

The Company Announcement Officer  
Australian Securities Exchange Ltd  
*via electronic lodgement*

## STRONG PROGRESS ONSHORE GULF COAST

### Highlights

- Louise prospect gas sales continue at commercial rates.
- Two wells now drilling as part of the three-well programme targeting 350 Bcf of gas.
- The first of these, Muegge 1, on the Homestead prospect in Wharton County, is well advanced. The second, Starnes 1 on the Pathfinder prospect, has been spudded.
- This three-well programme has potential to increase Strike's reserves 10-fold.

Strike Energy Limited ("Strike" or "the Company") is pleased to announce the acceleration of its drilling programme in the Gulf Coast Texas as well as continued further commercial production from the Louise prospect.

### Louise Prospect Gas Sales on Course

The discovery well on the Louise prospect (Strike WI 30%), the Gardner Duncan 1 well, continues to flow to sales at commercial rates.

Strike anticipates the well will flow at rates similar to adjacent wells which record initial rates of around 2 to 5 MMcf of gas per day. This equates to a gross monthly revenue between US\$240,000 to US\$600,000 at a sales price of US\$4 per Mcf.

A production rate for the well will be reported once the well has stabilised.

### Exploration Drilling – 350 Bcf Targeted

The second of a three well programme targeting 350 Bcf of gas is now underway at the Starnes 1 well at the Pathfinder prospect.

The Starnes 1 well (Strike WI 30%) spudded on the 15 May (Perth time) and is at a depth of 2,728 feet (831 metres) and is expected to reach total depth of 13,000 feet (3,962 metres) in around 35 to 40 days.

### OUR STRENGTHS

- High margin producer
- Multiple large scale growth options
- Experienced team
- Long term track record of success

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# ASX Announcement



Strike Energy Limited

ABN 59 078 012 745

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The well is located in Live Oak County approximately 155 kilometres south west from the Mesquite discovery.

The Muegge 1 well (Strike WI 30%) on the Homestead prospect in Wharton County is at a depth of 7,760 feet (2,365 metres) after setting 9 5/8 inch casing at 7,740 feet (2,359 metres). The well is expected to reach total depth of 14,000 feet (4,267 metres) in 30 to 35 days.

Both the Homestead and Pathfinder prospects are located in the Wilcox trend onshore Texas where Strike has experienced three successes (the Mesquite, Rayburn and Louise discoveries) from five exploration wells.

Strike Managing Director Simon Ashton said:

“The start of the second well, Starnes 1, means we are well on the way to evaluating the 350 Bcf target with this three-well program.

Strike’s share of this target is approximately 100 Bcf. This represents a 10-fold increase on our current reserve position, highlighting the substantial upside potential for Strike.”

Yours faithfully

A handwritten signature in black ink, appearing to read "Simon Ashton".

SIMON ASHTON  
Managing Director

*Further information:*

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