

# Successful \$75 million institutional placement to deliver integrated energy, renewable power and fertiliser vision

- Strike has received firm commitments to raise \$75 million (before costs) through an institutional placement that attracted strong demand from local and international institutions, as well as other professional and sophisticated investors.
- Strike will offer a non-underwritten Share Purchase Plan to eligible shareholders to raise up to a further \$5 million.
- Post-raising, Strike will be fully funded to deliver a suite of potentially transformational Perth Basin outcomes:
  1. Project financing and in turn delivery of 'First Gas' from West Erregulla
  2. Proving up the potentially significant South Erregulla gas resources
  3. Appraisal of the Perth Basin wet-gas Jurassic play at Walyering
  4. Pre-FID Project Haber milestones
  5. Subsurface geotechnical work, engineering and preparation for the Mid-West Geothermal pilot
  6. Critical 2D & 3D seismic campaigns to delineate the next wave of gas and geothermal resource addition

Strike Energy Limited (ASX: STX) (**Strike** or the **Company**) is pleased to announce that it has received binding commitments from local and international institutions, as well as other professional and sophisticated investors, to raise gross proceeds of \$75 million by way of a placement of new fully paid ordinary shares (**New Shares** and **Placement**).

The Company has also announced a Share Purchase Plan (**SPP**) to raise up to \$5 million, providing all eligible shareholders of Strike as at the record date of 14 April 2021 with the opportunity to apply for New Shares at the same issue price as participants in the Placement.

With the Placement and the SPP, the Company will raise up to c.\$80 million (before transaction costs), which together with the existing \$10 million of cash (as at 1 March 2021) results in Strike having c.\$90 million of cash funding.

## **Strike's Managing Director, Stuart Nicholls, said:**

*"This highly successful capital raise, that attracted exceptionally strong demand, is an acknowledgment of the unique investment opportunity that is Strike as the company commences its transition to a fully integrated energy, renewable power and fertiliser company.*

*The placement proceeds will be used to bring Strike into its maiden free cash flow via the Phase 1 development of the Greater Erregulla gas resources and provides additional funds to deliver the potentially transformational outcomes at South Erregulla and Walyering, that may prove*

Strike's additional gas acreage in the Perth Basin is host to a series of multi-TCF and globally low-cost resources.

*"Excitingly these potential gas outcomes are progressing alongside the rapid delivery of Project Haber's development milestones, including securing long term offtakers and further State and Federal Government support. This development is an Australian agricultural imperative and may also produce some of the first green fertiliser in the world via Strike's proposed Perth Basin geothermal development. Project Haber in conjunction with what could be Australia's only base load renewable asset, will cement the company's role in building a valuable relationship between its low-cost gas resources and Australia's transition to a low carbon economy."*

*"This raising marks the first time in 18-months since the discovery of West Erregulla that the Company has sort to raise capital from the equity markets. It also comes at a more than 30% premium to the last raise, which indicates the speed and quality of project delivery by the Company in the intervening period. The Board and I would like to thank our current shareholders for their ongoing strong support and welcome our new high-quality institutions to the share register in what will be a truly exciting journey ahead for Strike".*

The Company will issue 250 million New Shares at an issue price of \$0.30 per share to raise gross proceeds of \$75 million.

The New Shares will be issued within the Company's placement capacity under ASX Listing Rule 7.1 and without disclosure in accordance with Chapter 6D of the Corporations Act. The Placement is not subject to shareholder approval and the New Shares will rank equally with the Company's existing fully paid ordinary shares.

The New Shares issued under the Placement are expected to be issued on Friday, 23 April 2021.

Euroz Hartleys Securities Limited and UBS AG, Australia Branch acted as Joint Lead Managers to the Placement.

### **SPP Details**

On 15 April 2021 the Company announced a non-underwritten SPP to raise up to \$5 million (before transaction costs) via the issue of New Shares at an issue price that is equal to the Placement price (\$0.30 per share).

The issue price represented a:

- 20.0% discount to the last traded price on Wednesday, 14 April 2021 of \$0.375; and
- 9.4% discount to the 30-day VWAP up to Wednesday, 14 December 2021 of \$0.3312.

Each individual who was registered as a Strike shareholder with a registered address in Australia or New Zealand as at 7.00 pm (Sydney time) on Wednesday, 14 April 2021 (**Record Date**) will be eligible to participate in the SPP. Eligible Strike shareholders will be able to subscribe for up to \$30,000 in New Shares without incurring brokerage or other transaction costs.

If total applications for the SPP exceed \$5 million, Strike reserves the right to close the SPP early, accept oversubscriptions, and increase the size of the SPP and/or scale back applications in its absolute and sole discretion.

Eligible Strike shareholders are therefore encouraged to submit their applications for the SPP early.

The terms and conditions of the SPP will be contained in offer documentation which is expected to be made available to eligible shareholders and lodged on the ASX on Friday, 23 April 2021.

## Use of Proceeds

The capital raised pursuant to the Placement and SPP will be used to deliver:

- project construction of Phase 1 of the Greater Erregulla project at West Erregulla;
- gas resource addition in the Erregulla region via the 2D Major seismic campaign and drilling of South Erregulla;
- geothermal testing for the proposed Mid-West Geothermal pilot;
- progressing the pre-FID milestones for the Project Haber proposed fertiliser development; and
- general working capital and corporate purposes.

Further information regarding the use of proceeds is set out in detail in the Equity Raising and Corporate Update Presentation released to ASX on 15 April 2021.

## Indicative Timetable

The table below shows the key events of the currently anticipated timetable for the Placement and SPP.

Event	Date
Record Date for SPP (7.00pm AEST)	Wednesday, 14 April 2021
Trading halt	Thursday, 15 April 2021
Launch of Placement and lodgement of investor presentation	Thursday, 15 April 2021
Completion of Placement and trading halt lifted	Friday, 16 April 2021
Settlement of Placement	Thursday, 22 April 2021
Allotment of Placement shares	Friday, 23 April 2021
Proposed opening date of SPP offer	Friday, 23 April 2021
SPP closing date (5.00pm AEST)	Friday, 7 May 2021
Announcement of results of SPP	Wednesday, 12 May 2021
Issue of SPP shares	Monday, 17 May 2021
Commencement of trading of SPP shares	Tuesday, 18 May 2021

\* The above dates are indicative only and are subject to change at the Company's absolute discretion, subject to compliance with the ASX Listing Rules and *Corporations Act 2001* (Cth).

## Further Details

For further details in relation to the Placement and SPP, please refer to the Equity Raising and Corporate Update Presentation released to ASX on 15 April 2021.

Following the release of this announcement, the Company requests that trading in its securities be reinstated.

This announcement is authorised by Stuart Nicholls, Managing Director & Chief Executive Officer of Strike in accordance with the Company's Continuous Disclosure Policy.

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## Forward looking statements

Statements contained in this document, 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 Energy, the outcome of the Placement and SPP and the use of proceeds, 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 presentation 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 the Company. Actual results, performance, actions and developments of the Company may differ materially from those expressed or implied by the forward-looking statements in this document. Such forward-looking statements speak only as of the date of this document. 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 this document. Investors should consider the forward looking statements contained in this document in light of those disclosures. To the maximum extent permitted by law (including the ASX Listing Rules), the Company 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



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