

The Company Announcement Officer
ASX Ltd
via electronic lodgement

\$6.7 MILLION PLACEMENT COMPLETED

Strike Energy Limited (ASX:STX) ("Company" or "Strike") is pleased to announce the successful completion of a \$6.7 million capital raising by way of a private placement ("Placement") to sophisticated and professional investors, including Directors (or entities associated with Directors) of the Company.

PLACEMENT DETAILS

The Placement consists of 67 million fully paid new ordinary shares to be issued at \$0.10 per share to raise \$6.7 million (before issue costs). The Placement price of \$0.10 per share is a 13% discount to Strike's closing price on the ASX on 1 April 2016 and an 18.4 % discount to the 10- day VWAP.

The proceeds from the Placement will be used to accelerate the production testing and pre-development of the Company's Southern Cooper Basin Gas Project.

The Placement shares will be issued in two tranches:-

- 65,300,000 fully paid ordinary shares (**Tranche 1 Placement Shares**) at \$0.10 per share to sophisticated and professional investors within the Company's 15% placement capacity under ASX Listing Rule 7.1.
- 1,700,000 fully paid ordinary shares (**Tranche 2 Placement Shares**) at \$0.10 per share to Directors (or entities associated with Directors) of the Company which will be conditional on shareholder approval.

A General Meeting of Strike's shareholders to approve the Placement of the Tranche 2 Placement Shares is expected to be held in May 2016 and accordingly the shares to be issued under this tranche will not use up any of the Company's existing Listing Rule 7.1 placement capacity.

Euroz Securities Limited acted as Lead Manager for the Placement.

The Placement of the Tranche 1 Placement Shares is expected to settle on 13 April 2016 and is expected to be issued and to commence trading on the ASX on 14 April 2016. The Tranche 2 Placement Shares will be settled and commence trading as soon as the necessary approvals are obtained.

MANAGING DIRECTOR'S QUOTE

"We are very pleased with the strong support for this raising which reflects Strike's unique position as one of the few companies with the capacity to develop a major new gas supply source for the Eastern States gas market in the near term.

This additional capital provides the Company with the flexibility to quickly progress our production testing program beyond threshold commercial gas flows towards the full productive potential of the resource."

Yours faithfully

A handwritten signature in black ink, appearing to be "DW", with a long horizontal line extending to the right.

DAVID WRENCH
Managing Director