ENERGY WORLD CORPORATION LTD.

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25 February 2014

The Listing Manager
Company Announcement Platform
ASX Limited

Total no. of page(s): 1 + attachment

Dear Sirs,

SOUTHERN COOPER BASIN GAS PROJECT UPDATE – PEL 96

Further to our announcement on 9 January 2014, the Company is pleased to bring to shareholders' attention the recent announcement made on 19 February 2014 by Strike Energy in connection with the Southern Cooper Basin Gas Project PEL 96.

The announcement has been issued following the drilling program and details on substantial resources increase in PEL 96 to 6.8TCF (recoverable sales gas) of which 2.3 TCF is net to EWC.

Other highlights covered in the report include an increased confidence in drilling and completion cost estimates and confirmation that the project is on track to move to production testing.

A further announcement made on 20 February 2014 by Strike Energy in connection with Southern Cooper Basin Gas Project Investor Presentation is also attached.

We are very encouraged by the progress made to date within PEL 96 and look forward to discussing with Strike Energy the commercialisation programme for this resource.

Yours faithfully,
For and on behalf of
ENERGY WORLD CORPORATION LTD.

Brian Allen

Brian Allen
Executive Director

ASX Announcement

19 February 2014

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The Company Announcement Officer
ASX Ltd
via electronic lodgement

DRILLING DELINEATES SUBSTANTIAL RESOURCE INCREASE IN PEL 96

- ***Strike's appraisal drilling confirms a 4.5 Tcf prospective gas resource net to Strike in PEL 96***
- ***PEL 96 Phase One Area prospective gas resource increased to 1.2 Tcf (net to Strike) – located under a gas pipeline connected directly to Eastern Australian gas markets***
- ***Increased confidence in drilling and completion cost estimates***
- ***Project on track to move to production testing – initial completions to target thick Patchawarra coals***

OVERVIEW

Following the successful completion of the recent PEL 96 appraisal drilling program, Strike Energy Limited (ASX:STX) ("Strike" or "the Company") is pleased to announce an increase in the Pmean (best) estimate prospective resource in PEL 96 (Strike 66.67% and Operator, Energy World Corporation Limited (ASX:EWC) 33.33%) to 6.8 Tcf (recoverable sales gas), 4.5 Tcf net to Strike.

PEL 96 is a significant component of the Company's Southern Cooper Basin Gas Project and Strike is focused on the rapid commercialisation of a portion of the resource within the Phase One Area of the permit (see Map 1). This 141 km^2 area is centered directly under the Moomba to Adelaide Gas Pipeline (MAPS) which connects the resource to the Eastern Australian gas markets.

Within the PEL 96 Phase One Area, the Company's Pmean (best) estimate of the prospective resource has increased to 1.2 Tcf (recoverable sales gas, net to Strike).

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MANAGING DIRECTOR'S QUOTE

Managing Director, David Wrench, said:

"This is an important milestone for Strike, advancing the Company toward commercialisation of our Southern Cooper Basin Gas Project. The increasing scale of our gas resource reinforces the enormous value that successful commercialisation will deliver.

Our next goal is to demonstrate that the thick Patchawarra coals within Strike's permit areas are capable of sustained gas flows to surface through completion and production testing of the Le Chiffre and Klebb wells, with work planned to commence next quarter. The initial production testing program will be the first stage of a drilling, completion and production optimisation program designed to establish commercial well productivity.

Strike has delineated a very substantial gas resource and established gas supply agreements with Orica Ltd and Orora Ltd. Demonstration of the commercial potential of the gas resource is now our key focus." he said.

The table below and the Additional Information section detail the resource estimates and underlying assumptions.

PEL 96 – PROSPECTIVE RESOURCE ESTIMATES

	PEL 96 Prospective Resource[1,2] (Bcf)	PEL 96 Phase One Area Prospective Resource[1,2] (Bcf)
Low Estimate (P90)	2,767	864
Best Estimate (Pmean)	4,492	1,227
High Estimate (P10)	6,818	1,809

[1] *Prospective Resource is defined in accordance with Chapter 19 of the ASX Listing rules as being "those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations".*
[2] *Recoverable sales gas, net to Strike as of 1 February 2014*

This increase in the Company's PEL 96 prospective resource estimate follows the successful drilling of the Le Chiffre 1 and Klebb 1 wells. Data from these wells has been used to remap the Permian coals across the permit area, which together with gas content and isotherm data obtained from samples of the recovered cores, has resulted in this substantial increase.

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Separately, an independent review of production well drilling and completion costs based on actual results achieved during the recent drilling program has been completed which, together with firm third party tender quotes for the upcoming production testing program, has confirmed completed vertical production well costs of between $3.2 and $3.6 million per well are achievable.

These costs are below Strike's internal estimates and are substantially below drilling and completion costs for deeper Cooper Basin unconventional gas resource plays.

NEXT STEPS

During the March 2014 quarter, the data obtained from the recent drilling program will be analysed and combined with recent industry best practice for fracture stimulation and flow testing of deep Cooper Basin coals to finalise the design of an initial production testing program. It is anticipated that completion and testing operations will then be undertaken in the June 2014 quarter.

CAUTIONARY STATEMENT

The estimated quantities of petroleum that may potentially be recovered by the application of a future development projects relate to undiscovered accumulation. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation activities are required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Yours faithfully

DAVID WRENCH
Managing Director

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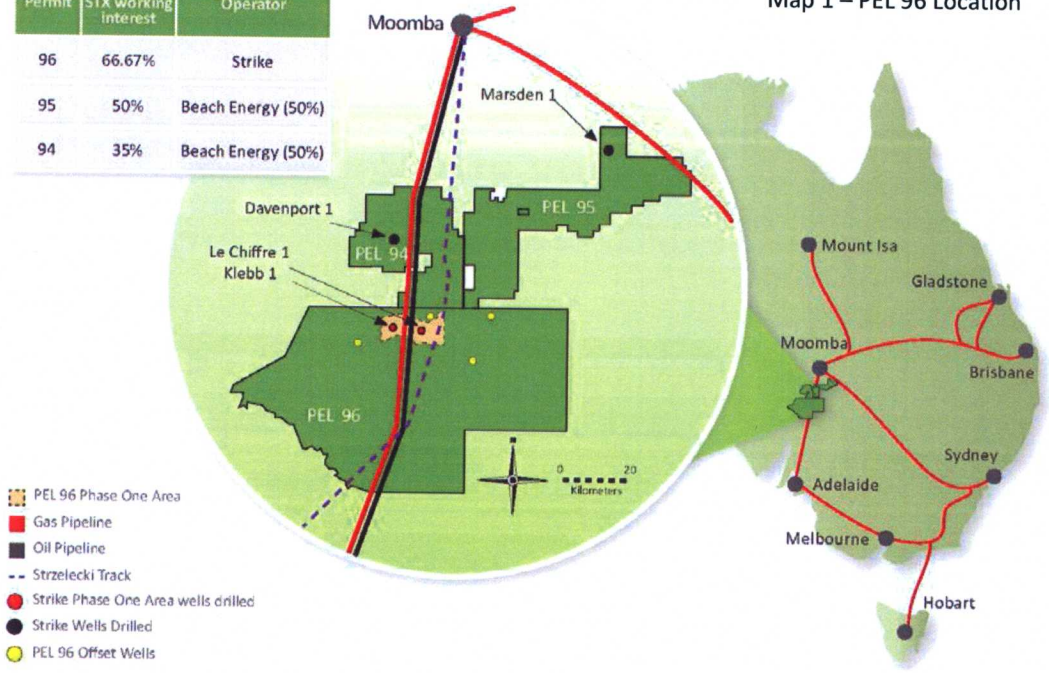
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Permit	STX working interest	Operator
96	66.67%	Strike
95	50%	Beach Energy (50%)
94	35%	Beach Energy (50%)

Map 1 – PEL 96 Location



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ADDITIONAL INFORMATION

PEL 96

The PEL 96 permit is operated under a Joint Operating Agreement between Strike, as both Operator and a 66.667% interest holder and Australian Gasfield Limited, a subsidiary of Energy World Corporation 33.333%.

LE CHIFFRE 1

The Le Chiffre 1 well (spudded on 31 October 2013) located approximately 4 km east of the Moomba to Adelaide Gas Pipeline, was drilled to a depth of 2,089 meters and cased using premium casing.

A total of 105 metres of coal was encountered in the well, of which 86 metres was recovered in cores. Of note, was 46 metres of net coal within a 70 metre gross pay interval of the Patchawarra formation.

Elevated gas readings were recorded across all coal intervals with gas concentration increasing with depth, as expected. Analysis of the coal samples obtained show that the coals are in the peak gas generation window for inertinite rich coals. This is consistent with observations that the coals have very low water content and are gas saturated with free gas present in the coal pores. The well has been suspended pending completion and production testing in the June Quarter 2014.

KLEBB 1

The Klebb 1 well (spudded on 16 December 2013) located approximately 4 km west of the Moomba to Adelaide Gas Pipeline and 8 km west of the Le Chiffre 1 well was drilled to a total depth of 2,193 metres and was cased and cemented using premium casing in early January 2014.

A total of 147 metres of coal was encountered in the well and observed via wire line logging. In particular, 89 metres of net coal was observed in the Patchawarra Formation, including one 34 metre thick seam and two seams over 15 metres thick. The well has been suspended pending completion and production testing in the June Quarter 2014.

RESOURCE ESTIMATE

The laboratory analysis completed to date on core samples recovered from the Le Chiffre 1 well have enabled the recalculation of the associated gas resource as:

- the measured desorbed gas and initial methane isotherm data are in line with basin wide trends for the coals;

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- very low moisture content is observed, which corroborates field observations that the coals are gas saturated;
- indicate that the coals are inertinite rich;
- vitrinite reflectance data confirms that the coals are in the gas generation window for inertinite rich coals;
- increasing thermal maturity with depth parallels increasing gas shows with depth.

The new well data has allowed the Company to remap the Weena Trough and led to an increase in the calculated gross rock volume. This, in conjunction with the addition of a free gas estimate, has had a material effect on the estimated resource associated with the Weena Trough in PEL 96.

The total gross prospective gas resource estimate is summarised in the table below and has been prepared in accordance with the Society of Petroleum Engineers PRMS and ASX listing rule guidelines.

PEL 96 – PROSPECTIVE RESOURCE ESTIMATES

	PEL 96 Prospective Resource[1,2] (Bcf)	PEL 96 Phase One Area Prospective Resource[1,2] (Bcf)
Low Estimate (P90)	2,767	864
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[1] *Prospective Resource is defined in accordance with Chapter 19 of the ASX Listing rules as being "those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations".*
[2] *Recoverable sales gas, net to Strike as of 1 February 2014*

In calculating the prospective resources summarised in the table above, Strike has made calculations with respect to the gas initially in place (GIIP) and made further allowances for the potential range of non-saleable gases, such as CO_2 and a range of potential recovery factors.

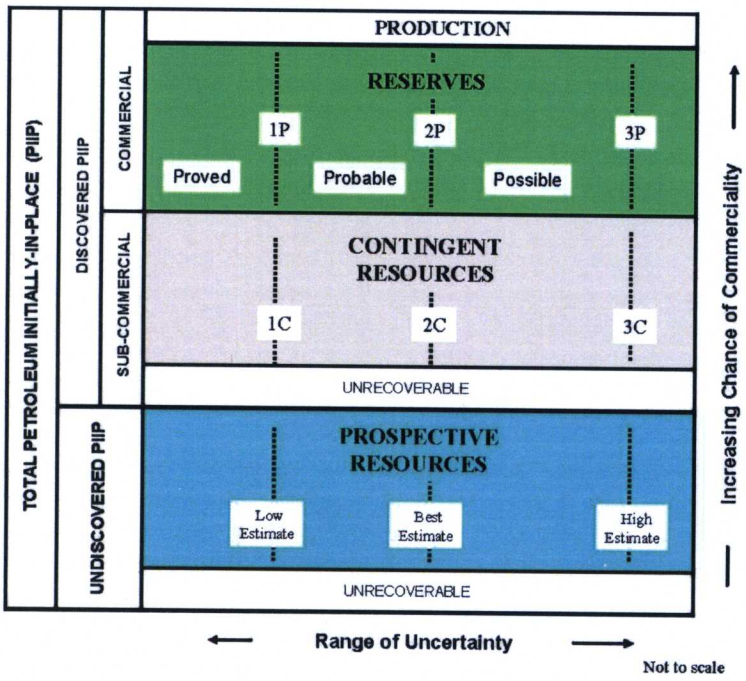
CALCULATION METHODOLOGY

In its review of the Prospective Resource in its Southern Cooper Basin project, Strike has utilised "Monte Carlo" statistical calculation methods. This methodology incorporates a range of uncertainty relating to each of the key input parameters to predict the likely range of outcomes. This is deemed to be the most appropriate methodology at this time due to the early stage nature of the project and is consistent with the Society of Petroleum Engineers' "Guidelines for Application of the Petroleum Resource Management System".

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The Petroleum Resource Management System (PRMS) provides a framework for the classification and categorisation of all hydrocarbon reserves and resources and incorporates both the range of uncertainty in addition to the level of project maturity as shown below.

Chart 1 – Society of Petroleum Engineers PRMS resource classification framework



COMPETENT PERSONS STATEMENT

The reported prospective resources in this presentation are based on information compiled by Mr Christopher Thompson. Mr Thompson is the General Manager of Strike's Cooper Basin project and has consented to the inclusion of the prospective resource information in this report.

Mr Thompson holds a B.Sc in Applied Science (Geology) and a Graduate Diploma in Reservoir Evaluation and Management. He is a member of the Society of Petroleum Engineers and has worked in the petroleum industry for over 20 years, 19 of which as a practicing petroleum engineer.

ASX Announcement

20 February 2014

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SOUTHERN COOPER BASIN GAS PROJECT INVESTOR PRESENTATION

In conjunction with yesterday's resource upgrade announcement, Strike Energy Limited ("Strike" ASX:STX) is pleased to provide shareholders with a comprehensive presentation on the Company's Southern Cooper Basin Gas Project.

Managing Director, David Wrench said:

"The Company is very encouraged by the progress we have made to date with our Southern Cooper Basin Gas Project and is looking forward to commencing the next stage of our rapid commercialisation program."

Yours faithfully

DAVID WRENCH
Managing Director

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STRIKE ENERGY LIMITED

SOUTHERN COOPER BASIN GAS PROJECT

Investor Presentation

February 2014

Strike Energy

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Southern Cooper Basin Gas Project: The opportunity

The Eastern Australian Gas Market

The Market Reality

"Gas prices in Queensland are already reflecting the transition to export parity or LNG netback pricing. Supplies from Moomba are similarly reflecting export parity pricing."

AGL IPART submission February 2014

"....WE HAVE ESTIMATED AN LNG NETBACK PRICE OF $9.73/GJ AT MOOMBA."

Wholesale Gas Price for AGL's VPA Proposal for 2014-2016, The Brattle Group, February 2014

"....As a result gas prices are set to double or triple in the coming years and NSW faces a supply squeeze."

AFR: Energy costs push Alcoa over the edge, February 18, 2014

The Opportunity → **Strike's 4.5Tcf resource** → **Supply constrained market**

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Southern Cooper Basin Gas Project: Executive summary



Strike's appraisal drilling confirms presence of world scale gas resource

- 4.5 Tcf prospective resource (PEL 96 net to Strike) directly under Moomba to Adelaide Gas Pipeline (MAPS)

Strike's 'gas saturated coals' - high resource concentration

Well capex of ~$3.5 million - compelling economics

Commercialisation program positioning Strike as 'frontrunner' for new gas supply

Clear path to market established

- foundation customer supporting project development
- innovative offtake agreements with domestic gas users
- Phase One Area resource could supply up to 25% of NSW demand
- plan to unlock the potential of the entire resource

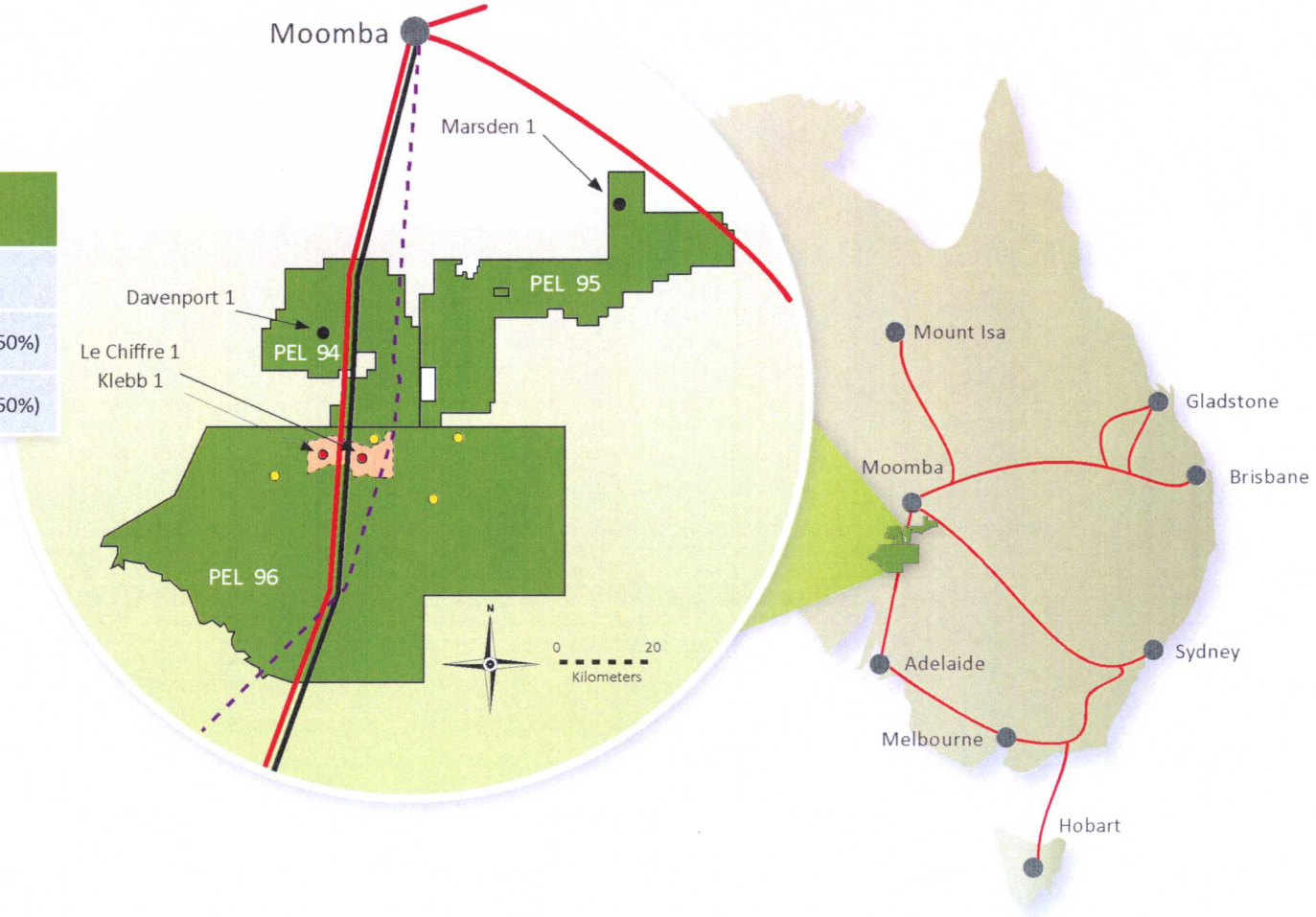


Appraisal drilling results confirm transformational potential of Strike's Gas Project

Southern Cooper Basin Gas Project: Favourable location

Strike's PEL 94, 95 and 96 permits are ideally located with direct access to infrastructure connecting to Eastern Australian gas markets.

Permit	STX working interest	Operator
96	66.67%	Strike
95	50%	Beach Energy (50%)
94	35%	Beach Energy (50%)



Strike has control of planning, timing and execution of activities in PEL 96

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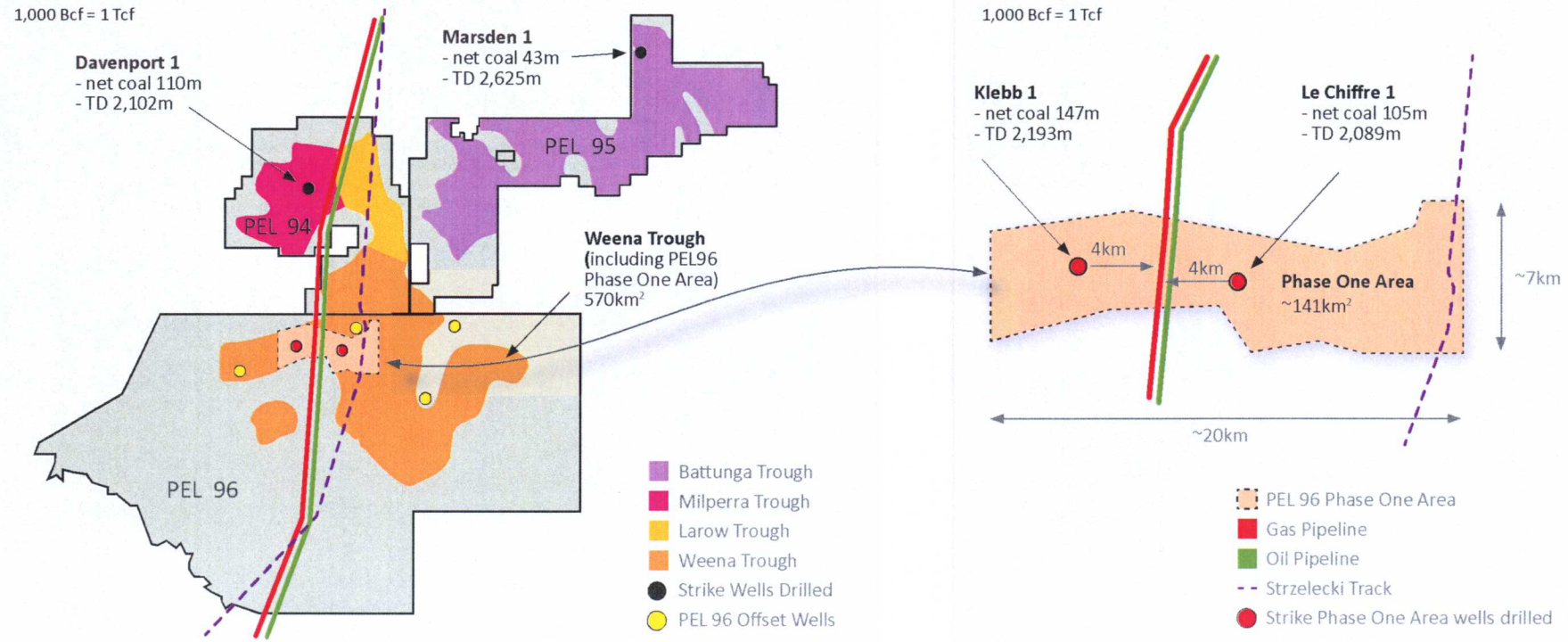
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Southern Cooper Basin Gas Project: Resource upgrade

Following appraisal drilling, the mean estimate of the prospective resource within Strike's PEL 96 pemit increased to 4.5 Tcf (Phase One Area 1.25 Tcf). This resource is located directly beneath the Moomba to Adelaide Pipeline System (MAPS).

PEL 96 (net to Strike) Prospective resource		
Low estimate	**Mean estimate**	**High estimate**
2,767 Bcf	4,492 Bcf	6,818 Bcf

PEL 96 Phase One Area (net to Strike) Prospective resource		
Low estimate	**Mean estimate**	**High estimate**
864 Bcf	1,227 Bcf	1,809 Bcf

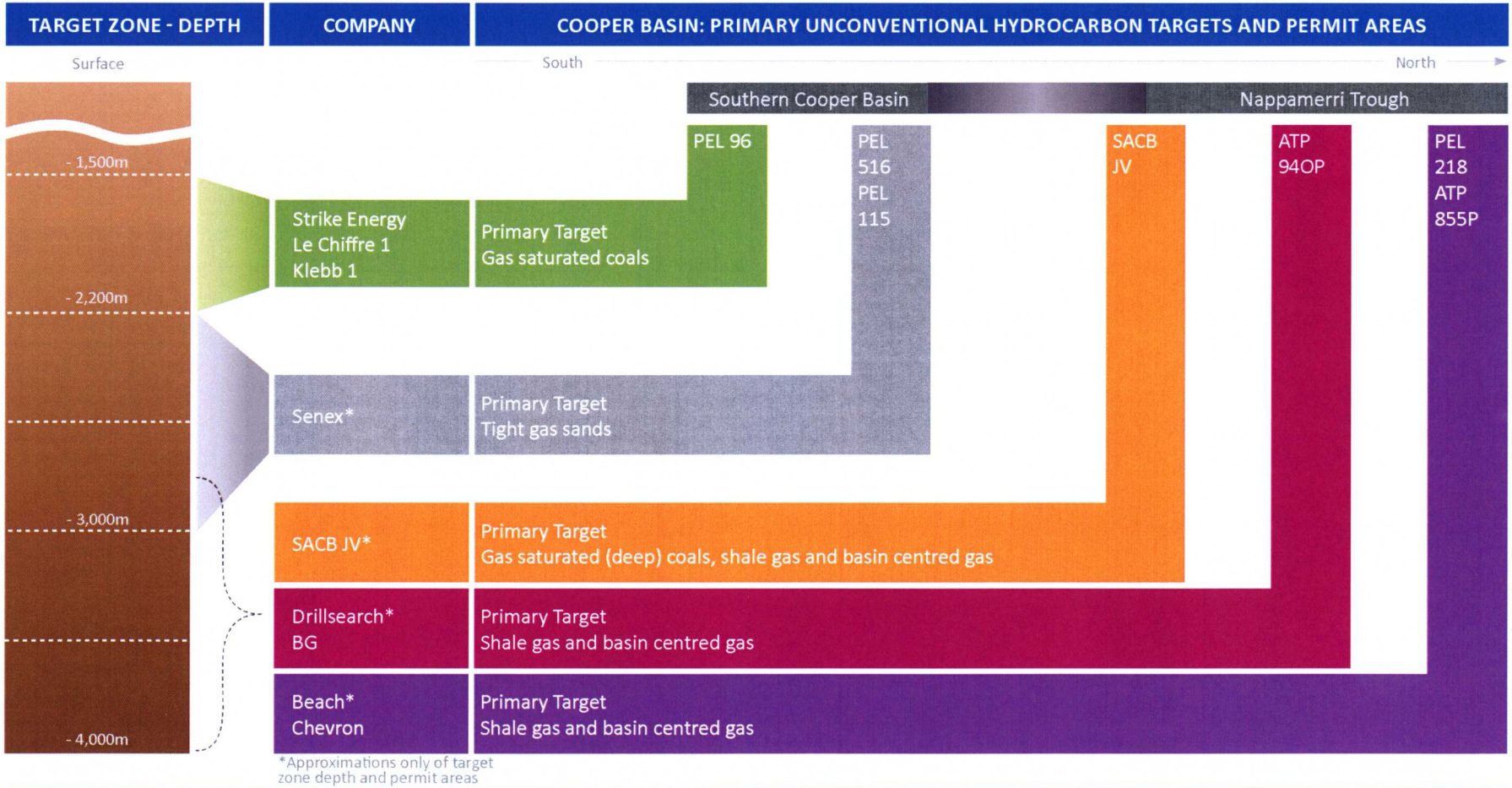


4.5 Tcf prospective resource (PEL 96)

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Southern Cooper Basin Gas Project: Target interval at optimal depth

Strike's appraisal program has confirmed the presence of thick, dry/gas saturated coals. The target interval at Le Chiffre 1 and Klebb 1 is in the optimal gas generation window at a relatively shallow depth. This delivers significant well cost advantages compared to deeper unconventional Cooper Basin activity.



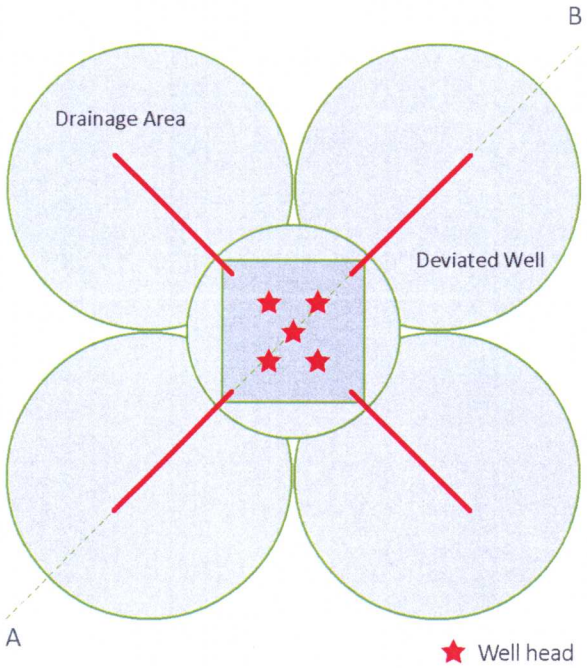
Strike's relatively shallow target horizon delivers significant well cost advantages

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Southern Cooper Basin Gas Project: Well drilling and completion costs

Strike has completed an independent review of production well drilling and completion costs based on actual results achieved during the recent drilling program and firm third party tender quotes for the upcoming production testing program. The review has confirmed completed vertical production well costs of between $3.2 and $3.6 million per well are achievable.

5 Well Pad
Plan View



Drilling Activities

Drilling, casing and cementing

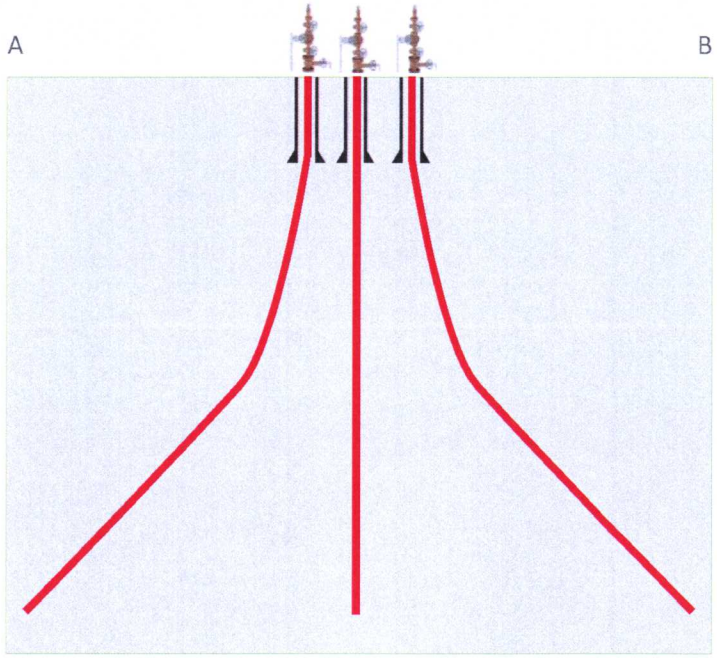
Completion Activities

Stimulation, flow-back and tie-in

Key Assumptions

Pad drilling; vertical wells targeting Patchawarra coals

5 Well Pad
Vertical Section Schematic



Not to scale

Section View (A-B)

Simple, cost effective production drilling

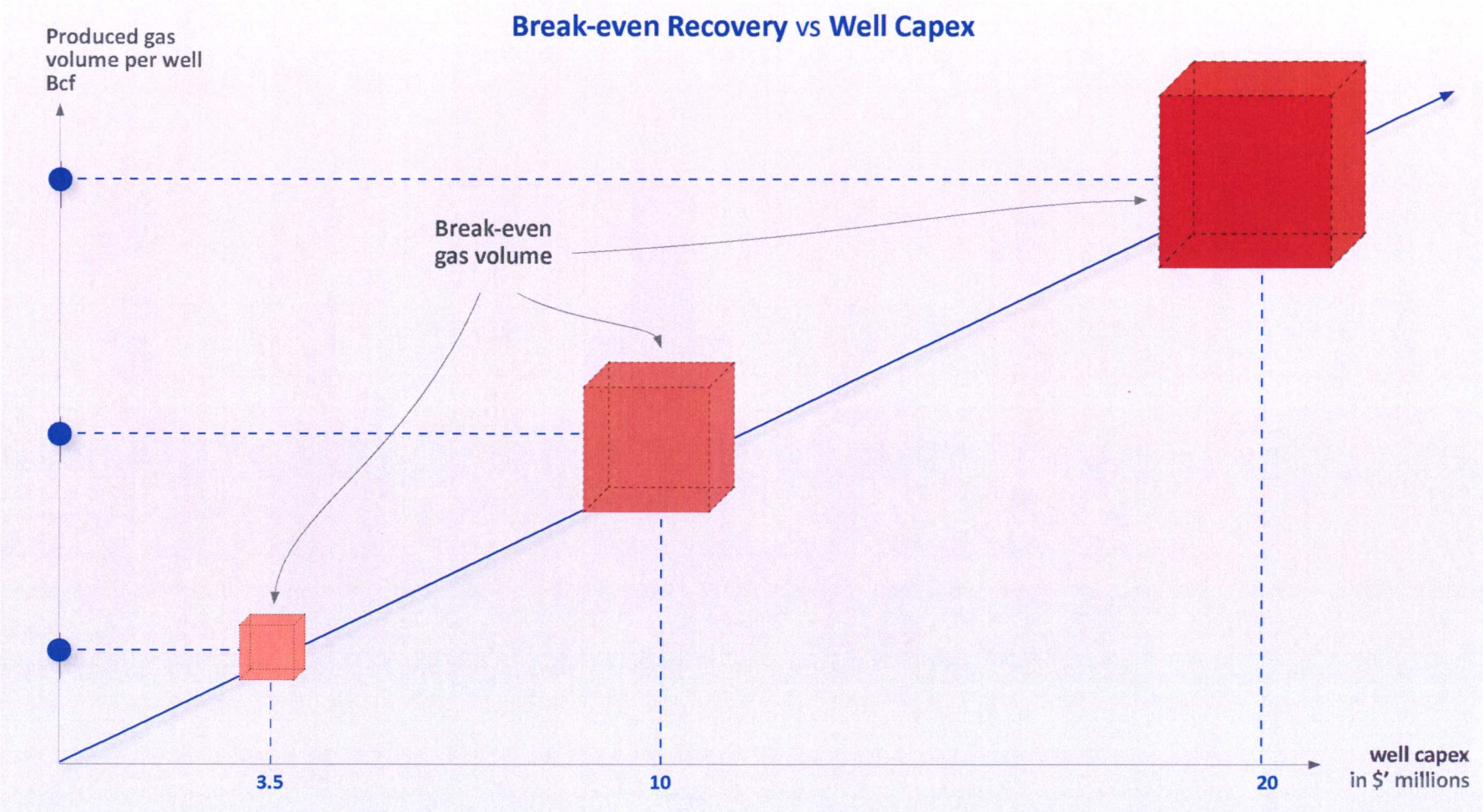
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Southern Cooper Basin Gas Project: Unconventional gas play economics



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Southern Cooper Basin Gas Project: Unconventional gas play economics



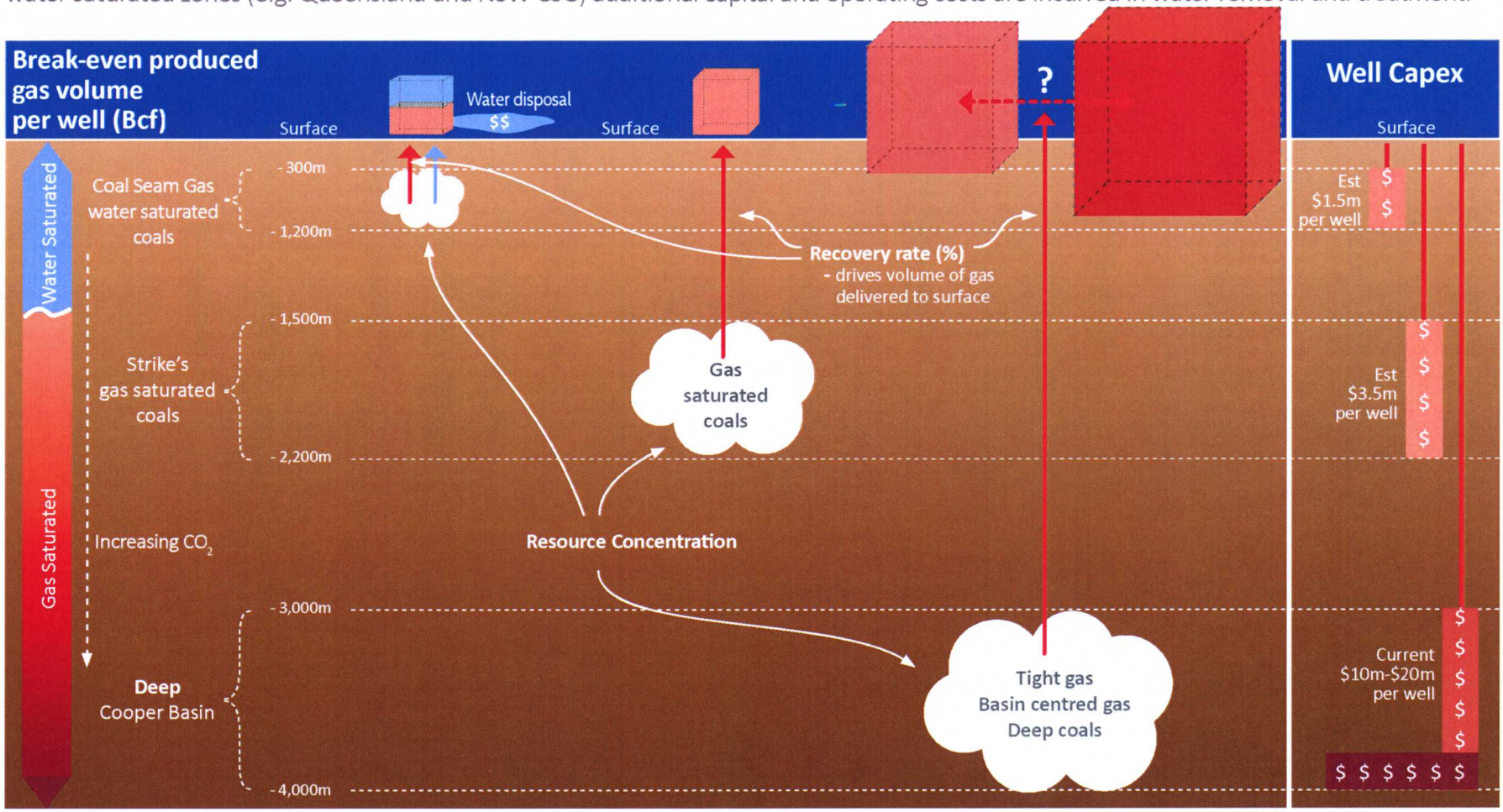
Well capex is the primary driver of play economics .
Low well costs drive favourable economics even at modest sales gas volumes.

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Southern Cooper Basin Gas Project: Unconventional gas play economics

Strike Energy

Well capex and sales gas price are the key determinants of the required break-even sales gas volume per well. Where gas is extracted from water saturated zones (e.g. Queensland and NSW CSG) additional capital and operating costs are incurred in water removal and treatment.

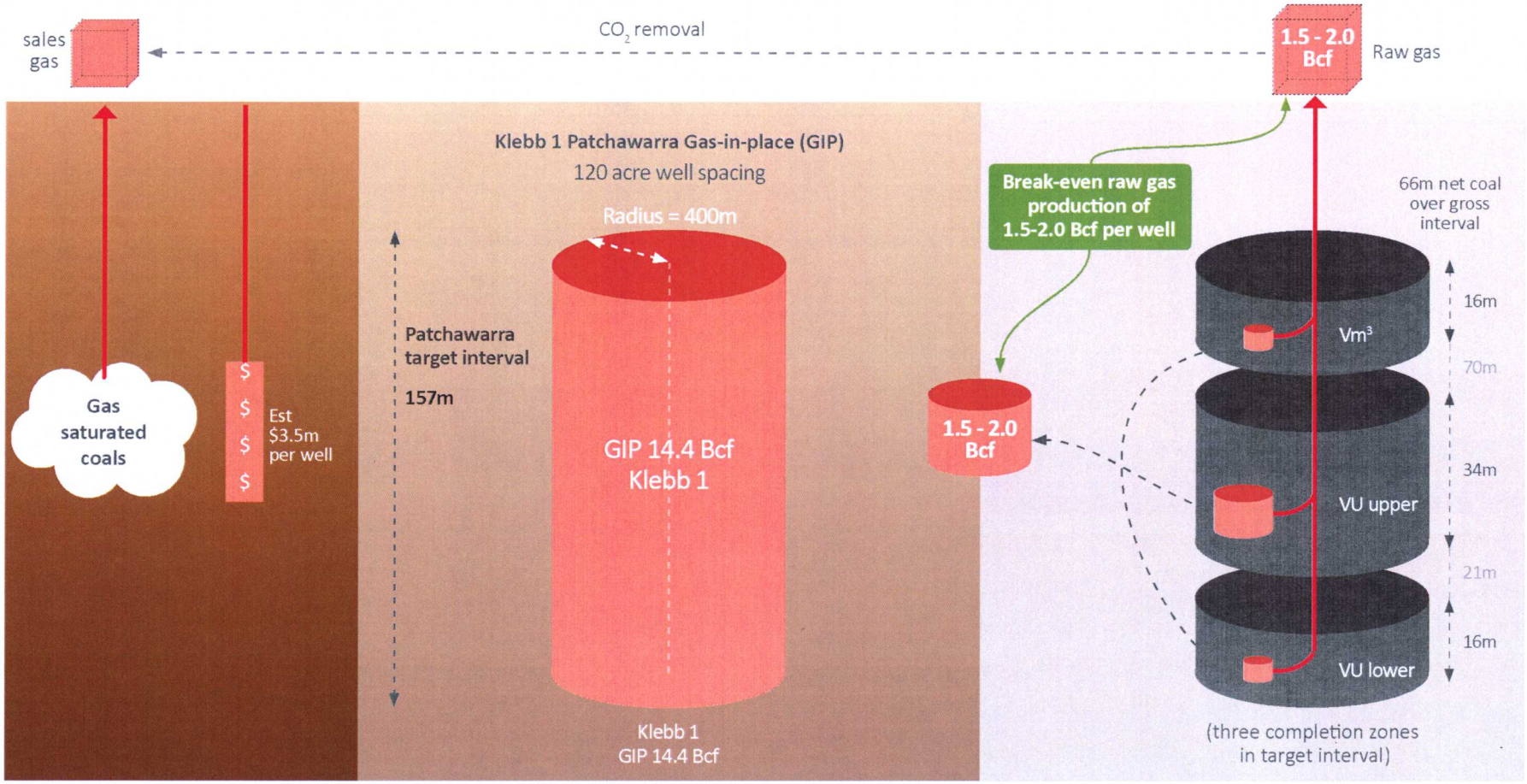


Increasing well capex demands a much higher sales gas volume to achieve break-even

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Southern Cooper Basin Gas Project: PEL 96 Phase One Area economics

Based on a $6/GJ price for sales gas delivered into MAPS pipeline and drilling and completion costs of $3.5 million per well Strike needs to recover 1.5 - 2.0 Bcf of raw gas to break-even.

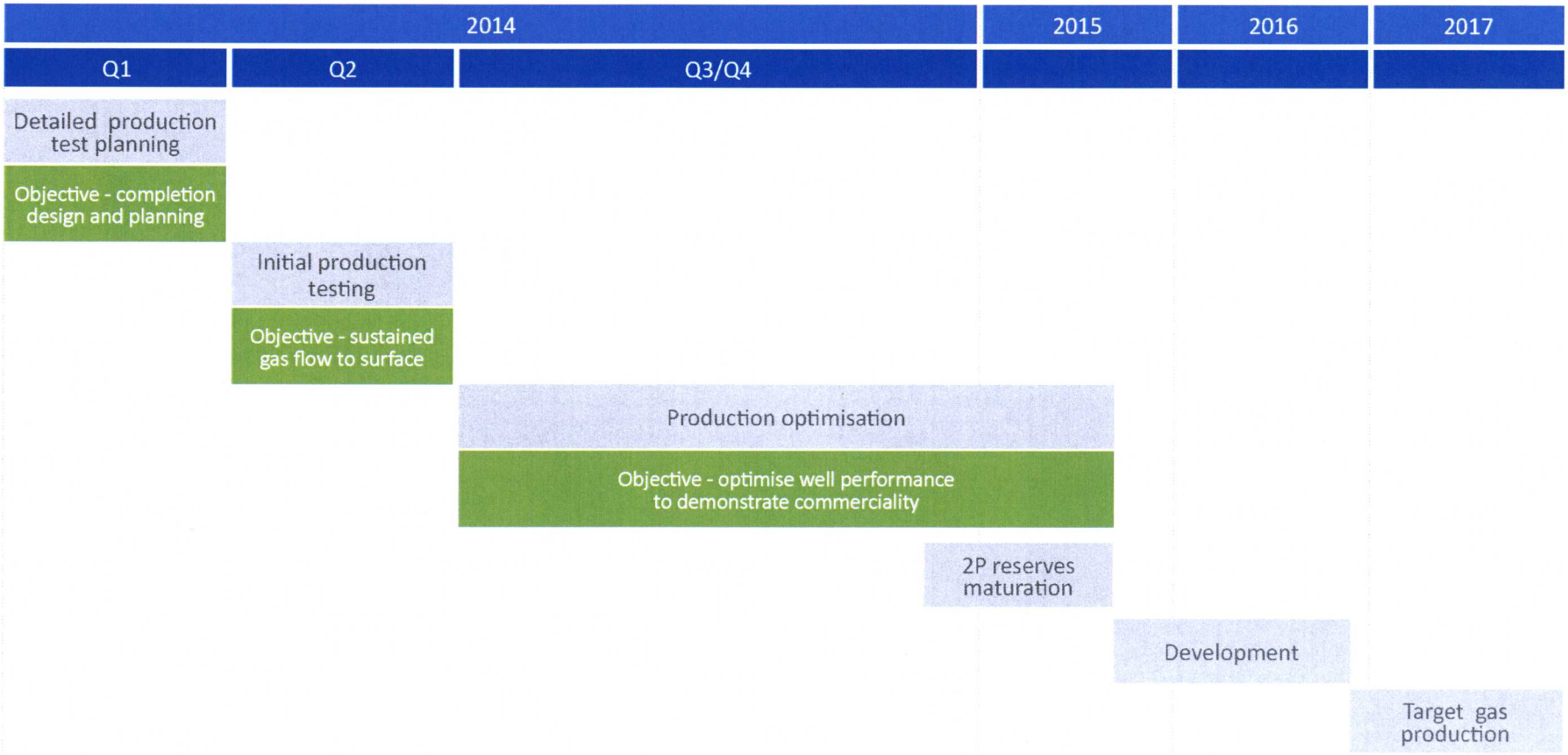


A favourable combination of high resource concentration, modest well capex and the absence of dewatering costs indicate that Strike's dry/ gas saturated coals are potentially in the sweet spot for gas play economics

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Southern Cooper Basin Gas Project: Rapid commercialisation program

To date, unconventional appraisal in the Cooper basin has been characterised by high costs, slow progress and long-dated commerciality. The drivers of these outcomes have included target zone depths, pressures, temperatures and associated technical complexities and geological uncertainties. In contrast, Strike's relatively low cost and rapid commercialisation program is on track to supply gas to east coast markets in 2017.

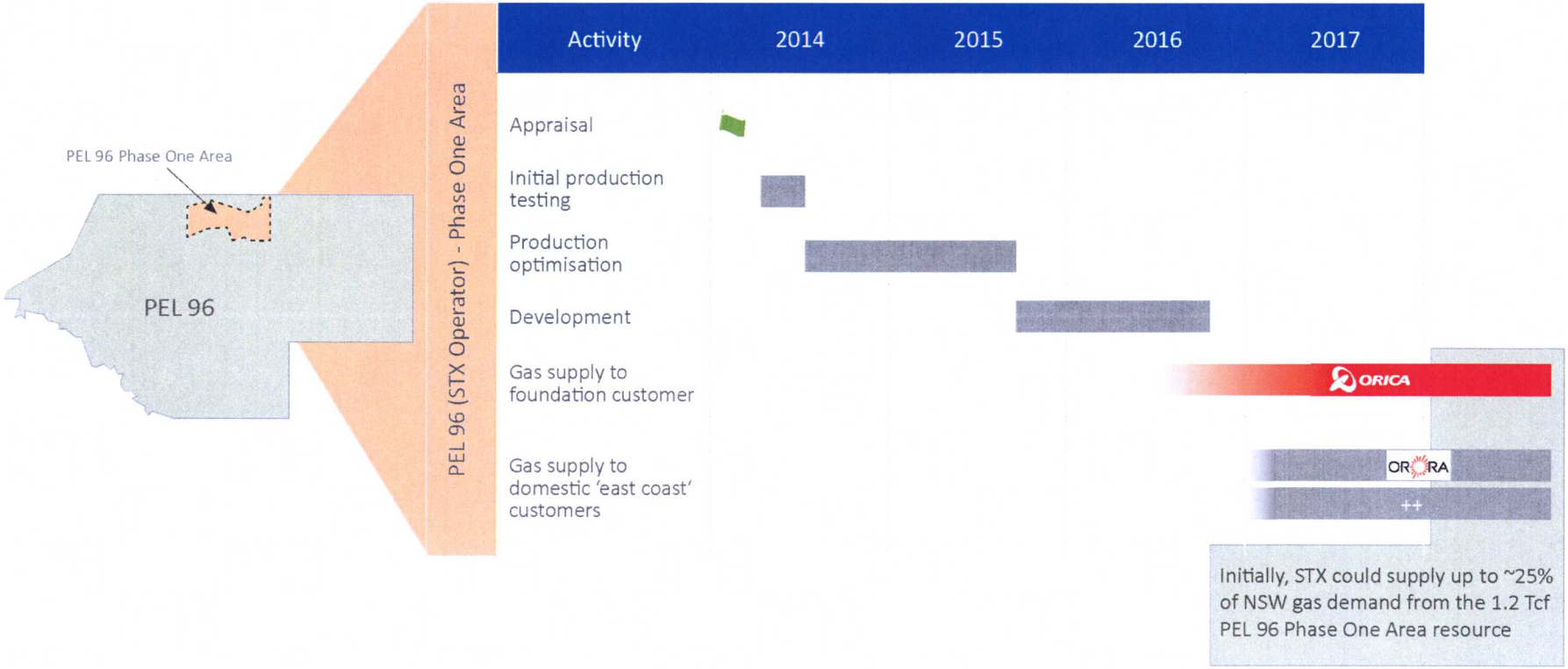


Strike's Gas Project positioned as 'frontrunner' for new gas supply

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Southern Cooper Basin Gas Project: PEL 96 Phase One Area path to market

The production testing and development timing for the PEL 96 Phase One Area positions Strike as the 'frontrunner' to meet the forecast east coast gas shortage. The 1.2 Tcf prospective resource in the PEL 96 Phase One Area could supply up to ~25% of NSW gas demand. A clear path to market has been established.

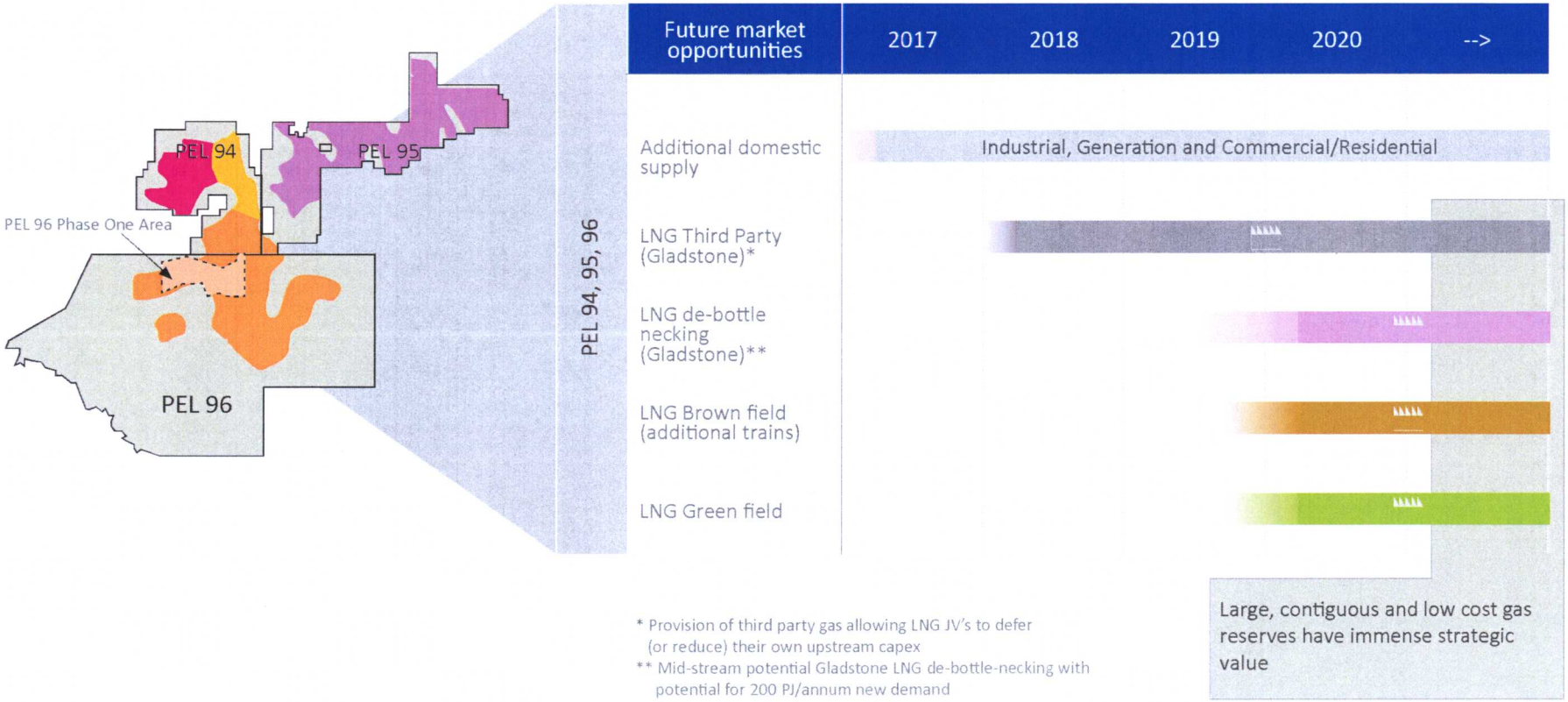


Clear path to market established with Orica as foundation customer

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Southern Cooper Basin Gas Project: Potential to deliver enormous value

Subject to early reserves maturation in the PEL 96 Phase One Area, Strike will pursue a monetisation path to fully capture the value of the large, contiguous and favourably located multi-Tcf gas resource present across PEL 94, 95 and 96.



Plan to unlock the potential of the entire resource

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Opportunity Summary

Strike Energy

- World-scale resource → supply constrained market
- Appraisal program successfully completed
- Production testing next step in project development
- Potentially compelling economics
- Rapid commercialisation program
- Established path to market
- Successful commercialisation will deliver enormous value

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COMPETENT PERSONS STATEMENT

The reported resource and or reserves in this presentation are based on information compiled by Mr C Thompson. Mr. Thompson is the General Manager of Strike's Cooper Basin Project and has consented to the inclusion of the resource and or reserves information in this report.

Mr. Thompson holds a Graduate Diploma in Reservoir Evaluation and Management and Bachelor of Science Degree in Geology. He is a member of the Society of Petroleum Engineers and has worked in the petroleum industry as a practicing reservoir engineer for over 20 years.