ASX Announcement

The Company Announcement Officer ASX Ltd *via electronic lodgement* 6th May 2019

WAITSIA & WEST ERREGULLA GEOPHYSICAL SIMILARITIES

Highlights

- **Reprocessed Waitsia data and archived AWE presentations show high confidence correlations between structurally conformable amplitudes and the presence of high quality, porous, gas filled sands at Waitsia.**
- **West Erregulla geophysical attributes correspond to that of Waitsia making the two closely analogous and improving confidence in a successful discovery**.

Strike Energy Limited (**Strike** - ASX: STX) is pleased to advise that work demonstrating the analogous nature of Waitsia and West Erregulla has yielded further supporting geophysical evidence for a successful drilling result at West Erregulla.

Managing Director Stuart Nicholls Comments:

"This new evidence in the geophysical similarities between Waitsia and West Erregulla is exactly why Strike is enthusiastic around the prospectivity of its upcoming drilling campaign. The analogous nature of the two features further explains Strike's high confidence in a successful result at the West Erregulla-2 well, due to spud in late May."

West Erregulla Geophysical Attributes

Strike has continuously pointed to the structurally conformable nature of the amplitudes in the Kingia-High Cliff sands at West Erregulla (WE) as evidence that they are both charged with gas and high quality /porous in nature. The amplitudes in each sequence at WE show moderate to good structural conformance. Direct Hydrocarbon Indicators include:

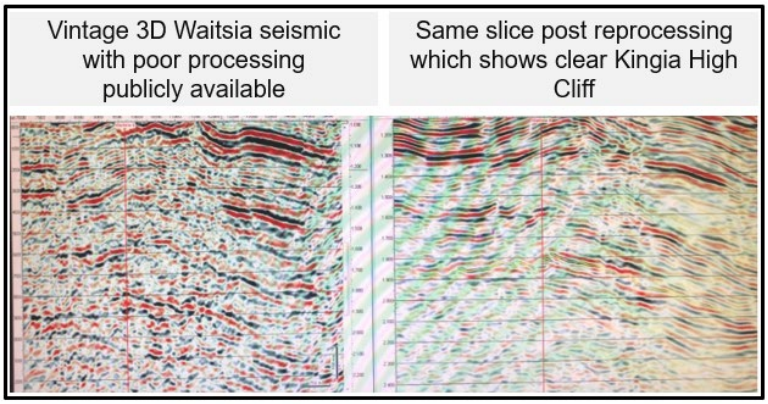
- Hydrocarbon contacts in the form of flat spots,
- Seismic push-down events; and
- Frequency decreases below the zones.

Spatial stacks of 200+ seismic lines show a consistent flat spot across the major fault block which is interpreted as gas water contact of the field. Isopach thickening and time push-down coupled with low frequencies also coincides with these flat spots and amplitude patterns. A comparison of 2D and 3D data over WE shows identical changes in amplitude and structure on the 2D. This indicates high confidence that the mapped anomalies reflect changes in the subsurface / geology and are not fold or acquisition artefacts.

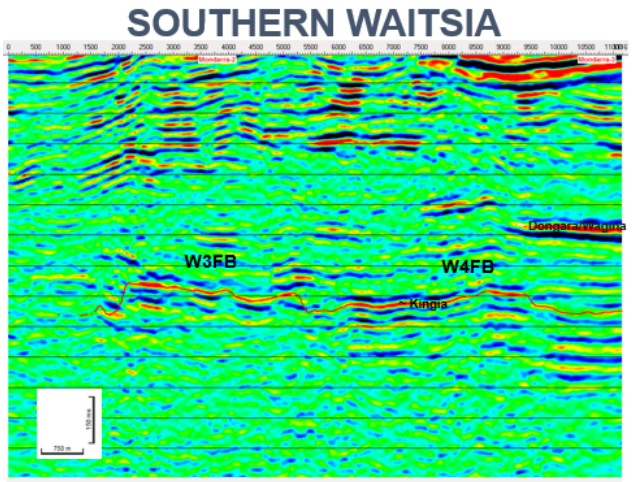
West Erregulla & Waitsia Analogy

Comparing the above attributes of WE to similarities in Waitsia has been a key question from potential investors. To date regional mapping of reflectors in the equivalent Kingia-High Cliff sands on the vintage and

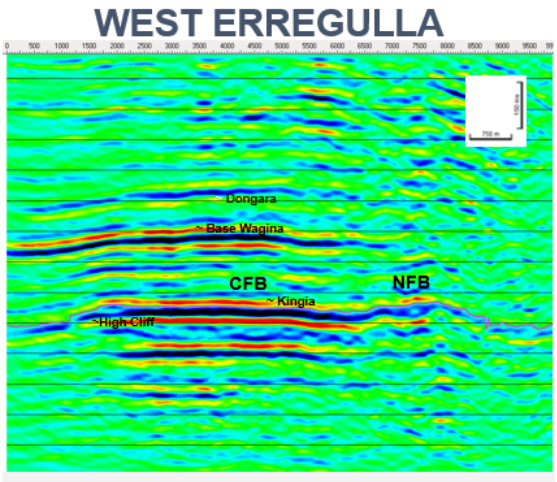
poorly processed original Irwin and Beharra Springs 3D surveys over Waitsia, have only indicated marginal correlation. Convinced this correlation was a product of the poor data quality, Strike recently remapped the sequences using reprocessed portions of the Waitsia seismic to improve the comparative geophysical signatures of the two fields. As expected, the reprocessing has yielded a very good correlation which shows amplitude that is conformable to structure over Waitsia and reveals high resolution definition of the sand depositional fairways.



The seismic slice shown below demonstrates the amplitude response at the Southern Waitsia field that was almost indistinguishable on the vintage 3D seismic surveys. The reprocessed data shows strong amplitude support for the presence of the gas field, which is evidenced in the Waitsia 3 & 4 fault blocks labelled below. This same support for the sands is clearly evident in the much newer and recently reprocessed WE data.



Arbitrary Time Cross-Section across Southern Waitsia Fault Blocks (~SW-NE)-S). Red Horizon is near base Kingia Peak. High amplitude blooms (red) correspond to high amplitude blooms on map. W3FB = Waitsia 3 fault Block. W4FB= Waitsia 4 Fault Block



Arbitrary Time Cross-Section across West Erregulla Fault Blocks (~SW-NE). Pink Horizon is near base Kingia Zero Crossing. High amplitude blooms (red) correspond to high amplitude blooms on map. Note additional High Cliff reflector below Kingia. CFB= Central Fault Block. NFB = Northern Fault Block. Note thickening of Dongara-Wagina section from Waitsia to West Erregulla.

Below are two pictures from the Strike mapping of the Waitsia structure and their corresponding amplitude patterns. WE is also shown on these maps in its exact relative location at the same scale. The high level of structural comparison and then amplitude support displays the attributes that Strike has described previously around the significance of structurally conformable amplitudes and their corresponding representation of gas charge and good quality reservoir, as proven at Waitsia.

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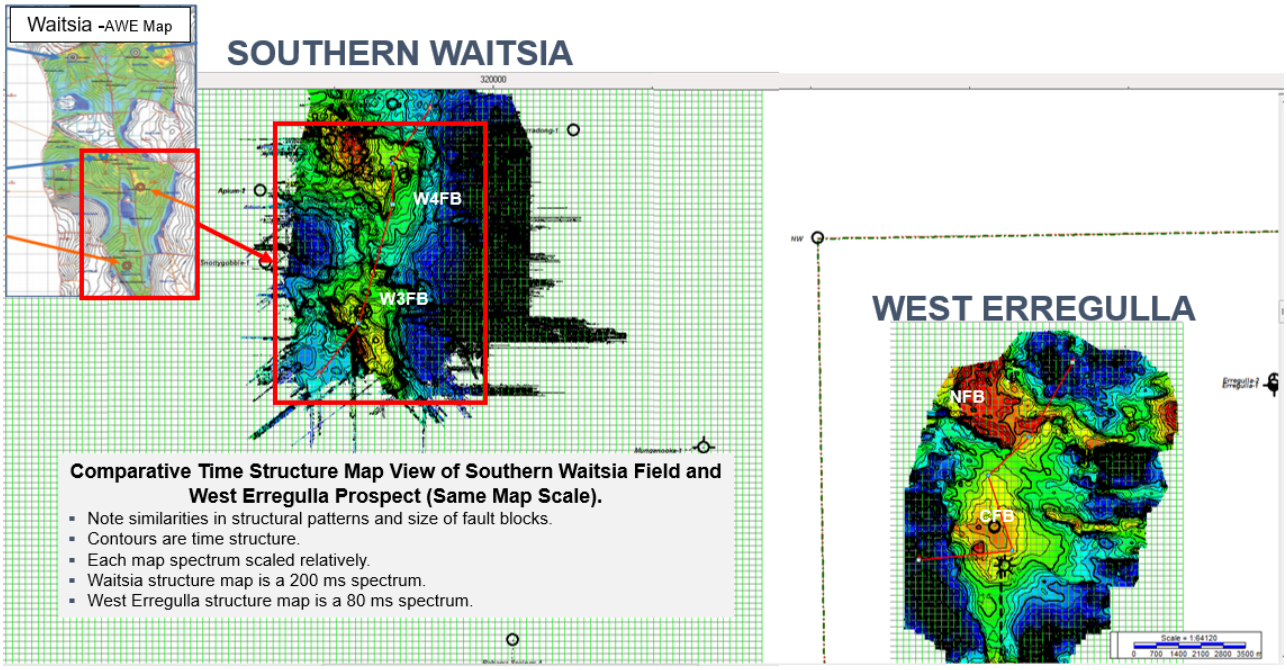
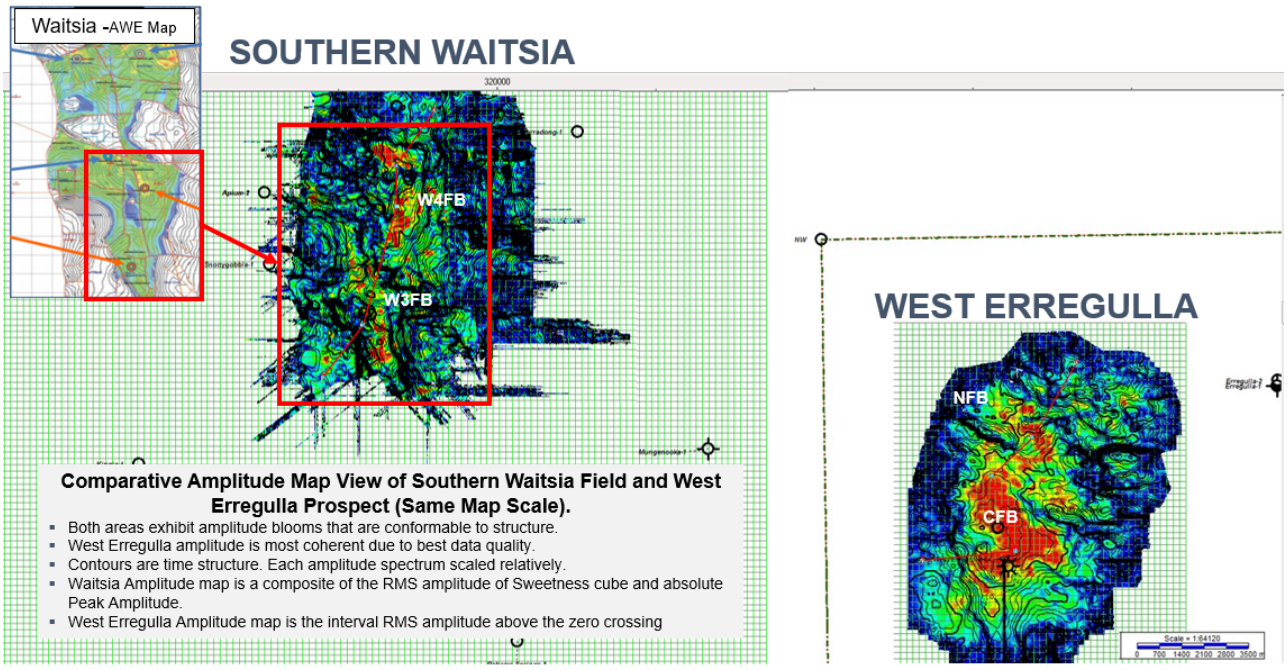
Figure below: shows comparative time structure maps over the southern portion of Waitsia and West Erregulla.



W3FB = Waitsia 3 Fault Block. W3FB = Waitsia 4 Fault Block. NFB = Northern Fault Block. CFB= Central Fault Block.

Figure below: shows comparative amplitude maps over the southern portion of Waitsia and West Erregulla.



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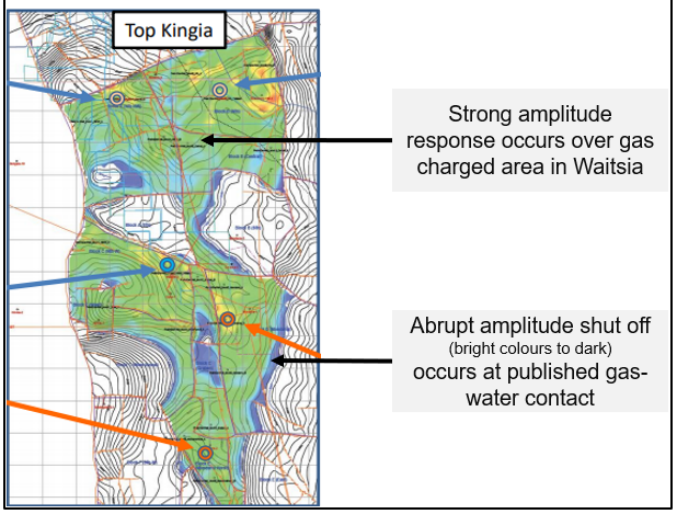
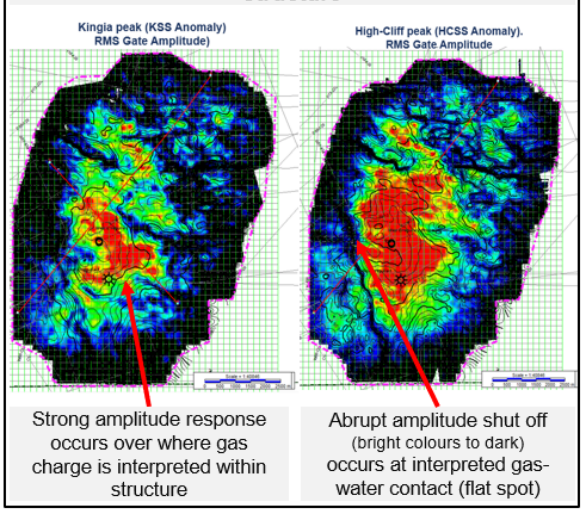
Finally, a recent search through archived presentations from the WA regulator has yielded the best confirmation of this conformance. Strike was aware that the Waitsia JV had reprocessed their seismic products heavily and had achieved the clarity of the structure and corresponding amplitudes equal to the quality seen at WE. An old AWE presentation from the regulators Petroleum Day in 2017 shows this reprocessed structure and amplitude map. This is the final and best piece of evidence that 'structurally conformable amplitudes in the Kingia-High Cliff are a direct geophysical indicator of both gas charge and good quality porous reservoir'.

A structure and amplitude map of Waitsia presented by AWE in 2017 at the DMIRS Petroleum Day.
Maps shows high conformance of amplitudes to structure



Structure and amplitude maps of West Erregulla in the Kingia & High Cliff.
Maps shows good conformance of amplitudes to structure



West Erregulla is located within EP469 in the North Perth Basin and the WE-2 well is due to spud in late May 2019. Strike is Operator and the holder of a 50% joint venture interest, and Warrego Energy (ASX: WGO) is the holder of the other 50% joint venture interest.

ENDS

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