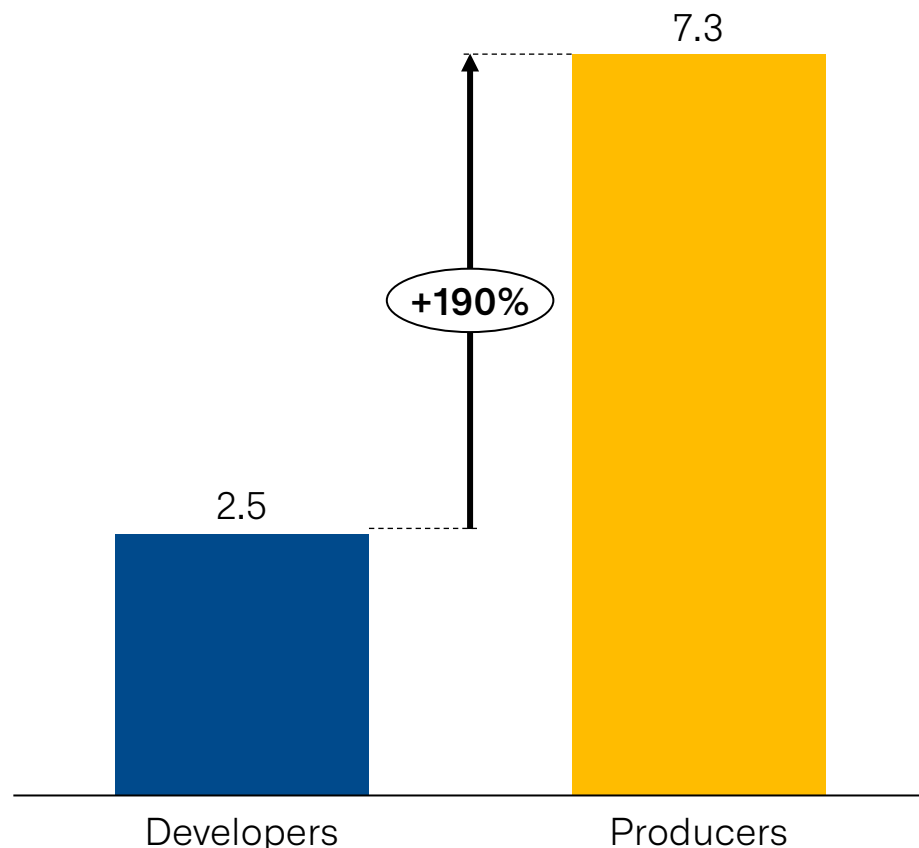
- Facility optimised at 33 mmscfd (37 TJ/d) and 400 bbls/d
- Store and load 1,400 bbls condensate

¹ Refer to the Important Notices on page 2 for Resource Estimate information and **Cautionary Statement on page 4.**

Australian listed energy companies

Enterprise value / 2P+2C

A\$/mmboe



ASX-listed Producers command a premium valuation relative to ASX-listed Developers

- Bringing Walyering online may help facilitate a re-rate across all of Strike's Perth Basin gas Reserves & Resources
- Production from operations will broaden the Company's capital options to develop its other projects and make it less reliant on equity or specific project financing.
- Production and cashflow generation will also facilitate covering the Company's overheads and generate some free cash flow after debt service for reinvestment into the portfolio to grow gas and start fertiliser production

West Erregulla

Permit: EP469

Interest: Strike 50%, operator

Production: up to 87TJ/d, ~10 years

FID: end-22

Gas Sales: end-24

Delivery Point: DBNGP

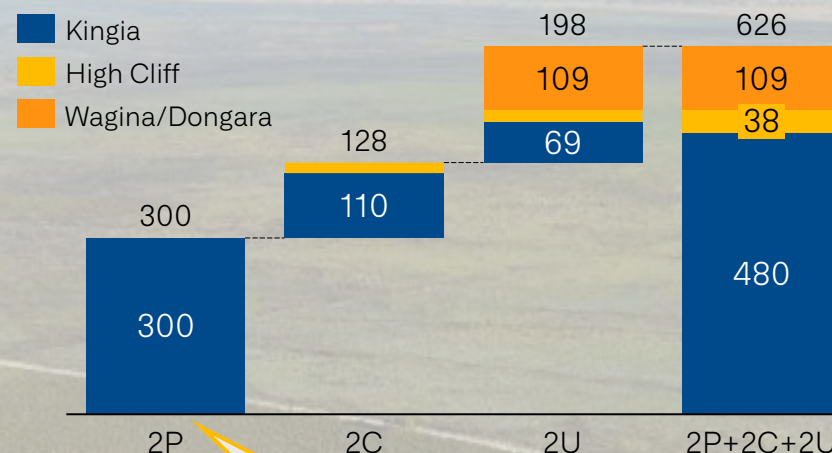
Reserves/ Resources: Gross 300 PJ 2P, 326 PJ 2C/2U¹

Gas Buyers: Wesfarmers & Perth Energy-AGL

Key Milestones in 2H/22:

- NSAI Reserves review
- WE3 Testing
- Environmental Permits
- Strike Financing
- FID

Build up of Gross P50 Gas Reserves & Resources¹ (Sales Gas PJ, Strike 50%)



Under Review by NSAI

A substantial reserve with a growing resource on its way to production operations in late 2024

^{*}Numbers are gross, Strike interest is 50% and operator in West Erregulla. Timelines for FID and production and rates are subject to amongst other things, approvals, capital procurement and operations.

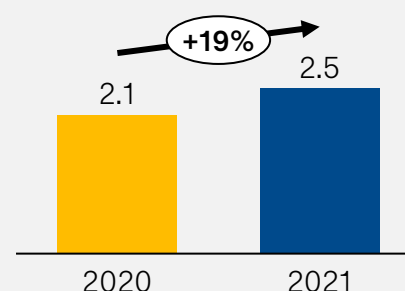
¹ Refer to the Important Notices on page 2 for Resource Estimate information and Cautionary Statement on page 4.



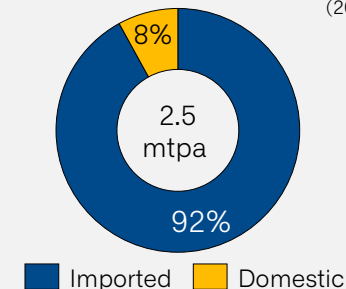
Domestication of fertiliser manufacturing

Sovereign fertiliser capability
Displace ~\$2bn of imports
~300 FT jobs for 30 years
Ongoing work to include AdBlue manufacturing

Australia's urea consumption grew 19% last year



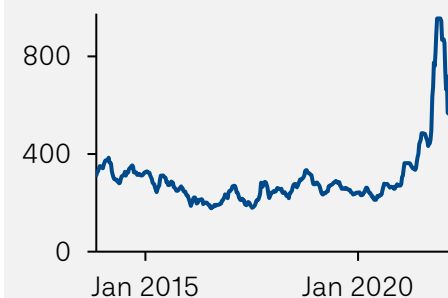
Australia's urea consumption almost exclusively imported (2021)



Reduce exposure to international markets

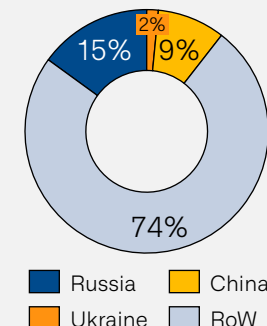
Dedicated gas supply immune from global prices
Reduce supply chain cost
Direct plant to farm deliveries (in WA) with wheatbelt location of plant

Urea Middle East FOB (US\$/ton)



Source:1

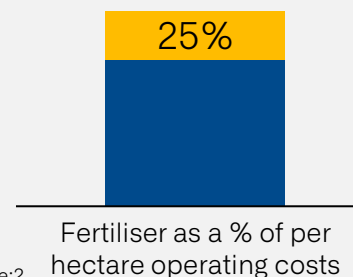
Global urea net export share (2021)



Improve competitiveness and reduce carbon intensity of Australian farming

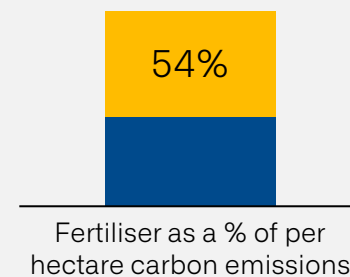
Est 60% CO2 reduction³
Green hydrogen integration

cost



Source:2

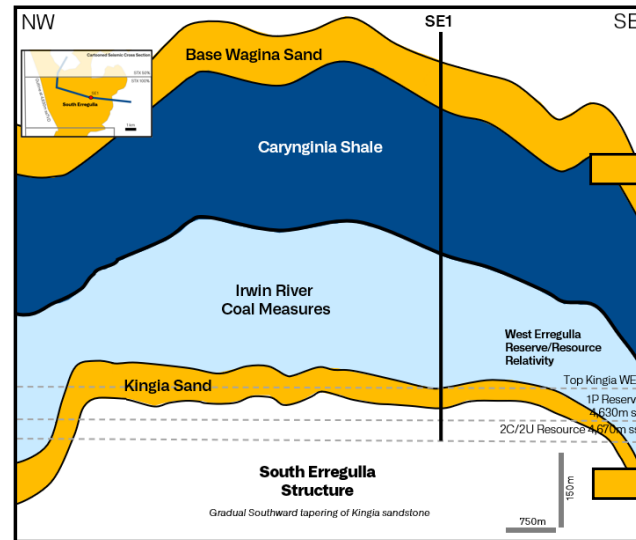
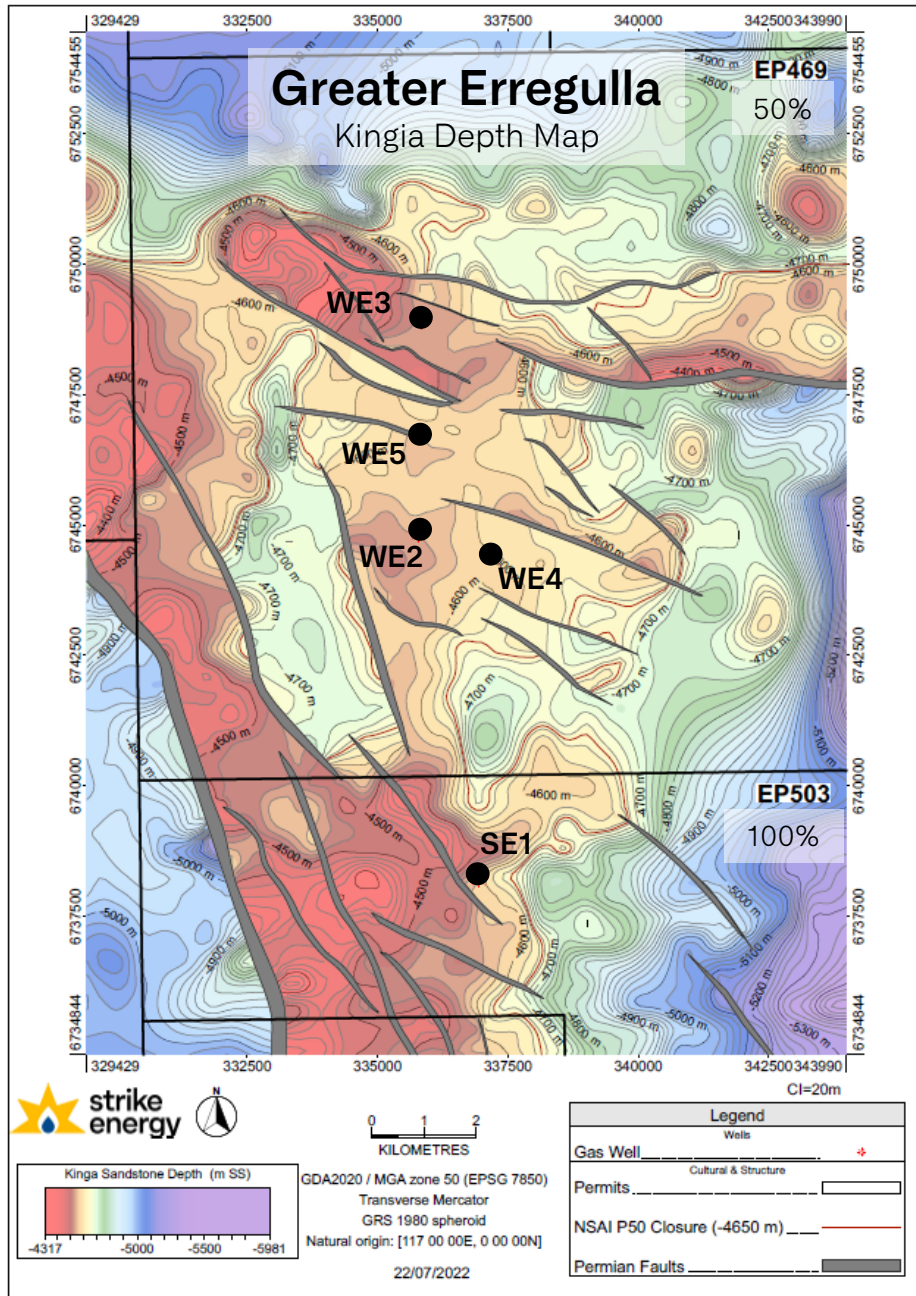
carbon



1. Source: Published by ICIS www.icis.com/fertilizers

2. Source: Planform (2021), *Benchmarks 2020*; and NSW Department of Primary Industries (2019), *WA Central Region Summary*.

3. Refer ASX Announcement 20th September 2021 titled "Project Haber to deliver further benefits as Pre-FEED completes" and to the Important Notices on page 2 as they relate to Project Haber.



Wagina Discovery
To be tested in August



“Strike’s 100% owned South Erregulla-1 well has delivered multiple gas discoveries that provides a high degree of confidence in the gas resources required to unlock its transformational low carbon urea fertiliser development, Project Haber.

Years of Fertiliser Production

Reserves Required PJ's (at 73 TJ/d, 355 operational days per year)

11 (bankability and financing length)

300-350

10-15 (Koch offtake volume)

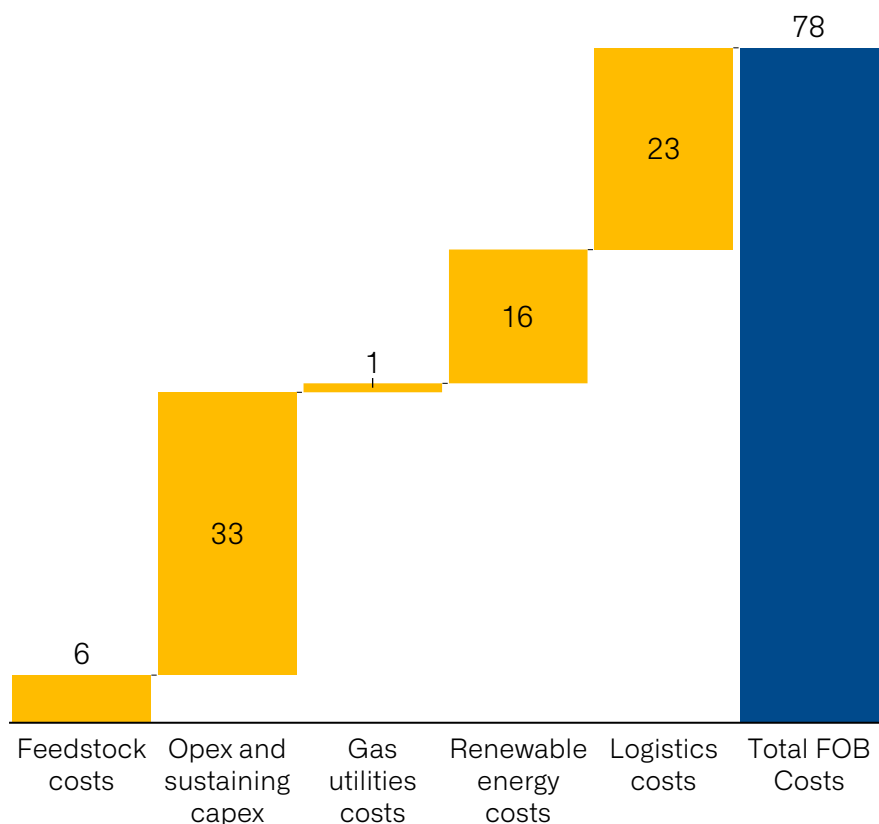
300-400

20 (base assumption)

490-600

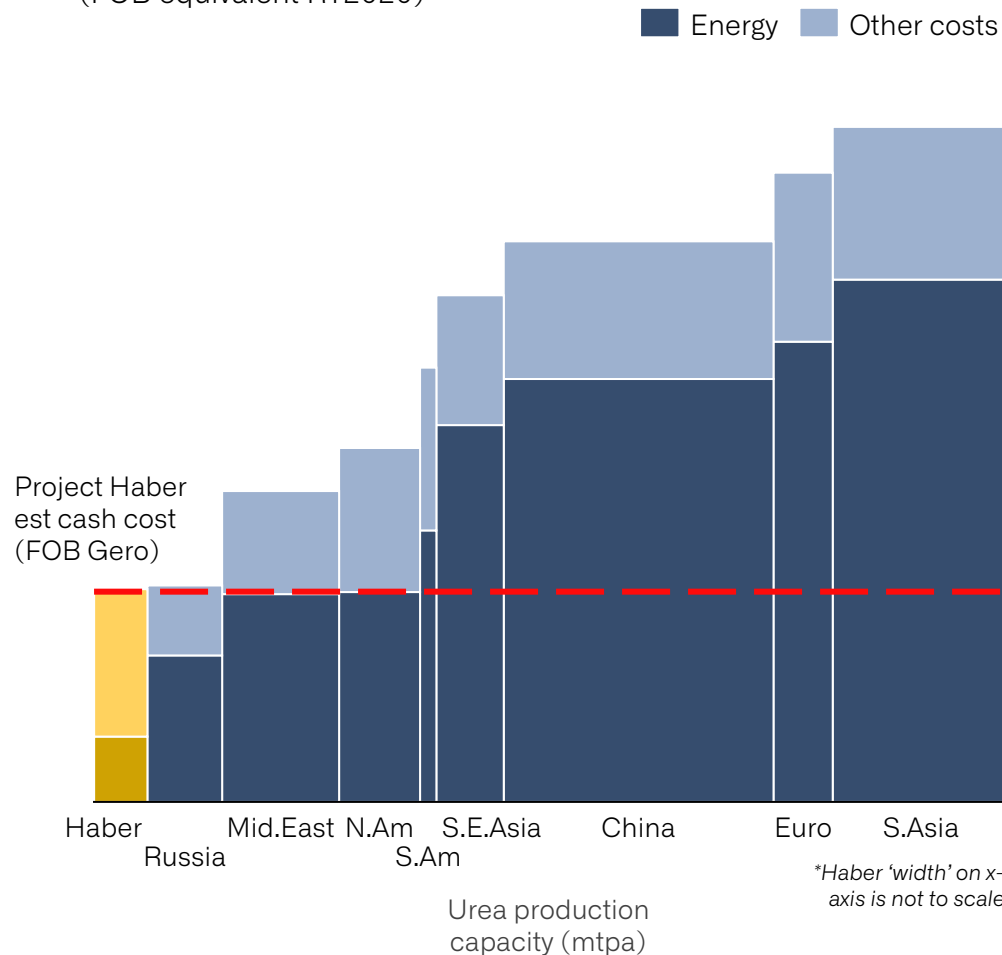
Estimated Project Haber urea cash cost build-up

(FOB Geraldton Port, USD tonne as at 11th July 2022)



Global urea cash cost curve

(FOB equivalent RT2020)



Project Haber is designed to manufacture Australia's most competitive supply of nitrogen based fertiliser due to its advantageous location, technology choices and integrated gas and renewable energy supply

Project Haber's enormous value is yet to be reflected in the Strike market capitalisation. Proof points include major validation milestones via:



South Erregulla gas discoveries and testing



Federal Major Project Status & WA Lead Agency Service



WA Government \$332m upgrade of Geraldton Port



Strike acquisition of Low Carbon Manufacturing Precinct



Koch Fertilizer non-binding offtake award

1.4 mtpa low carbon urea plant

Offtake

- Non-binding term sheet for 100% offtake for up to 15 years
- Internationally linked pricing
- AA+ credit rating



Best in Class Technology

- Ammonia
- Urea
- Granulation



Engineering & Construction

- FS & Pre-FEED
- FEED & EPC



Support & Services

- Major Project Status
- Lead Agency Service, WA
- Mid West Port (Gero, \$330m)
- Water



Before entering substantive expenditure, Strike is pursuing the following dedicated Haber financing opportunities:

Haber level pre-development debt facility



Minor project equity sell down

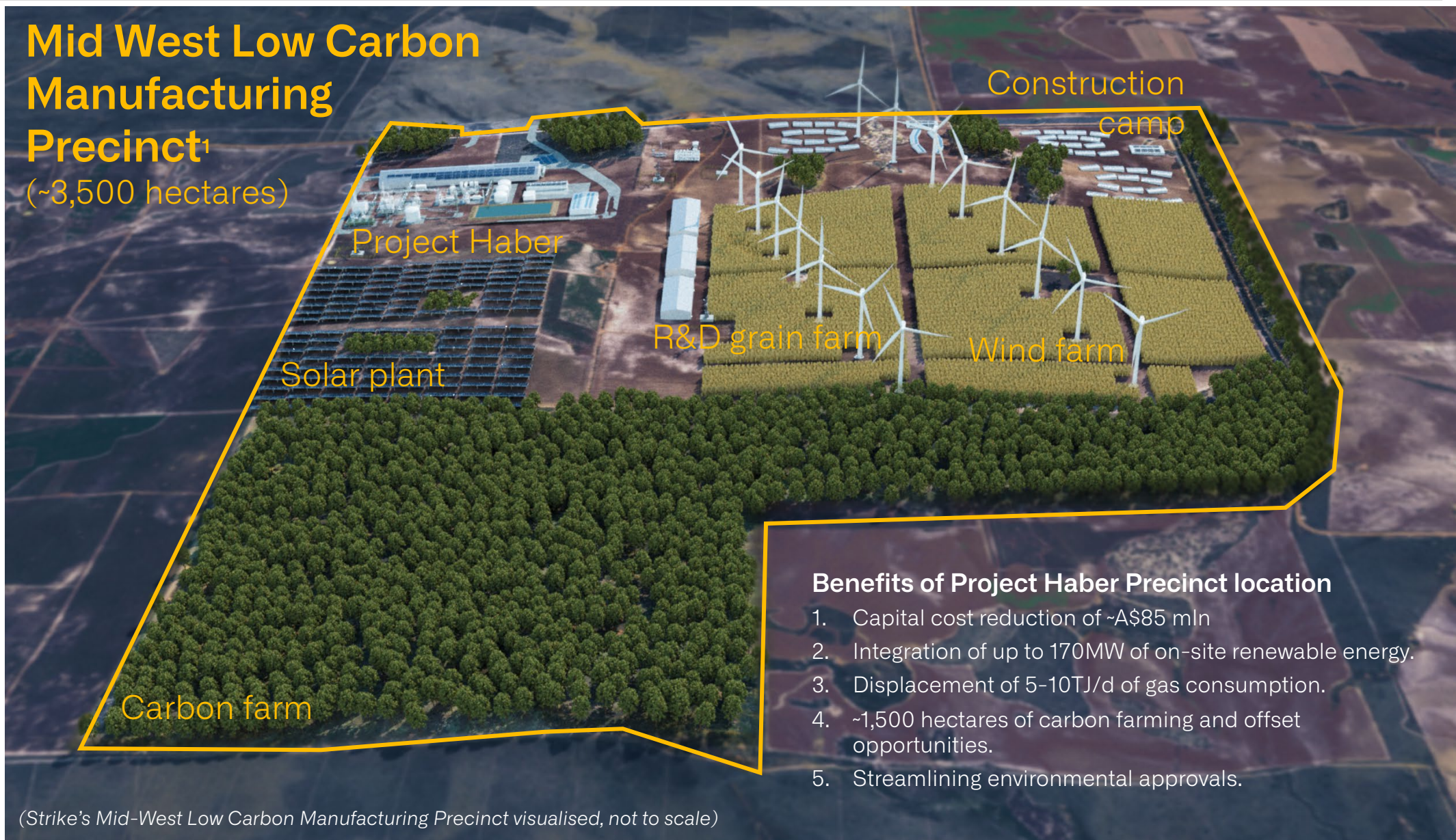


Corporate or Green linked Bond



Mid West Low Carbon Manufacturing Precinct¹

(~3,500 hectares)



Benefits of Project Haber Precinct location

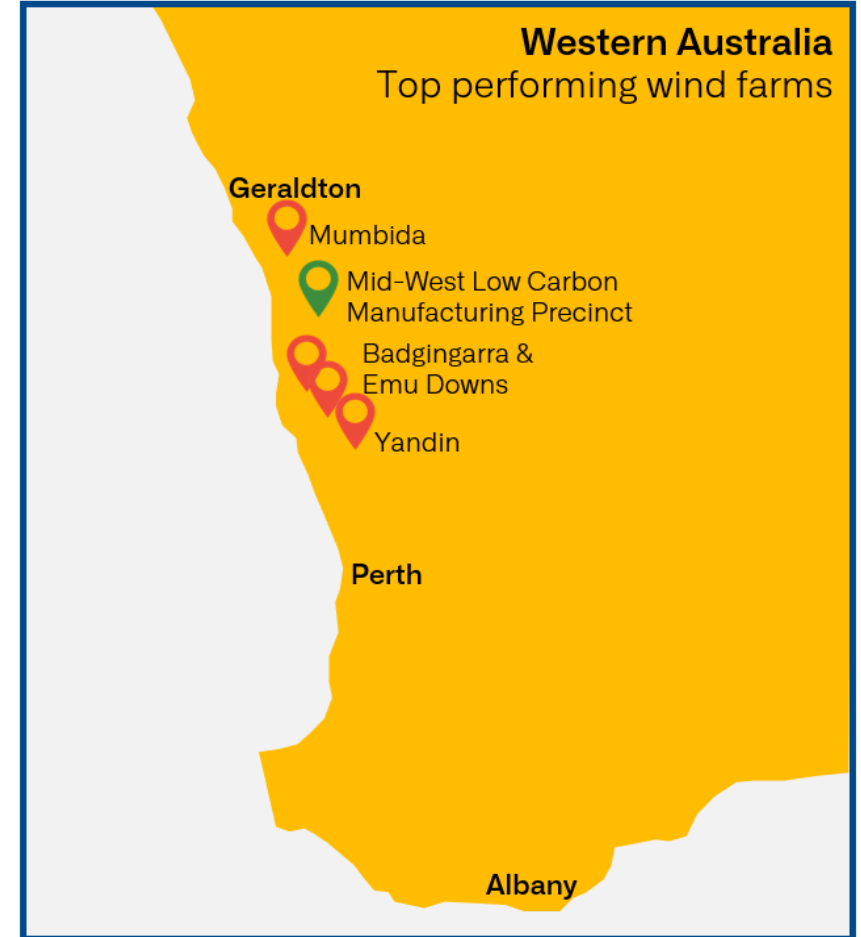
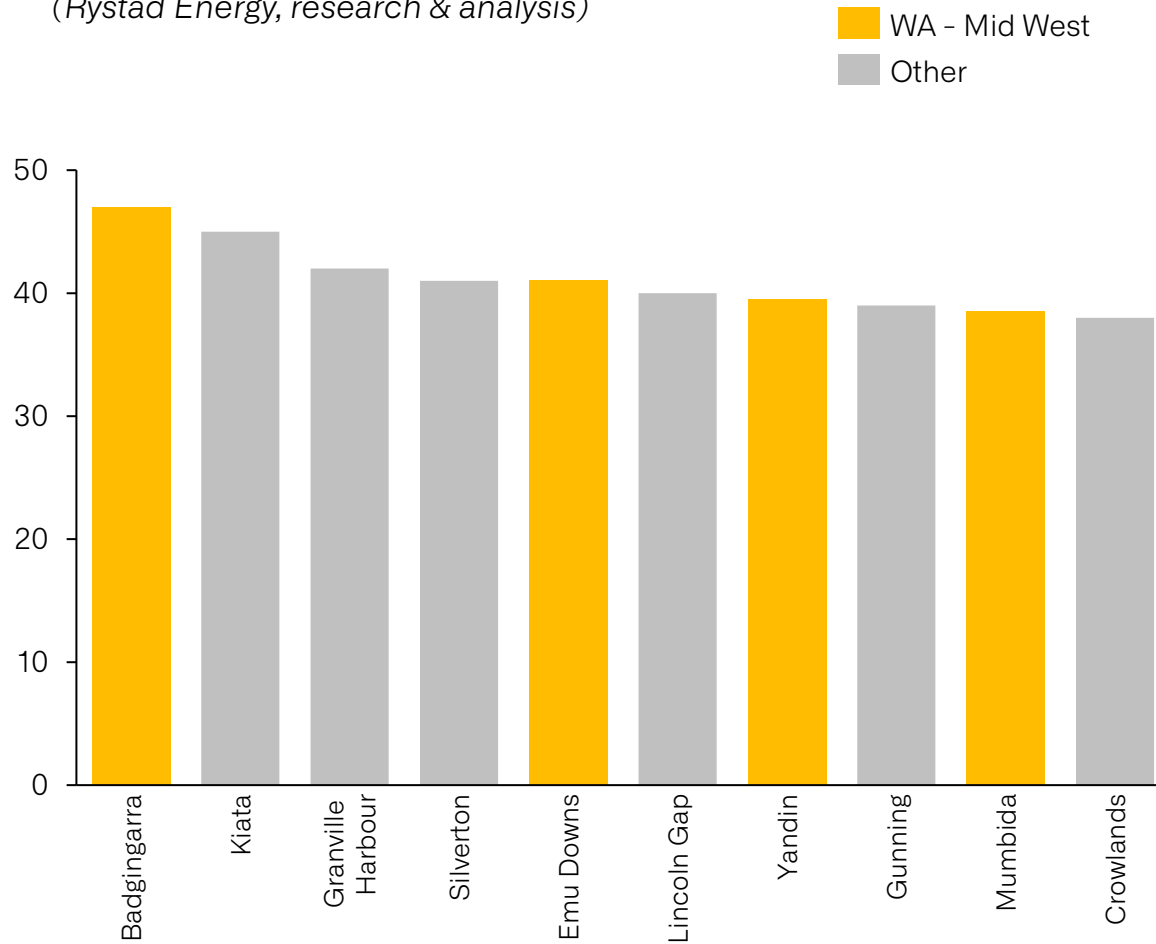
1. Capital cost reduction of ~A\$85 mln
2. Integration of up to 170MW of on-site renewable energy.
3. Displacement of 5-10TJ/d of gas consumption.
4. ~1,500 hectares of carbon farming and offset opportunities.
5. Streamlining environmental approvals.

(Strike's Mid-West Low Carbon Manufacturing Precinct visualised, not to scale)

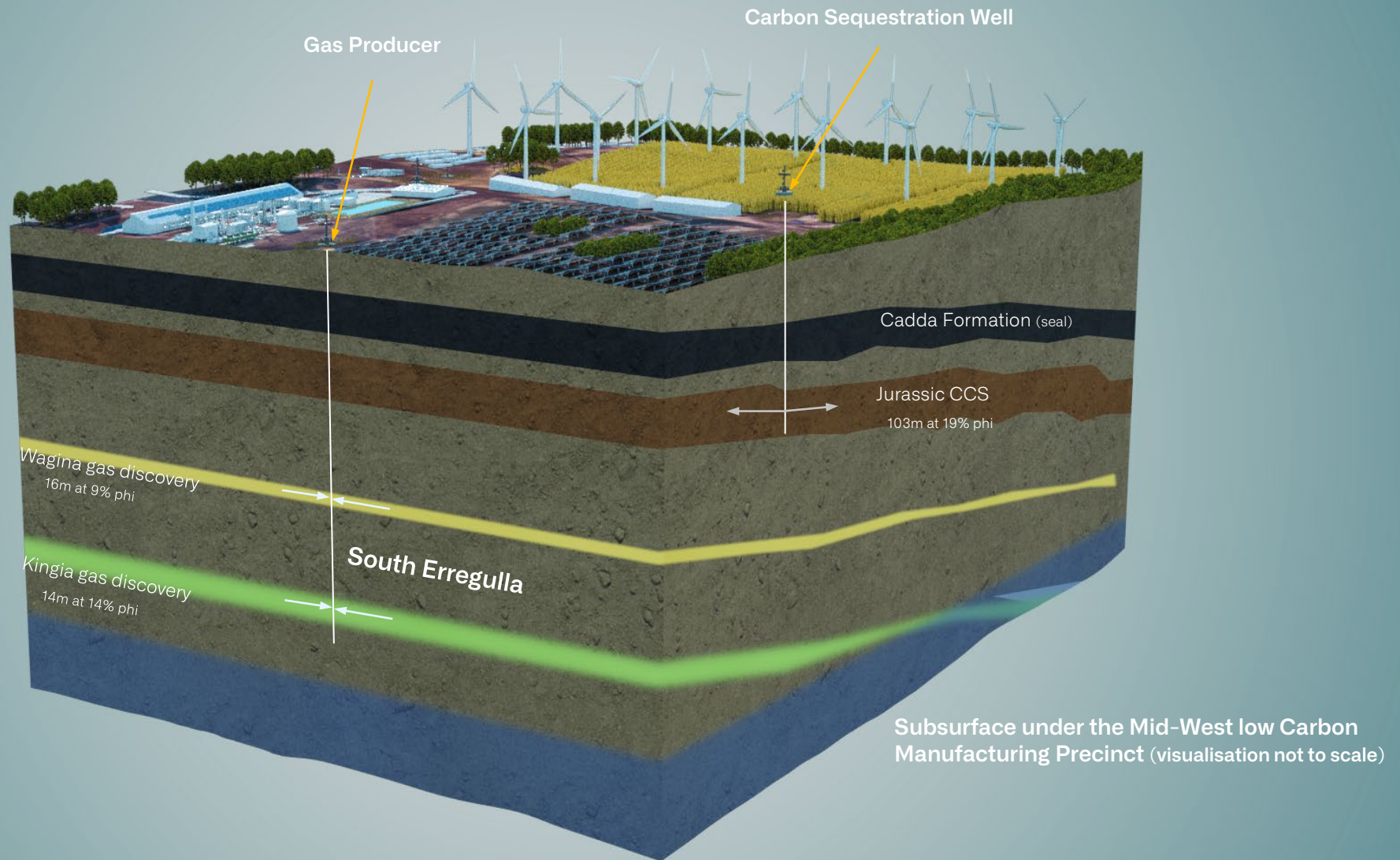
Project Haber's new location, endorsed by the State with substantial benefits

Top 10 utility wind assets in Australia for 2021 by capacity factor (%)

(Rystad Energy, research & analysis)



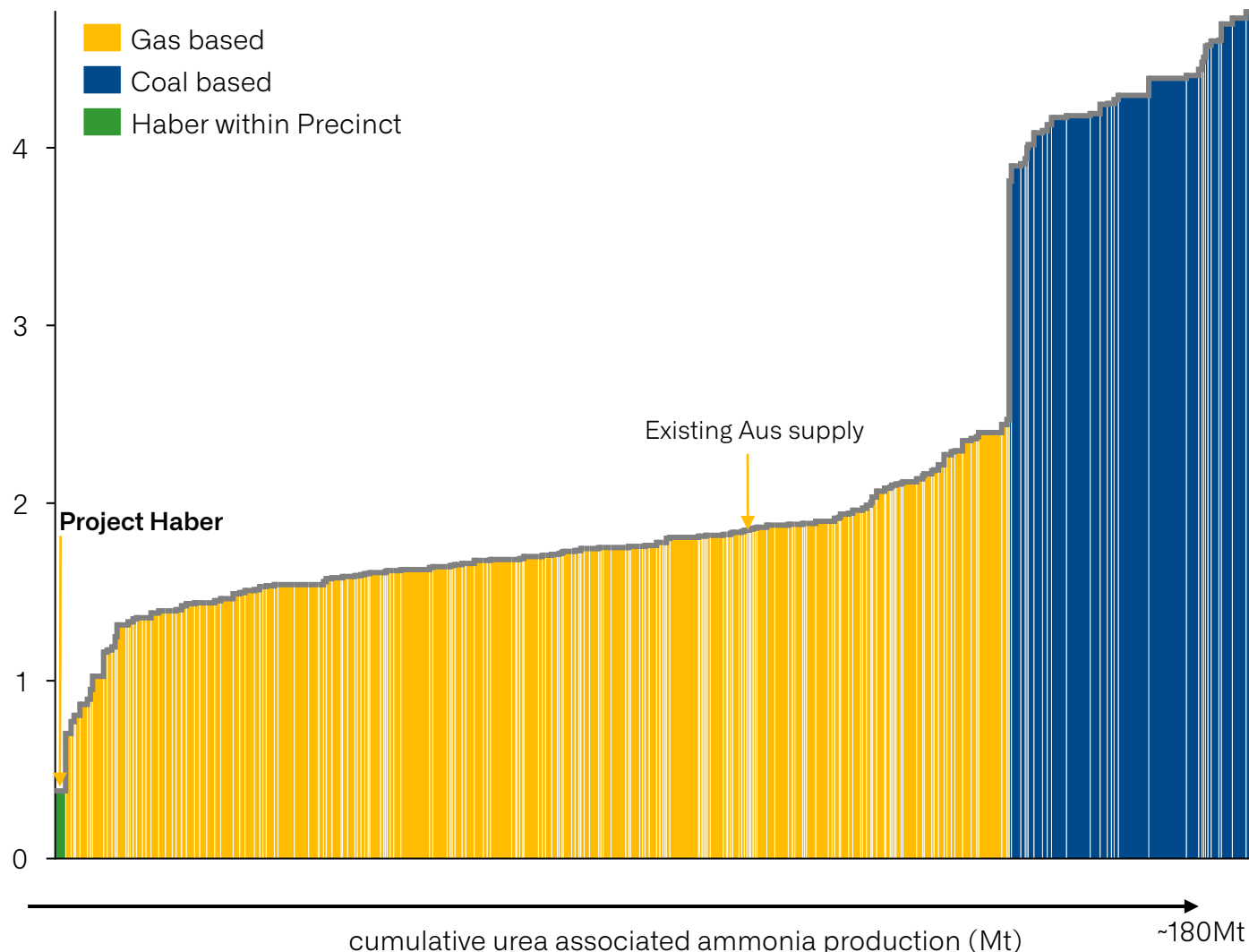
Strike will engage renewables developers and sign up to long term power offtake



Strike has every tool available in the decarbonisation tool box to drive Haber's urea to its lowest possible emissions profile

Global urea net CO₂ emissions curve relative to Project Haber

(CO_{2e} emissions per ton of urea equivalent, as at 2020)



- New Project Haber baseline emissions lowest on the 2020 curve at estimated 0.38 tons CO₂ per ton¹ with Precinct renewables integration
- Project Haber will have estimated 1/16th the emissions intensity of the remaining domestic urea supply
- Project Haber is also located on top of an excellent geo-sequestration reservoir which can facilitate in time the emissions being brought to absolute zero (flue gas emissions abatement)

Sources: CRU (2021), Ammonia Emissions Database. Note: Volumes above relate to all facilities in the database with a non-zero quantity of carbon stored in urea – these facilities may produce multiple ammonia products.

1. Refer ASX Announcement 20th September 2021 titled "Project Haber to deliver further benefits as Pre-FEED completes" and to the Important Notices on page 2 as they relate to Project Haber.



- Koch and Strike entered into a non-binding term sheet for 100% of urea offtake for 10-15 years at international market linked pricing
- Award to Koch resultant from competitive fertiliser offtake process
- Full form definitive agreement underway
- Koch Fertilizer, has interests in nitrogen fertiliser plants and terminals across North & South America, Caribbean and markets / distributes ~10 mtpa
- Koch Fertilizer is owned by Koch Industries Inc. (AA+ rated) which is one of the largest private companies in America, with estimated annual revenues that have exceeded US\$125 bln

High Netback Local Markets

West Coast markets could consume up to 40% of Haber's production

State Road



State Rail



Mid-West Low Carbon Manufacturing Precinct

~40%
WA's Wheatbelt

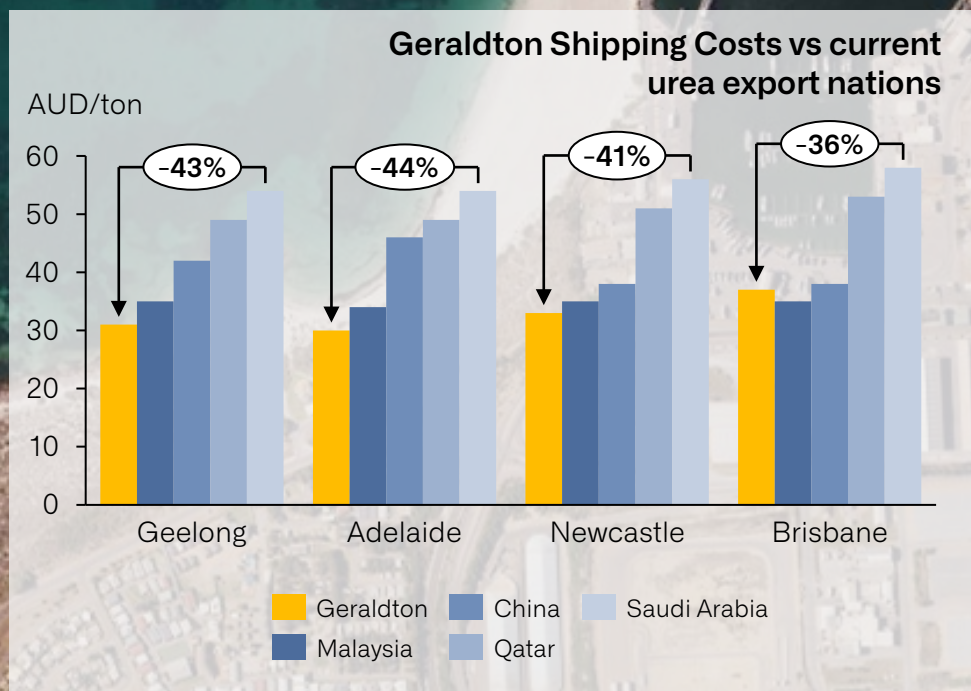
East Coast markets could consume remainder plus of Haber's production

Geraldton Port

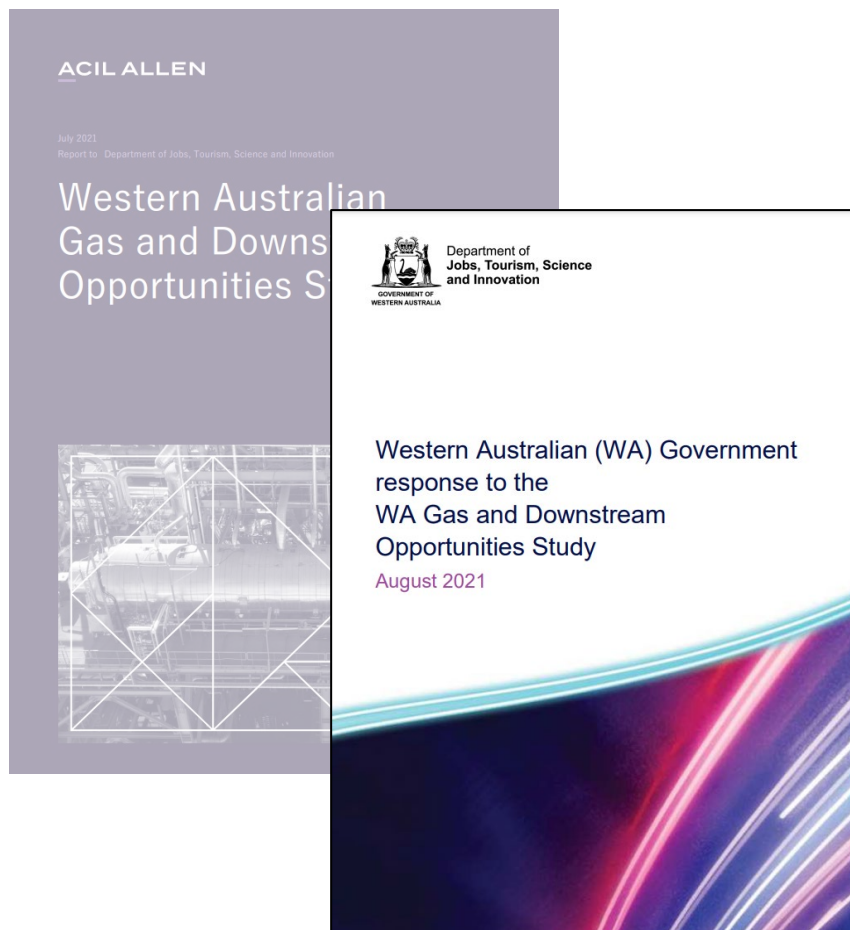


Geraldton Port provides competitive export route to the East and other markets

Major de-risking outcome for the project.



- WA Govt announced \$332 mln investment in the Geraldton Port to provide extra capacity. This includes:
 - a new berth with ship loading facilities,
 - material handling infrastructure,
 - a multiuser storage facility,
 - two truck unloaders and road works to facilitate increased truck movements.
- Trade flows for coastal shipping in Australia is 2:1 East to West
- Geraldton coastal shipping to most Australian ports is more competitive than international shipping from all of Australia's major import countries



Project Haber positioned to benefit from these initiatives and is a key enabler for Strike to access WA LNG export capacity in NWS

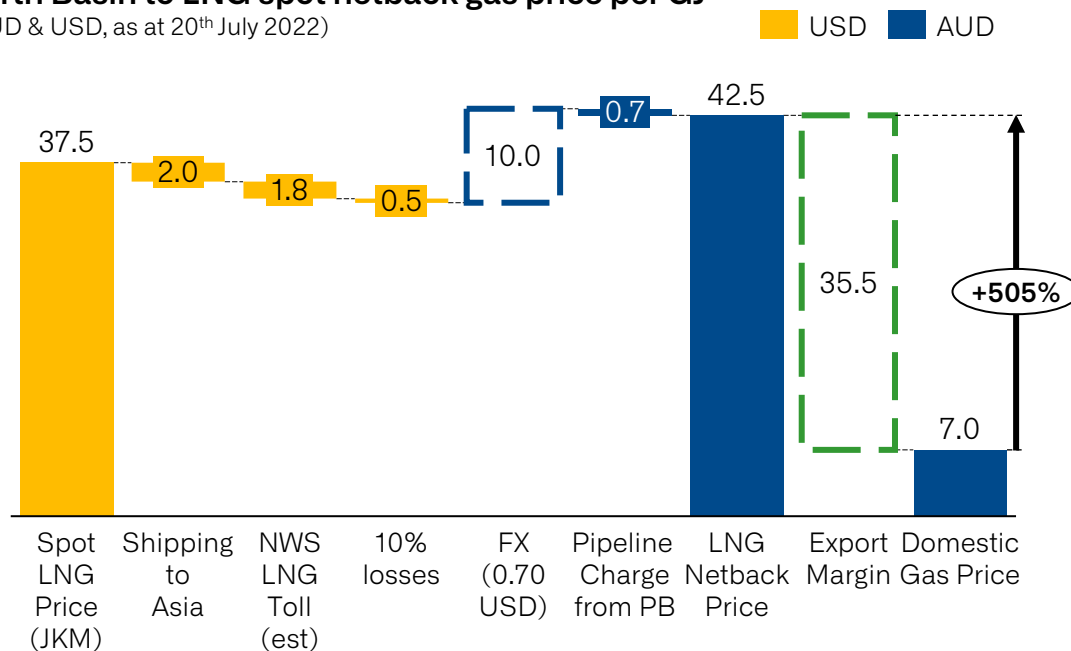
Strike interpretation of the WA Government response:

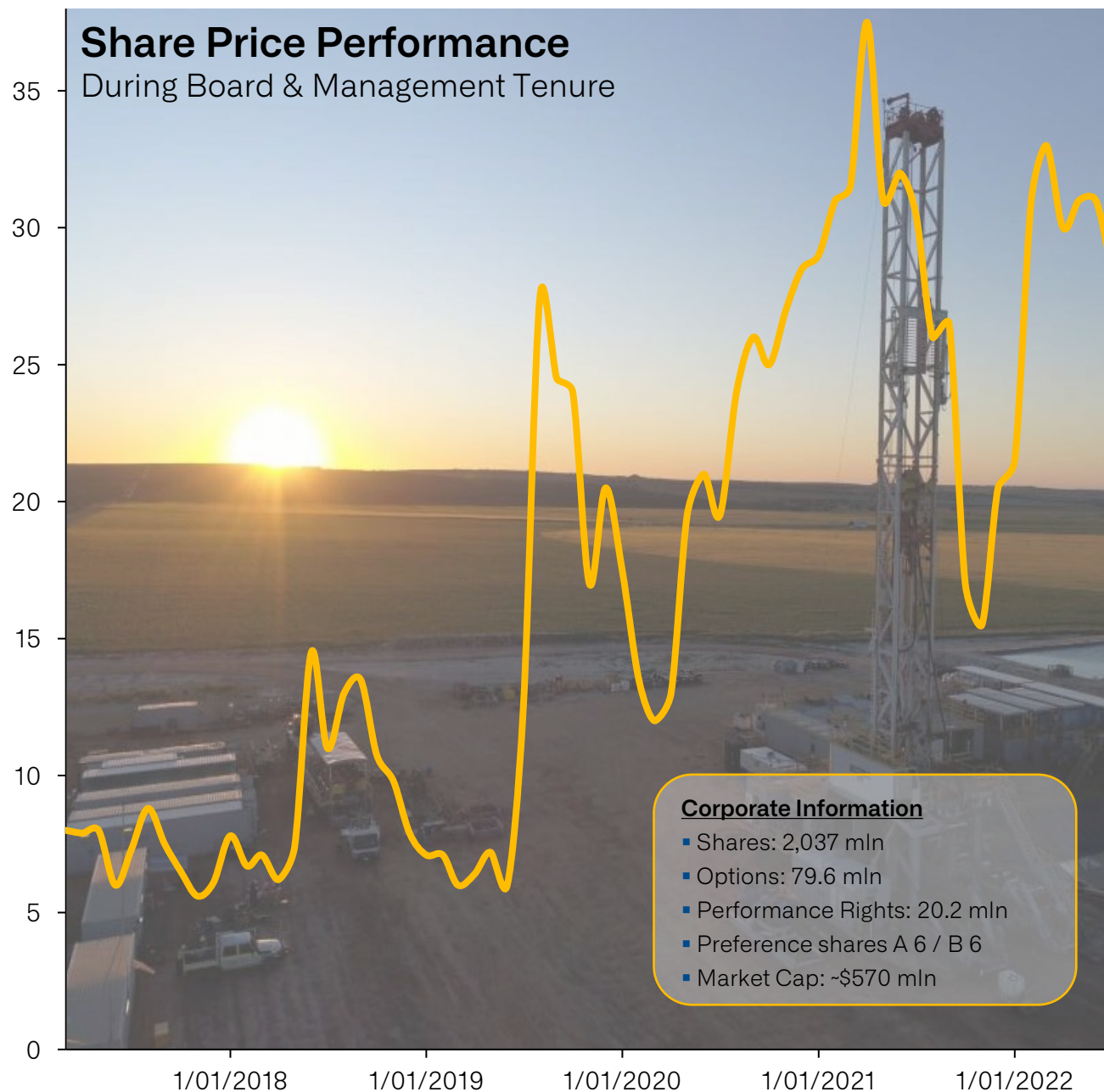
1. Gas suppliers who support and enable downstream development may be considered for exemptions to the domgas policy and allowed to access **LNG export capacity**
2. Government may facilitate downstream investment via building of critical infrastructure and streamlining approvals
3. Allocation of funds for industrial land development and investment attraction and new industries (\$150 mln)

Export pricing is equivalent to a 5x uplift in production

Perth Basin to LNG spot netback gas price per GJ

(AUD & USD, as at 20th July 2022)





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strike