

The Company Announcement Officer ASX Ltd

via electronic lodgement

STRIKE COMPLETES OVERSUBSCRIBED \$9.1 MILLION PLACEMENT TO FUND DRILLING OF JAWS-1

Strike Energy Limited (ASX:STX) (**Strike or Company**) is pleased to announce that it has completed a heavily oversubscribed share placement raising approximately \$9.1million (before costs) for the Jaws-1 appraisal program planned for the Company's Southern Cooper Basin Gas Project (**SCBGP**) in PEL96 (Strike 66.67% and Operator, Energy World Corporation 33.33%).

Placement Details

The Company will issue 130,000,000 fully paid ordinary shares at \$0.07 per share to sophisticated and professional investors. The shares have been placed within the Company's 15% 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.

The capital raised will be used to fund drilling of the Jaws-1 well, which upon successful execution and testing, is expected to lead to a declaration of Commercial Success over the Klebb area of the SCBGP. Surface works and long lead item procurement is currently underway with spud targeted in Q1/2018.

Bell Potter Securities Limited acted as Lead Manager for the Placement with Chieftain Securities Limited acting as Co-Manager. The Placement is expected to settle on 26 September 2017 with the Placement shares expected to be issued and to commence trading on the ASX on 27 September 2017.

Managing Director, Stuart Nicholls commented:

"The very strong support for this capital raising is an endorsement of the progress that Strike has made since releasing its refreshed strategy on the 1st of June 2017. Proving the commerciality of the Southern Cooper Basin Gas Project is the next step in the company's value staircase, which we plan to immediately follow with the targeted Phase 1 50 TJ/d development.

This capital raising provides the requisite funds for Strike to execute the Jaws-1 well which is expected to be the catalyst for the commercial definition of the deep coal seam play in the Southern Cooper Basin. On success, the Jaws-1 well is expected to allow Strike to book a reserve, commit to the drilling of Jaws-2 and support a Final Investment Decision on the Phase 1 project to support the delivery of gas into the South Australian energy system by the end of 2019."

Investor and Media Contacts

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