

Strike Set for Rebound

Date

6 October 2008

ASX Code

STX

Share Price

23cps

Valuation

80cps

Market Cap (fully diluted)

\$75.3m (\$81.0m)

Issued Capital (fully diluted)

327.2m shares (352m)

Cash (as at 30 June 2008)

\$8.4m

Management

Jeffrey Schneider (Chairman)
Simon Ashton (Managing Director)

Top Three Shareholders

Plato Prospecting Pty Ltd (6.7%)
National Nominees Ltd (6.4%)
Calm Holdings Pty Ltd (6.1%)

Oil and Gas Analyst

David Wall
Ph: +61 8 9268 2826
david_wall@hartleys.com.au

Strike Oil Limited ("Strike", "STX", "Company") has now drilled nine wells into its Rayburn project in Texas, predominantly targeting the productive Middle Wilcox Formation. Of these wells, only one has been plugged and abandoned. Current net production from Rayburn, not including a well currently being tested, is 9.5 million cubic feet of gas per day and 240 barrels of condensate per day. Strike is also receiving ~0.8 million cubic feet of gas per day and 25 barrels of condensate from its Mesquite project, also located on the Gulf Coast in Texas. This combined production represents annual revenue of A\$50m to Strike at current oil and gas prices.

Strike has exploration and appraisal potential from its Gulf Coast acreage of 275cps. The Company plans to drill several exploration / appraisal wells over the next six months in order to unlock this potential.

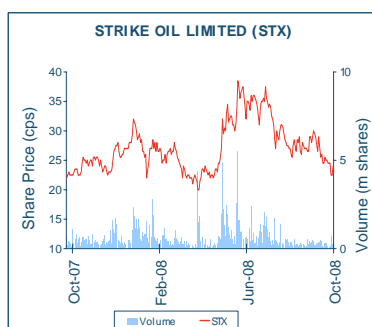
Progress continues to be made at the Company's coal-to-liquids project, FuturGas, through its wholly owned subsidiary, Hybrid Energy Australia Pty Ltd ("Hybrid"). The project is underpinned by a JORC compliant surface deposit of brown coal, located in South Australia, certified at 578Mt. The project is targeting initial production by the end of 2012.

At current prices, Strike is trading on FY09 multiples for cash flow of 2.7X and price to earnings of 3.7X. We believe that the current market volatility is providing opportunities to pick up low risk bargains in relation to companies, such as Strike, that have earnings certainty based on strong production numbers. We rate **Strike Oil Limited** as a **Buy**.

Investment Highlights

- Gulf Coast Production Strong** – Net production from Strike's Gulf Coast projects is >10 million cubic feet of gas per day and 270 barrels of condensate per day. Our valuation of the Gulf Coast assets assumes only one more successful well at Rayburn before decline begins. Using a conservative nominal discount rate of 13%, this values the assets at 36 cps.
- Rayburn Potential 135cps (STX 22.8%)** – Our valuation of 35 cps for the Middle Wilcox formation at Rayburn assumes Strike produces 19 billion cubic feet of gas and 500,000 barrels of condensate from 7 wells. Five wells are currently producing, with flow rates expected soon from the Gilbert Freeman 3 well, and another well due to spud shortly. We believe it is likely that information from the existing wells will be used to plan an ongoing drilling program at Rayburn spanning 2 – 3 years. This would see more wells drilled not only into the Middle Wilcox, but also other Wilcox objectives as well as additional horizons that logs have indicated may also be gas bearing. This represents total potential for Strike of 115 billion cubic feet of gas and 2.9 million barrels of condensate, worth 135cps.
- Gulf Coast Exploration Potential > 170cps (STX 30-35%)** – Now that strong production has been achieved at Rayburn, we anticipate that exploration should receive a greater focus for the Company. This should result in several high impact exploration wells being drilled before the end of the year. Several prospects are drill ready and have net potential 15 billion cubic feet of gas each, worth ~20cps to Strike.
- Non-Conventional Resources Growing** – Based on a 10,000 barrel per day coal-to-liquids ("CTL") project, Hybrid may be worth > \$350m. Alternative financing options are currently being considered. A farmout deal could crystallise the value of the asset and re-rate it on the market. Strike also has a 67% interest in an early stage coal seam gas / underground coal gasification project, where drilling is scheduled in 2009.

Share Price Performance

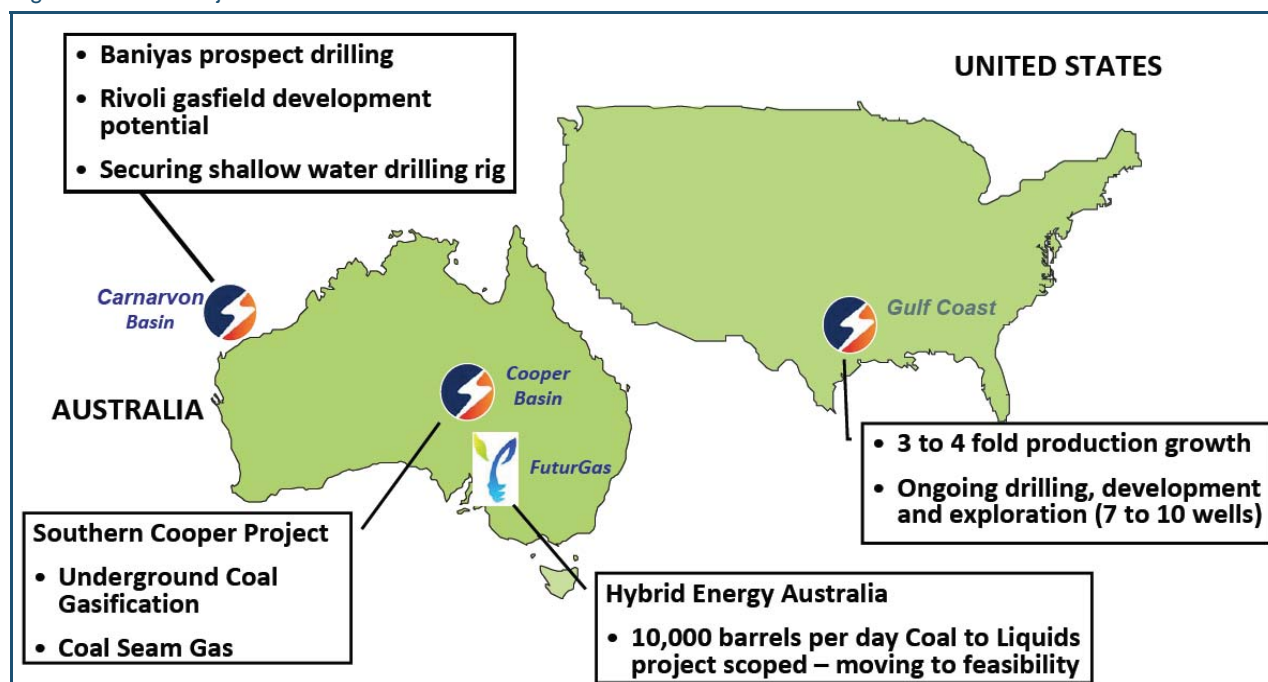


Source: Iress

Background

Strike Oil Limited is an ASX listed oil and gas explorer/producer [Code: STX], founded in 1997. The Company participated in its first well, Longhorn 1 in the Carnarvon Basin in the same year and continued to focus its operations in Australia, resulting in the Casino gas discovery in 2003 which was later sold. Shortly thereafter, in 2004, Strike listed its offshore drilling operations as Strike Oil Limited, and its coal seam gas assets as Comet Ridge Limited. Since then the Company has expanded into the USA and increased its operational expertise, achieving its first revenue from the Mesquite discovery in 2006. More recently the Company has experienced success at Rayburn, also in the USA. Strike, through its 100% owned subsidiary, Hybrid Energy Australia Pty Ltd, has a 578mt, JORC compliant, brown coal deposit in South Australia. The Company is assessing ways to monetise this asset using clean coal and geosequestration technologies. Strike also has a 66.7% interest in an early stage coal seam gas or underground coal gasification project, which has prospective resources of 8 – 20 trillion cubic feet of gas.

Figure 1: Strike Project Locations



Source: Strike Oil Limited

Principal Assets

Rayburn, Gulf Coast, Texas (STX 22.8%)

Strike's 10,000 acre Rayburn project is located on the petroliferous Wilcox trend near Houston. Rayburn is a large structure with multiple target horizons that have the potential to host up to 500 billion cubic feet of gas, with 12.5 million barrels of associated condensate. The play focuses on marginal quality reservoirs that are then fraced to produce commercial flows.

The first well drilled on the structure was the Duncan 1 well which targeted the Middle Wilcox and Lower Wilcox formations. The Middle Wilcox contained high quality pay intervals, whilst the Lower Wilcox was found to contain reservoir of sub commercial quality. Significantly, the Middle Wilcox is shallower and hence cheaper to drill and complete. The Company expects flow rates of 5-10 million cubic feet of gas per day per well, with 125-250 barrels of associated condensate per day and ultimate recovery of 5-10bcf per well. See Table 1 for a summary of well results to date at Rayburn.

Figure 2: Gulf Coast Projects



Source: Strike Oil Limited

Table 1: Rayburn Well Summary (gross production test rates)

Name	Current Status
Duncan 1	Producing 10 mmcf/d with 250 boc/d
Duncan 2	Producing 10 mmcf/d with 230 boc/d
Gilbert Freeman 1	Producing 4 mmcf/d with 140 boc/d
Hlavinka Duncan 1	No Wilcox pay, low flow of 44mcf/d from shallower zone
Duncan 3	Producing 10 mmcf/d with 234 boc/d
Gilbert Freeman 2	Producing 9 mmcf/d with 245 boc/d
Gilbert Freeman 3	Testing – flow rates expected soon
Hlavinka Gas Unit 1 1	Several gas bearing zones intercepted, suspended for testing
Duncan 4	Aggressive step-out unsuccessful. Plugged and abandoned
Duncan Ansley Gas Unit 1 1	Scheduled for drilling

Source: Strike Oil Limited

An initial certified reserve / resource is expected for Rayburn in the coming weeks. We estimate that net proved reserves (1P) could be in the range of 9 – 12 billion cubic feet of gas equivalent, with proved plus probable reserves (2P) of 15 – 20 billion cubic feet of gas equivalent. The net contingent resource potential is 53 – 78 billion cubic feet of gas equivalent.

Mesquite, Gulf Coast, Texas (STX 26.5%)

The Mesquite project currently produces at a gross rate of ~3 mmcf/d with associated condensate from 4 wells. The field has been producing for two years and is in decline from its initial production rates of 10-12 mmcf/d. It is expected to continue to produce for an extended period of time, in the order of 10 years. The project has paid for itself and no further development is planned at this stage.

Rivoli, Carnarvon Basin, Western Australia (STX 44.5%)

Rivoli is an existing discovery with estimated resources of 10-20 bcf. It is located close to shore and Strike has recently completed FEED in co-operation with the Department of Defence. As part of the FEED process the Company is negotiating to supply 8 PJ of gas over 20 years to the government's remote power project. Rivoli provides a strategic opportunity to build infrastructure and secure additional gas supply contracts through evaluation of nearby opportunities.

Exploration

Gulf Coast (STX 25%)

Strike has an extensive portfolio of prospects in its Gulf Coast acreage. The top five drill ready prospects have upside potential of 530 bcf. All prospects have been identified with the use of 3D seismic that has been calibrated using existing production wells. Now that Rayburn is producing at significant rates, we anticipate that the joint venture will focus more attention on drilling several of these exploration prospects before financial year-end.

Table 2: Gulf Coast Exploration Prospects

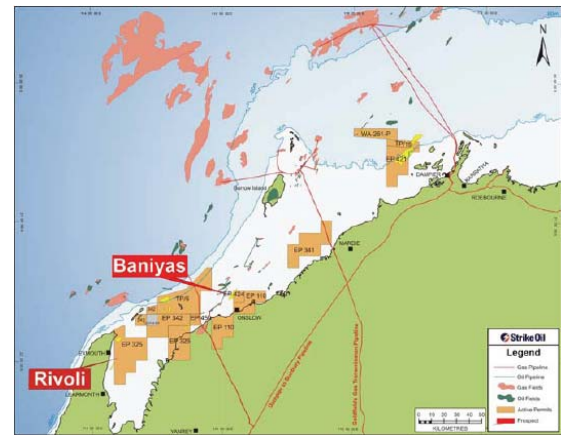
Name	Well Type	Gross Upside Potential	Strike Interest
Canyon	Exploration	50 bcf	30%
Rodeo	Exploration	230 bcf	30%
Flint	Exploration/Appraisal	50 bcf	35%
Other (4 prospects)	Exploration	200 bcf	30%

Source: Strike Oil Limited

Carnarvon Basin (STX 40%)

Strike owns significant working interests in large shallow water acreage in the Carnarvon Basin, near to its Rivoli gas project. The area is considered to be prospective for both gas and oil. Of particular interest is the Baniyas prospect, which is estimated to have potential for 111 bcf gas. The Company is currently assessing the options available that would enable the drilling of its prospects in the timeliest and most cost effective manner. It may be possible to use a larger rig, more suited for deep drilling, if a slot becomes available; however, this would prove to be costly. The other option is to obtain access to a rig designed for shallow drilling. This may require that a rig be brought in from overseas which would result in significant mobilisation costs. It is considered most likely that a deal will be made with other companies to reduce costs. The Company is targeting to drill Baniyas in mid 2009.

Figure 3: Carnarvon Basin Projects/ Prospects

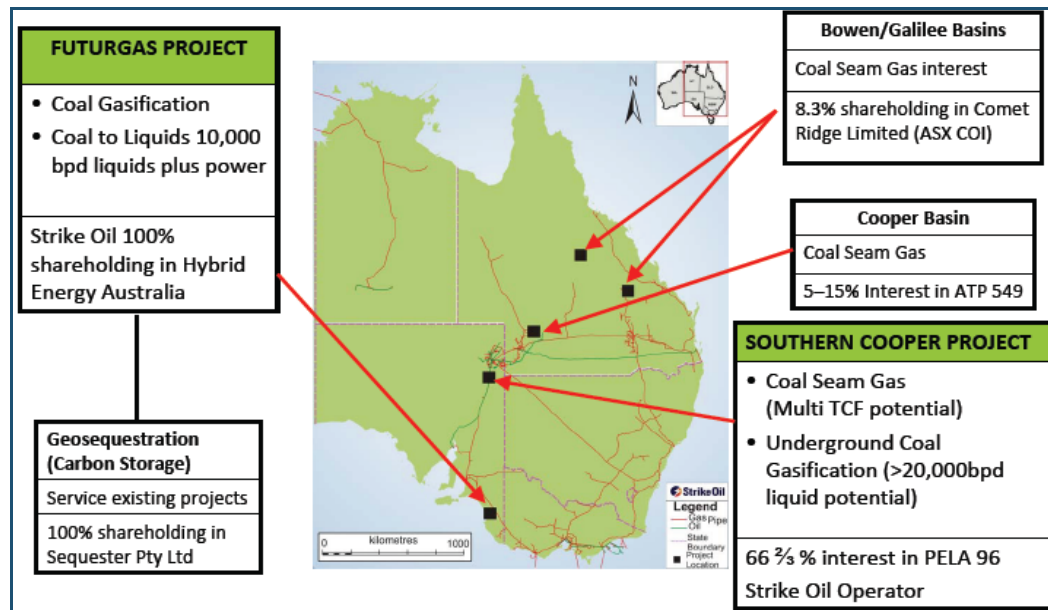


Source: Strike Oil Limited

PELA 96, Southern Cooper Project (STX 66.6%)

PELA 96, located in the south of the Cooper Basin in South Australia, is currently progressing to grant. The project is early stage and no gas measurements have been taken to date; however, the coals on the permit are gas rich elsewhere in the basin. The project is prospective for coal seam gas, underground coal gasification and conventional oil and gas. The prospective resource for the permit is between 8 and 20 trillion cubic feet of gas, which could support a 20,000 barrel per day coal-to-liquids project. Drilling is scheduled for 2009.

Figure 4: Southern Cooper Project



Source: Strike Oil Limited

Hybrid Energy Australia Pty Ltd - FuturGas Project (STX 100%)

Through its wholly owned subsidiary, Hybrid Energy Australia Pty Ltd, Strike owns a 578mt, JORC compliant, lignite (brown coal) resource in South Australia. Hybrid has recently set up office in Adelaide devoted to this project. The project is considered a clean coal project, which will aim to use the coal for power generation as well as CTL technology to provide transport fuels, with CO₂ side products being injected into nearby underground structures in the Otway Basin. A recent agreement between Hybrid and the University of Adelaide should help the Company develop the most efficient and environmentally friendly combustion and gasification method for processing the lignite. The University has many years of research expertise in this area and will aid in the development of a Feasibility Study. This Feasibility Study is earmarked for completion in 2010, with an Environmental Impact Study planned for public review and comment in 2011. Upon completion of the Feasibility Study a surface mine is planned. The location of the resource is 25-30km from the electricity transmission line

linking Victoria and South Australia. The Company believes there is potential for 500 million barrels of fuel, being produced at rates in the order of 10,000 barrels per day.

Strike's FuturGas project differentiates itself from similar projects in several ways:

- The Company's resource is JORC compliant, with over 550 boreholes of supporting data. It also has upside potential of 1bt.
- It is located close to infrastructure in an energy starved State. This reduces costs and also means that the project should be well supported by the local government.
- Compared to other technologies such as underground coal gasification ("UCG"), Strike's proposed project produces fewer emissions.
- The coal will be extracted via conventional mining processes and gasification will occur in a more controlled environment than UCG projects. This reduces the technical and cost risk associated with this project.
- The FuturGas project is located close to suitable geological structures that can be used to store CO₂ emissions. The possibility exists that the structures are also used as storage for emissions from other projects.

The Company plans to fund the project via private equity, joint venture or IPO. We do not believe any value from this project is reflected in the current share price. Each of the funding options available to the Strike will effectively set a price for this asset and lead to a possible re-rating of the Company.

Financial Analysis

Strike has 328.6m shares on issue and 23.4m options exercisable at various dates and prices. As at June 30 2008, the Company had a cash balance of \$8.4m and debt of \$6.8m.

Valuation

Rayburn

Hartleys valuation of Rayburn is based on a discounted cash flow model and only includes success from the Middle Wilcox formation. It should be noted that potential from other stacked pay exists in the region.

The valuation assumes 7 wells in total are drilled with initial flow rates of 8.0 mmcf/d with associated condensate at a rate of 25 boc per mmcf. Completed well costs are assumed to be US\$6m, with ongoing opex at US\$0.50 per mcf.

A 36.5% effective tax rate is assumed, comprised of 35% corporate tax with 1.5% state tax.

Production rate decline means that 75% of ultimate recovery is produced in the first 2-3 years, after which the decline is relatively flat.

These assumptions generate a valuation for the Middle Wilcox at Rayburn at A\$121.8m or 35cps.

Rivoli

Rivoli is located in Australian State waters and hence is subject to ~10% royalty on well head revenue. Corporate tax is assumed to be 30%.

The project is assumed to produce 15 bcf over 14years, starting in Q4 2009. Opex is assumed flat at ~A\$1.5m per year, with gross capital requirements of A\$25m.

This values Rivoli at A\$22.3m or 6cps to Strike.

Mesquite

Fiscal regime assumptions at Mesquite are the same as at Rayburn.

The Mesquite project is assumed to produce another 4.5bcf (gross) over 3.5 years, steadily declining from current production rates of 4.0mmcf/d. Opex is the same as at Rayburn and no further wells have been modelled.

This values Mesquite at A\$6.3m or 2cps to Strike.

Exploration

Strike has significant exploration potential, both in the USA and in Australia. These have been valued on a risked basis using the assumptions set out in table 3 below.

Table 3: Exploration Valuation

Prospect/Area	Location	Mean Net Recoverable Resource	NPV/bbl NPV/mcf	POS*	Risked Value	Risked cps	Unrisked (High Case) cps
Rayburn Exploration	Gulf Coast	91.2 bcf gas 2.28 mmbbl cond	A\$3.00/mcf A\$30/bbl	10%	A\$34.2m	10.0cps	100cps
Rodeo	Gulf Coast	69 bcf gas 1.73 mmbbl cond	A\$3.00/mcf A\$30/bbl	10%	A\$25.9m	7.5cps	75cps
Flint	Gulf Coast	17.5 bcf gas 0.44 mmbbl cond	A\$3.00/mcf A\$30/bbl	10%	A\$6.6m	1.9cps	19cps
Canyon	Gulf Coast	15 bcf gas 0.38 mmbbl cond	A\$3.00/mcf A\$30/bbl	10%	A\$5.6m	1.6cps	16cps
Other Gulf	Gulf Coast	60 bcf gas 1.5 mmbbl cond	A\$3.00/mcf A\$30/bbl	10%	A\$22.5m	6.5cps	65cps
Baniyas	Carnarvon Basin	44 bcf gas	A\$2.00/mcf	10%	A\$8.9m	2.6cps	26cps
Total					A\$104m	30cps	302cps

Source: Hartleys Estimates, *Probability of Success

Hybrid Energy

The Company's current development concept for its Hybrid Energy project assumes a capital requirement in the order of A\$1b. Ongoing opex is assumed to be A\$40 per barrel, with a constant rate of production of 10,000 barrels per day for 20 years, yielding 61 million barrels of liquids.

Project start-up is assumed in 2012, yielding a notional net present value of \$367m.

We have further discounted this by 90% our valuation of the Company as we require certain hurdles to be met to reduce risk before our discount is decreased. However, we believe that it will not be long before a value will be ascribed to the project via a corporate transaction.

Valuation Summary

Table 4: Strike Oil Limited Valuation.

	A\$m	\$/share
Rayburn	121.8	0.35
Rivoli	22.3	0.06
Mesquite	6.3	0.02
Exploration	103.6	0.30
FuturGas	36.8	0.11
Cash	8.4	0.02
Corporate Overheads	(22.6)	(0.07)
Total Debt	(6.8)	(0.02)
Options & Other Equity	4.58	0.01
Total	274	0.80

Source: Hartleys Estimates

Conclusions

Strike is forecast to deliver strong cashflow for FY2009 from its Gulf Coast assets, putting it on a cashflow multiple of 2.7X and price to earnings multiple 3.7X. The Company also has exploration upside potential from its US assets of 275cps, some of which will be tested over the next few months by the ongoing drilling program. Strike has grown the non-conventional side of its business and we believe that it is only a matter of time before these assets are re-rated by the market. At current prices, downside risk is limited whilst substantial leverage to upside potential exists. We rate **Strike Oil Limited** as a **Buy**.

Strike Oil Limited		Share Price				October 2008	
STX		\$0.23				BUY	
Key Market Information							
Share Price		\$0.23					
Market Capitalisation		\$76m					
52 Week High-Low		\$0.40-\$0.20					
Issued Capital		328.6m					
Issued Capital (fully diluted inc. ITM options)		343.7m					
Options		23.4m@\$A0.21					
Hedging							
Yearly Turnover/Volume		\$46.9m/163.8m shares					
Liquidity Measure (Yearly Turnover/Issued Capital)		50%					
Valuation							
Discounted Cashflow @ 10% Real		\$0.80					
Financial Performance							
	Unit	FY2008A	FY2009F	FY2010F	FY2011F		
Net Revenue	A\$m	18.2	60.0	77.4	68.4		
Total Costs/Writeoffs	A\$m	(15.3)	(23.0)	(23.8)	(17.7)		
EBITDA	A\$m	2.9	37.1	53.7	50.7		
Depreciation/Amort	A\$m	(2.7)	(3.6)	(4.3)	(4.3)		
EBIT	A\$m	0.2	33.5	49.3	46.4		
Net Interest	A\$m	0.2	(0.3)	0.9	2.4		
Pre-Tax Profit	A\$m	0.4	33.2	50.2	48.8		
Tax Expense	A\$m	-	(12.1)	(18.3)	(17.8)		
NPAT	A\$m	0.4	21.1	31.9	31.0		
Abnormal Items	A\$m	-	-	-	-		
Reported Profit	A\$m	0.4	21.1	31.9	31.0		
Financial Position							
	Unit	FY2008A	FY2009F	FY2010F	FY2011F		
Cash	A\$m	8.4	20.8	47.1	46.6		
Other Current Assets	A\$m	12.7	17.1	19.4	17.9		
Total Current Assets	A\$m	21.1	37.9	66.4	64.4		
Property, Plant & Equip.	A\$m	13.0	20.4	29.7	67.4		
Exploration	A\$m	13.1	21.4	29.1	37.1		
Investments/other	A\$m	1.6	1.6	1.6	1.6		
Tot Non-Curr. Assets	A\$m	27.7	43.4	60.4	106.1		
Total Assets	A\$m	48.8	81.3	126.8	170.5		
Short Term Borrowings	A\$m	1.6	1.6	1.6	1.6		
Other	A\$m	3.5	11.7	24.6	36.3		
Total Curr. Liabilities	A\$m	5.1	13.3	26.2	37.9		
Long Term Borrowings	A\$m	5.2	5.2	5.2	5.2		
Other	A\$m	0.4	0.4	0.4	0.4		
Total Non-Curr. Liabil.	A\$m	5.5	5.5	5.5	5.5		
Total Liabilities	A\$m	10.7	18.8	31.8	43.4		
Net Assets	A\$m	38.1	62.5	95.0	127.1		
Cashflow							
	Unit	FY2008A	FY2009F	FY2010F	FY2011F		
Operating Cashflow	A\$m	4.5	41.1	61.5	57.0		
Income Tax Paid	A\$m	-	(12.1)	(18.3)	(17.8)		
Interest & Other	A\$m	0.3	(0.3)	0.9	2.4		
Operating Activities	A\$m	4.8	28.7	44.1	41.5		
Property, Plant & Equip.	A\$m	(6.6)	(9.6)	(8.4)	(33.2)		
Exploration/Development	A\$m	(14.5)	(10.0)	(10.0)	(10.0)		
Investments	A\$m	2.2	-	-	-		
Investment Activities	A\$m	(18.9)	(19.6)	(18.4)	(43.2)		
Drawdown of Borrowings	A\$m	7.5	-	-	-		
Equity	A\$m	17.9	3.3	0.6	1.1		
Financing Activities	A\$m	16.6	3.3	0.6	1.1		
Net Cashflow	A\$m	2.5	12.4	26.3	(0.5)		
Ratio Analysis							
	Unit	FY2008A	FY2009F	FY2010F	FY2011F		
Cashflow Per Share	A¢	1.5	8.5	12.7	11.8		
Cashflow Multiple	X	15.7	2.7	1.8	1.9		
Earnings Per Share	A¢	0.1	6.2	9.2	8.8		
Price to Earnings Ratio	X	193.9	3.7	2.5	2.6		
Dividends Per Share	A¢	-	-	-	-		
Dividend Yield	%	-	-	-	-		
Interest Cover	X	na	112.7	na	na		
Return on Equity	%	1%	34%	34%	24%		
Directors							
Mr Peter Lynton Gunzburg				Level 9, 40 The Esplanade			
Mr David Wrench				Perth, Wa, 6000			
Mr Jeffrey Schneider				Tel: (08) 6464 0400			
Mr Simon Ashton				Fax: (08) 6464 0401			
Mr Jim Durrant				Web: http://www.strikeoil.com.au			
Mr Tim Clifton							
Company Information							
Top 10 Shareholders (as at 11/09/07)							
		m shares		%			
Plato Prospecting Pty Ltd		22.02		6.7			
National Nominees Ltd		20.90		6.4			
Calm Holdings Pty Ltd		20.00		6.1			
ANZ Nominees Limited		13.60		4.1			
Mr James Michael Durrant		9.95		3.0			
S & Y Ashton Nominees Pty Ltd		8.53		2.6			
J P Morgan Nominees Australia Limited		5.00		1.5			
Sassey Pty Ltd		4.97		1.5			
JP Morgan Nominees Australia Ltd		4.55		1.4			
Mr Brian Williams & Mrs Valerie Williams		2.74		0.8			
Production Summary							
	Unit	FY2008A	FY2009F	FY2010F	FY2011F		
*Attributable							
Liquids	mmbbl	1.10	0.48	0.51	0.42		
Gas	bcf	0.95	4.44	5.85	4.76		
LPG	kt	-	-	-	-		
Price Assumptions							
	Unit	FY2008A	FY2009F	FY2010F	FY2011F		
US Gas Price	US\$/mcf	8.07	9.00	9.75	10.50		
Oil	US\$/bbl	96.88	105.90	100.00	100.00		
Exchange Rate	A\$/US\$	0.90	0.85	0.85	0.82		
Hedging							
	Unit	FY2008A	FY2009F	FY2010F	FY2011F		
Total Forward Sales - Oil	mmbbl	-	-	-	-		
Forward Oil Price	A\$/bbl	-	-	-	-		
Sensitivity Analysis							
	Valuation (\$/s)	NPAT	EPS (¢)	CFPS (¢)			
Base Case	0.80	0.4	0.1	1.5			
Gas Price +-10%	0.83	0.4	0.1	1.5			
Gas Price --10%	0.77	0.4	0.1	1.5			
Exchange Rate +-10%	0.72	0.4	0.1	1.5			
Exchange Rate --10%	0.90	0.4	0.1	1.5			
Oil Price +-10%	0.75	0.4	0.1	1.5			
Oil Price --10%	0.75	0.4	0.1	1.5			
*N.B. NPAT, EPS, CFPS forecasts are for FY2008							
Share Price Valuation (NAV)							
		\$m		\$/share			
Rayburn (NPV @ 10%)		121.8		0.35			
Rivoli (NPV @ 10%)		22.3		0.06			
Mesquite (NPV @ 10%)		6.3		0.02			
Exploration		103.6		0.30			
Hybrid (NPV @ 10%)		36.8		0.11			
Cash		8.4		0.02			
Corporate Overheads		(22.6)		(0.07)			
Total Debt		(6.8)		(0.02)			
Tax Losses		0.0		0.00			
Options & Other Equity		4.58		0.01			
Total		274.41		0.80			
10% real discount rate used for DCF (-13.3% nominal)							
Analyst: David Wall				Last Updated: 06/10/2008			
Phone: +61 8 9268 2826							
Sources: IRESS, Company Information, Hartleys Research							

Hartleys Corporate Directory

Research

Trent Barnett	Senior Industrial Analyst	+61 8 9268 3052
Nikki Ermongkonchai	Industrial Analyst	+61 8 9268 2837
Andrew Muir	Resources Analyst	+61 8 9268 3045
David Wall	Oil and Gas Analyst	+61 8 9268 2826

Corporate Finance

Richard Simpson	Managing Director & Head of Corporate Finance	+61 8 9268 2824
Grey Egerton-Warburton	Lead Director-Corporate Finance	+61 8 9268 2851
Martin Pyle	Director-Corp Finance	+61 8 9268 2821
Paul Fryer	Director-Corp Finance	+61 8 9268 2819
Dale Bryan	Assoc Director-Corp Finance	+61 8 9268 2829
Ben Wale	Manager-Corp Finance	+61 8 9268 3055

Registered Office

Level 6, 141 St Georges Tce
Perth WA 6000
Australia

Postal Address
GPO Box 2777
Perth WA 6001
Australia

Contact Details
Telephone: +61 8 9268 2888
Facsimile: +61 8 9268 2800
Website: www.hartleys.com.au
Email: info@hartleys.com.au

Note: personal email addresses of company employees are structured in the following manner:

firstname_lastname@hartleys.com.au

Hartleys Recommendation Categories

Strong Buy	Significant share price appreciation anticipated
Buy	Share price appreciation anticipated
Speculative Buy	Share price appreciation anticipated but is considered high risk
Accumulate	Buy in periods of weakness
Hold	Take no action
Reduce	Sell in periods of strength
Sell	Significant price depreciation anticipated

Disclaimer/Disclosure

The author of this publication, Hartleys Limited ABN 33 104 195 057 ("Hartleys"), its Directors and their Associates from time to time may hold shares in the security/securities mentioned in this Research document and therefore may benefit from any increase in the price of those securities. Hartleys and its Advisers may earn brokerage, fees, commissions, other benefits or advantages as a result of a transaction arising from any advice mentioned in publications to clients.

Hartleys has assisted in the completion of part of a capital raising in the past 12 months for Strike Oil Limited, for which it received fees.

Any financial product advice contained in this document is unsolicited general information only. Do not act on this advice without first consulting your investment adviser to determine whether the advice is appropriate for your investment objectives, financial situation and particular needs. Hartleys believes that any information or advice (including any financial product advice) contained in this document is accurate when issued. Hartleys however, does not warrant its accuracy or reliability. Hartleys, its officers, agents and employees exclude all liability whatsoever, in negligence or otherwise, for any loss or damage relating to this document to the full extent permitted by law.

Institutional Sales

Bradley Booth	+61 8 9268 2873
Carrick Ryan	+61 8 9268 2864
Darren Reed	+61 8 9268 3053
Simon Van Den Berg	+61 8 9268 2867

Wealth Management

Nicola Bond	+61 8 9268 2840
Nathan Bray	+61 8 9268 2874
Sven Burrell	+61 8 9268 2847
Simon Casey	+61 8 9268 2875
Tony Chien	+61 8 9268 2850
Travis Clark	+61 8 9268 2876
David Cross	+61 8 9268 2860
Nicholas Draper	+61 8 9268 2883
John Featherby	+61 8 9268 2811
Ben Fleay	+61 8 9268 2844
Robin Forbes	+61 8 9268 2813
John Georgiades	+61 8 9268 2887
John Goodlad	+61 8 9268 2890
Andrew Gribble	+61 8 9268 2842
Neil Inglis	+61 8 9268 2894
Murray Jacob	+61 8 9268 2892
Gavin Lehmann	+61 8 9268 2895
Shane Lehmann	+61 8 9268 2897
Steven Loxley	+61 8 9268 2857
Andrew Macnaughtan	+61 8 9268 2898
Christian Marriott	+61 8 9268 2828
Scott Metcalf	+61 8 9268 2807
David Michael	+61 8 9268 2835
Nicole Morcombe	+61 8 9268 2896
Jamie Moullin	+61 8 9268 2856
Chris Munro	+61 8 9268 2858
Michael Munro	+61 8 9268 2820
Ian Parker	+61 8 9268 2810
Ian Plowman	+61 8 9268 3054
Margaret Radici	+61 8 9268 3051
Charlie Ransom	+61 8 9268 2868
James Robinson	+61 8 9268 2859
Conlie Salvemini	+61 8 9268 2833
Darryl Smalley	+61 8 9268 2808
David Smyth	+61 8 9268 2839
Greg Soudure	+61 8 9268 2834
Sonya Soudure	+61 8 9268 2865
Dirk Vanderstruyf	+61 8 9268 2855
Marlene White	+61 8 9268 2806