



Sustainability Report 2022

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Acknowledgement of Country

Strike Energy would like to respectfully acknowledge the Traditional Owners and Custodians of country throughout Australia and their connection to land, sea and community. We pay our respects to them, their cultures and to their Elders past, present and emerging.

About this report

This is Strike Energy's first full sustainability report. It covers our sustainability performance progress for FY22 across our operations and also highlights our future priorities. It has been prepared in accordance with GRI Standards: Core option. This milestone represents and captures the significant efforts we have made on our sustainability journey during the year. As our sustainability program progresses, we are committed to aligning with best-practice reporting standards and frameworks, including those set forth by Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD).

Strike Energy 2022 Sustainability Achievements

01 Reaffirmed our commitment to achieving Net Zero by 2030

02 Inaugural Sustainability Report released

03 Reviewed and enhanced our proactive sustainability program and processes across Western Australia

04 Launched the development of our Mid West Low Carbon Manufacturing Precinct

05 Reviewed and integrated our Taskforce on Climate-related Financial Disclosures' (TCFD) risks and opportunities into Strike Energy's overall risk review

06 Progressed new energy projects

A message from the Chairman and Managing Director

It is with great pleasure that we present our inaugural Strike Energy Sustainability Report. This report outlines the principles and practices of sustainability that are vital to the success of our organisation, our projects and our people.

During the financial year we continued our focus on building and maintaining a sustainable business. This remains important to all of our stakeholders, including our shareholders and the communities that host us.

Strike Energy Limited ('Strike Energy') aspires to be Australia's lowest-cost onshore energy producer and a globally competitive urea manufacturer, with net zero carbon emissions by 2030.

In achieving this we will generate Australian jobs, support Australian farmers and accelerate Australia's transition to a lower-carbon future.

Central to our business strategy is consideration of potential opportunities and risks associated with climate change. This is exemplified by Strike Energy's approach to developing an integrated, low carbon value chain.

With our suite of assets, located in the Mid West region of Western Australia, Strike Energy has the right ingredients to deliver 50 years of low-cost, low-carbon energy and fertiliser to the domestic and international markets.

Our ambition will be achieved by:

- maximising the exploration and production potential of our high-quality gas acreage across the Perth Basin, to provide lower emissions energy supporting the transition to renewables;

- leveraging our vertically integrated business model with the development of the 1.4mtpa Project Haber urea fertiliser plant;
- utilising renewable energy sources available including wind, solar and potentially geothermal to create a low carbon, integrated energy and industrial manufacturing centre – the Mid West Low Carbon Manufacturing Precinct ('the Precinct'); and
- Actively engaging with potential collaborators for the development of renewable energy and low carbon manufacturing at the Precinct.

Strike Energy is in the mid stages of its journey from explorer to developer and producer. We are committed to building our business in a way that respects and cares for the environment, our communities and our people. We regularly review our activities against our strategy and seek to sustainably enhance our business and the outcomes we are delivering for all stakeholders.

The past year has been truly transformative for Strike Energy as we continued the steps towards positioning our business for sustainable growth in the near term and for generations to come.

During the financial year Strike Energy enjoyed enviable success in its Perth Basin exploration and appraisable activities. We are now working to convert this upstream success into long-term shareholder value through our innovative and integrated gas, renewables and fertiliser development strategy which will culminate in the proposed Project Haber fertiliser plant for the Mid West.

The creation of the Precinct will support Strike Energy in achieving its ambition of producing some of the lowest emissions fertiliser in the global market which will have substantial flow on benefits to Australia's agriculture sector and the environment.

Our climate change disclosures have been informed by the Taskforce on Climate-related Financial Disclosures' (TCFD) Recommendations. We acknowledge that achieving full alignment with the TCFD Recommendations will take time and we expect our disclosures to continue to evolve over the coming years.

Last financial year, we undertook an inaugural standalone assessment of our climate-related risks and opportunities within the TCFD framework.

As part of this assessment, we conducted our first review of Strike Energy's climate-related risks and opportunities in order to integrate these into the Company's overall risk review, which is undertaken twice yearly.

We are pleased with our progress against our environmental, social and governance risks benchmarks. You can read more about our TCFD review in further detail towards the end of this report.

Strike Energy's inaugural Sustainability Report sets the strategic foundation for the delivery of our Net Zero by 2030 ambitions.

We thank you for your continued support and look forward to keeping you informed regarding progress towards our sustainability ambitions.

Sincerely,



John Poynton AO
Chairman




Stuart Nicholls
MD & CEO



"The State strongly endorses Strike Energy's decision to take advantage and integrate the Mid West's vast renewable energy, gas and carbon sequestration opportunities via the relocation of Project Haber to Three Springs. The pursuit of a low-carbon manufacturing precinct has the opportunity to generate substantial regional prosperity through major job creation and import substitution. Through projects like this, Western Australia continues to demonstrate that it will be a global development powerhouse in the transition to a low carbon and ultimately net zero economy."

Hon. Roger Cook MLA,
Deputy Premier and Minister for State Development of WA



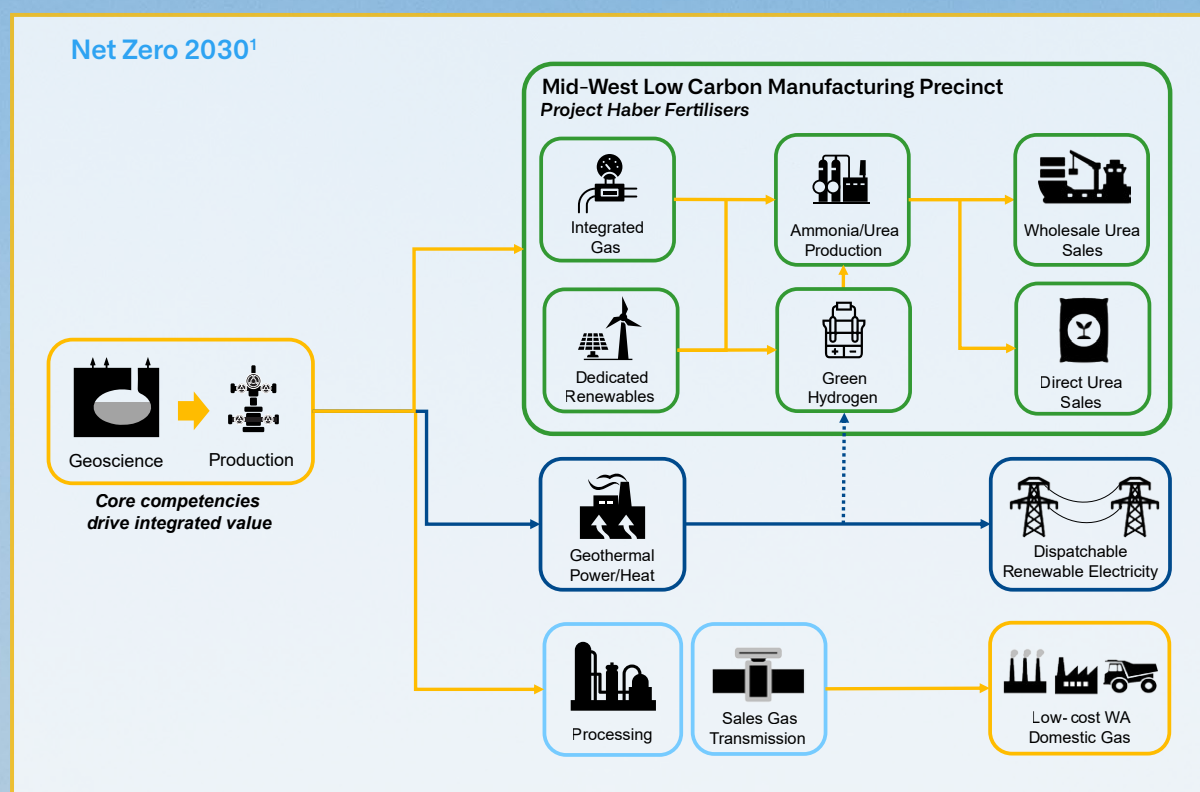
About Strike Energy

Strike Energy is building an integrated, low carbon emissions energy and fertiliser manufacturing business in WA's Mid West Region. We are proudly local and committed to making a real and lasting contribution to the transition towards a lower carbon future for Australia's energy and agriculture sectors.

Our business is underpinned by our low cost gas assets in the Perth Basin, our technical and commercial capability, and our Mid West Low Carbon Manufacturing Precinct, where we have the building blocks in place to supply

lower-carbon energy and urea fertiliser to Western Australia, the nation, and the world. We are also exploring the potential for geothermal energy in the Perth Basin.

Our ambition is to become a Net Zero emissions business by 2030, by bringing together our assets, our technical capability, and the right partners to become a leader in sustainable energy and fertiliser production.



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 Energy's Net Zero Plan is based.

Mid West Low Carbon Manufacturing Precinct²

The Mid West Low Carbon Manufacturing Precinct brings together large-scale manufacturing, gas development, and renewable energy production to create a renewables and manufacturing centre that supports regional jobs, clean energy for Western Australia and lower emissions for Australia's agricultural industries.

Our Mid West Low Carbon Manufacturing Precinct will integrate the production of urea fertiliser from our proposed 1.4mtpa urea facility, Project Haber, with renewable energy and the potential sequestration of carbon emissions.

The Precinct sits on 3,500 hectares (35km²) of freehold farming land in the Shire of Three Springs in the Mid West of Western Australia. Strike Energy announced the acquisition of the property in March 2022, with the endorsement of key stakeholders, including the Western Australian government.

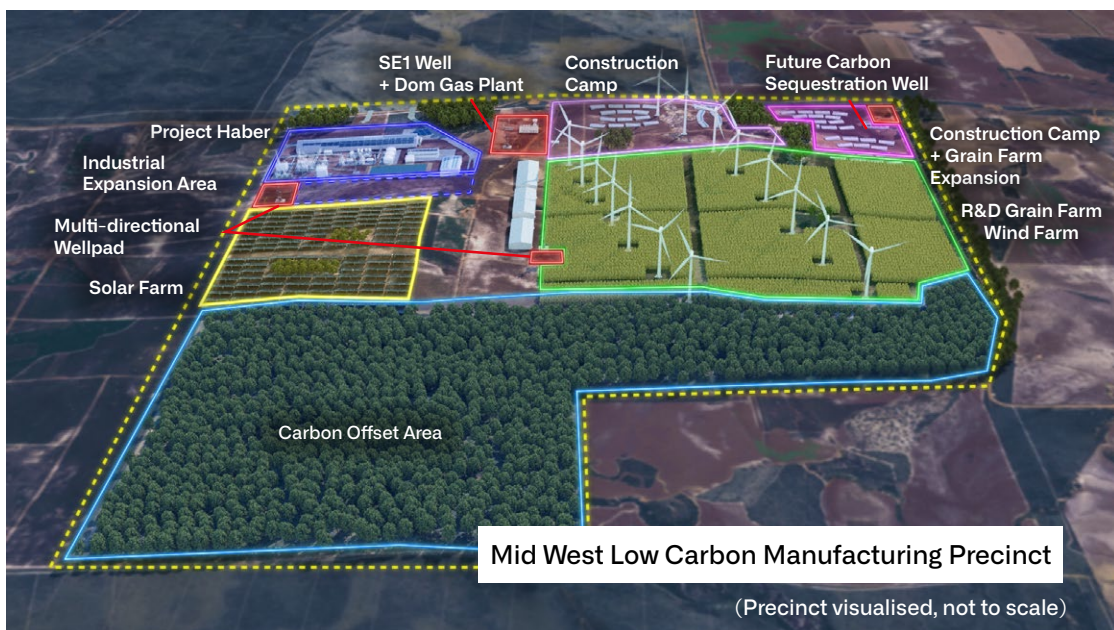
The land possesses several natural resources and assets, including the South Erregulla Kingia and Wagina low impurity gas fields, a Jurassic aged sandstone reservoir with potential for carbon sequestration, and some of Australia's best wind and solar resources.

It provides Strike Energy with several opportunities, including:

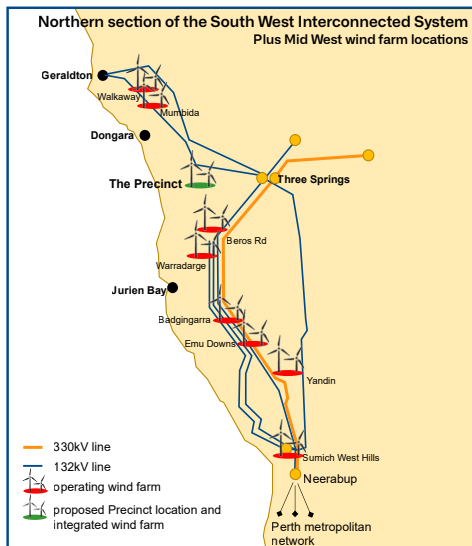
- A suitable location for Project Haber, with access to a skilled local workforce from Geraldton and surrounding areas, and with adequate land for possible expansion
- Potential to integrate 100 MW of tier one developable wind resource
- Potential integration of 1 MWh per 3 ha of land for solar power generation
- A site suitable for research and development for Project Haber's fertiliser products
- 1,500 ha of potential revegetation and carbon farming/ offset land
- The opportunity to explore the carbon sequestration capacity of 103m of Jurassic-aged sandstone reservoir that sits beneath the property.

The Mid West Low Carbon Manufacturing Precinct will support Strike Energy in producing some of the lowest cost and lowest carbon fertiliser in the global market, and will underpin our ambition to be Net Zero by 2030.

The Precinct is in an ideal geographic location for both wind and solar power generation. The wind resource is considered nationally significant, based on its elevated location inland from the Mid West coast.



² Refer to Important Notices on page 34 as they relate to the Precinct



Its 300m elevation on a ridge line 30km from shore generates a prolific wind resource and is host to four of the top ten most productive windfarms in Australia, including Yandin, Badgingarra, Mumbida and Emu Downs.

Combined with a potential 70MW of solar resource, the Precinct has the renewable energy resources to supply the needs of Project Haber and to feed clean energy into Western Australia's South West interconnected electricity network. The Precinct and its renewable energy resources are also being established to attract green hydrogen producers, who would be in the unique position of having a ready market for their product in Project Haber, with hydrogen a key input for urea production.

Strike Energy is marketing the opportunity to renewable energy developers to build, own and operate the Precinct's renewable energy

infrastructure, and we have received substantial interest across a spectrum of commercial and ownership models. The opportunity of guaranteed power offtake to service Project Haber is a major attraction, along with the potential for the production of green hydrogen, which is made technically and commercially possible via the access to water at the Precinct. Project Haber provides a ready made market for green hydrogen, which is a key input to the urea manufacturing process.

Project Haber³

Project Haber would replace Australia's reliance on more than \$1 billion of fertiliser imports each year, by providing a locally produced, high quality urea fertiliser that would improve Australian agriculture's competitiveness and reduce the carbon intensity of Australian farming.

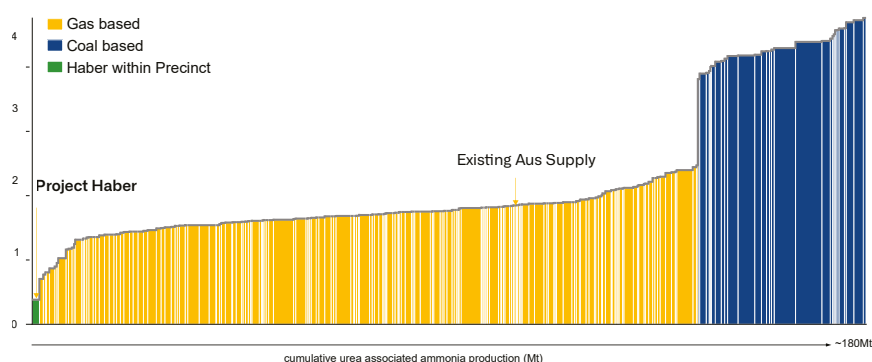
The Project will produce 1.4 million tonnes per annum of urea fertiliser, adding significant value to Strike Energy's WA Perth Basin gas resources. The Project is in the design phase, with a final investment decision planned for late 2023.

Project Haber will significantly reduce Australia's reliance on fertiliser imports. In doing this, the emissions associated with long import supply chains will be abated. Project Haber will be a modern, highly efficient facility, that will produce fertiliser with a lower carbon intensity than the imports it will replace. Project Haber will also provide much needed investment in the Mid West region, with hundreds of construction jobs and a long term opportunity for skilled workers in the region.

Project Haber has the support of key stakeholders, including the Western Australian and Australian Governments, farming groups, and local communities.

Global urea net CO₂ emissions curve relative to Project Haber

(CO₂e emissions per ton of urea equivalent, as at 2020)



Based on data input from CRU

3 Refer to Important Notices on page 34 as they relate to Project Haber

Perth Basin

Strike Energy is pioneering the development of the Perth Basin's energy resources to supply Western Australia's growing energy needs. Since the 2019 discovery of gas at West Erregulla, Strike Energy has gone on to drill further successful gas discovery and appraisal wells at West Erregulla, South Erregulla and Walpyring.

Gas is a lower-carbon alternative to coal for the delivery of reliable, baseload electricity and is a key driver of the broader success of Western Australia's mining industry. Gas is increasingly seen as the partner fuel of choice for renewables, as evidenced by the increasing network of gas/renewable hybrid facilities at mining developments across the State.

Strike Energy's Perth Basin gas resources are high quality, with low levels of impurities. They are also located close to important transmission infrastructure and end users in the South West of WA, with a proposed gas pipeline to connect the Basin to WA's energy-hungry goldfields region.

In developing the Perth Basin's energy resources, we will create local jobs and business opportunities, improve the carbon efficiency of our farmers, and create a hub for new renewable energy and hydrogen manufacturing activities to thrive.

Geothermal

Strike Energy has made application for up to 1,750 km² of geothermal tenure which, upon grant, would mean Strike Energy is the holder of the largest parcel of geothermal tenure the Perth Basin. Upon grant, these permits will represent a long-term opportunity to build significant renewable energy capacity in Western Australia.

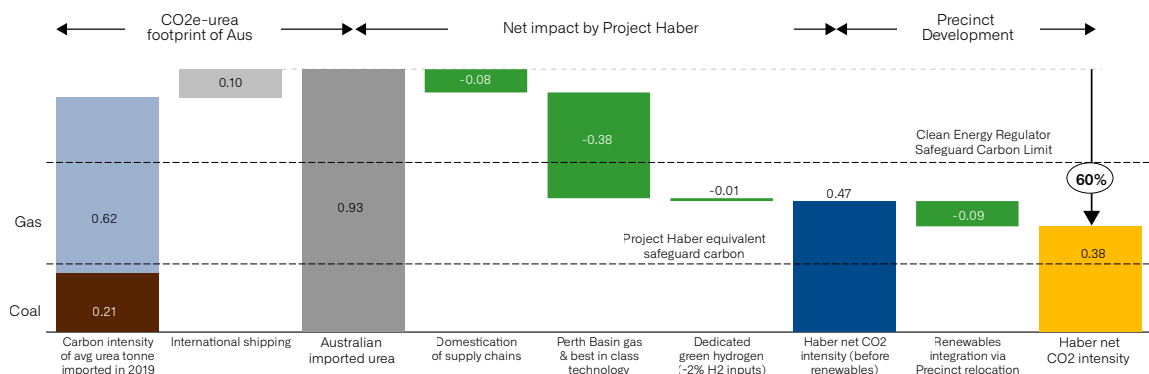
Geothermal has the potential to be the cheapest form of reliable dispatchable electricity – with zero carbon emissions. The Permian Sandstones that house the recent major gas discoveries in the Basin are also home to reservoirs of hot water that have the potential to be harnessed to create reliable, clean energy.

This acreage is has been independently assessed and is estimated to contain a (mid case) of 203 PJe of net electrical energy, equivalent to 226 MWe of power generation for 30 years⁴.

This analysis formed the basis of Strike Energy's application to the regulator for the conversion of its Geothermal Special Prospecting Authority (GSPA) area (3,513km²) to a Geothermal Exploration Permit (GEP) of 1,750km².

On success this would be WA's only dispatchable renewable power source. Geothermal and gas exploration and production are naturally complementary businesses. Strike Energy's knowledge of the Perth Basin's geology, its drilling expertise in the Basin and our integrated gas to manufacturing model creates a perfect environment for us to integrate geothermal energy into our business.

Average estimated CO₂ intensity of urea imported to Australia vs Project Haber⁵
(tonnes of CO₂e per tonne of urea)



4 Refer ASX Announcement 'Mid-West Geothermal Power Project Inferred Resource Statement' dated 5 May 2022 for key assumptions on which the estimate is based. Strike Energy is not aware of any new information that materially affects the information included in that announcement. All material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

5 Refer ASX Announcement dated 20 September 2021 titled "Project Haber to deliver further benefits as Pre-FEED completes" and to the Important Notices on page 34 as they relate to Project Haber.

Our Gas Assets

West Erregulla

Strike Energy has a number of high value gas development and exploration opportunities it is pursuing as part of the Greater Erregulla Development Plan.

West Erregulla is a gas discovery owned by the EP469 Joint Venture. Strike Energy (50%, Operator) has completed a further four appraisal wells, following the initial 2019 discovery well, West Erregulla-2. All wells have been completed as producers and the Joint Venture plans to supply gas to Western Australia's domestic market from late 2024.



Walyering

Walyering (Strike Energy 55%, operator) will be our first gas development, scheduled to come into production from early 2023. Walyering is a high quality, low-impurity gas resource that Strike Energy is developing with its joint venture partner Talon Energy Limited.

Power to the Walyering upstream facility will be provided by a solar array of 108 panels and accompanying battery storage. The integration of this cost-effective renewable energy solution is designed to minimise the Scope 1 emissions profile of the development and eliminate consumption of sales gas/condensate.

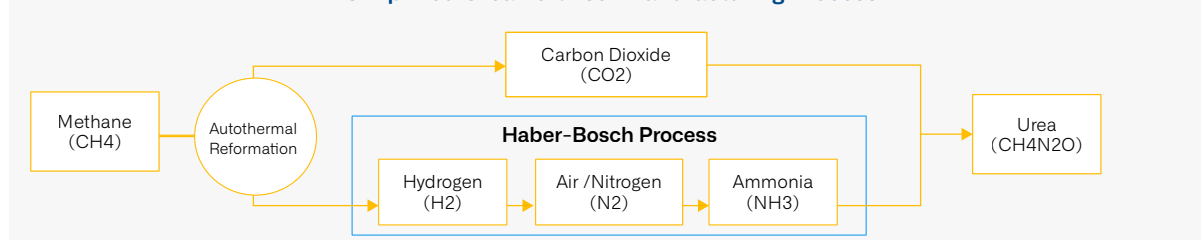


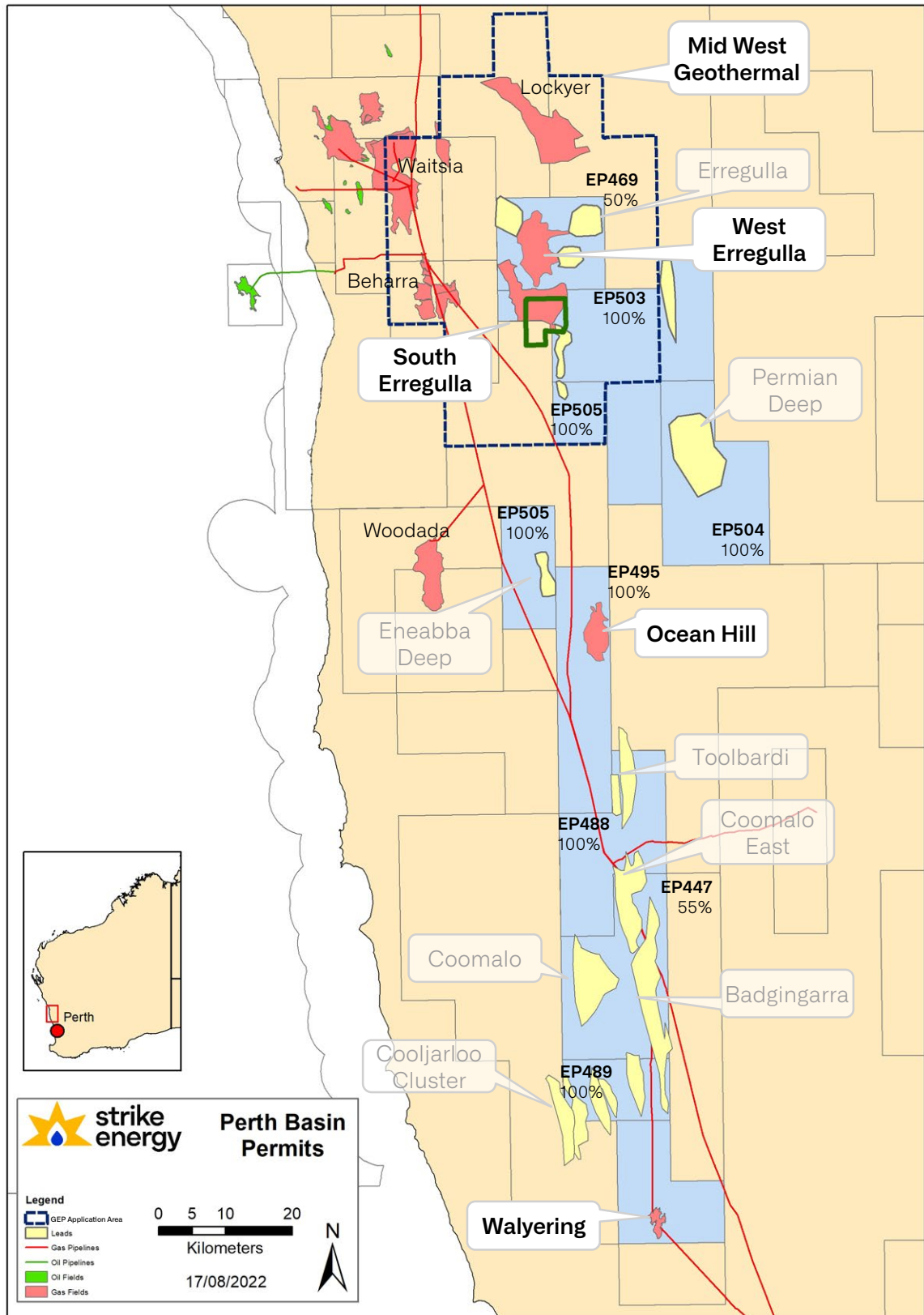
South Erregulla

South Erregulla is a significant new gas resource discovered by Strike Energy in 2022. South Erregulla gas will underpin the development of Project Haber, with any excess gas available to supply Western Australia's growing energy needs. Strike Energy owns 100% of South Erregulla, and will integrate its production with the development of the Mid West Low Carbon Manufacturing Precinct.



Simplified Urea Fertiliser Manufacturing Process





Our Approach to Sustainability

Strike Energy is fast evolving in its transition from explorer, to resource developer and low cost energy supplier and fertiliser manufacturer. We are an established business, but we are changing, and our approach to sustainability is changing too.

Strike Energy has strong foundations. We have substantial low cost gas resources; we're building a fertiliser manufacturing business which maximises the value of that gas for our shareholders, and our community; and we are creating opportunities for renewable energy to be fully integrated into our business. We have developed healthy relationships with our host communities and we are committed to being a company that is approachable and open, while delivering our core products of energy and fertiliser, which meet important societal needs.

We are doing this by creating a business that integrates gas, renewables and modern manufacturing that will be sustainable for the long term. To help drive our sustainability performance we have established formal sustainability structures, systems and processes that will evolve as we evolve.

Governance structure

Strike Energy's Board is responsible for all matters relating to the Company's strategic direction, policies, practices, risks, and the operation of the Company. This includes sustainability matters such as environmental impacts and risks, our relationships with communities and other external stakeholders, and the health, safety and wellbeing of our employees and contractors.

The Board has identified climate change as a key issue for our business as the Company is exposed to both climate risks and opportunities, including the physical effects of climate change, potential changes to policy, the public's views on carbon emissions, and the advances in renewable energy technology that are driving a transition in the energy sector.

During FY22 we established our Board Environmental, Social and Sustainability (ESS) Sub-Committee. The ESS Sub-Committee

is made up of members of the Board and Executive, and assists the Board as a whole with its oversight, monitoring and review of the Company's performance and management of sustainability issues. This includes the Company's long-term strategic goals, such as our commitment to Net Zero Scope 1 and 2 emissions by 2030; our Company culture; social impacts; safety performance; and environmental footprint.

The Sub-Committee is chaired by Mary Hackett and is made up of Stuart Nicholls, Nev Power and Crispin Collier.

The Sub-Committee meets quarterly and its deliberations and recommendations are considered by the full Board.

STUART NICHOLLS

Managing Director & Chief Executive Officer

Mr Nicholls joined Strike Energy as its Chief Executive Officer and Managing Director in early 2017. Mr Nicholls is leading the transformation of Strike Energy from its exploration roots into one of Australia's first integrated developers of gas, renewable energy and fertilisers. Mr Nicholls has a broad ranging background across the energy landscape that included time in the up and downstreams at Royal Dutch Shell across most disciplines primarily from within Royal Dutch Shell's gas businesses. He has a key focus on the transition of our energy system and his commitment to lead Strike Energy to Net Zero by 2030. Mr Nicholls' previous experience also includes six years with the Australian Army in senior leadership positions and he has worked in Australia, The Netherlands, Myanmar and Malaysia in corporate and operational capacities and holds a Bachelor of Commerce from UWA.

NEV POWER

Non-Executive Director

In March 2020, the Prime Minister, the Hon Scott Morrison, appointed Mr Power to chair an expert business advisory board, established to advise the Prime Minister on economic recovery from the COVID-19 pandemic.

From 2011 to 2018, Mr Power was Managing Director and Chief Executive Officer, Fortescue Metals Group Ltd, one of the world's largest, lowest cost producers of iron ore, recognised for its unique culture and innovation with its world class infrastructure and mining assets in the Pilbara region of Western Australia. During his time Fortescue more than quadrupled its production to over 170 million tonnes per annum and positioned itself as the lowest cost supplier of seaborne iron ore to China.

Before joining Fortescue, Mr Power held Chief Executive positions at Thiess and the Smorgon Steel Group adding to his extensive background in the mining, steel and construction industries. In 2016 Mr Power was named WA Business Leader of the Year. He also has a long history in agribusiness and aviation holding both fixed wing and rotary pilot licenses.

MARY HACKETT

Non-Executive Director

Ms Hackett has an extensive career in the resource sector, spanning more than 30 years, with senior executive roles in Brown & Root, Woodside, and General Electric. Her most recent executive role being CEO of General Electric Oil & Gas for Australasia.

Ms Hackett is currently Non-Executive Director at Sapien Cyber Ltd, Chair of Future Energy Exports Cooperative Research Centre, Non-Executive Director for Blue Ocean Monitoring Ltd and Board Director with Clean Marine Fuel Institute.

A Graduate of AICD and Fellow of Engineers Australia, Ms Hackett holds an honours degree in Mechanical Engineering from University College Galway, Ireland.

Ms Hackett was appointed to the Board as a Non-Executive Director on 27 October 2020.

CRISPIN COLLIER

Chief Development & Marketing Officer

Mr Collier has 20 years of experience in the energy and resources industry, working for some of the biggest and lowest cost producers of their key commodities in the region.

This experience includes time with both BHP and Fortescue Metals Group and more recently for Wesfarmers in both their Corporate Business Development and Chemicals, Energy and Fertilisers divisions.

Mr. Collier has held senior executive and operational roles throughout his tenure at his previous employers. Mr. Collier's time has also served on the Boards of Quadrant and the Pilbara Ports Authority.



Governance structure cont.

The management of risk is critical to our business. The Board's Audit and Risk Committee proactively assesses and reviews high level climate risks, as well as commercial, safety and other risks inherent in our business.

The Executive Leadership Team is responsible for implementing the Board's strategic recommendations. The Executive reports back to the Board on progress against targets, helps identify risks and makes recommendations to the Board to consider in line with the Board's strategic direction.

The Executive Leadership Team leads our financial and operational performance, manages our community and stakeholder engagement, and drives and monitors our health and safety performance.

Company policies

Strike Energy has clear policies relating to health and safety, diversity, the environment, and our relationship with the community. These policies, which are listed under the Sustainability section of our website, set out our requirements for systems and processes,

and standards of behavior, that apply to all of our staff and contractors. We have systems in place to ensure relevant people are aware of the policies, and ensure appropriate governance.

Future actions

At Strike Energy, we are in the early stages of our sustainability journey. In FY21 we established our commitment to Net Zero Scope 1 and 2 emissions by 2030. In 2022 we had our first full year of our ESS Sub-Committee and we are pleased to now present our first Sustainability Report.

In FY23 we will continue to focus on project development and execution activities across our portfolio of projects including: Project Haber, Geothermal, and our upstream development projects. The forward plan for Project Haber includes South Erregulla development drilling, commencing FEED engineering study, regulatory studies and approvals, progressing firm urea off-take agreement(s), and potential equity sell-down activities.



Environmental

Environmental considerations are central to Strike Energy's evolving business strategy and our burgeoning operations.

This is increasingly important as we transition from oil and gas explorer to developer and producer in the immediate short term, and progress towards renewable energy provider and fertiliser manufacturer over the short-medium term.

The Company is on a journey in terms of its strategic evolution and we remain committed to prudent environmental management at every stage of that journey.

Strike Energy has identified climate change as a key business risk as it is exposed to various transition and physical climate-related risks and opportunities.

Climate-related risks and opportunities are informed by the Taskforce on Climate Related Financial Disclosures (TCFD) Recommendations, which form an international standard and are seen as a best practice model for assessing and disclosing climate-related risks.

In line with the TCFD Recommendations, climate related risks have been categorised as either transition – which relate to changes in policy and legal obligations, technological innovation, changing market demand for products and services and changing stakeholder expectations – or physical, which relate to the physical impacts of climate change (both acute and chronic).

Strike Energy's full disclosures under our TCFD commitments are detailed later in this report.

For context, in FY21, we undertook an inaugural standalone assessment of our climate-related risks and opportunities aligned with the TCFD framework. Importantly, that same financial year, we also set an ambitious Net Zero by 2030 goal.

In FY22, we conducted our first review of Strike Energy's climate-related risks and opportunities to integrate these into our Company's overall risk review, which takes place on a semi-annual basis.

Given that we are still in the exploration and/or early development phases of our projects, we are currently not yet in a position to be able to set specific metrics for various key risks or opportunities.

For example, the calculation of Scope 1, 2 and 3 emissions data is not yet relevant. However, we have forecasted the emissions that we expect to generate from our operations and our planned abatement activities. Of course, these will be disclosed in future years.

Fundamentally, the minimisation and management of environmental risks and impacts is paramount to our business now and in the future, as demonstrated by our long term environmental social and sustainability goals, including reaching Net Zero by 2030.

We intend to continue to evolve our approach to using climate-related scenarios which are relevant to our business and key markets to enable assessment of the appropriateness of our strategy and mitigating activities.

Strike Energy is proactive in seeking to minimise environmental impacts of project development, execution and operational activities across our portfolio of projects. This includes managing our: GHG emissions, Waste, Energy usage, and impacts to Flora and Fauna.

For example, previously disturbed agricultural land was selected for the Precinct which will allow Strike Energy's development activities to progress with minimal to no clearing of native vegetation required. In addition to this the agricultural land presents an opportunity for Strike Energy to deliver its maiden carbon farm revegetation project.

Mingenew Irwin Group

Strike Energy has been a proud and loyal supporter of the Mingেনew Irwin Group (MIG) since 2019, helping the Mid West region's local farming community and agricultural enterprises.

The MIG is an agricultural Research and Development (R&D) group based in the beautiful country town of Mingেনew, where Strike Energy continues to lift its ongoing investment into the local economy and broader community.

The MIG is a grower-driven organisation with strong links to its farmer members who helped to create the Group and are represented on the Board.

The funds provided to the MIG are used to undertake trial work across cropping and livestock with information shared among the members who are farmers within Strike Energy's permit area.

Strike Energy has maintained its annual Bronze status sponsorship for the past four years and that support is intended to continue in 2023 and beyond.

The reason for this is due to the incredibly valuable work and support provided by the MIG to the local farming fraternity.

MIG has a dedicated group of professional staff who work hard to provide outstanding research and development, environmental and educational opportunities for the MIG membership.

The MIG staff work in conjunction with farmers, consultants and local industries, state and national government bodies, as well as a variety of world-renowned researchers. This provides a dynamic and exciting workplace for MIG staff and helps to cement MIG's place as leaders in agricultural excellence.

While the MIG staff dedicate a large amount time and effort to their work, they also play integral roles within their communities.

MIG CEO Dee McKeown is a familiar face to many in the region albeit a long way from his native homeland in the north of Ireland.

A qualified accountant and experienced small business operator, he's an active member of the local farming fraternity often volunteering to get his hands dirty and help with events and other activities to benefit the agricultural sector and the broader community.

Growing up on farms himself, he hopes to combine his passions and bring his business and accounting know-how to the agricultural sector through the many exciting projects at MIG.

"There is no standing still in today's agricultural sector, we need to be developing and growing or we will get left behind," Dee said.

"Today's research is tomorrow's result in the paddock."





MIG CEO Dee McKeown

Social

At Strike Energy, our greatest asset is our people.

We have an abundance of natural resource assets and a growing list of commercial opportunities across Western Australia, but it's our team that sets us apart.

It goes without saying that the safety of our people is our top priority.

Strike Energy retains an unwavering focus on the health and wellbeing of its people. This is unequivocal.

In FY22, we had zero fatalities and one recordable injury which was preventable. Strike Energy strives for continual improvement and as such will continue to invest our collective and individual time, effort and energy to ensure we keep this figure as low as possible with an aim of zero fatalities and injuries.

We also maintain strong social ties to the communities that host us.

Just one example of the talented and committed collection of people working hard for all of Strike Energy's stakeholders is our devoted Health, Safety, Environment and Community (HSEC) team of professionals.

They are central to engaging and liaising with our various stakeholders across Western Australia, the world's second largest state by size, with a pronounced focus on the Mid West region.

Beyond helping Strike Energy to retain its social license to operate, these dedicated and diverse professionals genuinely live and breathe best practice stakeholder relations to ensure everyone is aware of (and supportive of) the journey that Strike Energy is taking.

A key area is ensuring Strike Energy retains its positive standing and status as a good corporate citizen.

Some examples of the terrific work we have done, and continue to do in this area, include:

Shire of Irwin's Industry Leaders Workshop in Perth (December 2021): Strike Energy presented at the workshop as part of the Shire's Strategic Community Plan, involving companies with emerging projects in the shire presenting and sharing information in order to get to know each other and contribute to the plan and assess how the shire can help in supporting the region's economic growth.

Aboriginal Business Forum in Geraldton (June 2022): organised by the Mid West Chamber of Commerce and Industry, Strike Energy's Chief Development Officer, Crispin Collier presented at the event designed to ensure Aboriginal Business owners are exposed to a diverse range of opportunities including niche training in tenders and media, job opportunities, business development and corporate relationships. Strike Energy was also Co-Host for Business After Hours event as part of the Forum, and Julien Tapp (Approvals Director) presented at this Business After Hours event.

Mid-West Hydrogen Technology Cluster (MWH2TC) Co Designing Workshop (June 2022): This workshop was held in June 2022 in Geraldton for the first time to discuss the barriers affecting investment in the region's hydrogen industry. Strike Energy's Chief Development Officer, Crispin Collier participated in the workshop as the clusters are driven by local businesses and industry stakeholders, who then advise government on what is needed to develop the Mid West's hydrogen network. The Mid West Hydrogen Technology Cluster is one of 18 working groups which have been set up around Australia to support the growth of the country's renewables sector.

In terms of community engagement, some highlights include:

In June 2021, children from various regional primary schools including Mingenew, Eneabba, Three Springs and Carnamah participated in a fun and educational excursion to Strike Energy's drilling site and camp. It proved so

successful it was organised again for 2022. They visited the camp and got treated to some morning tea. We got great feedback from the children and teachers and will definitely do it again! With the aim to provide education to the primary schools and children within Strike Energy's operation area, Susanne Levett (Community Relations Officer) and Amanda Emery (HSEC Manager) organised the excursion directly between Strike Energy and the various schools. Glenn Kidman (Drilling Superintendent) and the Operating Company Representative (Mark Jachmann) provided operational insight and the children even got to see and touch drilling bits.

In early June 2022, in conjunction with some other companies operating in the region, Strike Energy actively participated in a promotional video shoot for the local Shire of Irwin to help showcase the 'Arrowsmith Hub' industry. Strike Energy's Chief Operating Officer, Kevin Craig met the film crew on site at South Erregulla-1 well while preparing for the well test and he represented Strike Energy in the video explaining our current achievements and future Strike Energy projects in the area. The video serves as an opportunity for local industry to showcase their project and/or operations while also highlighting opportunities where State Government support may be required.

Some of Strike Energy's social investment initiatives include:

Strike Energy is an annual bronze sponsor of Mingenew Irwin Group (MIG) since 2019. The MIG is a local agricultural Research and Development group. The funds are used to undertake trial work with information shared among the members who are farmers within Strike Energy's permit area.

UWA student visit to WE-3



A diverse group of university students visited Strike Energy's West Erregulla 3 (WE-3) site and adjacent campsite to learn more about Strike Energy's operations and important sustainability and environmental considerations.

The team from UWA SNAGS – which stands for “students of natural and agricultural sciences” to encapsulate a broad collection of students from various disciplines, having evolved from the “Agriculture Society” – enjoyed the visit to site, in particular, the insights and information provided by Well Site Supervisor, Andy Gillies.

President of SNAGS and third year environmental science student, Bridget, led the touring party which included students from agriculture, environment, engineering, geology and even marine science disciplines.

The touring party also visited an operating crop and cattle farm located north of Mingenew as well as spending some time at the Mingenew Expo to take in the sights and sounds of the largest agricultural field day in Western Australia's Mid West, including visiting stall holders, inspecting the latest technology and equipment available for farmers, and hearing from various presenters discussing the future of the industry and the region.

Having completed a thorough two-stage induction and been provided with various personal protective equipment (or PPE), Bridget said she and her fellow students appreciated the “hands on” nature of the tour of Strike Energy's operations at WE-3 and the learnings they all took away to implement in their current and future studies.

This type of activity is driven by Strike Energy's devoted Health, Safety, Environment and Community (HSEC) team of professionals, who are an important proponent of Strike Energy's sustainability agenda, ensuring all stakeholders are involved in the programs or processes that are most relevant to them.

Next Generation Schools Program 2022 by Energy Club WA. The Next Generation program introduces Year 8-10 students to the energy industry in a fun, interactive and educational environment. Our aim is to provide information on career pathways and opportunities within the industry. The program also services the regional District High Schools in Jurien, Dongara, Morawa and Carnamah which overlaps with Strike Energy permits.

Three Springs Christmas Tree and Senior Christmas Lunch 2021. Strike Energy supported both events by providing the meat for lunch, purchased from the local Three Spring butcher – Rossiter & Co.

Mingenew Community Christmas Tree December 2021 sponsorship towards the children's entertainment for the event. Each year Santa arrives in the fire truck and gives each child a present followed by a sausage sizzle and games. A great initiative to finish the year and celebrate the community spirit of a county town.

The Magic on Moreton event was held by the Shire of Irwin on the 4 December, 2021 to celebrate the completion of the Dongara Moreton Terrace Main Street Revitalisation

Project. The event was held as a 'thank you' to the Shire of Irwin community and local businesses for their ongoing patience and support whilst upgrades to Moreton Terrace and associated infrastructure was undertaken.

Oil & Gas Golf Weekend was held on 18 & 19 June 2022 at the Dongara Golf Club with sponsorship support and attendance at the event from Strike Energy staff.

Mingenew Midwest Expo 11 & 12 August 2021. Strike Energy was stage sponsor and Stuart Nicholls (CEO and Managing Director of Strike Energy) presented at the second day about upcoming activities in the Mid West including the Project Haber 1.4mtpa urea fertiliser plant. About 20 Strike Energy staff came up to Mingener for the Expo and engaged with members of the local community, learned from the various exhibitors and got to taste local products from the many stalls.



Governance

The Environmental Social & Sustainability Sub-Committee is a committee of the Board of Directors of the Company.

The purpose of the Sub-Committee is to assist the Board in implementing the Company's Sustainability Vision: develop gas assets that enable and support Australia's transition to a lower-carbon future; and provide sustainable energy leadership towards a lower-carbon future.

The function of the Sub-Committee is to review and make recommendations to the Board on:

- (1) economically, environmentally and socially responsible business practices that align with the Company's core values that the Company's stakeholders expect the Company to meet;
- (2) providing a fair and rewarding workplace for the Company's personnel;
- (3) the integrity of the Company's sustainability reporting;
- (4) compliance with the Company's Diversity Policy, Environmental Policy, and relevant legal and regulatory requirements;
- (5) the effectiveness of the Company's policies and programs in achieving the Company's core values against best practice standards; and
- (6) any recommendations from management in relation to industry trends and standards in the context of environmental, social and sustainability risks; and to carry out such other functions as assigned by the Board.

In particular, the Sub-Committee will assist the Board in its oversight, monitoring and review of the Company's practices in the following key areas: (1) including the impact of climate change and climate change risks; (2) acknowledging traditional owners and indigenous heritage; (3) valuing workforce culture and diversity; (4) minimisation and management of environmental risks and impacts; (5) demonstrating community and social responsibility; (6) sound business ethics and fair and ethical dealings with stakeholders; and (7) long term environmental social & sustainability strategic goals, including Net Zero by 2030.



Governance: Vision and Values

Strike Energy is a genuine and ethical values-based organisation that directs its collective effort and energy towards achieving its vision: to be the lowest cost onshore gas producer and globally competitive fertiliser manufacturer in Australia – with Net Zero carbon emissions by 2030.

Our values shape what we do and who we are by ensuring our strategic planning and day-to-day decision-making is considered through the lens of our values in support of our vision.

Our values were developed internally by our own people from right across the business, by engaging all staff from both the bottom up and top down; these are not simply words on a wall or something that's kept on a shelf, they are top of mind for our people and our partners to directly support and influence our ongoing growth and success as a listed entity.

As an organisation that is genuinely living its values, we are authentic and true in striving towards achieving our vision by doing what we say we will do, executing on our strategies to deliver on our objectives.

Our Values

Resourcefulness

Delivering low cost and innovative solutions

Agility

We are nimble, and we respond faster than the competition

Collaboration

Strike Energy works in partnership with all of its stakeholders

Openness

We are transparent and receptive to alternative views

Long-term focus

Our focus is on the horizon to create multi-generational value

Competence

Our actions are backed by qualified people who are experts in their fields



We are driven by innovation, sustainability and a commitment to creating value for our investors and stakeholders.

By definition, governance encompasses the system by which an organisation is controlled and operates, and the mechanisms by which it, and its people, are held to account. Ethics, risk management, compliance and administration are all elements of governance, and these are reflected in Strike Energy's governance structure and operation.

Strike Energy's corporate governance involves the relationships between the management and the Board, our shareholders and other stakeholders. Importantly, it also provides the structure through which the overarching business objectives are set, and the means of attaining those objectives and monitoring performance are determined.

The Board of Strike, which is responsible for the Company's corporate governance, has adopted and manages various key corporate governance policies in line with our vision and values.

While the Board is responsible for setting the strategic direction of the Company, selecting and appointing the Chief

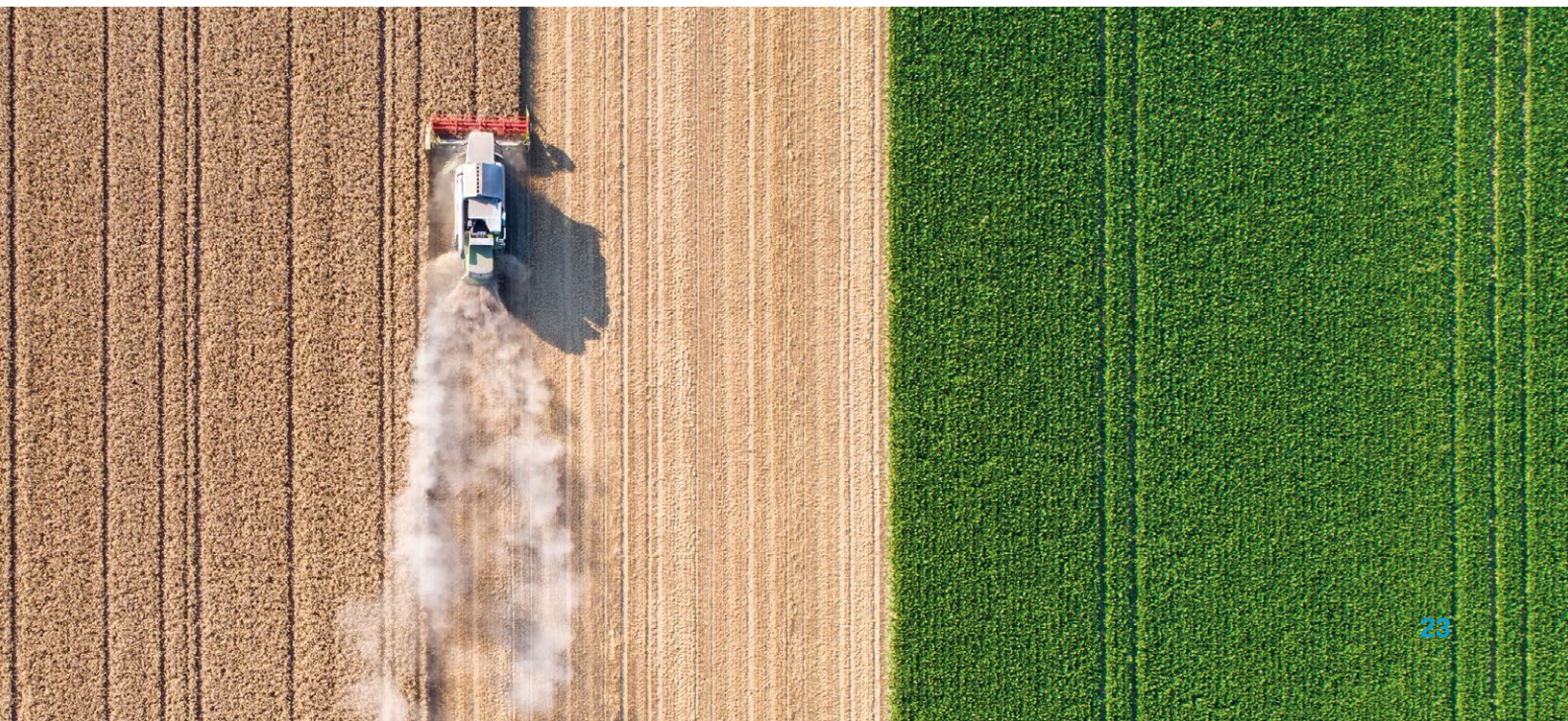
Executive Officer (CEO) and overseeing Strike Energy's business activities and strategies, it is our business leaders and talented teams that live and breathe our vision and values each and every day.

The responsibility for implementing the objectives and day-to-day management of the Company is delegated to management, through the CEO, subject to limits set under approved delegation of authority, budgets and strategies.

The following Board Sub-Committees assist with specific corporate governance duties:

- Audit & Risk Committee
- Nomination & Remuneration Committee
- Environmental Social & Sustainability Sub-Committee

Furthermore, a code of conduct has been adopted by all directors and employees which requires all business affairs to be conducted legally, ethically and with integrity. The code provides for reporting of breach of the code by others.



Walyering

The Walyering field is a high quality, low-impurity gas resource that Strike Energy is developing with its joint venture partner, Talon Energy Limited.

Strike Energy is the operator and owner of a 55% equity interest with Talon owning the balance.

In August 2022, Strike Energy and Talon announced that Walyering had been sanctioned for development in just nine months after its announced discovery.

Walyering is now transitioning to construction with a gross \$14.4 million budgeted development cost.

Walyering will be Strike Energy's first gas development, which is scheduled to come into production in early 2023.

The Walyering Processing Facility will be powered by a solar array of 108 panels and accompanying battery storage.

The integration of this cost-effective renewable energy solution is designed to minimise the Scope 1 and Scope 2 emissions profile of the development by eliminating the consumption of sales gas/ condensate or diesel to power combustion powered generators and the requirement for a power grid connection. This is an example of Strike Energy's sustainability commitments at its maiden development.

In terms of sustainable solutions being implemented at the Walyering Project to reduce emissions, some key elements include:

- The processing facility has been inherently designed to reduce inefficiencies and maximise hydrocarbon recovery – thus minimising the volume vented gas.
- The processing facility has been deliberately designed with basic equipment and no rotating equipment to maintain high uptimes, reducing venting during shutdown and start-up scenarios.
- Use of air or solar electric valve actuators rather than gas actuated valves has been incorporated – every time a valve is actuated via electricity or air, rather than gas, we are reducing the carbon footprint.

- In terms of the specific location for construction site – using the existing well pad to locate the facility minimises the disturbance footprint and therefore lessening the overall impact of the project.
- Eliminating material waste helps to reduce emissions during the construction process while reducing temporary power requirements by installing the solar system early to reduce the requirement for temporary diesel generators.
- Commissioning procedures for the commissioning activities will minimise the volume of cold venting required during the commissioning process.
- The commissioning period will be reduced as far as reasonably practicable whilst satisfying necessary assurance requirements.
- Once operational, regular maintenance will help to eliminate fugitive emissions – fugitive emissions are emissions lost due to inefficient infrastructure, such as leaks from valves, seals, gauges or hoses.

Strike Energy has identified local sources for many of the various components in order to navigate the current supply chain conditions and ensure timeliness of the construction.

To date, Strike Energy has successfully navigated the Walyering gas field through its primary environmental review process and has prepared all documents for submission required to secure its secondary approvals, such as the Production Licence, Pipeline Licence, Safety Case and Environment Management Plan.

The remaining approvals are on the critical path for first production and Strike Energy currently estimates that commissioning gas is expected to enter the upstream facility by the end of 2022 with first gas sales targeted in the first quarter of calendar 2023.

FY22 TCFD Disclosures

Introduction to the Taskforce on Climate-related Financial Disclosures' Recommendations

Our FY22 climate change disclosures have been informed by the Taskforce on Climate-related Financial Disclosures' (TCFD) Recommendations. We recognise that achieving full alignment with the TCFD Recommendations is a journey, and as such, we expect our disclosures to continue to evolve over the coming years.

The table below summarises Strike Energy's approach to responding to the TCFD Recommendations.

| Pillar | Recommended disclosures | FY22 level of alignment | Action |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Governance: The organisation's governance around climate-related risks and opportunities. | Describe the board's oversight of climate-related risks and opportunities | ✓ | Review and monitor Board level engagement on climate-related issues on an annual basis. |
| | Describe management's role in assessing and managing climate-related risks and opportunities | ✓ | Review and monitor Executive level engagement on climate-related issues on an annual basis. |
| Strategy: The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning | Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. | ✓ | On an annual basis, or more frequently if required, refresh assessment of the completeness of the identified climate-related risks to and opportunities for Strike Energy, including transition and physical risks as well as opportunities stemming from the transition to a low carbon economy. |
| | Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. | ✓ | Aligned with the above, refresh assessment of the risk levels, potential business impacts, strategic responses and mitigating activities for the climate-related risks and opportunities. |
| | Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | ✓ Analysis to date has included an assessment of a single blended scenario reflecting projected demand for natural gas in our key market, which is the Western Australian domestic market. | Continue to evolve our approach to using climate-related scenarios which are relevant to our business and key markets to enable assessment of the appropriateness of our strategy and mitigating activities. |

| Pillar | Recommended disclosures | FY22 level of alignment | Action |
|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk Management: The processes used by the organisation to identify, assess, and manage climate-related risks. | Describe the organisation's processes for identifying and assessing climate-related risks. | ✓ | We will continue to disclose our approach in our annual disclosures. |
| | Describe the organisation's processes for managing climate-related risks. | ✓ | We will continue to disclose our approach in our annual disclosures. |
| | Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. | ✓ In FY22, we refreshed our standalone assessment of our climate-related risks and opportunities aligned with the TCFD framework. | We will continue to review Strike Energy's climate related risks and opportunities on a semi-annual basis. |
| Metrics and Targets: The metrics and targets used to assess and manage relevant climate-related risks and opportunities. | Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. | Given that we are still in the exploration / early development phases of our projects, we are currently not yet in a position to be able to set specific metrics. | We will continue the process to establish specific metrics to assist in accomplishing this goal and addressing other climate-related risks and opportunities in FY23. |
| | Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. | Given that we are still in the exploration / early development phases of our projects, the calculation of Scope 1, 2 and 3 emissions data is not yet relevant. However, we have forecasted the emissions that we expect to generate from our operations and our planned abatement activities. These will be disclosed in future years. | We will continue to monitor our need to calculate and disclose our emissions data based on the stage of our projects. |
| | Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. | ✓ In FY21, we set an ambitious Net Zero by 2030 goal. | We will regularly monitor and report on progress towards this target. |

Key



Recommendation addressed



Recommendation not yet addressed

Key aspects of our climate-related risk and opportunity assessment

Time horizons: short term is where the potential risk or opportunity has the potential to occur in the next 1 to 5 years, medium term is between 5 to 10 years, and long term is 10 plus years.

Risk level: this has been considered on a qualitative basis based on a combination of impact and likelihood of the risk or opportunity occurring.

Cost of management: this has been considered on a per annum basis, where low is \$5 million or less per annum; medium is between \$5 million to \$10 million per annum; and high is \$10 million per annum.

Table 1: Climate-related Risks

| Risk | Description | Type | Potential impact to business | Strategic planning, risk mitigation and opportunities |
|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Introduction of additional carbon pricing legislation | <p>The introduction of more stringent carbon pricing mechanisms could impact the attractiveness of our natural gas product to industrial customers and increase preferencing towards alternative energy sources, such as renewable energy.</p> <p>Given that our net zero emissions commitment relies on carbon offsets up until 2025, more stringent carbon pricing legislation could also drive up the cost of purchasing carbon offsets over this period.</p> | <p>Transition: Policy; Technology</p> <p>Risk level: Medium</p> | <p>May impact the cost competitiveness of gas compared to alternative energy sources and in turn impact revenue expected from Greater Erregulla (refer below for the potential upside for the Perth-Basin geothermal project in this scenario).</p> <p>Time horizon: Short Term</p> <p>Cost of management per annum: Low</p> | <p>We model the pricing for carbon abatement schemes as part of our strategic planning process, and include carbon pricing scenarios in our project economic evaluations. Our pricing assumptions are informed by publicly available market price information.</p> <p>Our upstream supplier agreement for our natural gas project will require the supplier to be responsible for purchasing carbon offsets to net the emissions generated from this project.</p> <p>These plans assist to mitigate our exposure to increased costs associated with carbon pricing legislation.</p> |

| Risk | Description | Type | Potential impact to business | Strategic planning, risk mitigation and opportunities |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. Acceleration of national and state-based climate objectives, including net zero commitments and increased environmental regulation both federally and through West Australia's EPA approval process | <p>Delivering on our Greater Erregulla natural gas development strategy is underpinned by our ability to obtain necessary approvals in a timely manner.</p> <p>While we have already publicly committed to a Net Zero by 2030 target for the Scope 1 and 2 emissions generated by our business, the introduction of additional legislation that mandates a shorter timeframe for achieving net zero or makes it increasingly challenging for natural gas projects to receive approvals, could make it more costly and impact our ability to deliver on our strategic objectives, including providing an affordable source of lower-carbon energy for Project Haber.</p> <p>In addition, there is a risk that this acceleration also leads to increased related environmental regulation driving up costs of delivering projects.</p> | <p>Transition: Policy</p> <p>Likelihood: High</p> | <p>May result in increased costs associated with selecting more capital intensive plant with lower greenhouse gas emissions; delays in obtaining the necessary regulatory approvals for new gas projects; and potential for loss of forecast revenue if there are significant delays.</p> <p>Time horizon: Short-Medium Term</p> <p>Cost of management per annum: Low</p> | <p>We are working to accelerate the development of this resource as well as other discovered natural gas resources within our portfolio as soon as possible to reduce the risk of our project approvals being tied up in increased uncertainty as a result of changing net zero commitments and timelines.</p> <p>We also review recent energy projects on a regular basis to inform our understanding of any changes to environmental regulation, and look to adopt best practice in our operations.</p> |
| 3. Enhanced shareholder activism, including class action, and disclosure expectations | <p>Increased focus on climate change, and particularly the activities of companies operating in the fossil fuel energy value chain, leads to enhanced shareholder activism, including class action, and disclosure expectations.</p> | <p>Transition: Policy; Legal; Reputation</p> <p>Likelihood: Medium</p> | <p>May result in costly legal fees as well as increased disclosure costs.</p> <p>Time horizon: Short-Medium Term</p> <p>Cost of management per annum: Low</p> | <p>Our strategy is focused on delivering low-cost, low-emissions energy and manufacturing to Western Australia. Our three main projects – Greater Erregulla, Project Haber and the Perth Basin's geothermal resources – all have a clear role to play in the energy transition.</p> <p>In addition, we have taken a proactive approach to setting a net zero emissions target for our scope 1 and 2 emissions, and have committed to aligning our climate disclosures with the TCFD Recommendations as a further signal of our focus on this topic.</p> |

| Risk | Description | Type | Potential impact to business | Strategic planning, risk mitigation and opportunities |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4. Natural gas demand | <p>We recognise that each individual market participant is working through their own carbon reduction strategy. This will drive some participants to natural gas, while others will transition away over this period.</p> <p>A decline in the projected demand for natural gas by industrial customers, which currently represents a significant percentage of Strike Energy's expected customer base for the Greater Erregulla asset outside of our own Project Haber, due to changes in customer behaviours and climate-related regulation has the potential to lead to decreased revenue.</p> | <p>Transition: Market; Technology; Policy</p> <p>Likelihood: Low</p> | <p>May result in losses of revenue if we are unable to find alternative market/s for our natural gas (refer to the potential upside for Perth Basin geothermal project in this scenario).</p> <p>Time horizon: Short-Medium Term</p> <p>Cost of management per annum: High</p> | <p>As noted above, we are investing in zero carbon energy via our geothermal project, which is complementary to our gas production (same land, horizons) in order for Strike Energy to be able to offer in the future a blended, low carbon, low cost energy product to high energy consuming industrial customers.</p> <p>Our diversified and integrated approach to the entire energy value chain includes a mixture of existing, future and developing technologies all with own cost of carbon profiles.</p> <p>We continue to undertake scenario analysis as part of our business-as-usual processes to examine and evaluate possible future events that could impact the demand profile of our products.</p> |
| 5. Public perception towards gas industry | <p>Failure to proactively identify and implement acting on climate-related risks, and to effectively communicate how our company's strategy is aligned to a low carbon future, may lead to negative media attention and increased public activism, creating an inability for the company to progress our projects as we would like to.</p> <p>This also has the potential to negatively impact our ability to attract and retain talented employees as well as capital market participants due to a perception of facilitating the continuation or development of higher emissions-intensive sources of energy.</p> <p>In addition, there is also the risk of landholders deciding to withhold land that will be used to produce fossil fuels.</p> | <p>Transition: Reputation</p> <p>Likelihood: Medium</p> | <p>May impact our ability to have projects approved and to realise revenue potential.</p> <p>Time horizon: Short Term</p> <p>Cost of management per annum: Medium</p> | <p>Our differentiating strategic approach to a long term, low carbon energy business is intended to deliver best in class outcomes due to our unique investment in fertiliser, hydrogen and geothermal.</p> <p>We are continuing to work on our communications approach to ensure this strategy is well understood by all key stakeholders.</p> <p>This strategic approach informs our talent strategy, which seeks to connect Strike Energy as a future provider of low carbon, low cost energy with the time horizons that people are looking to invest their careers in.</p> |

| Risk | Description | Type | Potential impact to business | Strategic planning, risk mitigation and opportunities |
|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. Financial institutions and Investor perception towards gas industry | <p>Failure to proactively identify and implement acting on climate-related risks, and to effectively communicate how our company's strategy is aligned to a low carbon future, may lead to negative sentiments towards our projects.</p> <p>This also has the potential to negatively impact our ability to attract competitively priced funding to sustain and grow the business.</p> | <p>Transition: Reputation</p> <p>Likelihood: Medium</p> | <p>May impact our ability to have projects funded and to realise revenue potential.</p> <p>Time horizon: Short Term</p> <p>Cost of management per annum: Low</p> | <p>We have consistent and timely engagement with all key stakeholders to ensure articulation of Strike Energy's long term strategy is well understood. This includes with Financial institutions and Investors.</p> |
| 7. Rising insurance costs | <p>Insurance concerns regarding climate-related issues may impact/limit our ability to access insurance for our Perth Basin assets.</p> | <p>Transition: Policy; Legal</p> <p>Likelihood: high</p> | <p>A withdrawal or reduction in insurance options may limit our growth opportunities and lead to increased costs.</p> <p>Time horizon: Short-Term</p> <p>Cost of management per annum: Low</p> | <p>We have consistent and timely engagement with all key stakeholders to ensure articulation of Strike Energy's long-term strategy is well understood. This includes engagement with insurance providers.</p> |
| 8. Increased societal awareness and pressure for further action on climate change | <p>As the physical impacts of climate change become more pronounced and visible, this is making the issue of climate change a more pressing and immediate concern to members of the general public. This heightened concern may lead to increased pressure exerted on governments to stop existing fossil fuel activities from occurring and prevent the approval of new projects/activities.</p> | <p>Physical: Acute and Chronic</p> <p>Transition: Policy and Reputation</p> <p>Likelihood: High</p> | <p>May impact our ability to deliver on our revenue projections</p> <p>Time horizon: Medium Term</p> <p>Cost of management per annum: Low</p> | <p>Our 2030 net zero emissions target demonstrates our desire to be an active participant in carbon reducing activities in intervening period, which is reinforced by our corporate strategy.</p> |

| Risk | Description | Type | Potential impact to business | Strategic planning, risk mitigation and opportunities |
|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9. Increased frequency and severity of extreme weather events | <p>Increased cyclonic activity in mid-West Australia where our key projects are located has the potential to reduce access to land and development work.</p> <p>Further, changes to weather patterns have the potential to lead to increased frequency and severity of bushfires and flooding events in remote locations where our assets are located.</p> | <p>Physical: Acute and Chronic</p> <p>Likelihood: Medium</p> | <p>May impact timetable for delivering revenue-generating projects, and in due course, ability to deliver on production forecasts.</p> <p>Time horizon: Medium term</p> <p>Cost of management per annum: Low</p> | <p>With an increase in severe weather, reliable, low carbon energy will become even more valuable (gas or blended geothermal/gas product).</p> <p>We continue our business-as-usual management of personnel and take these risks into account in relation to operational/development considerations.</p> <p>We also take the increased frequency and severity of extreme weather events into consideration when planning developments. This includes informing decisions with the latest climate science.</p> |
| 10. Increased scarcity of water resources | <p>Increasing frequency and severity of chronic weather events in Western Australia have the potential to impact the availability of water supplies required for our Perth Basin assets due to the depletion of the mid-West aquifer.</p> <p>Changes to rainfall patterns also have the potential to impact demand for our fertiliser products from Project Haber.</p> | <p>Likelihood: High</p> | <p>Increased need for desalinated water may lead to increased costs as well as decreased demand for our fertiliser products.</p> <p>Time horizon: Short term</p> <p>Cost of management per annum: Medium</p> | <p>In anticipation of increased water availability issues, Strike Energy is currently working with a third parties to develop water supply opportunities.</p> |

Table 2: Climate-related Opportunities

| Opportunity | Description | Type | Potential impact to business | Strategic planning to realise the opportunities |
|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. The opportunity to increase revenue resulting from increased demand for low emissions products | <p>The transition to a global low carbon economy is driving increased demand for low carbon energy sources and products.</p> <p>Our business strategy is centred on developing an integrated series of energy and fertiliser products that are well positioned for the future demand of industrial customers, which are both low cost and low carbon.</p> <p>For example, our Greater Erregulla gas project has a significantly lower CO₂ emissions footprint compared to natural gas sourced from other locations. We expect this to be a superior product for industrial customers looking for options to transition to lower emissions energy sources without significant investment in overhauling their current processes/technology and displacing thermal fuel.</p> | <p>Transition:</p> <p>Products and Services; Market; Energy Sources</p> <p>Opportunity level: Medium-High</p> | <p>May promote increased revenue opportunities for all aspects of our business</p> <p>Time horizon:</p> <p>Short-Medium Term</p> <p>Additional cost to realise opportunity outside of current business strategic plan: Nil</p> | <p>Our strategy continues to be informed by our understanding of how a low carbon future will impact market demand for different products.</p> <p>An acceleration in the transition to global low carbon economy may, for example, further renewable developments.</p> |
| 2. The opportunity to increase revenue through access to new and emerging markets | <p>In line with the growth in low carbon products and the increased demand for fertilisers as a result of climate change, our fertiliser project - Project Haber - will enable us to supply competitive urea fertiliser to Australian farmers by initially maximising value and cash flow from existing gas investments through value-add processing.</p> <p>Over time, we expect to transition to either green or blue hydrogen, further improving the carbon intensity of our urea fertiliser product.</p> | <p>Transition:</p> <p>Products and Services; Market; Energy Sources; Resource Efficiency</p> <p>Opportunity level: Medium-High</p> | <p>May lead to increased revenue opportunities from our fertiliser and geothermal opportunities</p> <p>Time horizon:</p> <p>Short-Medium Term</p> <p>Additional cost to realise opportunity outside of current business strategic plan: Nil</p> | <p>We have a well-resourced development team that is positioned to scan processing changes in the energy and fertiliser industries on an ongoing basis.</p> |

| Opportunity | Description | Type | Potential impact to business | Strategic planning to realise the opportunities |
|--------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. The opportunity to reduce our cost of capital/debt through accessing sustainability-linked finance | Opportunities exist to leverage our differentiating strategic offer to access a deeper and wider investor and financing universe aligned with the shift to sustainable finance. | Transition: Products and Services; Market; Energy Sources Opportunity level: Medium-High | May lead to new investor/financing opportunities and potentially decreased cost of capital/debt Time horizon: Short-Medium Term Additional cost to realise opportunity outside of current business strategic plan: <\$5 million | Articulation of a granular and actionable pathway to net zero. Targeting an aggressive and ambitious 2030 commitment facilitates Strike Energy's positioning as a leader in this space. Strike Energy's Management Team and broader workforce have remuneration linked to key milestones relating to the delivery of Project Haber in order to incentivise the successful and timely delivery of this critical, value-adding and carbon-reducing project. Further, the remaining expected tenure of Strike Energy's Management Team means there are sufficient years of future service to ensure accountability of Management in relation to these commitments. |

Strike Energy's approach to identifying, assessing and managing climate-related risks

In FY21, we undertook an inaugural standalone assessment of our climate-related risks and opportunities aligned with the TCFD framework. This year, we conducted our first review of Strike Energy's climate-related risks and opportunities to integrate these into our company's overall risk review, which takes place on a semi-annual basis.

Strike Energy's metrics and targets used to assess and manage relevant climate-related risks and opportunities

Strike Energy's environmental policy reflects our commitment to conducting all of our activities in a manner which is responsible and consistent with the principles of Sustainable Development. This includes a key obligation to set environmental targets which are regularly monitored, audited and reported on.

In FY21, Strike Energy announced our core commitment to an ambitious Net Zero Scope 1 and 2 emissions by 2030 target. This target is dependent on the successful delivery of Project Haber prior to 2030. Project Haber is a 1.4 million tonne per annum urea fertiliser facility utilising

best in class modern ammonia manufacturing processes and integrating small quantities of green hydrogen initially. Strike Energy's Board of Directors believe that the pursuit of this net zero target is at the core of our identity, and as such our Nomination and Remuneration Committee are in the process of setting short, medium and long-term targets to measure progress towards this goal. Design of more explicit metrics will continue to be informed by the outcomes of ongoing key activities, such as the FEED on Project Haber and studies of our Mid-West geothermal assets. We will endeavour to disclose these metrics in future reporting periods, as appropriate.

To help ensure these targets are realised, Strike Energy intends to tie core targets to employee incentives. At present, as mentioned above, Strike Energy places 30% of the Executive Leadership Team's remuneration against key milestones in the delivery of Project Haber in order to incentivise the successful and timely delivery of this critical, value-adding and carbon-reducing project for the sustainability of the Company. In addition to this, our Corporate Scorecard ensures that there is alignment of goals across the organisation by linking employee KPIs to these milestones. As further climate-related targets are developed, we intend to continue to embed these in our Corporate Scorecard to reflect the fundamental importance of these risks and opportunities to our business.

Important Notices

Precinct Development

The proposed 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 and obtaining all other required regulatory approvals, licences and authorisations.

Project Haber

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 15th 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.

Future Statements

Statements contained in this Report are or may be forward looking statements. All statements in this Report regarding the outcomes of preliminary and definitive feasibility studies, projections and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. These statements relate to future events and expectations and as such involve known and unknown risks and significant uncertainties, many of which are outside the control of Strike Energy. Actual results, performance, actions and developments of Strike Energy may differ materially from those expressed or implied by the forward-looking statements in this Report. Such forward-looking statements

speaking only as of the date of this Report. Refer to the 'Summary of Key Risks' section of the release titled "Equity Raising and Corporate Update April 2021" released to ASX on 15 April 2021 for a summary of certain general, Strike Energy specific and acquisition specific risk factors that may affect Strike. There can be no assurance that actual outcomes will not differ materially from these statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in the aforementioned ASX release. Investors should consider the forward looking statements contained in this Report in light of those disclosures. To the maximum extent permitted by law (including the ASX Listing Rules), Strike Energy and any of its affiliates and their directors, officers, employees, agents, associates and advisers disclaim any obligations or undertaking to release any updates or revisions to the information in this document to reflect any change in expectations or assumptions; do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence). Nothing in this document will under any circumstances create an implication that there has been no change in the affairs of Strike Energy since the date of this Report.

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