

The Company Announcement Officer ASX Ltd
via electronic lodgement

JAWS STIMULATION UPDATE

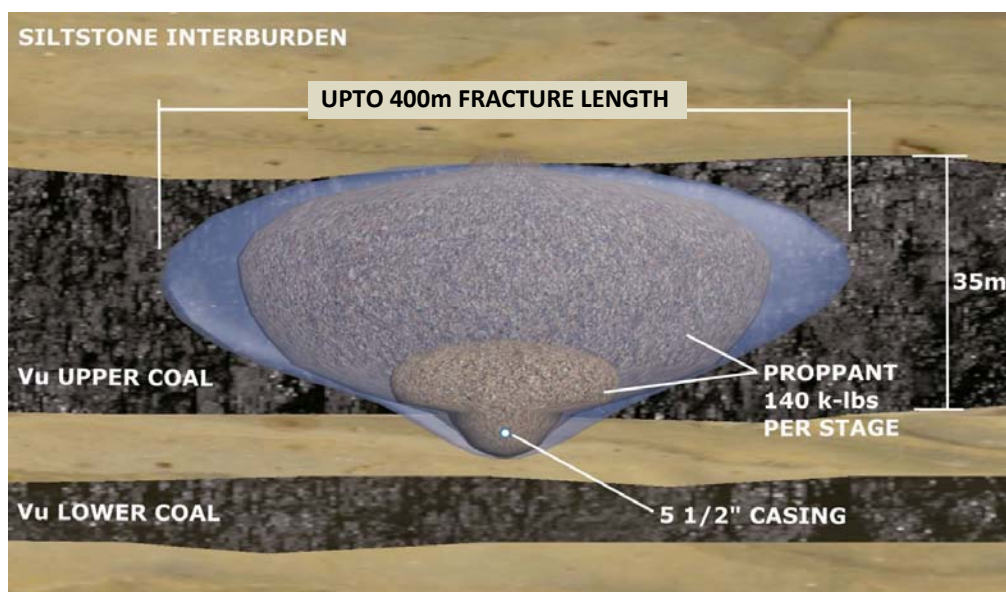
Strike Energy Limited (**Strike** - ASX:STX) provides the following update as at 06:00 Monday 28th May 2018 on operations for the Jaws-1 Project.

Following the successful drilling program and demobilisation of the rig including stimulation preparatory works, Strike has mobilised the Halliburton stimulation spread and associated equipment to the Jaws wells to commence work.

The stimulation equipment was held up due to mobilisation delays on several wells for a major basin operator. The release of the spread will allow Strike to build upon the momentum gained during the completion of the Jaws wells and these final stages represent one of the most exciting appraisal campaigns in the basin.

Halliburton who are internationally recognised for their advanced stimulation and pumping capabilities will be executing all the stimulation related activities, including the deployment of their 'Pinnacle' (microseismic) and tiltmeter equipment. The microseismic geophones will be deployed in the repurposed Klebb 4 well to reservoir depth which will amplify the accuracy of the result. These additional information gathering tools will allow Strike to measure fracture height, horizontal propagation and placement of sand proppant in real-time and should provide sufficient information to accurately measure the efficacy of the program; including how many acres of the Vu Upper coal seam the Jaws wells are in communication with.

Strike will be deploying two stimulation stages from within the coal and five from beneath utilising the Indirect Vertical Fracture Completion technique (IVFC). The recent pause in momentum has been used to conduct advanced modelling of these five IVFC stages with a modelled visualisation being reflected below.



The Jaws-1 Project drilling and stimulation services are being delivered by Halliburton. The stimulation program will be immediately followed by flowback operations, running of the final completion and connection of surface equipment.

The Jaws appraisal campaign is designed to prove commercial flow rates of gas and assess the quality of Strike's Southern Cooper Basin Gas Project (**SCBGP**) in PEL96 (Strike 66.67% and Operator, Energy World Corporation 33.33%).

With the release of the stimulation equipment to Strike now complete, remaining activities have been rescheduled with the Jaws-1 Project wells expected online in early to mid-July.



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