

The Company Announcement Officer
ASX Limited
via electronic lodgement

SOUTHERN COOPER BASIN UNCONVENTIONAL DRILLING PROGRAM CONTINUES

- Spudding of the Davenport 1 unconventional evaluation well
- Targeting the Permian coals and shales of the Milpera Trough in PEL 94

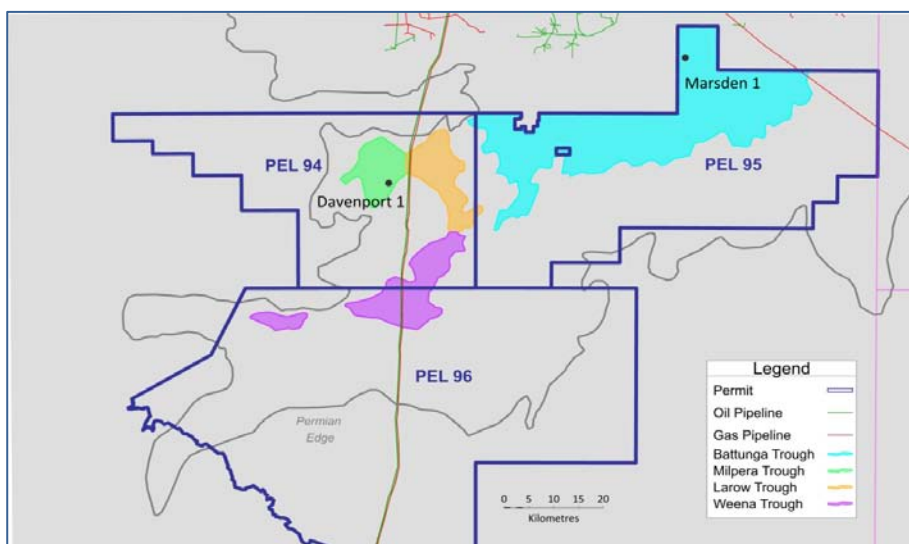
OVERVIEW

Strike Energy Limited is pleased to announce that the Davenport 1 unconventional evaluation well in PEL 94 (Strike 35%) spudded on 25 April 2012.

Davenport 1 is the second coal and shale evaluation well in Strike's current Southern Cooper Basin unconventional drilling program. The well will test the Permian section of the Milpera Trough and is expected to take 25 – 30 days to complete.

Davenport 1 is expected to provide further important data to support Strike's modelling of a substantial unconventional hydrocarbon resource across its Southern Cooper Basin permits.

Map 1 – Strike Energy Southern Cooper Basin permits and well locations



OUR STRENGTHS

- Quality Assets
- Experienced Team
- Major Growth Potential

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MANAGING DIRECTOR'S QUOTE

Managing Director, David Wrench, said:

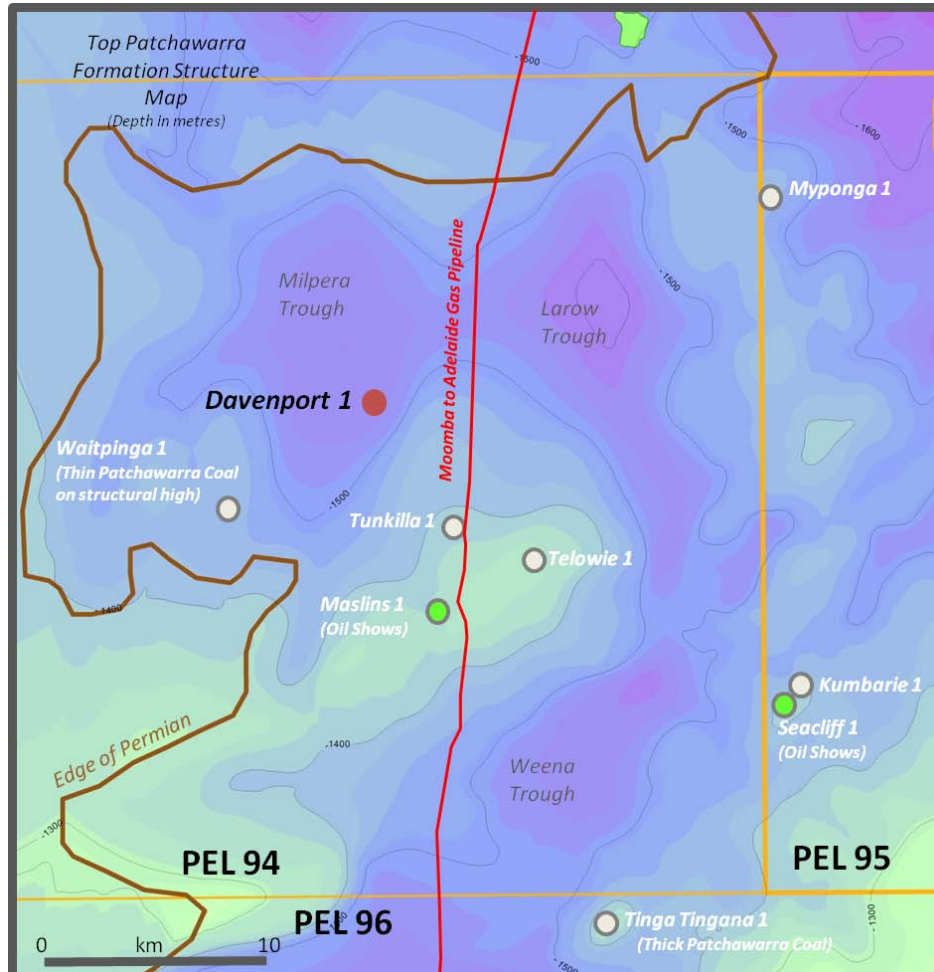
“Davenport 1 will be the first unconventional well drilled in PEL 94 and will be important in demonstrating the extension of thick Permian coal and shale formations across the Southern Cooper Basin.”

DRILLING PROGRAM

The Davenport 1 unconventional evaluation well spudded on 25 April and was at a depth of 812 metres on 27 April. The well is being drilled to a planned depth of 2,192 metres in the deepest part of the Milpera Trough in PEL 94 (Strike 35%, Beach Energy 50% (Operator), Senex Energy 15%), approximately 8 kilometres northeast of Waitpinga 1 and 5 kilometres west of the Moomba to Adelaide gas pipeline.

Davenport 1 will target the Permian section to the base of the Patchawarra Formation. The well will be drilled to total depth and logged, with target formations to be cored via a sidetrack well. Davenport 1 is expected to take 25 – 30 days to drill, log and core.

Map 2 – Davenport 1 well location (Milpera Trough)



SOUTHERN COOPER BASIN

Strike's objective with the current exploration programme is to further demonstrate the potential of the Permian section of its Southern Cooper Basin permits – PEL's 96, 95 and 94 – to host a major unconventional hydrocarbon resource. Strike's first unconventional evaluation well, Marsden 1 in PEL 95, reached total depth earlier this month and recorded elevated gas readings through the Permian section with the presence of heavy hydrocarbons up to pentane (C5).

We look forward to providing further updates on the progress of the Davenport 1 unconventional evaluation well.

Yours faithfully

A handwritten signature in black ink, appearing to read "DW", followed by a horizontal line.

DAVID WRENCH
Managing Director

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