



ACN 078 012 745

Financial Report for the half-year ended 31 December 2021

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Important Notices

Forward looking statements

Statements contained in this Interim Financial Report, 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 Energy Limited, 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 Energy Limited. Actual results, performance, actions and developments of Strike Energy Limited may differ materially from those expressed or implied by the forward-looking statements in this Interim Financial Report. Such forward-looking statements speak only as of the date of this document. 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 Energy Limited specific and acquisition 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 Interim Financial Report in light of those disclosures. To the maximum extent permitted by law (including the ASX Listing Rules), Strike Energy Limited 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 Interim Financial Report will under any circumstances create an implication that there has been no change in the affairs of Strike Energy Limited since the date of this document.

Project Haber

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. The results of the study should not be considered a profit forecast or production forecast.

Directors' Report

The Board of Directors (the "Board" or the "Directors") of Strike Energy Limited (the "Company") and its subsidiaries (together referred to as the "Group") submit their report for the half-year period ended 31 December 2021.

The names and details of the Company's Directors and Officers who were in office during or since the end of the half-year period and until the date of this report are outlined below. All Directors and Officers were in office for this entire period, unless otherwise indicated:

- Mr John Poynton AO Chairman (non-executive)
- Mr Stephen Bizzell Director (non-executive)
- Ms Mary Hackett Director (non-executive)
- Mr Stuart Nicholls Managing Director and Chief Executive Officer
- Mr Neville Power Director (non-executive)
- Mr Andrew Seaton Director (non-executive)
- Mr Justin Ferravant Company Secretary

Summary

Strike's focus during the half year has been delivering the maiden Independent Reserve Certification of the West Erregulla field, the successful appraisal of the Walyering field, advancing Project Haber through Pre-FEED and preparing to drill the South Erregulla 1 well.

Netherland, Sewell & Associates, Inc. (NSAI) certified 300 PJ 2P (150 PJ net to Strike) and 372 PJ 3P (186 net to Strike) gross gas Reserves at the West Erregulla gas field in the Kingia Sandstone¹. Considerable upside has been identified by NSAI in the West Erregulla gas field with a further 128 PJ of gross 2C Contingent Resources (64 PJ net to Strike) and 198 PJ of gross 2U Prospective Resources (99 PJ net to Strike)². The NSAI Reserve certification supports progression of the West Erregulla Project into its Phase 1 of development.

During the last reporting period, Strike completed pre-FEED with Technip Energies for Project Haber³. The completion of the pre-FEED saw the capital estimates decrease by 6% on a like for like basis from earlier feasibility study estimates. Further, the adoption of Haldor Topsoe's SynCOR Autothermal Reformer technology resulted in a 24% reduction in estimated carbon intensity from previous estimates. The strategic importance of Project Haber gained further momentum with the Federal Government awarding Project Haber a \$2 million matched grant after the reporting period under the Supply Chain Resilience Initiative and the Western Australian government awarding the project Lead Agency Status. This was followed by the Federal Government's award of Major Project Status to Project Haber after the reporting period. During the half year, the development team also commenced FEED early works and issued the tender for FEED/EPC contract.

The Strike Board of Directors established a Major Project Sub Committee to govern and guide the delivery of Project Haber as it prepares to enter FEED and evaluate proposed EPC contracts. The sub-committee is managed by the Company's Chief Development Officer, Mr. Crispin Collier, is Chaired by Strike Deputy Chairman Mr. Neville Power and includes membership of Non-Executive Director Ms. Mary Hackett and MD & CEO Mr. Stuart Nicholls.

Strike also progressed its Mid-West Geothermal Project through the completion of its heat needle survey as part of its obligations under the Geothermal Special Prospecting Authority (GSPA) for its acreage held in the Perth Basin. As a result of this work, Strike exercised its right to apply for a

¹ Refer STX ASX Announcement dated 11 October 2021 entitled 'Strike delivers maiden Perth Basin gas reserve' and resources table included in that release. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 11 October 2021 and that all the material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

² Refer above. **Cautionary Statement:** Prospective (2U) resources are unrisks and the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. These estimates have both an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

³ Refer to ASX announcement released 20 September 2021 titled "Project Haber to deliver further benefits as Pre-FEED completes".

Directors' Report

Geothermal Exploration Permit (GEP) over the maximum of 50% of the GSPA area (or 1,750km²) to ensure it retains the most prospective areas of the geothermal play. The application is pending as at the date of this report.

WA Gas market

Several major developments have occurred in the Western Australian gas market during the period that align with the Company's development strategy.

In December of 2021, the Australian Energy Market Operator (AEMO) released its annual update on the supply and demand outlook for the WA domestic gas market. The report provided that gas demand will continue to grow over the next decade. Gas supply and demand are expected to be finely balanced for at least the next decade, and despite sufficient plant and pipeline capacity, there are expected to be periods of potential supply shortfall after 2023.

The ongoing strength in the mining and industrial sectors in WA is expected to continue to underpin strong gas demand in 2022. There are several committed projects that are forecast to add increased demand to the WA gas market. A number of resource/refining projects (including: Wodgina, Gudai-Darri, Tianqi, and Odysseus.) are expected to contribute ~78 TJ/d of additional demand over the next decade (base case, and up to 216 TJ/d in the high case).

During the period, Strike remained actively engaged in gas marketing activities across a range of potential gas sales opportunities. Gas buyers have continued to express interest in locking-in firm gas supply for terms greater than 5 years, at market prices that reflect the long-term LNG netback price path. Gas buyers remain very supportive of fast to market gas supply opportunities and gas supply to support lower emissions industrial project developments. These market dynamics bode well for robust market demand as Strike looks to consider opportunities to market volumes for the Walyering development, following successful flow testing in Q1 2022.

West Erregulla

The primary focus for Strike during the half year has been progressing West Erregulla towards a Final Investment Decision. Critical activities delivered include the completion of the appraisal drilling program, which culminated in the booking of Strike's maiden independent Reserve certification by NSAI, submission of environmental approvals by Strike in its role as operator of EP469 for the foreshadowed upstream development and by AGIG for the gas progressing plant and associated mid-stream infrastructure.

West Erregulla – Certified Reserves & Resources

During the half year, Strike released NSAI's estimates and report for the West Erregulla reserves and resources. This report was based on the exploration and appraisal data from the field as at August 2021. The full dataset for West Erregulla is yet to be compiled with additional appraisal activities at West Erregulla currently planned to take place during 2022. However, based on this limited dataset NSAI has certified a gross 2P gas reserve of 300 PJ (150 PJ net to Strike) which is sufficient to satisfy the existing offtake arrangements and advance towards development of the field.⁴

NSAI has recognised substantial growth potential in the West Erregulla gas field with a further 128 PJ of gross 2C Contingent Resources (64 PJ net to Strike) and 198 PJ of gross 2U Prospective Resources (99 PJ net to Strike) in the Kingia, High Cliff and Wagina/Dongara Sandstones.⁵

The NSAI Reserves and Resources report was based on the drilling, coring, log, seismic and production testing data from the various strata and exploration and appraisal wells drilled throughout the field.

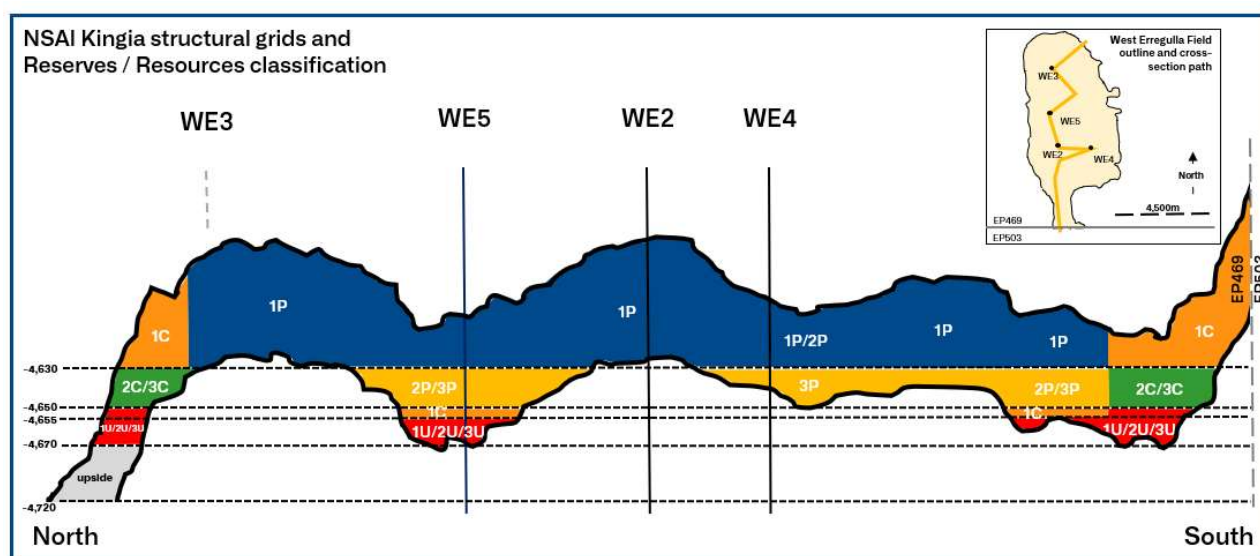
⁴ Refer to footnote 1 on page 1 of this Report.

⁵ Refer to footnote 2 on page 1 of this Report.

Directors' Report

Strike still retains a strong upside view of the potential in West Erregulla and there are several other areas where Strike assesses and observes upside in the field's recoverable resource potential versus that of NSAI⁶. These include:

- Improved time depth conversion of the seismic and inclusion of the existing 2D seismic could add back up to 130 PJ of P50 recoverable volume. This will also be supported by the planned and funded Natta 3D seismic program.
- Defining and reducing the size of the perched water zone. This area is limited by only a single data point on the eastern flank of the field where additional well penetrations or even longer-term production data from WE4 could inform the areal extent of the lens. This could add back some of the 180 PJ of P50 recoverable gas that has been risked out due to the conservative position taken on the size of the perched water zone.
- Deeper gas in the Kingia Sandstones where core analysis, seismic amplitude anomalies and gas gradients indicate further potential for gas prone reservoir. These possible volumes could add up to 155 PJ of P50 recoverable resource but would require a well penetration into this deeper rock or a production test of the High Cliff in WE2 in order to provide confidence that is externally certifiable.
- Recovery factors used by NSAI were inherently conservative, where a P50 recovery factor of 70% was applied due to the depth of the field and the lack of extended production data from any equivalent deep penetration in the Basin. P50 recovery factors of 75% or more have commonly been used for the Permian gas discoveries of the Perth Basin, which may be possible at West Erregulla once additional production data is available. An increase in recovery to 75% would see a P50 incremental recovery of 30 PJ.



West Erregulla –Development & Finance

Since the last reporting period, Strike submitted its environmental referral documents addressing the EPA's request for further information. The EPA is now assessing the submission and continuing to review AGIG's respective midstream environmental permit submission. Strike currently expects the EPA to approve and issue the environmental permits during calendar year 2022, subject to satisfying all information requests, which will facilitate the commencement of construction once a Final Investment Decision has been taken.

Over the period, Strike continued funding its share of the long lead item security for the procurement of the AGIG gas plant long lead items required for the proposed 87 TJ/d Phase 1 gas processing plant.

⁶ Refer to footnote 1 on page 1 of this Report.

Directors' Report

Project Financing due diligence packages were progressed by various experts with preliminary reports being prepared. Once a formal bank group is selected these reports will form key pieces of the legal and commercial due diligence.

West Erregulla – Appraisal Drilling

During the period, Strike completed the WE5 production testing, part of the three well appraisal programme of the West Erregulla field. Flow testing was conducted over two distinct zones at WE5. Gas flows were observed from the lower interval which confirmed these sands were not water bearing and have formed part of the subsequent resource calculation. The well achieved an instantaneous rate of 13.1 mmscf/d from the two perforated zones over a combined 31m interval in the Kingia Sandstone, between 4,840m and 4,874m measured depth (4,613m to 4,647m subsea). The test program indicated a production barrier that the reservoir was unable to overcome through prolonged flow testing. This is interpreted to be skin from the filtrate from cement and mud invasion resultant from the drilling which has been amplified via the depth of penetration and ineffectiveness of the existing completion.

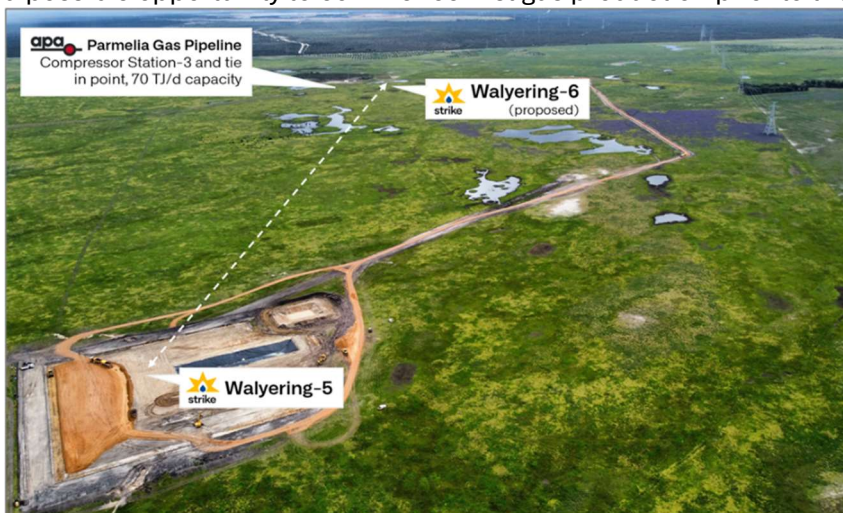
The flow rates and pressures were stable throughout the extended flow period and in conjunction with pressure build ups show no evidence of depletion from the test, which is positive to dismiss compartmentalisation of the field. Gas sample analysis indicated WE5 has a similar gas composition to the other well results from the field, and WE5 produced minimal associated water which was measured at less than 5.9 bbls per mmscf on average.

Ongoing work was undertaken by Strike to prepare for re-entry of West Erregulla 5 to recomplete and retest. These activities are planned to be campaigned along with the other wells in the region that require similar services and testing such as West Erregulla 3, Walyering 5 and possibly South Erregulla 1.

The proposed West Erregulla Natta 3D seismic campaign is subject to feedback from the EPA and is pending a determination on the level of assessment.

Walyering

Since the last reporting period, Strike has successfully appraised the Walyering gas field with Walyering-5 confirming the presence of a high-quality, low CO₂, conventional gas accumulation. The results have exceeded pre-drill expectations with four gas charged reservoirs confirmed with a total gross thickness of 116m and total net pay of 51m. Peak porosities of 21.5% were recorded with an average porosity of 15.4%. Reservoir pressure was measured at 4,386 psia with permeabilities of 274 mD. CO₂ content of the gas has been measured in the laboratory to be less than 1%⁷. Upon a successful production test in Q1/22, Strike as the operator of EP447 and the Walyering gas field will target moving the field back into production as quickly as possible. Preliminary assessments of an aggressive development program show a possible opportunity to commence first gas production prior to the end of CY 22⁸.



⁷ Refer ASX announcement dated 6 December 2021 titled "Successful appraisal of the Walyering gas field".

⁸ Development and development timeline is subject to, among other things, successful well test, reserve certification, JV processes, obtaining all requisite regulatory and stakeholder permits, approvals and authorisations, access to processing infrastructure and financing.

Directors' Report

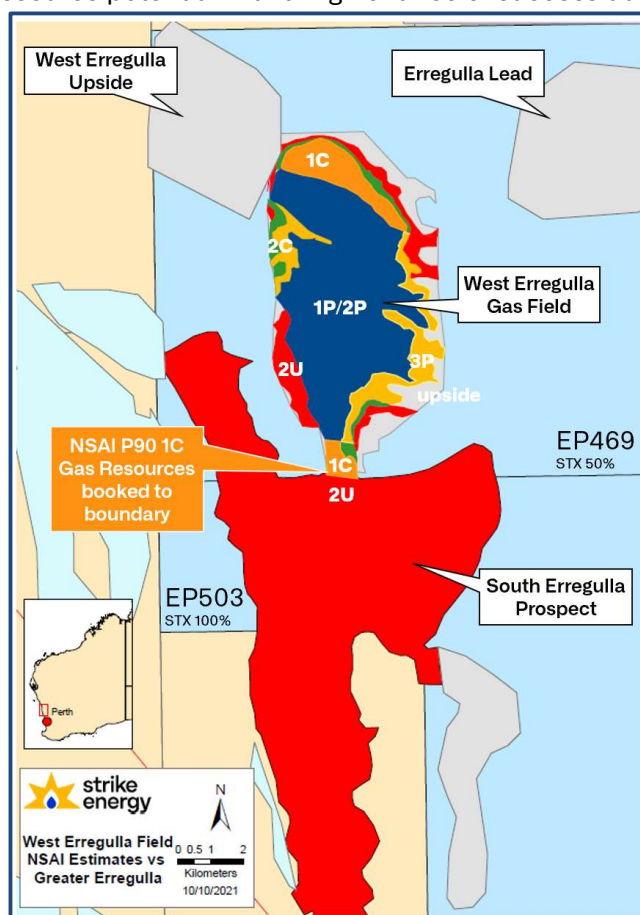
South Erregulla

Shortly after the end of the reporting period, on 15 January 2022, Strike spudded the South Erregulla 1 well using the Ensign 970 rig. South Erregulla is located in the 100% Strike owned EP503, which adjoins EP469 where Strike as operator has made a large, high quality conventional gas discovery at West Erregulla. SE1 is less than 5km to the south of the nearest successful West Erregulla intersection.

South Erregulla is interpreted to have significant resource potential with a high chance of success due to the strong data control over the area (wells and seismic), consistent regional geological outcomes in the Kingia Sandstones and recent identification of updip connectivity.

SE1 expects to encounter the primary reservoir in the Kingia at depths shallower than the penetration of the Kingia at West Erregulla 2. The revision of the depth is as a result of additional seismic processing and interpretation of the various Erregulla regional datasets. Strike is planning to collect whole core and an advanced series of wireline logs across the Kingia Sandstones and, on success, will flow test the well in order to be completed as a future producer.

The primary objective of SE1 (and any subsequent appraisal wells in South Erregulla) is to delineate approximately 350 PJ of high confidence resource in order to secure the gas requirements for Project Haber, Strike's proposed Geraldton based 1.4mtpa urea fertiliser manufacturing facility. On confirmation of success at SE1, Strike will look to sanction additional detailed engineering (FEED), finalise the urea offtake process, and progress the equity/debt processes for Project Haber.



Project Haber

Since the last reporting period Strike has progressed a number of important milestones for Project Haber: the completion of Pre-FEED, advancement of urea offtake negotiations and commencement of FEED early works. The combination of these critical activities will enable Strike to advance Project Haber in a time effective manner if South Erregulla-1 delineates sufficient feedstock gas to progress the project.

In parallel to the Pre-FEED works Strike commissioned additional engineering studies by Technip Energies to incorporate Haldor Topsoe's SynCOR™ Autothermal Reforming (ATR) technology for ammonia production. The ATR technology has production advantages compared to the widely used steam methane reforming technology⁹ including up to 30% reduction in Carbon Dioxide (CO₂) emissions, more than 50% reduction in Nitrous Oxides (N₂O) emissions and up to 50% reduction in water consumption. The adoption of ATR technology is estimated to also reduce gas feedstock requirements of the plant by ~7% from 86 to 80 TJ/d with only 552 PJ now required to underwrite the first 20 years of operations.

FEED early works have primarily focused on environmental approvals and consolidating the FEED basis of design. Concurrently, Strike has commenced the FEED / EPC tender process with the intent to award the FEED scope following drilling success at South Erregulla-1. The tender has been issued on a combined FEED / EPC basis with mechanisms which will allow the FEED to progress directly into the EPC phase on the taking of a final investment decision on Project Haber.

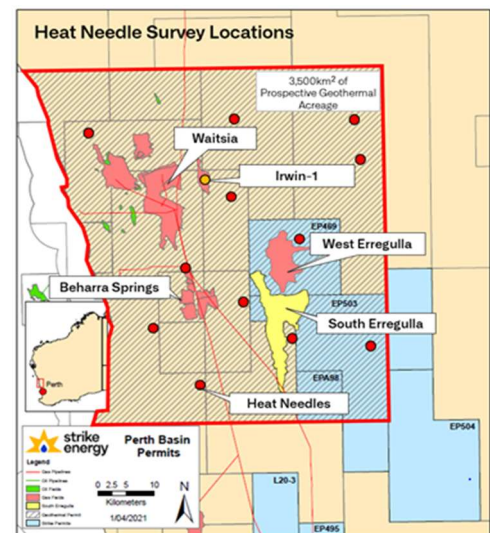
⁹ S. E. Nielsen, M. K. Hoffman, & P. J. Dahl, "Rethinking economy of scale – a new ammonia plant concept", Nitrogen + Syngas 2018 International Conference & Exhibition (Gothenburg 26 February-1 March 2018).

Directors' Report

The strategic importance of Project Haber was recognised following the end of the reporting period with the Federal Government awarding the Project a \$2 million matched grant under the Supply Chain Resilience Initiative and the Western Australian government awarding the project Lead Agency Status. These awards highlight the strong level of government support for the project and its objectives of displacing more than \$1.5 billion of imports per annum and securing critical domestic supplies of nitrogen-based urea fertilisers. After the reporting period, the Federal Government awarded Project Haber Major Project Status.

Geothermal

During the half year, Strike completed the work programme and reporting obligations as required under the Geothermal Special Prospecting Authority (GSPA) for its acreage held in the Perth Basin. This included the deployment of 12 heat needles. Strike exercised its right to apply to DMIRS for a Geothermal Exploration Permit (GEP) over the maximum of 50% of the GSPA area (or 1,750km²) to ensure it retains the most prospective areas of the geothermal play. Strike has concurrently embarked upon an improved Geothermal Resource Evaluation, bringing together Strike's Kingia subsurface and engineering expertise with specific geothermal industry assessment methodology. Once a resource is booked, selection of the areas offering greatest potential for generation of electrical power will be possible. Strike, subject to DMIRS grant of the GEP, will be able to finalise its independently verified Inferred Resource that will form the basis of future commercial opportunities for partner participation in proposed testing, appraisal and development phases.



Corporate

At the date of this report, Strike holds a 7.6% equity interest in Warrego Energy Limited. Strike's Managing Director & Chief Executive Officer, Stuart Nicholls elected to forfeit his FY21 short-term incentives, which were to be considered at the Company's 2021 AGM and the Company entered the ASX300 following the September rebalance.

Significant changes in the state of affairs

Except as disclosed in the Directors' Report, and subsequent events (refer to note 24 in the Notes to the Condensed Consolidated Financial Statements), there have been no significant changes in the state of affairs of the Group during the current reporting period.

Auditor's independence declaration

The Company has obtained an independence declaration from our auditors, Deloitte Touche Tohmatsu, which follows the Directors' Report.

Directors' Report

Subsequent events

As set out in note 24 in the Notes to the Condensed Consolidated Financial Statements, there have been no events subsequent to 31 December 2021 that would require adjustment to or disclosure in the condensed consolidated financial statements.

The Directors' Report is signed in accordance with a resolution of the Directors made pursuant to and for the purposes of s 303 (5) and s.306(3) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Stuart Nicholls', is written over a light grey rectangular background.

Stuart Nicholls, Managing Director

Perth, Western Australia, 23 February 2022



Deloitte Touche Tohmatsu
ABN 74 490 121 060

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23 February 2022

The Board of Directors
Strike Energy Limited
Level 2, 66 Kings Park Road
WEST PERTH WA 6005

Dear Board Members

Auditor's Independence Declaration to Strike Energy Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Strike Energy Limited.

As lead audit partner for the review of the financial report of Strike Energy Limited for the half year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

A handwritten signature in blue ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in blue ink that reads "David Newman".

David Newman
Partner
Chartered Accountants



Deloitte Touche Tohmatsu
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Independent Auditor's Review Report to the Members of Strike Energy Limited

Conclusion

We have reviewed the half-year financial report of Strike Energy Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2021, and the condensed consolidated statement of profit and loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Half-year Financial Report section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



DELOITTE TOUCHE TOHMATSU



David Newman
Partner
Chartered Accountants
Perth, 23 February 2022

Directors' Declaration

The Directors declare that:

- (a) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and give a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Stuart Nicholls

Managing Director

Perth, Western Australia

23 February 2022

Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income

For the half-year period ended 31 December 2021

\$'000	Note	31 Dec 2021	31 Dec 2020
Other income	6(a)	2,471	13,633
Total income		2,471	13,633
Operating and administration expenses	6(b)	(7,548)	(6,043)
Profit / (loss) before financing and impairment		(5,077)	7,590
Finance income	7	20	146
Finance expense	7	(1,927)	(563)
Net finance expense		(1,907)	(417)
Impairment of exploration and evaluation assets	12	(374)	(971)
Profit / (loss) before income tax		(7,358)	6,202
Income tax benefit / (expense)	8	(50)	9,130
Profit / (loss) for the period		(7,408)	15,332
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Fair value gains / (loss) on investments in equity instruments designated at FVOCI		(11,614)	-
Other comprehensive income / (loss) for the period, net of income tax		(11,614)	-
Total comprehensive income / (loss) attributable to owners of the Company		(19,022)	15,332
Earnings per share			
From continuing and discontinued operations			
- Basic (cents per share)	21	(0.37)	0.90
- Diluted (cents per share)	21	(0.37)	0.89

The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the notes to the condensed consolidated financial statement. Refer to note 2.7 for information related to reclassifications made to prior period financial information.

Condensed Consolidated Statement of Financial Position

As at 31 December 2021

\$'000	Note	31 Dec 2021	30 Jun 2021
Cash and cash equivalents	9	40,857	74,724
Trade and other receivables	10	1,663	2,609
Other assets	11	928	874
Total current assets		43,448	78,207
Right of use asset		150	189
Exploration and evaluation assets	12	92,787	73,118
Property, plant and equipment		522	219
Intangible assets	13	1,794	2,000
Investment in equity instruments	14	10,264	10,350
Other assets	11	6,720	-
Total non-current assets		112,237	85,876
Total assets		155,685	164,083
Trade and other payables	15	(6,136)	(8,457)
Employee benefits		(401)	(393)
Provisions	16	(1,107)	(1,165)
Borrowings	17	(10,688)	-
Other liabilities	18	-	(1,000)
Lease liabilities		(113)	-
Total current liabilities		(18,445)	(11,015)
Trade and other payables	15	(7,670)	-
Employee benefits		(164)	(155)
Provisions	16	(4,756)	(3,741)
Borrowings	17	-	(5,769)
Other liabilities	18	(5,000)	(5,000)
Lease liabilities		(112)	(278)
Total non-current liabilities		(17,702)	(14,943)
Total liabilities		(36,147)	(25,958)
Net assets		119,538	138,125
Equity			
Issued capital	19	297,960	297,960
Reserves	20	1,554	12,733
Accumulated losses		(179,976)	(172,568)
Total equity		119,538	138,125

The condensed consolidated statement of financial position should be read in conjunction with the notes to the condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

For the half-year period ended 31 December 2021

\$'000	Issued Capital	Total Reserves	Accumulated Losses	Total Equity
Balance at 1 Jul 2020	211,978	4,379	(179,348)	37,009
Profit / (loss) for the period	-	-	15,332	15,332
Total comprehensive income for the period	-	-	15,332	15,332
Transfer of options exercised	88	(88)	-	-
Issue of ordinary shares during the period	919	-	-	919
Recognition of share-based payments	-	6,264	-	6,264
Share issue costs	-	-	-	-
Balance at 31 Dec 2020	212,985	10,555	(164,016)	59,524
Balance at 1 Jul 2021	297,960	12,733	(172,568)	138,125
Profit / (loss) for the period	-	-	(7,408)	(7,408)
Other comprehensive income / (loss) for the period	-	(11,614)	-	(11,614)
Total comprehensive income / (loss) for the period	-	(11,614)	(7,408)	(19,022)
Transfer of options exercised	-	-	-	-
Issue of ordinary shares during the period	-	-	-	-
Recognition of share-based payments	-	435	-	435
Share issue costs	-	-	-	-
Balance at 31 Dec 2021	297,960	1,554	(179,976)	119,538

The condensed consolidated statement of changes in equity should be read in conjunction with the notes to the condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

For the half-year period ended 31 December 2021

\$'000	31 Dec 2021	31 Dec 2020
Cash flows from operating activities		
Other receipts	650	-
R&D refund	-	7,998
Interest received	20	195
Interest paid	(8)	(11)
Net receipts from joint venture recoveries	2,116	1,296
Payments to suppliers and employees	(8,540)	(2,892)
Net cash (used in)/provided by operating activities	(5,762)	6,586
Cash flows from investing activities		
Payments for exploration, evaluation expenditure assets	(12,961)	(13,067)
Payments for property, plant and equipment	(374)	-
Proceeds from government grants	22	-
Payments of deposits	(6,226)	-
Payments for equity instruments designated at FVTOCI	(11,529)	-
Advances made to/from JV partners	-	1,000
Net cash used in investing activities	(31,068)	(12,067)
Cash flows from financing activities		
Proceeds from issue of equity instruments	-	919
Payment of share issue costs	-	-
Proceeds from borrowings	3,000	-
Term deposit maturity	-	-
Payment of Lease Liabilities	(53)	(93)
Net cash provided by/ (used in) financing activities	2,947	826
Net increase/(decrease) in cash and cash equivalents	(33,883)	(4,655)
Cash and cash equivalents at the beginning of the period	74,724	21,565
Effects of exchange rate changes on the balance of cash held in foreign currencies	16	10
Cash and cash equivalents at the end of the period	40,857	16,920

The condensed consolidated statement of cash flows should be read in conjunction with the notes to the condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

1. Reporting entity

Strike Energy Limited (the “Company”) is a for profit company limited by shares and incorporated and domiciled in Australia. The Company’s shares are publicly traded on the Australian Securities Exchange.

The condensed consolidated financial statements of the Company as at and for the half-year period ended 31 December 2021 comprises of the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates, joint ventures and joint operations.

The Group is engaged in the exploration and development of oil and gas resources in Australia.

The address of the registered office of the Company is Level 2/66 Kings Park Road, West Perth, WA 6005, Australia.

2. Basis of preparation

2.1 Statement of compliance

The condensed consolidated financial statements have been prepared in accordance with the Corporations Act and AASB 134 *Interim Financial Reporting*. The condensed consolidated financial statements also comply with International Financial Reporting Standards and Interpretations (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) where relevant. The disclosures required in these condensed consolidated financial statements are less extensive than the disclosure requirements for annual financial statements. The condensed consolidated financial statements should be read in conjunction with the annual financial report of the Group for the year ended 30 June 2021.

The condensed consolidated financial statements comprise the Condensed Statements of Profit and Loss and Other Comprehensive Income, Financial Position, Changes in Equity and Cash Flows as well as the relevant notes to the condensed consolidated financial statements.

2.2 Going concern

The interim financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group has incurred net losses after tax of \$7.4 million (31 December 2020: net profit after tax of \$15.3 million) and experienced net cash outflows from operating and investing activities of \$36.8 million (31 December 2020: \$5.5 million) for the half year ended 31 December 2021. As at 31 December 2021, the Group had a net current asset surplus of \$25.0 million (30 June 2021: \$67.2 million), and cash and cash equivalents of \$40.9 million (30 June 2021: \$74.7 million).

During the half year the Group deployed its working capital into continued exploration activities at its Walyering, West and South Erregulla gas projects, progressing various studies associated with the West Erregulla gas project to allow its continued progress towards a Final Investment Decision, as well as progressing studies associated with Project Haber, and other general corporate activities.

The Directors have prepared a cash flow forecast for the period ending 31 March 2023 reflecting the Group’s key objectives, and is based on current cash resources, and additionally assumes that the Group either disposes of its investments, raises additional funding, or extends the maturity of its existing borrowings which currently mature in November 2022. The forecast also assumes expenditure on committed programmes only, with deferral of suspended permits, and the reduction of discretionary expenditure, including but not limited to any significant expenditure related to Project Haber, or any potential significant development activities associated with Walyering. Additionally, the cash flow forecast assumes that EPA approval with respect to the West Erregulla project is received in calendar year 2022, after which a Final Investment Decision could be made, however the cash flow forecast does not assume that development activities at West Erregulla commence in the period ending 31 March 2023. Should a Final Investment Decision be made with respect to West Erregulla, the cash flow forecast will be updated to identify any additional funding required for development, be this in the form of debt or equity, or a combination of both.

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

The cash flow forecast indicates the Group will have sufficient working capital for at least a period of 12 months from the date of this report to fund the above mentioned planned operating and exploration activities, as it moves towards making a Final Investment Decision with respect to the West Erregulla gas project, subsequent potential development of West Erregulla, and to fund other working capital requirements.

The Directors believe that the going concern basis of preparation is therefore appropriate.

2.3 Basis of measurement

The condensed consolidated financial statements have been prepared under the historical cost convention.

2.4 Presentation currency

These condensed consolidated financial statements are presented in Australian Dollars ("AUD"), which is the Group's functional currency.

2.5 Rounding of amounts

The Company and Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016. In accordance with that legislative instrument, amounts in the condensed consolidated financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

2.6 Accounting policies and recently issued accounting pronouncements

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in the annual financial statements for the year ended 30 June 2021.

2.7 Comparative financial information

The following comparative financial information in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income has been reclassified to align with current period presentation. \$971,000 of exploration & evaluation impairment expenses, which were classified as "Other expenditure" within Operating and Administration Expenses in the 31 December 2020 interim financial statements has been reclassified and presented in Impairment of exploration and evaluation asset in the comparative financial information. This reclassification has no impact on net profit, the condensed consolidated statement of financial position or the condensed consolidated statement of cash flows.

3. Financial risk management

Exposure to market risk (including currency risk, interest rate risk and commodity prices risk), credit risk, liquidity risk and climate change risk arises in the normal course of the Group's business. During the half-year ended 31 December 2021, the Group continued to apply the risk management objectives and policies as disclosed in the annual financial report for the year ended 30 June 2021.

4. Use of estimates and judgements

The preparation of these condensed consolidated financial statements requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key assumptions concerning the future and other key sources of uncertainty in respect of estimates at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial reporting period are consistent to those as disclosed in the annual financial report for the year ended 30 June 2021.

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

5. Segment reporting

AASB 8 *Operating Segments* ("AASB 8") requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Key Management Personnel ("KMP") in order to allocate resources to the segment and to assess its performance.

The Group's KMP are the Board of Directors of the Company, the Managing Director and the Chief Financial Officer. Information reported to the Group's KMP for the purposes of resource allocation and assessment of performance currently focuses on the Group's exploration and evaluation activities in Australia.

Consistent with the Group's strategy to focus its exploration and evaluation activity in Australia, the Group has one reportable segment being Australia.

6. Revenue and expenses

For the half-year period ended \$'000	31 Dec 2021	31 Dec 2020
(a) Other income		
Cost recoveries	1,783	1,296
Deferred revenue release ⁽ⁱ⁾	-	12,277
Other	688	60
	2,471	13,633
(b) Operating and administration expenses		
Depreciation – property, plant and equipment	(276)	(48)
Employee benefits expense	(3,761)	(1,941)
Share-based payments expense	(435)	(2,763)
Corporate expenses	(689)	(578)
Legal fees	(319)	(469)
Consulting fees	(1,782)	(40)
Office costs	(24)	(19)
Other ⁽ⁱⁱ⁾	(262)	(185)
	(7,548)	(6,043)

- (i) Deferred revenue release relating to the termination of the three offtake options associated with the Southern Cooper Basin Gas Projects
- (ii) Refer to Note 2.7 for information related to reclassifications made to prior period financial information.

7. Net finance expense

For the half-year period ended \$'000	31 Dec 2021	31 Dec 2020
Interest income on cash and cash equivalents	20	146
Finance income	20	146
Interest expense on financial liabilities	(672)	(13)
Lease interest expense	(6)	-
Financing costs and bank charges	(1,250)	(550)
Finance expense	(1,927)	(563)

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

8. Income tax

For the half-year period ended \$'000	31 Dec 2021	31 Dec 2020
Reconciliation of effective tax rate		
Profit/(Loss) from continuing operations	(7,358)	6,202
Income tax benefit/(expense) calculated at 25% (2021: 26%)	1,839	(1,705)
Effect of income and expenditure that is either not assessable or deductible in determining taxable profit	(466)	(2,205)
Effect of tax concessions (research and development and other allowances)	(50)	9,130
Effect of deferred tax arising from equity	2,904	-
Effect of deferred tax expense not brought to account	(4,277)	3,910
Income tax benefit/(expense)	(50)	9,130

9. Cash and cash equivalents

As at \$'000	31 Dec 2021	30 June 2021
Cash and cash equivalents	40,857	74,724
	40,857	74,724

10. Trade and other receivables

As at \$'000	31 Dec 2021	30 June 2021
Current		
GST receivable	317	351
Other receivables	1,346	2,258
	1,663	2,609

11. Other assets

As at \$'000	31 Dec 2021	30 June 2021
Current		
Advances	32	35
Security deposits ⁽ⁱ⁾	136	664
Prepayments	760	175
	928	874
Non-Current		
Security deposits ⁽ⁱ⁾	6,720	-
	6,720	-

- (i) Security deposits relate to cash provided to secure leasing and project obligations for AGIG early works agreement associated with the West Erregulla gas project. As at 31 December 2021, the AGIG deposits amounted to \$6.7 million and are classified as a non-current asset (30 June 2021: \$0.5 million as a current asset).

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

12. Exploration and evaluation assets

For the half-year period ended \$'000	Total
Balance at 1 July 2021	73,118
Additions	19,145
Change in restoration provision	898
Impairment ⁽ⁱ⁾	(374)
Balance at 31 December 2021	92,787

- (i) During the half year, the Group recognised a \$0.4 million impairment charge for its Cooper Basin assets upon deciding to discontinue the Jaws pilot testing.

13. Intangible assets

As at \$'000	31 Dec 2021	30 June 2021
Balance at 1 July 2021	2,000	-
Additions	-	2,000
Amortisation	(206)	-
Balance at 31 December 2021	1,794	2,000

The intangible asset represents the finite life intangible assets relating to the first tranche consideration for the acquisition of Mid West Geothermal Pty Ltd on 20 May 2021. The intangible asset has a useful life of 6 years in line with the expected Geothermal Exploration Permit (GEP) term and has been amortised on a straight-line basis.

14. Investment in equity instruments

As at \$'000	31 Dec 2021	30 June 2021
Balance at 1 July 2021	10,350	-
Acquisition of shares in listed companies	11,528	10,912
Disposal of shares in listed companies	-	-
Revaluation to fair value	(11,614)	(562)
Balance at 31 December 2021	10,264	10,350

Upon initial recognition, the Group elected to classify irrevocably its listed equity investments as equity instruments designated at fair value through OCI. Gains and losses on these financial assets are never recycled to profit and loss. During the half-year, the Group acquired additional equity investments which were subsequently measured at fair value through OCI.

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

15. Trade and other payables

As at \$'000	31 Dec 2021	30 June 2021
Current		
Trade payables	2,838	3,145
Accruals and other payables ⁽ⁱ⁾	3,298	5,312
	6,136	8,457
Non-Current		
Accruals and other payables ⁽ⁱ⁾	7,670	-
	7,670	-

- (i) Includes \$7.7 million accrued costs under the AGIG early works agreement associated with West Erregulla. The amounts due are payable by the Company through the tariff should the development of West Erregulla occur or become due and payable by the Company if the early works agreement is cancelled. As at 31 December 2021, these costs amounted to \$7.6 million and is classified as a non-current liability (30 June 2021: \$1.4 million as a current liability).

16. Provisions

As at \$'000	31 Dec 2021	30 June 2021
Current		
Restoration Provision ⁽ⁱ⁾⁽ⁱⁱ⁾	1,107	1,165
	1,107	1,165
Non-Current		
Restoration Provision ⁽ⁱ⁾	4,756	3,741
	4,756	3,741

- (i) The estimated future obligations include the costs of removing facilities, abandoning wells and restoring the affected areas and is the best estimate of the present value of the future expenditure required to settle the restoration obligation at the reporting date, based on current legal requirements.
- (ii) On 16 August 2021, Strike entered into a share sale and purchase agreement for the sale of its subsidiary, Strike Energy 96 Pty Ltd, which holds Strike's interest in Cooper Basin permit PEL96 (Klebb & Jaws). The PEL96 restoration provision was included and reflected within Strike's FY2021 Annual Report. During the half year, all parties agreed to terminate the share sale and purchase agreement. The provision for Strike's interest in PEL96 is included in the table above as a current liability.

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

17. Borrowings

As at \$'000	31 Dec 2021	30 June 2021
Macquarie Facility	12,817	9,134
Capitalised Debt Costs	(2,129)	(3,365)
Total borrowings	10,688	5,769
Current	10,688	-
Non-Current	-	5,769

The Group has a debt facility of up to \$28 million (tranche 1: \$13 million, tranche 2: \$15 million) (2021: \$28 million). The first tranche of \$13 million was fully drawn down during the half year. The second tranche of \$15 million is not available to be drawn at 31 December 2021 or at the date of this report as it is still subject to further milestones and conditions.

The draw down on loan bears interest at variable market rates (11% + bank bill swap rate) and the maturity date is 12 November 2022. The proceeds from the loan are to be used for appraisal drilling and long lead items for the development of the West Erregulla Phase 1 Project. As part of the establishment costs, Strike has issued Macquarie 35 million options to subscribe for Strike ordinary shares at an exercise price of 29 cents.

The following table details the Group's remaining contractual maturity in relation to borrowings above. This table has been drawn up based on the undiscounted cash flows of the borrowings, based on the earliest date on which the Group can be required to pay. To the extent that the interest flows are at a variable rate, the undiscounted amount is derived from interest rate applicable at the end of the reporting period. The tables include both interest and principal cash flows.

\$'000	interest rate	<1 year	1-5 years	>5 years	Total
Borrowings	11.02%	12,817		-	12,817

- (i) The drawdown on loan bears interest at variable market rates (11% + bank bill swap rate) and the maturity date is 12 November 2022. The establishment cost of the facility amounted \$4.8 million. As at 31 December 2021, this establishment cost was amortised to \$2.1 million. The interest rate in the table above excludes the amortisation of the establishment cost.

18. Other liabilities

As at \$'000	31 Dec 2021	30 June 2021
Current		
Payment in advance – deposit ⁽ⁱ⁾	-	1,000
	-	1,000
Non-Current		
Unearned revenue – gas prepayment agreements ⁽ⁱⁱ⁾	5,000	5,000
	5,000	5,000

- (i) Transfer from Talon for the Walyering Joint Venture completed upon title transfer.
- (ii) Unearned revenue represents amounts received under the terms of the gas prepayment and option agreement pertaining to the future delivery of gas from the West Erregulla Project, which is conditional on FID. Unearned revenue will be released to the profit or loss on a systematic basis when production begins, or when agreements become non-refundable in line with the underlying contracts.

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

19. Issued capital

For the period ended	Number of shares (No'000)		Issued capital (\$'000)	
	31 Dec 2021	30 June 2021	31 Dec 2021	30 June 2021
Balance at beginning of period	2,016,116	1,706,248	297,960	211,978
Placements during the period, net of transaction costs	8,989	303,707	-	83,982
MWGP acquisition transaction	-	6,161	-	2,000
Balance at end of period	2,025,105	2,016,116	297,960	297,960

All issued ordinary shares are fully paid and have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share. All shares rank equally with regards to the Group's residual assets in the event of a wind-up.

20. Reserves

As at \$'000	31 Dec 2021	30 June 2021
Share-based payments reserve	13,730	13,295
Investment revaluation reserve	(12,176)	(562)
	1,554	12,733

Share-based payments reserve

Under the terms of the Employee Share Incentive Plan (the Plan) which was last approved by the Shareholders of the Company on 14 November 2019, both share options and performance rights can be granted to eligible employees for no consideration. Awards are granted up to a three-year period with vesting conditions attached. Entitlements under these awards vest as soon as the associated vesting conditions have been met. Awards cannot be settled in cash. Awards under the plan carry no dividend or voting rights.

Change in instruments on issue

For the half-year period ended 31 December 2021	Number of instruments ('000)
Balance at beginning of period	
- Options	71,500
Options granted during the period	-
Options exercised/forfeited during the period	-
Balance at end of period	71,500
- Performance rights	25,662
Performance rights granted during the period	4,028
Performance rights exercised/forfeited during the period	(9,509)
Balance at end of period	20,181

Notes to the Condensed Consolidated Financial Statements
For the half-year period ended 31 December 2021

Instruments outstanding

The balance of share options and performance rights on issue as at 31 December 2021 is as follows:

Instrument	Date granted	Expiry date	Exercise price of instrument	Number of instruments	Weighted average fair value at grant date
Options	14 Nov 2019	25 Sep 2022	\$0.35	6,000,000	\$0.089
Options	31 Jul 2020	31 Jul 2022	\$0.15	21,500,000	\$0.118
Options	31 Jul 2020	31 Jul 2022	\$0.23	3,000,000	\$0.100
Options	13 Nov 2020	13 May 2023	\$0.29	35,000,000	\$0.136
Options	01 Dec 2020	31 Jul 2022	\$0.35	5,000,000	\$0.116
Options	07 Apr 2021	31 Jul 2022	\$0.35	1,000,000	\$0.095
Total Options				71,500,000	
Performance rights	17 May 2018	N/A	Nil	2,500,000	\$0.076
Performance rights	16 Aug 2019	30 Sep 2022	Nil	9,543,103	\$0.149
Performance rights	01 Jul 2020	30 Sep 2023	Nil	1,438,512	\$0.129
Performance rights	01 Dec 2020	30 Sep 2023	Nil	2,671,580	\$0.205
Performance rights	15 Nov 2021	30 Sep 2024	Nil	4,028,081	\$0.326
Total Performance Rights				20,181,276	

Dividends

No dividends have been declared or paid during the period.

21. Earnings per share

The profit and weighted average number of ordinary shares used in the calculations of basic and diluted earnings per share are as follows:

As at/for the half-year period ended	31 Dec 2021	31 Dec 2020
Net profit / (loss) attributed to ordinary shareholders (in \$'000)	(7,408)	15,332
Earnings used in calculating basic and diluted earnings per share (in \$'000)	(7,408)	15,332
Number of shares (No '000)	2,025,105	1,721,504
Weighted average number of ordinary shares used in calculating basic earnings per share (No '000)	2,023,228	1,710,843
Diluted earnings per share:		
The weighted average number of ordinary shares used in calculating diluted earnings per share (No '000)	2,023,228	1,721,223
The number of instruments which are potential ordinary shares that are not dilutive and hence not used in the valuation of the diluted earnings per share (No '000)	71,500	46,000
Basic earnings per share (cents per share)	(0.37)	0.90
Diluted earnings per share (cents per share)	(0.37)	0.89

22. Fair value of financial instruments

The fair value representing the mark-to-market of a financial asset or a financial liability is the amount at which the asset could be exchanged or liability settled in an orderly transaction between market participants.

The fair values of cash and cash equivalents, trade and other receivables, trade and other payables and other financial assets approximate to their carrying values, as a result of their short maturity or because they carry floating rates of interest.

Fair values are categorised levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

23. Contingencies and commitments

Litigation and legal proceedings

As at 31 December 2021, Strike is not subject to contingencies arising from litigations and legal proceedings.

24. Subsequent events

There have been no other events subsequent to 31 December 2021 that would require adjustment to or disclosure in the condensed consolidated financial statements.

CORPORATE DIRECTORY**Directors**

John Poynton AO (Chairman)
Stephen Bizzell (Non-Executive Director)
Mary Hackett (Non-Executive Director)
Stuart Nicholls (Managing Director)
Neville Power (Non-Executive Director)
Andrew Seaton (Non-Executive Director)

Company Secretary

Justin Ferravant

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Stock Exchange Listing

Australian Securities Exchange – Code STX