

# Project Haber Update

---

- Strike has executed a Cooperation Agreement with the Mid West Ports Authority to progress its access to the Geraldton Port and associated facilities.
  - Strike has entered into an MOU with AGIG to source 8GL p/a of water supply from their proposed Mid-West desalination plant.
  - Strike has closed the first round of its offtake process with expressions of interest received for more than 2.5x the planned plant capacity from interested Australian and international urea buyers.
- 

Strike Energy Limited (Strike – ASX: STX) is pleased to provide an update on several key elements of Project Haber.

## Port Access

Strike will look to sell and distribute its non-locally consumed urea into both the east coast of Australia and potentially into the Asian markets when seasonality requires. The use of the adjacent Geraldton Port, which currently imports significant quantities of fertiliser products, will be critical in ensuring Project Haber has a reliable and low-cost supply chain for consistent urea deliveries to further afield customers.

In pursuit of access to this vital infrastructure, Strike has executed a Cooperation Agreement with the Mid West Ports Authorities. Pursuant to this agreement, the parties have agreed to work together to investigate how the Project's non-locally consumed urea may be handled at and shipped from the Port of Geraldton, and subject to completion of that work, a framework for future negotiations for a Port Access and Services Agreement.

## Water Supply

Access to significant fresh water supplies is critical to the industrial urea manufacturing process. To secure Project Haber's water supply, Strike has entered into a non-binding MOU with AGI Operations Pty Limited (Australian Gas Infrastructure Group) for the provision of approximately 8GL of water per annum from their proposed Mid-West desalination plant, with supply commencing from 2025. Project Haber would be a foundation customer for water off-take and the proposed supply would form a strong customer base to facilitate construction of the desalination project.

## Urea Offtake Process Update

Strike has concluded the first round of its urea offtake process. Expressions of Interest were received by numerous potential offtakers for both Australian and international sales. Demand for Project Haber urea offtake totalled more than 3.5 mtpa or 267% of the plant's 1.4 mtpa planned capacity.

Strike will now move into a formal Request for Proposal process with the proposed offtakers with a view to converting initial expressions of interest into binding long term offtake agreements.

Through this process the Project has continued to attract significant unsolicited interest for equity participation, particularly from Australian and north Asian counterparts. As indicated in previous guidance, Strike intends to formally commence marketing equity in Project Haber in the fourth quarter of this year.

## Environmental Approvals

Strike has engaged Strategen-JBS&G to assist with securing the environmental and planning approvals required for Project Haber. The work commenced in early 2021 with the development of an overarching strategy and master plan identifying the most efficient approvals pathway and supporting studies required to deliver the Project.

As part of implementing the approvals strategy, Strategen-JBS&G has commenced baseline surveys of the plant site and is currently scoping the required technical studies with Technip Energies Australia, Strike's engineering partner. Desktop assessments and reconnaissance surveys for flora, vegetation and fauna have been completed with a baseline environmental site investigation scheduled for July 2021.

Strike will meet with key WA Government agencies in the coming weeks to present the Project and its benefits and to demonstrate how potential environmental impacts will be managed to achieve the required outcomes. The Project is expected to be referred to the Western Australian Environmental Protection Authority (EPA) for assessment in late 2021.

As announced to the market on 6<sup>th</sup> of May 2021 (ASX announcement: Project Haber Carbon and Economic Impact), Project Haber may have the net effect of reducing Australia's associated urea fertiliser carbon emissions by ~650ktpa. This net benefit to the agricultural industry and WA's existing urea carbon footprint is expected to be a major driver for positive positioning of the Project during the environmental approvals process.

## Update on Pre-FEED & FEED preparation

Technip Energies has continued to deliver its pre-FEED development outcomes for the urea production facility. Deliverables are on track to have pre-FEED close-out and report on the updated cost estimate finalised by the end of August 2021.

## CEO & Managing Director, Stuart Nicholls said:

*"Project Haber continues to progress at speed as the economic, societal and carbon benefits combine to make this a very compelling investment."*

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

### Company Contact

#### Stuart Nicholls

Managing Director & CEO

Email: [stuart.nicholls@strikeenergy.com.au](mailto:stuart.nicholls@strikeenergy.com.au)

### Investor & Media Contacts

#### Paul Ryan (Citadel-MAGNUS)

Phone: 0409 296 511

Email: [pryan@citadelmagnus.com](mailto:pryan@citadelmagnus.com)

## Important Notice:

The successful development of Project Haber is contingent on, among other things, the proving up of sufficient gas reserves at South Erregulla, the outcomes of FEED on Project Haber, access to finance and (where required) equity participation, securing urea offtake agreements, and obtaining all requisite regulatory and stakeholder permits, approvals and authorisations.

The concept, feasibility and pre-FEED studies prepared by TechnipFMC on Project Haber to date have been undertaken to determine the potential viability of Project Haber and to reach a decision to proceed with more definitive studies, and as such are indicative in nature only. The studies are based on low-level technical and economic assessments and are insufficient to provide full assurance of an economic

development case at this stage or provide certainty that the conclusions of the studies will be realised and that the development of Project Haber will be commercially viable.

### **Future Statements**

Statements contained in this release are or may be forward looking statements. All statements in this release regarding the outcomes of preliminary and definitive feasibility studies, projections 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 Energy 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 release. Refer to the 'Summary of Key Risks' section of the release titled "Equity Raising and Corporate Update April 2021" released to ASX on 15 April 2021 for a summary of certain general, Strike specific and acquisition specific risk factors that may affect Strike. There can be no assurance that actual outcomes will not differ materially from these statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in the aforementioned ASX release. 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 document will under any circumstances create an implication that there has been no change in the affairs of Strike since the date of this release.