

Walyering Update

- Monetisation route for Walyering liquids production secured via execution of a condensate processing and sales agreements with Santos Limited providing additional forecast revenues and operating profit from the Walyering gas field.
- Construction ongoing with start-up still on track for 1H/23.

Strike Energy Limited (Strike – ASX: STX), on behalf of the L23/EP447 Joint Venture, (where Strike is operator and the holder of 55% and Talon Energy Limited (ASX: TPD) the other 45%) provides an update on the Walyering gas field development.

Strike has executed a condensate processing services agreement and liquids aggregation agreement with Santos Limited for the processing and sale of condensate produced from the Walyering gas field with delivery to Port Bonython. Due to the high quality of the Walyering condensate, premium pricing to the Brent market price is forecast with annual gross revenues from a 250bbl/d production rate expected to be in excess of A\$10 million (assuming an average Brent price of US\$75 per barrel over the period). Including haulage and processing related costs, Strike estimates the breakeven price of this by-product from the gas production is US\$45-50 per barrel, which, in the current high commodity price environment, provides another valuable revenue and profit stream.

Construction progress has been steady since the last update with the foundations and prefabricated footings have been dug and installed with pipework and vessels now being placed on site. The construction phase is preparing to move to 24/7 operations and subject to weather events, productivity and trade availabilities remains on track for start-up before the end of the quarter.

About the Walyering Gas Field

The EP447 JV sanctioned the development of the 33 TJ/d and 250 bbl/d production facility at the Walyering gas field following the successful appraisal of the field via the Walyering 5 and 6 wells, which delineated a gross 54 PJ of 2P Reserves and gross 32 PJ of 2C Contingent Resources plus ~0.8mmboe of associated condensates¹. First gas sales are expected to commence shortly with 36.5 PJ of gas sold to Santos-WA Limited on a firm basis over a period of 5 years. The facility, which will be the closest source of gas to the major Southwest gas market and will be powered purely by solar and battery storage, enables Walyering to have one of the lowest carbon intensities for current WA domestic gas supplies.

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

Stuart Nicholls

CEO & Managing Director

Email: stuart.nicholls@strikeenergy.com.au

Media Contacts

Paul Ryan (Citadel-MAGNUS)

Phone: 0409 296 511

Email: pryan@citadelmagnus.com

¹ Refer ASX announcement dated 21 July 2022 for information relating to Walyering reserves and resources. Strike Energy's equity interest is 55%. Strike confirms that it is not aware of any new information or data that materially affects the information included in the announcement and that all the material assumptions and technical parameters underpinning the estimate continues to apply.

Forward looking statements

Statements contained in this announcement, 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 announcement. Such forward-looking statements speak only as of the date of this announcement. There can be no assurance that actual outcomes will not differ materially from these statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in Strike West Pty Ltd's (wholly owned subsidiary of Strike) bidder's statement dated 23 December 2022 in relation to its off-market takeover offer to acquire all of the shares in Warrego Energy Limited that Strike does not already own. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. To the maximum extent permitted by law (including the ASX Listing Rules), Strike and its affiliates and its directors, officers, employees, agents, associates and advisers disclaim any obligations or undertaking to release any updates or revisions to the information in this announcement 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 announcement, 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 announcement will under any circumstances create an implication that there has been no change in the affairs of Strike since the date of this announcement.