

The Company Announcement Officer ASX Ltd

via electronic lodgement

US Operations Update

Strike Energy Limited (ASX:STX) ("Strike") is pleased to confirm that the sale of the Group's remaining production assets in the United States (as previously announced to the ASX on 30 December 2016) has now closed with an effective date of 1 January, 2017. As a consequence, the Group has fully divested its remaining United States production and exploration acreage.

In disposing of these residual production assets, the Group has reduced its current indebtedness (by approximately \$US 2.4 Million) while also relieving itself in full of all future restoration and rehabilitation obligations that may arise in respect of these assets. The net gain on disposal (estimated on a preliminary basis) to be recognised at 31 December 2016 is approximately \$US 2 Million.

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

Sean McGuinness
CFO and Company Secretary