

Walyering Production Licence Granted

- The Production Licence for the Walyering gas field (L23) has been granted.
- The Walyering gas field development procurement program is 98% complete, fabrication is 65% complete and the project remains on schedule and on budget.

Strike Energy Limited (Strike - ASX: STX) on behalf of the EP447 Joint Venture, (where Strike is operator and the holder of 55% and Talon Energy (ASX: TPD) the other 45%) is pleased to announce that its Production Licence - L23 has been granted by the Western Australian Minister for Mines and Petroleum.

The granting of the Production Licence was on the critical path and represents a key milestone in the timely development and subsequent start-up of production from the Walyering gas field.

Walyering Development Update

A total of 98% of the procurement program for the upstream facility is complete with 65% of fabrication having been completed. The upstream facility remains on budget and on schedule for commissioning and start up by the end of Q1/23.

Final sliding-sleeve production completion equipment for the Walyering-5 and Walyering-6 wells, which will enable zonal production from the various reservoirs, has arrived and the workover rig is expected to mobilise to site in mid-February.



Above: Fabrication of Heat Exchanger for Walyering upstream facility and arrival of solar package to power the facility

Strike's Managing Director & Chief Executive Officer, Stuart Nicholls said:

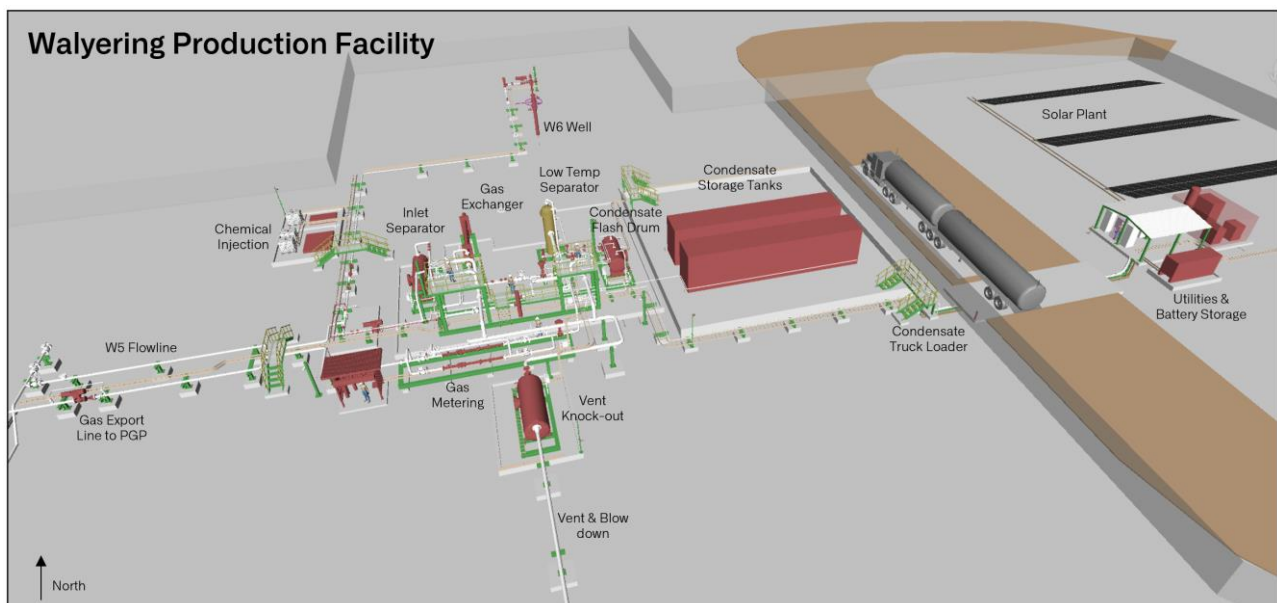
"The Walyering gas field continues to tick off key milestones on its path towards initiating gas production and maiden free cashflows for Strike."

"The timing of this new gas production is critical to Western Australia with several usual supply sources currently shut in or production below nameplate capacity due to unplanned downtime or reserves issues. This supply dynamic has resulted in the forced reduction of demand and curtailment of several key gas customers' industrial operations."

About the Walyering Gas Field

The EP447 JV sanctioned the development of the 33 TJ/d and 250 bbl/d production facility at the Walyering gas field following the successful appraisal of the field via the Walyering 5 and 6 wells, which delineated a gross 54 PJs of 2P Reserves and gross 32 PJs of 2C Contingent Resources plus ~0.8mmboe of associated condensates¹.

First gas sales are targeted for Q1/23 with 36.5 PJ of gas sold to Santos-WA Limited on a firm basis over a period of 5 years. The gross cost of the production facility is estimated at approximately \$14.4m plus at least \$2.4m in costs for the connection and metering to the APA owned Parmelia Gas Pipeline. The overall fixed and variable operating cost of the field is estimated at approximately \$0.19/GJ based on 33 TJ/d annual average production². The facility, which will be the closest source of gas to the major Southwest gas market, will be powered purely by solar and battery storage thereby enabling Walyering to have an emissions intensity that is more than 10x lower than most current domestic gas supplies from other WA sources.



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

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¹ Refer ASX announcement dated 21 July 2022 for information relating to Walyering reserves and resources. Strike Energy's equity interest is 55%. Strike confirms that it is not aware of any new information or data that materially affects the information included in the announcement and that all the material assumptions and technical parameters underpinning the estimate continues to apply.

² Based on 365 days of production and \$2.3m of annual operating costs