

The Company Announcement Officer ASX Ltd
via electronic lodgement

JAWS-1 PROJECT UPDATE

Strike Energy Limited (**Strike** - ASX:STX) provides the following update as at 06:00 hours Tuesday 26th June 2018 on its activities for the Jaws-1 Project.

Since the last update, Strike has finished running production tubing and Electric Submersible Pumps (ESPs) into each of the Jaws-1 Project wells and Workover Rig 8 (TDC) is being demobilised from site. The ESPs are fitted with sensors that provide live downhole information to monitor and control the depressurisation of the reservoir. Having two pumps deployed into the common wellbore allows for multiple points of depressurisation and most importantly redundancy to ensure the drawdown curve is maintained at the optimal rate of change for gas production.

The sizing of the ESPs, their positioning and the sensors that have been deployed were chosen and designed to incorporate the learnings from Strike's piloting history on the Southern Cooper Basin Gas Project. Optimal turndown adjustments, wellbore clearances and downhole gas and water separation should overcome previous complications and allow for a smooth and consistent depressurisation.

Surface construction is well progressed and following rig demobilisation, the remaining works to connect high voltage power to the ESPs and tie in the new wells to the existing pilot testing facility will commence.



The Jaws-1 Project wells are expected to come online in early July to commence production testing and confirm the commercial quality of the Southern Cooper Basin Gas Project (**SCBGP**) in PEL96 (Strike 66.67% and Operator, Energy World Corporation 33.33%).

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