strike energy



Euroz Institutional Investor Conference

March 2020

The Perth Basin

Summary information

This presentation contains summary information regarding Strike Energy and its subsidiaries current as at 10th March 2020. 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.

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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%.

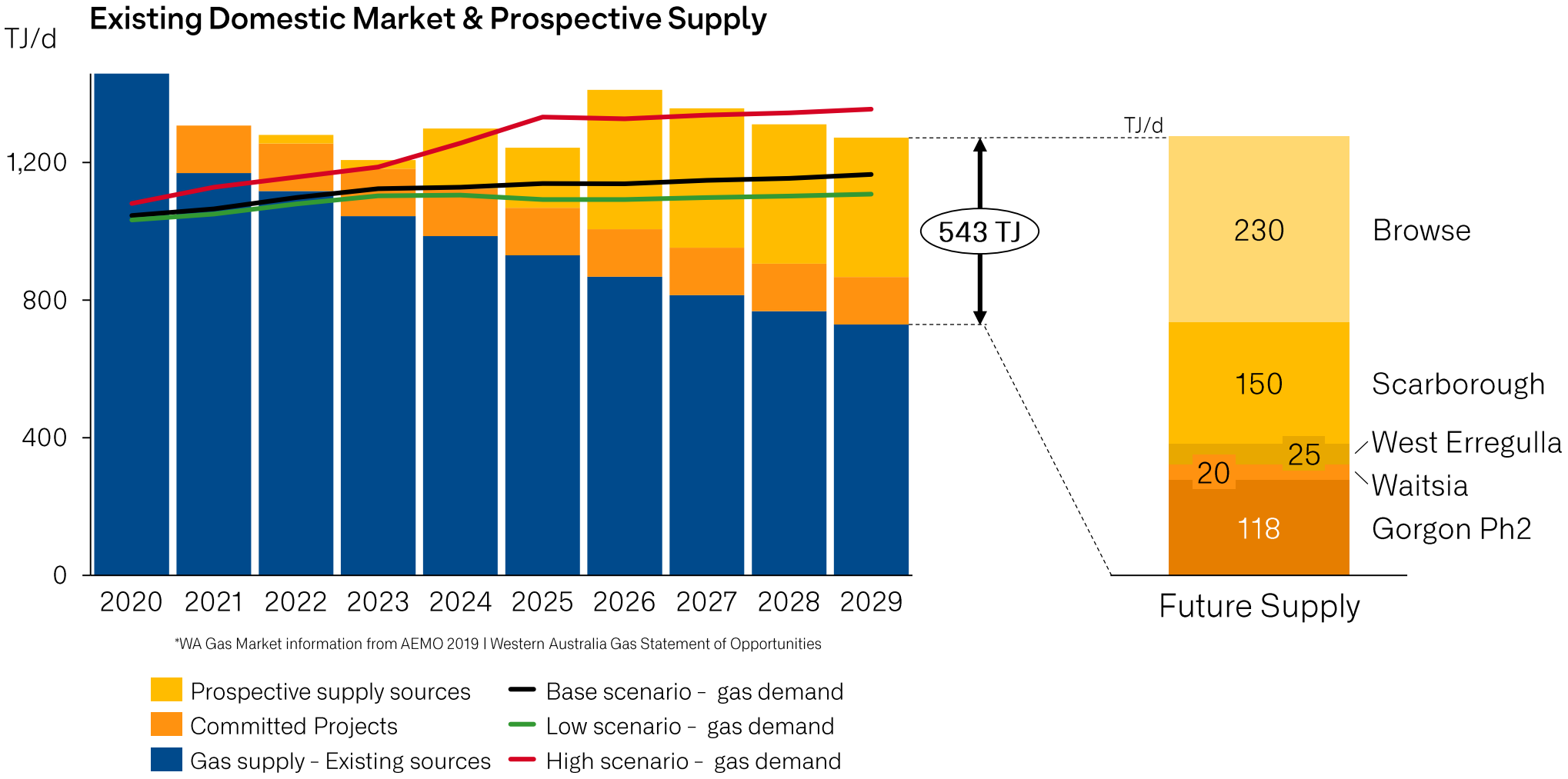
Strike Energy confirms it is not aware of any new information or data that materially affects the information included in the referenced announcements and that all the material assumptions and technical parameters underpinning the estimates in those announcements continue to apply.

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.

Western Australian demand to outstrip supply in all scenarios



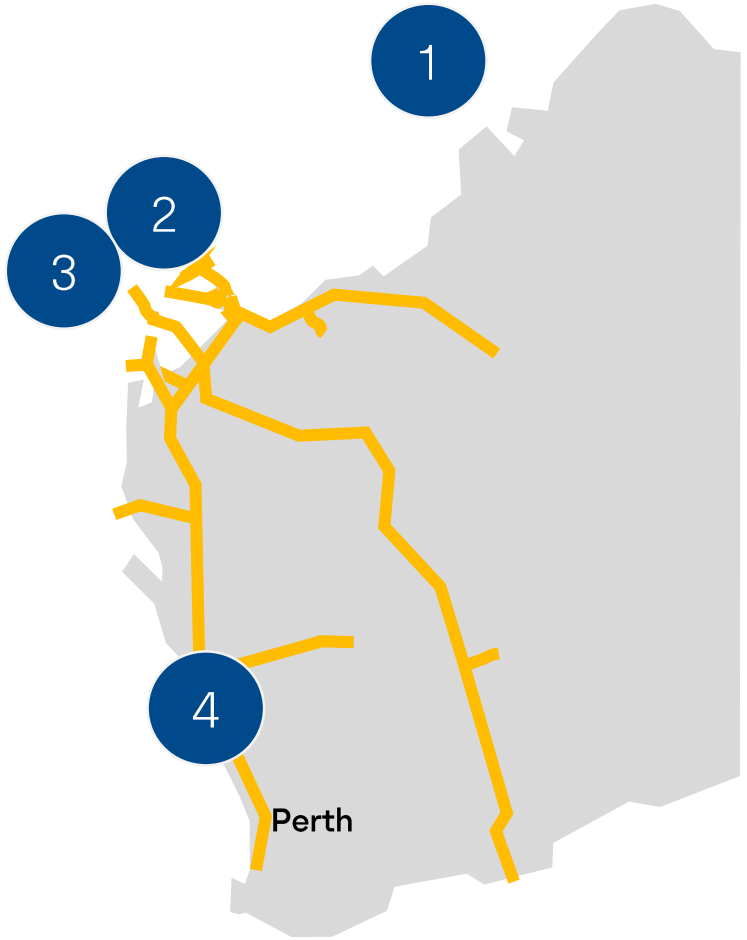
- 70% of future volume needed to meet WA domestic market demand in the 2020s is subject to major LNG investment decisions.
- West Erregulla ramp up (~100-200 TJ/d) will be required to increase security for WA long term customers

Source: WA Gas Market information from AEMO 2019 | Western Australia Gas Statement of Opportunities

WA domestic gas security is sensitive to future LNG investment

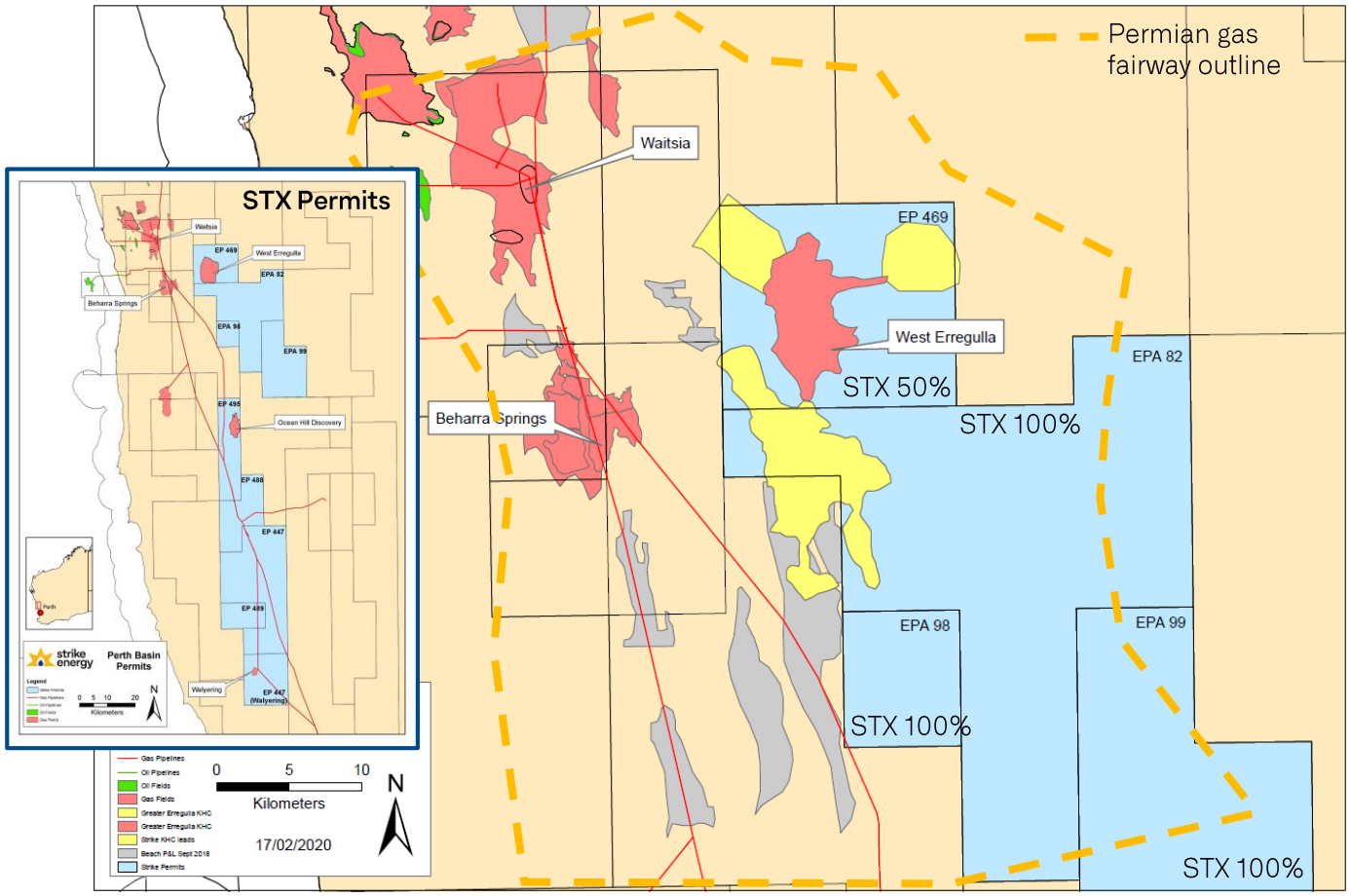
WA future domestic gas supply at risk from project delays

1 **Browse LNG**	Announced delays from joint venture misalignment, investability concerns with remote high development costs
2 **Scarborough LNG**	Short term delays from commercial complexity with joint venture and LNG market conditions
3 **Gorgon Phase 2**	High cost investment base during challenging market conditions
4 **Waitsia**	Waitsia in negotiation to backfill to the NWS LNG project.



Perth Basin – Permian Gas Fairway

North Perth Basin permits inside the Permian Gas Fairway



- Size, quality, productivity and location of these fields will enable a low cost development
- Some of the largest conventional onshore gas fields ever found in Aus
- Strike has the largest equity position in this fairway



Permian gas fairway is host to **> 3TCF** of discoveries, with a track record of 100% exploration success

Perth Basin gas has a '~$1.10 GJ' cost advantage versus peers for transport to Perth

Estimated Transmission Costs

North West

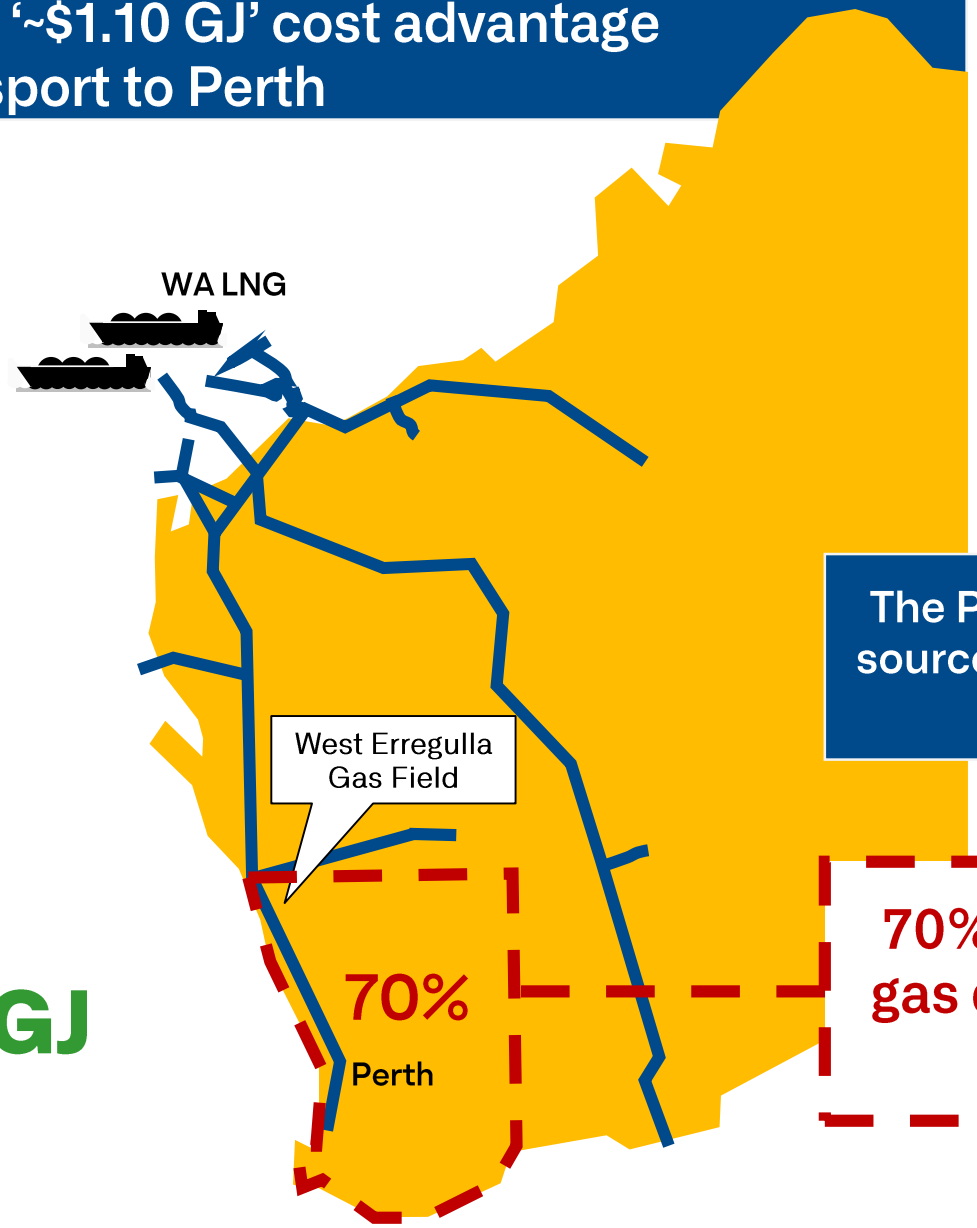
$1.44 GJ

Perth / South West

Mid West

$0.34 GJ

Perth/ South West



WA Domestic Gas Market:

up to 1,200 TJ/d

Or

~$2.2 bln market p.a.

The Perth Basin is the closest source of gas to the bulk of WA gas demand

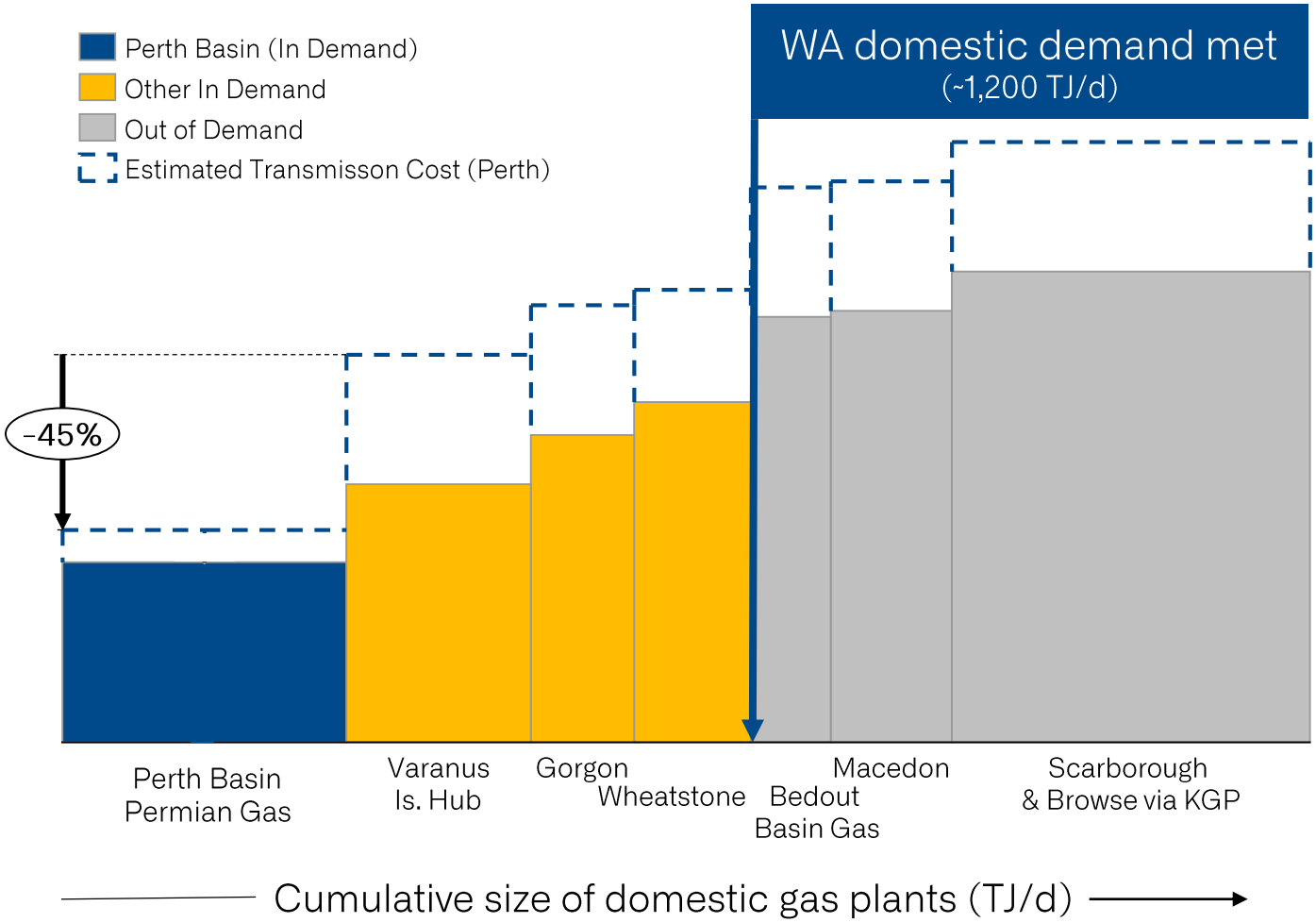
70% of WA's domestic gas demand is south of Geraldton

Estimated transmission costs are via AGIG DBNGP: Five year plan Dampier to Bunbury Natural Gas Pipeline 2021-25 draft plan https://www.dbp.net.au/wp-content/uploads/2019/05/AGIG-DBP-Draft-Plan-2021-2025_Web.pdf

Sources & Costs of uncontracted WA Domgas supply

Estimated Forward Breakeven Cost of Supply for Uncontracted Gas[1]

(Relative $/GJ)



- Size, quality and location to market makes Perth Basin Permian gas supply low cost.
- WA gas market has daily demand of up to 1,200 TJ/d.
- If economic to do so, new LNG will become the domestic market marginal supplier.

[1]Source of External Cost Benchmarking: Rystad Energy Consulting Ucube Upstream Database
Perth Basin conventional Permian gas costs and facility sizes are internal estimates
Domestic gas facility size source: AEMO Gas Bulletin Board WA
Estimated transmission costs are via AGIG DBNGP: Five year plan Dampier to Bunbury Natural Gas Pipeline 2021-25 draft plan https://www.dbp.net.au/wp-content/uploads/2019/05/AGIG-DBP-Draft-Plan-2021-2025_Web.pdf

West Erregulla Gas Project Delivery

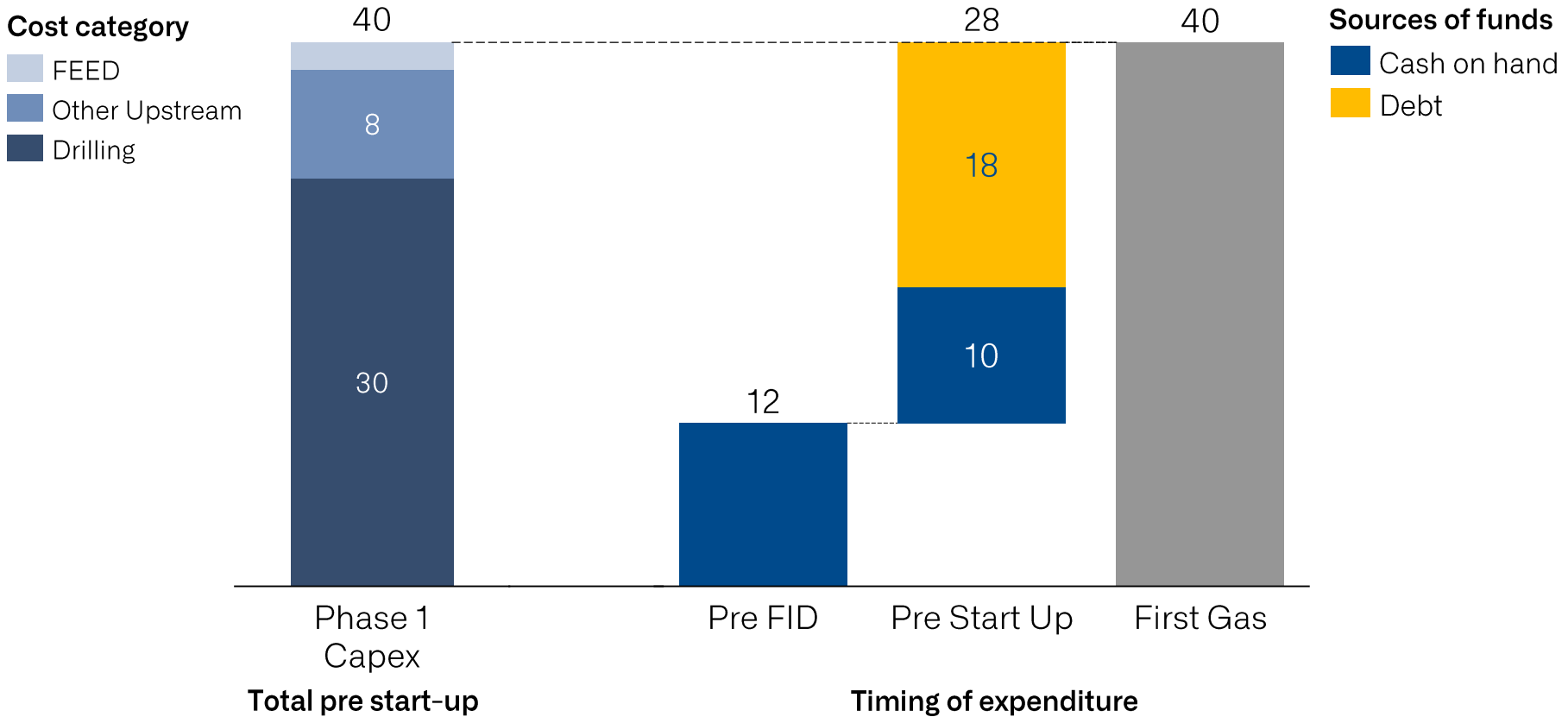
Discovered Resource	✓	High Confidence
Additional subsurface info	—	Drilling program 2H20
Foundation Gas Sales	✓	Wesfarmers
Concept Select	—	Midstream award post March 20
Financing	—	Counterparty Engagement Commenced
Final Investment Decision	Targeting Q4 /20	
Phase 2 Development	—	Gas Marketing & Studies

Dates are indicative and subject to, among other things, appraisal results, JV discussions/processes, infrastructure access, debt procurement, land access and regulatory approvals.
Wesfarmers, through its wholly owned subsidiary, CSBP Limited, has an offtake option for 100PJ from West Erregulla.

Strike is funded to FID of Phase-1

Strike estimated capex requirements for West Erregulla Phase 1 to First Gas

(Strike share A$mln)



- Strike is funded to FID, and it expects to be eligible for debt financing.
- Total pre-startup capex is funded by a mixture of cash on hand and debt financing.

1. The above costs are Strike internal estimates only based on available information to hand and are subject to change and to the contingencies noted in note 3 below.
2. Any additional drilling is expected to be required in the second half of the Phase 1 production life (Years 5-10) which would be funded out of free cash flows resulting from gas sales.
3. FID and timeline to FID is subject to, among other things, appraisal results, JV discussions/processes, infrastructure access, debt procurement, land access and regulatory approvals.
4. Above expenditure is exclusively for first gas sales from the Phase 1 project and does not include additional 3D seismic, exploration drilling or downstream studies.

Greater Erregulla development marketing options

Greater Erregulla Project Development

Size	Quality	Cost	Output
>700 bcf[1] (Net to Strike)	Low CO2	Next to Pipeline	Some of the lowest cost gas in Australia
	Very High Pressure	Crown Land	
		Simple to Develop	

Multiple high margin development options Emerging

WA Gas Market ~1,200 TJ/d

CSBP

Wesfarmers Offtake Option – 100 PJ

Pilbara Gas Market Expansion



300 TJ/d market with 57 TJ/d growth expected

Chemicals & Manufacturing



Lower cost feedstock enables a broad range of options

North West Shelf Backfill



Est. 1 bcf/d of feedgas required by 2025

New Power Generation



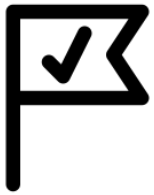
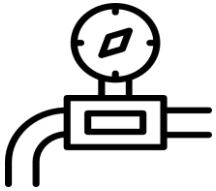
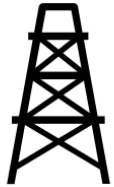
More than 45% aging coal fired power in WA

flexible volumes

Bulk fixed volumes

[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.

The strength of the project

Significant gas resources		high-quality conventional gas of ~1.2 tcf gross 2C contingent resource[1]
Well capitalised		Fully funded to deliver its FID on Phase-1 and commence exploration campaign
Excellent demand for gas		Supportive and tightening WA gas market fundamentals
Low cost development		Staged development utilising adjacent gas infrastructure with offtake secured
Significant upside		Greater Erregulla gas project with multi-tcf targets identified for near term drilling

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


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