

FY2026 Half Year Results

Strike Energy Limited (Strike - ASX: STX) is pleased to announce it has today released its financial results for the half-year year ended 31 December 2025.

Highlights include:

Resilient Cash Generation & Cost Leadership

- Generated \$36 million in sales revenue from 3.8 PJe of gas and condensate production.
- Low cost of production at \$0.75 per gigajoule.

Operational milestones

- South Erregulla 85 MW Peaking Gas Power Project progressed to 77% complete as of date of report, remaining on track and on budget for targeted completion on 1 October 2026.
- Walyering delivered 3.8 PJe of gas and condensate production, supplemented by 0.9 PJ of third-party purchased gas to meet firm offtake commitments.
- Production optimisation strategy implemented at Walyering with installation of a second heat exchanger and preparatory works for compression installation in Q2 CY26.
- Walyering West-1 advanced toward drilling, with rig secured and spud expected mid-April 2026.

Strengthened Liquidity & Structural Revenue Upside

- Strategic investment by Carnarvon Energy of \$86 million via a two-tranche placement completed and ~\$1.7 million raised via accompanying Share Purchase Plan.
- \$69.5 million in cash and cash equivalents, with \$58 million of undrawn committed facilities and a further \$55 million of uncommitted facilities available under the Macquarie Bank financing arrangements.
- Final 2027/28 Reserve Capacity Price of \$360,700/MW secured, underpinning ~A\$30.7 million of firm capacity revenue in the second year of operations (first year firm capacity revenue: ~\$18.4 million) at the South Erregulla Peaking Power Plant; post-period draft 2028/29 Benchmark Reserve Capacity Price proposed at \$491,700/MW (subject to change), representing a 36% increase on 2027/28.

A summary of the 1H FY26 financials are presented in the table below.

Underlying EBITDA Reconciliation	1H26	1H25
	\$'000	\$'000
Revenue from gas and oil sales	36,002	35,810
Cost of goods sold excluding depreciation and amortization (D&A)	(13,777)	(9,392)
Other income	778	1,866
Other expenses excluding abandonment expense and D&A	(9,024)	(12,715)
Underlying EBITDA	13,979	15,569
Finance income	782	570
Finance expenses	(4,010)	(7,542)
Depreciation and amortisation	(19,027)	(23,980)
Abandonment expense	(3,994)	(108)
Loss for the period	(12,270)	(15,491)

- 1H26 sales revenue of \$36 million (1H25: \$35.8 million) resulted in net cash inflows from operating activities of \$3.4 million and Underlying EBITDA of \$14 million (1H25: \$15.6 million).
- Loss after tax of \$12.3 million was an improvement of \$3.2 million on the prior corresponding period due to lower depreciation at Walyering, lower finance and other expenses offset by the additional cost of third-party gas purchases.

Comments from Managing Director and CEO, Peter Stokes:

“Strike has made significant operational and strategic progress during the half year.

The 85 MW Peaking Power Plant at South Erregulla, a critical piece of infrastructure for the State’s energy security, is now 77% complete and is advancing through construction safely and on target. The construction workforce has more than doubled over the period, with close to 100 personnel now onsite. The project is targeting practical completion in Q2, with all gas engines installed, overhead line poles erected and line stringing nearing completion. Western Power is scheduled to commence commissioning activities in Q2 CY2026. Once online, the facility will position Strike to participate in the increasingly attractive Reserve Capacity Credit framework, which continues to signal a structural requirement for additional firming infrastructure to meet the State’s growing demand.

West Erregulla remains a core strategic asset. While aspects of our development pathway remain commercially sensitive, workstreams continue to advance in a structured and value-focused manner. Importantly, our strategy extends beyond a single project. We are building an integrated energy company that underpins energy security for Western Australia, supports regional communities, and generates scalable cash flow and long-term portfolio growth to deliver returns for shareholders.

Walyering continues to generate cash margins, with the recent installation of a second heat exchanger and incremental production from the Walyering 6 and 7 wells increasing confidence in the asset’s ability to sustain higher production levels ahead of the Walyering West near-field exploration well. With the Ensign 970 drilling rig secured, regulatory approvals received and construction works underway at the well pad, we expect to spud the Walyering West-1 well in April, bringing renewed drill bit activity to the Perth Basin and targeting near-field growth with existing infrastructure ready to commercialise success.

We are also progressing key regulatory and planning workstreams across our broader portfolio. At South Erregulla and Kadathinni planning work is underway for 3D seismic surveys within L24, EP503 and EP504 with acquisition targeted in early CY2027. At Ocean Hill, the Environmental Plan (EP) has been submitted to the regulator in readiness for drilling activities in 1H FY27 subject to capital availability and portfolio sequencing priorities. This disciplined groundwork is designed to support a pipeline of activity that will expand and strengthen our resource base over time.

The quality of our Perth Basin portfolio and the work undertaken across the business puts Strike in a materially stronger position than it was 12–18 months ago. We are aware that this progress has not yet translated into the share price, and that confidence is being tested with disappointing share price performance. As a management team, we are focused on addressing that through delivery. We are working to close the gap between intrinsic value of our assets and the share price through disciplined execution and clear capital allocation, and would like to take this opportunity to remind shareholders of the value this portfolio holds as we face a significant and increasingly urgent shortfall in domestic gas supply, with Western Australia facing a structural energy deficit that underscores the strategic importance of bringing new, reliable gas resources and firming infrastructure to market.

Our priority is straightforward: execute on current projects, maintain balance sheet strength, and position Strike for the next phase of value creation. As we progress key commercial and development milestones, we look forward to enhancing our communication with shareholders.”

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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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