Greater Erregulla & Walyering Update

- Ensign Rig 970 secured for Strike's multi well CY21 drilling program.
- CY21 campaign will target 1,686 PJ of prospective conventional gas resources in the South Erregulla and Walyering accumulations.
- Initial interpretation of the final processed data from the Trieste 3D confirms prospectivity of the Greater Erregulla mega structure.
- South Erregulla POS upgraded to 57%.

Strike Energy Limited (Strike - ASX: STX "Company") is pleased to provide an update on its upcoming exploration and appraisal programs in the Perth Basin.

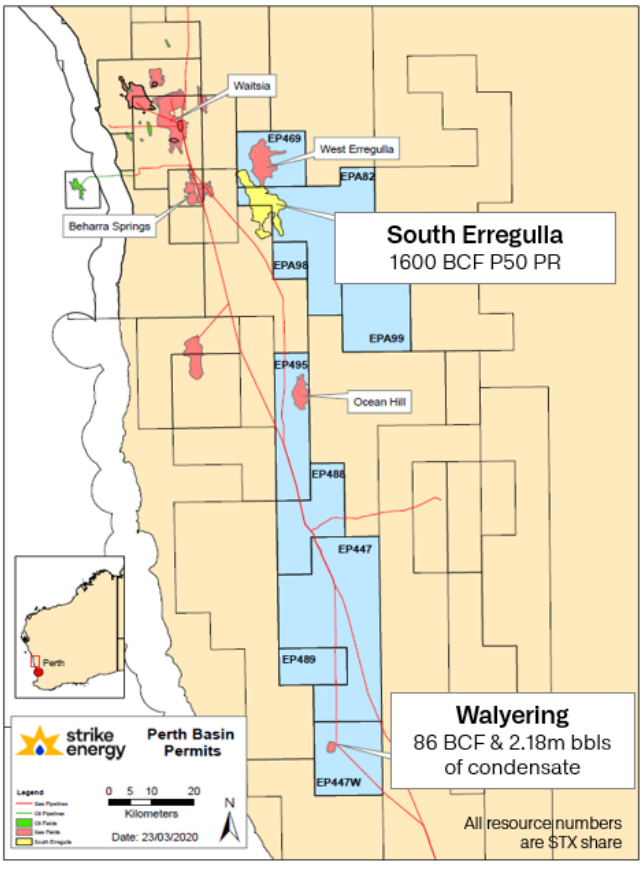
Strike has secured three drilling slot options with the Ensign Rig 970 that directly follow the West Erregulla appraisal campaign. Strike will use these slots to execute its appraisal campaign at the Walyering wet-gas discovery and a proposed exploration well at South Erregulla.

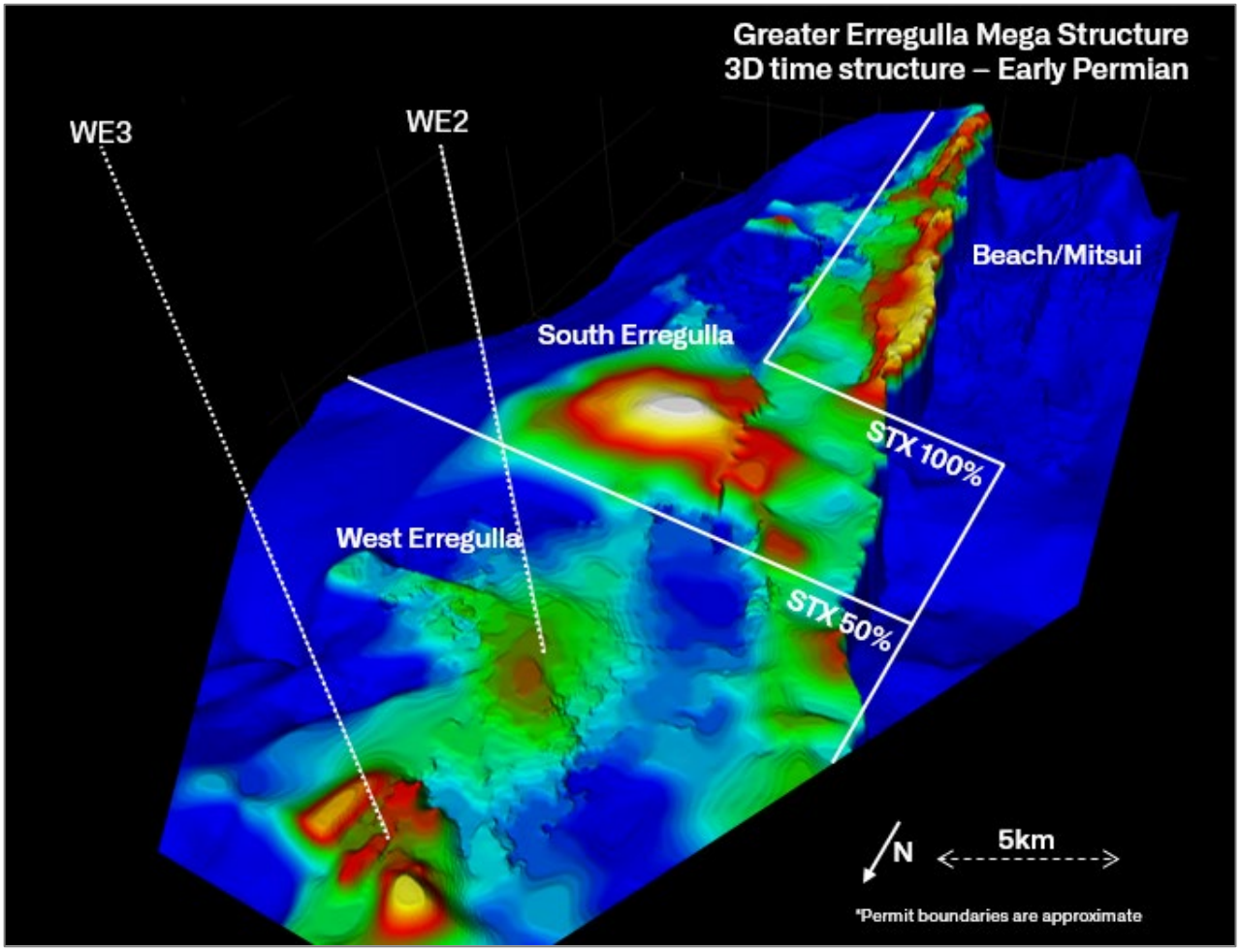
This new drilling campaign for CY21 has the opportunity to convert 1,686 PJ (Strike share) of best estimate (P50) prospective resources to contingent resources across Strike's Walyering and South Erregulla assets (subject to obtaining all necessary approvals, well testing, and further technical review following the campaign).

Prospective Resources & Cautionary Statement

For further details regarding the prospective resources previously reported for Walyering and South Erregulla, see Strike's see ASX announcements: "Exploration Portfolio Update" dated 17th of February 2020 and "Greater Erregulla and Walyering Update" dated 9th June 2020). Strike confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future exploration and development project(s) and relate to undiscovered accumulations. These estimates are un-risked and have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.





Greater Erregulla

The Trieste 3D seismic survey covers the southern portion of the South Erregulla structure in Beach Energy and Mitsui E&P's EP320 permit and was acquired in early 2020. Strike has recently completed processing of the Trieste 3D data set and has incorporated the seismic into its interpretation of the Greater Erregulla region. Isotime thickening and appreciable but discontinuous amplitude blooms at near Kingia level are observed in the northern part of the Trieste 3D survey. These indicators are consistent with the geophysical signatures of gas filled reservoir seen in the West Erregulla 3D seismic. By analogy with West Erregulla, these are indicative of porosity and hydrocarbons, therefore increasing the chance of success at South Erregulla from 50% to 57%.

In addition, compelling amplitude blooms are also present at the basal Wagina level in the Trieste 3D survey. These amplitude blooms are, in part structurally conformable and define channel fairways and lensoid bodies similar to those observed on 3D surveys around the Beharra Springs gas field and in the recent discovery made at West Erregulla-2. This bodes well for all of Strike's adjoining, acreage in the Permian Gas Fairway as this slightly shallower play is expected to be widespread throughout the Dandaragan Trough.

Strike's interpretation of the Greater Erregulla region's prospectivity is consistent with public statements made by Beach Energy's CEO and MD Matt Kay, who stated during Beach's FY20 Results and Outlook presentation "*We also completed the acquisition of the Trieste 3D seismic*

survey, which confirmed multi-TCF exploration potential in EP320".[1] This view from Beach, an accomplished explorer, is further validation of the potential of the Permian Gas Fairway.

Strike expects results from the West Erregulla appraisal campaign will help to further de-risk South Erregulla. Pressure and log data will provide increased clarity on the West Erregulla field gas-water contact(s) and the possibility that the structures in the Greater Erregulla area are co-charged. The appraisal drilling data will be the most relevant and recent information in the area.

As a result of these new findings and pending new information from West Erregulla, Strike is progressing the option of a limited 2D seismic campaign over South Erregulla (prior to the Minjiny 3D) in order to de-risk and accelerate a well location for South Erregulla-1. This 2D campaign can be executed entirely on previously cleared land, thus avoiding a lengthy approvals process. The new seismic, along with Trieste data will supplement the current 2D coverage over South Erregulla and provide confidence ahead of drilling the CY21 South Erregulla-1 well.

Strike Energy Managing Director & CEO Stuart Nicholls, said:

"Securing the Ensign 970 for Strike's CY21 drilling campaign is a great outcome for Strike shareholders. Strike will benefit in that the 970 is the only heavy-duty rig in WA, and both the rig and its crew will be in peak operating condition after completing the three West Erregulla appraisal wells."

"Strike is very excited by the new insights in the Greater Erregulla region, where Strike has a very dominant position. The region has the potential to host additional multi TCF resources, and our view aligns with that of neighbouring operators. South Erregulla is the second target in Strike's Permian Gas Fairway acreage, where success could support the material reduction in cost of all future developments of the region due to its size and location. As the target is bordered in the North and South by high-quality 3D seismic, is observed to be in communication with the West Erregulla gas field and is one of the highest structures in the region, Strike has the confidence to accelerate drilling into CY21."

The drilling program also includes the Walyering appraisal campaign which on success, will have a multiplier effect on the prospectivity of Strike's southern Jurassic wet-gas play acreage. With the majority of the costs covered via the farmout to Talon Petroleum, Walyering may provide a fast-to-market development that could bring cashflow on sooner and support capturing high value contracts in the WA gas market."

This announcement is authorised by Stuart Nicholls, Managing Director & Chief Executive Officer of Strike in accordance with the Company's Continuous Disclosure Policy.

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[1] See ASX Announcement by Beach Energy Limited dated 17 August 2020.