

WA Gas Market Update

Strike Energy Limited (Strike - ASX: STX) is pleased to provide an update on developments in the WA gas market as a result of APA Group's (ASX: APA) announcement "APA forms WA gas grid with new Northern Goldfields interconnect pipeline" that it will construct a new 580km 12" gas pipeline to connect the Perth Basin's gas fields to the mineral-rich Goldfields region.

APA's decision to build a pipeline connection to the energy constrained Goldfields from the Perth Basin, is demonstrable evidence that large scale, low-cost, onshore gas resources can facilitate economic development and investment in broader infrastructure.

Through APA's investment in this pipeline, Strike's significant onshore gas assets will become the closest source of supply to the Goldfields region, which in turn will enable customers in that market to make material savings on energy transportation by purchasing Perth Basin gas. With these developments Strike's geographical advantage will now grow from 70% to more than 80% of the existing WA domestic gas market.

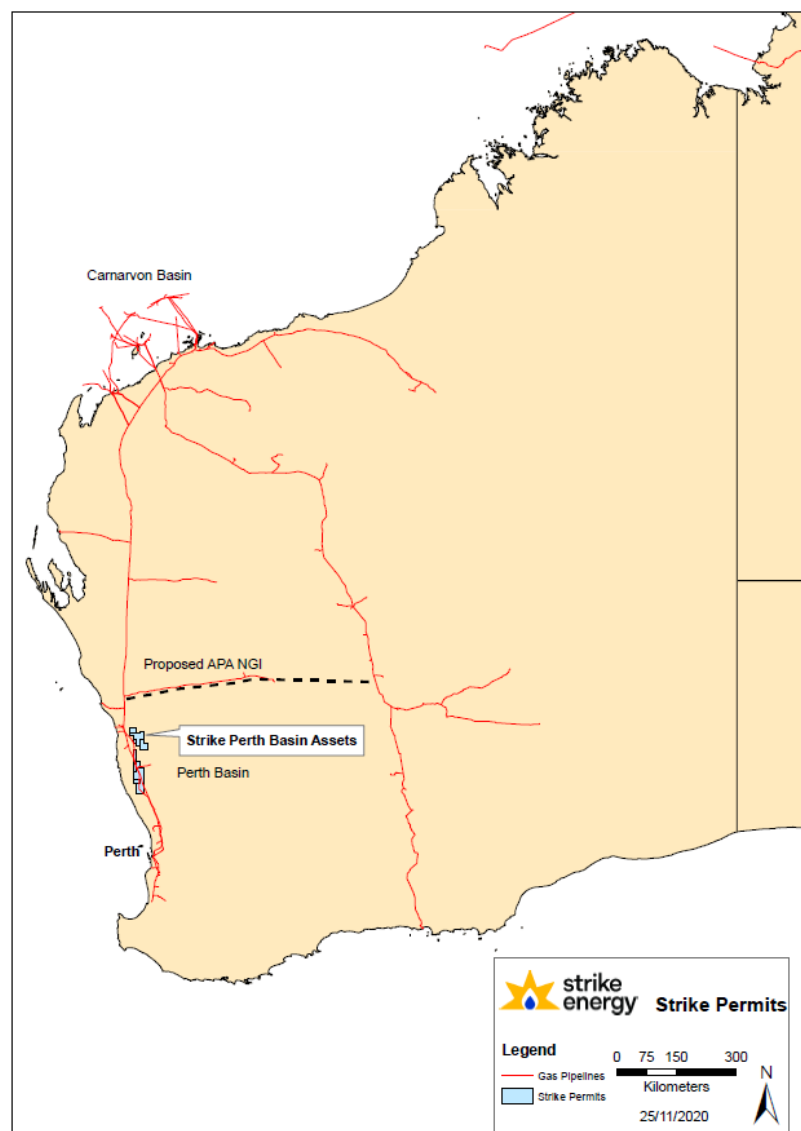
As gas becomes a more affordable, abundant and reliable form of energy in the Goldfields, it will displace more costly carbon intensive diesel fired electricity. Success in the Perth Basin across Strike's Greater Erregulla Gas Project highlights the benefits to the State in its ability to reduce the CO₂ intensity of WA's energy system.

Strike Energy Managing Director Stuart Nicholls said:

"APA's pipeline announcement is a significant endorsement in the potential of the Perth Basin to be a long term, competitive source of energy for the Goldfields.

"Gas is the fuel of choice to replace diesel fired electricity in the Goldfields. It is reliable and affordable, has significantly lower emissions, and facilitates high penetration of complimentary renewable energy.

"Strike Energy's market access continues to grow. We look forward to engaging further in discussions with potential end-users of Perth Basin gas."





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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