

The Company Announcement Officer ASX Ltd
via electronic lodgement

AUSINDUSTRY DECISION ON FY16 R&D INTERNAL REVIEW

Strike Energy Limited (**Strike** or The **Company** – ASX:STX) advises the outcome of Innovation and Science Australia's (**ISA**) internal review of its FY16 Research and Development (R&D) registration finding under section 30D of the Industry Research and Development Act (IRDA) 1986.

ISA has advised that the internal review has confirmed its original decision to deny the FY16 R&D registration in respect of which the Company received \$6,333,638 by way of R&D tax incentive for that period.

The Company has until 22 April 2019 to appeal the decision. The Company will liaise with the Australian Taxation Office for advice in relation to the potential taxation implications resulting from this adverse finding.

The Chairman, Mr John Poynton AO, said, "The Company remains confident that its FY16 R&D claim is eligible and is investigating and considering all avenues available to it to defend the R&D nature of its claim. Strike has received third party validation of its cutting edge research from the deep coal research team of one of Australia's leading universities. The Company has been developing world first technology to extract what has, to date, been stranded deep coal seam gas. This highly innovative technology also has the added benefit of potentially providing a real solution to Australia's east coast gas shortage".

ENDS

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