

The Company Announcement Officer  
ASX Ltd  
via electronic lodgement

## US ACTIVITIES UPDATE

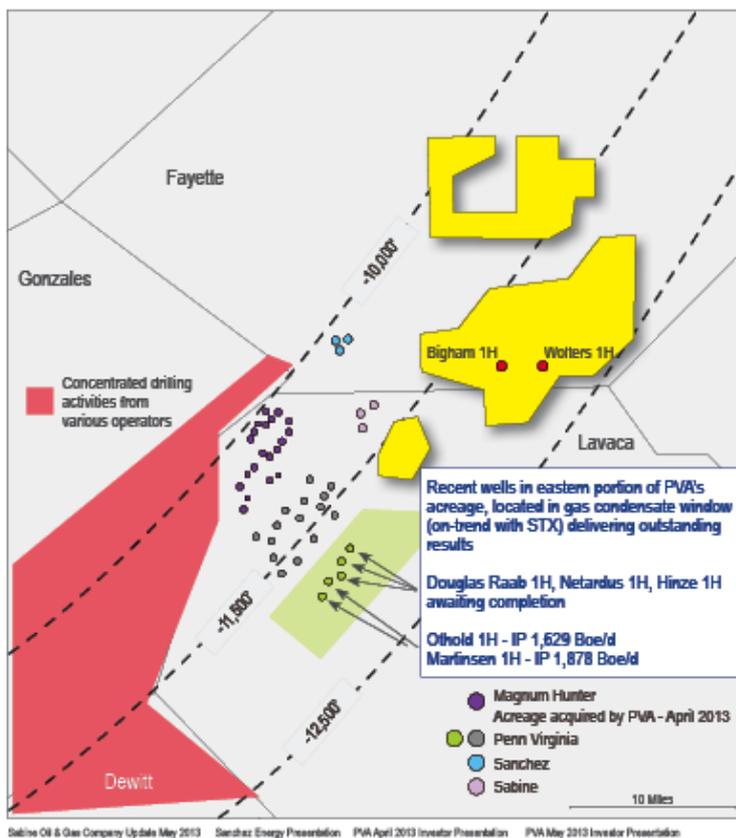
- **EAGLE FORD SHALE – COMMENCEMENT OF NEXT PHASE OF EVALUATION**

### OVERVIEW

Strike Energy Limited (Strike) is pleased to announce that the Wolters #1H well spudded on 9 June 2013 and had reached a depth of 2,300 feet as at 06:00 on 11 June 2013.

The Wolters #1H well is located approximately 3.5 miles east of the Bigham #1H well and about 350 feet from the Bigham #1H sales gas pipeline. The well will be drilled to a vertical depth of approximately 12,850 feet (~3,920 metres). A 6,000 foot lateral will then be drilled and cased in the Lower Eagle Ford Shale.

A multi-stage fracture stimulation program will then be undertaken and the well will be completed for production testing.



## EAGLE FORD SHALE PROJECT

Strike participates in the Cypress Eagle Ford Shale Joint Venture in Lavaca and Fayette Counties, Texas which has 41,080 gross acres under lease (Strike's net interest is 10,843 acres). The leases are located on trend with highly productive fields in Lavaca and Dewitt counties and are predominantly positioned in the optimum gas-condensate window.

## FUNDING

Strike's share of the cost of the well has been funded by the non-recourse production payment funding facility provided by BlueRock Energy Capital announced on 23 May 2013. The facility is available to fund drilling and completion costs of the Eagle Ford Shale and Permian Basin wells planned for 2013 up to an initial limit of US\$6 million with an option to increase the facility to US\$8 million. The facility will be repaid via a revenue interest in the company's producing wells.

Managing Director, David Wrench said:

*"With the commencement of drilling operations at Wolters #1H, Strike has an exposure to three wells currently drilling – two wells in the US (Eagle Ford shale and Permian Basin) and Shell's Palta well in the Carnarvon Basin. A positive result from any one of these wells has the potential to significantly re-rate the company over the next few months."*

With the next phase of evaluation of the US assets underway, the company's resources are now fully directed to progressing the Southern Cooper Basin Gas project.

Yours faithfully

A handwritten signature in black ink, appearing to be "DW", with a long horizontal line extending to the right.

DAVID WRENCH  
Managing Director

*Further information:*

**Strike Energy Limited**

David Wrench – Managing Director

T: +61 2 8261 1000

E: [strike@strikeenergy.com.au](mailto:strike@strikeenergy.com.au)