

# Bell Potter Unearthed Conference

Feb-24



*Ramping up gas production*

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## 2024 Investment Highlights

### 1. 100% operated position with substantial Reserves & Resources

- Less than 50% of existing 2P Reserves contracted
- >3,000 km<sup>2</sup> of acreage and more than 25 prospects and leads
- Three substantial prospective targets to be drilled in 2024

### 2. Perth Basin's largest domestic gas producer generating low cost cashflows

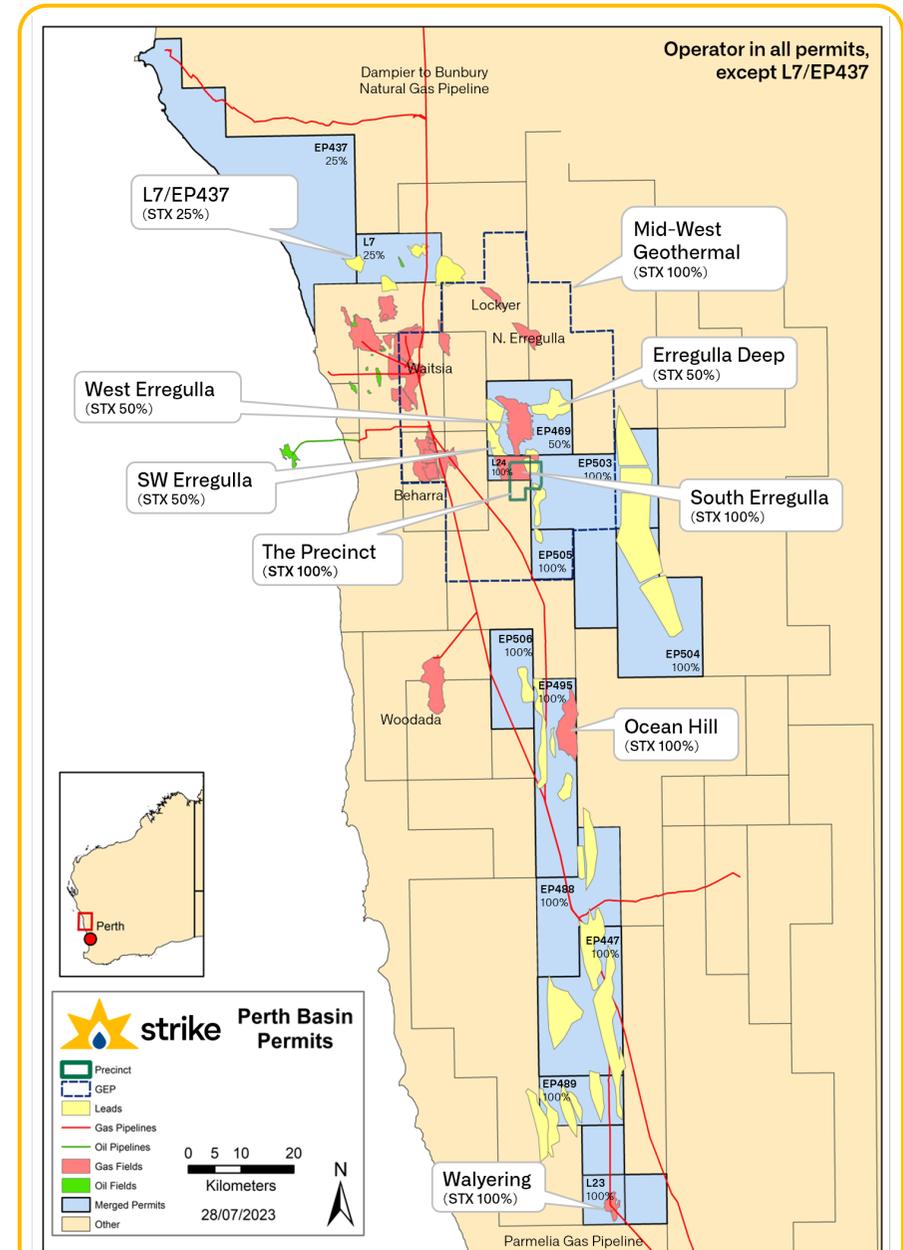
- Q4 CY23 generated gross \$14.4m in cashflow
- Production costs of only \$0.5 GJ
- Walyering reached above nameplate production record on the 6<sup>th</sup> of Feb at 34 TJ & 275 bbls of condensate
- Average sales for February of 27 TJ/d

### 3. Govt supported gas acceleration strategy

- Targeting up to four sources of gas online by 2026<sup>1</sup>
- Well capitalised with ~\$114m of cash and undrawn debt with ongoing cash generation and only \$19m of drawn debt as at Q4/23.
- Government domgas policy review and possible stimulus via potential LNG policy changes

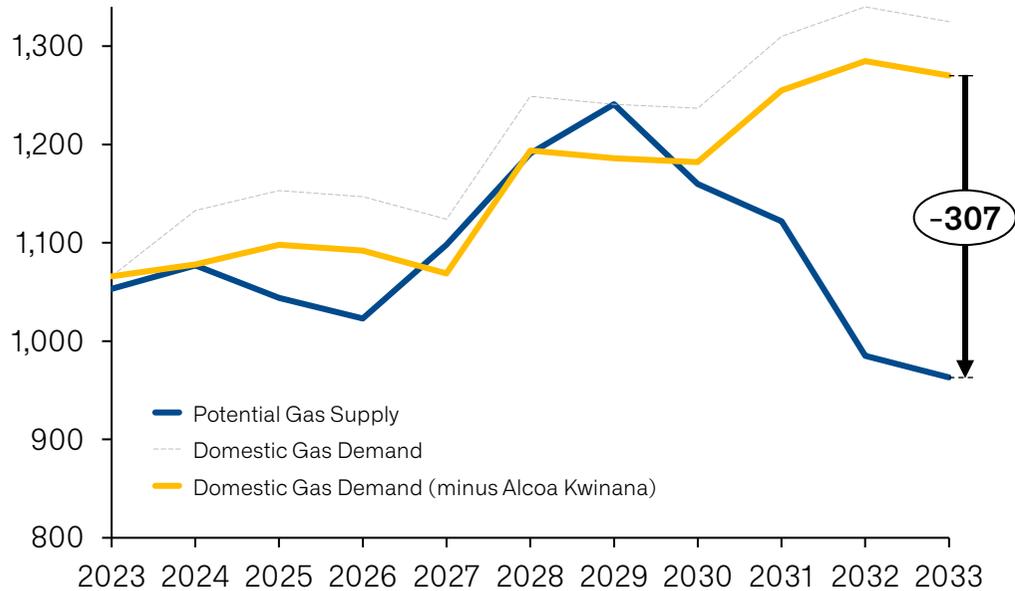
### 4. Catalyst rich

- Walyering: Appraisal drilling in Q2, with potential production increase
- South Erregulla: Flow testing at SE2 and resource review
- West Erregulla: 2 x nearfield exploration wells in Q2/Q3 with development decision targeting 2H/24
- Ocean Hill: 3D seismic commencing, with contingent appraisal Q4

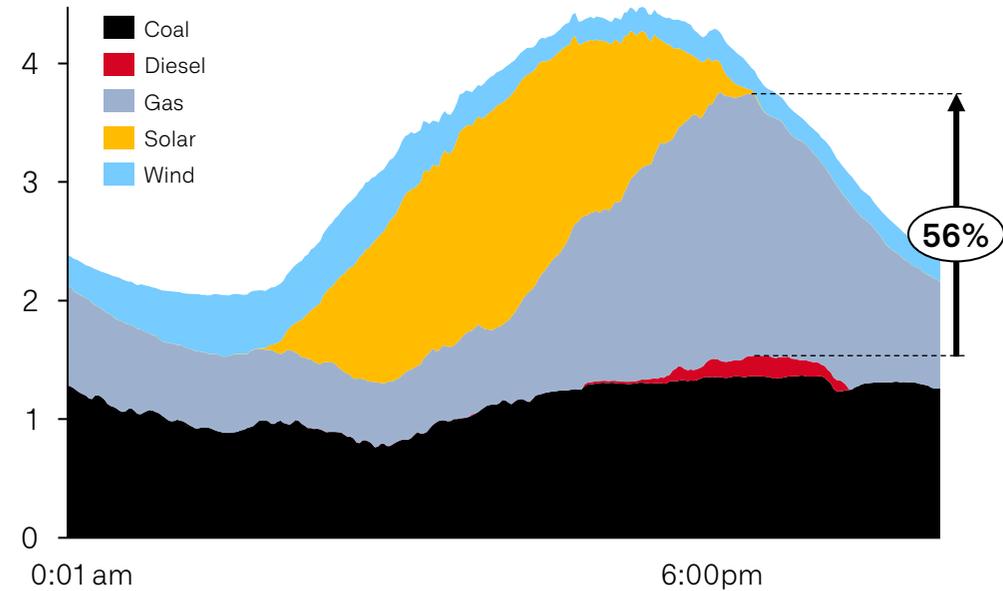


<sup>1</sup>: Subject to, among other things, appraisal results, rig and construction procurement and, where required, project financing and joint venture processes.

**Potential WA Gas Supply & Demand Forecast  
GSOO 2023 (TJ/d)**



**All-time WA maximum average operational  
demand recorded: 4,046 MW  
23 November 2023 (GW)**

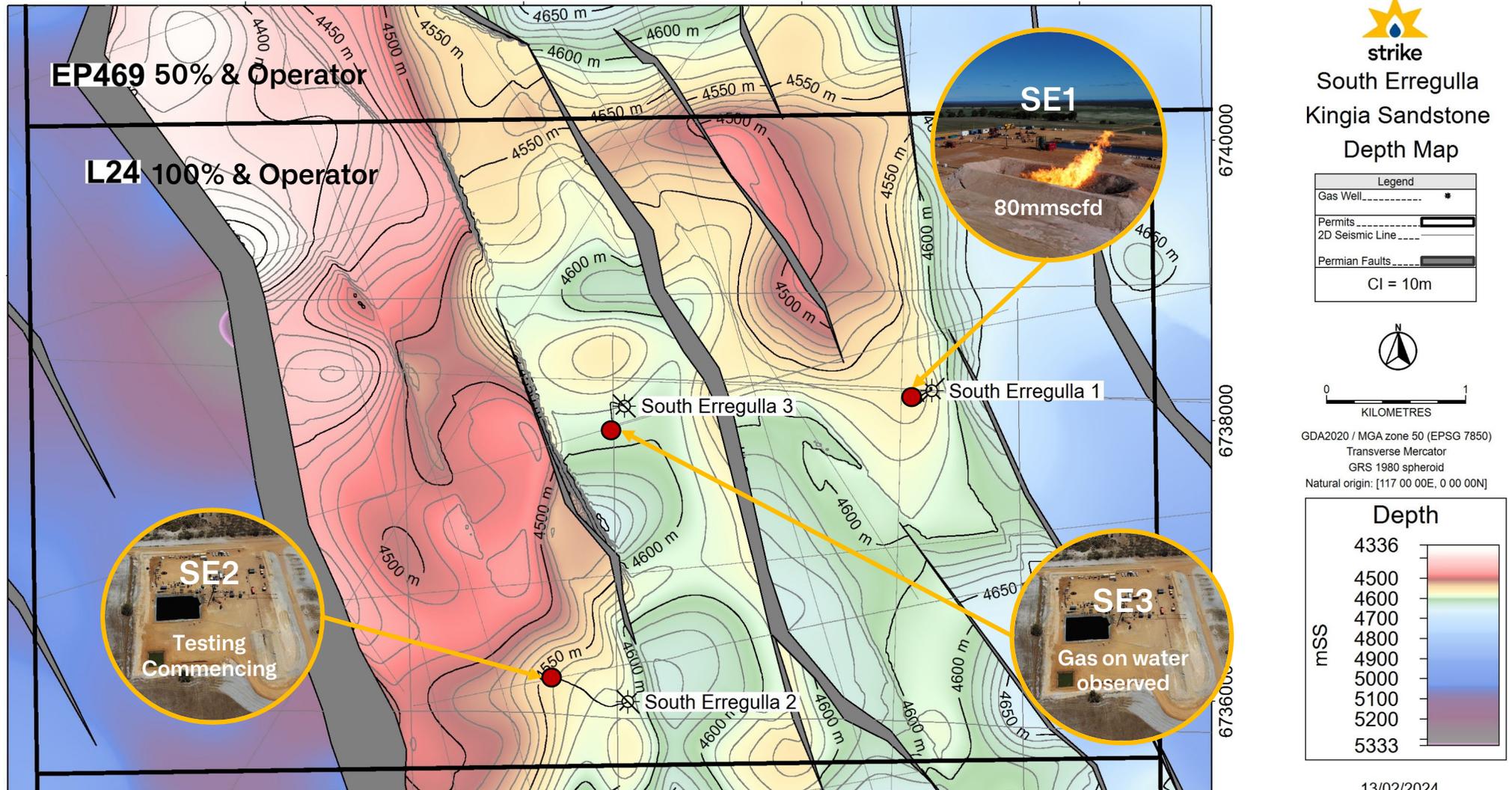


## Near term gas supply looks delicate, WA Govt reviewing policy

- AEMO GSOO 2023 released showing in and out of supply deficit '23-29, even with Alcoa closures.
- WA spot gas prices of \$9.47/GJ during the quarter.
- DMIRS announced that 2023 was the lowest year for gas exploration in the State of WA for the last 25 years.

## Power market looking for sustainable solutions

- Gas price being driven by electricity market (Q4/23 WA averaged \$98 MWh equivalent to ~\$9.8 GJ).
- Electricity demand record set in Nov '23 (~4,100 MW, 800 MW higher than previous). Gas made up 56% of electricity at 6pm on that date.
- WA Govt to cease subsidising coal by 2026 and continue to retire coal fired power stations by 2029.



- Appraisal drilling has likely shown 3-separate fault compartments, with the middle compartment being down-thrown.
- SE3 is the lowest intersection of the Kingia Sandstone within the field, encountered water and minor gas when on test.
- SE2 is updip of SE3 & SE1 (SE1 flowed 80mmscfd on test), with flow testing to commence this week.
- Post flow testing campaign, Strike will review Reserves and Resources which will inform path to development.

## Walyering



100% operator

- Ramp up in daily production.
- Walyering-7: April (immediate tie in on success).
- RISC Reserves & Resources review.
- Potential de-bottlenecking and increase in production capacity.
- Further gas marketing and market development activities.

## West Erregulla



50% operator

- Ministerial decision on environmental approval expected 1H/24.
- Erregulla Deep-1: May.
- FID on 87 TJ/d development with Warrego Energy: Targeting 2H/24.
- Southwest Erregulla-1: 2H/24.

## Ocean Hill



100% operator

- 3D seismic acquisition has commenced.
- Ocean Hill-2: appraisal drilling in Q4/24 (contingent on seismic).



Central to WA's energy transition

Q&A

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