

West Erregulla Update

- Realtime LWD results indicate conventional pay of 35-40m across the Dongara and Wagina sandstones from a currently penetrated gross gas column of 206m.
 - Preparing to run detailed wireline logging suite and MDT to confirm LWD results and gather samples.
 - WE4 currently at 4,248m and has not yet encountered a water leg.
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Strike Energy Limited (Strike - ASX: STX) provides an update on the West Erregulla 4 well on behalf of the EP469 Joint Venture.

Current Operations

Since the last update, Strike has set and cemented the 9-5/8" casing and drilled through the Dongara and Upper Wagina. The well is currently in the Basal Wagina sandstones at 4,248m measured depth. After recording positive LWD results the decision was made to pull the bottom hole assembly out for a drill bit change and run advanced wireline logging to confirm the initial LWD results.

Dongara & Wagina Sandstones

As prognosed, the LWD results indicate a large bimodal gas column in thick, blocky sand units where high porosity streaks are interbedded within a thick section of gas bearing sandstones. The LWD data indicates 35-40m of conventional net pay is present across a gross interval of 206m at an average porosity of 6%. These preliminary results are comparable to those seen in the equivalent reservoirs at WE2 and WE3. Wireline logging and testing will now take place and in order to confirm the materiality of these reservoirs. Despite penetrating the Dongara/Wagina section approximately 35m downdip of WE2, no indications of a water leg have been seen. At the time of deciding to pull the bottom hole assembly to surface WE4 was approximately midway through the basal Wagina and was still in gas bearing sands. These initially interpreted pay zones correlate to strong gas shows seen in the well and are similar to other conventional Dongara and Wagina discoveries which have been made across the northern Perth Basin.

Forward Plan

Strike is preparing to run a full suite of wireline logging tools in order to confirm these initial LWD results. An MDT tool will also be deployed in an attempt to obtain pressure and permeability data and to collect gas samples. Following this logging and testing, Strike will drill ahead to the top of the primary target in the early Permian Kingia Sandstone where it will then commence coring operations.

About the West Erregulla Appraisal Campaign

Three appraisal wells will be drilled in the West Erregulla field, which is located in EP469. The appraisal wells will be drilled down to ~5,000m. West Erregulla 4 (and 5) will appraise the reservoir distribution in the central fault block. After various coring and logging operations the wells will be flow tested (on success) and completed as future producers across the Kingia / High Cliff sequences for the proposed Phase 1 production operations. The Wagina gas discovery made in West Erregulla-2 will also be appraised during West Erregulla 4 & 5.

The West Erregulla wells are to be executed at the following coordinates:

- West Erregulla 3: 29° 22' 40.79" S, 115° 18' 30.70" E
- West Erregulla 4: 29° 25' 8.89" S, 115° 19' 18.15" E
- West Erregulla 5 (proposed): 29° 24' 1.72" S, 115° 18' 27.17" E

Strike Energy Limited operator and the holder of a 50% joint venture interest in EP469, and Warrego Energy (ASX: WGO) a holder of the other 50% joint venture interest.

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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West Erregulla Gas Field & Well Locations in EP469

