

The Company Announcement Officer, ASX Ltd  
via *electronic lodgement*

## EAGLE FORD SHALE OPERATIONS UPDATE

- **Bigham 1H – Fracture stimulation and completion planning on track**
- **Sanchez Energy Corp and NFR Energy report excellent flow rates from nearby wells**

Strike Energy Limited is pleased to update shareholders on its Eagle Ford Shale project.

### EAGLE FORD SHALE

Strike Energy now participates in approximately 36,250 gross acres in the Eagle Ford Shale through its' 27.5% interest in the Eagle Landing Joint Venture – ~10,000 acres net to Strike. The Joint Venture is focused on the gas-condensate fairway within Fayette and Lavaca Counties, Texas.

### BIGHAM 1H COMPLETION

As previously advised, the Eagle Landing Joint Venture's first production test well – Bigham 1H – has been drilled to a total measured depth of 17,700 feet (~5,400 metres) with a 5,000 foot (~1,500 metre) horizontal section drilled and cased in the Upper Eagle Ford formation.

The Joint Venture's plans for fracture stimulation and completion operations required for production testing of the well are on track.

### REGIONAL PRODUCTION UPDATE

Encouraging production results for three Eagle Ford Shale wells in close proximity to Bigham 1H (see Map 1 below) have recently been announced by their operators as tabled below:

Table 1 – Producing wells in the vicinity of Strike's lease area

WELL	PRODUCTION RATE	OPERATOR
<b>PROST 1H</b>	1,120 Boe/d (24 hour initial production)	Sanchez Energy (NYSE:SN)
<b>PROST 2H</b>	1,369 Boe/d (24 hour initial production)	Sanchez Energy (NYSE:SN)
<b>SUSTR 1H</b>	864 Boe/d (30 day average)	NFR Energy

Source: company announcements

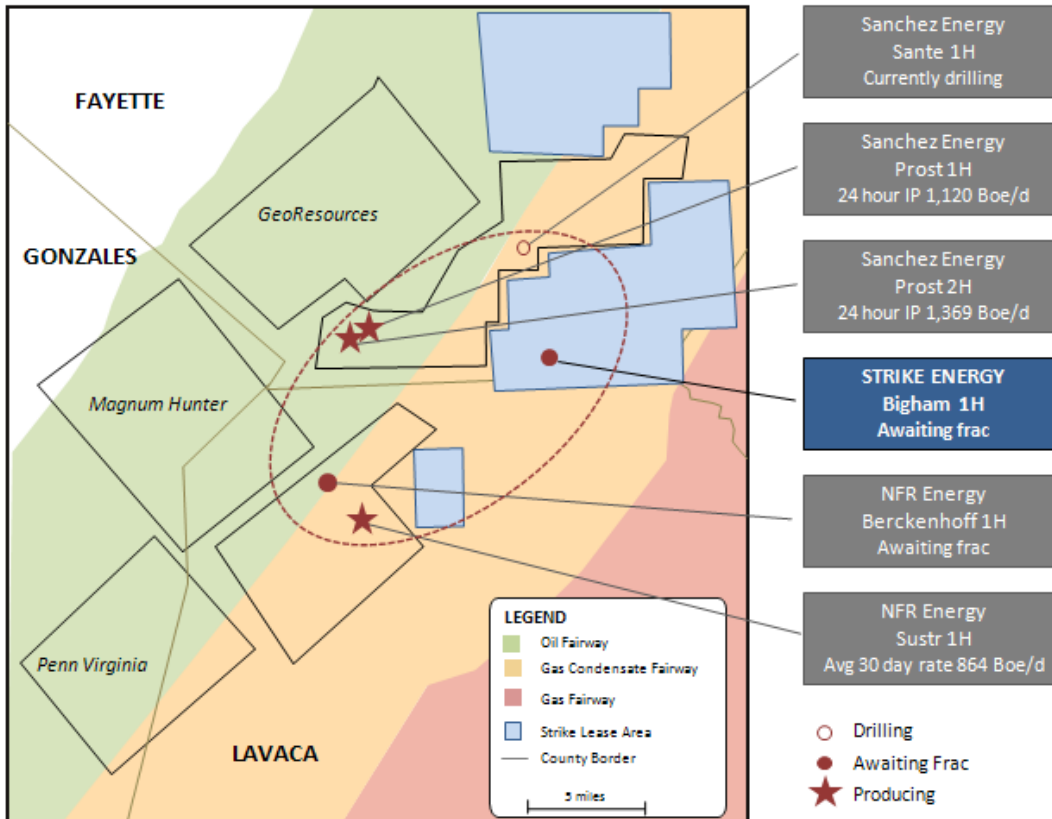
### OUR FOCUS

- **COOPER BASIN**  
Over 1 million net acres with unconventional potential
- **EAGLE FORD SHALE**  
10,000 net acres within the gas-condensate fairway

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By the end of 2012, Strike expects that there will be at least six producing wells in and around Strike’s lease area. These wells and ongoing drilling activity will continue to de-risk the region and re-rate Strike’s Eagle Ford Shale asset.

**Map 1 – Current development activity in the vicinity of Strike’s lease area**



The Joint Venture’s ~36,250 acre lease position has approximately 300 potential drilling locations based on 120 acre well spacing (80 well locations net to Strike) and a potential resource of 135 – 165 million Boe (35 – 45 million Boe net to Strike).

### MANAGING DIRECTOR’S QUOTE

Managing Director, David Wrench, said:

*“Our confidence in the production potential of the play continues to be supported by the impressive rates now being achieved at nearby Eagle Ford wells. If we are able to achieve similar results at Bigham1H, the value of Strike’s Eagle Ford assets will be substantially re-rated.”*

Yours faithfully

DAVID WRENCH  
Managing Director

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