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Australian Stock Exchange Ltd
Via Electronic Lodgement

Quarterly Report, Period Ending June 2005

Please find attached Strike Oil Limited's Quarterly Report for the period ending June 2005.

SIMON ASHTON
Managing Director

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QUARTERLY REPORT
FOR THE PERIOD ENDING JUNE 2005

SUMMARY

Strike Oil has had an active quarter benefiting from its new business efforts with expansion into North America and securing the gas, gasification and coal mining rights over the Kingston coal deposit in South Australia. Additionally, significant progress has been made advancing the Carnarvon Basin and Cooper Basin projects.

In the Carnarvon Basin, two wells Gats 1 and Hestia 1 operated by Apache Energy, are still on schedule to spud in August 2005. Prospect generation activities in permits operated by Strike Oil have continued and several new oil prospects continue to be high graded for further evaluation with seismic acquisition in the 4th quarter 2005 and drilling in 2006.

In the Cooper Basin, Native Title agreements where progressed with the possibility of exploration commencing next quarter.

At the end of the quarter Strike Oil spudded and is already drilling its first well outside Australia where it is earning a 10% interest by participating in the Jabber et al 1, exploration well in the onshore Gulf of Mexico.

Strike Oil continues to evaluate a number of early cash flow, appraisal, development, and production acquisition opportunities.

SIGNIFICANT PROJECT ACTIVITIES

CARNARVON BASIN

- **WA-261- (Strike Oil 16.2%)**
  The drilling of two wells, Hestia 1 (formerly Vesta 1) and Gats 1, are scheduled for the third quarter of the year. Apache Energy will be the drilling operator.

- **EP 403 (Strike Oil 10%)**
  The Gargoyle 1 well (previously named Hector 1) planned to be drilled during this year is undergoing further technical review and has been taken off the proposed drilling list. Tap Oil is the operator.

- **Prospect Generation**
  Seismic program planning continues with seismic acquisition expected to commence in the second half of this year in permits TP/6, EP 342, EP 424, TP/19, EP 421 and WA-340-P.

  This seismic is planned to mature existing prospects and to develop new prospects for drilling. The current high graded prospects are listed below:

Prospect	Permit Interest	Strike Oil	Oil Potential (Millions bbls Recoverable)
Hastings	EP 424	40%	60
Whalebone	EP 325 *	40%	40
Sharp Peak	TP/19	100%	80

* Operator currently transferring to Strike Oil from Victoria Petroleum NL

  Note: Strike Oil has high equities in all of these leads and prospects and will be Operator of all these permits. Strike Oil will be considering taking partners in selected prospects once the seismic is acquired and interpreted.

- **Permit Withdrawal**

  Subsequent to the end of the quarter Strike Oil, along with the other Joint Venture parties, elected to withdraw from WA-312-P (15% interest) due to the lack of prospectivity after further technical evaluation.

- **Proposed Carnarvon Basin Drilling Program**

Well	Permit Equity	Strike	Potential * (Million bbls Recoverable)	Estimated Timing	Operator
Hestia 1	WA 261P	16.2%	9-20	3rd quarter 2005	Apache
Gats 1	WA 261P	16.2%	14-33	3rd quarter 2005	Apache

* Note: range represents mean to upside (P10) recoverable oil potential. The volumes are from the operator.

Success in any of these forthcoming wells will have a major impact on the value of the Company.

COOPER EROMANGA BASINS

Progress is being made with respect to Native Title agreements for PELA 71, PELA 96 and ATP 633-P. In ATP 633 P operator Beach Petroleum has advised that finalisation of a Native Title Agreement is imminent. Seismic is proposed for the next quarter.

NEW BUSINESS

- **United States, Gulf Coast Texas Project**

  During the quarter Strike Oil gained access to opportunities and an ongoing program of drilling in the Texas Gulf Coast. Strike Oil will fund its access to the opportunities through a combination of cash and the issue of options to preserve cash for ongoing exploration. Strike Oil payed US$385,000, in cash and issued 15 million unlisted options in Strike Oil exercisable at 16 cents each and expiring on 23 June 2009. Additionally, ongoing drilling and associated exploration costs for the 2005/2006 year are likely to be the order of AUS$2.5 to $3.0 million. This creates a new focus area for Strike Oil with an experienced operator, Cypress E&P Corporation.

  The first well of the program commenced on 1st July 2005 and was at a depth of 8,414 feet on 21 July, proceeding to a total depth of 13,000 feet.

- **United States, Rocky Mountains Project**

  Subsequent to the end of the quarter Strike Oil signed a "Heads of Agreement" with Comet Ridge Limited and AJ Lucas Group Limited to pursue oil and gas opportunities in the states of Colorado, Wyoming, New Mexico and Utah.

  Comet Ridge Limited will be the operator of the joint venture utilising its local expertise and experience to locate opportunities while AJ Lucas Group Limited will provide specialised drilling expertise to help develop on the opportunities acquired.

- **Kingston Energy Project**

  During the quarter Strike Oil was offered and has accepted the overlying Petroleum Exploration Licence PELA 127 and Mineral Exploration Licence ELA61/05 which gives Strike Oil the exploration rights to the coal, the coal seam gas and gasification rights of the coal deposit. Having the combination of the rights over the deposit is a first in South Australia and allows exploration to proceed without conflicting rights. Evaluation of the potential of this significant energy resource is underway.

- **Application for Area L04-3 in the Carnarvon Basin**

  Strike Oil has elected not to proceed with the application for area LO4-3.

- **Cash Flow Assets**

  Strike Oil has increased its efforts to evaluate and secure early cash flow projects in Australia and overseas. This work will continue and will be focussed on production acquisitions, appraisal, and development opportunities.

CORPORATE

Comet Ridge Limited (10% owned by Strike Oil Limited) continues to make progress to establish itself as a significant coal seam gas producer. The Tipton West Pilot in Queensland achieved reserves certification this quarter. Further information on Comet Ridge can be obtained from the web site www.cometridge.com.au

During the quarter Strike Oil issued 1,750,000 unlisted options with a 3 year term expiring 9 June 2008 with an exercise price of 20 cents to staff of the Company.

FINANCIAL

At the end of the quarter Strike Oil had $ 6.8million in cash reserves.

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