South Erregulla Success Unlocks Project Haber

- High quality conventional gas discovery made in the Kingia Sandstone at SE1. Logging and petrophysical interpretation across the Kingia includes:
  - Porosity up to 20.2%.
  - Net pay of 14m in a gross 52m gas column.
  - Reservoir pressures of approximately 6,800 psia.
  - No gas water contact encountered.
- The Kingia & Wagina gas discoveries combine to give Strike the resource confidence necessary to proceed with and execute the Project Haber engineering, offtake and environmental approval workstreams.

Strike Energy Limited (Strike - ASX: STX) provides an update on the results, operations and their implications at the Company's 100% owned South Erregulla gas accumulation in EP503 where the South Erregulla-1 well has confirmed the presence of a high-quality, conventional gas accumulation in the Kingia (and Wagina[1]) Sandstones within the Perth Basin.

Strike Energy Limited Managing Director & CEO Stuart Nicholls said:

"Strike's 100% owned South Erregulla-1 well has delivered multiple gas discoveries that provides a high degree of confidence in the gas resources required to unlock its transformational low carbon urea fertiliser development, Project Haber.

"The completion of South Erregulla marks the end of a very successful exploration campaign for the company. The results of this campaign will, via Walyering, bring the Company's first cashflows forward, and, with South Erregulla, release significant upside through the integration of value-added, domestically focussed and low carbon downstream activities.

"Strike has been progressing multiple milestones at Project Haber over the last 18 months and, with this new resource confidence, Strike will now look to execute several pending workstreams that will see the development of the project accelerate substantially."

South Erregulla Kingia Gas Discovery

The top Kingia Sandstone was encountered at 4,783m MD with the high-quality subsection observed from 4,844m MD with a gross Kingia gas column of 52m. Mud logs, logging while drilling and wireline logging tools were used to evaluate the Kingia Sandstone where cuttings, rock chips, gas samples and 45m of core have been collected.

[1] Refer ASX announcement "South Erregulla – Wagina Gas Discovery" dated 17th February 2022.

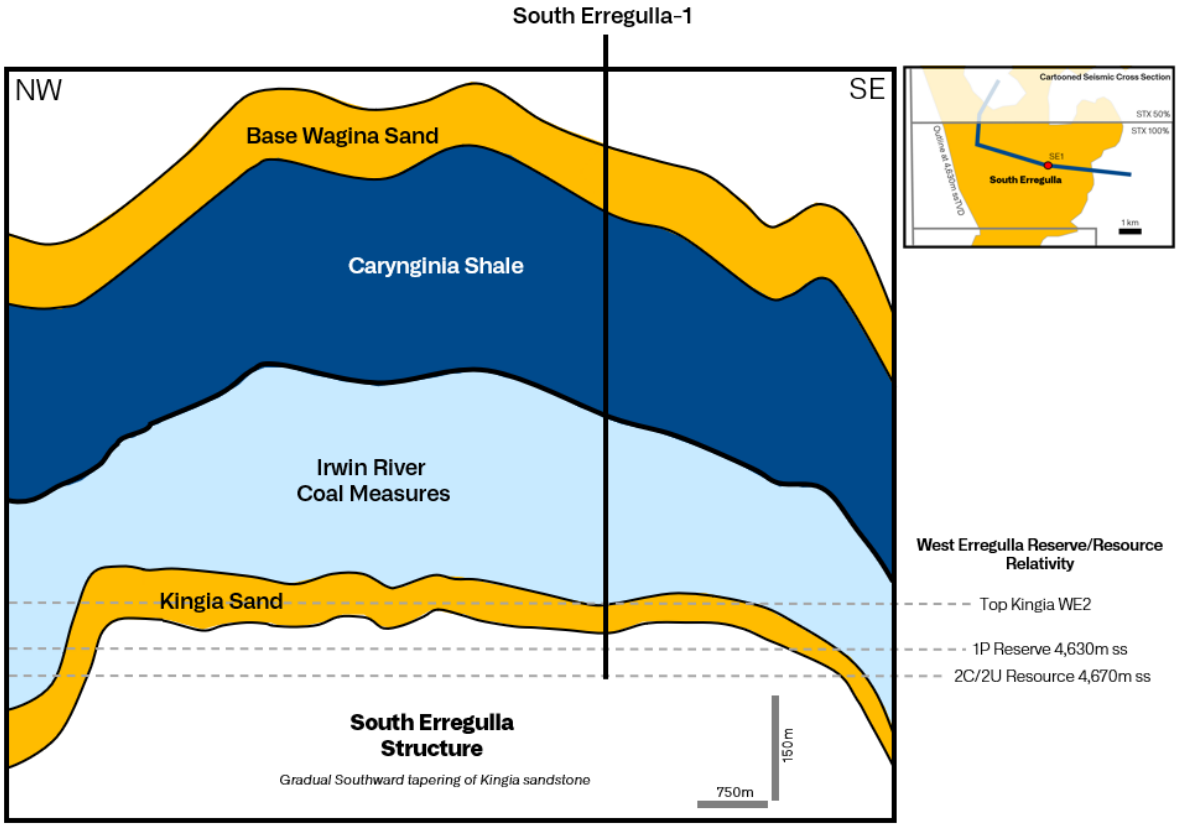
The Kingia is made up of two blocky sections of high-quality reservoir totalling 14m of net pay with an average porosity of 13.3% and porosity up to 20.2%. The sands within this section are observed to be consistent with other Kingia discoveries and show evidence of clay coatings and oil/asphaltic residue, which preserve porosity at depth. Approximately half of the interpreted pay averages 17.3% porosity, and Strike's analysis shows that SE1 is in the top 10% for quality of all Kingia penetrations. The South Erregulla structure appears to possess some of the best quality reservoir seen in the Perth Basin to date.

Pressure and mobility data collected across the reservoir is measured at approximately 6,800psia with exceptional measured permeabilities across the formation. Wireline gas samples have been collected from the reservoir and sent to the laboratory for compositional analysis and no gas water contact has been observed.

South Erregulla Resource Confidence

The South Erregulla Kingia gas discovery is interpreted to be updip of the West Erregulla gas field. SE1 was drilled off the mapped structural high where the vast majority of the structure sits above the 1P Reserves contour at the West Erregulla conventional gas field in EP469, as certified by NSAI in 2021. When the Wagina discovery is included (*as per Strike's announcement – South Erregulla – Wagina Gas Discovery dated 17th February 2022*) in the results, the Company has a high degree of confidence in its 100% owned gas position, and will now look to progress the offtake, engineering/construction and environmental approvals processes for its transformational 1.4mtpa low carbon, domestically focussed urea manufacturing facility at Project Haber. The delivery of this positive result at SE1 facilitates the activation of Strike's vertically integrated strategy.

Below is a schematic cross section of a seismic line running North West to South East through South Erregulla (post drilling seismic calibration for depth), which shows the South Erregulla Kingia and Wagina horizons relative to where the West Erregulla reserves and resources have been booked to date.



Completed and Future Operations

Since the last update Strike drilled through the remaining Permian section at SE1 to a final well measured depth (MD) of 4,980m in the Holmwood Shale. Strike has run a wireline logging campaign and set the 7" liner. Strike will now move to cement the liner in place, perforate the Kingia, install the 5-1/2" tubing string along with the well head and christmas tree before rig release to the next operator.

Strike has added both the Wagina and Kingia gas discoveries to its flow testing schedule. At this stage, it is likely the Kingia is flow tested directly after the Walyering-5 test, with the Wagina requiring the mobilisation of a workover rig to facilitate a test. Strike is prioritising this activity to occur as soon as practicable after the Kingia testing is completed.

Following the completion of production testing and other appraisal activities, Strike will work with an independent assessor in time to complete an assessment of the recoverable volumes at South Erregulla.

About South Erregulla-1

South Erregulla is located in the 100% Strike owned EP503 within the North Perth Basin. The Wagina and Kingia gas discoveries at SE1 are located at: 29° 28' 29.816 S, 115° 19' 5.618E

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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