

The Company Announcement Officer ASX Ltd
via electronic lodgement

JAWS PILOT UPDATE

Highlights

- **Jaws-1 continuing to perform strongly with excellent productivity.**
- **Jaws-1 reaching 1,300 barrels of water per day and continuing to build.**

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

The current water production as at 09:00 27th August 2018 is 1,300 bwpd with the productivity of the well continuing to increase since the last update. This demonstrates continued reservoir performance on trend with earlier results.

Drawdown continues to be carefully managed with pumps adjusted in response to reservoir behaviour, increasing water rates as the broader reservoir is engaged and productivity continues across the field. Strike is currently running the ESPs at less than 50% of their nameplate capacity.

Reservoir pressure at the well is approximately half of the original pressure prior to beginning depressurisation and the drawdown profile has been set to ensure this low-pressure sink continues to be extended further out from the well to maximise the ultimate gas recovery.

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 results continue to be supportive of our view of the reservoir. The drawdown will advance ensuring the rate of change in pressure of the reservoir is managed within the optimal window for preservation of permeability and to maximise ultimate gas productivity and recovery."

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