



7 August 2008

Strike Oil Limited  
ABN 59 078 012 745

The Company Announcement Officer  
Australian Stock Exchange Ltd  
*via electronic lodgement*



## RAYBURN PROJECT

### OPERATIONS UPDATE - GILBERT FREEMAN 2 TESTING COMMENCED

Strike Oil is pleased to provide the following update of its testing and drilling activities at the Rayburn Project in the Gulf Coast, Texas.

- **Gilbert Freeman 2 testing commenced; initial results comparable with other producing wells**
- **Hlavinka Gas Unit 1-1 at 7,395 feet (2,254 metres)**

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**RAYBURN PROJECT – WHARTON COUNTY**  
(Strike Oil 22.8% Working Interest; Operator Cypress E&P Corporation)

#### **WELL TESTING**

##### **Gilbert Freeman 2**

Testing of the Gilbert Freeman 2 well commenced on Monday 4 August (Texas time). The well will be flowed to clean up and allowed to stabilise before flow rates will be reported, likely next month. Results to date have been comparable to other successful wells currently producing in the Rayburn project.

All test gas and condensate is being sold.

##### **Gilbert Freeman 3**

The Gilbert Freeman 3 well is awaiting facilities installation prior to testing being scheduled.

### 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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## DRILLING UPDATE

### Hlavinka Gas Unit 1-1

Mud circulation was successfully restored during the past week. The well is currently (Wednesday, Texas time) drilling ahead at a depth of 7,395 feet (2,254 metres).

Proposed total depth of the well is 12,200 feet (3,719 metres).

The well, which is targeting Wilcox objectives, is located approximately 9,270 feet (2,825 metres) northeast of the initial discovery well, Duncan 1 and is appraising the Rayburn Field boundaries.

## MANAGING DIRECTOR'S COMMENT

Strike Oil's Managing Director, Simon Ashton, commenting on the latest testing results stated that:

*"Gilbert Freeman 2 is expected to add substantially to the total Rayburn and Mesquite fields sales which continue at the previously reported gross production rates of over 38 million cubic feet of gas per day and 900 barrels of condensate per day."*

Yours faithfully

A handwritten signature in black ink, appearing to read "Simon Ashton".

**SIMON ASHTON**  
Managing Director

*Further information:*

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