

STAGGERING KINGIA GAS DISCOVERY AT WEST ERREGULLA

Highlights

- **Exceptional quality conventional gas discovery in the Kingia sandstone**
- **Kingia log data compares favourably to the Waitsia gas field log data**
- **Highly gas saturated Kingia sandstone with 41m of net pay and porosities up to 19%**
- **Gross Kingia gas column of at least 97m**
- **Drilling continuing with the High Cliff sandstone yet to be encountered**

Strike Energy Limited confirms that the Strike-Warrego Joint Venture has made a significant gas discovery in the Kingia sandstone as part of the West Erregulla-2 drilling campaign. Logging While Drilling (LWD) tools have been recovered to surface and log interpretation has been undertaken.

The Kingia formation was encountered at 4,753 metres with gas on rock showing a gross gas column of at least 97 metres. The lower section from 4,790 metres onwards is made up of several high-quality large units of clean sand with thick blocky porosity development. This 67 metre section, which has high gas saturation throughout, is interpreted to have net pay of 41 metres and an average porosity of 14.3% with peaks of up to 19%.

The well has not encountered a gas water contact in the Kingia formation which, along with the excellent reservoir quality, is consistent with the seismic amplitude model that supports the interpreted field boundaries.

Strike's Managing Director, Stuart Nicholls said

"This is truly an exceptional outcome. The Kingia results at West Erregulla have exceeded Strike's highest expectations and indicate a significant discovery that appears to have higher reservoir quality than the Waitsia gas field."

"With West Erregulla-2 now being one of the deepest wells ever drilled onshore Australia and finding such excellent quality sandstone reservoirs, the subsurface paradigms of the Perth Basin are shifting."

"Strike believes it has unveiled a new conventional gas fairway, with these initial results validating our geological model. With gas discoveries in the Wagina and now the Kingia sandstones the West Erregulla campaign is company-changing for Strike. With the well drilling ahead to the High Cliff sandstones which show an even better anomaly than the Kingia at West Erregulla, the chance of adding a further material discovery looks promising."

West Erregulla-2 Update

Strike has completed drilling through the Kingia sandstone and has encountered the Bit Basher shale. Since then a bit change has occurred and as of the time of this announcement the depth is 4,895m and the well is yet to encounter the High Cliff sands.

Forward Plan

Strike will continue drilling through to a nominal final depth of 5,200m at the top of the Holmwood Shale. This will be followed by wireline logging, side wall coring, casing and running of a production completion followed by a flow test.

Strike Technical Summary

Logging While Drilling tools have confirmed the presence of a thick hydrocarbon bearing zone in the Kingia sandstone at the West Erregulla-2 well. Elevated mud gas readings were observed whilst drilling.

The logs confirmed the well encountered a total Kingia sandstone of 117 metres with a gross column of 97 metres and a confirmed net pay of 41 metres using a 10% cut-off.

Permeabilities, formation pressures, fluid samples and cores of the Kingia sandstone will be taken via wireline tools when the well reaches its nominal final depth of 5,200 metres. The combination of observed gas at high pressure and excellent reservoir characteristics support the potential for high flow rates on a production test. Booking of a contingent resource will be subject to collecting the information above.

Strike Energy Limited (**Strike** - ASX: STX) is the operator and the holder of a 50% joint venture interest in EP469, and Warrego Energy Limited (ASX: WGO) the holder of the other 50% joint venture interest. West Erregulla is located at Lat: 29' 24' 54.07" South Long: 115' 18' 26.02" East

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West Erregulla-2 Location and Amplitude Visualisations of stacked targets:

