South Erregulla Update

- The first Jenbacher engines have arrived onsite and are being installed.
- South Erregulla-1 workover, clean up flow and production simulation has been completed in readiness for gas supply to the power plant.
- Reports from AEMO indicate the Capacity Price for the 2027/28 Capacity Year will be at or near the Benchmark Reserve Capacity Price of $360,700/MW per annum, a 67% increase from the 2026/27 Capacity Year.

Strike Energy Limited (Strike - ASX: STX) is pleased to provide an update on the Company's operations and activities at the South Erregulla Peaking Power Plant ("**the Project**").

85 MW Peaking Power Plant Construction Progress



The first 12 of 20 engines and alternators for Strike's 85 MW South Erregulla Peaking Power Plant have now arrived in Australia and are in the process of being delivered to site and installed within the engine hall. This marks a major project milestone and a key step towards delivering flexible, reliable power to the South West Interconnected System (SWIS), the primary electricity grid supplying over one million customers in Western Australia.

Construction activities remain on schedule, with civil and electrical works advancing in support of Strike's target of first generation by 1 October 2026.

Strike continues to work closely with the Western Australian Government to optimise transmission connection timing and costs.

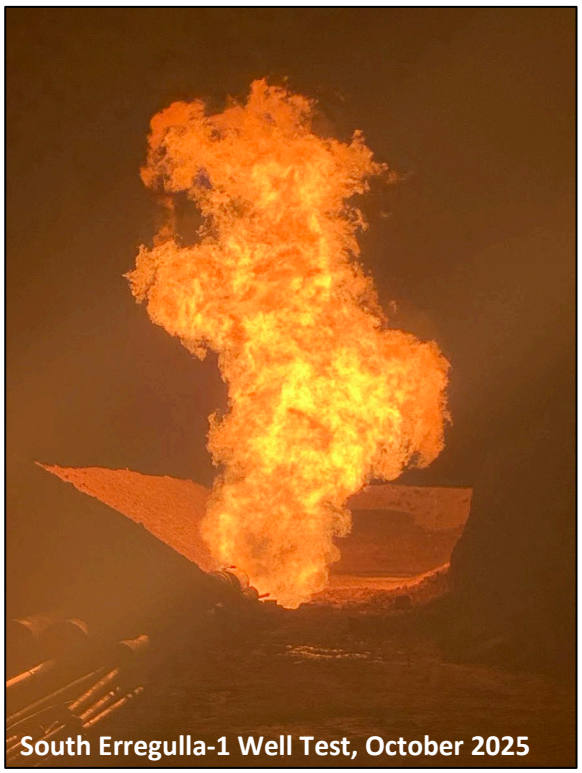
Investors and stakeholders can follow project progress, milestones, and construction updates via Strike's dedicated online project hub at https://strikeenergy.com.au/on-the-ground-at-south-erregulla.



South Erregulla Workover and Testing

The South Erregulla-1 well has undergone a workover, clean-up flow and production simulation program to confirm reservoir performance and ensure readiness for gas supply to the power plant.

Importantly, during the simulation period, the well underwent a three-day production test under expected operational conditions to calibrate surface performance data with the balance-of-plant engineering for the upstream facility.


South Erregulla-1 Well Test, October 2025

Capacity Credit Update

Strike's South Erregulla Peaking Power Plant will participate in Western Australia's unique Reserve Capacity Mechanism (RCM), which plays a vital role in maintaining reliable electricity supply by ensuring sufficient generation capacity to meet peak demand.

Once operational, the facility will earn monthly Capacity Credit payments, independent of energy sales, at the Reserve Capacity Price (RCP), providing a stable revenue stream. The RCP is determined annually, two years in advance, based on a benchmark calculation that is adjusted to reflect any capacity surplus or deficit in the market, with a "deadband" applying if the market is within 5% of its target capacity (see Figure 1 on the following page).

Recent Australian Energy Market Operator (AEMO) reports[1] on Capacity Credit allocation for the SWIS indicate that the 2027/28 Capacity Year RCP is expected to be at or near the Benchmark Reserve Capacity Price of $360,700 per MW per annum, a 67% increase on the 2026/27 RCP of $216,092 per MW per annum. Subject to AEMO's final determination, Strike anticipates Capacity Credit revenue of approximately $30.7 million in year two of operations, before energy sales. Subject to meeting requirements under the RCM, year one of operations is confirmed to provide approximately $18.4 million in Capacity Credit revenue. All energy sales will be incremental to this base Capacity Credit revenue.

Strike will update the market once AEMO confirms the final RCP, expected on or around 27 November 2025. More information about the RCM and Benchmark Reserve Capacity Price is available under "Fact Sheets" on Strike's dedicated project hub website.

What's Next

Strike expects the remaining eight engines to be delivered and installed by year end. Preparations are also underway for construction of the transmission connection and switchyard infrastructure, with groundworks scheduled to commence this month.

[1]Source: https://www.aemo.com.au/-/media/files/electricity/wem/reserve_capacity_mechanism/certification/2025/certified-reserve-capacity-assigned-for-the-2027-28-capacity-year.pdf?rev=955e91976a464bd9bfadada3b58d88ae&sc_lang=en

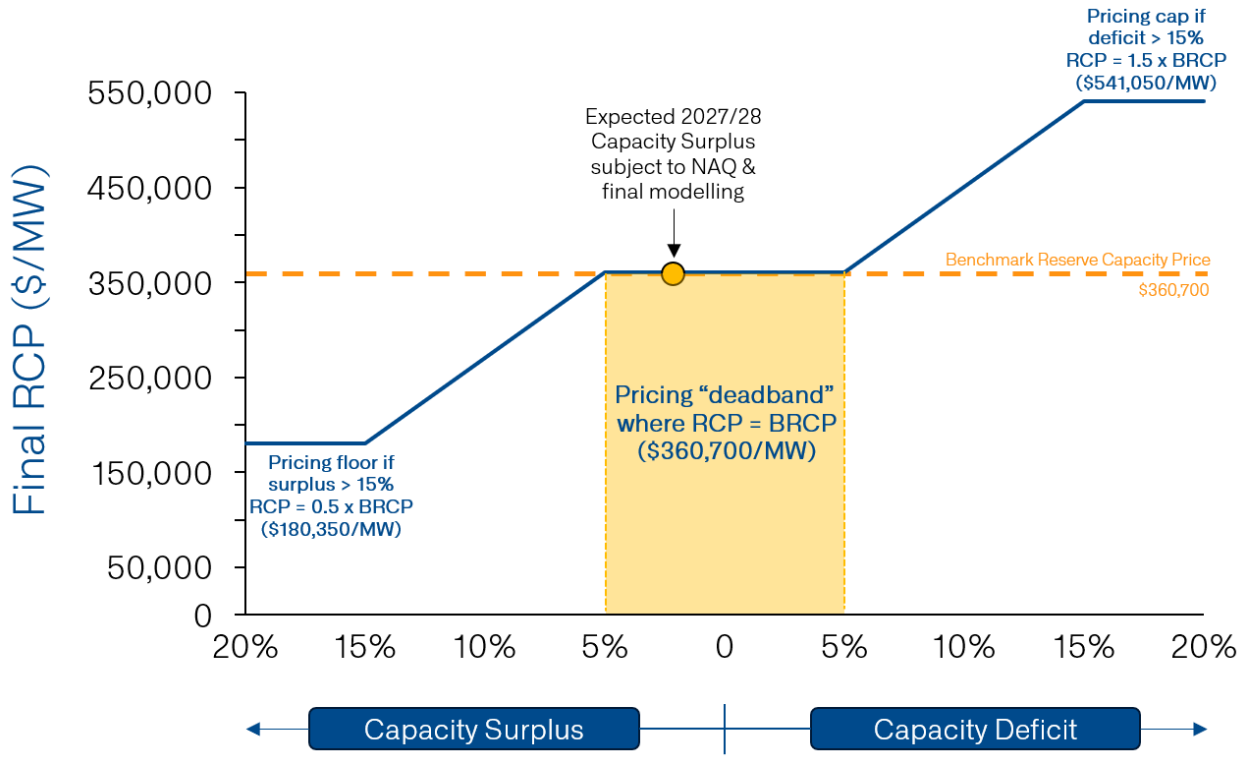


Figure 1: Effect of modelled capacity on 2027/28 calculation of final Reserve Capacity Price from Benchmark Reserve Capacity Price

Comments from Managing Director & CEO, Peter Stokes:

"The arrival of the first engines and the work over of South Erregulla-1 represent major milestones in bringing Strike's integrated gas-to-power strategy to life.

These achievements demonstrate strong progress towards delivering reliable, flexible energy to the SWIS, supporting Western Australia's transition to a cleaner, more resilient power system.

Furthermore, the significant uplift in the Benchmark Reserve Capacity Price underscores the importance and necessity of new generation capacity as Western Australia grapples with its energy transition against a backdrop of rising demand. This is strong validation of Strike's strategic positioning, with its material reserves base, ideal location and having the right projects at the right time in the market.

I look forward to keeping the market updated as South Erregulla progresses towards first power."

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

Emma Alexander
Investor Relations & Corporate Manager
Strike Energy Limited
+61 419 877 137
emma.alexander@strikeenergy.com.au

Forward looking Statements

Statements contained in this release, including but not limited to those regarding the possible or assumed future costs, projected timeframes, performance, dividends, returns, revenue, exchange rates, potential growth of Strike, industry growth, commodity or price forecasts, or other projections and any estimated company earnings are or may be forward looking statements. Forward looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'budget', 'outlook', 'schedule', 'estimate', 'target', 'guidance' 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. Forward looking statements including all statements in this document regarding the outcomes of preliminary and definitive feasibility studies, projections, guidance on future earnings 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 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 document. Refer to the risk factors starting on page 31 of the 2025 Annual Report for a summary of certain general and Strike Energy specific risk factors that may affect Strike Energy. There can be no assurance that actual outcomes will not differ materially from these statements. 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 release will under any circumstances create an implication that there has been no change in the affairs of Strike since the date of this document.