

The Company Announcement Officer ASX Ltd
via electronic lodgement

STRIKE COMPLETES \$3 MILLION PLACEMENT AT PREMIUM TO LAST CLOSING PRICE

Strike Energy Limited (ASX:STX) (**Strike or Company**) is pleased to announce that it has completed a share placement raising \$3 million (before costs) in support of the Jaws-1 pilot testing program and long lead items for the West Erregulla-2 well in the Perth Basin.

Placement Details

The Company will issue 28,571,428 fully paid ordinary shares at \$0.105 per share to four institutional and sophisticated investors. The placement price represents a 5% premium to the last closing price of \$0.10 per share on Friday 3 August 2018 and is equal to the 5-day volume weighted average price.

The capital raised will be used for the pilot testing of the Jaws-1 wells as part of the commercial appraisal of the Southern Cooper coals, for the procurement of long lead items for the drilling of the West Erregulla-2 well in the Perth Basin in early 2019, and for general working capital.

Bell Potter Securities acted as the manager for the placement and Vahoca acted as a facilitator of the placement. Vahoca will be issued 300,000 fully paid ordinary shares as payment of a fee for their services.

The shares have been placed within the Company's 15% placement capacity under ASX Listing Rule 7.1 and without disclosure in accordance with Chapter 6D of the Corporations Act. The share issues are not subject to shareholder approval and the shares will rank equally with the Company's existing ordinary shares. The shares are expected to be issued on 8 August 2018.

The Jaws-1 Project wells are located at the Southern Cooper Basin Gas Project (**SCBGP**) in PEL96 (Strike 66.67% and Operator, Energy World Corporation 33.33%) in South Australia. The proposed West Erregulla-2 well is located in EP469 (Strike 50% and Operator, Warrego Energy 50%) in Western Australia.

Strike's Managing Director, Stuart Nicholls, said:

"Strike is now in a sound financial position to progress testing of the potentially transformational Jaws-1 wells, which will determine the commercial viability of the Southern Cooper Basin Gas Project. Strike is also preparing to drill the West Erregulla-2 well in the Perth Basin in early 2019, targeting a material conventional gas reservoir similar in nature to the neighbouring Waitsia gas field. Strike thanks its new shareholders for participating in this strategic placement"

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