

# Walyering Reserves Statement

- Strike has completed a review of its Reserves and Resources at the Walyering gas field with independent certifiers RISC Advisory certifying 57 PJe of 2P Reserves and 2C Resources.
- Walyering-7 tie-in targeted for completion by the end of September with construction currently on schedule and on budget.

Strike Energy Limited (Strike - ASX: STX) provides an update on the operations and its Reserves and Resources review at the producing Walyering gas field in L23 (100% net to STX).

Over the past year, Strike has produced ~7 PJe from the Walyering gas field, generating \$64 million in gross sales revenue and achieving payback in May of this year.

Strike has completed the Reserves and Resources review following the reprocessing of the field's 3D seismic, the first year's produced volumes and the addition of the Walyering-7 results. RISC has assessed:

- total 1P plus 1C Reserves and Resources of 37 PJe;
- total 2P plus 2C Reserves and Resources of 57 PJe; and
- total 3P plus 3C Reserves and Resources of 84 PJe.

Refer to table below and to the Important Notices section of this release for further details.

On material balance reviews the Walyering gas field has performed within the original range of expectations; however, a downward revision to 2P Reserves has been made, which is driven primarily by changes in the assumptions of gas in place. The effect of these reviews is a reduction in 2P Reserves from the Walyering 5 & 6 wells, which is partly offset by additions from Walyering-7. Importantly, RISC do not observe any formation water production from the primary gas production zones.

Walyering Net Reserves & Resources PJe						
100% Strike	1P	2P	3P	1C	2C	3C
RISC 2022	34	58	88	19	34	54
Less Production	-7	-7	-7	-	-	-
Revision	-3	-9	-17	-7	-18	-34
<b>RISC 2024</b>	<b>25</b>	<b>41</b>	<b>64</b>	<b>12</b>	<b>16</b>	<b>20</b>

Strike has approximately 32 PJ of contracted gas that remains to be supplied, and which can be satisfied from the revised 2P Reserves. As planned, Strike has identified compression facilities for procurement and installation. Timing of installation in mid-CY25 is in line with the production modelling, and it is expected that these facilities will be leased.

Contingent Resources to the West of the field associated with the Walyering-1 well from 1971 have reduced based on re-mapping from the 3D seismic reprocessing.



At Walyering-7 the lower B and D-Sands remain untested, and Strike has now sourced slimline perforation guns to perforate and flow these reservoir units before the end of the year, which has the potential to add additional Reserves and Resources.

W7's tie-in is well progressed and is targeting completion by the end of September with construction currently on schedule and on budget.

Strike also intends to drill the Walyering East structure by the end of the year. Walyering East sits inside the field's 3D seismic approximately 4.5km to the north-west of the Walyering production facility. Walyering East is similar to the Walyering-5/7 compartments in that it is fault bounded to the West by a major down to source fault and has similar prospectivity. The timing of the Walyering East well coincides with the estimated February 2025 completion of the APA Mondarra crossing, which will provide access into the Dampier to Bunbury Natural Gas Pipeline.

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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## **Important Notices**

### **Reserves and Resources Information**

The RISC Reserves and Resources estimates are evaluated as at 1 July 2024, reported to Strike on 20 September 2024 and are an update to RISC Reserves and Resource estimates released to the ASX on 21 July of 2022. The updated Reserves and Resources are based on the drilling, coring, log, seismic and production testing data from the Cattamarra and Cadda Formations in the Walyering 1 to 7 wells. All Reserves and Resources figures in this document are net to Strike. Strike holds a 100% operated interest in L23 to which the Reserve and Resource estimates relate.

Reserves and resources are reported in accordance with the definitions of reserves and contingent resources and guidelines set out in the Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the American Association of Petroleum Geologists (AAPG), World Petroleum Council (WPC), Society of Petroleum Evaluation Engineers (SPEE), Society of Exploration Geophysicists (SEG), Society of Petrophysicists and Well Log Analysts (SPWLA) and European Association of Geoscientists and Engineers (EAGE), revised June 2018.

The Reserves and Resources have been estimated using a combination of probabilistic and deterministic methods and arithmetic and probabilistic summation, and are categorised and reported in the most specific category that reflects the degree of uncertainty in the estimated

quantities, that is 1P, 2P and 3P in the case of Reserves, 1C, 2C and 3C in the case of Contingent Resources. The Contingent Resource estimates are un-risked and have a 50% chance of development.

Reserves are stated net of fuel, flare and vent. The reference point used for measuring and assessing the estimates is the exit of the Walyering Gas Processing Facility.

The Reserves and Resources have been aggregated by arithmetic summation by category, that is 1P, 2P and 3P for Reserves and 1C, 2C and 3C for Contingent Resources. As recommended by the PRMS, the Reserves and Contingent Resources have been aggregated beyond the project level by arithmetic summation, hence the aggregate 1P and 1C may be a very conservative estimate and the aggregate 3P and 3C may be a very optimistic estimate due to the portfolio effects of arithmetic summation.

In respect to the updated Reserves, Strike advises the following changes and or additions to the information provided in the 21 July 2022 release under ASX Listing Rules 5.31.1 to 5.31.7:

- LR 5.31.1 (Material economic assumptions) – All economic assumptions that form the basis of the commerciality test were provided by Strike to RISC based on actual expenditures and revenue and forecast revenues based on Strike's existing firm gas supply contracts. These assumptions are commercially sensitive. Economic consideration has been applied for all State based royalties and federal taxes when assessing the resulting net project cashflows.
- LR 5.31.2 (Operated interest) – Strike has a 100% operated interest (July 2022: 55%) in the L23 Walyering gas field.
- LR 5.31.3 (Permits) – Strike holds L23 (July 2022: EP447) in respect of the reported Reserves.
- LR 5.31.4 (Description of analysis of Reserves) – The reserves were deemed commercial as screened against the economic assumptions referred to above. The analytical procedures used to estimate the Reserves were through proven well production, well testing and production forecasting. The extraction method for the Reserves is conventional gas production.
- LR 5.31.5 (Estimated Quantities (in aggregate) to be recovered) – All reserves listed under the RISC report are deemed as developed and the resulting recoverable quantities of gas reflect the ultimate recoveries of the existing well inventory inclusive of compression planned for installation in 2025.

In respect to the updated Contingent Resources, Strike advises the following changes and or additions to the information provided in the 21 July 2022 release under ASX Listing Rules 5.33.1 to 5.33.5:

- LR 5.33.2 (Basis for confirmation of hydrocarbons and discovery)– In addition to the basis disclosed in 2022, Contingent Resources in the A1 sand are mapped up dip of Walyering 7.
- LR 5.33.3 (Analytical procedures and key contingencies) – The analytical procedures used to estimate the Contingent Resource are the same as used for the 2022 estimates. The key contingencies that prevent the Contingent Resources from being classified as Reserves are:
  - for the Walyering 1 Contingent Resources – drilling productive appraisal wells and including them in the development; and
  - for the Walyering 7 Contingent Resources – drilling a new well or sidetrack from the existing Walyering 7 and including them in the development.

Oil and gas reserves and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional production, drilling and analysis, the estimates are likely to change. This may result in alterations to development and production plans which may, in turn, adversely impact the Company's operations. Reserves estimates and estimates of future net revenues are, by nature, forward looking statements and subject to the same risks as other forward looking statements.

### Competent person's statements

About RISC:

The preparation of this report has been managed by Mr. Adam Craig who is an employee of RISC. Mr. Craig is a member of PESA (2021-24 Western Australia branch President), a certified Petroleum Geologist of the AAPG and a Fellow of the Geological Society and holds a BSc (Geology). Mr Craig has over 30-years' experience in the sector and is a qualified petroleum reserves and resources evaluator (QPRRE) as defined by ASX listing rules.

RISC is an independent oil and gas advisory firm. All of the RISC staff engaged in this assignment are professionally qualified engineers, geoscientists or analysts, each with many years of relevant experience and most have in excess of 20 years.

RISC was founded in 1994 to provide independent advice to companies associated with the oil and gas industry. Today the company has approximately 40 highly experienced professional staff at offices in Perth, Brisbane, Jakarta and London. We have completed over 2,000 assignments in 70+ countries for nearly 500 clients. Our services cover the entire range of the oil and gas business lifecycle.

About Strike:

The estimates in this release that relate to the RISC certified prospective resource estimates are based on, and fairly represent, information and supporting documentation prepared by, or under the supervision of a Qualified Petroleum Reserves and Resources Evaluator (QPRRE) employed by Strike. The QPRRE is Mr. Andrew Farley who holds a B.Sc. in Geology, and is a member of the Society of Petroleum Engineers. Mr. Farley is the General Manager – Subsurface and Exploration for the Group and has worked in the petroleum industry as a practicing geologist for more than 22 years. Mr. Farley has consented to the inclusion in this report of matters based on his information in the form and context in which it appears.

### Forward looking Statements

Statements contained in this release, including but not limited to those regarding the possible or assumed future costs, projected timeframes, performance, dividends, returns, revenue, exchange rates, potential growth of Strike, industry growth, commodity or price forecasts, or other projections and any estimated company earnings are or may be forward looking statements. Forward looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'budget', 'outlook', 'schedule', 'estimate', 'target', 'guidance', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. Forward looking statements including all statements in this document regarding the outcomes of preliminary and definitive feasibility studies, projections, guidance on future earnings 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. Actual results, performance, actions and developments of Strike may differ materially from those expressed or implied by the forward-looking statements in this release. Such forward-looking statements speak only as of the date of this document. Refer to the risk factors set out in Talon Energy Limited's Scheme Booklet dated 3 November 2023 in relation to the acquisition by Strike Energy (through its wholly owned subsidiary) of all of the issued shares in Talon Energy by way of scheme of arrangement pursuant to Part 5.1 of the Corporations Act 2001 (Cth) for a summary of certain general, Strike Energy specific and acquisition specific risk factors that may affect Strike Energy. There can be no assurance that actual outcomes will not differ materially from these statements. Investors should consider the forward looking statements contained in this release in light of those disclosures. To the maximum extent permitted by law (including the ASX Listing Rules), Strike 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 release will under any circumstances create an implication that there has been no change in the affairs of Strike since the date of this document.