

SIGNIFICANT UPGRADE OF KINGIA GAS DISCOVERY AT WEST ERREGULLA-2

Highlights

- **Additional data significantly upgrades the materiality of the Kingia gas discovery**
- **Net pay increased to 58 metres from 41 metres**
- **Very high reservoir pressure recorded at 6,814-6,828 psia**
- **Excellent permeabilities measured at 102mD**

Strike Energy Limited is pleased to announce a significant upgrade to the view of the Kingia sandstone conventional gas discovery at West Erregulla-2, which was announced on the 27th August 2019.

Analysis of the logs, use of offset comparison data and cut-offs, in conjunction with advanced wireline tools has indicated an increase in net pay of 17 metres, which brings the total net pay to 58 metres using the cut-offs from the nearby Waitsia field.

The Kingia reservoir was tested using down hole tools and gas samples were collected to surface. The reservoir was recorded as having pressures between 6,814 psia to 6,828 psia. These pressures suggest a gross column height of 220 metres, in line with the company's modelling of the areal extent of the field. Permeability has been calculated as 102mD which is an exceptional result. Gas samples were recovered at surface and compositional analysis with primary components were 92% methane and 5.8% CO₂. This result is considered to be supportive of a low-cost gas development and augers well for further additional discoveries at depth within the Perth Basin.

Sidewall cores were cut in the Kingia sandstone and retrieved to surface. These samples will be subject to full analysis in the coming months to refine key reservoir characteristics.

West Erregulla Kingia Gas Resource

The reservoir properties, high-pressured formation and analogues to the Waitsia gas field indicate the significance of the Kingia discovery in West Erregulla 2.

Booking of a contingent resource will be subject to conducting a flow test on the Kingia sandstone within the next several weeks

Strike's Managing Director, Stuart Nicholls said

"The Kingia gas discovery exhibits characteristics of one of the highest quality gas finds onshore Australia. With 58 metres of net pay, this makes West Erregulla 2 the thickest net column seen in any Kingia penetration within the basin to date which is host to the historic Waitsia gas field.

The high reservoir pressures and excellent permeabilities are supportive of a significant recoverable gas resource with gas compositions in-line with the neighbouring Waitsia field."

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West Erregulla-2 Operations Update

All wireline activities are now complete. The High Cliff formation is observed to have significant washout from the caliper logs, particularly along the high porosity zones, which is believed to be due to the coarse sands being well aggregated in these areas. This has resulted in advanced down hole tools being unable to form pressure seals with the sides of the well bore as a result. Further testing from available data of the High Cliff is now ongoing. At the wellsite, Strike is now conditioning the hole for the running of production casing and then cementing in place. Following this, will be a perforation, running of a completion and a flow test.

West Erregulla-2

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.

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

