

# Half Year Report 1H FY24

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**strike**

Ocean Hill 3D underway

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## Production

**~2 PJ<sub>e</sub>**

(Walyering asset gross)



## Sales

**~\$15m**

(Walyering asset gross)



## Prod Costs

**51¢ GJ**



**Contracts  
Secured  
44.4 PJ**



**Completed  
Acquisition  
of Talon**

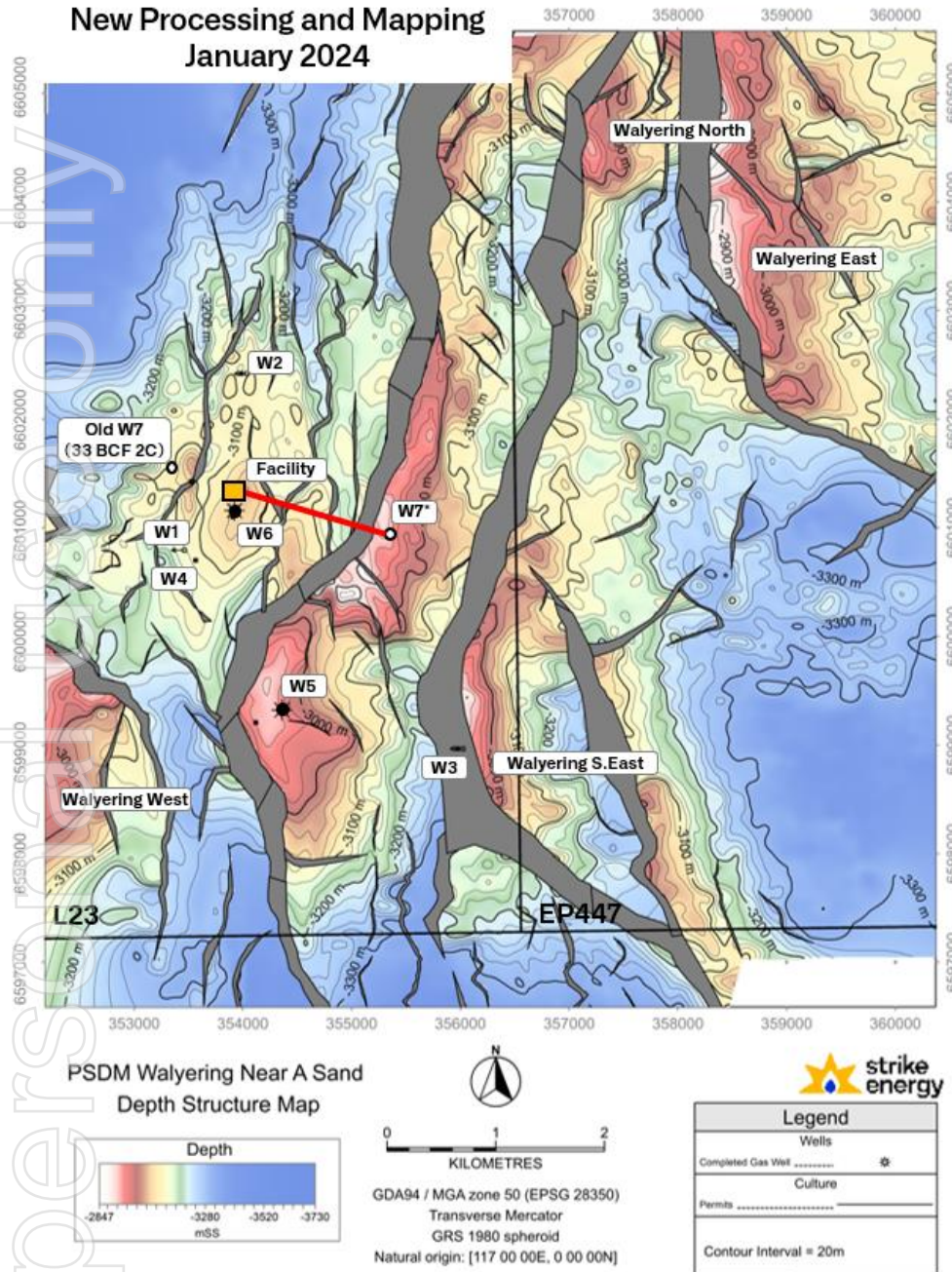


**Built &  
commissioned  
Walyering for less  
than \$0.9m per TJ/d  
of capacity**





## New Processing and Mapping January 2024



- Walyering performance has been excellent.
- Subsurface performance is currently tracking 2P Reserves case.
- Availability of the facility has been top quartile >97%.
- Utilisation (above firm of 24 TJ/d) has been constrained by customers infrastructure, PGP market size and where alternate customers are in their contracting cycle.

## Walyering CY24 Priorities & Targets

1

Maximise production through maintaining reliability and increasing market share on PGP and connecting to DBNGP

2

Add new Reserves via Appraisal drilling (W7 in Apr)

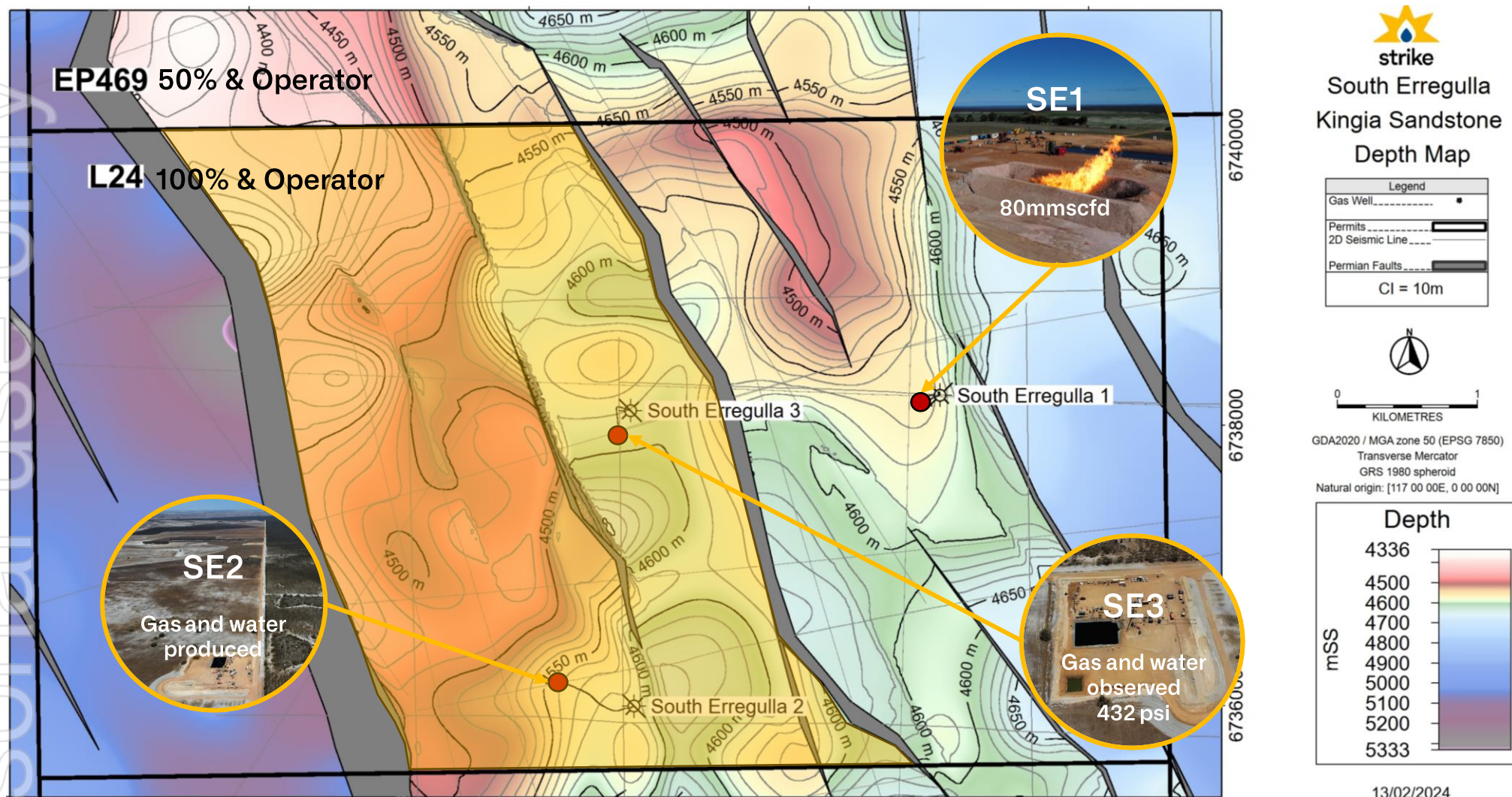
3

Unlock 'low to no cost' plant capacity (target 40 TJ/d)

4

Nearfield exploration drilling (W. East) and expand infrastructure

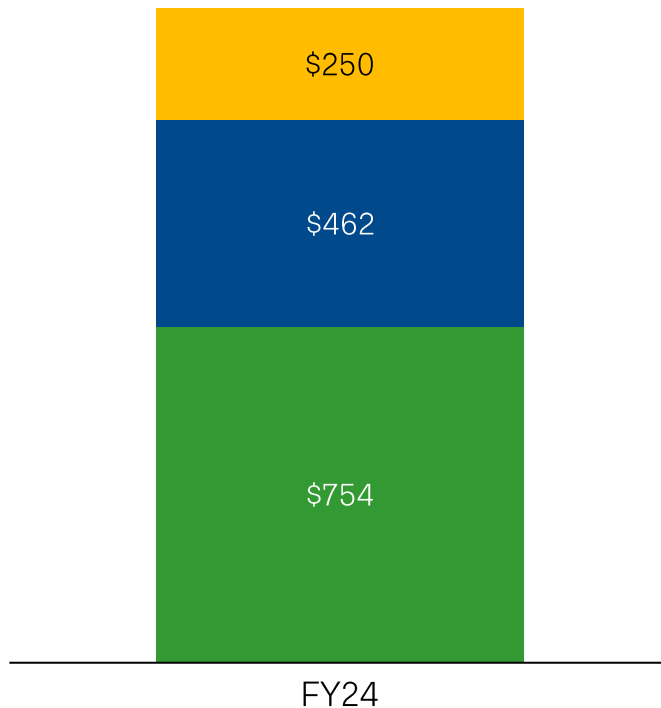




Remaining South Erregulla Reserves and Resources under review post unsuccessful flow testing at SE2 & 3. Development options are being studied to maximise value of discovered and tested gas.

~\$1.5 million target cost out  
across the Company

\$k p.a.



- Corporate Costs
- Pre-FID Development Costs
- Walyering Production Costs

**Targeting the reduction of Strike 100% costs of ~\$1.5 million p.a. by end FY24**

## 1. Corporate Costs

- Reduction of corporate services.
- Increasing internal capability, through in-housing external consultant responsibilities.

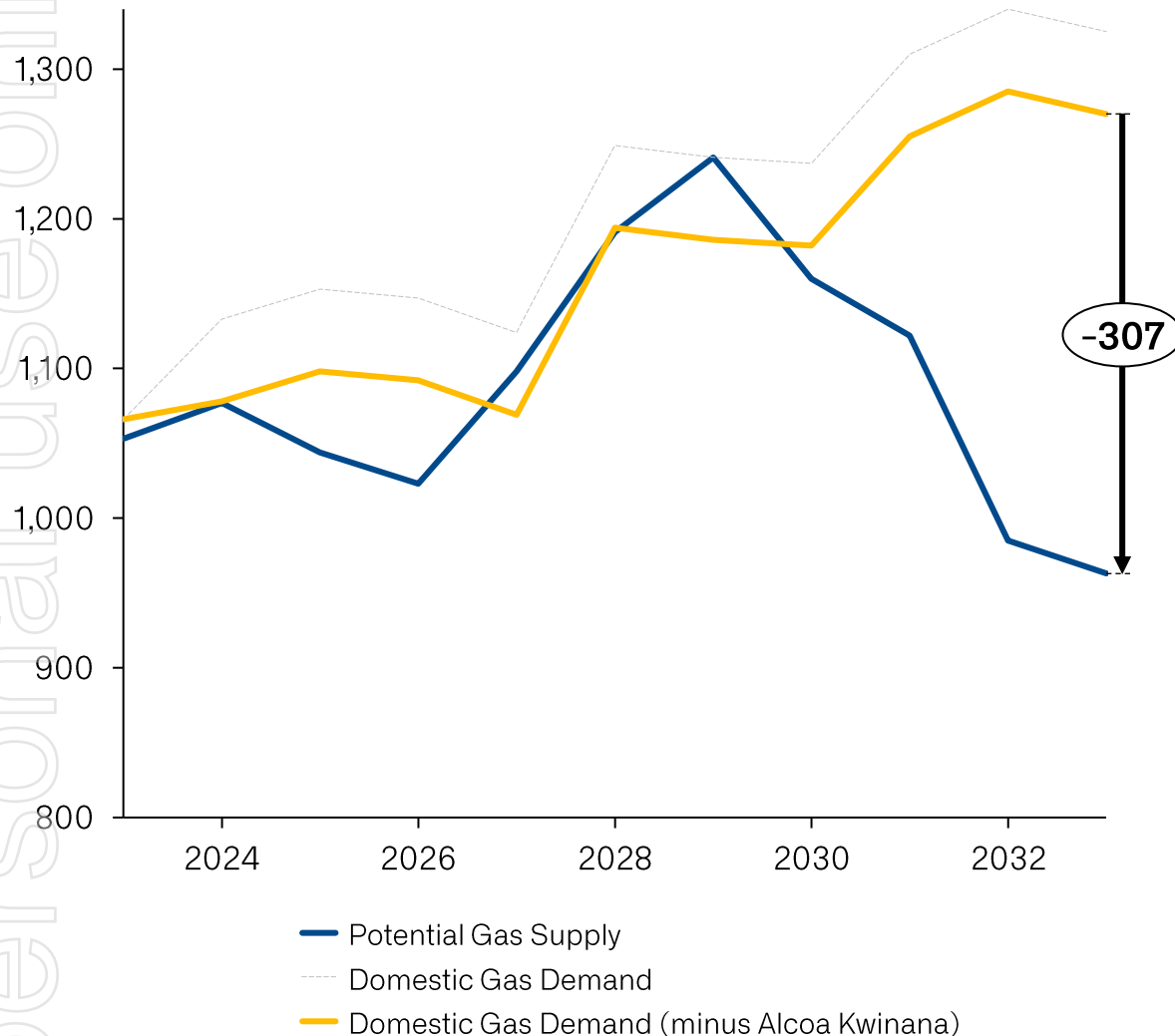
## 2. Development Costs

- Development strategy clarity of the West Erregulla gas field has reduced requirements to run several alternative development concepts in parallel.
- Maximising internal Engineering capability and reducing reliance on externals.

## 3. Walyering Production Costs

- Moving facility to partially unmanned.
- Optimising chemical handling and storage.
- Reducing of transport and accommodation costs and services.

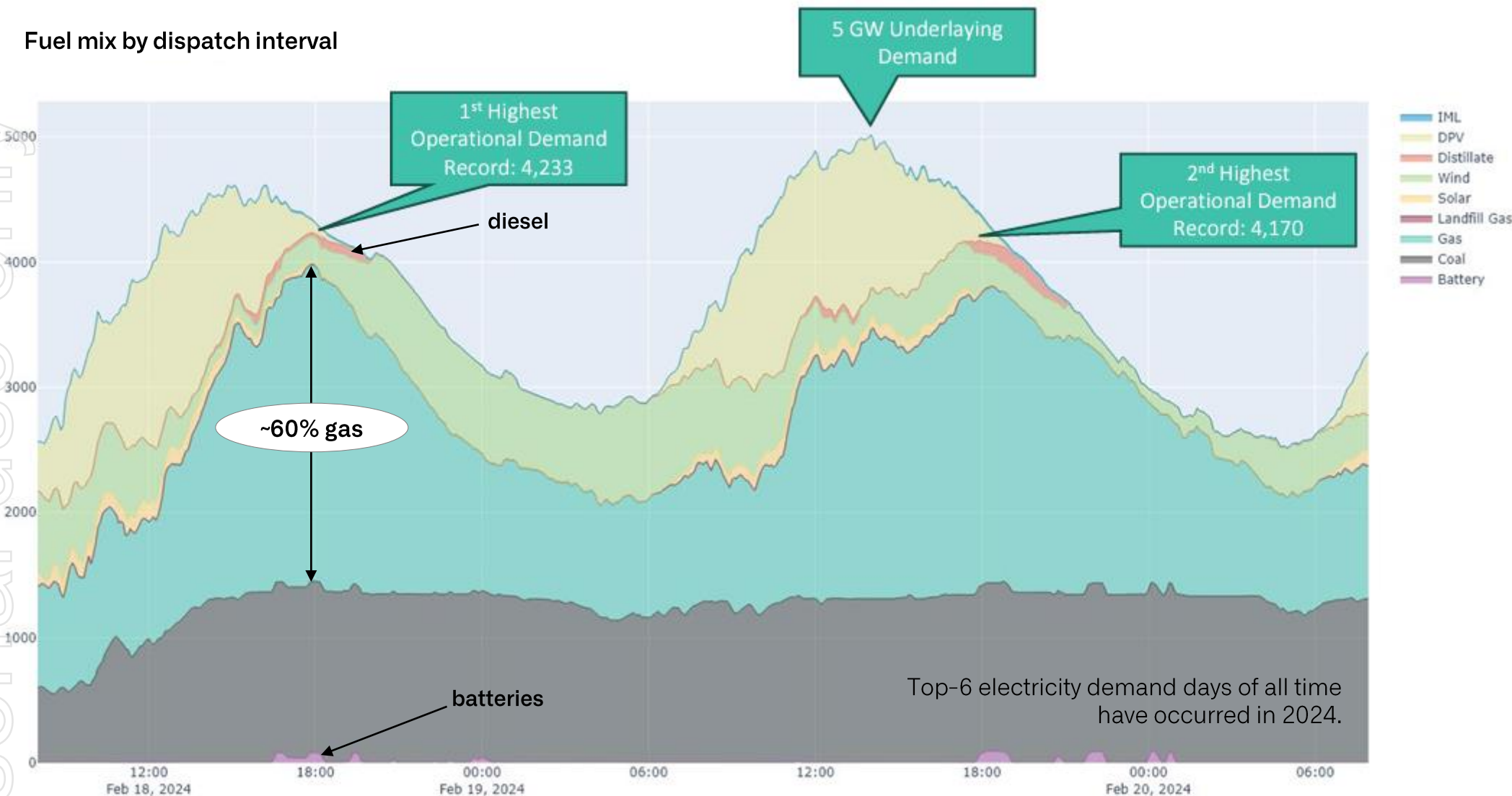
## Potential WA Gas Supply & Demand Forecast GSOO 2023 (TJ/d)



- AEMO GSOO 2023 released showing in and out of supply deficit '23-29, even with planned Alcoa Kwinana closure.
- WA spot gas prices traded on average \$10/GJ during the half.
- DMIRS announced that 2023 was the lowest year for gas exploration in the State of WA for the last 25 years.
- WA domestic gas policy enquiry is ongoing with substantial rhetoric from Premier and the reviewing Committee with regards to looking at the LNG export ban for onshore gas<sup>1</sup>.

1. Citing commentary from the Premier, Hon Roger Cook MLA, reported in The West Australian on January 11, which highlighted that a decision on lifting WA's ban on the export of onshore gas is expected by the middle of the year.

Fuel mix by dispatch interval



**New records in WA electricity demand are being set frequently with gas fired electricity having to fill hole when prices are reaching ~\$740 MW/hr**



## 2024 Investment Highlights

### 1. 100% operated position with substantial Reserves & Resources

- Substantial uncontracted Reserves
- >3,000 km<sup>2</sup> of acreage and more than 25 prospects and leads diversified across both Permian and Jurassic acreage

### 2. Domestic gas producer generating low cost cashflows

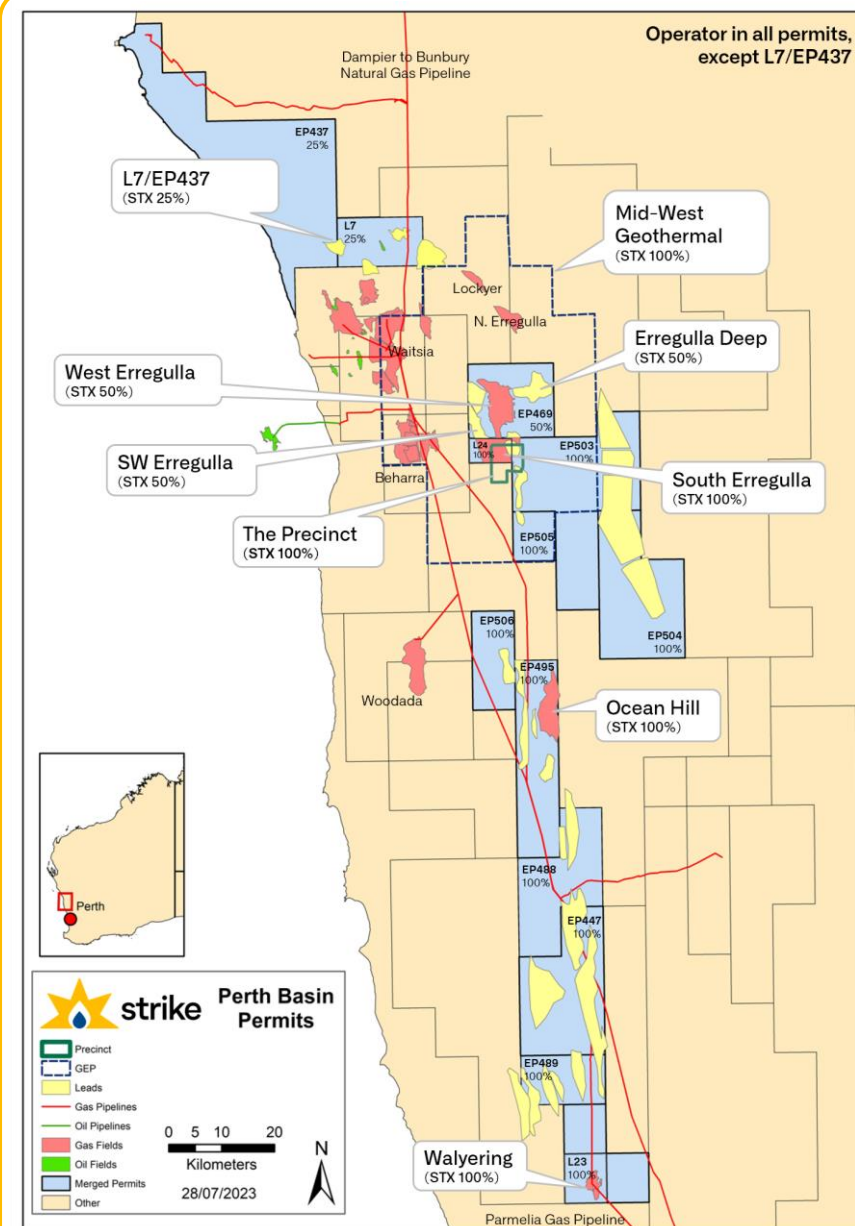
- 1H FY23 generated gross ~\$15m in cashflow from Walyering<sup>1</sup>
- Production costs of only \$0.5 GJ
- Walyering reached above nameplate production record on the 6<sup>th</sup> of Feb at 34 TJ & 275 bbls of condensate
- Average sales for February of 26 TJ/d

### 3. Govt supported gas acceleration strategy

- Targeting up to four sources of gas online by 2026<sup>2</sup>
- Well capitalised with ~\$114m of cash and undrawn debt with ongoing cash generation and only \$19m of drawn debt as at Q4/23
- Government domgas policy review and potential opportunity for stimulus if LNG export policy is relaxed

### 4. Catalyst rich

- Walyering: Appraisal drilling in Q2, with potential production increase
- West Erregulla: ED1 in 1H CY24 with development decision targeting 2H CY24
- Ocean Hill: 3D seismic acquisition ongoing, with contingent appraisal drilling in Q4
- South Erregulla: Reserves review & Development Plan in 1H CY24



Notes to map: Area marked "Mid West Geothermal" represents area of Geothermal Exploration Permit under application (not granted).

1. Gross to asset. Strike share is at 55% equity until 27 Dec 2023.

2. Subject to, among other things, outcome of South Erregulla reserves and resources review and update, Walyering and Ocean Hill appraisal results, rig and construction procurement and, where required, project financing and joint venture processes.



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Central to WA's energy transition

Q&A



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