ASX: STX The Company Announcement Officer ASX Ltd *via electronic lodgement*

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Strike commits to net-zero 2030

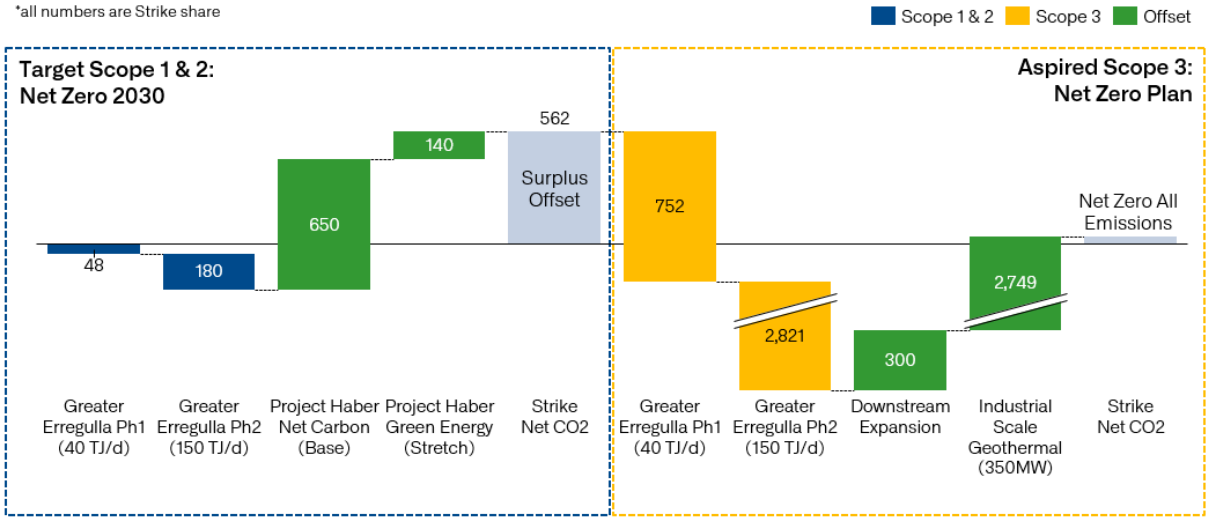
- Strike commits to being net zero against its Scope 1 & 2 emissions by 2030 via its integrated downstream strategy.
- Strike aspires to become Australia's first integrated energy company to deliver full Scope 3 offsets through the proposed development of the Mid-West Geothermal assets.
- Strike is striving to demonstrate leadership in this area and aspires to become Australia's first net zero emission domestic gas producer, supporting its future customers' carbon abatement and in doing so attracting premium pricing for its energy products.

Strike Energy Limited (Strike – ASX: STX) is pleased to announce its commitment to net zero Scope 1 & 2 emissions by 2030 and its aspiration to become Australia's first integrated energy company to deliver full Scope 3 offsets.

Strike's projected net carbon production from its various projects and operations

CO2e-kt p.a. base lined at 2019

*all numbers are Strike share



Through the proposed development of Project Haber, Strike is targeting to reach net zero across its Scope 1 & 2 emissions by 2030. Success at the company's geothermal assets and expansion of downstream activities may enable Strike to be the first energy company to deliver full Scope 3 offsets.

*Refer to the Important Notices at the end of this release for the assumptions and source information on which Strike's estimate of its projected net carbon production and Net Zero Plan is based.

CEO & Managing Director, Stuart Nicholls said:

"Project Haber is the enabler for Strike to make the ambitious target of achieving net zero scope 1 & 2 emissions by 2030. This commitment epitomises the broader value proposition of Strike's downstream integrated strategy.

"Strike continues to set the pace for the industry as it positions itself as a responsible and sustainable energy and fertiliser manufacturing company of the future.

Strike Energy Limited **ABN** 59 078 012 745
www.strikeenergy.com.au
P: +61 8 7099 7464
E: strike@strikeenergy.com.au
1/31-35 George Street, Thebarton SA 5031
Level 2, 66 Kings Park Road, West Perth WA 6005

"Should the company achieve success through its Mid-West Geothermal Project, it would possess sufficient offsets to meet its aspirations of being Australia's first net zero energy company across all of its Scope 1, 2 and 3 emissions.

"This will create additional value as our net zero emissions energy attracts premium pricing from industrial energy consumers who are making their own transition to a lower carbon future.

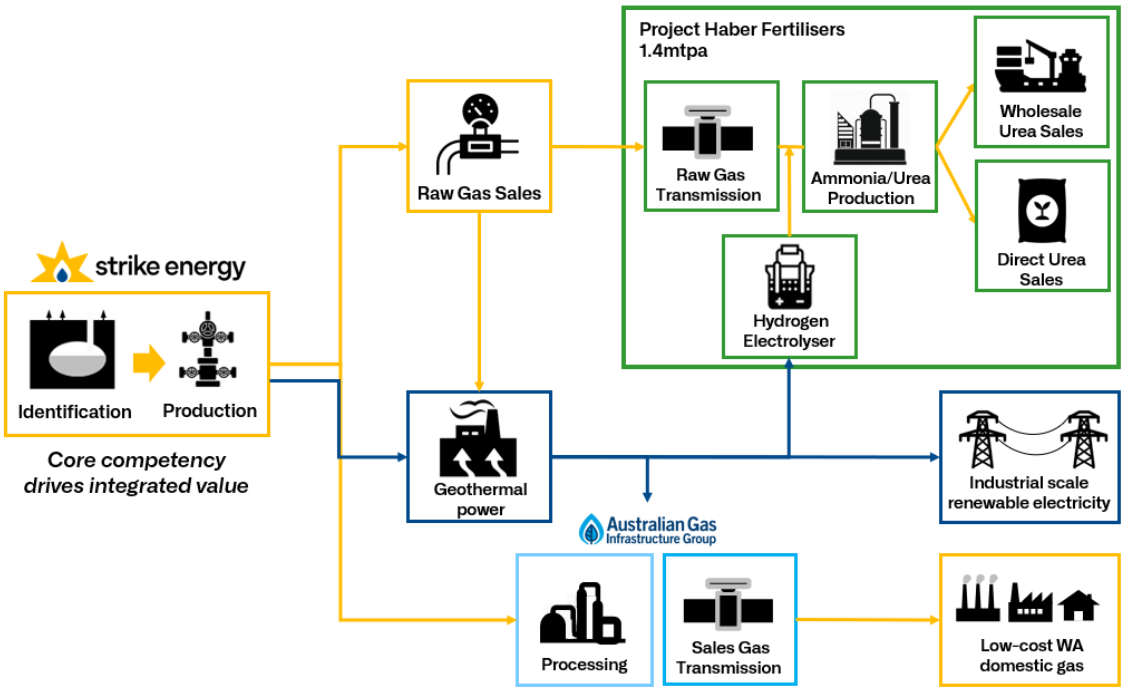
"With a near term target and the contemporary nature of Strike's business, its current Board and Management team will be the Company's custodians to be held to account against these ambitious targets."

Strike's three step approach to carbon: *minimise, use & remove*

Strike aspires to drive the energy transition for Western Australia through an innovative ground up approach utilising technology, domestic manufacturing of otherwise imported energy intensive products, and complementary renewable power to drive its carbon emissions to zero.

Strike is building out an integrated business model that enables the consolidation of its approach to carbon along the product chain as a key value driver, ultimately generating return accretive outcomes rather than margin reducing costs.

This value-add strategy is enabled via utilising the inherent low-cost and high-quality nature of Strike's gas resources, facilitating Strike to transfer, consume and abate its own carbon throughout the downstream manufacturing processes, whilst potentially integrating its own renewable energy throughout its activities.



Net zero 2030 – Scope 1 & 2

Strike is progressing with its planned domestic gas developments at the Greater Erregulla Gas Project and is targeting first gas for early 2023.

The initial phase of the development is expected to emit 48,000 tonnes of CO_2e annually (Strike share) in Scope 1 & 2 emissions, where market-based offsets will be acquired until the mid-part of the decade.

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Strike is targeting and additional 150 TJ/d of domestic gas sales in Phase 2 to come online in 2024/25 which would increase Scope 1 & 2 emissions by approximately 180,000 tonnes of CO_2e annually (Strike share).

On the basis Project Haber commences operations in the middle of the decade, Strike's estimated Scope 1 & 2 emissions can be fully offset through Project Haber's projected abatement of the carbon footprint that is otherwise associated with current imported urea.

Project Haber's CO_2e reduction is estimated to equal 650-795,000 tonnes per annum. Detail behind this was released to the market on 6th May 2021 to the ASX: "Project Haber Carbon & Economic Impact".

Project Haber's estimated Scope 1 & 2 offsets are expected to exceed that of the gas processing and production facilities for the Greater Erregulla Gas Project, which will provide Strike with surplus carbon offsets when at full production. These surplus offsets provide headroom for Strike to maintain its commitment to Net Zero 2030 (Scope 1 & 2) should additional domestic gas production come online.

Aspiration to Net Zero Scope 3

Strike understands that in time it must take full responsibility for its Scope 3 emissions if it aspires to be a leader in the sustainable delivery of energy and industrial products.

Whilst not yet setting a Scope 3 target, Strike's proposed integrated business model could enable the extension of its commitment to Scope 3 emissions dependent on the success and development timeline of both its Mid-West geothermal assets and expansion of its downstream activities.[1]

The successful progression of its Mid-West geothermal assets could pave the way for up to 350MW of industrial scale, 100% renewable, fully dispatchable, geothermal power. This amount of energy has the potential to displace 2,749,000 tonnes of CO_2e per year from Australia's energy system, which represents the removal of 2% of all the emissions from Australia's electricity sector (source: clean energy regulator) and would support the displacement of coal fired power from WA's South West Interconnected System (SWIS).

The Company's Commitment

Strike's Board of Directors believe the pursuit of this target and aspiration are at the core of the Company's identity and can translate into meaningful shareholder value. In recognition of this, the Nomination and Remuneration Committee will look to set short, medium and long term targets to measure progress against Strike's pursuit to Net Zero 2030. The Board of Directors look forward to providing further details of this in time.

This announcement is authorised for release by the Board of Directors.

Company Contact

Stuart Nicholls
Managing Director & CEO
Email: stuart.nicholls@strikeenergy.com.au

Investor & Media Contacts

Paul Ryan (Citadel-MAGNUS)
Phone: 0409 296 511
Email: pryan@citadelmagnus.com

[1] Strike has entered into an agreement for the acquisition of 100% of the geothermal rights in the Perth Basin via the acquisition of all the issued shares in Mid West Geothermal Power Pty Ltd. Acquisition remains subject to completion of the acquisition. Refer ASX announcement dated 1 April 2021 titled "Strike moves to integrate gas, renewables and manufacturing" for further details.

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Important Notices:
Sources & Assumptions in Net Zero Commitment:

Strike's Net Zero Scope 1 & 2 2030 target is premised on the successful development of the proposed Project Haber 1.4mt per annum urea facility to be located at Narngulu in Geraldton, utilising raw gas supplied from Strike's South Erregulla Project, located in EP503 in the Perth Basin (Strike 100%).

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.

Area	Activity	Assumption	Source(s)
Scope 1 & 2 emissions	Greater Erregulla Ph1 (40TJ/d)	Carbon emissions relating to the upstream and midstream processes of the West Erregulla gas processing facility.	AGIG (midstream) & Strike (upstream) FEED studies for Phase 1 West Erregulla gas development; April 2021.
	Greater Erregulla Ph2 (150TJ/d)	A pro-rata basis has been used for the Greater Erregulla Phase 2 development on the same ratio of CO_2e emissions per TJ/d of production as the Phase 1 development.	AGIG (midstream) & Strike (upstream) FEED studies for Phase 1 West Erregulla gas development; April 2021.
Committed Offsets	Project Haber Net Carbon (Base)	Net carbon emissions resulting from CO_2 and feasibility studies of Project Haber versus current urea imported into Australia. 0.47t CO_2e (Project Haber net emissions intensity) versus 0.98t CO_2e (current imported emissions intensity) per tonne of urea.	As per the release to the ASX: *Project Haber forecast to deliver huge carbon abatement and billions in Australian GDP*; 6th May 2021
	Project Haber Net Carbon (Stretch)	Accounting for an increase in green hydrogen from 1.25% (Base case) to 20% (Stretch case) of the hydrogen input of the project and resultant CO_2 studies of current urea imported into Australia.	As per the release to the ASX: *Project Haber forecast to deliver huge carbon abatement and billions in Australian GDP*; 6th May 2021
Scope 3 emissions	Greater Erregulla Ph1 (40TJ/d)	Estimated Scope 3 emission relating to the final end customer use of Great Erregulla gas relating to Phase 1 development of 40TJ/d Strike share	Inherent CO_2e of CH_4 stream: Clean Energy Regulator Calculator: http://www.cleanenergyregulator.gov.au/NGER/Forms-and-resources/Calculators
	Greater Erregulla Ph2 (150TJ/d)	Estimated Scope 3 emission relating to the final end customer use of Great Erregulla gas relating to Phase 2 development of 150TJ/d Strike share	Inherent CO_2e of CH_4 stream: Clean Energy Regulator Calculator: http://www.cleanenergyregulator.gov.au/NGER/Forms-and-resources/Calculators
Expanded Offsets	Downstream Expansion	Increase in downstream value add manufacturing within Australia. Products that are currently being considered include local manufacturing of ammonia and/or expansion of urea that will displace higher carbon intensive products manufactured offshore.	Strike internal estimates supported as per the release to the ASX: *Project Haber forecast to deliver huge carbon abatement and billions in Australian GDP*; 6th May 2021
	Industrial Scale Geothermal (350MW)	Company estimates of displacing (like for like MW of capacity) base load coal fired power in WA from the retail and industrial use on the SWIS/grid. Offset estimated at 0.9t of CO_2e per MWh of coal fired power, with Geothermal energy estimated to have nil carbon impact once operational. Geothermal power capacity and availability estimated at 97%	Electricity sector emissions and generation data 2018–19; Clean Energy Regulator; http://www.cleanenergyregulator.gov.au/NGER/National%20greenhouse%20and%20energy%20reporting%20data/electricity-sector-emissions-and-generation-data/electricity-sector-emissions-and-generation-data-2018-19

Future Statements

Statements contained in this release are or may be forward looking statements. All statements in this release regarding the outcomes of preliminary and definitive feasibility studies, projections 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 Energy 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 release. 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 specific and acquisition specific risk factors that may affect Strike. 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 the aforementioned ASX release. 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 document will under any circumstances create an implication that there has been no change in the affairs of Strike since the date of this release.

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