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Australian Stock Exchange Ltd
Via Electronic Lodgement

OPERATIONS UPDATE

Strike Oil announces the following update on activities in the USA.

Gulf Coast, Texas

Rayburn Prospect, Duncan 1 well, Wharton County

(Strike Oil: 22.8% working interest. Operator: Cypress E&P Corporation)

The Duncan 1 well is being drilled to test the Rayburn Prospect in Wharton County, Texas.

At the time of reporting (19 June 2007, Texas time) the 7 5/8 inch casing liner had been set between 8,119-12,650 feet (2,475-3,856 metres) and preparations were being made to test the integrity of the casing before commencing the drilling of the 6 1/2 inch hole through the deeper and potentially larger Wilcox objectives.

The commercial significance of the previously reported (18 June 2007) potential pay zone which is now behind casing, will be evaluated by flow testing after the well has reached total depth at around 16,500 feet (5,030 metres).

The Rayburn Prospect has potential for 500 billion cubic feet gas in the Wilcox Formation, including the same horizons currently producing at the Mesquite Prospect.

Colorado

Florence Project, Fremont County

(Strike Oil: 39% working interest. Operator: Comet Ridge USA Inc.)

Strike Oil has been advised by Comet Ridge that acquisition of the Florence 3D seismic survey is continuing with approximately 60% of the survey acquired. The survey is expected to be completed by the end of June.

Strike Oil will make weekly Operations reports each Wednesday, unless otherwise warranted, while operations are in progress.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S. Ashton', with a stylized flourish at the end.

SIMON ASHTON
Managing Director - Strike Oil Limited

Further information:

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