

West Erregulla Update

- Wireline data acquisition across Dongara and Wagina Sandstones completed.
- WE4 drilling ahead at 4,400m towards core point in the primary Kingia target.

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 run the wireline data acquisition campaign across the well's tertiary and secondary targets, the Dongara and Wagina Sandstones. After successfully retrieving the targeted data, Strike has run in hole with the drilling assembly and recommenced drilling operations, with WE4 currently at a measured depth of 4,400m.

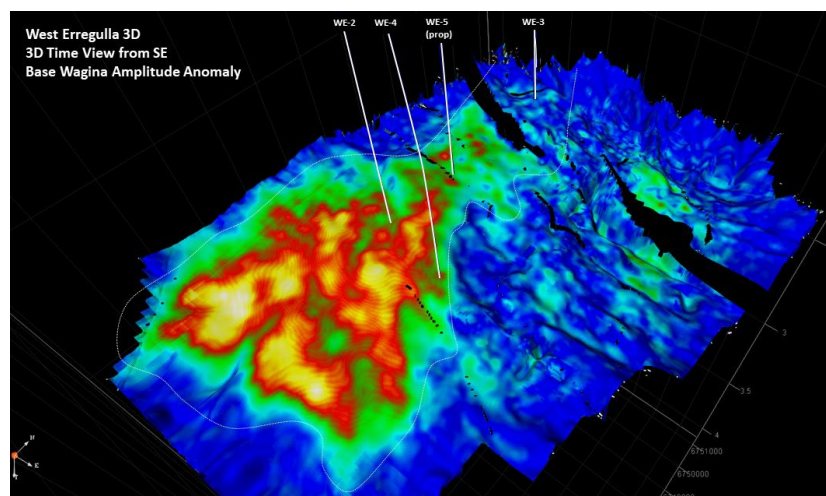
Dongara & Wagina Sandstones

The wireline data confirms a large gas column, but preliminary interpretation compared to the LWD logs indicates reduced net pay and lower overall permeability. This is indicative of the reservoir conditions that were expected for the edge of this field, with the WE4 well being located at the perimeter of the interpreted basal Wagina fan. It is recognised that the WE4 well location was selected to optimize the primary targets – the Kingia and High Cliff sandstones – which lie several hundred meters deeper in the section and not to test the best reservoir in the Wagina.

The new wireline data is currently being interpreted and incorporated into the Company's geological models to understand the significance of this set of results. As it stands, additional wireline data from WE4 and data from WE5 may be required before an update to the current resource position. This is due to the complex nature of this resource primarily hosted in thick lower permeability gas charged sands where mobility is enabled via the streaks of conventional reservoir which are not uniformly distributed throughout the structure as seen in analogue fields from the Basin. Mapping and understanding the distribution mechanics of these critical zones will commence as this final data becomes available.

As previously described, the conventional segments of the Wagina formation at the West Erregulla field are interpreted to be hosted in a thick, basal floor fan deposited in a shallow basin outboard of the distributary mouth of a Permian river system. The thick, clean multi-cyclic sands penetrated in WE-2 are expected to pinch out laterally into limey marine siltstones and sandstones. Submarine fan deposits can contain variable reservoir quality

and corresponding permeability heterogeneity dependent on location within the fan, depositional facies, grain size, diagenetic history and precursor sediments. The location of the fan was defined by seismic amplitudes and can be seen in the 3D visualisation above.



Forward Plan

Strike is drilling ahead in WE4 to the top of the primary target in the early Permian Kingia Sandstone where it will then add on specialised equipment to the bottom hole assembly in order to 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

