

The Company Announcement Officer
Australian Securities Exchange Ltd
via electronic lodgement

TEXAS DRILLING UPDATE

Strike Energy (ASX : STX) provides the following update on its Texas drilling program.

Starnes 1

The Starnes 1 well (Strike WI: 30%), on the Pathfinder prospect in Live Oak County, Texas, reached its total depth of 13,030 feet (3,972 metres) on 16 June and wireline logging has been carried out.

Some gas shows were recorded in the well while drilling. Interpretation of these wireline logs and information while drilling indicate that no commercial hydrocarbon pay zones exist in the well.

The well is now being plugged and abandoned.

Muegge 1

The Muegge 1 well (Strike WI: 30%), on the Homestead prospect in Wharton County, Texas, was at a depth of 11,380 feet (3,468 metres) on 16 June 2010. Mechanical operational delays have occurred with the drilling operation and this has deferred drilling progress. The well is expected to reach its total depth of 14,000 feet (3,962 metres) by late June to early August.

Background on Strike Energy

Strike is an active ASX-listed oil and gas exploration and development company with high-margin production from its proven reserves and substantial growth potential from its highly prospective exploration acreage in Australia and the USA.

OUR STRENGTHS

- High margin producer
- Multiple large scale growth options
- Experienced team
- Long term track record of success

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ASX Announcement



Strike Energy Limited

ABN 59 078 012 745

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In the USA, the Company currently produces approximately 600 barrels of oil equivalent per day from its interest in three fields in Texas and is undertaking an ongoing exploration program to expand this successful position.

In Australia, the Company holds an extensive strategic ground position in the Southern Cooper Basin, for coal seam gas and conventional prospects and in the Carnarvon Basin for shallow water oil and gas prospects.

Yours faithfully

A handwritten signature in black ink, appearing to be "Simon Ashton", with a wavy line underneath.

SIMON ASHTON
Managing Director

Further information:

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