

The Company Announcement Officer ASX Ltd
via electronic lodgement

JAWS PILOT UPDATE

Highlights

- **Jaws-1 flowing at more than 1,100 barrels of water per day and climbing.**
- **Production continuing to be ramped up until sustained operations reached.**

Strike Energy Limited (**Strike** - ASX:STX) is pleased to provide an update on production operations at the Jaws-1 appraisal wells.

As previously announced on the 3rd of August 2018, the Jaws wells were brought online following the commissioning of the two electric submersible pumps (ESPs). Over the past two weeks Strike has ensured that the pumps have been adequately bedded in and that the system is ready for ramping up.

The current production (>1,100 bwpd) has a good productivity index trend, which is indicative of significant reservoir inflow and which bodes well for the pilot testing of the Jaws area.

Strike believes the reservoir is yet to fully engage as Strike is currently running the ESPs close to their lowest settings and the rate of reduction of the fluid column is decreasing in relation to the increasing barrels of water produced.

The Jaws-1 project wells are located at the Southern Cooper Basin Gas Project (**SCBGP**) in PEL96 (Strike Operator and 66.67%, Energy World Corporation 33.33%).

Strike's Managing Director, Stuart Nicholls, said:

"The initial water rates from Jaws are very encouraging and, given that productivity continues to rise, we believe that the reservoir is demonstrating performance that supports our view of its potential. The 36m thick Vu Upper coal seam, which is isolated via impermeable siltstones, represents an extraordinary sized resource unto itself and the team are confident of the drawdown plan required to achieve the primary objective of producing commercial flow rates of gas"

Investor and Media Contacts

Stuart Nicholls

Managing Director
Phone: +61 432 587 808
email: stuart.nicholls@strikeenergy.com.au

Justin Ferravant

Chief Financial Officer & Company Secretary
Phone: +61 8 7099 7483
email: justin.ferravant@strikeenergy.com.au