

Outstanding Productivity at South Erregulla

- SE1 peak gas rate recorded at 80 mmscfd which was constrained by well testing equipment.
- SE1 Kingia Sandstone flow test achieves one of the highest sustained flow rates in Perth Basin history with 78 mmscfd on 78/64” choke with FTHP of 2,590 psi over a 5-hour test.
- Good quality gas composition with low impurities, no sand and no water.

Strike Energy Limited (Strike - ASX: STX) provides an update on the production testing activities and operations at the Company's 100% owned South Erregulla gas discovery in EP503.



Managing Director & Chief Executive Officer, Stuart Nicholls said:

“This excellent flow testing provides additional confidence that the Kingia gas discovery at South Erregulla is a large, productive source of low-cost, low impurity natural gas, and that it can form the foundation of Project Haber’s globally competitive nitrogen-based urea fertiliser.

“In a time where undeveloped sources of gas are nationally and globally short, the significance of Strike’s Perth Basin success continues to rise.”

Strike has been testing the producibility from 15m of perforations across the Kingia Sandstone reservoir at 4,844m (measured depth) in the South Erregulla-1 well. The multi-rate test has

delivered excellent results that are reflective of the high-quality gas charged reservoir observed in the well's petrophysical and core analysis.

Testing to date has produced a choke coefficient peak rate of 80 mmscfd and a sustained rate of more than 78 mmscfd on a 78/64" choke with flowing tubing head pressure (FTHP) of 2,590 psi over a 5-hour period. Production at higher rates was limited by the testing package's pipework and the results indicate the potential for the well to produce at unrestricted rates in excess of 100 mmscfd.

No sand or formation water has been observed during the test to date and the gas stream produced from the Kingia Sandstone was a low impurity dry gas which is in line with gas compositions from the Greater Erregulla region. Zero hydrocarbon liquids were produced during the test which is as expected and overall, the flow testing to date demonstrates high productivity from the field which can support a low-cost development profile.

The well is currently going through a final flow period before it will be shut in for a pressure build up which will be monitored via downhole gauges recording the sub-surface pressure. Testing equipment will be demobilised from the site and the downhole gauges will be recovered in the following days. Strike will now commence preparation for the production test of the South Erregulla-1 over-pressured Wagina gas discovery which will require the mobilisation of a workover rig to isolate and reset the tubing at the Wagina Sandstone interval.

South Erregulla is located in the 100% Strike owned EP503 as part of the Permian Gas Fairway within the North Perth Basin where the Wagina and Kingia Sandstone gas discoveries are located at: 29° 28' 29.816 S, 115° 19' 5.618E

This announcement is authorised for release by the Managing Director and Chief Executive Officer in accordance with the Company's Continuous Disclosure Policy.

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