

Greater Erregulla & Walyering Update

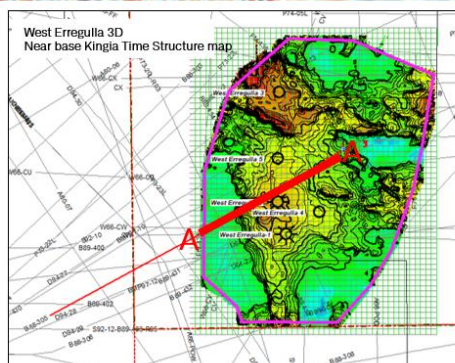
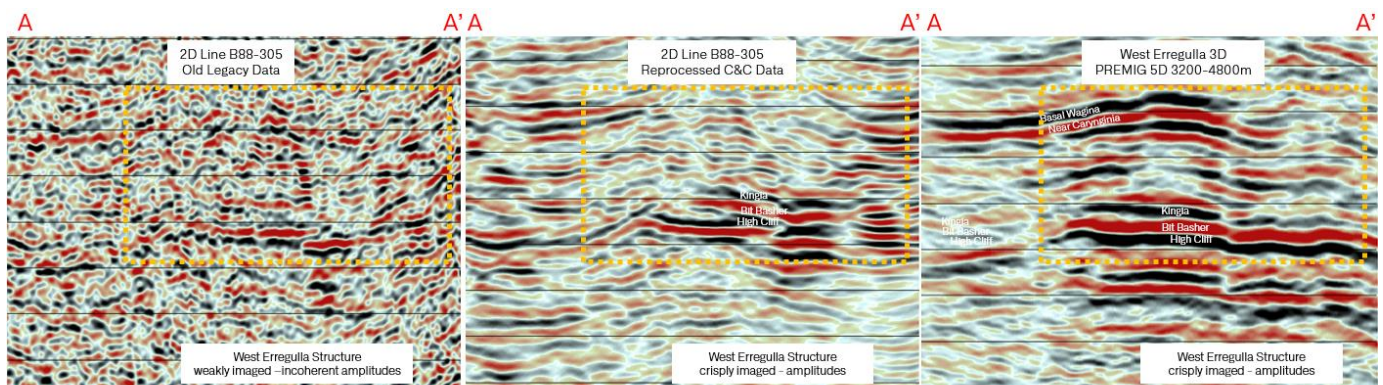
- Newly reprocessed 2D seismic greatly improves imaging of South Erregulla.
- High confidence in the presence of the valuable Permian sequences in Strike's 100% permits south of EP469.
- Upgrade to Walyering Prospective Resource and chance of success from new 3D interpretation and modelling.
- Both South Erregulla and Walyering to be considered as potential drilling candidates post West Erregulla appraisal campaign.

Strike Energy Limited (Strike - ASX: STX "Company") is pleased to provide an update on its prospective near-term high value exploration targets in the Greater Erregulla and Walyering regions.

Greater Erregulla

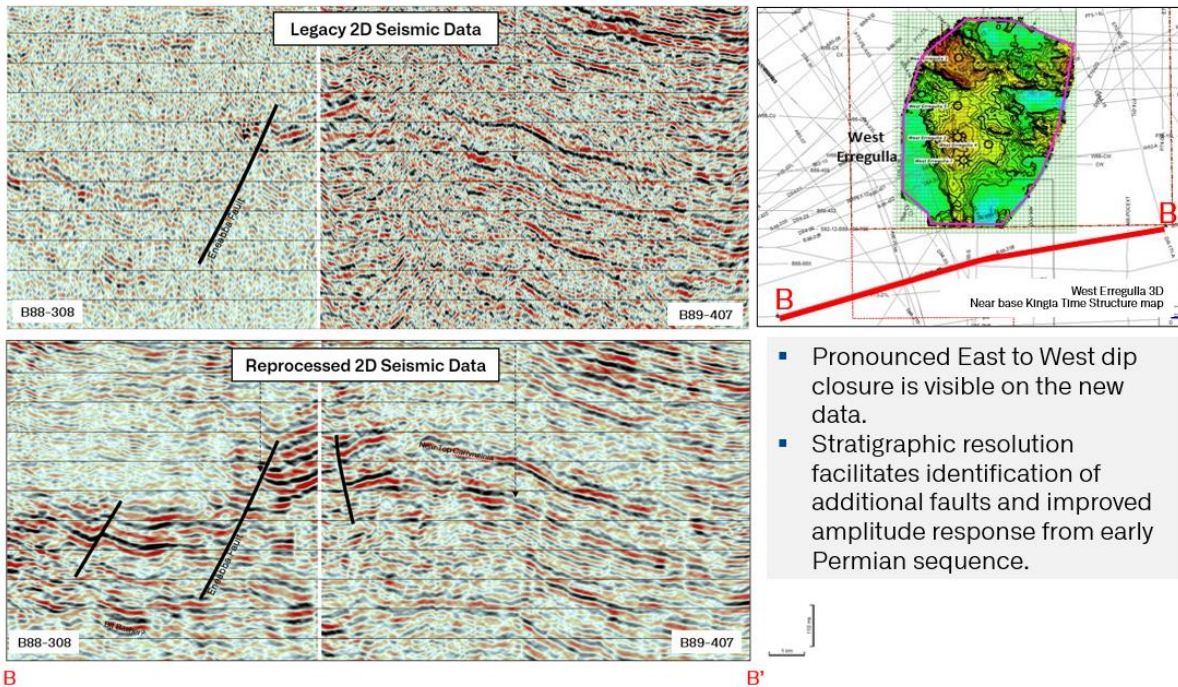
Strike has completed reprocessing of an initial subset of 23 historical 2D seismic lines of various vintages that cover the Greater Erregulla region. The reprocessing was conducted by C&C Systems Ltd. in Calgary, the same seismic processing company that generated the most recent version of the West Erregulla 3D. The data has been reprocessed using a common datum and amplitude and phase balancing.

There is a marked improvement in data quality from the original dataset, with some of the lines approaching the quality of the 3D data over West Erregulla. This can be seen in the below figure:



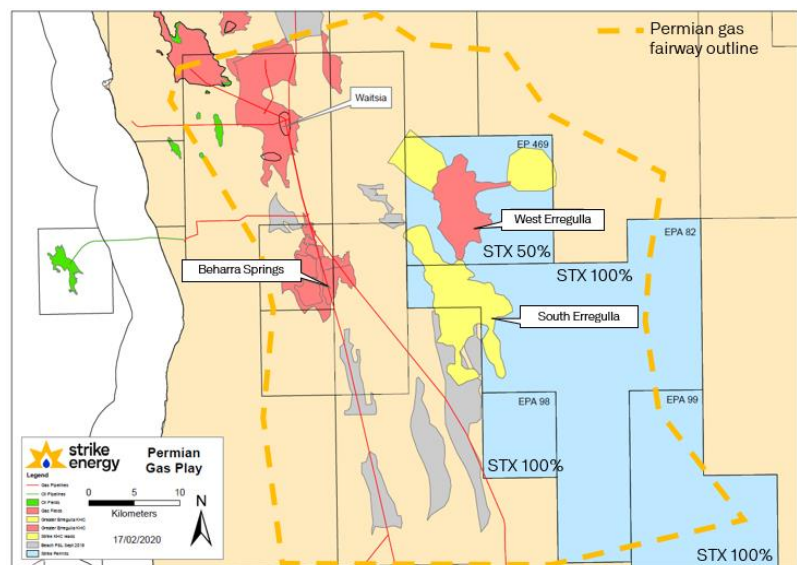
- Comparison of old legacy 2D data (left) with reprocessed 2D data (centre) in line B88-305 and equivalent West Erregulla 3D data (right).
- Marked improvement in data quality from the original legacy 2D data.
- Data quality on reprocessed data is approaching the quality of the equivalent 3D data over West Erregulla.
- Amplitude response in structure and isopach thickening/seismic pushdown can be seen on both reprocessed 2D and in the 3D data.

The internal reflectivity and stratigraphic imaging within the South Erregulla structure is also greatly improved. In some lines, amplitude blooms and seismic pushdown events similar to that seen at West Erregulla are observed within the South Erregulla structure.



The new data will greatly improve Strike’s structural interpretation of the South Erregulla prospect. It immediately confirms the presence of a gross 4-way dip closure over the greater South Erregulla structure. This improved imaging also increases confidence in the presence of a sealing fault updip of the north west arm of the structure. As previously disclosed, South Erregulla is estimated to contain 1.60 TCF of gas (OGIIP P50 Strike share prospective resource) as detailed in Strike’s ASX Announcement ‘Exploration Portfolio Update’ dated 17th February 2020¹. Connectivity of the South Erregulla structure to West Erregulla is well imaged, supporting a high confidence in finding an equivalent trap-seal combination that is likely to hold conventional quality, hydrocarbon charged reservoir.

The Permian gas fairway in the North Perth basin comprises stacked fluvial, shoreface and marine reservoirs in the High Cliff, Kingia, Wagina and Dongara formations laid down within an early depocenter focussed around the northern Dandaragan trough. Conventional quality reservoir, with extremely high well deliverability has been encountered as deep as 5km to date. Whilst South



¹ Strike is not aware of any new information or data that materially affects the information included in the announcement and that all the material assumptions and technical parameters underpinning the estimate in the announcement continue to apply and have not materially changed.

Erregulla sits at similar depths to West Erregulla, based on Strike's interpretation, it expects good quality reservoirs past the current deepest penetrations.

Additional 2D lines will now be reprocessed to generate further information on the target and surrounding areas. This new data will be coupled with the Trieste 3D seismic survey, which is currently being fast tracked through its processing workflows. Should Strike identify a high confidence drilling location from the available datasets before acquiring the Minjiny 3D seismic survey, then planning may commence for an exploration well in CY21. This could allow South Erregulla to be incorporated into any decision around expansion of the AGIG infrastructure being proposed for the Phase 1 development at West Erregulla.

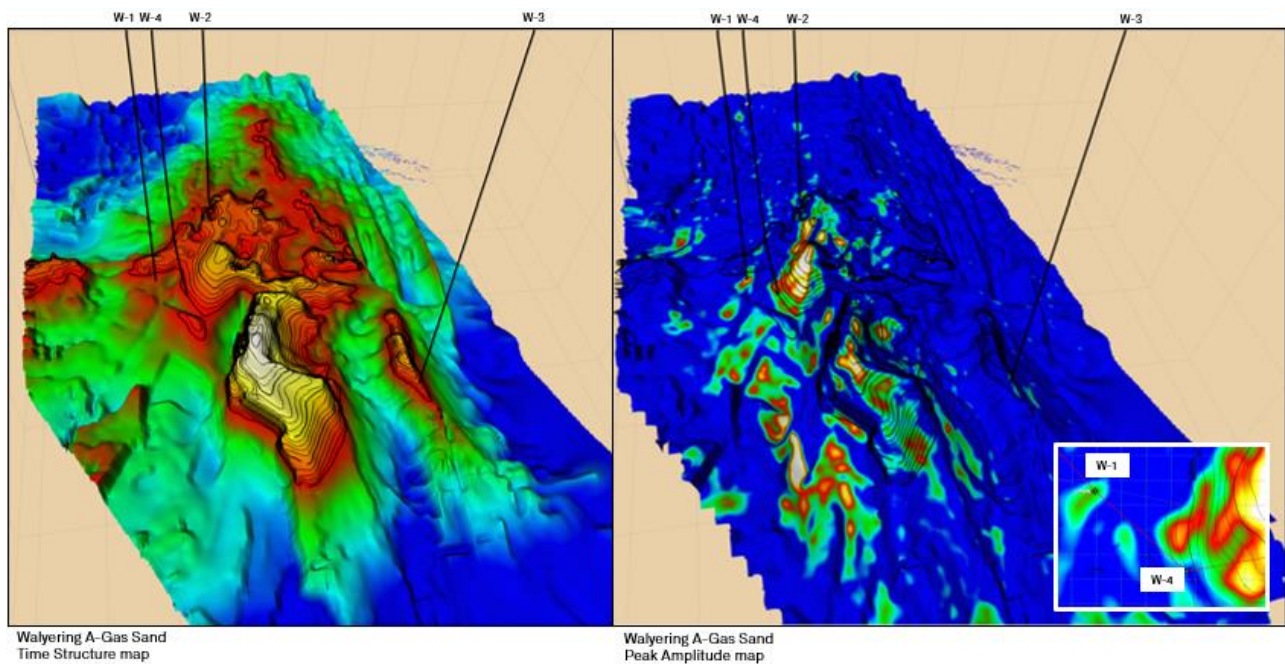
The improved confidence in the extension of the Permian Gas Fairway is an exciting development for Strike, which is the largest equity owner of acreage in the trend. Strike is confident that additional high value targets like South Erregulla will appear when new data is acquired in the adjacent areas by both Strike and the neighbouring operators.

Walyering

Final, post-stack 3D seismic volumes for Walyering (EP447) have been received and fully interpreted. Strike has completed proprietary geological and geophysical workflows on this dataset that are similar to those that led Strike to drill the West Erregulla-2 well.

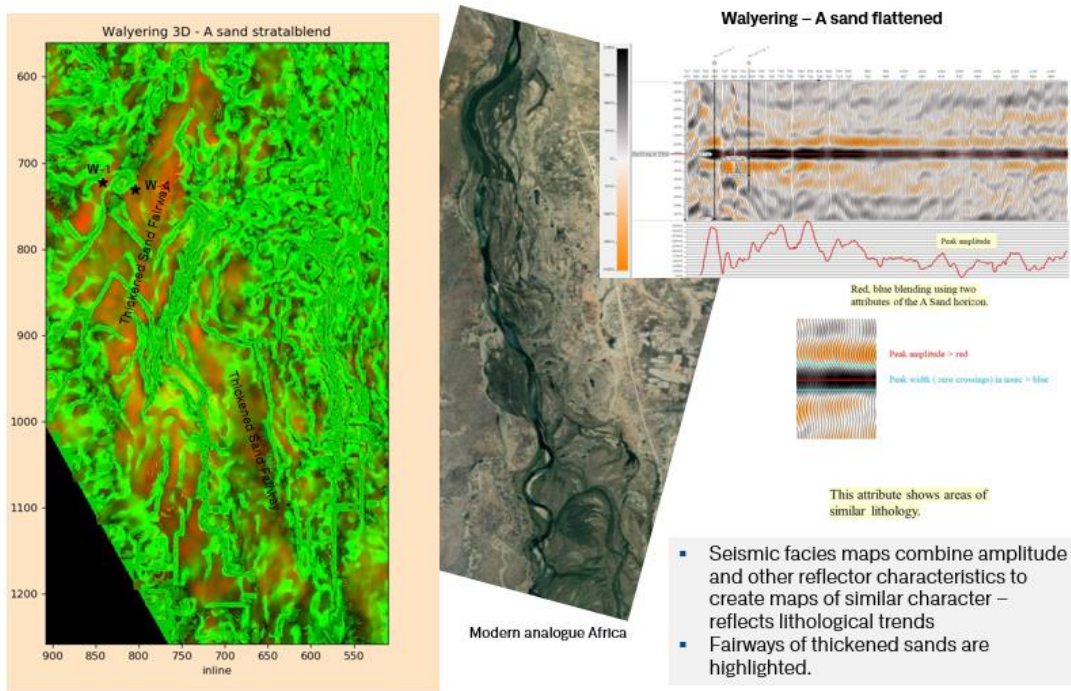
The excellent quality data indicates the presence of a high confidence wet-gas accumulation updip of the Walyering-4 well. An upgrade to the Prospective Resource has now been generated with overall probability of success of proving a developable resource of 38%.

The new 3D data shows the Walyering structure is comprised of several fault blocks that are linked to form a grossly antiformal structure with 4-way dip closure. The largest structural closure, located just updip of Walyering-4, comprises two separate fault blocks – a hangwall rollover in the North and a footwall high in the south-central part of the survey.



Rock physics and wedge modelling of the Cattamarra sands in the Walyering area indicates lithology is the primary driver of amplitude response, with a lesser secondary effect from hydrocarbon fill. As a result, thickened sand fairways manifest in the data as areas with a pronounced amplitude increase. These amplitude blooms, along with other attributes, can be used to map these sand fairways across the dataset. Thickened sand fairways are present in

both fault blocks comprising the structural closure above the level of Walyering-4. Direct hydrocarbon indicators are observed across the Walyering data from spatial and optical stacks.



Production and well tests of the Cattamarra sands in the Walyering structure in 3 wells (Walyering-1, Walyering-2 and Walyering-3) have demonstrated the presence of a sweet, liquids-rich gas (ca. 25.4 bbl/mmscf of condensate). The liquids component of this gas could provide a considerable value-add to production from this structure.

Walyering A & B Sands Conventional Wet Gas Prospective Resource (100%) ¹			
Strike Share (100%)	Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)
Gas (OGIIP bcf)	48	86	142
Condensate (mmbbls STOIP)	1.22	2.18	3.61

¹Prospective Resource Estimate Cautionary statement:

The above estimated quantities of petroleum that may potentially be recovered by the application of a future exploration and development project(s) relate to undiscovered accumulations. These estimates are un-risked and have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The above stated volumes are in relation to Strike's 100% equity interest in EP447.

The above prospective resource estimates have been determined on the basis of new 3D seismic data, rock physics, quantitative interpretation along with wireline and flow test data from the original Walyering wells as well as other offset wells in adjacent fields.

On the basis of current information and without taking into account any future information, Strike estimates the chance of discovering hydrocarbons and proving a developable resource is 38%. The prospective resource estimate is raw gas in place and has been determined on a probabilistic basis in accordance with SPE-PRMS 2018 as at 9th June 2020.

The previous Prospective Resource estimate for Walyering (EP447) was originally announced by UIL to ASX on 16 May 2018 in an announcement entitled “Upgraded Prospective Resources for Walyering Gas Field” and subsequently announced by the Company to ASX in an announcement entitled “Walyering 3D Seismic Campaign Complete” on 6 December 2019.

Strike owns the EP447 permit and Jurassic wet-gas play trend at 100% equity interest and is currently progressing well planning and design before commencement of exploration drilling.

Strike Energy Managing Director & CEO Stuart Nicholls, said:

“Strike continues to generate new opportunities in the Perth Basin through its exploration and seismic interpretation activities. The latest high-quality data further exposes the under-explored nature of the Perth Basin. Today’s announcement points to multiple exciting developments within Strike’s portfolio across a diverse and attractive range of geological play types.

“The Greater Erregulla region, where Strike has a dominant acreage position, has the potential to deliver a very large volume of gas into the State’s gas market at a critical time. However, we are not simply relying on the Greater Erregulla region to deliver our strategy – we are working hard on our broader Perth Basin assets, such as the Jurassic wet gas play at Walyering, to create near term upside opportunities with fast-to-market development options.

“With the West Erregulla appraisal campaign to commence soon, Strike is looking to unlock its upside whilst driving overall cost savings throughout its portfolio by considering the use of the rig and associated drilling services whilst located within the basin.”

Competent person’s statements

About Igesi Consulting:

Mr. Tony Cortis (M.Sc. Geology) of Igesi Consulting has consented to the inclusion in this report of matters based on his information in the form and context in which they appear. Mr. Cortis has over 30 years of industry experience, 28 of which were with Shell International, and is a member of APEGA and the AAPG. He has extensive technical and delivery experience across numerous conventional clastic and carbonate plays worldwide and has experience across all unconventional resource play types: tight clastic, shale and coal bed reservoirs.

About Strike:

The information in this release that relates to resource estimates is based on information compiled or reviewed by Mr. Andrew Farley who holds a B.Sc in Geology and is a member of the Society of Petroleum Engineers (SPE), and the Petroleum Exploration Society of Australia (PESA). Mr. Farley is the Exploration Manager for the Group and has worked in the petroleum industry as a practicing geologist for over 18 years. Mr. Farley has consented to the inclusion in this announcement of matters based on his information in the form and context in which it appears.

Future Statements

Statements contained in this release (including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, production levels or rates, oil and gas prices, reserve or resource potential, exploration drilling, potential growth of Strike, industry growth and any estimated company earnings) are or may be forward looking statements.

Such statements relate to future events and expectations and as such involve known and unknown risk and uncertainties associated with oil, gas, geothermal and related businesses, many of which are outside the control of Strike, and are not guarantees of future performance.

Although Strike believes that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results, actions and developments to differ materially from those expressed or implied by the statements in this presentation, including, but not limited to: price fluctuations, actual demand, drilling and production results, reserve estimates, regulatory developments, project delays or advancements and approvals and costs estimates.

Subject to any continuing obligations under applicable law and the Listing Rules of ASX Limited, Strike does not undertake any obligation to publicly update or revise any of the forward looking statements in this release or any changes in events, conditions or circumstances on which any such statement is based.

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