

The Company Announcement Officer ASX Ltd
via electronic lodgement

SOUTHERN COOPER BASIN GAS PROJECT OPERATIONS UPDATE

- **Klebb workover program successfully completed and commissioned**
- **Encouraging early flows at all wells**

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

Program Status

Workover operations at the three Klebb wells have been successfully completed. Each well has been fully re-commissioned with the Phase 3 extended flow test program having commenced last week.

Forward Plan

Flow rates at each well will be ramped up in a controlled manner over coming weeks based on procedures developed over the previous 6 months of testing.

Early water and gas flow results are encouraging with sustained gas flows observed at each well shortly after commencement of water production. Initial results also show that well productivity has been substantially increased following the fracture stimulation treatments at Klebb 2 and 3.

Managing Directors Comment

"Having successfully completed the workover program, our focus is now on building production rates over coming weeks to reduce reservoir pressure. We know that pressure reduction leads to increased gas flows and all the facilities are now in place to achieve our objective of commercial rates."

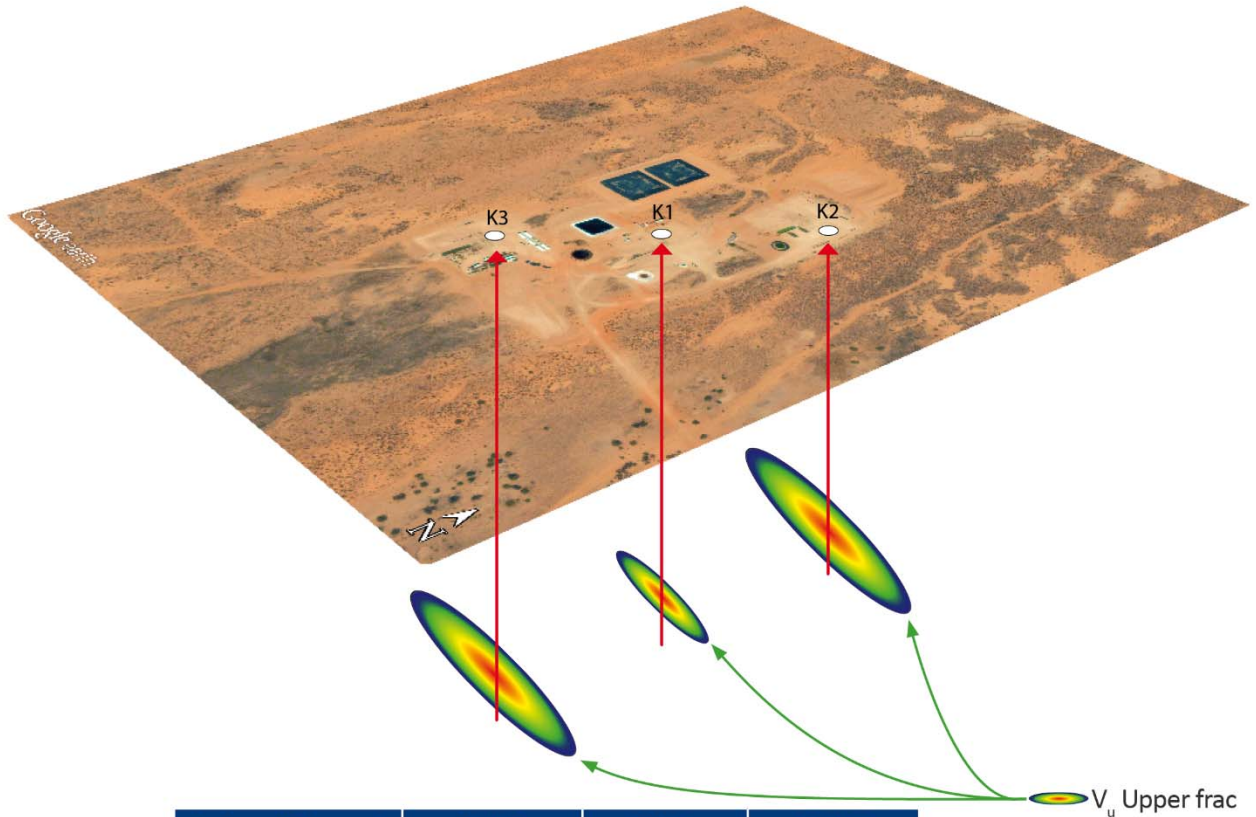
Yours faithfully

A handwritten signature in black ink, appearing to read "DWrench".

DAVID WRENCH
Managing Director

ASX Announcement

Klebb pilot production test schematic



| V _u Upper (35m seam) | Klebb 3 | Klebb 1 | Klebb 2 |
|---------------------------------|-------------|------------|-------------|
| FRAC DETAILS | | | |
| Proppant pumped | 104,000 lbs | 59,000 lbs | 125,800 lbs |
| Fluid pumped | 1,780 bbls | 460 bbls | 1,803 bbls |
| PUMP TYPE | Jet | Beam | Jet |