

WEST ERREGULLA ADDS A FURTHER SIGNIFICANT GAS DISCOVERY

Highlights

- **Excellent quality conventional gas discovery in the High Cliff sandstone**
- **High Cliff log data compares favourably to the Waitsia gas field log data**
- **Gas saturated High Cliff sandstone with 10m of net pay and porosities up to 16%**
- **Gross High Cliff gas column of at least 22m**
- **WE2 well drilling now complete at 5,100m**

Strike Energy Limited confirms that the Strike-Warrego Joint Venture has made a further significant gas discovery in the High Cliff sandstone as part of the West Erregulla-2 drilling campaign. Wireline logging tools have been run across the formation and log interpretation has been undertaken.

The High Cliff formation was encountered at 4,918 metres with a gross gas column of at least 22 metres. The High Cliff is made up of a single fining upwards cycle that has well-developed porosity throughout. The entire 22 metre section is gas saturated with a net pay of 10 metres and an average porosity of 10.3% and sections up to 16%.

The well did not encounter a gas water contact in the High Cliff formation which is consistent with the seismic amplitude model that supports the interpreted field boundaries.

Strike's Managing Director, Stuart Nicholls said

"The addition of yet another material gas discovery in the West Erregulla-2 drilling campaign makes this a truly outstanding result for the well. The High Cliff sandstone quality at West Erregulla is comparable to the High Cliff in the Waitsia-1 well which flowed 25 mmscf/d when tested. The High Cliff results are in line with Strike's expectations and indicate a discovery with significant areal extent that can be delineated on 3D seismic."

"West Erregulla-2 has finished drilling at 5,100m and is now not only the deepest well in onshore Australia but has also discovered the deepest ever hydrocarbons. The presence of both gas and porosity at such depths add further significant value to the fast evolving Kingia-High Cliff conventional gas fairway within the Perth Basin.

Now with gas discoveries in the Wagina, Kingia and High Cliff sandstones the West Erregulla trifecta has been achieved."

Forward Plan

Strike has completed drilling at WE2 and is currently undertaking additional advanced logging. Following this the 5-1/2" production casing will be run and cemented. A production completion will be run with perforations in the Kingia and High Cliff zones before conducting flow testing.

Strike Technical Summary

Wireline logging tools have confirmed the presence of a material hydrocarbon bearing zone in the High Cliff sandstone at the West Erregulla-2 well. Elevated mud gas readings were observed whilst drilling.

The logs confirmed the well encountered a total High Cliff sandstone of 22 metres which is representative of the gross column. The column had a net pay of 10 metres.

Permeabilities, formation pressures, fluid samples and cores of the High Cliff sandstone will be taken via wireline tools. The combination of observed gas at high pressure and good reservoir characteristics support the potential for high flow rates on a production test. Booking of a contingent resource will be subject to collecting the information above.

Strike Energy Limited (**Strike** - ASX: STX) is the operator and the holder of a 50% joint venture interest in EP469, and Warrego Energy Limited (ASX: WGO) the holder of the other 50% joint venture interest. West Erregulla is located at Lat: 29' 24' 54.07" South Long: 115' 18' 26.02" East

Investor & Media Contacts

Stuart Nicholls

Managing Director
Phone: +61 432 587 808
email: stuart.nicholls@strikeenergy.com.au

Justin Ferravant

Chief Financial Officer & Company Secretary
Phone: +61 8 7099 7483
email: justin.ferravant@strikeenergy.com.au

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

