

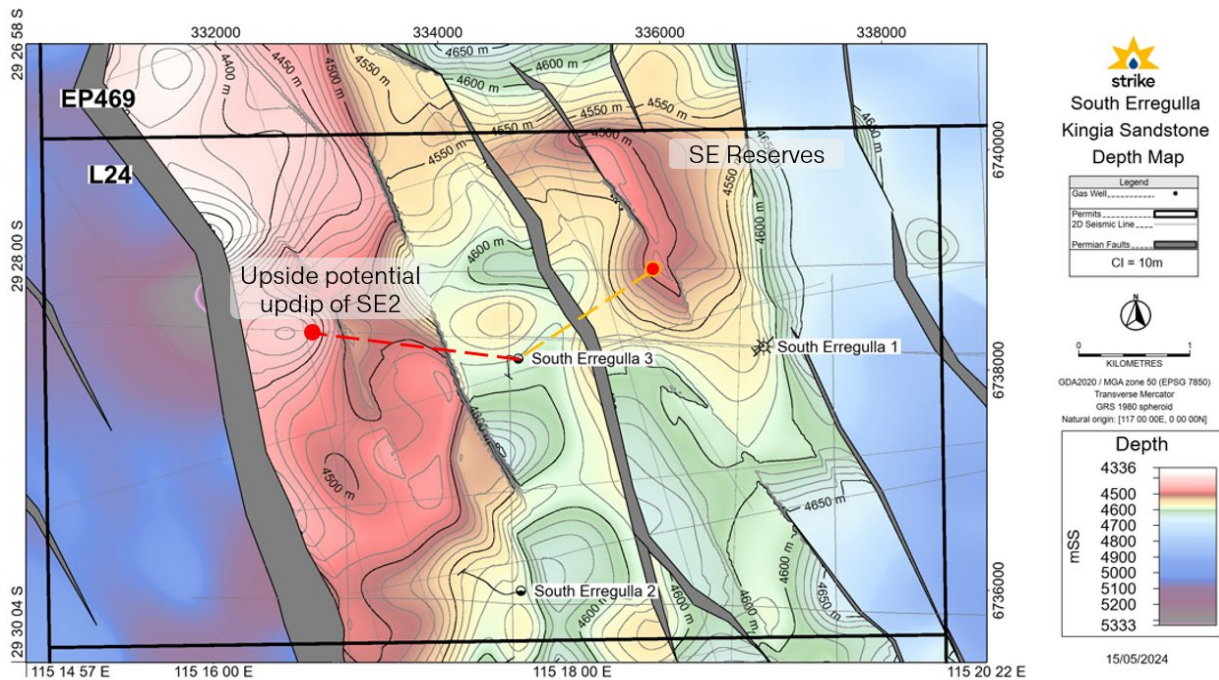
# South Erregulla Reserves

- Strike has completed re-certification of its Reserves and Resources at South Erregulla with independent certifiers Netherland Sewell and Associates post the appraisal results in the western side of the field.
- Certification of 82 PJ of 2P plus 2C Reserves and Contingent Resources in the Eastern compartment of the South Erregulla field.
- Reclassification of Western side of the field to Prospective Resource.

Strike Energy Limited (Strike - ASX: STX) provides an update on the re-certified Reserves and Resources at South Erregulla in L24 (100% net to STX).

## South Erregulla Gas Reserves & Contingent Resources

Strike and its independent experts Netherland, Sewell & Associates Inc. (NSAI) have completed the integration of results and data from the recent South Erregulla appraisal campaign within Production Licence L24 (100% net to STX). The net effect of the appraisal results is a reduction in volume and reclassification of part of the Reserves and Resources for the field. Positively, the updated South Erregulla 1P Reserves support a greater than 25 year project life for the proposed standalone South Erregulla Peaking Power Plant, details of which were announced today<sup>1</sup>. The Reserves were proven through the existing successful high-rate SE-1 well test in 2022.



<sup>1</sup>Project life modelled on average throughput of ~1.3 PJ per annum. Refer to ASX announcement "Peaking Power Plant submission supported by South Erregulla" dated 24 June 2024 for key assumptions and information relating to the project.

South Erregulla 2P Reserves and 2C Resources now total approximately 82 PJ (100% to Strike)<sup>2</sup> which is made up of 45 PJ of 2P Reserves in the Kingia Sandstone and 37 PJ of 2C Contingent Resources in the Wagina Sandstone.

Net 3P plus net 3C gas Reserves and Resources total approximately 128 PJ<sup>3</sup> (100% to Strike) (refer table below), which represents further development potential or expansion from the eastern side of the South Erregulla gas field.

For the Contingent Resources to be converted to Reserves, Strike will need to drill and bring online a dedicated Wagina well to demonstrate rates and volumes sufficient to sustain economic viability.

The new 1P-2P-3P and 1C-2C-3C Reserves and Contingent Resources distributions for the South Erregulla gas field (eastern compartment only) are as follows:

South Erregulla Net Gas Reserves & Resources PJ, Eastern Compartment (change -/+)						
100% Strike	1P	2P	3P	1C	2C	3C
Reserves						
Kingia Sandstone	37 (-21)	45 (-83)	54 (-155)	-	-	-
Contingent Resources						
Kingia Sandstone	-	-	-	(-115)	(-178)	(-254)
Wagina Sandstone	-	-	-	10 (-32)	37 (-56)	74 (-110)
<b>Total</b>	<b>37</b>	<b>45</b>	<b>54</b>	<b>10</b>	<b>37</b>	<b>74</b>

The NSAI Reserves and Resources are as at 31 May 2024, reported to Strike on 21 June 2024, and are based on the drilling, coring, log, seismic and production testing data from the Kingia and Wagina Sandstones in the SE-1, 2 and 3 wells. Refer to Important Notices at the end of this release for further details in relation to the re-certified Reserves and Resources.

### South Erregulla Upside & Prospective Resources

The post flow test analysis from the SE-2 and SE-3 wells (where comingled gas and water production was observed) indicate to Strike one of two potential outcomes either:

1. The western compartment of the field has a breached trap/seal and residual gas is stratigraphically trapped amongst lower porosity rock that has been unable to migrate out regionally; or
2. The western compartment of the field has an independent gas-water-contact to the eastern compartment and the SE-2 and 3 wells were drilled into or near this contact of this independent structure (hence the presence of both gas and water when on test at those depths).

As a result of these tests and the uncertainty as to the subsurface conditions, the Contingent Resources in the western side of the field have been remapped and recategorized as Prospective Resources as per table below.

<sup>2</sup> Refer to Important Notices at the end of this release for information regarding Reserves and Resources estimates.

<sup>3</sup> Refer to Footnote 2.

South Erregulla Prospective Resources <sup>4</sup> – Western Compartment, Kingia only PJ			
100% Strike	1U	2U	3U
Prospective Resources	10	23	41

**Prospective Resource Estimate Information & Cautionary statement:** The above estimated quantities of petroleum that may potentially be recovered by the application of a future exploration and development project(s) relate to undiscovered accumulations. These estimates are un-risked, deterministically determined, and have an associated risk of discovery (Strike POS 54%) and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. Volumes are stated net to Strike. The unrisked estimates have been compiled by NSAI, which includes a BCF to PJ conversion of 1.0743 and 9.01% shrinkage. The Prospective Resource estimates are as at 31 May 2024 and have been estimated in accordance with the definitions and guidelines of the Petroleum Resources Management System 2018, published by the Society of Petroleum Engineers (SPE PRMS). Refer to the Important Notices at the end of this release for further information.

This announcement is authorised for release by the Managing Director and Chief Executive Officer in accordance with the Company’s Continuous Disclosure Policy.

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## Important Notices

### Reserves and Resources Information

The key assumptions that underpinned the October 2022 Reserve and Resources booking for South Erregulla hold save for the following that have been found to be incorrect or sufficiently uncertain (as defined in the Petroleum Resource Management System) following the recent South Erregulla appraisal campaign results:

- A thickening of the gross Kingia Sandstone to the West from the SE1 well to Beharra Springs Deep-1.
- The presence of commercial gas saturation within the identified net pay (and depths) within the Kingia Sandstone to the west of the proven South Erregulla compartment.
- The presence of conventional porosity and permeability within the Wagina Sandstone in the western side of the field.
- Reservoir and gas composition continuity across the fault between the East and the West of the field.

The updated reported Reserves, Contingent Resources and Prospective Resources in the Kingia, and Wagina within Production License L24 have been estimated by Netherland, Sewell & Associates, Inc. (NSAI) based on data as at 31<sup>st</sup> May 2024.

All Reserves and Resources figures in this document are net to Strike unless otherwise stated. Strike holds a 100% operated interest in Production License L24 to which the Reserve and Resource estimates relate.

<sup>4</sup> Refer to Important Notices at the end of this release for information regarding Reserves and Resources estimates.

The Reserves and Resources have been prepared in accordance with definitions and guidelines in the Society of Petroleum Engineers (SPE) 2018 Petroleum Resources Management System (PRMS), and have been categorised and reported in the most specific category that reflects the degree of uncertainty in the estimated quantities, that is 1P, 2P and 3P in the case of Reserves, 1C, 2C and 3C in the case of Contingent Resources, and low (1U), best (2U) and high (3U) in the case of Prospective Resources.

The deterministic evaluation methods have been used to calculate the Reserves and Resources.

The Contingent and Prospective Resource estimates are un-risked and have a risk of development; the Prospective Resources estimates also have a risk of discovery.

Oil and gas reserves and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates are likely to change. This may result in alterations to development and production plans which may, in turn, adversely impact the Company's operations. Reserves estimates and estimates of future net revenues are, by nature, forward looking statements and subject to the same risks as other forward looking statements (see above).

In respect to the Reserve estimates:

- LR 5.26.4 (Lease Fuel) – The Reserves estimates do not include fuel and flare gas consumption. Shrinkage of sales gas from raw gas was estimated at 9.01% in NSAI's report with the energy content of the gas 1.074 PJ per BCF measured at a standard temperature and pressure;
- LR 5.26.5 (Reference Point) – The reference point at which these reserves have been estimated is the inlet to the Power plant on L24, and the gas price used is based on a recent STX commercial agreement;
- LR 5.31.1 (Material economic assumptions) - All economic assumptions that form the basis of the commerciality test were provided as actual or planned expenditures and revenues by Strike to NSAI. Any assumptions on capital or operating costs were based on authorisations for expenditure or actual costs, or Strike's internal cost estimates from recent activities. These assumptions are commercially sensitive. Economic consideration has been applied for all State based royalties and federal taxes when assessing the resulting net project cashflows.
- LR 5.32.1 (New data and information) – The new data and information that has resulted in the change to the original Reserve estimate reported on 18 October 2022 is the petrophysical analysis of logging-while-drilling (LWD) logs and flow testing from the unsuccessful appraisal at SE2&3.
- LR 5.32.2 (Effect of new information on estimate) – The effect of the new data and information is a decrease in the Reserve estimates from the original Reserve estimates reported on 18 October 2022, as described in this announcement.
- LR 5.32.3 (Changes to information provided under LR5.31.1 to LR5.31.7) – Strike confirms there is no change to the information provided in accordance with LR 5.31.1 to 5.31.7 in respect to the original Reserve estimate reported on 18 October 2022, save as follows:
  - LR 5.31.5 (Estimated Quantities to be recovered) – All reserves listed under the NSAI report are deemed as 'under development'.

- LR 5.31.6 (Development timeline) – Construction of the upstream gathering network and proposed South Erregulla Power Plant is expected to commence in 2H 2024 subject to the taking of an unconditional final investment decision.<sup>5</sup>

In respect to the Contingent Resource estimates:

- LR 5.34.1 (New data and information) – The new data and information that has resulted in the change to the original Contingent Resource estimate reported on 18 October 2022 is the petrophysical analysis of logging-while-drilling (LWD) logs and flow testing from the unsuccessful appraisal at SE2&3.
- LR 5.34.2 (Effect of new information on estimate) – The effect of the new data and information is a reduction of the original Contingent Resource estimate reported on 18 October 2022 and reclassification to Prospective Resources.
- LR 5.34.3 (Changes to information provided under LR5.33.1 to LR5.33.5) – Strike confirms there is no change to the information provided in accordance with LR 5.33.1 to 5.33.5 in respect to the original Contingent Resource estimate reported on 18 October 2022.

In respect to the Prospective Resource estimates:

- LR 5.36.1 (New data and information) – The new data and information that has resulted in the change to the original Prospective Resource estimate reported on 18 October 2022 is the petrophysical analysis of logging-while-drilling (LWD) logs from the unsuccessful appraisal drilling at SE2&3.
- LR 5.36.2 (Effect of new information on estimate) – The effect of the new data and information is reduction in the original Contingent Resource estimate reported on 18 October 2022 and reclassification to Prospective Resources.

## Competent person's statements

About NSAI:

The Reserves and Resources estimated in this announcement have been made by Mr. John. G. Hattner, Sr Vice President at Netherland, Sewell & Associates, Inc. (NSAI). Mr. John. G. Hattner is qualified in accordance with ASX listing rule 5.41 and has consented to the use of the Reserves and Resources estimates, and to the form and context in which these statements appear. NSAI are a worldwide leader of petroleum property analysis to industry and financial organizations and government agencies. NSAI deliver high quality, fully integrated engineering, operational, geological, geophysical, petrophysical, and economic solutions for all facets of the upstream energy industry.

About Strike:

The estimates in this release that relate to the NSAI certified prospective resource estimates are based on, and fairly represent, information and supporting documentation prepared by, or under the supervision of a Qualified Petroleum Reserves and Resources Evaluator (QPRRE) employed by Strike. The QPRRE is Mr. Andrew Farley who holds a B.Sc. in Geology, and is a member of the Society of Petroleum Engineers. Mr. Farley is the General Manager – Subsurface and Exploration for the Group and has worked in the petroleum industry as a practicing geologist for more than 22 years. Mr. Farley has consented to the inclusion in this report of matters based on his information in the form and context in which it appears.

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<sup>5</sup> Refer to ASX announcement "Peaking Power Plant submission supported by South Erregulla Reserves" dated 24 June 2024 for further details.

## Power Project

For details of the proposed South Erregulla Power Project refer to ASX announcement “Peaking Power Plant submission supported by South Erregulla” dated 24 June 2024. The development of the Power Project is contingent on, among other things, the award of Certified Reserve Capacity (CRC) and Network Access Quantity (NAQ), satisfaction of the conditions precedent to and financial close under the Macquarie Bank project finance facility for the Power Project announced to ASX on 21 June 2024, execution of all required procurement contracts, and obtaining all requisite regulatory and stakeholder permits, approvals, licences and authorisations by no later than 30 November 2024 in order to meet the construction timeline to be supplying electricity into the grid by 1 October 2026.

## 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 set out in Talon Energy Limited’s Scheme Booklet dated 3 November 2023 in relation to the acquisition by Strike Energy (through its wholly owned subsidiary) of all of the issued shares in Talon Energy by way of scheme of arrangement pursuant to Part 5.1 of the Corporations Act 2001 (Cth) for a summary of certain general, Strike Energy 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 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.