Strike Energy Limited

Macquarie Energy Equities Series

July 2021

An Integrated Energy, Fertilisers & Renewables Developer

Important Notice

Summary information
This presentation contains summary information regarding Strike Energy and its subsidiaries current as at 16th July 2021. 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.

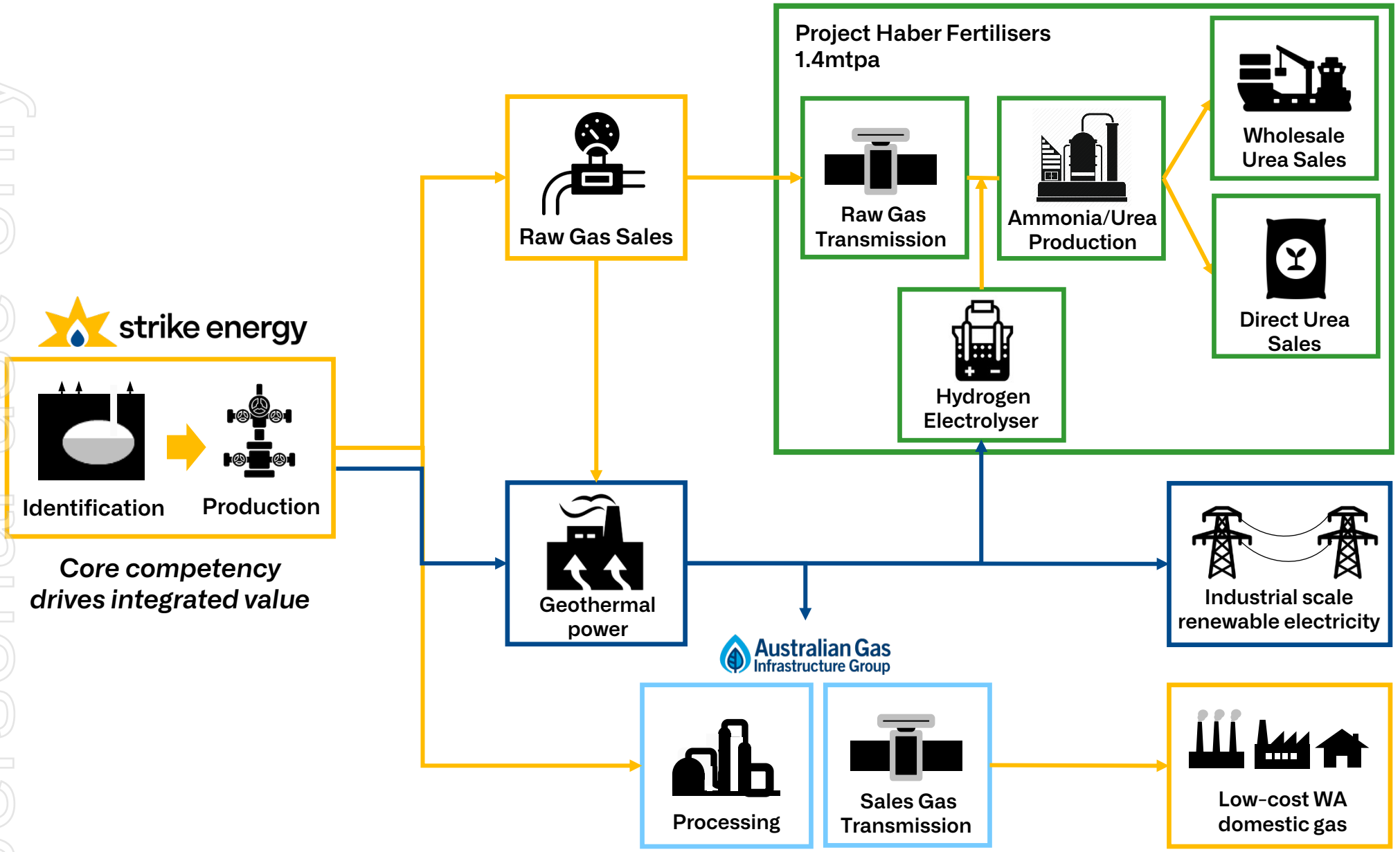
Past performance
Statements about past performance provides no guarantee or guidance as to future performance, including in respect of the price of Strike shares.

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.

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.

Fully integrated energy, renewable power and fertilisers

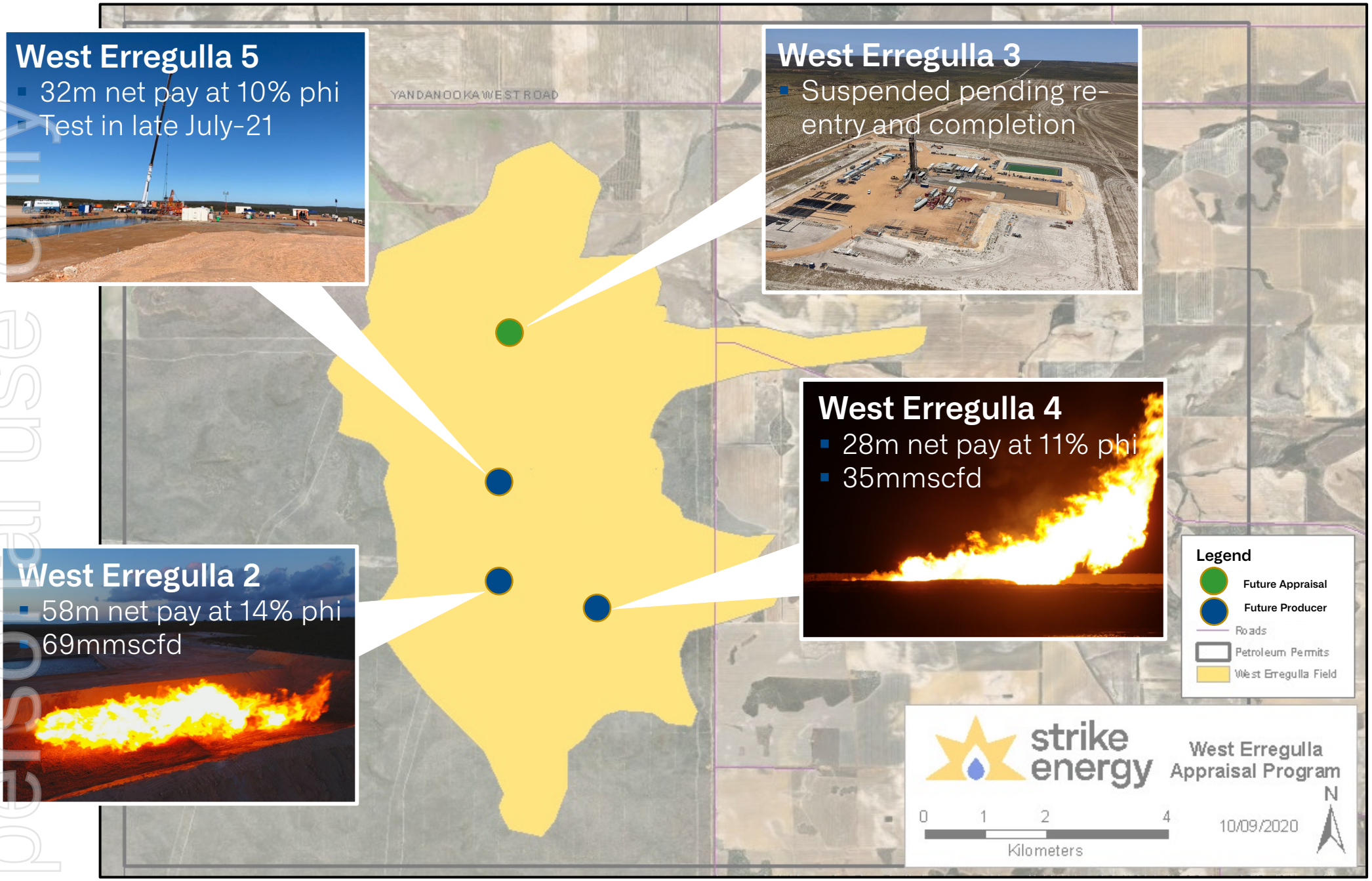


Net Zero Scope 1 & 2

2030

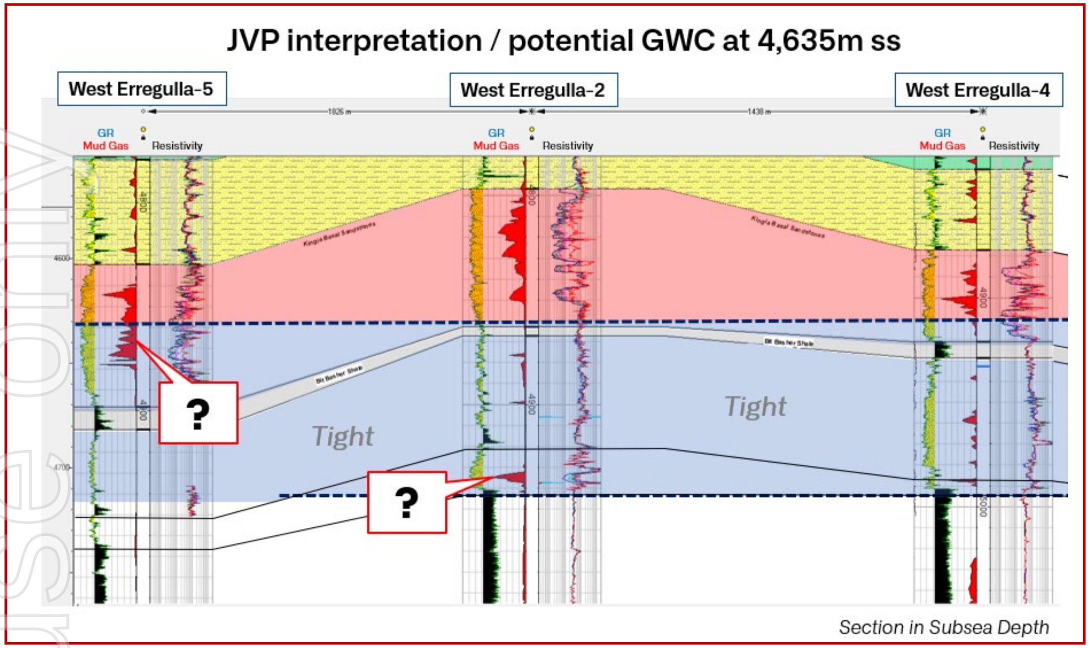
Domestic Gas Business

Appraisal results support strong commercial outcomes



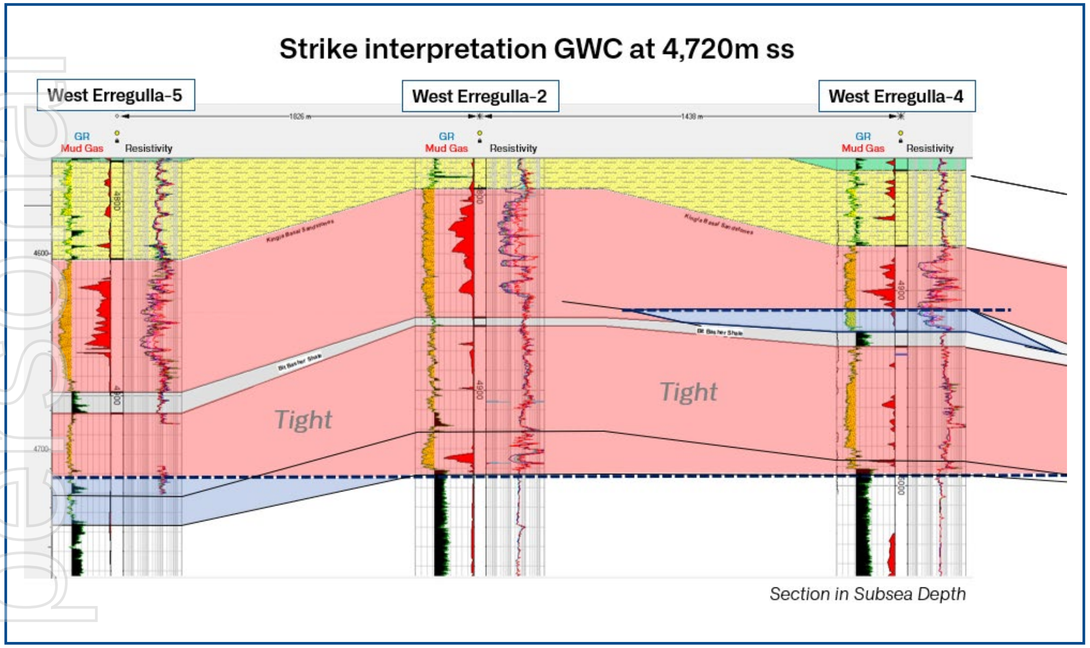
Phi = porosity

Perched water at WE4 vs field wide contact



JVP interpretation indicates:

- ‘Gas water contact’ at 4,635m ss
- Gas at WE4, 5 and 2 under water?
- Inconsistent with other physical, measured and interpreted results
- Water freely communicating across multiple tight or impermeable rocks



Strike interpretation consistent with:

- Field water contact interpreted at 4,720m ss
- Consistent with all field, play and regional data
- WE4 Kingia water perched against impermeable BB Shale
- Explains hydrocarbons measured under water level
- Height above free water level core analysis indicates 4,720m ss

Perched water: definition and diagnostics

Perched Water:

- Movable water above the transition zone that is not directly connected to the actual free-water table of a given hydrocarbon column.
- Perched water is not rare, but rather atypical with several examples throughout the North West Shelf
- Conditions required for perched water seen at West Erregulla, these include:

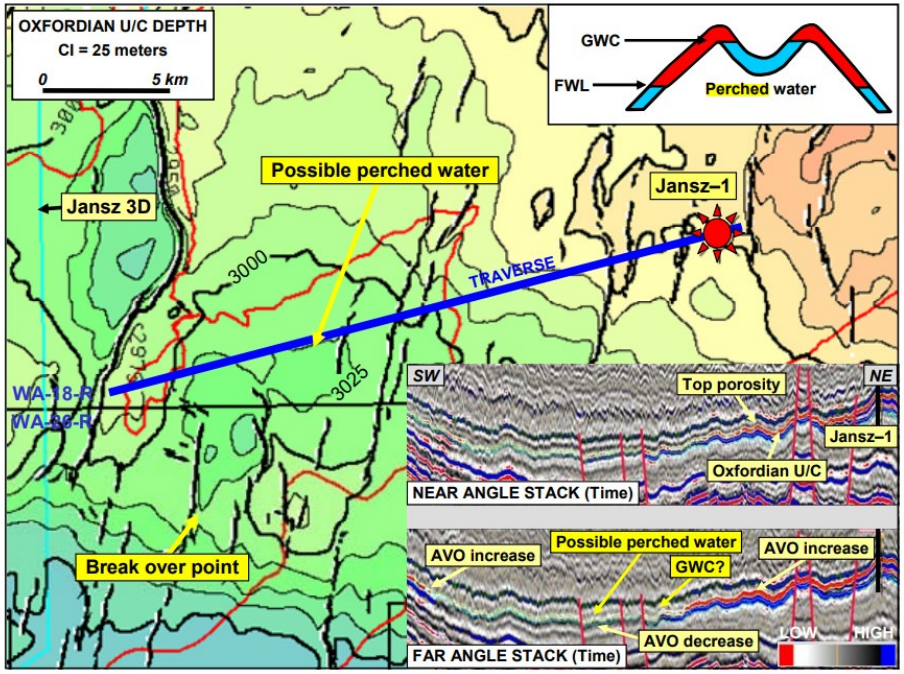
✓ Overpressured water gradient relative to regional aquifers

✓ Atypical water chemistry

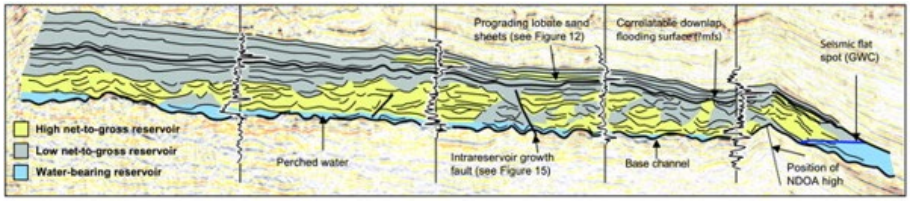
✓ Localisation of water near base of reservoir interval where it overlies impermeable rock

✓ Presence of hydrocarbons (including on logs) below interpreted water-bearing interval

✓ Presence of topographic highs/lows at base of downdip oriented linear reservoirs or discontinuity of sands/incised features or stratigraphic features associated with regional dip.



Jansz/Io field in the Gorgon complex in WA; above



Sequoia Field Egypt; above

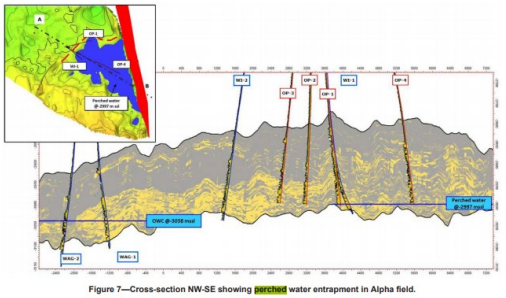
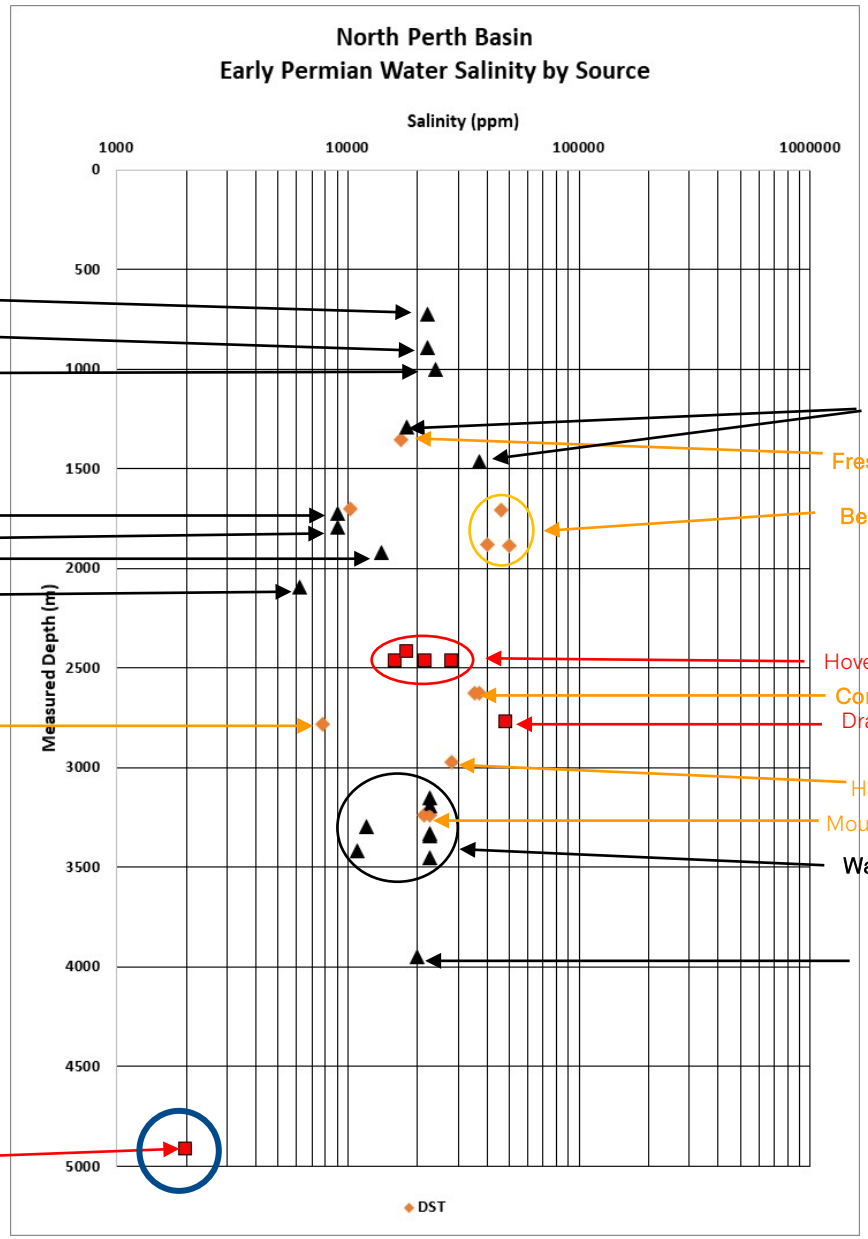


Figure 7—Cross-section NW-SE showing perched water entrapment in Alpha field.

Perched Water Example: Alpha Field West Africa: left

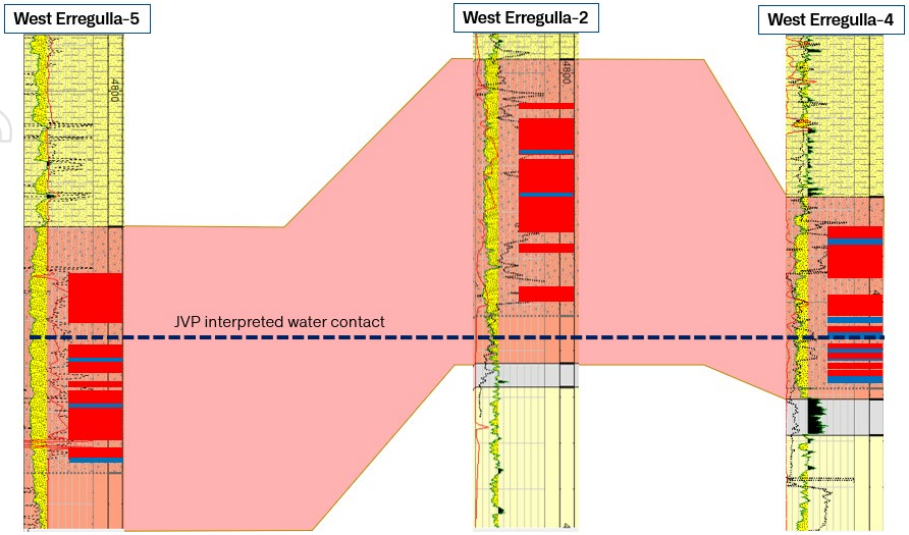
WE4 water zone has atypical chemistry



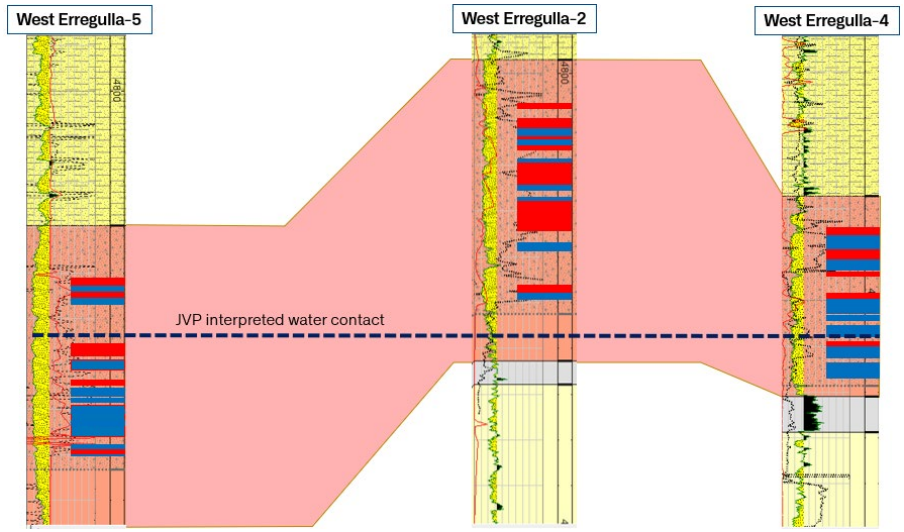
- Water from WE4 has anomalously low salinity (~2,000 to 4,000 ppm) compared to offset data across the North Perth Basin.
- Successive water samples taken during clean trend to increasingly fresh water.
- Final WE-4 samples all at ~ 2,000ppm.
- WE4 has hyposaline water that is enriched in bicarbonate and depleted in Sulphate, Ca, Mg ,Na and Cl.
- Alkaline pH 8.0 measured on final WE4 samples inconsistent with regional acidic Kingia water measured 5-7.0 pH.

Regional aquifer must be >10kppm salinity

WE Field saturation with regional water at 10,000 ppm



WE Field saturation with regional water at 4,000 ppm



Legend Gas Pay | Water Pay | Kingia

Regional salinity is estimated to be 23k ppm

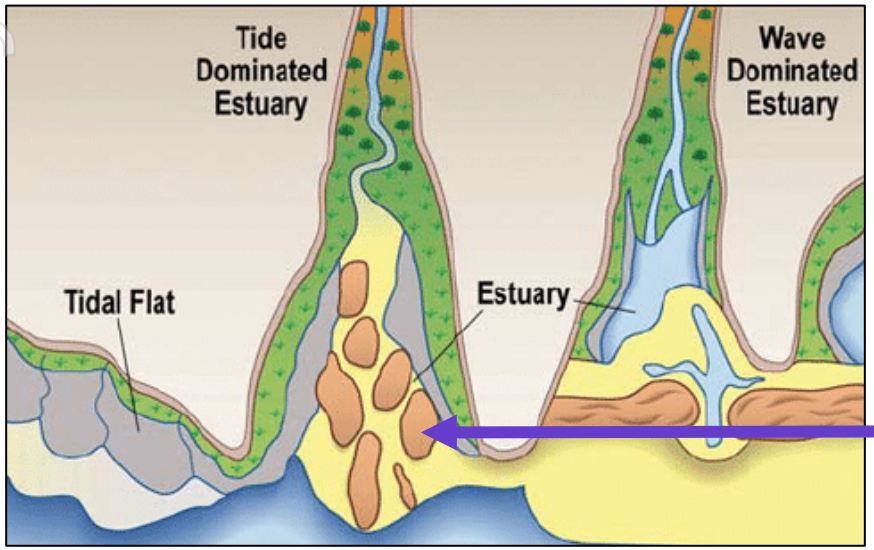
- Converting regional water down to 10k ppm salinity shows some streaky gas and water zones in WE2, 4 & 5, inconsistent with observed results to date
- WE2 produced zero water so the physical results indicate salinity higher than 10k ppm
- WE4 water influx was from base of Kingia where 10k ppm salinity would convert some upper gas pay to water producing

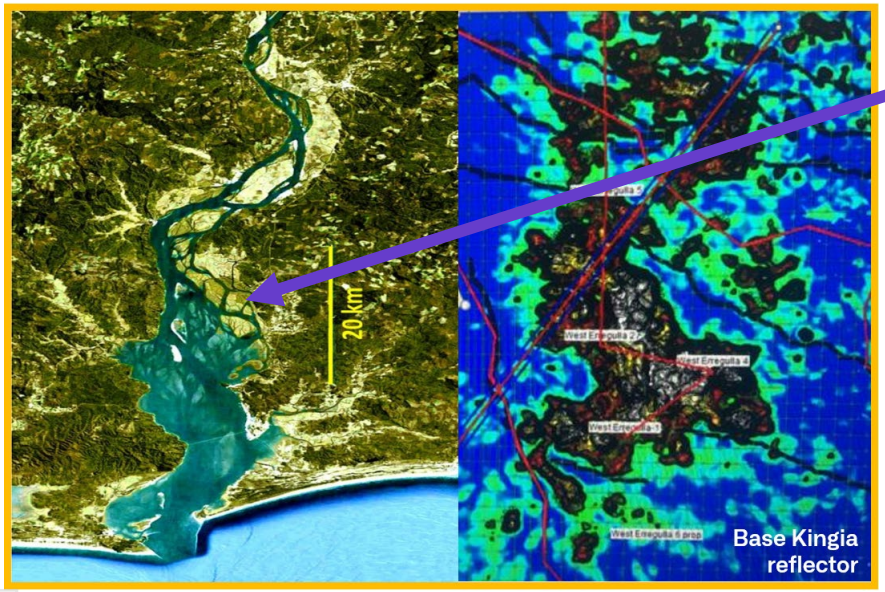
- Converting regional water down to 4k ppm salinity (fresh water) shows nearly all wells become major water producers and gas pay disappears
- WE2 & WE4 had strong gas production so physical evidence doesn't correlate
- A fresh regional aquifer would make WE5 almost completely water-wet, which doesn't correlate with mud gas and logs

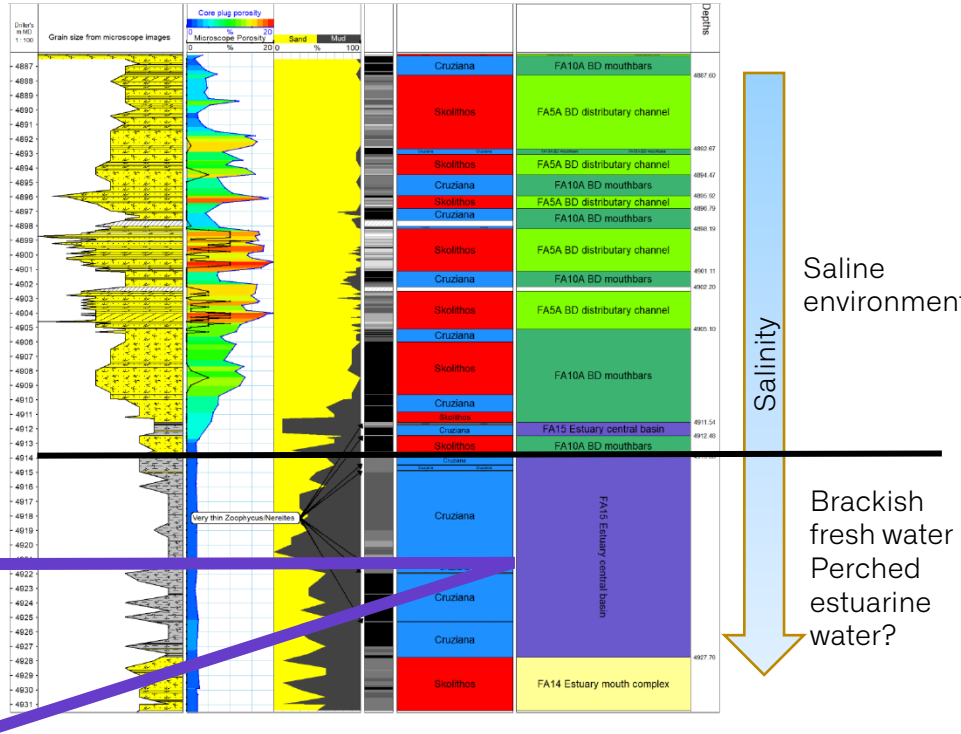
A fresh water aquifer is inconsistent with the physical, measured and observed results

WE4 core supports early fresh water depositional environment

WE4 core data – trace fossils suggestive of transgressive coastal environment







- WE4 core analysis indicates an estuarine fresh water depositional environment during the early lay down of the Kingia, then converting to marine environment later on.
- The lower most Kingia sand is indicative of an estuarine mouth bar (sand body).
- Depositional analysis indicates a unique discontinuous and localised setting that would have been required for perching of water and is unlikely to be field wide pervasive

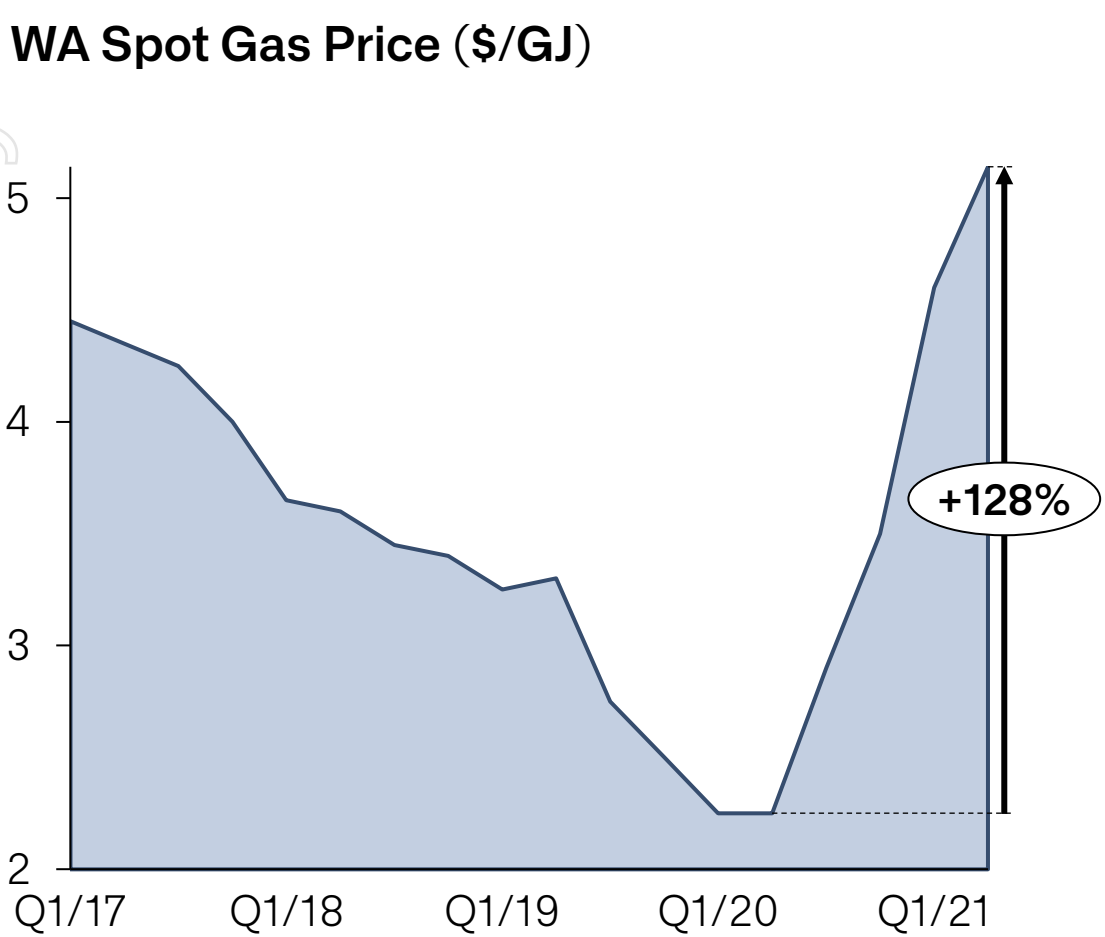
Greater Erregulla Phase 1

West Erregulla Gas Project

Sufficient Resources & Reserves	Resources Confirmed Reserves Pending with NSAI
Environmental Approvals	All EP's submitted awaiting approvals
Foundation Gas Sales[2]	Wesfarmers, Alcoa
Development Plan	Australian Gas Infrastructure Group BOO 87TJ/d
Pre-Development Funding	MACQUARIE up to $28m Pre-Development facility plus equity raising proceeds
Project Financing	Banks being selected
Final Investment Decision	**Long Lead Items Secured FID pending**

1. FID and timing of FID subject to, among other things, booking of sufficient reserves, execution of infrastructure documentation and midstream-FID, JV processes, debt procurement, and regulatory approvals. Strike and Warrego have agreed a gas balancing arrangement in respect of their respective foundation gas sales agreements . Refer to the ASX announcement titled "West Erregulla JV Alignment" dated 8th Oct 2020.

Prices are continuing to rise



Reserves replacement not occurring

+

Looming mid-decade undersupply

+

Gas demand rising

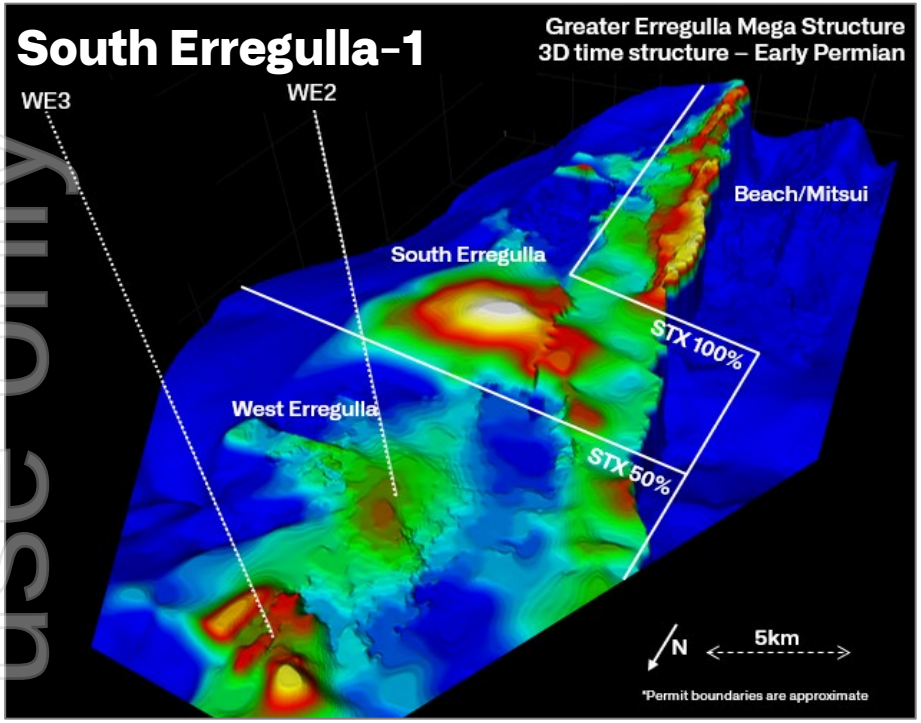
=

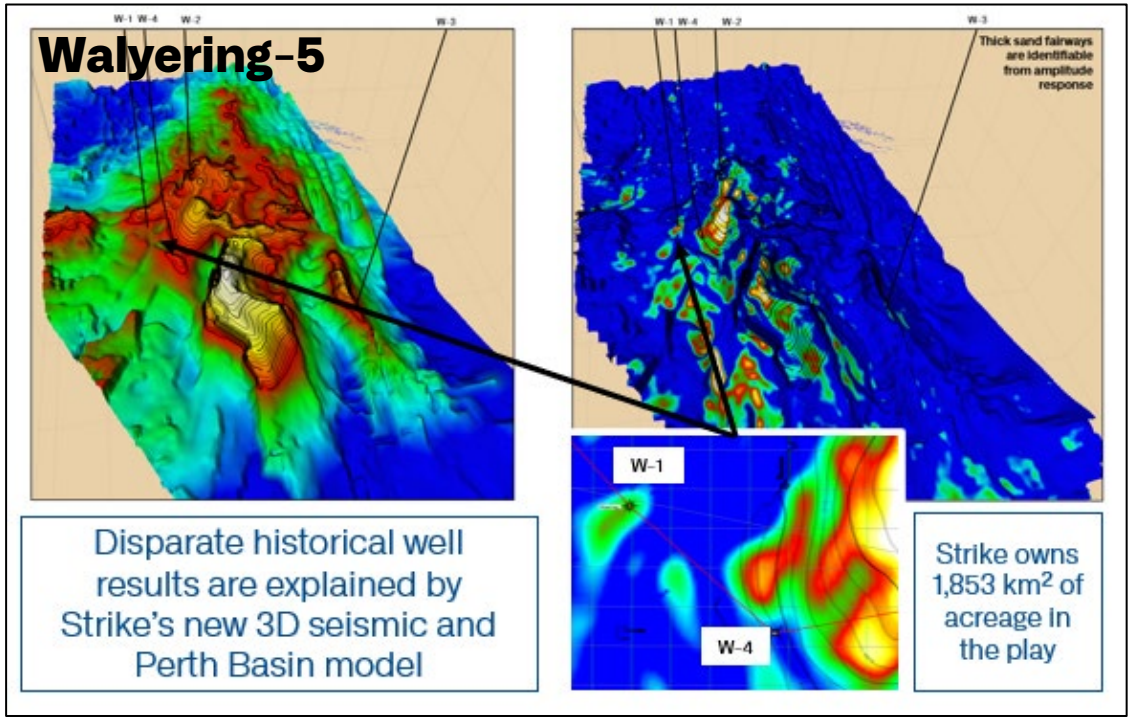
Rising Price Environment

WA's spot gas price has continued its vertical ascent since 2020

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

Second half operational activity





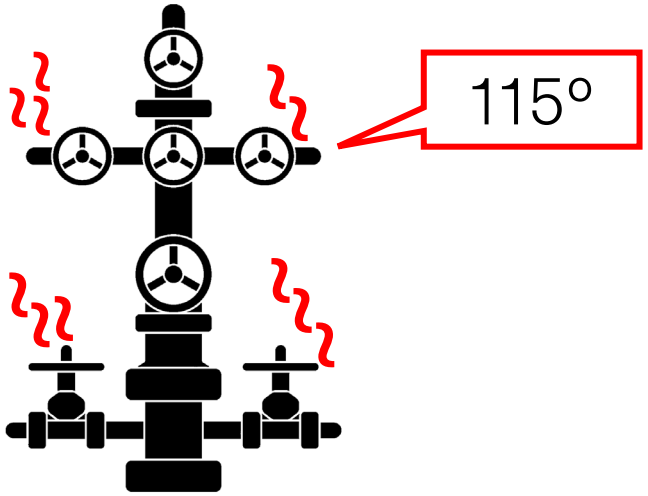
Set for a transformational second half of 2021

Ensign 970 Program	2021 J	A	S	O	N	D	2022 J
Walyering-5							
South Erregulla-1							
Strike Appraisal							

Mid West Geothermal Power Project

WE4 flow test partially de-risks Strike's geothermal play

WE4 well head temperature whilst testing the Kingia

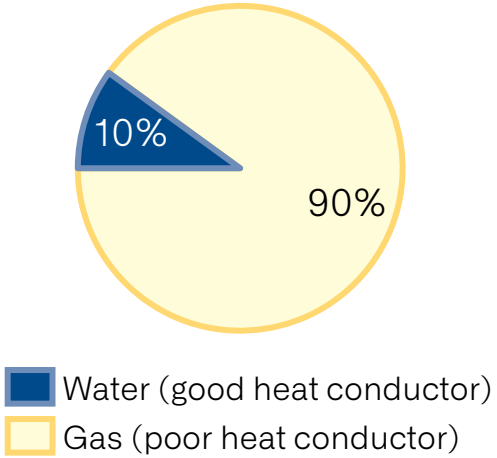


Evidence of Kingia reservoir permeability sufficient to support fluid production

Evidence that Kingia fluid can support high well head transfer temperatures

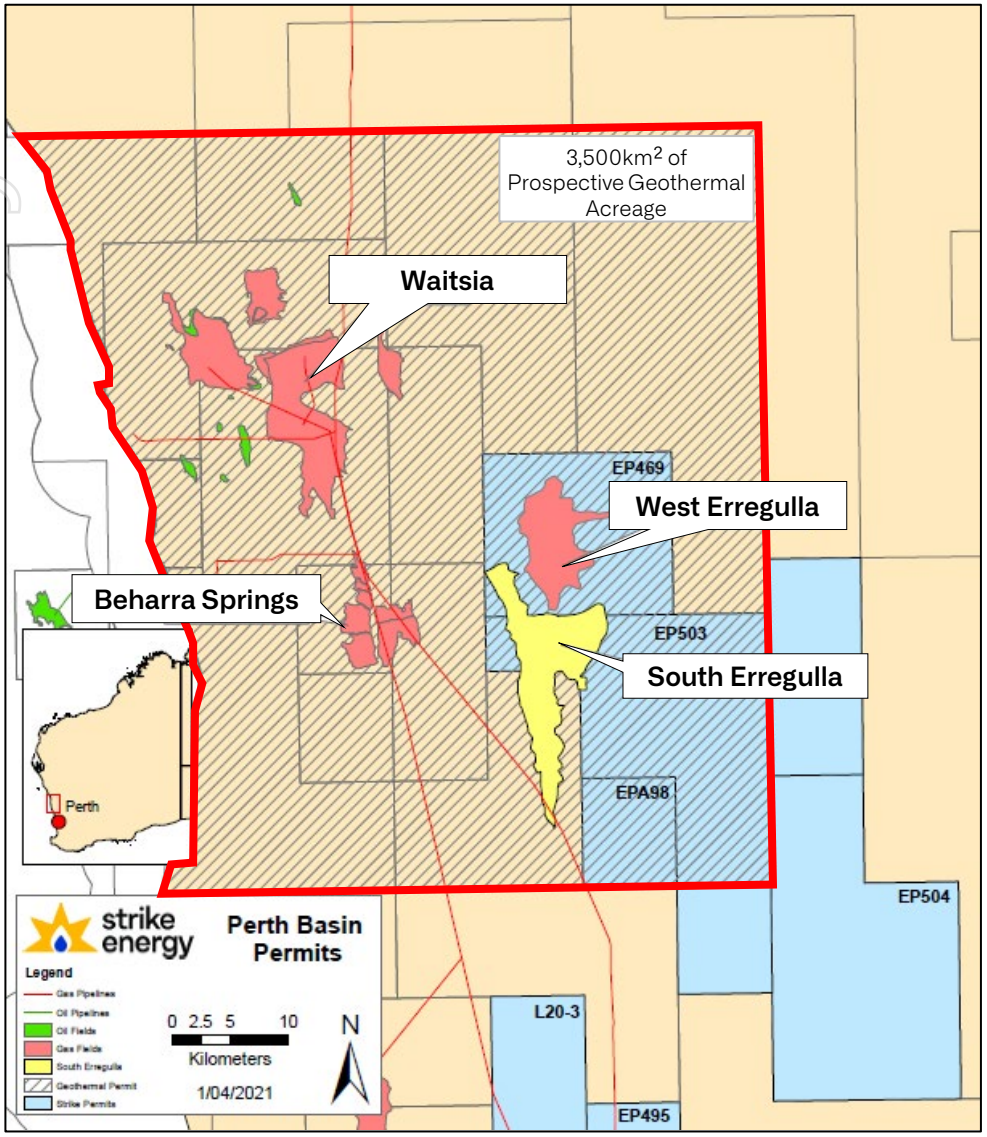
Minimal heat loss versus modelling

approx % of mass moving through well



- During the WE4 flow test the small amount of water produced, which made up ~10% of the total volume passing through the well head, heated the xmas tree up to 115°:
  - If the flow had been purely water (a better thermal conductor than gas) the heat of the tree would have been much higher.
- Future testing work is required to further de-risk the resource, but these early evidences position the project for an exciting future.

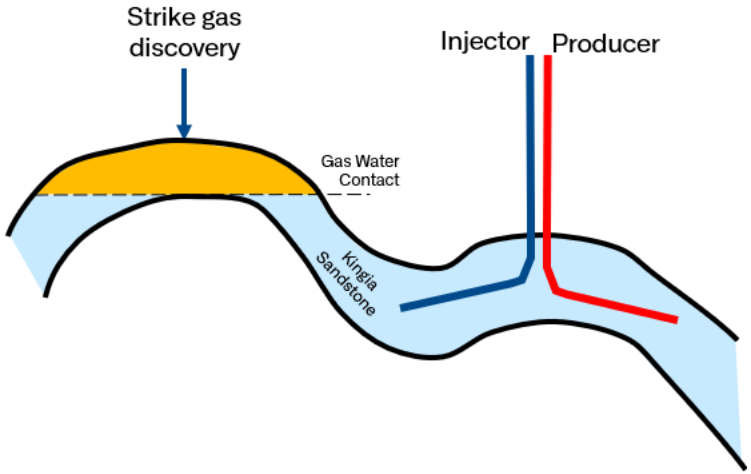
Perth Basin Geothermal



More than 500km² of already mapped resource

- Strike's reservoir modeling from the Permian Fairway shows that equivalent quality non-gas bearing, water wet sandstones:
  - could flow >13,000 bbls of water per day unassisted.
  - have bottom hole temperatures of >175°.
- Strike modelling suggests up to 350 MW of power, with >500km² of potential resource already mapped.
- On success would produce WA's only baseload zero carbon renewable power.

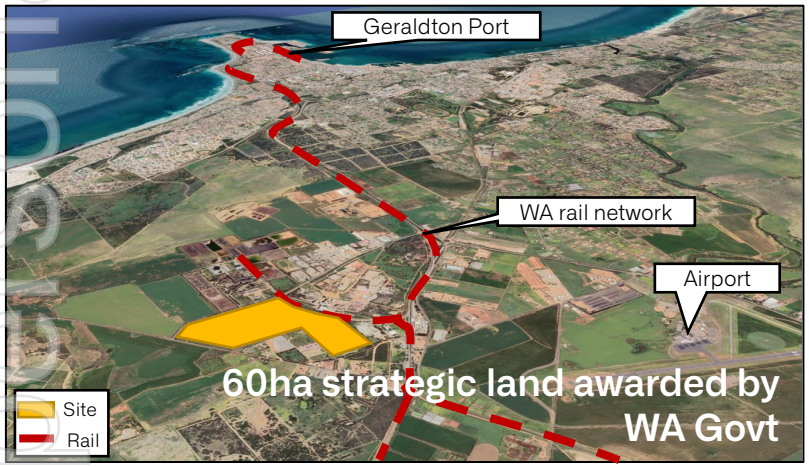
Strike's Co-located Gas & Geothermal Assets

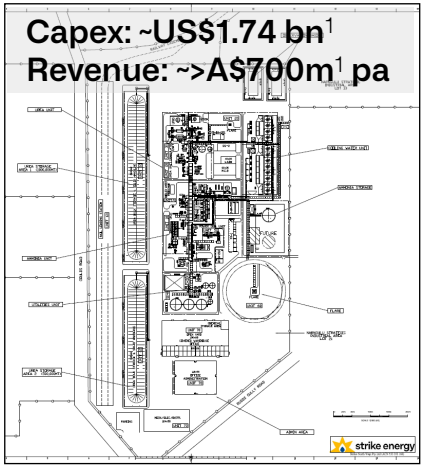


Project Haber
Fertiliser Development

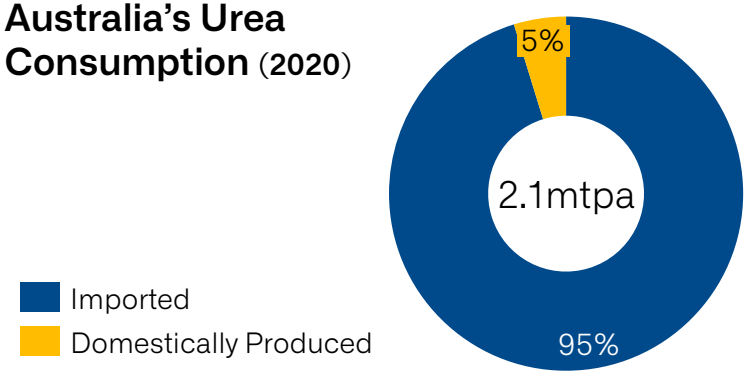
Project Haber Update

- Offtake Round 2 closes today, expecting strong responses.
- Project equity and debt advisors selected.
- Continued positive engagement with potential operators.
- Submission of carbon credit (ACCU) accreditation and methodology inclusion ongoing.
- Pre-FEED on track for September completion with final technology choice underway.
- MOU signed with AGIG for water offtake from proposed desalination plant.
- Engaged with Mid West Ports Authority for shipping logistics and progression of user and service agreement





Australia's Urea Consumption (2020)

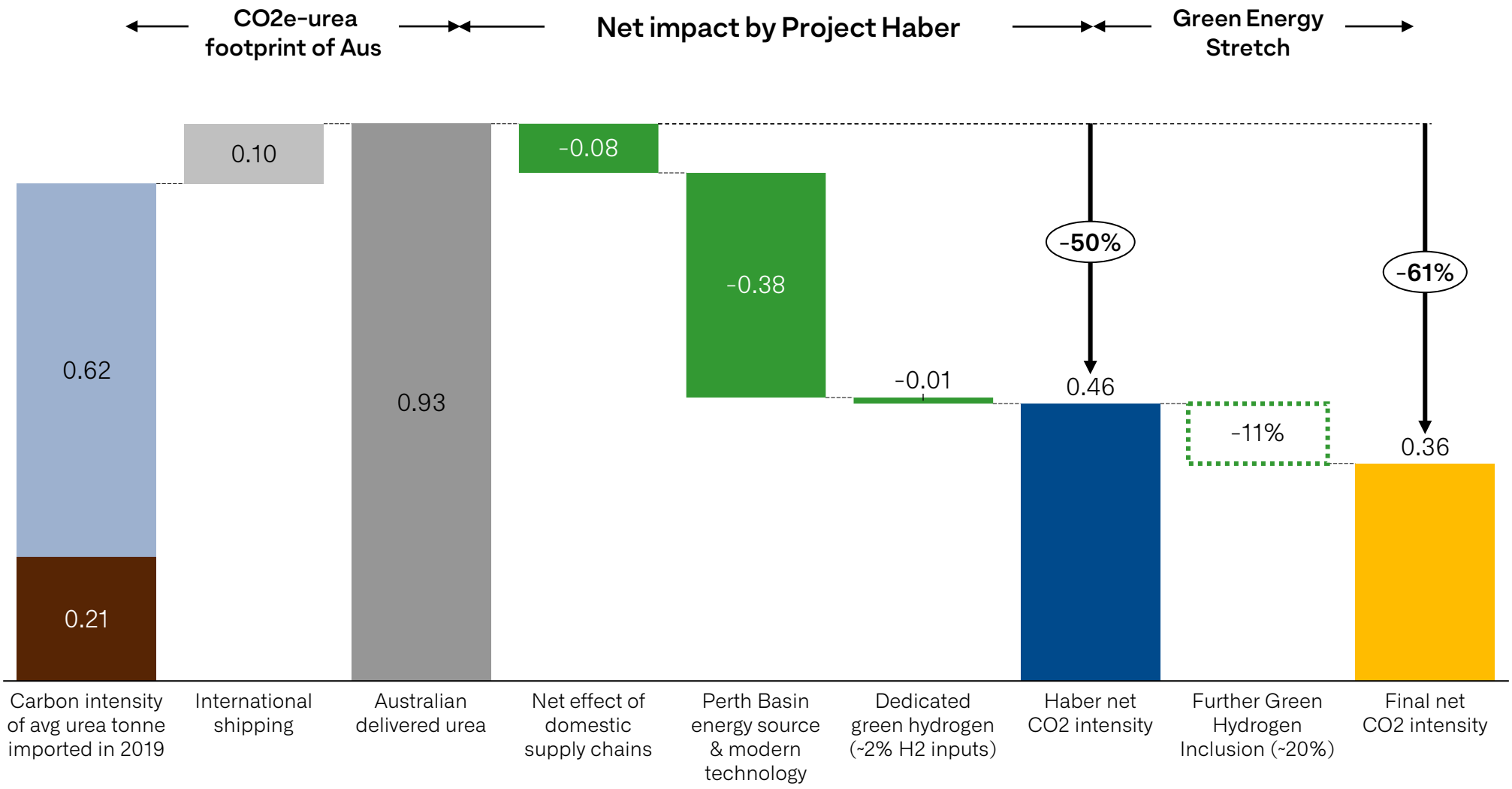


[1] Source: Strike Energy New Urea Plant Study, prepared by TechnipFMC dated 22 December 2020. Refer to ASX announcement: Project Haber to deliver huge carbon abatement and billions Australian GDP on 6th May 2021 and Greater Erregulla to drive development of Project Haber for Mid-West Fertiliser: 11th January 2021

Project Haber – reducing Australia's urea carbon footprint

Average CO2 intensity of urea imported to Australia vs Project Haber

(tonnes of CO2e per tonne of urea)



Refer to ASX announcement: Project Haber to deliver huge carbon abatement and billions Australian GDP on 6th May 2021

Strike's gas endowment is Australia's hydrogen enabler

bp

20ktpa of green ammonia

Oakajee Development:
Renewables park and future proponents green infrastructure

ATCO Gas

Clean Energy Innovation Park

HRA green hydrogen

Up to 5,000MW of capacity planned

strike energy

Project Haber:
Proposed dedicated 10MW electrolyser
2% of total H2 input

Infinite Blue Energy
Fuelling The Future

Arrowsmith Hydrogen Project

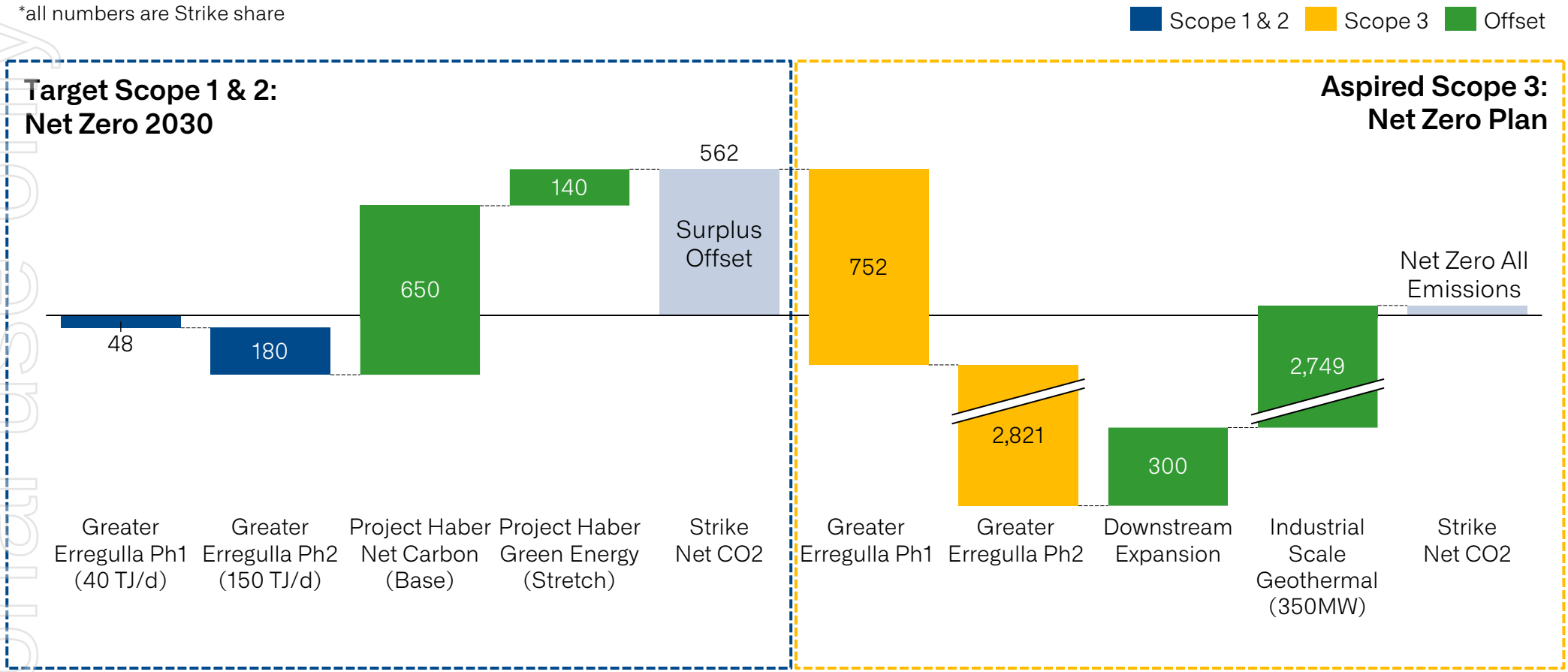
Project Haber is an enabler to the Mid-West green hydrogen vision by being the largest hydrogen and ammonia customer in Australia. Potential for Haber to be supported by Strike's geothermal resources and some of the 900 MW of local renewable energy

Strike: scope 1 & 2 net zero by 2030

Strike's projected net carbon production from its various projects and operations

CO2e-kt p.a. base lined at 2019

*all numbers are Strike share



Through the proposed development of Project Haber, Strike is targeting to reach net zero across its Scope 1 & 2 emissions by 2030. Success at the company's geothermal assets and expansion of downstream activities may enable Strike to be the first energy company to deliver full Scope 3 offsets.

Refer to ASX announcement: Strike commits to Net Zero 2030 on 14th May 2021