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WEEKLY OPERATIONS UPDATE

Strike Oil is pleased to announce the following update on drilling activities in the USA and Australia.

HIGHLIGHTS

- **Finalising casing operations prior to drilling the main objectives in the McGall 1 well, Gulf Coast, Texas, 200 Bcf prospect.**
- **Kewarra 1, in SW Queensland, is anticipated to drill into the target formations in the next few days.**

Gulf Coast, Texas

McGall 1 well: Flint Prospect, Fort Bend County

(Strike Oil, 25% Working Interest. Operator, Cypress E&P Corporation)

The planned 7-5/8 inch casing liner has been set between 10,902-14,455 ft (3,323 – 4,406 metres) measured depth. Current activity on 4 April 2007 (3 April, Texas Time) was finalising casing operations prior to drilling the section containing the main objectives in 6-1/2 inch hole.

The successful setting of the protective liner over the high pressure gassy interval, previously drilled, is an important achievement which is critical for the safe and efficient drilling into the underlying target formations.

Proposed total depth is 16,500 feet (5,030 metres) measured depth.

The well is targeting a large gas prospect in the order of 200 billion cubic feet of gas potential in the Wilcox Formation.

Cooper-Eromanga Basin, Queensland

Kewarra 1: ATP633P

(Strike Oil: 15.00% Working Interest. Operator: Beach Petroleum, 85% Working Interest)

The Kewarra 1 well was spudded on Wednesday 28 March 2007. The 9-5/8 inch casing was set at 578.3 metres

Current operation at 6am EST on 4 April 2007 was drilling ahead at 1220 metres.

The well has multiple targets including the Hutton and Patchawarra sands with a potential for around 0.7 million barrels of recoverable oil and is programmed to drill to 1600 m.

Strike Oil will report its Weekly Operations Updates each Wednesday, unless otherwise warranted, while drilling operations are in progress.

Yours faithfully,



SIMON ASHTON
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