



27 November 2007

Strike Oil Limited
ABN 59 078 012 745

The Company Announcement Officer
Australian Stock Exchange Ltd
via electronic lodgement



RAYBURN PROJECT – DRILLING AND TESTING PROGRESS

Strike Oil is pleased to provide the following report on its Gulf Coast production testing and development drilling at the Rayburn Project.

GULF COAST, TEXAS

Rayburn Project – Texas Gulf Coast
(Strike Oil: 22.8% Working Interest, Operator: Cypress E&P Corporation)

- **Duncan 2 sidetrack successfully intersected the target reservoir**
- **Duncan 1 preparing to test Middle Wilcox Formation**

Duncan 2

The Duncan 2 sidetrack has been successfully drilled to a final depth of 12,150 feet (3700 metres).

Wireline logs indicate the sidetrack well intersected a full section of the Middle Wilcox pay sand previously identified in the Duncan 1 well.

The sidetrack well will now be completed for production testing.

Duncan 1

As previously reported the Duncan 1 well intersected high quality, gas bearing sands in the Middle Wilcox Formation and poorer quality gas bearing sands in the deeper Lower Wilcox Formation.

Our Strengths

- Producer/Explorer with strong cash flow
- Track record of discoveries
- Geographically diverse portfolio
- Highly experienced team
- Strong experienced partners
- Innovative approach to E&P

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The testing of the prospective intervals in the Lower Wilcox has been completed. Production testing of the Middle Wilcox Formation will begin shortly. Flow rate results from the testing are expected to be reported within four to five weeks.

Yours faithfully



SIMON ASHTON
Managing Director

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