



9 April 2008

Strike Oil Limited
ABN 59 078 012 745

The Company Announcement Officer
Australian Stock Exchange Ltd
via electronic lodgement

USA AND AUSTRALIAN PROJECTS OPERATIONAL UPDATE

Strike Oil is pleased to provide the following report on its Gulf Coast Rayburn drilling and testing programme and its Cooper-Eromanga Basin drilling programme.

RAYBURN

- **Duncan 3 preparing to drill ahead at 7,910 ft (2,411 metres)**
- **Duncan 2 ST production flow testing proceeding in line with expectations**
- **Gilbert Freeman 1 test underway**

COOPER - EROMANGA BASIN

- **Currumbin 1 drilling ahead at 1,473 metres**

RAYBURN PROJECT – WHARTON COUNTY

(Strike Oil 22.8% Working Interest; Operator Cypress E&P Corporation)

Duncan 3

Duncan 3, the fifth well to evaluate the Rayburn gas field, spudded on 26 March 2008. The 9 5/8 inch casing has been set at 7,900 feet (2,408 metres) as planned. Current operation is preparing to drill ahead at 7,910 feet (2,411 metres) in 8 1/2 inch hole.

The well is located approximately midway between the Duncan 1 and Duncan 2 wells. It is targeting the same Middle Wilcox pay sand encountered in Duncan 1 and 2 wells and Gilbert Freeman 1 well. Proposed total depth is 12,200 feet (3,719 metres).



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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Testing of Duncan 2 ST

The Duncan 2 ST well is production testing with the choke size being progressively increased. All test gas is being produced to sales.

Flow rates for both gas and oil-condensate are in line with expectations. Final flow rates will be released once optimal production has been achieved.

Testing of Gilbert Freeman 1 and Hlavinka-Duncan 1R

The Gilbert Freeman 1 has been perforated and a fracing operation is underway prior to conducting flow testing.

Testing of the Hlavinka-Duncan 1R well will be undertaken later in the month.

Strike Oil's Managing Director, Simon Ashton, commenting on the progress of the Rayburn Project stated that:-

"The bringing on of the second well at Rayburn, the Duncan 2 ST, and selling substantial quantities of gas and condensate immediately will add significantly to Strike's growing cash flow and places us well on track for the \$2 million per month of revenue target by June 2008."

ATP 633 P - COOPER-EROMANGA BASIN, QUEENSLAND
(Strike Oil 15.00% Working Interest; Operator Beach Petroleum)**Currumbin 1**

The Operator, Beach Petroleum, has advised the Currumbin 1 well is drilling ahead at 1,473 metres.

Yours faithfully



SIMON ASHTON
Managing Director

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