

# ASX Announcement



13 January 2015

The Company Announcement Officer ASX Ltd  
*via electronic lodgement*

## SOUTHERN COOPER BASIN GAS PROJECT OPERATIONS UPDATE

Strike Energy Limited (ASX:STX) ("Strike") is pleased to provide an update on its continuing production testing program at its Southern Cooper Basin Gas Project in PEL 96 (Strike 66.7% and Operator, Energy World Corporation (ASX:EWC) 33.3%).

### PRODUCTION UPDATE

Production testing operations have continued to progress over the Christmas and New Year period with steady increases in gas production observed.

The principal objectives of this program have been achieved, with sustained gas flows to surface at both locations and gas flows from Le Chiffre 1 being sufficient to flare.

In particular, analysis of Le Chiffre 1 downhole pressure, gas production and gas sample data has confirmed that gas saturation is in excess of 90% at this location.

### KLEBB WELLS

To date, 45 days of cumulative testing has been completed at Klebb 1 with 12,000 bbls of water produced with sustained gas flow to surface established over this period.

Klebb 2 was commissioned just prior to year end with limited production time achieved before being shut in. Final commissioning of Klebb 3 has been delayed and will be completed upon recommencement of operations.

### LE CHIFFRE 1

To date, 31 days of cumulative production data has been obtained from Le Chiffre 1 with 32,500 bbls of water produced. Sustained gas flows to surface have been established with gas flowing to the flare stack.

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## CURRENT OPERATIONAL STATUS

Operations at both the Le Chiffre and Klebb well sites have been temporarily suspended as a result of localised flooding in the Cooper Basin. The main access road, the Strezlecki track, has been closed which affects access for the re-supply of the operations camp.

As a precautionary measure, each of the wells have been shut-in and secured with production testing to recommence as soon as road access is re-established. There has been no material impact upon surface facilities.

Weather conditions in the Cooper Basin have improved and dry conditions are forecast over the next week which should allow operations to resume as planned in the near term.



Le Chiffre 1 flare

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## MANAGING DIRECTORS COMMENT

*"The maintenance of sustained gas flows from both the Le Chiffre 1 and Klebb 1 wells along with the flaring of gas at the Le Chiffre location are further milestones for Strike. We are particularly encouraged by the very high gas saturations at Le Chiffre, which has a number of extremely positive implications for the play.*

*While the current rain delay is frustrating, we are still well ahead of our expectations and on track to continue to build production once we are able re-commence operations. We expect to be able to get back into production quickly and we will use this time to refine our production testing program."*

Yours faithfully

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

DAVID WRENCH  
Managing Director