WEST ERREGULLA-2 UPDATE

Highlights

- **Hydrocarbon shows in the Cattamarra**
- **Drilling continuing in first intermediate section with current TD of 2,280m**

Current Operations

Since the last update, Strike has continued to drill the first intermediate section with the 14-3/4" hole currently at 2,280m and nearing section TD at a nominal 2,550m. Rate of progress has improved over this section during the under-reaming and the well remains broadly on schedule and within budget.

During the latter part of drilling this section Strike passed through the tertiary Cattamarra oil target. Whilst hydrocarbon shows and elevated mud gas readings (including all heavy hydrocarbon components) were evident at the prognosed depth these were insufficient to warrant the running of advanced wireline logging and testing. The hydrocarbon shows are supportive of the Cattamarra geological model in this low POS target, and will strongly assist in calibrating the amplitude response to both hydrocarbons and good quality reservoir for future Cattamarra activities.

Forward Plan

Strike will complete drilling the hole section towards the nominal 2,550m TD or when suitable casing setting formation is intercepted. The 11-3/4" casing will then be run into hole and cemented in place at section TD. Strike will begin drilling the 10-5/8" second intermediate section to a nominal 4,230m.

The Basal Wagina, a secondary conventional gas prospect, will also be intercepted in the next section.

West Erregulla-2

West Erregulla-2 is being drilled in EP 469, which is adjacent to and targeting analogous Permian gas sands of a similar size and nature as the Waitsia gas discovery.

The well will be drilled to a planned total depth of 5,200m and penetrate a further two independent reservoir targets. These include a conventional gas target in the Basal Wagina sandstones and the primary gas sand sequence in the Kingia High Cliff.

Strike Energy Limited (**Strike** - ASX: STX) is the operator and the holder of a 50% joint venture interest in EP469, and Warrego Energy (ASX: WGO) the holder of the other 50% joint venture interest.

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West Erregulla-2 Location and Amplitude Visualisations of stacked targets: