

# Strike Energy Limited



Good Oil Conference  
West Erregulla-2 Results  
September 2019



West Erregulla-2

# Important Notice



## Summary information

This presentation contains summary information regarding Strike Energy and its subsidiaries current as at 11 September 2019. The information in this presentation is of general background only and does not purport to be complete. The contents of this presentation should be considered in conjunction with Strike Energy's other announcements lodged with the Australian Securities Exchange available at [www.asx.com.au](http://www.asx.com.au).

## Not an offer

This presentation does not constitute an offer, invitation or recommendation to subscribe for, or purchase any security and neither this presentation nor anything contained in it shall form the basis of any contract or commitment.

## Not financial product advice

Reliance should not be placed on the information or opinions contained in this presentation. This presentation does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. Any decision to purchase or subscribe for any shares in Strike Energy Limited should only be made after consideration of your own objectives and financial situation, making independent enquiries and seeking appropriate financial advice.

## Past performance

Statements about past performance provides no guarantee or guidance as to future performance, including in respect of the price of Strike shares.

## Future Statements

Statements contained in this presentation, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, production levels or rates, oil and gas prices, reserve or resource potential, exploration drilling, potential growth of Strike Energy Limited, industry growth and any estimated company earnings are or may be forward looking statements.

Such statements relate to future events and expectations and as such involve known and unknown risk and uncertainties associated with oil, gas, geothermal and related businesses, many of which are outside the control of Strike Energy Limited, and are not guarantees of future performance.

Although the Company believes that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results, actions and developments to differ materially from those expressed or implied by the statements in this presentation, including, but not limited to: price fluctuations, actual demand, drilling and production results, reserve estimates, regulatory developments, project delays or advancements and approvals and costs estimates.

Subject to any continuing obligations under applicable law and the Listing Rules of ASX Limited, Strike Energy Limited does not undertake any obligation to publicly update or revise any of the forward looking statements in this presentation or any changes in events, conditions or circumstances on which any such statement is based.

## Competent person's statements

The information in this presentation that relates to resource estimates is based on information compiled or reviewed by Mr A. Farley who holds a B.Sc in Geology and is a member of the Society of Petroleum Engineers. Mr A. Farley is Manager Geoscience for the Group and has worked in the petroleum industry as a practicing geologist for over 17 years. Mr A. Farley has consented to the inclusion in this report of matters based on his information in the form and context in which it appears.

Mr Tony Cortis (M.Sc. Geology) of Igesi Consulting has consented to the inclusion in this report of matters based on his information in the form and context in which they appear. Mr Cortis has over 30 years of industry experience, 28 of which were with Shell International, and is a member of APEGA and the AAPG. He has extensive technical and delivery experience in all three Unconventional Resource play types: tight clastic, shale and coal bed reservoirs. He has actively worked on CBM projects in the Bowser Basin, the Western Canada Sedimentary Basin and in the Ordos Basin of China. He has also worked on numerous conventional clastic and carbonate plays worldwide.

# West Erregulla 2

## Achievement

- WE2 the deepest well ever drilled onshore Australia at 5,100m.
- Three excellent high pressure Permian gas filled reservoirs discovered at depth.

## Still to come...

- Production flow testing within weeks.
- Resource size released shortly after flow testing.

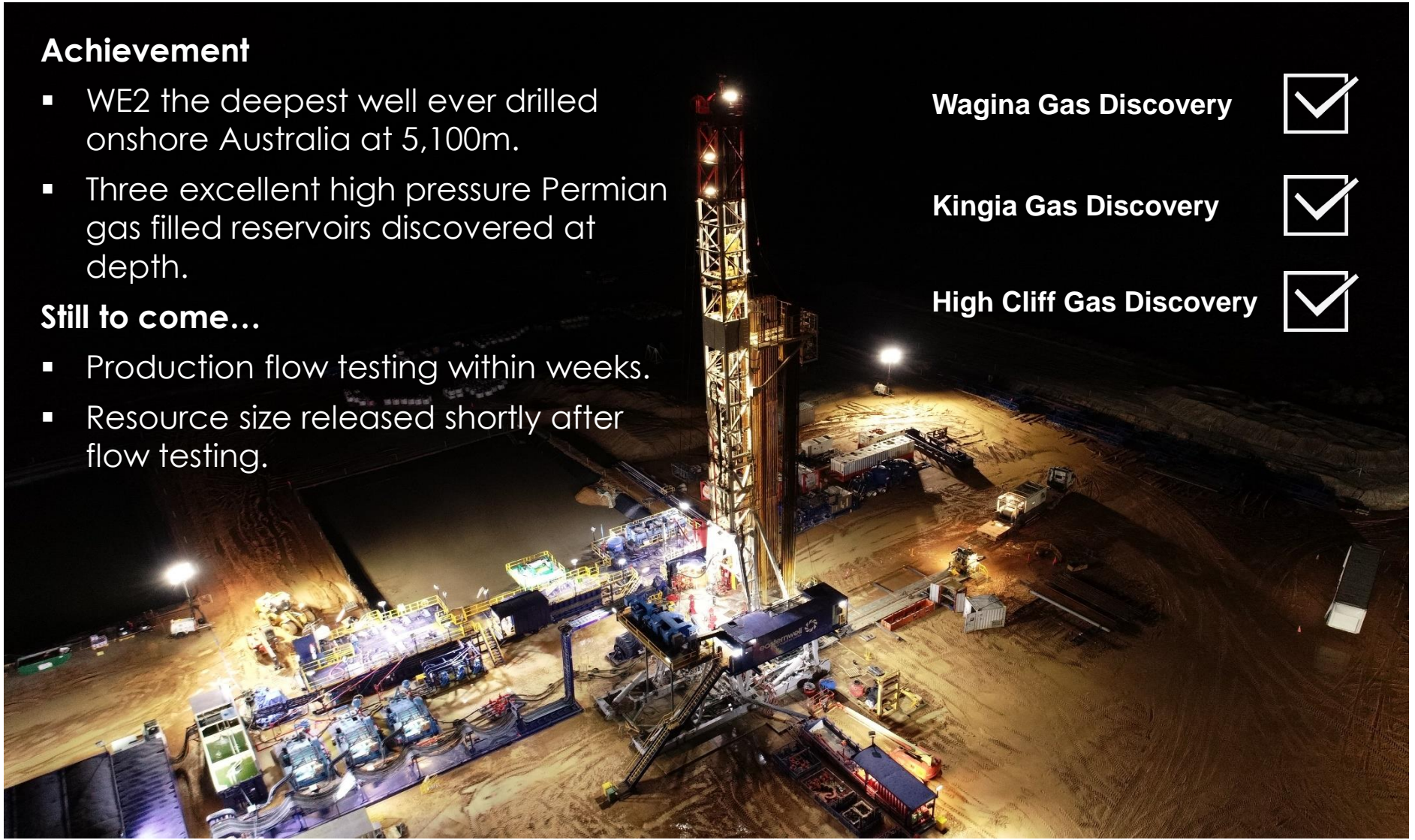
Wagina Gas Discovery



Kingia Gas Discovery

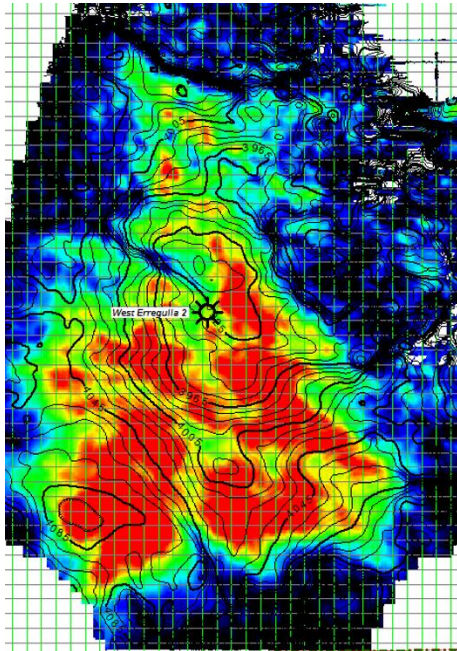


High Cliff Gas Discovery



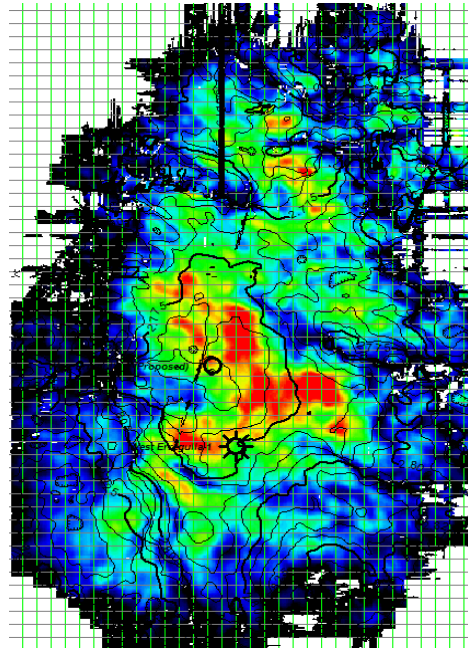
# The West Erregulla Trifecta

## Wagina Sandstone 23 km<sup>2</sup>



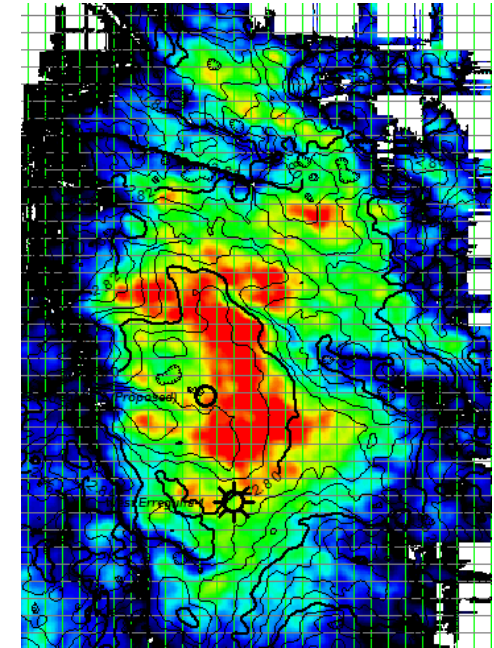
10.2m net reservoir  
79m gross gas column

## Kingia Sandstone 25 km<sup>2</sup>



58m net pay  
220m gross gas column

## High Cliff Sandstone 25 km<sup>2</sup>

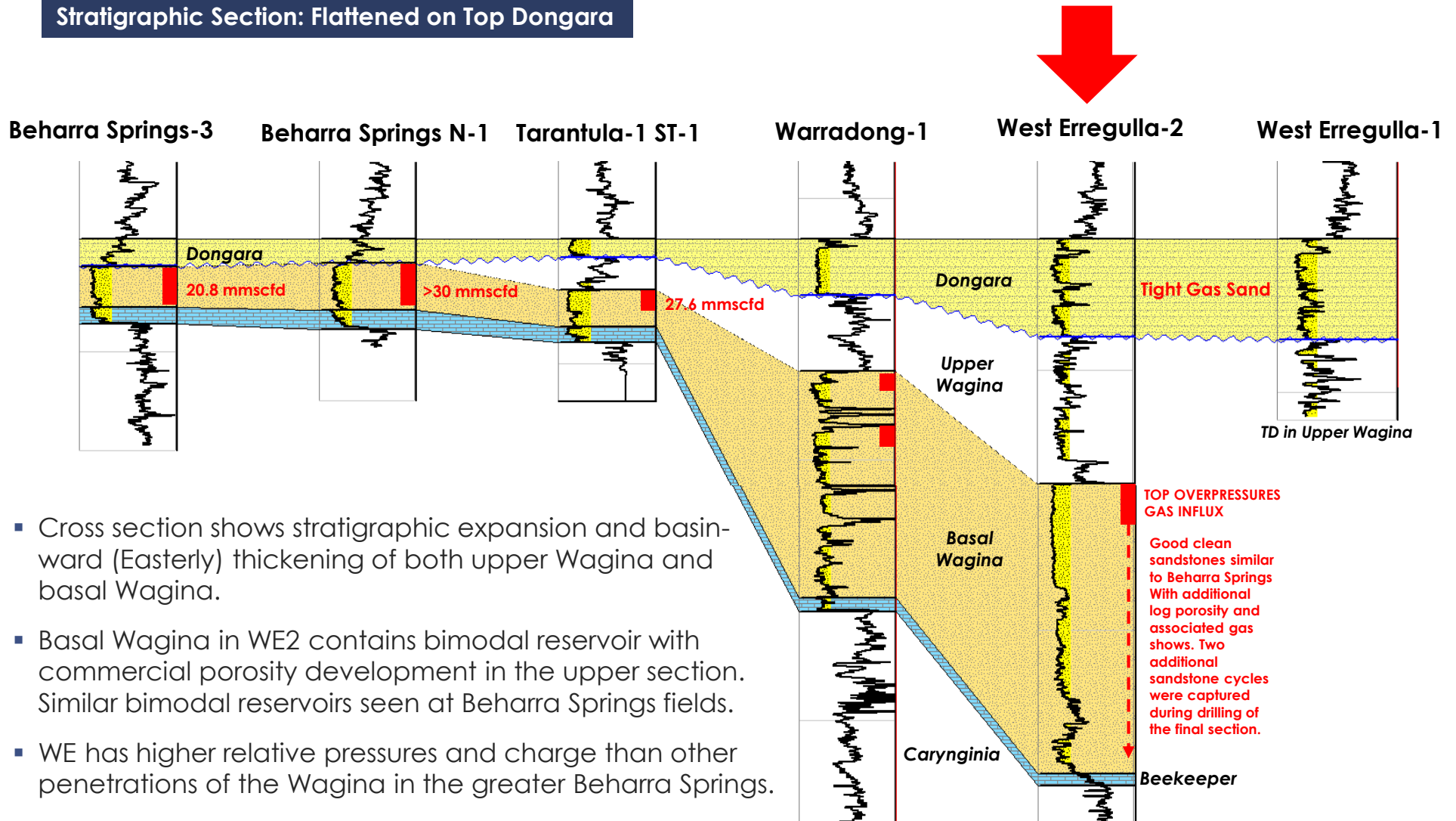


10m net pay  
22m gross gas column

- Excellent correlation between Strike geological and geophysical model predictions
- High amplitude corresponds to porous hydrocarbon charged sands
- Strike now has the recipe for success to delineate high confidence Permian targets

# Wagina Sandstone Stratigraphic Section

Stratigraphic Section: Flattened on Top Dongara

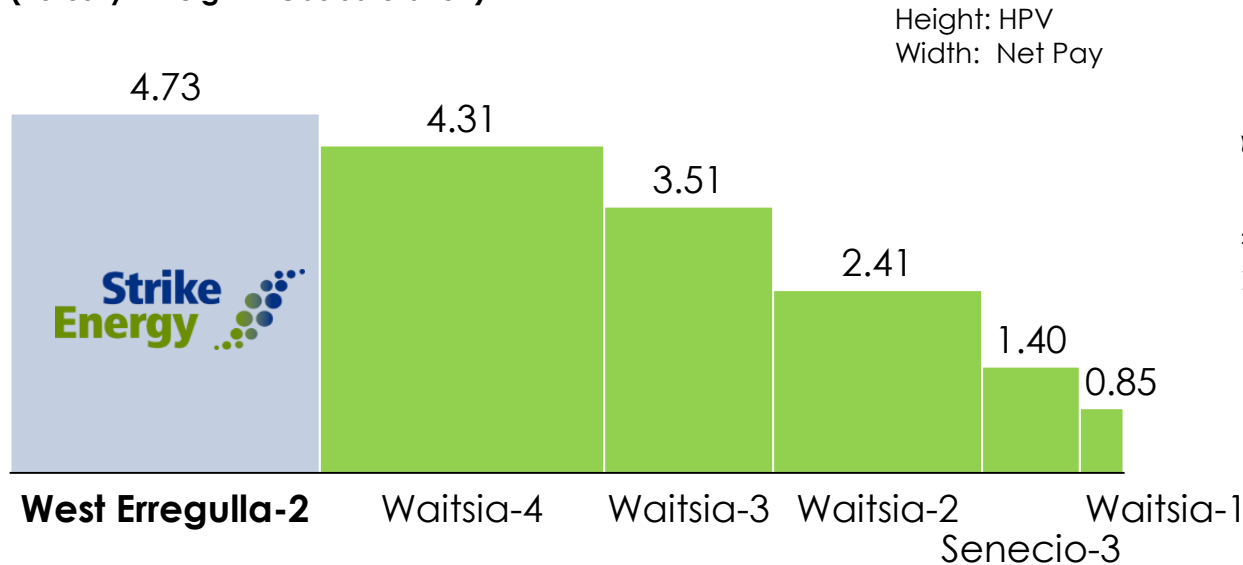


- Cross section shows stratigraphic expansion and basinward (Easterly) thickening of both upper Wagina and basal Wagina.
- Basal Wagina in WE2 contains bimodal reservoir with commercial porosity development in the upper section. Similar bimodal reservoirs seen at Beharra Springs fields.
- WE has higher relative pressures and charge than other penetrations of the Wagina in the greater Beharra Springs.

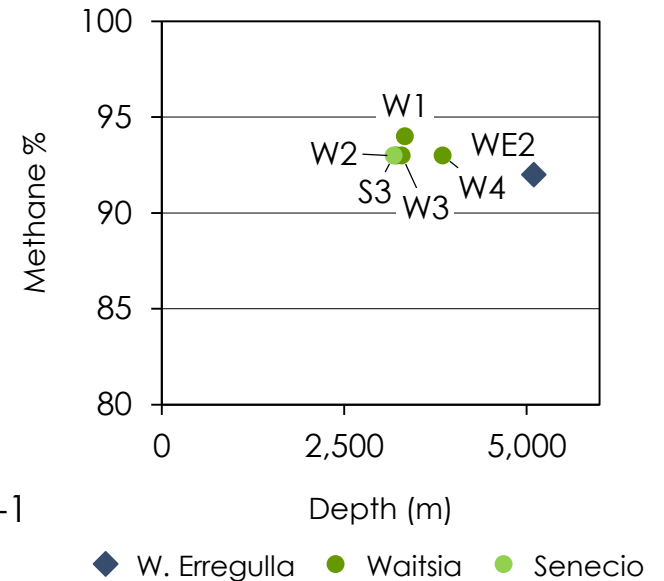
# Kingia & High Cliff – Staggering Results



## Kingia Discovery Wells - Hydrocarbon Pore Volume (Porosity x Height x Gas Saturation)

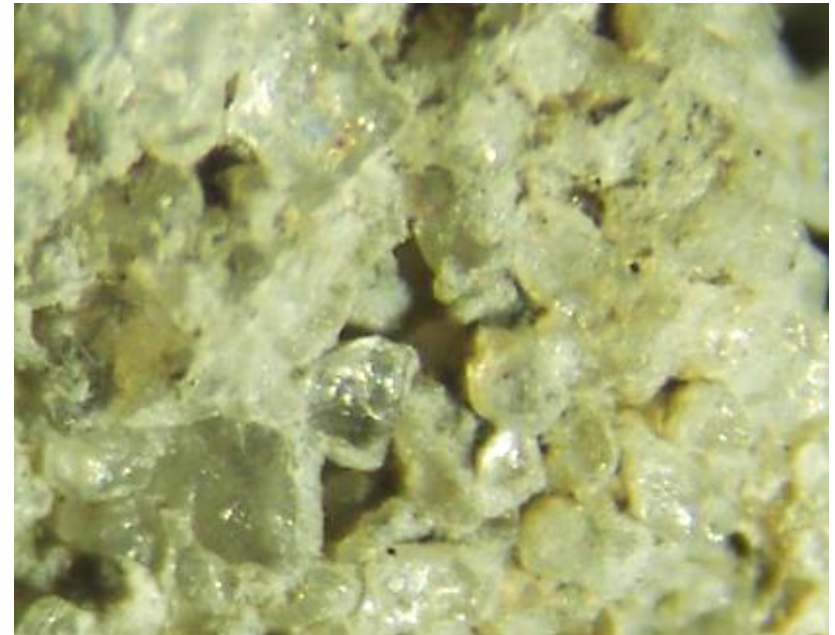
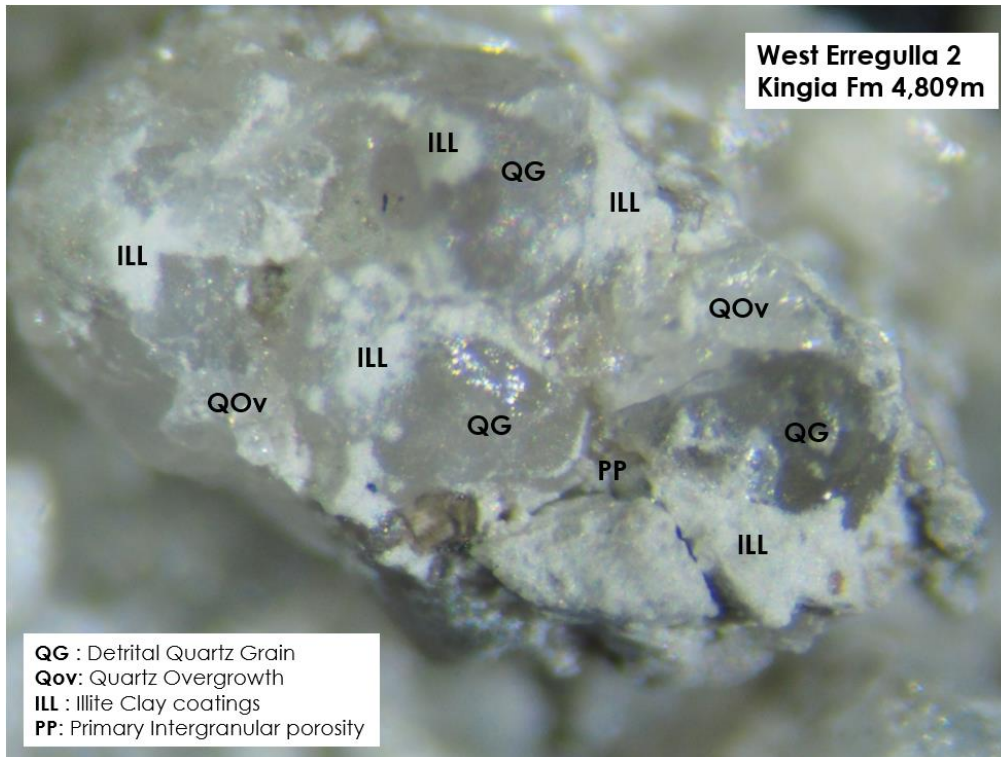


## Kingia Interval Depth & Methane %

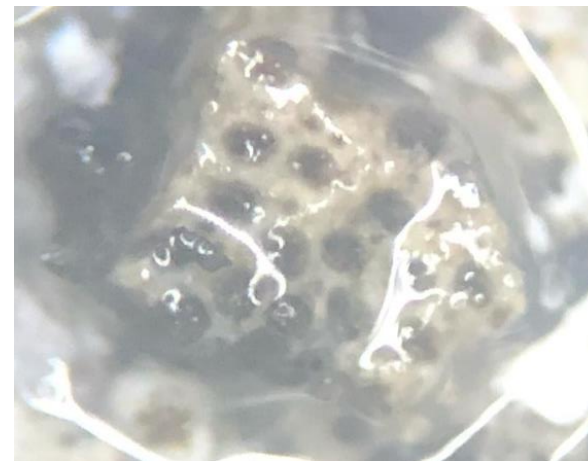


- Gas discoveries in both Kingia & High Cliff.
- WE2 Kingia reservoir is the highest quality in the basin based on penetrations to date.
- Kingia permeabilities up to 102 mD and reservoir pressures measured at 6,800+ psi which is 3x the Waitsia reservoir.
- Kingia gas is very good quality despite additional depth and temperature.
- West Erregulla-2 is only the second well to find >10% average porosity in the High Cliff sandstone in the onshore Perth Basin.

# Paradigm Altering Geology



**Above:** Kingia reservoir showing visible porosity resultant from clay coated sand grains

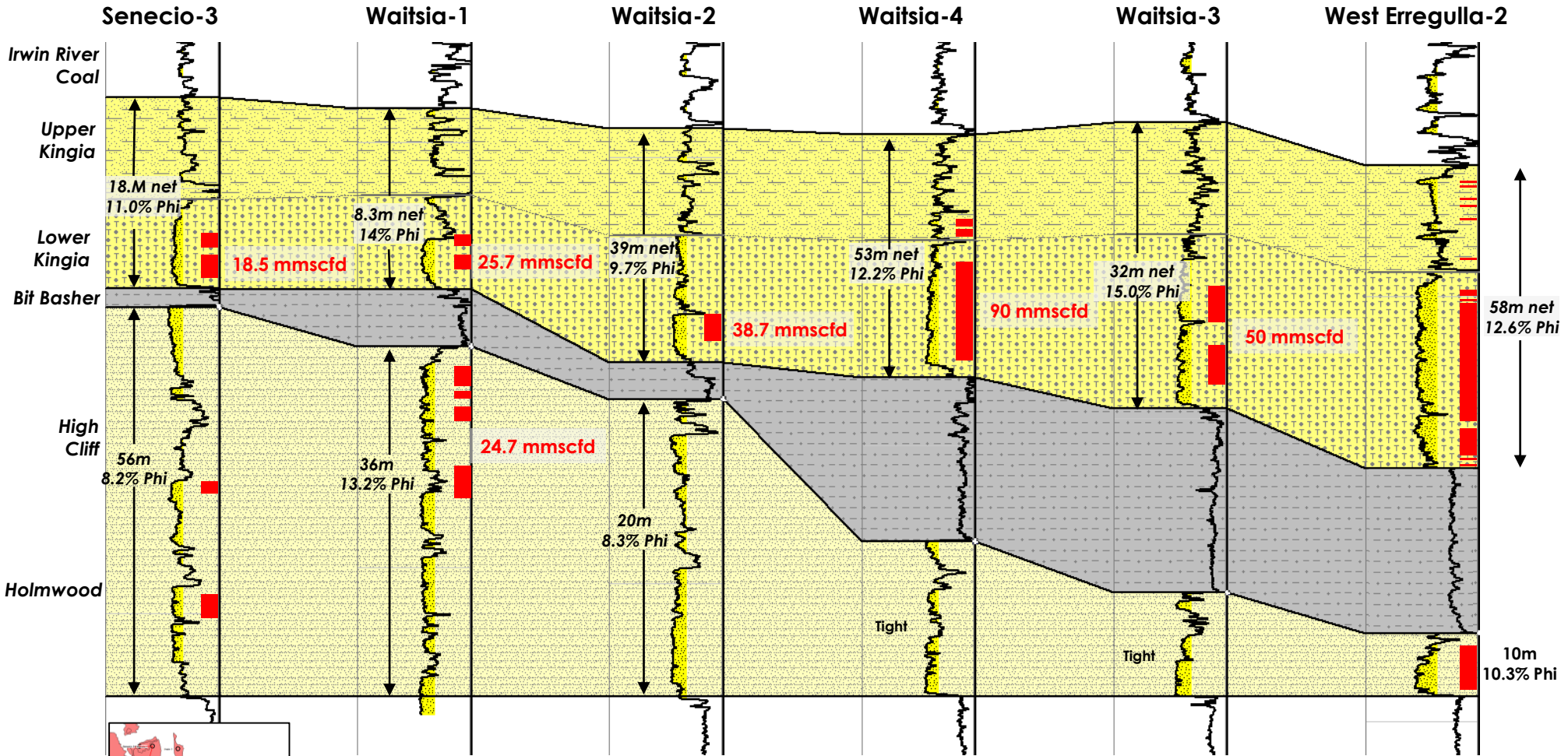


**Left:** Fossilised sea sponge from ~4,850m evidence of marine depositional environment

- Strike's evolutionary basin model proved to be highly accurate. Sand quality, clay coatings and formation tops were all observed as prognosed

# Kingia High Cliff Sandstones Stratigraphic Section

Stratigraphic Section: Flattened on Holmwood Shale



### Legend

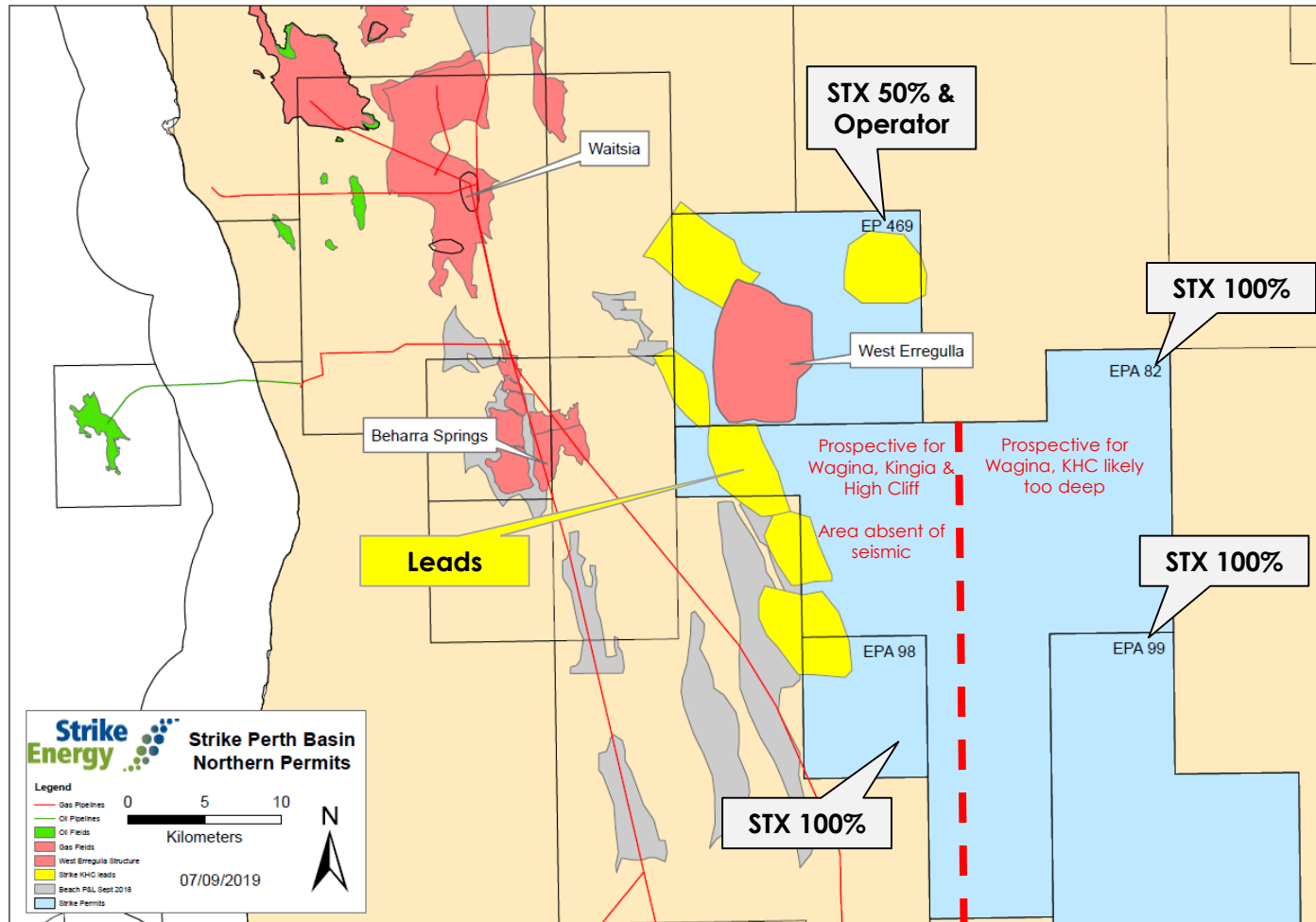
32m Net pay and average porosity in interval (calculated at 7% phi cut-off)  
15.0% Phi

Zone of best reservoir development with associated flow rates



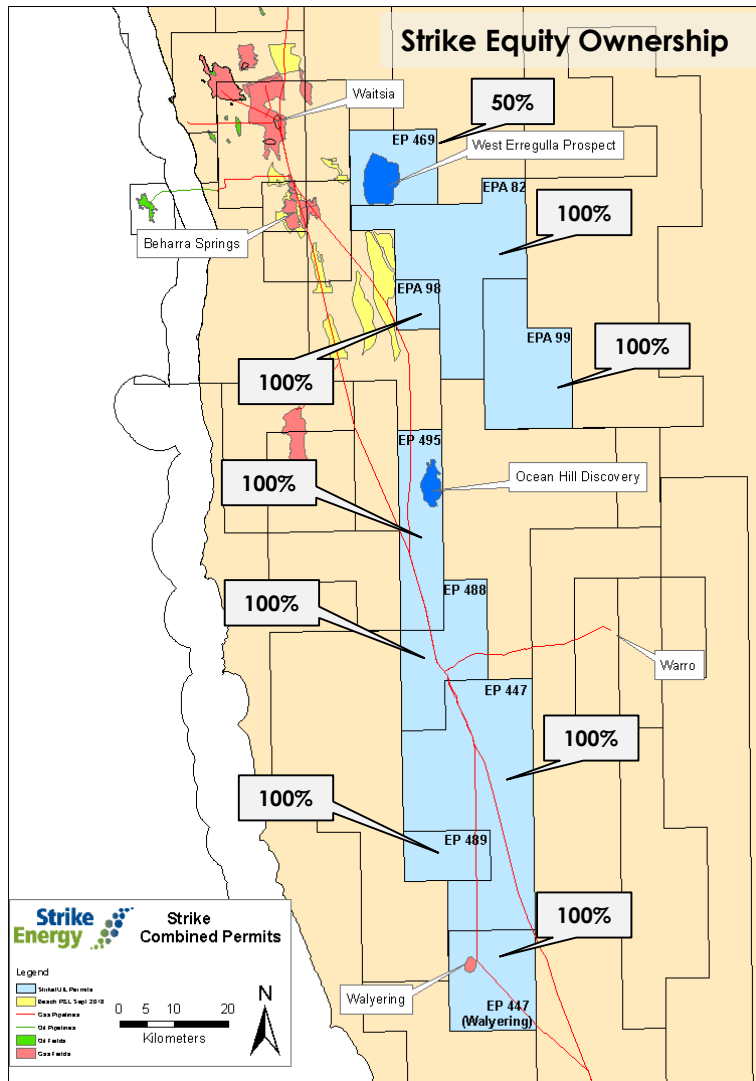
# The West Erregulla Compounding Effect

## Strike North Perth Basin Kingia & High Cliff Leads



- West Erregulla has unlocked a huge conventional gas fairway.
- Strike controls a significant portion of this play within the **100% Strike owned** acreage.
- Data is only present over the North Western portion of the fairway.
- Strike's basin and isopach models supports additional high class discoveries along the trend.

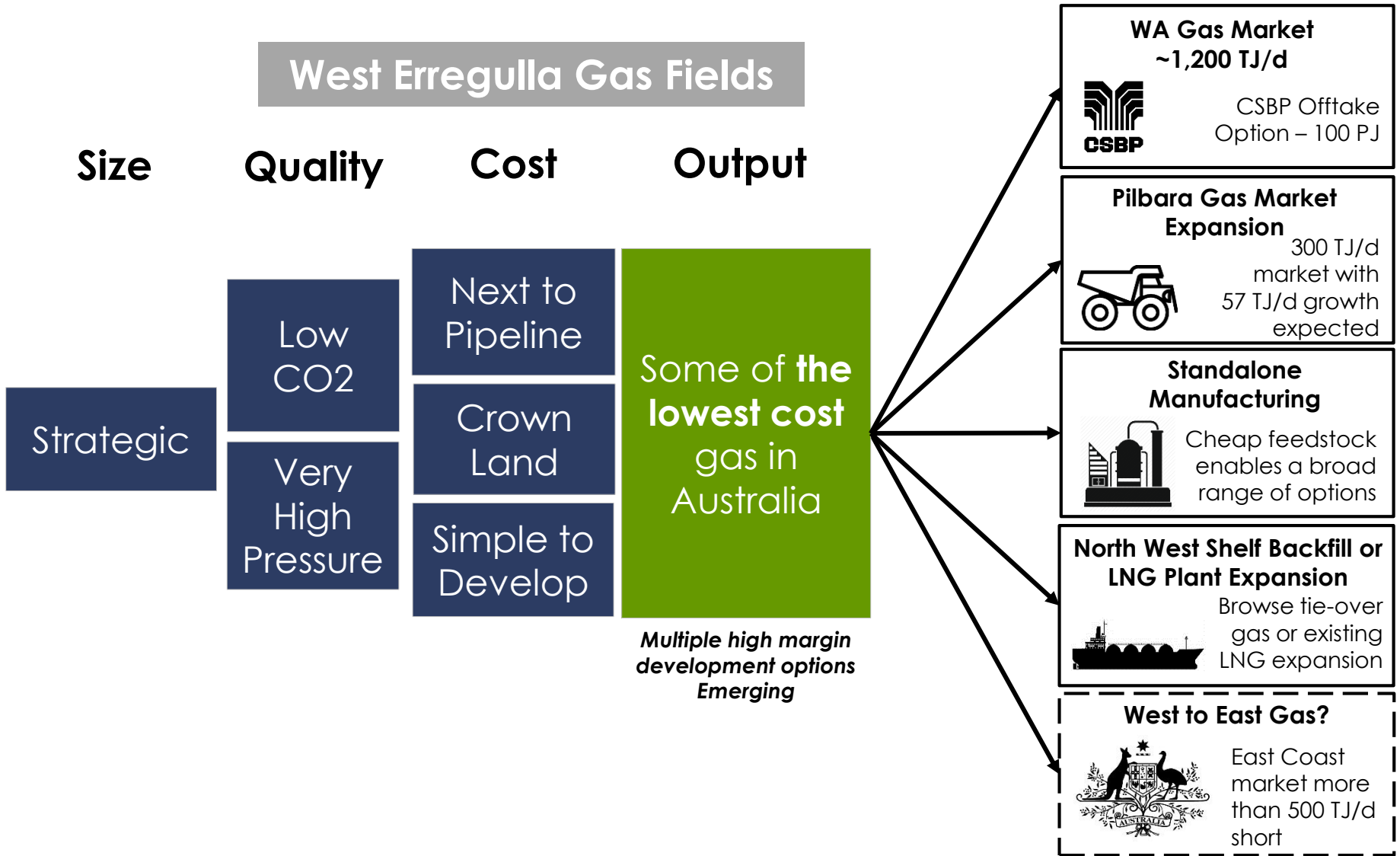
# The Perth Basin – Hot Acreage



**Perth Basin Conventional Gas Portfolio**  
2,768 km<sup>2</sup> of net acreage with 40% of it prospective for Kingia-High Cliff and Wagina plays

- Strike has reached its aspiration as the Basin's premier explorer.
- West Erregulla's success has proven the uplifting affect on acreage value via advanced 3D seismic interpretation.
- Strike has multiple projects to progress in parallel. All except West Erregulla are owned 100% by Strike.
- Strike is looking to partner at Walyering & Ocean Hill in the near term.
- Strike's Perth Basin position will provide the foundation for Australia's next natural gas producer.

# Strike - Australia's 'Next' Natural Gas Producer



**Strike**  
**Energy**

