

## *Gas and WA in the energy transition*



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## Past performance

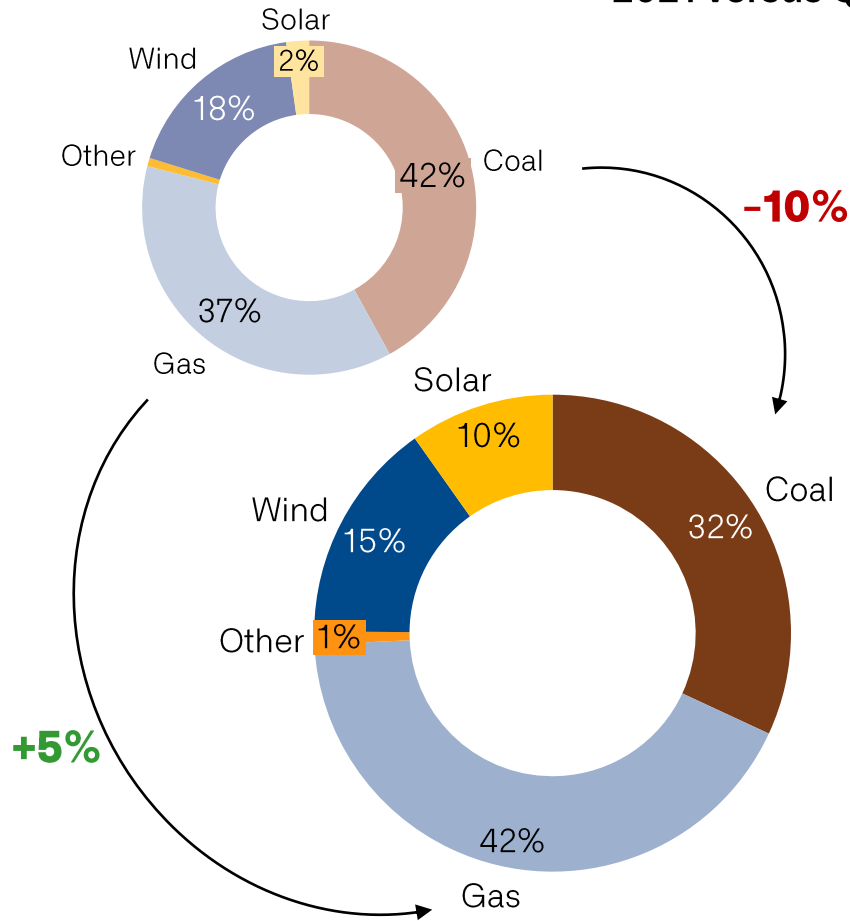
Past performance metrics and figures, as well as pro forma financial information, included in this presentation are given for illustrative purposes only and should not be relied upon as (and are not) an indication of Strike's views on Strike's future financial performance or condition or prospects (including on a consolidated basis). Investors should note that past performance of Strike, including in relation to the historical trading price of shares, production, reserves and resources, costs and other historical financial information cannot be relied upon as an indicator of (and provide no guidance, assurance or guarantee as to) future performance, including the future trading price of shares. The historical information included in this presentation is, or is based on, information that has previously been released to the market.

## Investment risk

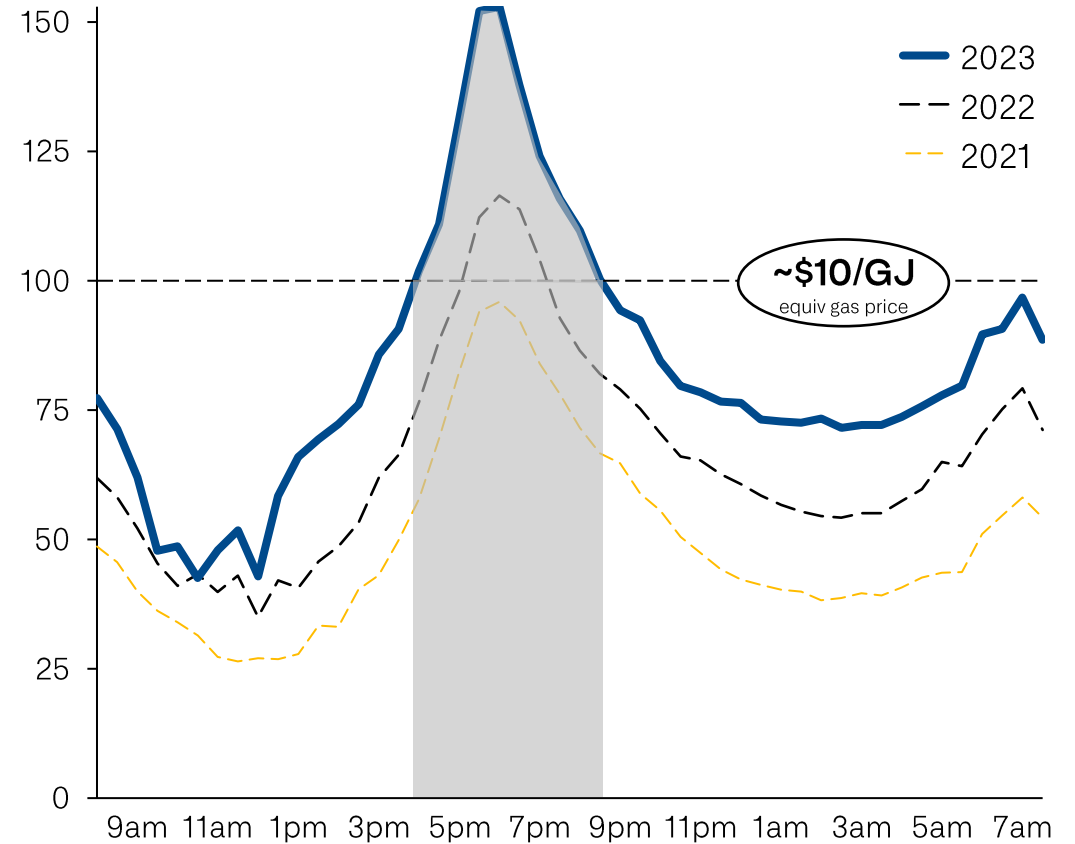
As noted above, an investment in shares in Strike is subject to investment and other known and unknown risks, some of which are beyond the control of Strike. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of shares in Strike in the future. Strike does not guarantee any particular rate of return or the performance of Strike, nor guarantee the repayment of capital from Strike, or any particular tax treatment. When making any investment decision, investors should make their own enquires and investigations regarding all information in this presentation, including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of Strike, and the impact that different future outcomes may have on Strike. Refer to the section 8 of Strike's Bidder's Statement dated 23 December 2022 for its off-market takeover offer to acquire all of the shares in Warrego Energy Limited (ACN 125 394 667) that Strike did not already own for a summary of certain general, Strike specific and acquisition specific risk factors that may affect Strike.



**WA Electricity generation by source / fuel type  
2021 versus Q2/23**



**Average balancing price by interval – WA  
\$/MWh**



**WA aging coal fleet (and distressed mines) is seeing base load power replaced by renewables firmed by gas. This is driving up gas demand during a period of short supply causing an increase in both the price of gas & power particularly during periods of intermittency.**

## Batteries

### Lithium

8 TJ/d of gas to 50ktpa of LIOH

- WA produced 49% of the world's lithium in 2020
- WA's 3<sup>rd</sup> largest royalty stream



## Power Lines

### Aluminium

270 TJ/d to 9mtpa of Alumina

- Transmission lines made from aluminum
- Aus world's 2<sup>nd</sup> largest exporter of alumina (WA produced 14mtpa)



## Low CO<sub>2</sub> Steel

### Magnetite

50 TJ/d to 20mtpa of ore

- Magnetite produces 30% less carbon than hematite in finished steel
- However, magnetite mining is 3x as energy intensive as hematite for Aus



## Power

### Exit of coal

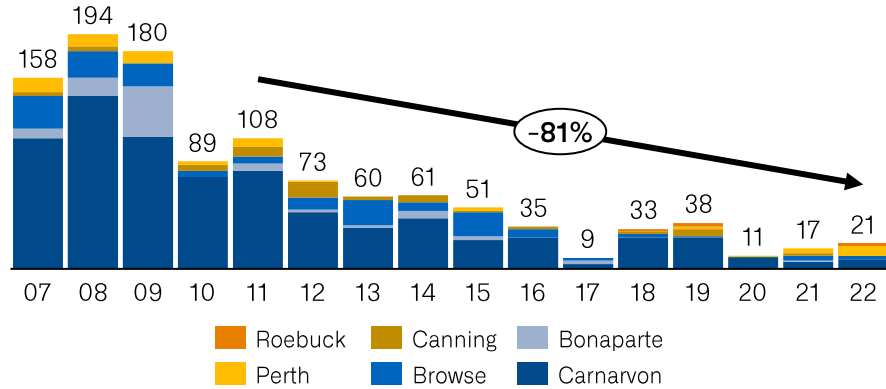
1 TJ/d of gas to 3MW capacity

- WA looking to replace ~900MW of power gen with renewables and gas.
- Gas to power to increase by +163 TJ/d



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

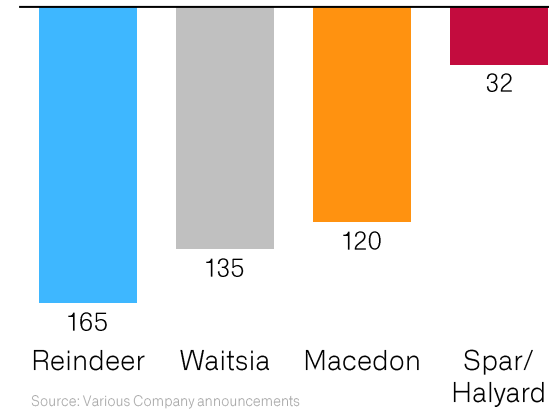
## Under Investment



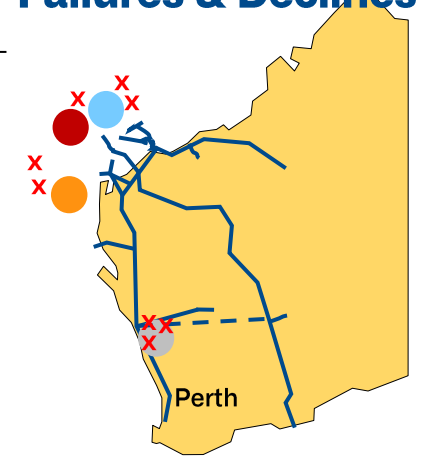
Source: Compiled using information from APPEA and National Offshore Petroleum Titles Administrator.

2P reserves write downs (PJ)

## Write Downs, Exploration Failures & Declines



Source: Various Company announcements



## Substantial Growth in Demand

Perdaman Urea Plant FID

**+130 TJ/d**

Goldfields Gas growth via diesel displacement

**+80 TJ/d**

New Gas Fired Power

**+163 TJ/d**

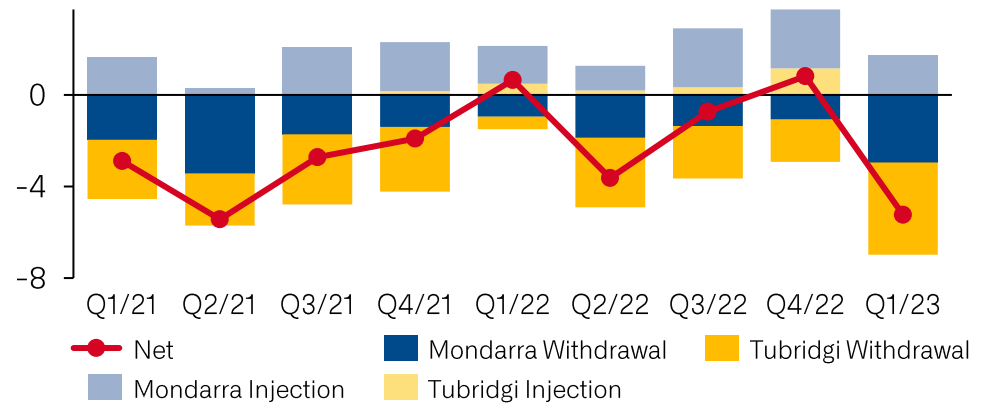
Mining & Mineral processing Growth

**+48 TJ/d**

Source: Various Company Reports & GSOO 2022

WA Gas storage injection & withdrawals (PJ)

## Sustained Storage Withdrawal

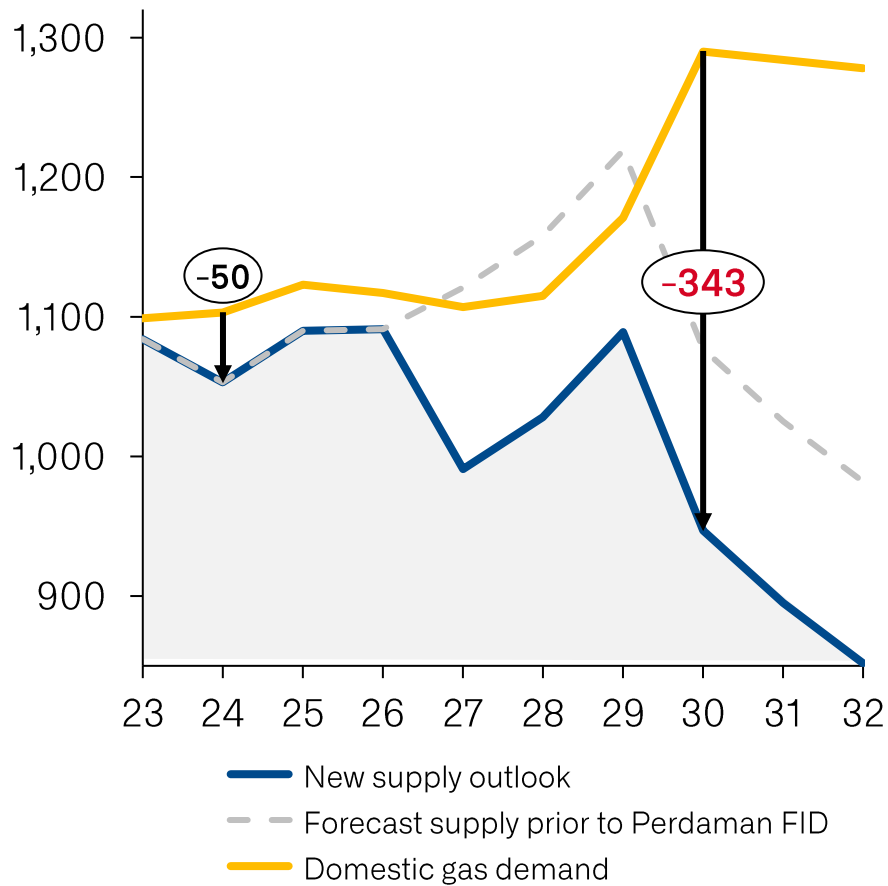


Source: AEMO QED Q1/23

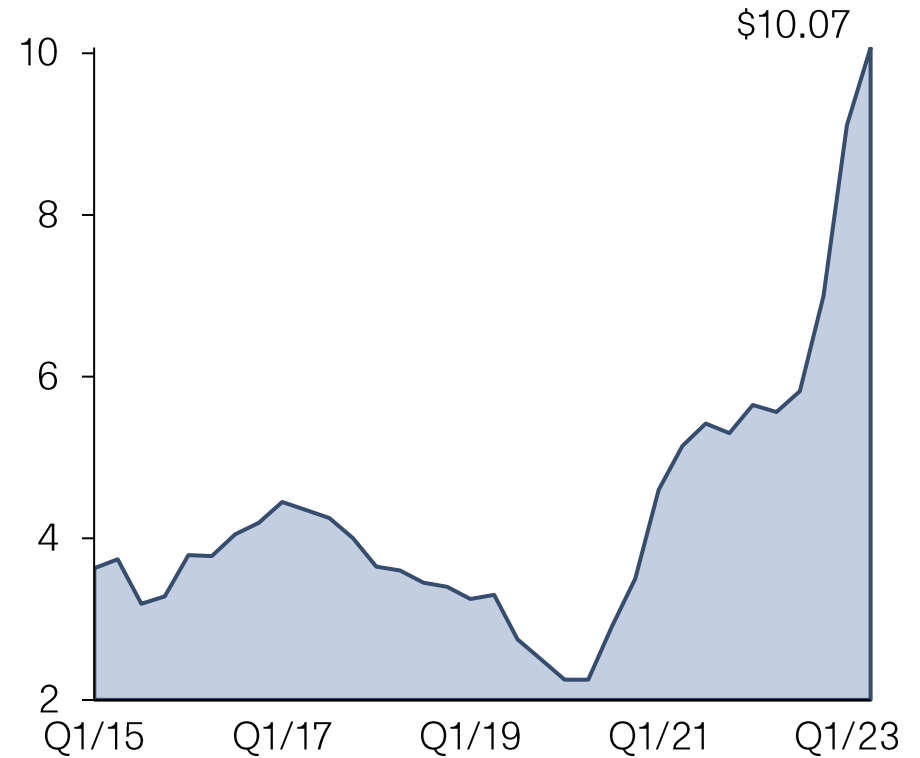
**WA domestic gas market is already reacting to its current under supplied state**

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

(removal of Perdaman - Scarborough supply of 130 TJ/d from 2027)



## Max monthly WA spot gas price (\$/GJ)



**Prices Up & Contracts Shortened**

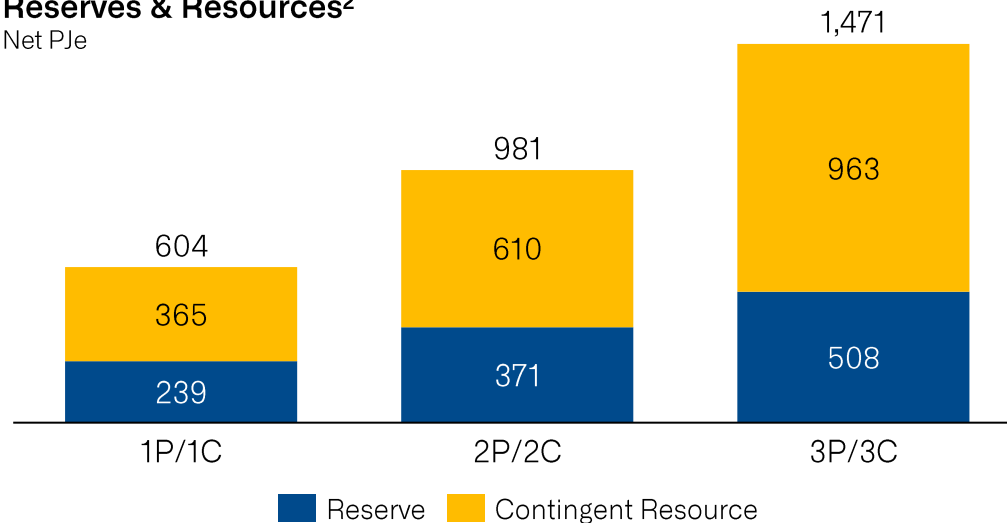
Source: Compiled using information from GasTrading Spot Market - Forecast v Actual: <http://www.gastrading.com.au/spot-market/historical-prices-and-volume>

**Strike's Reserves and ongoing success has never been more critical than it is today**

1. **Largest Perth Basin Reserves & Resources**
  - 981 PJe of combined net 2P Reserves & 2C Resources (refer chart below)
2. **Gas production commencing**
  - Up to 33 TJ/d of gross production capacity to come online this quarter
3. **Govt supported gas acceleration strategy**
  - Targeting up to four sources of gas to come online by 2025
  - Well capitalised with ~\$190m of available funding in cash and undrawn debt
4. **Catalyst rich**
  - Production, development, drilling and seismic throughout 2023-2025
5. **Operator across all ~3,000km<sup>2</sup> of acreage**
  - Good control throughout portfolio via operatorship to optimally de-risk assets, deploy capital and build cashflows
  - High degree of leverage across portfolio with 50-100% equity in all permits

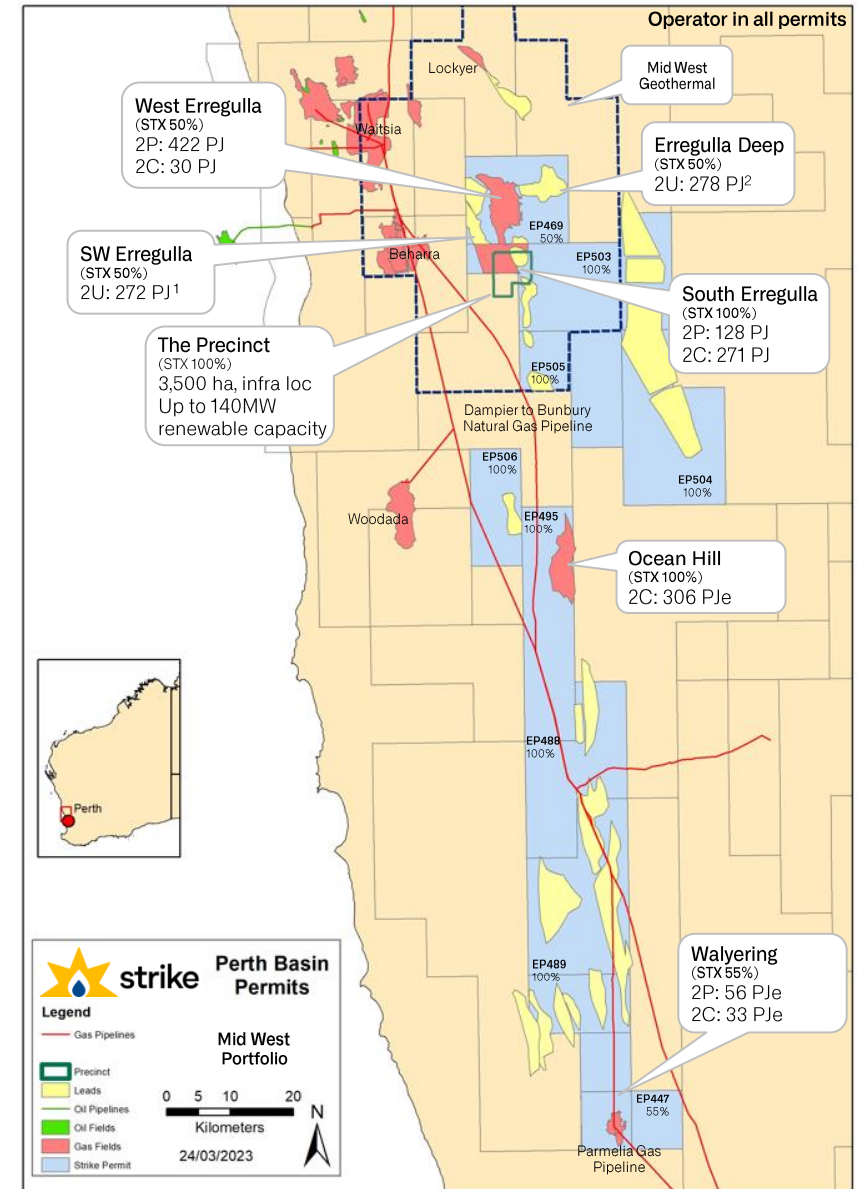
## Strike's Independently Certified Perth Basin Reserves & Resources<sup>2</sup>

Net PJe



2. Refer to slide 14 for reserves and resources information.

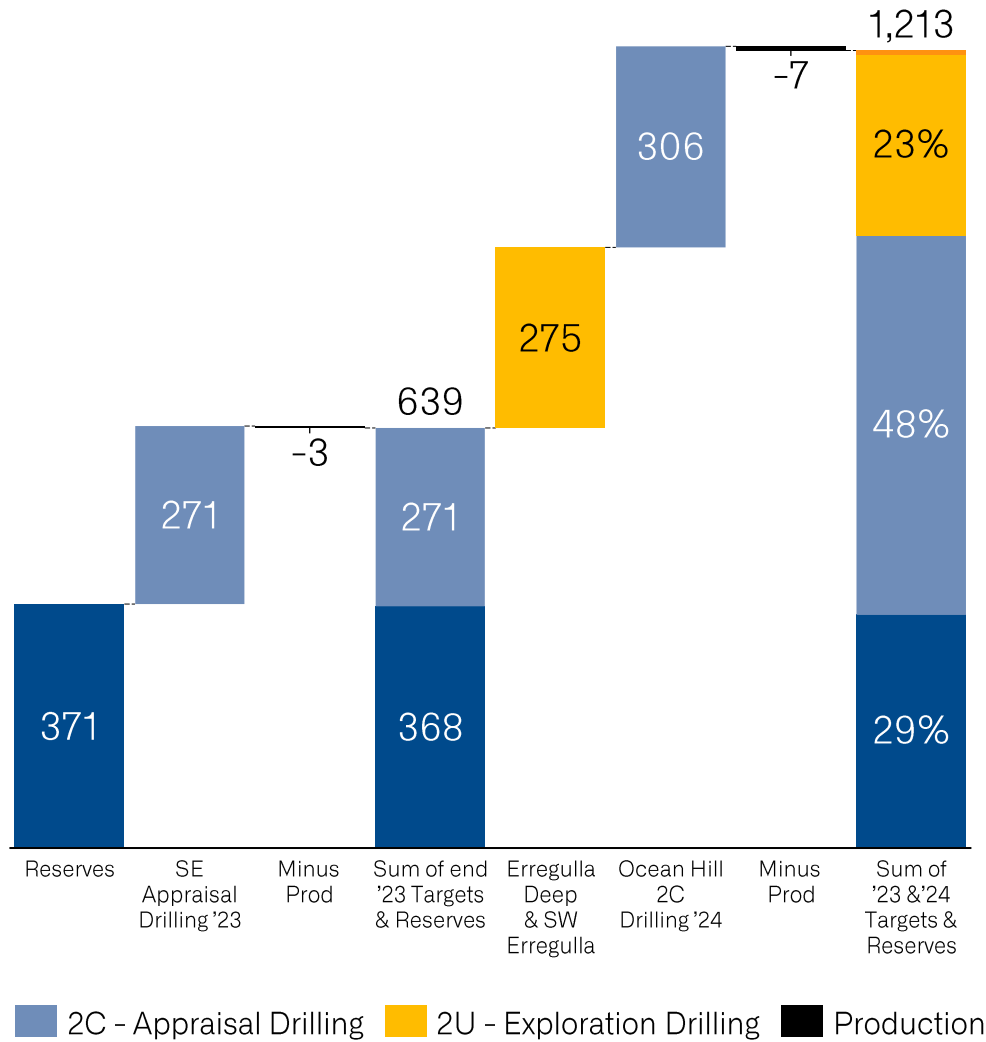
3. Notes to map: Refer to slide 14 for reserves and resources information. Resource numbers are gross. Strike % equity interest is as noted in the map. Area marked "Mid West Geothermal" represents area of Geothermal Exploration Permit under application (not granted). Condensates included as PJe on a 6.12PJ: 1 mmboc conversion. Reserves and Resources are unrisks.



**Prospective Resource (2U) Estimate Information & Cautionary statement:** The estimated quantities of petroleum that may potentially be recovered by the application of a future exploration and development project(s) relate to undiscovered accumulations. These estimates are un-risked, probabilistically determined, and have both an associated risk of discovery (POS 42% for Erregulla Deep and 54% for Southwest Erregulla) and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

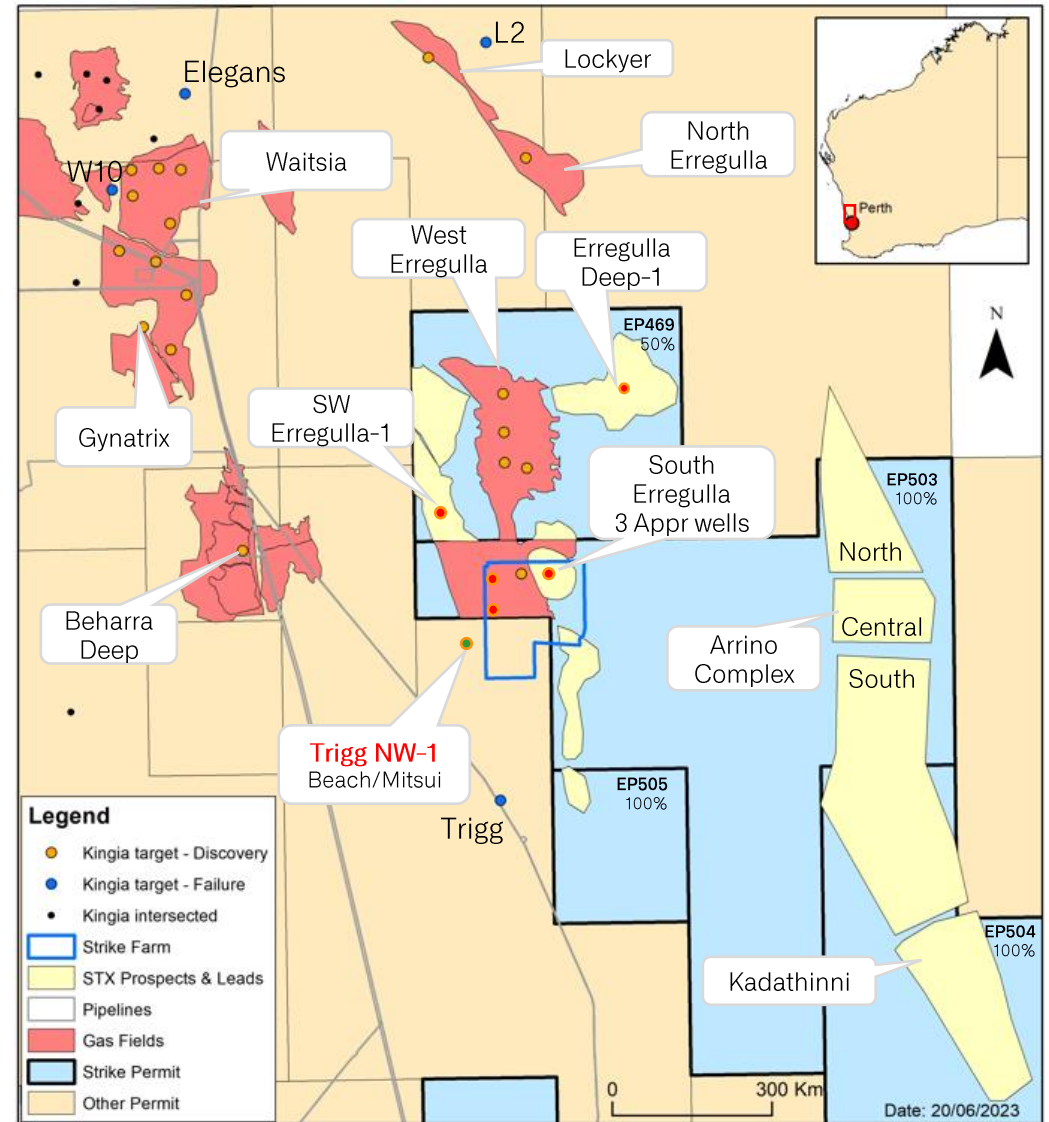
## Strike drill-bit strategy to add material new 2P Reserves

Volumes are PJ estimates.



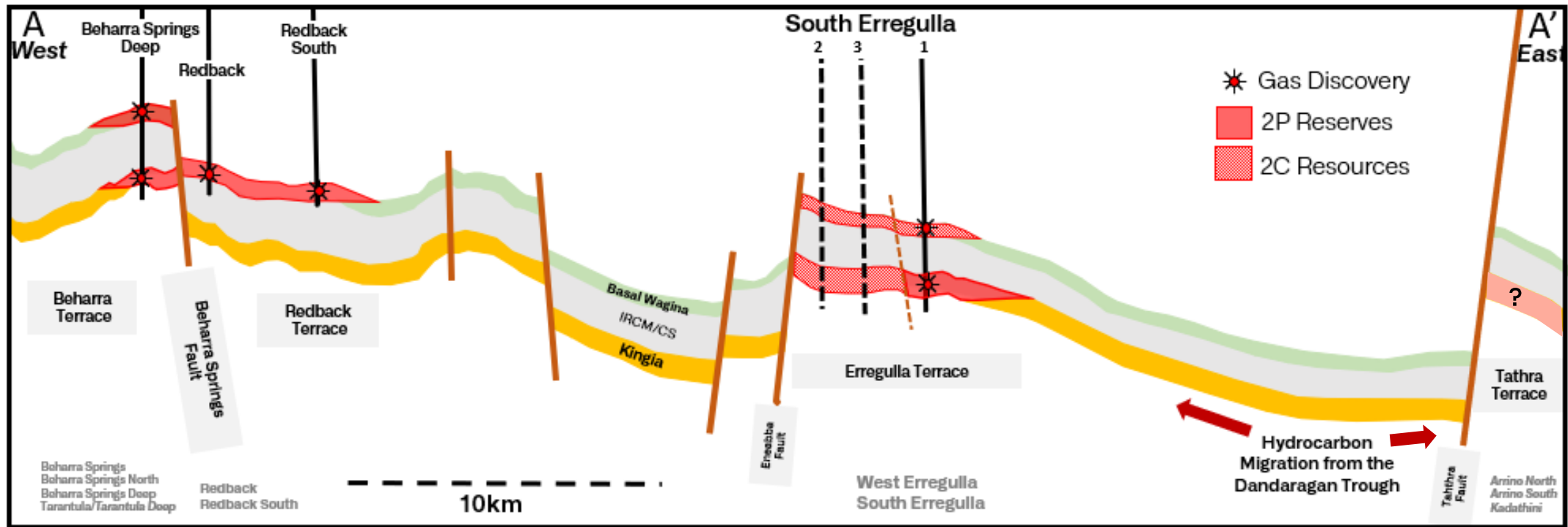
**Important Note:** Neither the conversion of 2C and 2U Resources to Reserves nor the conversion factor is guaranteed and is subject to drilling and well test results. The above represents the potential scope for Reserve upgrade on a 100% success basis. Refer to page 14 for Reserves and Resources information and to ASX announcement dated 2 March 2023 titled "Gas Acceleration Strategy" in support of Strike's drill-bit strategy.

## Permian Drilling Campaign 2023 to 1H 2024

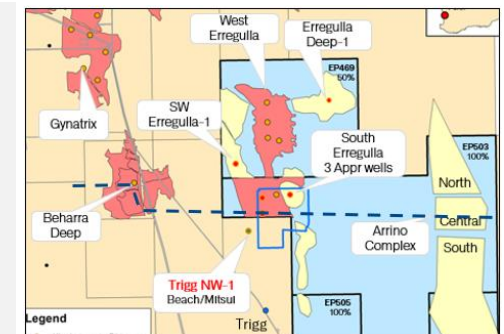


● STX Wells for 2023 and 1H 2024  
● Key neighbouring wells





- South Erregulla appraisal wells to be drilled:
  - ✓ Updip of South Erregulla discovery (SE-1 flowed 80mmscfd on test)
  - ✓ In-between two known points of good Kingia reservoir (Beharra Springs Deep-1, 36m of net pay & South Erregulla-1, 14m of net pay)
- Trigg-1 result has proved the Eneabba fault is sealing to West of SE-1 which is one of the key risks associated with the 178 PJ of 2C Contingent Resource at South Erregulla<sup>1</sup>. Trigg result reduces appraisal risk at South Erregulla.
- Beach moving up towards South Erregulla to drill Trigg North West-1.

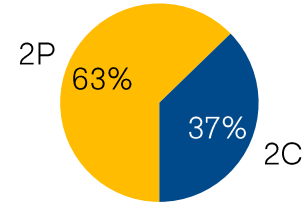


1. Refer slide 14 for Reserves and Resources information.



Imminent Production

51 PJ net 2P plus 2C

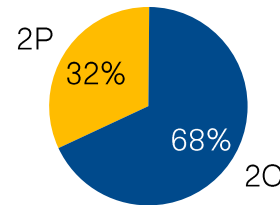


Construction, commissioning and Production up to 33 TJ/d



Targeting Production in late 2024

399 PJ net 2P plus 2C

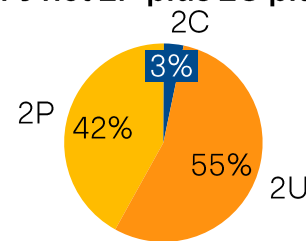


3 Appraisal wells and FID of 40TJ/d targeted for 2H/23



Targeting Production in 2025

501 PJ net 2P plus 2C plus 2U

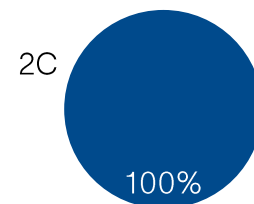


2 nearfield exploration wells followed by FID



Targeting Production in late 2025

306 PJ net 2C



3D seismic and 1 appraisal well, plus contingent FID



## STX: 55% operator

Gross 2P<sup>2</sup>: 56 PJe

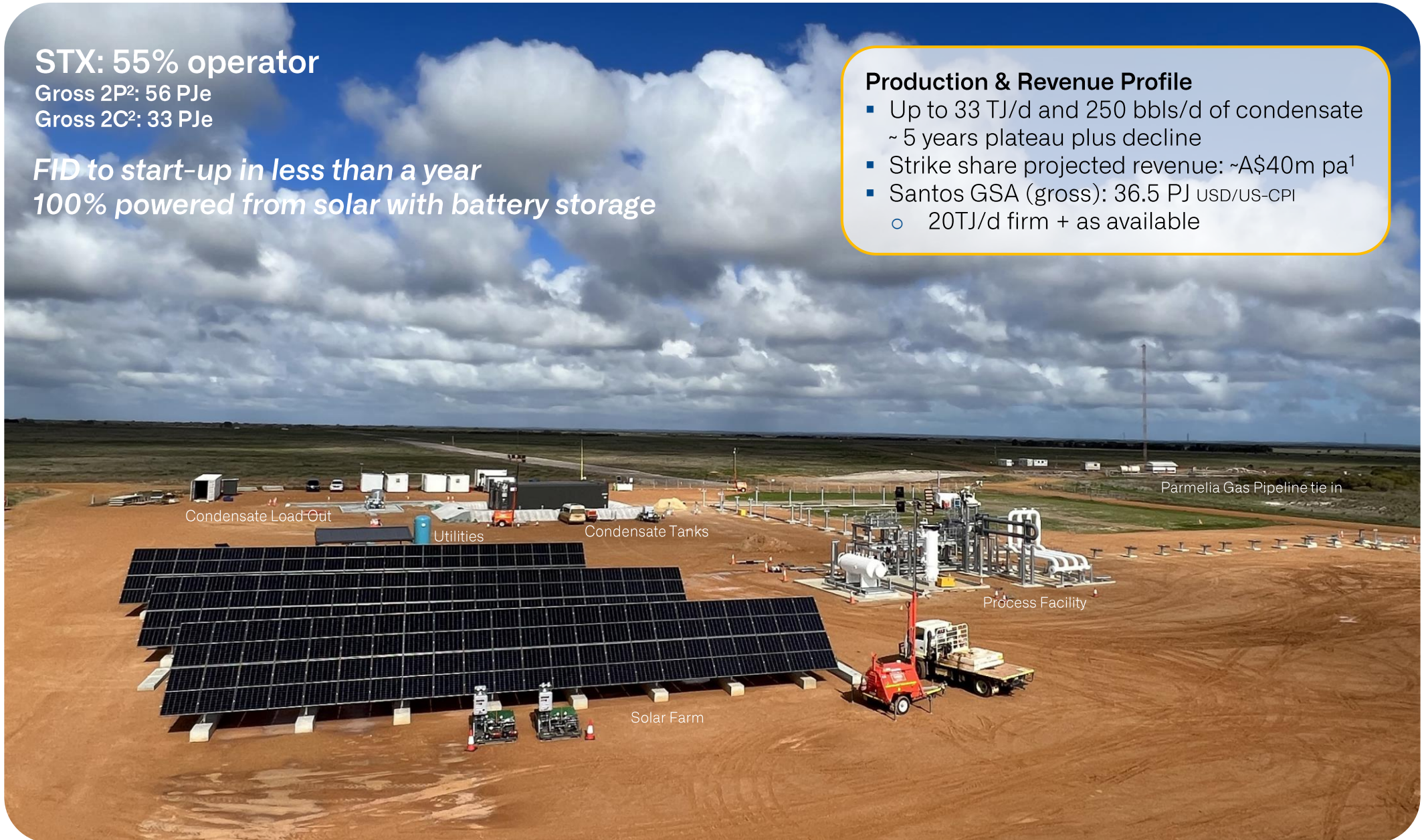
Gross 2C<sup>2</sup>: 33 PJe

*FID to start-up in less than a year*

*100% powered from solar with battery storage*

### Production & Revenue Profile

- Up to 33 TJ/d and 250 bbls/d of condensate  
~ 5 years plateau plus decline
- Strike share projected revenue: ~A\$40m pa<sup>1</sup>
- Santos GSA (gross): 36.5 PJ USD/US-CPI
  - 20TJ/d firm + as available



1. Calculated at USD/AUD exchange rate of 0.66 and assuming 30TJ/day sold firm and as available.  
2. Refer slide 14 for Reserves and Resources information.



STX 100%

**ENERFLEX**

- ✓ Modular, expandable 3- Phase development
  - 1 40 TJ/d modular plant, FID near term
  - 2 Expansion modules to >80 TJ/d
  - 3 Carbon sequestration and compression plus the Precinct's substantial renewable energy

- ✓ STX estimated P50 class 4 estimate of \$90 million fully installed (excl export pipeline)
- ✓ Primary approvals submitted for Phase 1
- ✓ All facilities and wells developed on Strike's Precinct (3,500ha of farming land)
- ✓ 3 well drilling campaign commencing mid-2023 to be completed as producers

**Low cost, fast to market, expandable infrastructure development**





*Central to WA's energy transition*

## Forward looking statements

This presentation contains forward looking statements about Strike. Often, but not always, forward looking statements can be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements in this presentation regarding intent, belief, expectations, plans, strategies and objectives of management, indications of and guidance on synergies, future earnings or financial position or performance, future acquisitions, anticipated production or construction commencement dates, costs or production outputs for each of Strike and the future operation of Strike. Strike does not make any representation or warranty as to the currency, accuracy, reliability or completeness of any forward-looking statements contained in this presentation.

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## Reserves and resources estimates

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

- The West Erregulla Project is set out in the ASX announcement dated 27th July 2022 entitled “West Erregulla Reserves Upgraded by 41%”. Strike equity interest is 50% and Warrego equity interest is 50%.
- The South Erregulla Project is set out in ASX announcement dated 28th September 2022 entitled “Independent Certification of South Erregulla Kingia Gas Discovery”. Strike equity interest is 100%.
- The Walyering Reserve and Resource Estimate is set out in ASX announcement dated 21 July 2022 entitled “Independent Certification of Walyering Reserves”. Strike equity interest is 55%.
- The Oceanhill 2C Contingent Resource is set out in ASX announcement dated 10 October 2022 entitled “Independent Certification of Ocean Hill Gas Resource”. Strike equity interest is 100%.
- The Erregulla Deep & Southwest Erregulla 2U prospective Resource is set out in ASX announcement dated 16 December 2022 entitled “Strike to test Southwest Erregulla and Erregulla Deep Prospective Resource”. Strike equity interest is 50%.

This reserves and resources estimates must, therefore, be read in conjunction with the full text of the ASX releases referred to. The Reserves and Resources are unrisks.

Strike is unaware of any new information that materially impacts the information in these releases and confirms that all the material assumptions and technical parameters underpinning the estimates in the above releases continue to apply and have not materially changed.

## Precinct development

The proposed Low Carbon Mid-West Precinct development will be contingent on, among other things, successfully re-zoning the land for the intended renewable and industrial uses, obtaining all other required regulatory approvals, licences and authorisations and, in the case of the renewable uses, securing renewables developer(s) on terms acceptable to Strike.

## Effect of rounding and Financial data

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation. All dollar values are in Australian dollars (\$) or A\$ or AUD) unless stated otherwise. All references to USD or US\$ or USD are to the currency of the United States of America.