

Chairman's Address and AGM Presentation

Please find attached the following items to be presented at Strike Energy Limited's Annual General Meeting to be held at 10.00am today in Adelaide.

- Chairman's address; and
- Managing Director and Chief Executive Officer's 2019 Annual General Meeting presentation.

Company Contact

Justin Ferravant

Company Secretary

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STRIKE ENERGY LIMITED
CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING
14 NOVEMBER 2019

Ladies and Gentlemen,

The board and management of Strike spent the 2019 financial year positioning the Company for exploration success in the Southern Cooper Basin in South Australia and the Perth Basin in Western Australia.

As outlined in the Managing Director's Report below, after a frustrating technical setback in early calendar year 2019, the Jaws project in South Australia was brought back on line and is being carefully managed to maximise the chances of it becoming a producer of commercial quantities of gas. With historically high gas prices in the east coast markets continuing to reflect constrained supply, any success at Jaws has the propensity to positively impact the supply dynamics.

After acquiring a 50% interest in EP469 in the Perth Basin, Western Australia in 2018, and identifying a prospective resource fairway in the Basin, Strike quickly consolidated its position in the Perth Basin by acquiring substantial additional acreage over that fairway via the takeover of ASX-listed UIL Energy Ltd.

Both of these actions are testament to the risk tolerant ethos of the Company and its willingness to back a credible scientific thesis regarding the likely presence of hydrocarbons at extreme depths. For a company with a modest market capitalisation and negligible cash flows, the stakes were high.

As you are aware, the West Erregulla-2 well has proved to be an unprecedented success with an attendant substantial uplift in the value of the company. Strike has also confirmed a gross contingent resource of 1,185 Bcf 2C at West Erregulla.

Buoyed by this success, Strike will conduct 3D seismic surveys on 100% company-owned acreage in the Perth Basin.

I acknowledge with thanks the hard work and dedication of Strike's board members, management and staff and add my sincere thanks to our loyal shareholders for your support again this year.

John Poynton AO
Chairman – Strike Energy Limited



**strike
energy**

**Annual General
Meeting
Presentation**



14th November 2019

Summary information

This presentation contains summary information regarding Strike Energy and its subsidiaries current as at 14th November 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.

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, timeline, 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.

Information regarding Resource Estimates

Information in this presentation relating to:

- the 2C Contingent Resource Estimate and Prospective Resource Estimate for the West Erregulla Project is set out in the ASX announcement dated 11 November 2018 entitled "West Erregulla Resource Statement". Strike Energy interest is 50%;
- the Oceanhill 2C Contingent Resource is sourced from the ASX Announcement of Greenrock Energy Limited (ASX:GRK) dated 4 October 2013 titled "Ocean Hill Independent Resource Certification". Strike Energy interest is 100%; and
- the Walyering 2C Contingent Resource is sourced from the ASX Announcement of Pancontinental Oil & Gas NL (ASX:PCL) dated 16 May 2018 titled "Gas & Condensate Resource Upgrade at Walyering Gas Field". Strike Energy interest is 100%.

Strike Energy confirms it is not aware of any new information or data that materially affects the information included in the referenced announcements and that all the material assumptions and technical parameters underpinning the estimates in those announcements continue to apply.

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 Exploration Manager 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.

Board of Directors



Non-Exec Chairman
John Poynton AO Cit WA
Australian Business Leader
Governance & Finance



Non-Exec D. Chairman
Nev Power
Ex FMG MD
Mining & Infrastructure Leader



Managing Director
Stuart Nicholls
Ex Shell International
Upstream & Commercial



Non-Exec Director
Andrew Seaton
Ex CFO Santos
Finance & Commercial

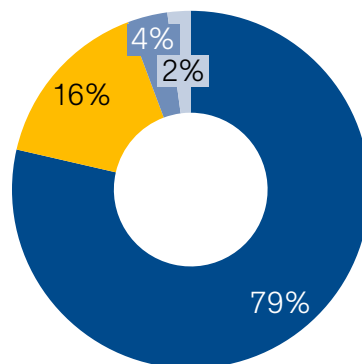


Non-Exec Director
Jody Rowe
Ex BG, Rowe Consultants
Contracting & Procurement



Non-Exec Director
Stephen Bizzell
Energy & Finance Executive
Exploration & Management

Strike Register

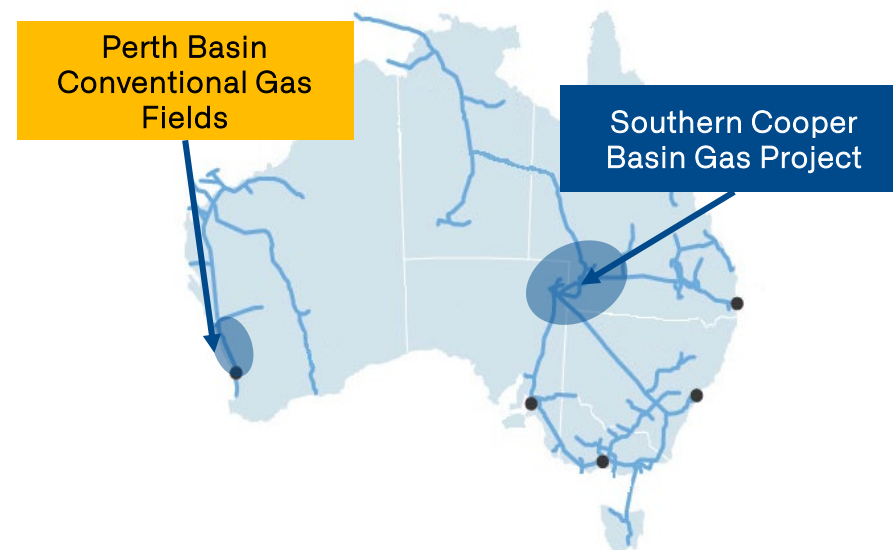


Corporates High Net Worth
Insiders Other

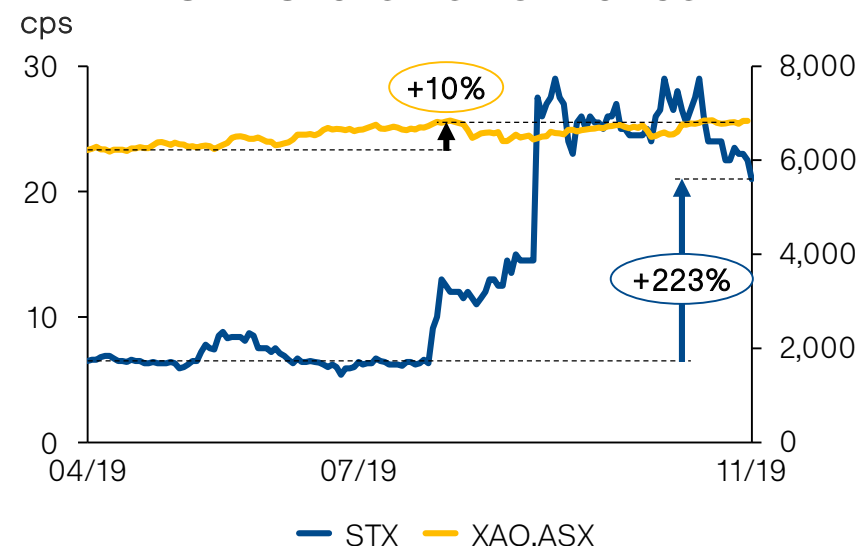
Corporate Information

- Shares: 1,724 mln
- Options: 44.8 mln
- Performance Rights: 6.9 mln
- Market Cap ~\$331 mln
- Cash: >\$30 mln

Strike Portfolio – West & East



STX Share Performance



Major gas resources

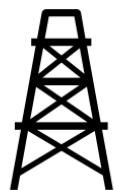
More than 1.1 tcf gross 2C contingent resource¹ of high-quality conventional gas

Well capitalised

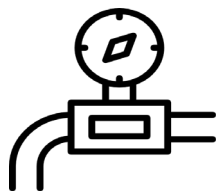
Strike is funded to deliver its FID on Phase-1 and commence its exploration campaign

Market demand for gas

Supportive and tightening WA gas market fundamentals

Significant upside

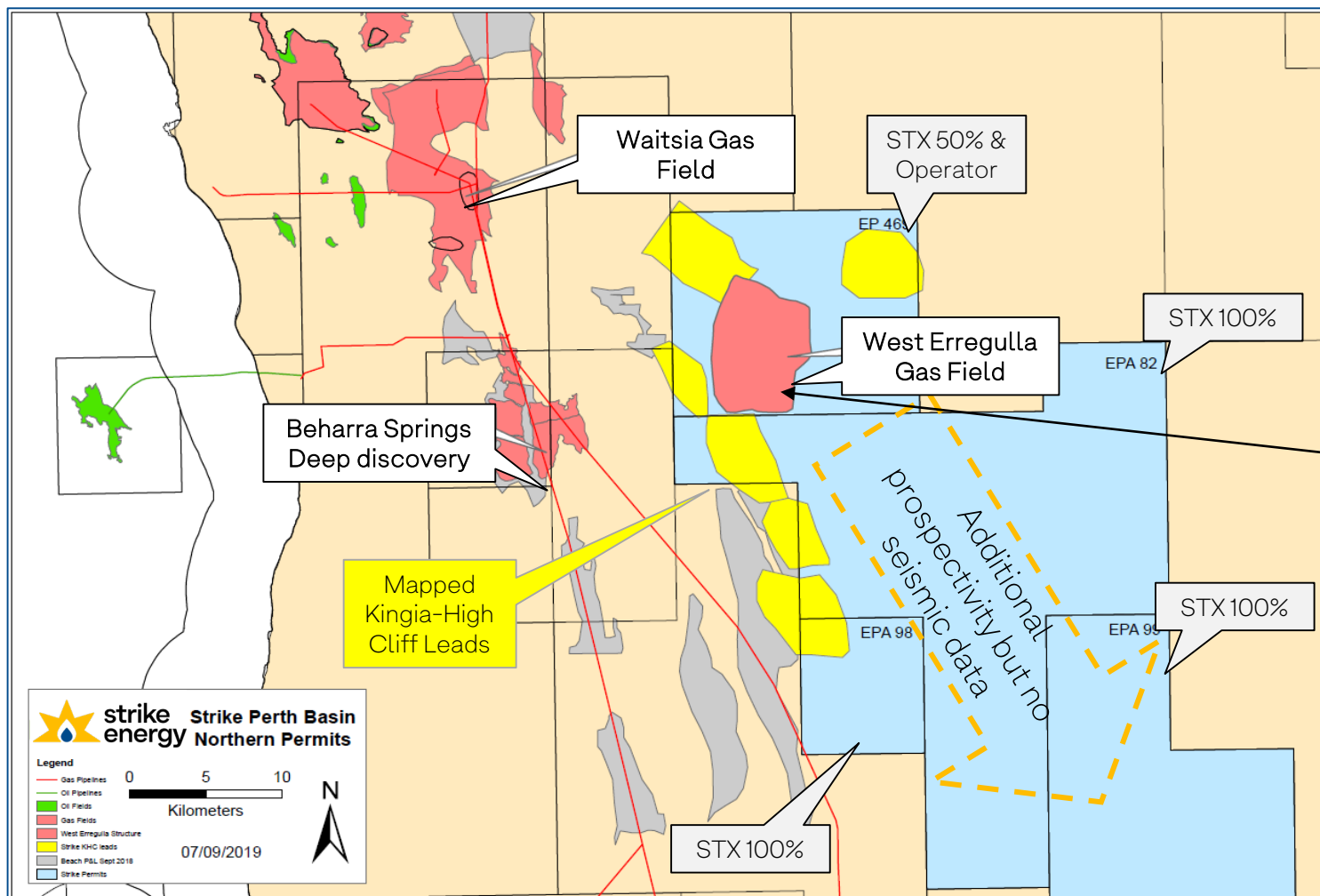
Near term high impact appraisal and exploration campaigns

Low cost development

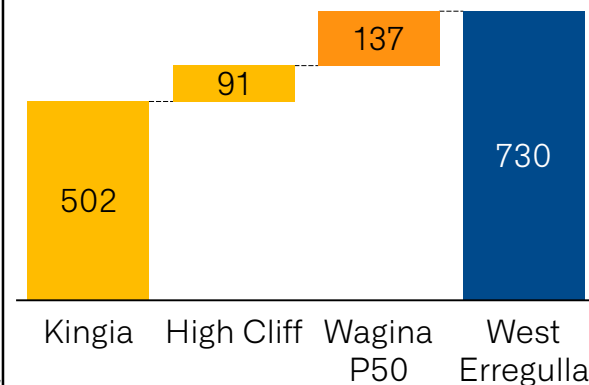
Staged development utilising adjacent gas infrastructure and existing offtake option

¹ Refer Important Notice on Slide 2 for Resource Estimate information.

North Perth Basin Gas Discoveries



West Erregulla Resources¹ (STX Share, bcf)




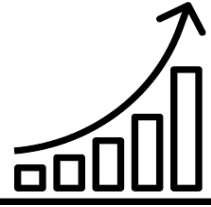



■ 2C Contingent Resource¹
■ P50 Prospective Resource²

West Erregulla 2 Flow Test 69 mmscf/d



Strike owns a significant portion of the new Permian gas fairway

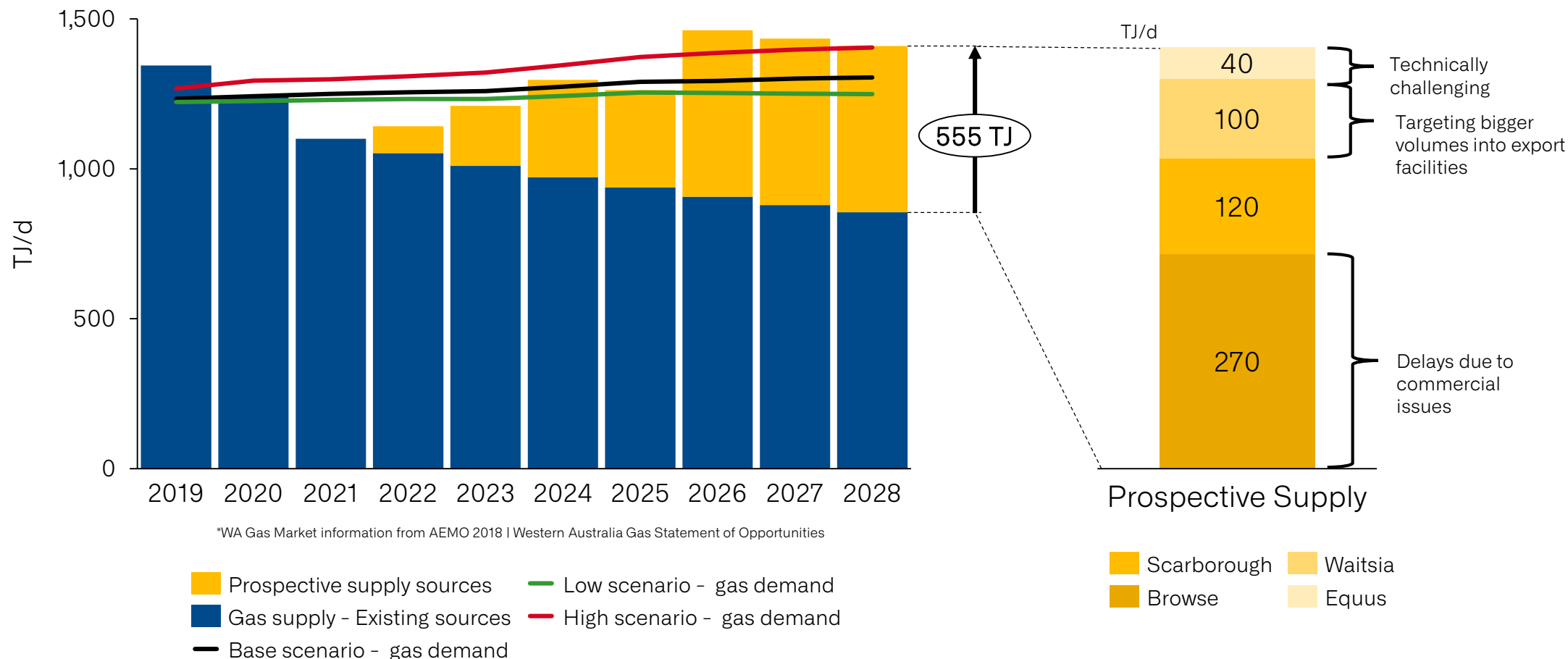
¹ Refer Important Notice on slide 2 for Resource Estimate information. Cautionary Statement in relation to Prospective Resource Estimate: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to discovered and undiscovered accumulations. These estimates are un-risked and have associated risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

	Prospective W.A. Gas Market	Strike W.A. Gas Portfolio
volume of new supply	Dependent on future projects ?	Development Ready 
cost of supply	Rising up the cost curve 	Low cost 
timing of new supply	Uncertain 	Fast & Flexible 

The WA Gas Landscape

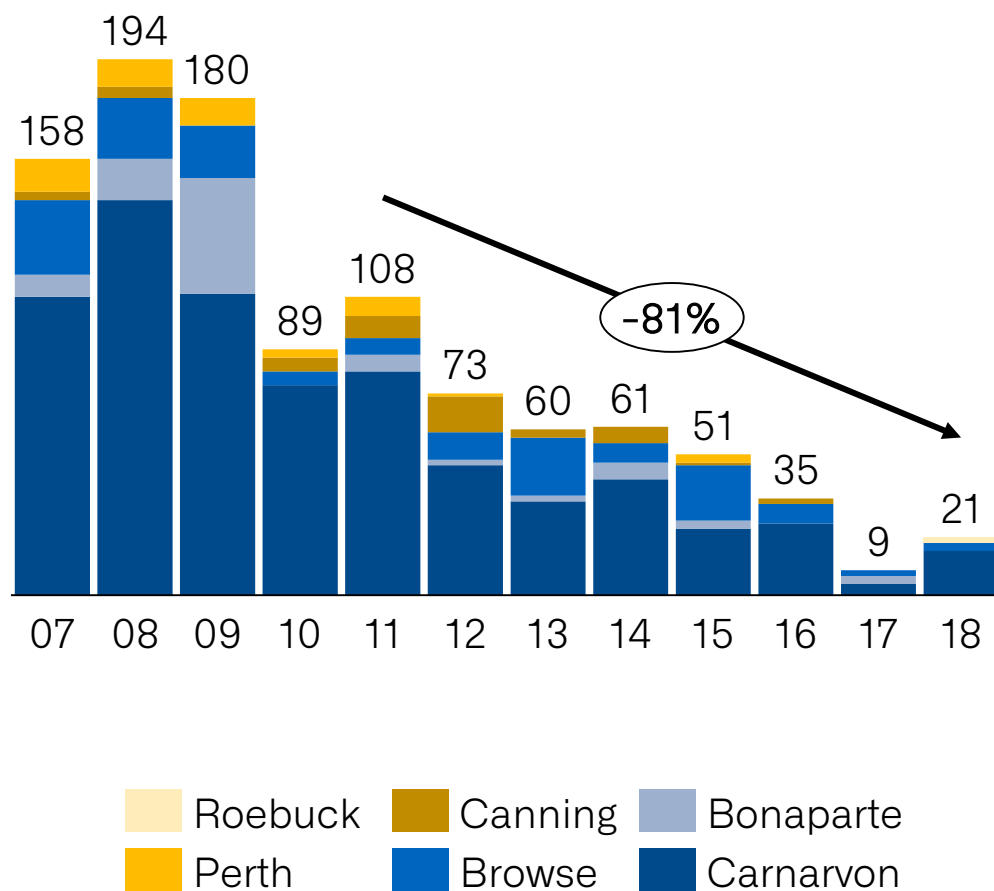


Existing Domestic Market & Prospective Supply



- 77% of the volume needed to meet prospective WA domestic market demand in 2020s is at risk of significant delay.
- West Erregulla could be a short-horizon development option to balance the long-term WA domestic market.

Exploration and production wells drilled per Basin by year



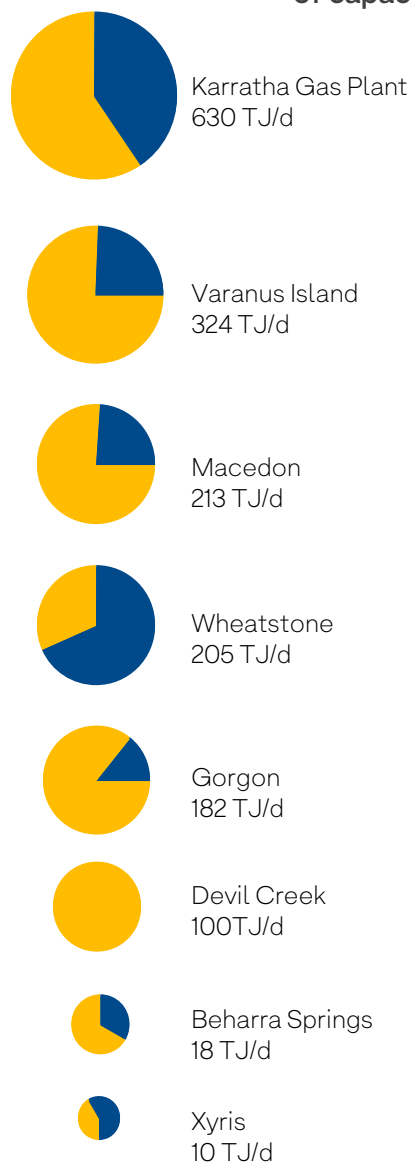
- Lower drilling activity results in fewer discoveries and fewer sources of prospective supply.
- 80-95% of wells drilled have been offshore during this time.
- Offshore discoveries have a higher cost of supply and a longer development timeline than onshore discoveries.
- The lack of gas exploration and discoveries over the past decade provides the opportunity for Strike to progress the West Erregulla development into what may be a short domestic market with very few alternatives.



WA has a major domestic gas network with growth opportunities that and is searching for new feedstock

- WA is coming out of an era of robust gas supply resulting from the LNG boom. These domestic gas supply sources are declining.
- Domestic gas facilities are now under utilised with over 550 TJ/d of capacity but no feedstock.
- As gas plants decline, spare pipeline capacity will rise.
- WA gas market growth has been inhibited by security of new long term new supplies. Known growth markets in the Pilbara and Goldfields would see infrastructure (pipelines) developed if supply were increased .

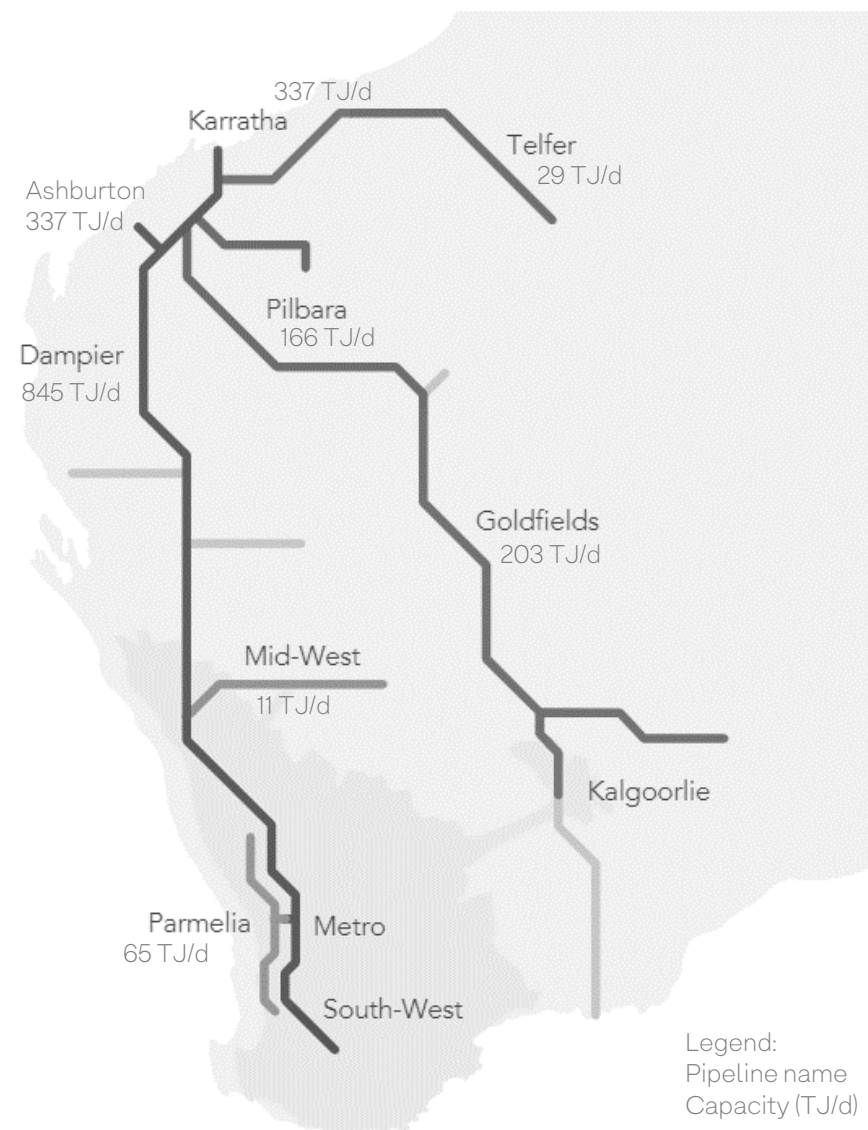
WA has more than 1,300 TJ/d of existing gas transmission infrastructure

Declining gas production evidenced by under utilisation of capacity

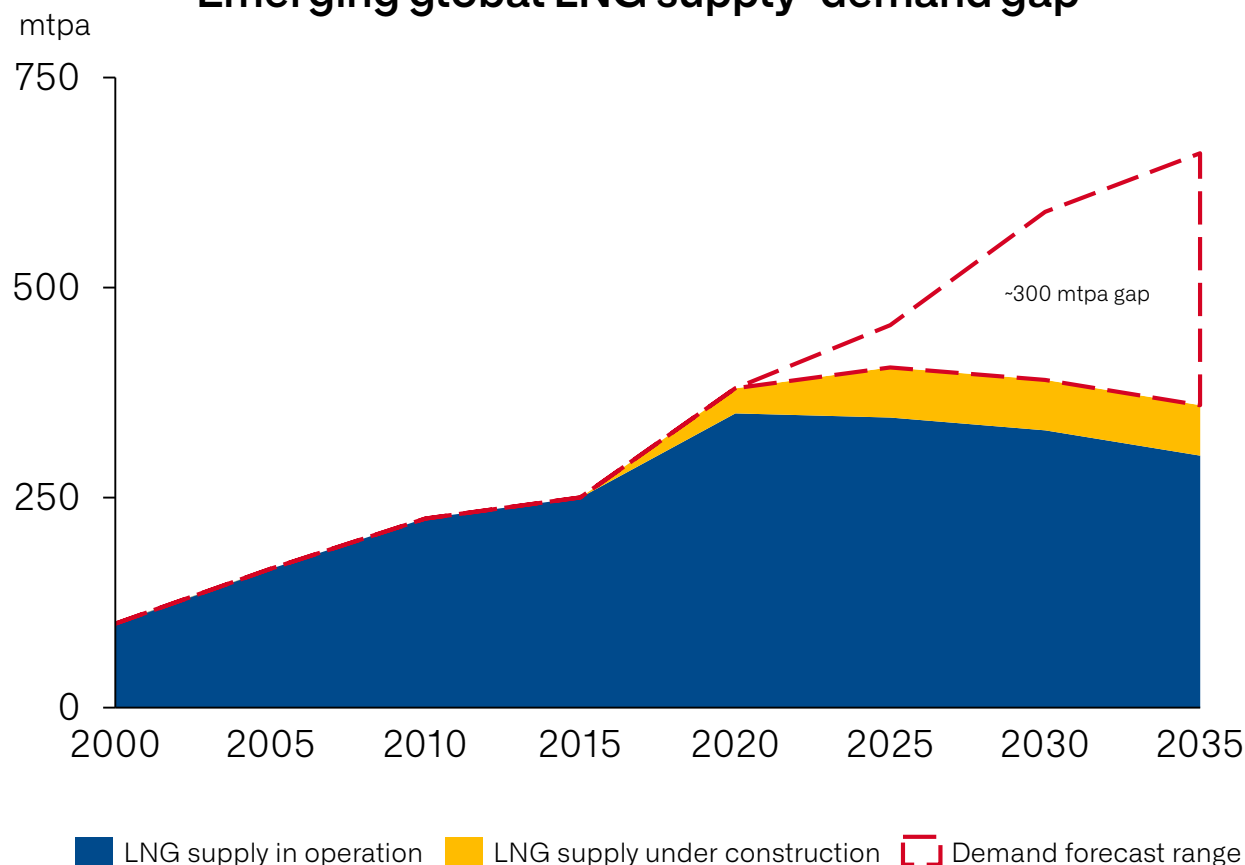


 Utilised Capacity (prev 12 months)
 Unused Capacity

WA Gas Pipelines



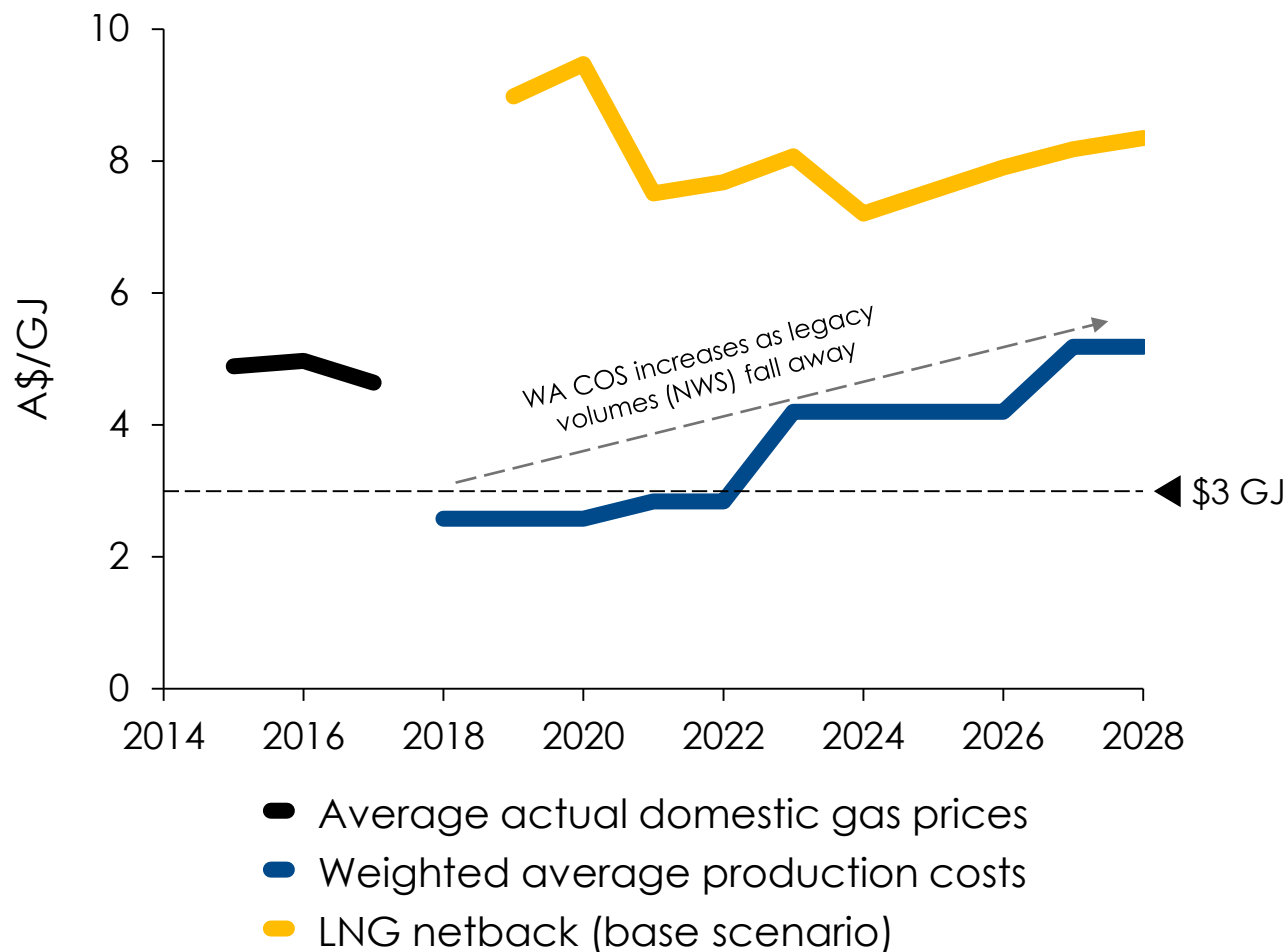
Emerging global LNG supply-demand gap



Major increase in the LNG price predicted to emerge; may result in lower WA domgas supply and a rise in WA gas prices

- Predicted rise of LNG prices attributable to short global supply in 2025+ will mean WA LNG infrastructure owners will preference converting gas into LNG over servicing domestic markets (outside of their minimum obligations).
- Reduced 'LNG associated' domgas could in turn see a reduction in traditional WA gas suppliers marketing gas in the State and therefore result in a rise in the WA gas price as it may need to approach LNG netback to trigger a redirection of supply.

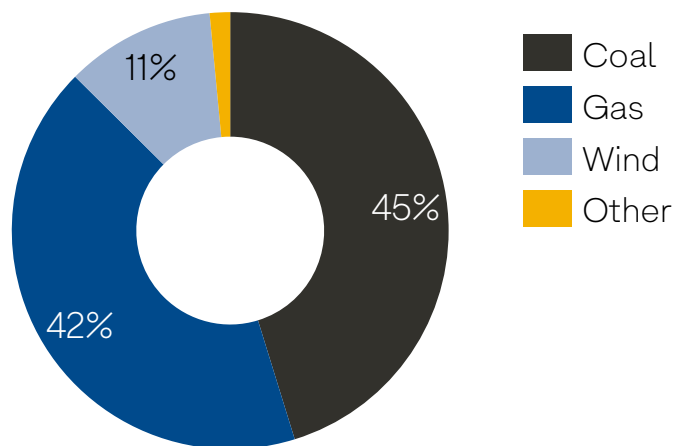
Reference prices for the WA domestic gas market



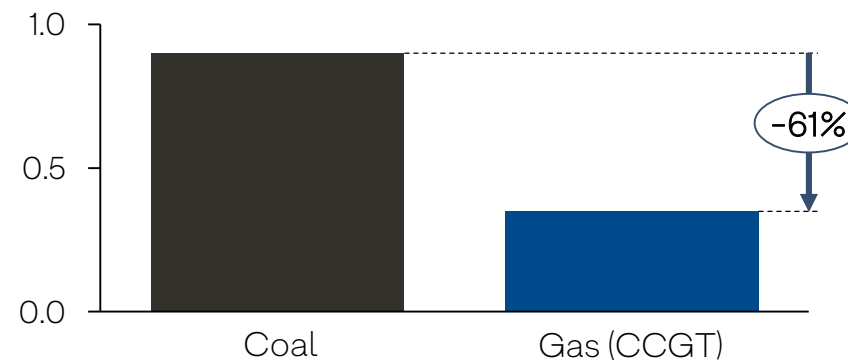
- Market is currently in balance with a long term gas contract price of \$4.10 – \$5.12/GJ.
- These contracts are based on projects with an average cost of supply at ~\$3/GJ.
- Future prospective sources (LNG Phase 2) are much higher on the cost curve and there will be a natural appreciation in the domgas price as a result.
- Perth basin conventional gas is emerging as a new price maker, where existing demand will be filled by this low cost onshore gas first before offshore volumes will be developed and sold domestically.

Note: Weighted average production costs include prospective supply sources. Source: AEMO calculations based on data sourced from EnergyQuest and FGE forecasts (converted from US\$/MMBtu to A\$/GJ). Actual domestic gas prices were sourced from DMIRS.

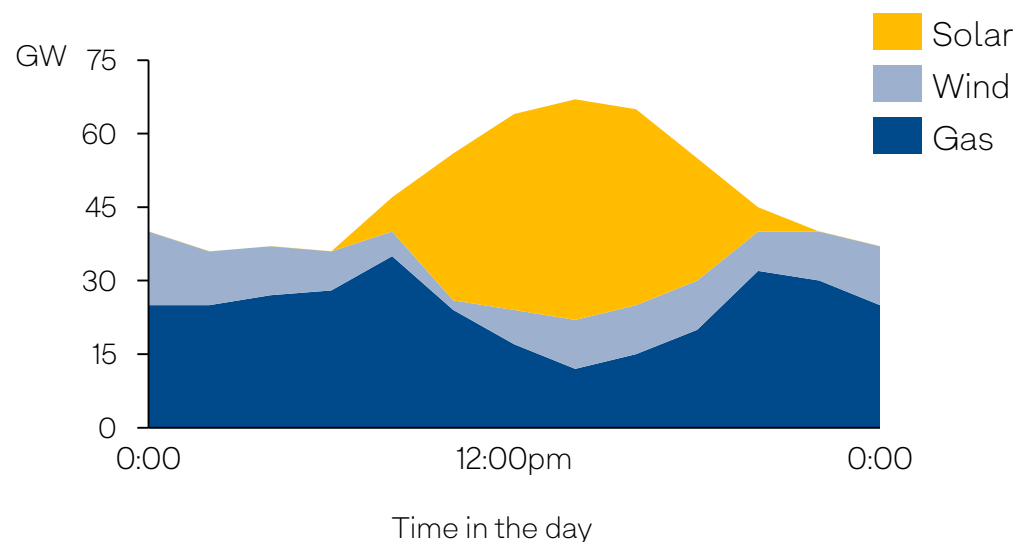
WA average daily electricity generation by fuel¹



Emissions intensity of black coal versus gas for electricity generation (CO₂e/MWh)²



German daily electricity generation on a sunny day by fuel type³



- WA generates a high proportion (45%) of its electricity from coal which produces 60% more CO₂ emissions than gas generated electricity
- In Germany where renewables penetration is one of the highest in the world, a stable sustainable base of gas generated electricity allows the best uptake and utilisation of renewable power.
- Strike can be a part of this energy transition to facilitate high renewable energy uptake for W.A. and lower the overall CO₂ emissions for the State.

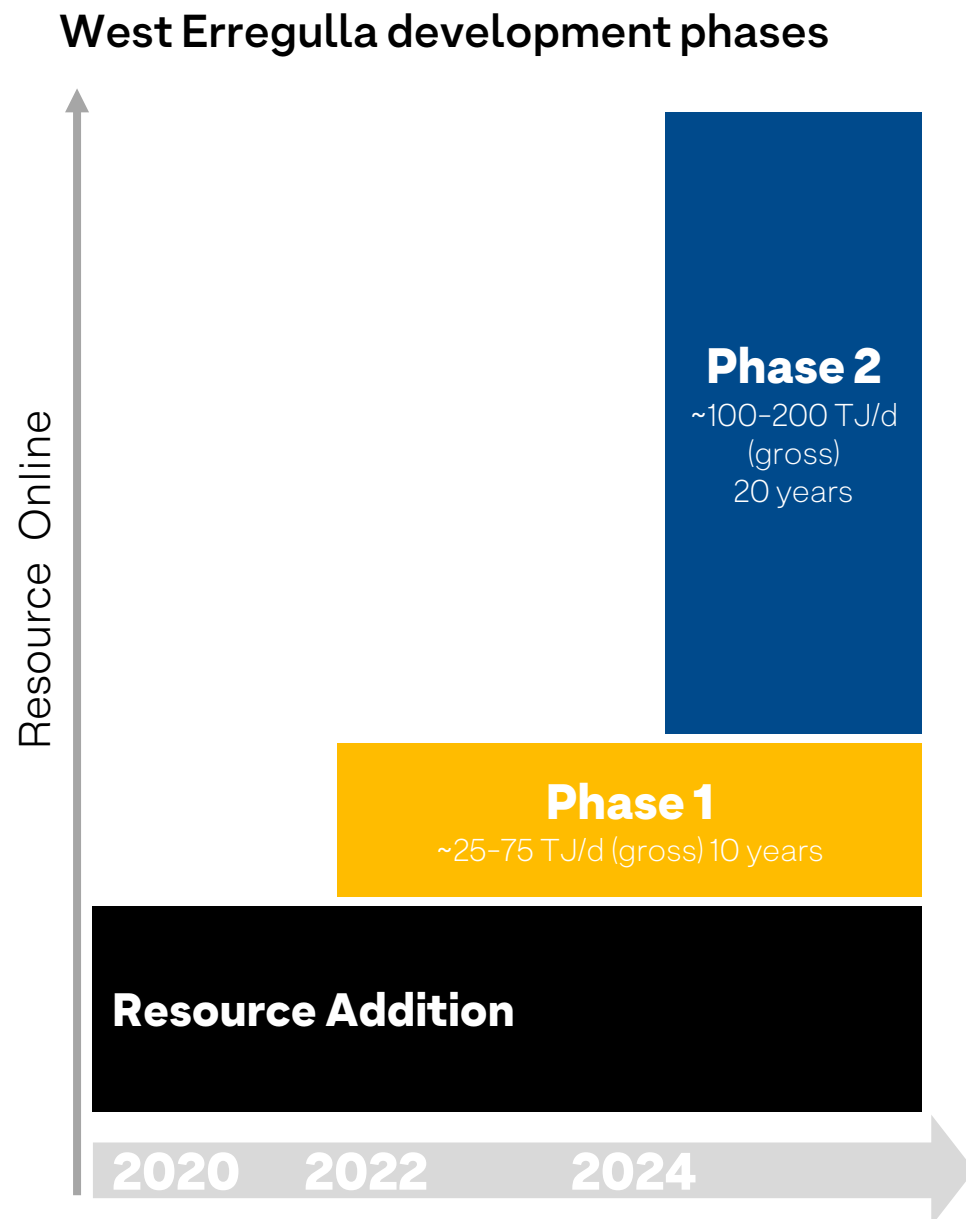
1. Source: AEMO daily electricity bulletin, previous 12 months
 2. Source: Santos investor presentation
 3. Source: Citibank report on renewables

West Erregulla & Development Strategy



Strike proposes phasing West Erregulla's development

- A smaller initial development will:
 - deliver early positive cashflow
 - facilitate senior debt procurement
 - reduce initial capital required to reach first production
 - facilitate CSBP gas offtake option, which underpins Phase 1 economics and de-risks via cost plus pricing mechanism
- Strategic Advantages:
 - Allows time for WA gas market complexities to play out before Phase 2 Development
 - Strike can fully define, test and aggregate resources across its WA portfolio before committing to production - to optimise a full scale development

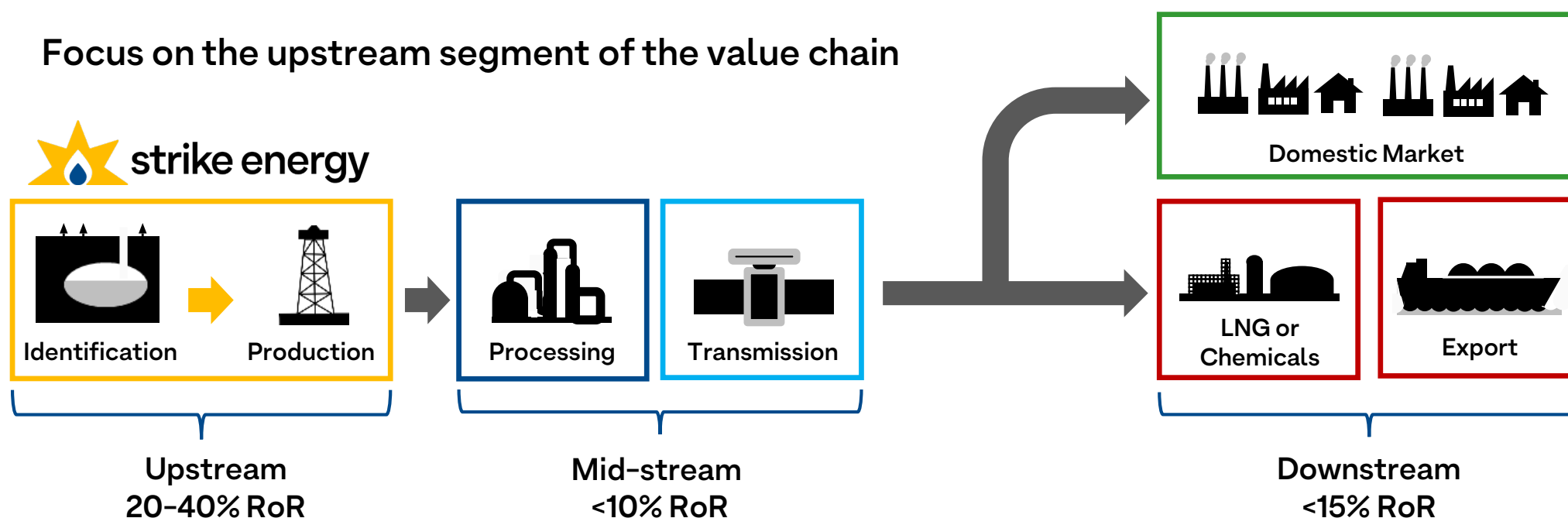


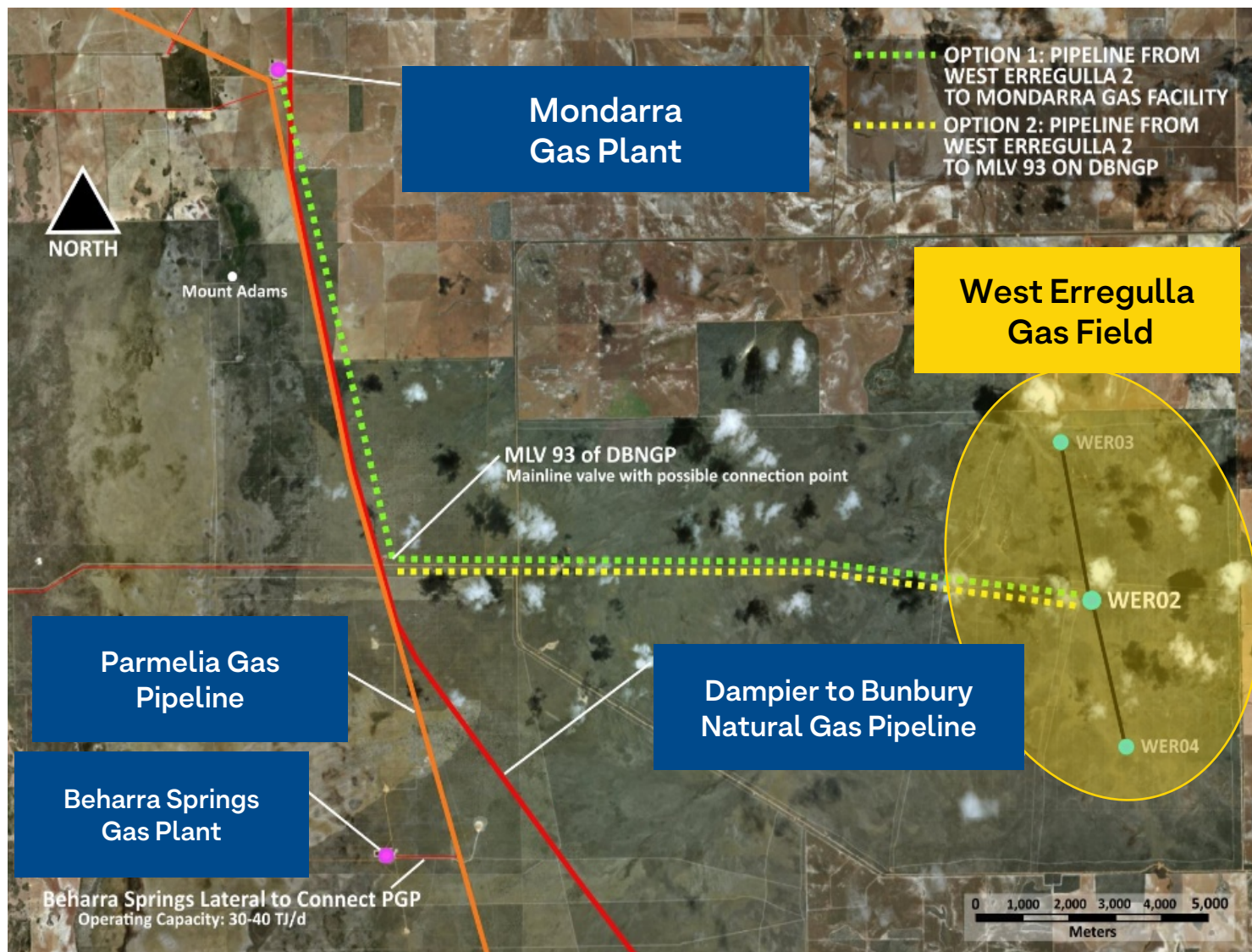
Development concept subject to appraisal results, JV discussions/processes, infrastructure access, capital procurement, offtake market conditions, land access and regulatory approvals.
Phase 1 & 2 sizes are a function of among other things access to infrastructure, market conditions and Joint Venture participation

Strike will focus on the **upstream** segment of the value chain to:

1. Drive capital into the highest returning segments
2. Reduce capital intensity by partnering with established mid-stream companies
3. Preserve capital for drilling and ongoing exploration
4. Reduce exposure to downstream plants which are very capital intensive and require substantial know-how
5. Remain lean, focused and concentrated on what we know

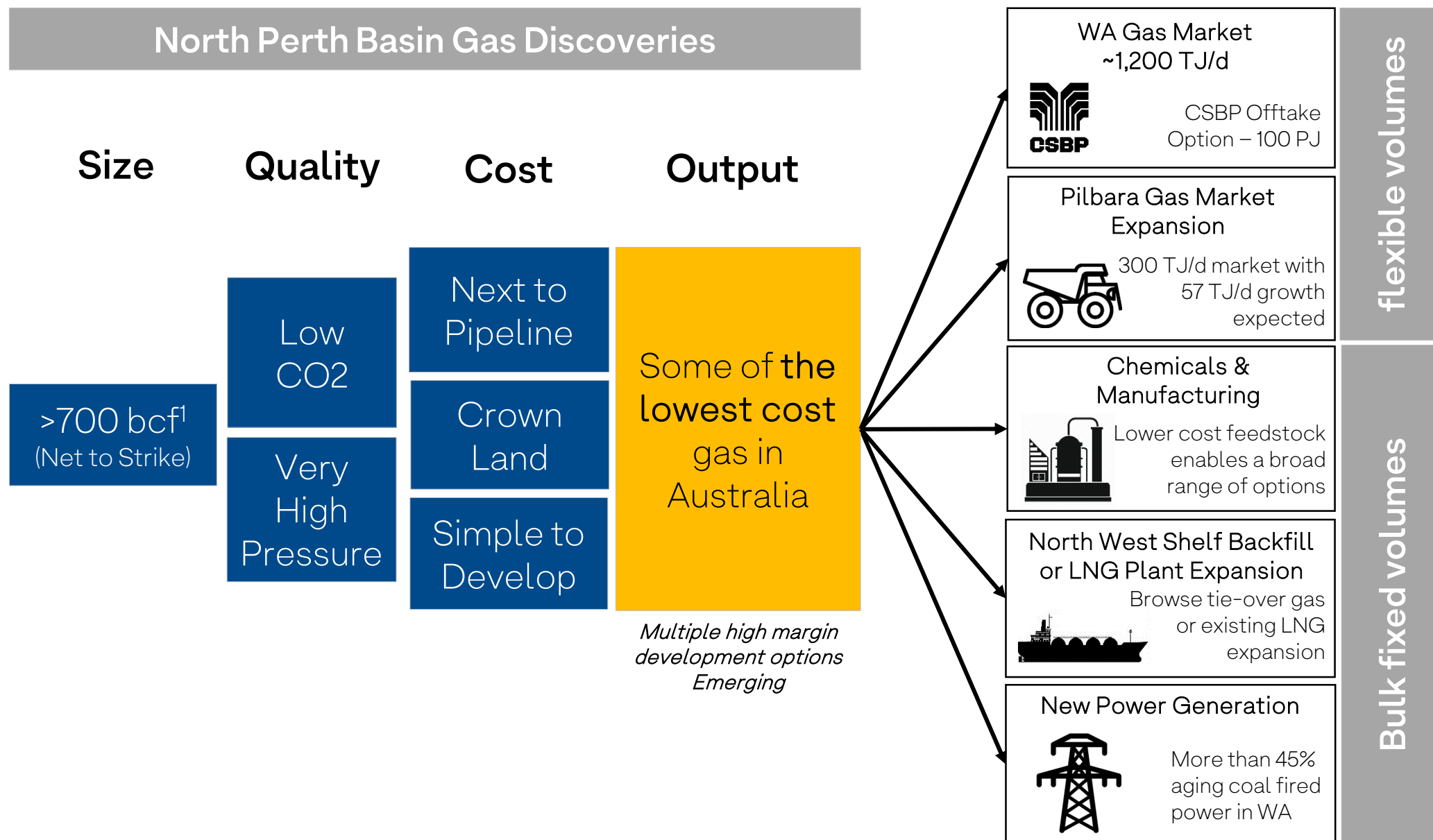
Focus on the upstream segment of the value chain



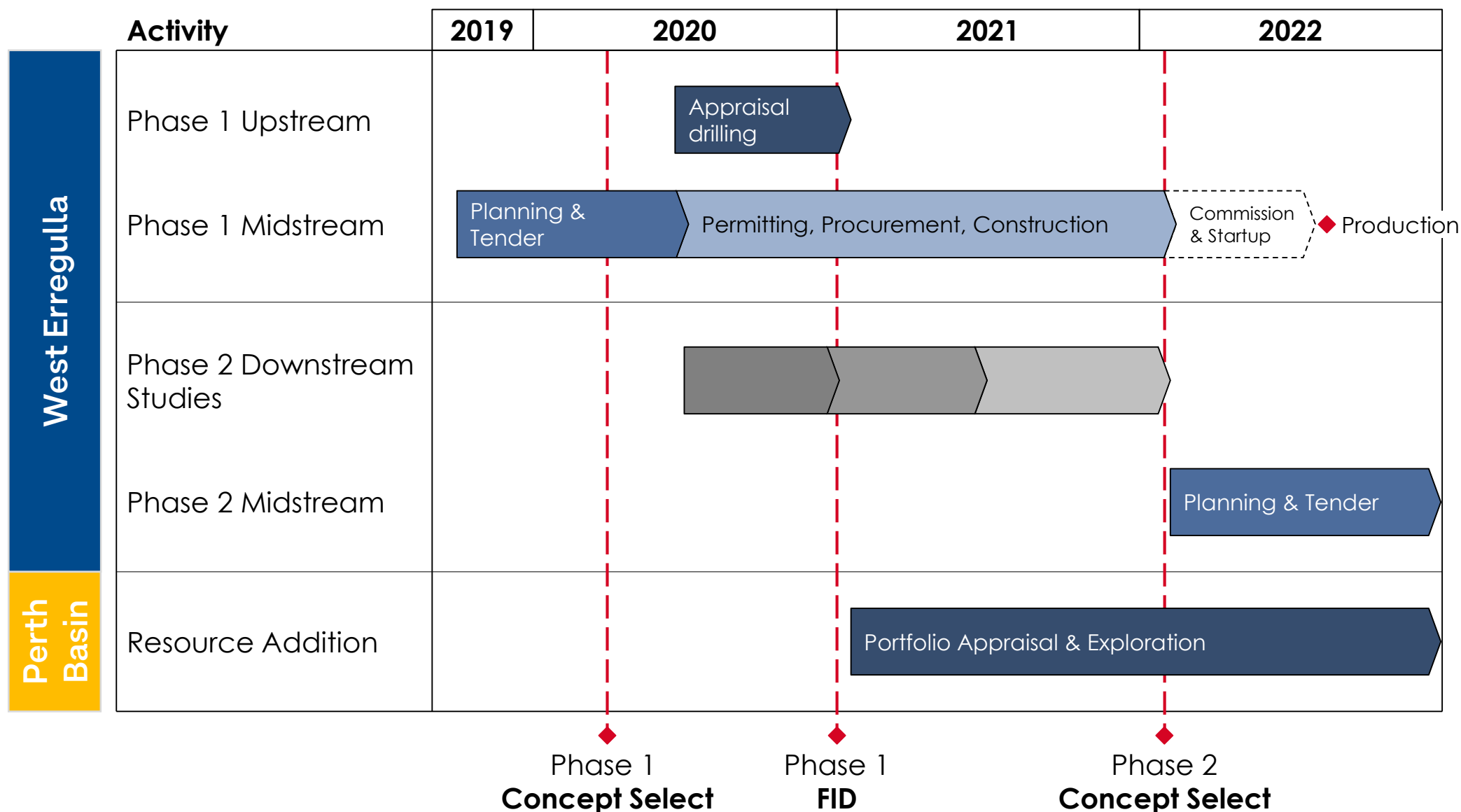


- Mondarra (APA), Beharra Springs (Beach) and new build domestic gas plants are the current options for assessment.
- WE-2 was completed as a future producer as will the upcoming appraisal wells.
- Size of proposed Phase-1 is contingent on:
 1. Joint Venture participation
 2. Existing infrastructure vs new build
 3. Market appetite / pricing conditions

Development concept subject to appraisal results, JV discussions/processes, infrastructure access, capital procurement, offtake market conditions, land access and regulatory approvals. Well location of WE04 is illustrative and subject to JV discussions/processes



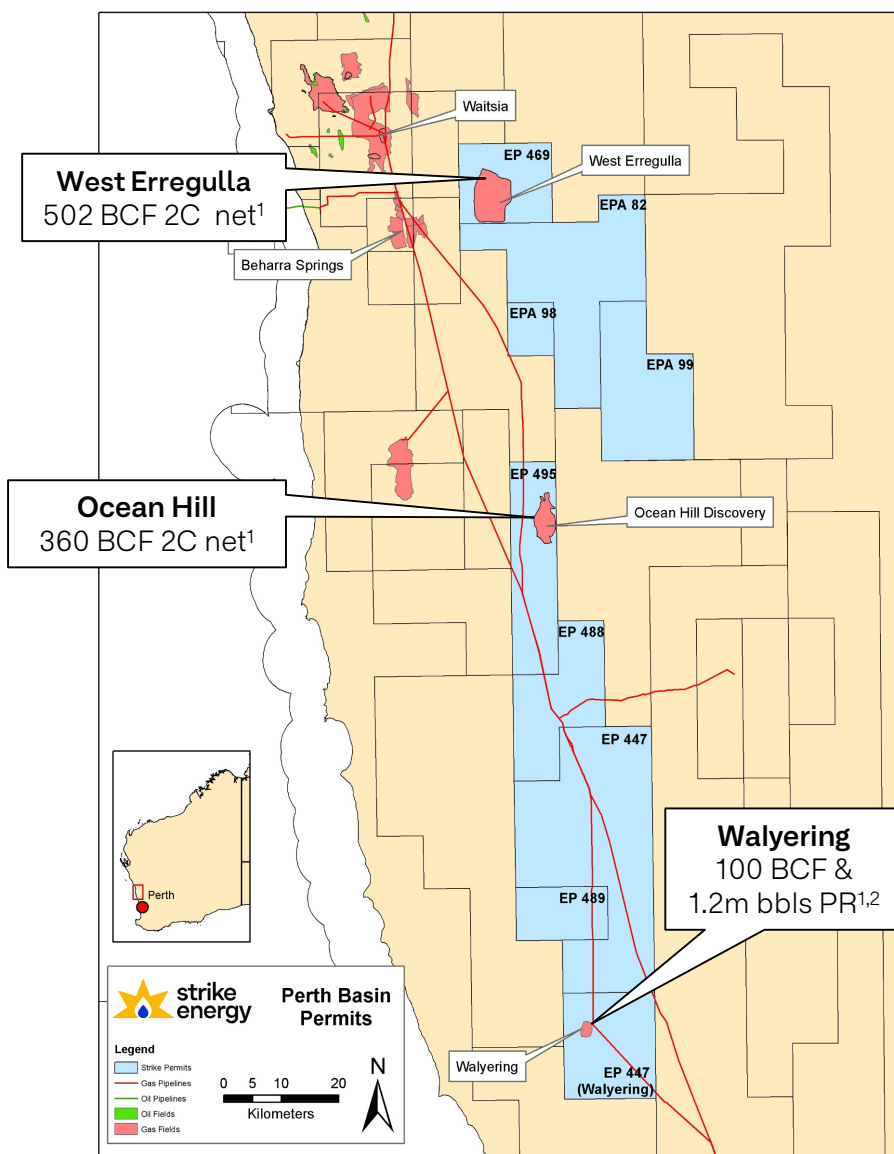
¹ Aggregate of West Erregulla 2C Contingent Resource and P50 Prospective Resource Estimate. Refer Important Notice on slide 2 for Resource Estimate information. Prospective resource estimate to be read in conjunction with cautionary statement on slide 5.



Timeline is indicative and subject to appraisal results, JV discussions/processes, infrastructure access, capital procurement, offtake market conditions, land access and regulatory approvals.

Operational Plan





Development

- West Erregulla Phase 1 Concept Select
- West Erregulla Phase 1 FID

Appraisal

- Confirm Kingia reservoir characteristics, flow tests and reserve bookings of Wagina & High Cliff discoveries via drilling two wells

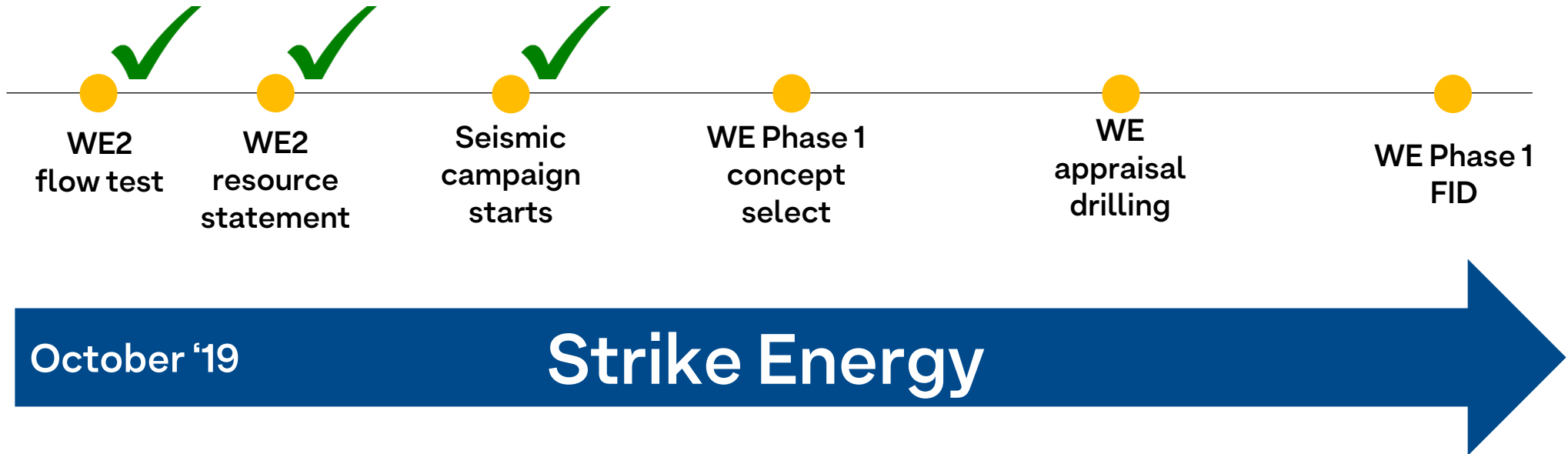
Exploration

- Define additional prospects in Permian gas fairway with 3D seismic.
- Add additional Permian gas resources via preparing for the drilling of an exploration well.
- Build play diversity via seismic acquisition in non 'fairway' permits (Walyering & Ocean Hill)

¹ Refer Important Notice on Slide 2 for Resource Estimate information. e

² Resource estimate to be read in conjunction with the cautionary statement on slide 5.

Strike portfolio events

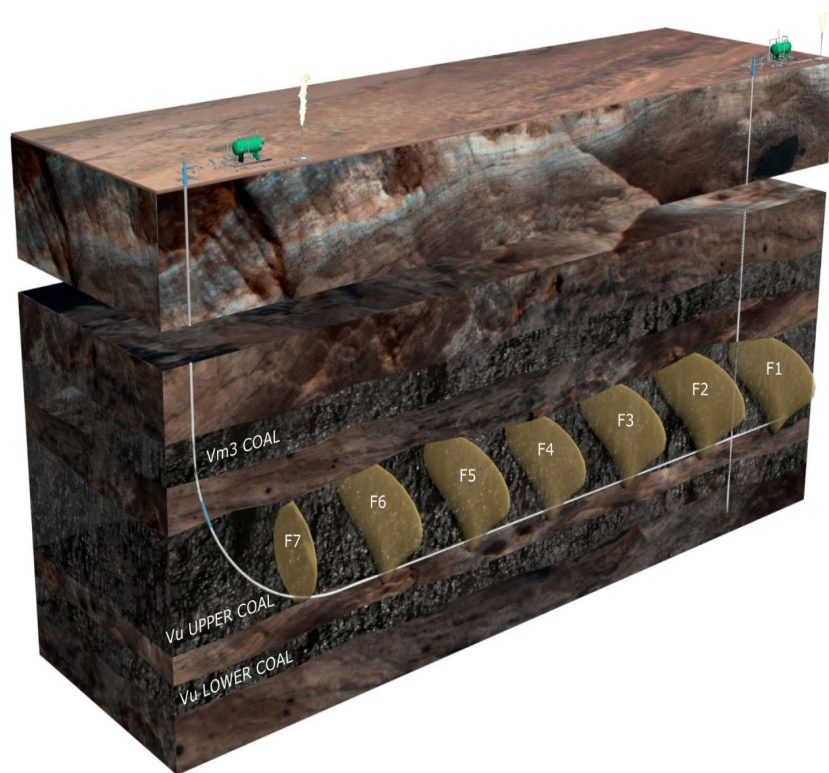


Other Perth Basin events

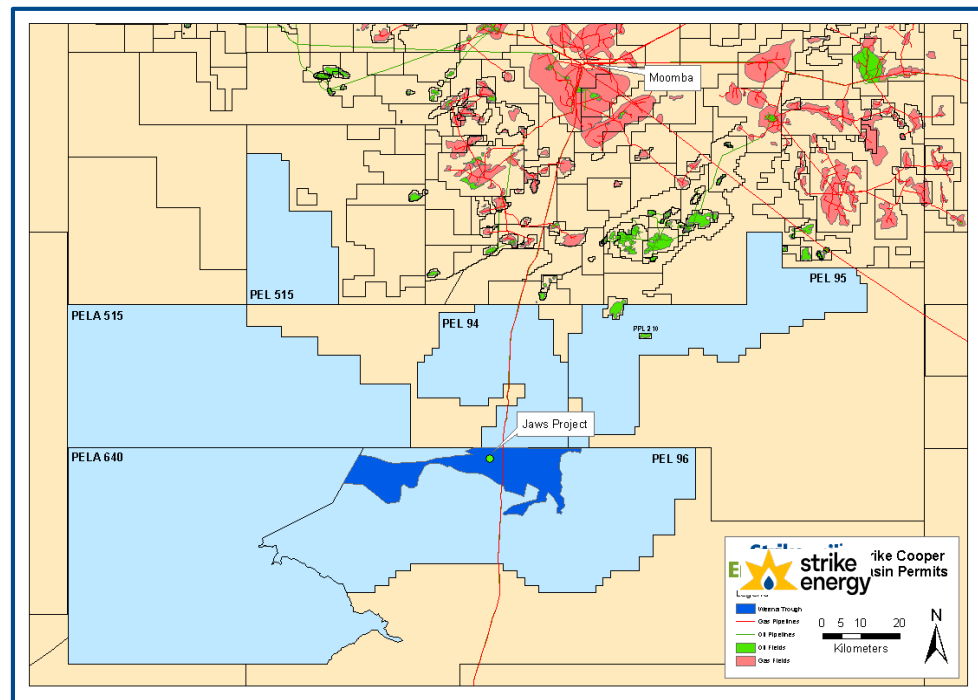


*Milestones associated with WE are contingent on, among other things, appraisal results, Joint Venture discussions/processes, exercise of CSBP-Wesfarmers offtake option, plant access and capital procurement., land access and regulatory approvals.

Jaws Appraisal Project Progressing towards an outcome



The Jaws appraisal project has the opportunity to unlock more than 11 TCF of ultra deep coal seam resource in Eastern Australia and its current performance warrants further testing.



- Drawdown continuing with water production approximately 300 bbls/d and instantaneous gas production rates up to 50 mscf/d.
- Bottom hole pressures of 224 psi nearing potential production inflection point.
- Expecting to reach drawdown target pressure in December and assess performance



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