STRATA-X ENERGY

Quarterly Activities Report

For Quarter Ended
30 June 2015

Quarter Highlights

- Established P2 reserves on the Blue Spruce Oil Project – Illinois Basin Vertical Programme – of 1.282 million barrel of light oil net to the Company.
- Identified 12 new By-Passed Pay prospects from a proprietary data set developed by Strata-X, including the 1 mmbbl Red Oak Prospective Resource and the 0.9 mmbbl Maple Prospective Resource prospects.(1)
- Set near term exploration programme to start in August 2015 to exploit identified By- Passed Pay prospects and advance the Deep Lingle Horizontal programme, subject to available funds.
- Strata-X has registered as a horizontal operator with the State of Illinois, the first registration of its kind, and permitted an 8 mile step-out horizontal test to the Burkett 5-34 well called the Raccoon Creek #1.
- Growth in revenue over 300% advancing the company toward its initial goal of covering general and administrative costs.

Traded on the Australian Securities Exchange (ASX) under the symbol "SXA" and on the TSX Venture Exchange (TSX.V) under the symbol "SXE"

STRATA-X ENERGY LIMITED
ARBN - 160 885 343

(1) This information originally appeared in a Presentation issued by the Company dated 22 July 2015, which is available for review on the Company's website, www.strata-x.com.

Contents

Solicitors

Canada
Armstrong Simpson
Suite 2080 – 777 Hornby Street
Vancouver, British Columbia
Canada, V6Z 1S4

Australia
HopgoodGanim
Level 8, Waterfront Place
1 Eagle Street
Brisbane QLD 4000, Australia

Share Registries

Canada
Computershare
Suite 600, 530 – 8th Ave SW
Calgary, Alberta, Canada T2P 358
Tel: +1-403-267-6800

Australia
Link Market Services Ltd
Level 15 ANZ Building
324 Queen Street
Brisbane QLD 4000, Australia
Tel: 1300-554-474

Auditor

Collins Barrow Edmonton LLP
Commerce Place, Suite 2380
10155-102 Street NW
Edmonton, Alberta, Canada T5J 4G8

Stock Exchanges

- TSX Venture Exchange (TSX-V)
- Australian Securities Exchange (ASX)

Directors

Mr. Ron Prefontaine –
Chairman of the Board of Directors

Mr. Tim Hoops –
President and Managing Director

Mr. Dennis Nerland –
Non Executive Director

Mr. Tim Bradley –
Non Executive Director

Mr. Bohdan (Don) Romaniuk –
Non Executive Director

Mr. Greg Hancock –
Non Executive Director

Company Management

Mr. David Hettich –
Chief Financial Officer

Dr. Ira Pasternack –
V.P. of Exploration

Company Secretaries

Shaun Maskerine – Canada

Duncan Cornish – Australia

Head Office

Strata-X Energy Ltd
1624 Market St. #300A
Denver, CO USA 80202
Tel: +1-720-515-8793

www.strata-x.com
info@strata-x.com

Canadian Office

c/o Armstrong Simpson
2080 – 777 Hornby Street
Vancouver, B.C.
Canada V6Z 1S4

Australian Office

c/o Corporate Administration Services
Level 5, 10 Market Street
Brisbane QLD 4000, Australia

Disclaimer

The following discussion and analysis (the "MD&A") for Strata-X Energy Ltd. (hereinafter, "Strata-X Energy", "Company" or "Strata-X") prepared as of July 2015, should be read together with the interim condensed consolidated financial statements for the three months ending 30 June 2015 and related notes appended thereto, which are prepared in accordance with International Financial Reporting Standards. All amounts are stated in United States dollars unless otherwise indicated. Statements in this report that are not historical facts are forward looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Certain information contained in this MD&A constitutes "forward-looking information" within the meaning of applicable Canadian securities legislation. The use of any of the words "anticipate", "continue", "estimate", "intend", "potential", "expect", "may", "will", "project", "proposed", "should", "believe" and similar expressions are intended to identify forward-looking information. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. In addition, this MD&A may contain forward-looking information attributed to third party industry sources. The Company believes that the expectations reflected in such forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this MD&A should not be unduly relied upon. Such information speaks only as of the date of this MD&A or such other date indicated herein. In particular, this MD&A contains forward-looking information pertaining to the following: expectations regarding growth of the Company; the timing and location of drilling or other operational activities; oil and natural gas production estimates and targets; oil and natural gas production levels and sources of their growth; estimates of resource potential of targets, including without limitation, statements regarding BOE/d production capabilities; quantity of reserves and resources relating to the Company and its assets and its value; capital expenditure programs and estimates relating to timing, cost and cash flow generation related to these programs; size of the Company's oil and natural gas reserves and resources; the performance characteristics of the Company's oil and natural gas properties; projections of market prices for oil and natural gas and exploration, development and production costs; supply and demand for oil and natural gas; expectations regarding the ability to raise capital and continually add to reserves through exploration and development and, if applicable, acquisitions; treatment under governmental regulatory regimes and tax laws, and; the use of financing funds by the Company.

With respect to forward-looking information contained in this document, the Company has made assumptions regarding, among other things: timing and ability of the Company to obtain all necessary environmental and regulatory approvals relating to operations; the recoverability of the Company's oil and natural gas reserves and resources; interest rates; exchange rates and the futures prices of oil and natural gas; operating and capital costs; the Company's ability to generate sufficient cash flow from operations and to access capital markets to meet its future obligations; the Company's ability to attract and retain qualified personnel; the ability of the Company to successfully market its oil and natural gas products and the continuing demand for oil and natural gas; and stability of general economic and financial market conditions;

The Company's actual results could differ materially from those anticipated in such forward-looking information as a result of the risk factors set forth below and in the Company's annual information form dated 25 September 2014: volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves and resources; risks and uncertainties associated with the Company's oil and natural gas and development program; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions and exploration and development programs; adverse claims made in respect of the Company's properties or assets; failure to engage or retain key personnel; geological, technical, drilling and processing problems, including the availability of equipment and access to properties; risks and uncertainties relating to hydraulic fracturing and the enactment of, or changes to, regulations and legislation in relation to hydraulic fracturing; imprecision in estimating capital expenditures and operating expenses; the expiry of leases and the loss of drilling prospects due to the expiry of leases; fluctuations in foreign exchange rates and stock market volatility; general economic and business conditions in North America and elsewhere; environmental risks and hazards; risks inherent in the exploration, development and production of oil and natural gas which may create liabilities to the Company in excess of the Company's insurance coverage, if any; uncertainties associated with changes in legislation including, but not limited to, changes in income tax laws and to oil and natural gas royalty frameworks; ability to obtain regulatory approvals; risks and uncertainties associated with liquidity and capital resources and requirements; and other factors referenced at "Risk Factors' in the Company's annual information form dated September 25, 2014 and its short form prospectus dated October 27, 2014.

These factors are not, and should not be construed as being, exhaustive. In addition, information relating to "reserves" or " resources" is deemed to be forward-looking information, as it involves an implied assessment, based on certain estimates and assumptions that the reserves and resources described can be profitably produced in the future. The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking information after the date of this MD&A to conform to actual results or to changes in the Company's expectations except as otherwise required by applicable Canadian securities legislation.

Illinois Basin Project

Illinois Basin, USA
100% of ~40,000 net acres

Vertical Program

- In a report dated 1 April 2015 Strata-X's independent engineer, Chapman Petroleum Engineering Ltd (Chapman) confirmed Proved plus Probable Reserves are 1.282 million barrels of light oil net to the Company on the Blue Spruce project. Strata-X currently has the rights to 720 net acres of the Blue Spruce project where it has identified 19 oil development locations. Chapman calculated a before tax Net Present Value (BTNPV disc 10%) of the Blue Spruce project to the Company of USD$53.4 million (After Tax NPV of USD$38.3 million, unrisked). (1)
- The Company is focusing its efforts on developing the "by-passed pay" prospects in its Illinois Basin portfolio. A by-passed pay well is one that was drilled previously that has certain drilling and electrical log attributes that indicate commercial oil is present. By-passed pay prospects are generally low risk, high margin opportunities for the Company to drill at very low finding costs. Most of these wells were drilled 50 years or more ago when oil prices were less than $2/bbl with small profit margins. Using rigorous mapping techniques the Company has identified at least 12 leads and prospects it feels are by-passed pay opportunities at depths less than 4,000 feet.
- Two near term By-Passed Pay prospects identified for drilling are the Red Oak Prospect with an identified Prospective Resource net to the Company of 1.0 mmbbl and the Maple Prospect with a Prospective Resource net to the Company of 0.9 mmbbl. (2) The Company is currently seeking drilling permits on both these prospects.
- To increase oil recovery and oil flow rates, the Blue Spruce project will undergo waterflooding of the Aux Vases formation. It is estimated that the waterflood development will extract approximately 40% of the Petroleum Initially In Place ("PIIP" unrisked) resulting in a projected recovery of 1.28 million barrels of oil net to Strata-X. Chapman estimates that once all wells are drilled, total oil production from the Blue Spruce waterflood development project will exceed 500 BOPD.(1) Drilling of the second Blue Spruce oil field development well is anticipated to commence in August 2015.

(1) This information originally appeared in a news release issued by the Company dated 6 April 2015, which is available for review on the Company's website, www.strata-x.com.
(2) This information originally appeared in a presentation issued by the Company dated 22 July 2015, which is available for review on the Company's website, www.strata-x.com.

Illinois Basin Project (cont.)

Illinois Basin, USA
100% of ~40,000 net acres

Horizontal Program

- In furthering the development of the Deeper Lingle Programme in the Illinois Basin, Strata-X has registered as a horizontal operator with the State of Illinois, the first registration of its kind, and permitted an 8 mile step-out horizontal test to the Burkett 5-34 well called the Raccoon Creek #1. Before drilling the Raccoon Creek #1, Strata-X will drill a pilot well in August 2015 to core the targeted Lingle formation and gather important completion data for the horizontal Raccoon Creek #1 well. Pending the results of the pilot test, Strata-X will move forward with drilling the horizontal Raccoon Creek #1 well in the future.
- The Burkett 5-34 was placed back on production in late May 2015 following the completion of a new salt water disposal well. At 30 June 2015, the Burkett 5-34 well was producing approximately 62 barrels of light gravity crude a day.
- Since production began, the 5-34HOR well has produced approximately 13,000 barrels of light gravity oil. Gas analysis on the Burkett 5-34 HOR well has shown that the gas contains significant amounts of ethane, propane and butane with a BTU content of 1,650 BTU, more than 60% higher than standard methane. The Company is exploring options to process the liquids rich gas to add a revenue stream that was not previously forecasted.
- The production testing results to date demonstrate that the Lingle Formation can be successfully multistage stimulated in a horizontal well to yield significant improvements in oil flow rates compared to historical, vertical well completions. This is the first stimulated horizontal well in the Lingle Formation in the Illinois Basin. Based on our first proof-of-concept experience here, and with the information gained in successfully bringing the Burkett well on production, Strata-X believes significant improvements in future wells may be achieved using more optimal drilling, stimulation and completion methods.

Sleeping Giant Gas Project

Williston Basin, North Dakota USA
100% of ~70,000 net acres

- On 20 June 2014, Strata-X spudded the vertical Rohweder #1-11 well, the Company's first appraisal well in the Sleeping Giant Gas Project, targeting biogenic natural gas from the prolific Upper Cretaceous Niobrara formation in the Williston Basin in North Dakota.
- In drilling the vertical Rohweder #1-11 well to a total depth of 1,450 feet, the Company encountered gas shows immediately after penetrating the regional hydrocarbon seal. In total, gas shows were encountered over an 80 foot interval of the targeted Niobrara formation, with gas shows peaking at approximately 300 units over a background of 25 units. Oil fluorescence and oil cut were also observed in portions of the targeted Niobara formation.. The Rohweder #1-11 well is the Company's first proof of concept well on the Sleeping Giant Gas Project.
- The Company is currently bidding out and finalizing the design of the completion stimulation on the Rohweder #1-11, which is expected to occur in calendar 2015. Further work on the project will be predicated on the results of the stimulation and production of the Rohweder #1-11.

Maverick Oil Project

Eagle Ford Shale, Texas, USA
9,777 net acres

- On 27 December 2013, Strata-X spudded the vertical Cinco Saus Creek #1 well. It is a test of the Eagle Ford shale and Buda formations in the Maverick Basin. The Company cored a 600 foot interval of the Eagle Ford shale and Buda formations. Indications of hydrocarbons were seen both while drilling and in the cored interval. The well was drilled to a total depth of 4,220 feet, was subsequently logged and 4½ inch casing was set to the total depth.
- The initial analysis of the 600 foot core of the Eagle Ford shale and Buda formations has identified several prospective oil bearing intervals, some of which have never been tested in the Strata-X project area. The Company plans to stimulate and individually test these prospective intervals to determine the production potential of each zone.
- Strata-X is exploring options to complete and test the well over the next few months.

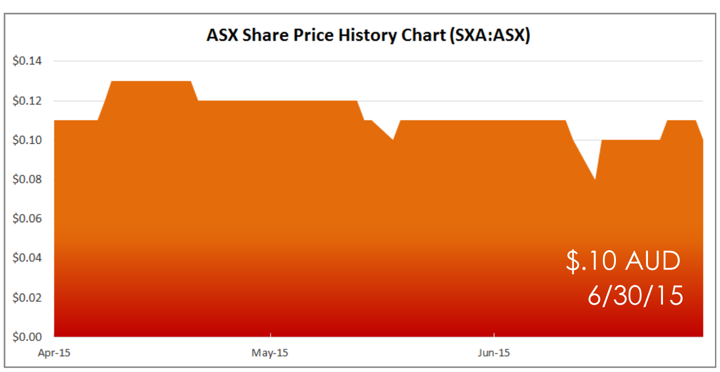
Production Summary

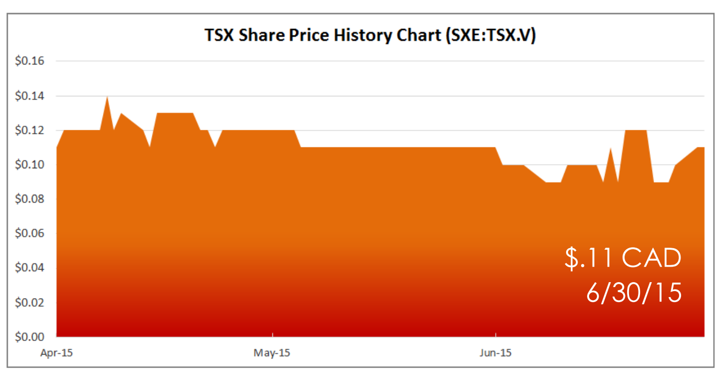
For the three months ended 30 June 2015, oil production to the Company's net revenue interest was up 38% to 1,620 barrels (Bbls) compared to 1,171 Bbls for the three months ended 30 June 2014. The increase in oil production is due to higher production from the Vallecitos Project, the Burkett 5-34HOR well and production from the Blessing 1-4H well (Illinois Project – Horizontal Wells). For each of the three month periods ended 30 June 2015 and 30 June 2014, no natural gas was sold.

For the twelve months ended 30 June 2015, oil production to the Company's net revenue interest was up 563% to 14,358 barrels (Bbls) compared to 2,164 Bbls for the twelve months ending 30 June 2014. The increase in oil production is attributed to higher production from the Vallecitos Project, the Burkett 5-34HOR starting production and production from the Blessing 1-4H well (Illinois Project – Horizontal Wells). For each of the twelve month periods ended 30 June 2015 and 30 June 2014, no natural gas was sold.

Total revenue for the three months ended 30 June 2015 was $89,207 compared to $128,818 for the three months ended 30 June 2014, a decrease of 30%. The decrease in oil revenue is due to a sharp decrease in oil prices in the most recent quarter. The average daily production for the Company during the three months ended 30 June 2015 was 18 bbls of oil, at an average realized sale price of $55.06 per barrel of oil. Royalties per barrel of oil averaged $8.51, with production operating expenses for the period of $28.94 per barrel of oil. The netback received by the Company per barrel of oil sold during the three months ended 30 June 2015 was $17.61. Production operating expenses for the three months ended 30 June 2015 were lower per barrel due to the higher production during the period.

Total revenue for the twelve months ended 30 June 2015 was $961,022 compared to $226,855 for the twelve months ended 30 June 2014, an increase of 323%. The increase in revenue is due to higher production from the Vallecitos Project, the Burkett 5-34HOR well coming online and production from the Blessing 1-4H well (Illinois Project – Horizontal Wells). The average daily production during the twelve months ended 30 June 2015 was 39 bbls of oil at an average realized sale price of $66.93 per barrel of oil. Royalties per barrel of oil averaged $9.34, with production operating expenses for the period of $24.60 per barrel of oil. The netback received by the Company per barrel of oil sold during the twelve months ended 30 June 2015 was $32.99.





Company Outlook

During the past few years, the Company has been building a portfolio of projects that offers relatively low geologic risk and the potential for significant oil and gas reserves with a view to maximizing shareholder value. The Company has also been targeting large working interests and operatorship, thereby giving it full control of its key projects. This approach has allowed Strata-X to dictate which targets it will pursue, using the technology it considers best suited for the purpose, and according to a schedule that reflects the availability of critical resources on economic terms.

The economic framework of the energy industry has recently undergone a dramatic reversal with falling world oil prices due to a combination of factors including a significant increase in oil production from the United States and other producers creating an oversupply. The depth of this reversal is still unknown and until the oil markets regain some longer term stability, uncertainty will continue. It may take several months before market fundamentals return as supply and demand is rebalanced.

Strata-X is not immune to these market conditions but has chosen projects in areas where drilling and operational costs are low and margins are, on average, higher. The Company has conducted an internal review of its projects and has developed a strategy it believes will best serve the shareholders during these volatile times. Meaningful deployment of capital will be paramount during the period of low oil prices and volatility. The Company intends to focus in the near future on the vertical oil play in the Illinois Basin where acceptable economics can still be attained.

Strata-X has four key projects: the Sleeping Giant Gas, Canning Basin, Illinois Basin Oil and Maverick Oil Projects. The Company has a 100% interest in the Sleeping Giant Gas Project, the Canning Basin Project and the Illinois Oil Projects and a 75%-100% interest in the Maverick Oil Project. All of these projects are operated by the Company.

The Company's primary focus to date has been to conduct the exploration appraisal work necessary to demonstrate the production potential and commercial viability of its key USA projects: Sleeping Giant, Illinois Basin and Maverick. Strata-X commenced its appraisal drilling campaign on the Illinois Basin Project (Horizontal) early in the third quarter of 2013, the Maverick Oil Project in late fourth quarter 2013 and the Sleeping Giant Gas Project in June 2014. In December 2014, the Company commenced drilling its first vertical well in the Illinois Basin, which is currently undergoing production testing. The Company's strategy is to sufficiently advance its key USA projects through the exploration phase to determine commercial viability.

In April 2014, the Company acquired approximately 22,000 net acres in Wayne County Illinois with two goals in mind. The first was to expand the coverage the Company had over the Lingle Formation and the second was to expose the Company to high margin, low risk opportunities in the shallow Mississippian aged reservoirs found above the New Albany shale. The area was initially developed in the mid-1900s when oil prices were historically low and technology very rustic. Historically, these oil zones have produced in excess of 1.5 billion barrels[1] of oil within a 32 kilometer radius of the project. Over the past several decades, the area has seen neither large scale capital deployed nor modern oil field practices despite numerous advances in drilling and completion technologies. The Company views this as an opportunity for a proven mature area to yield new reserves using modern exploration and completion techniques.

During the past year, the Company has investigated thousands of historic wells to develop several areas it considers to be potentially productive. The initial area chosen was on the Clay City Consolidated Oil field, a field that has yielded over 600 million barrels of oil. The Company's evaluation of this area indicates significant bypassed oil pay opportunities exist in direct offsets to historical wells and potential recompletions in bypassed pay intervals. To date, the Company has identified over 60 potential locations in 12 prospects in close proximity to historical production from numerous oil productive zones.

In December 2014, the Company drilled its first vertical well, Blue Spruce #1 on the Blue Spruce project, targeting shallow Illinois oil pay zones. The well encountered several potentially productive zones. In February 2015, the

Company completed the well and placed it on production. Subsequent to placing the well on production, Strata-X's independent engineer, Chapman Petroleum Engineering Ltd (Chapman), confirmed in a report dated 1 April 2015 ("Report"), Proved plus Probable Reserves of 1.282 million barrels of light oil net to the Company. This results in a calculated Blue Spruce Oil Project valuation of USD$53.4 million before tax Net Present Value (BTNPV disc 10%) (After Tax NPV of USD$38.3 million, unrisked). [1]

The Chapman Report identified 19 oil development locations on the 720 net acres Strata-X has leased over the Blue Spruce Oil Project. To date, Strata-X has received two additional drilling permits on the Blue Spruce project for the Blue Spruce #2 and Blue Spruce #3 wells. Two additional areas that the Company expects have similar geologic characteristics as the Blue Spruce project have been identified for testing, and drilling permits have been received. Plans are to drill 1 or 2 of these wells in calendar 2015.

In May 2014, Strata-X successfully performed a completion stimulation of the Burkett 5-34HOR well. After the stimulation, the well flowed back approximately 116 barrels of crude oil and approximately 2,100 barrels of completion fluid. The Burkett well reached peak rates of over 300 BOPD and averaged 150 BOPD in November 2014. The ultimate performance of the Lingle oil zone is being masked by the communication with a deeper water zone and low reservoir pressure in the Lingle zone from prior production. Despite these challenges, the Company feels that the Burkett well has advanced the project by demonstrating producible oil and establishing commercial production rates from the Lingle formation. Future wells in the program will be designed with lower energy stimulations to minimize the risks of communication with the deeper reservoir and will be located outside the area of lower reservoir pressure found in the Burkett well.

For the quarter ended 30 June 2015, the Company invested $276,028 in the Illinois Basin Oil Project, principally on lease extensions and upgrades of the saltwater disposal (SWD) facilities through the drilling of a new disposal well called the B. Miller #2. Subject to available funds, the Company plans to drill up to three vertical wells for the Company's vertical By-Passed Pay programme and a pilot well on the Company's deeper Lingle prospect 8-mile step out in advance of drilling another horizontal well on the project during the first quarter of fiscal 2016.

The Company has completed the design work for the stimulation and production testing program on the Cinco Saus Creek #1 well in the Maverick Oil Project and is currently having vendors rebid the stimulation work in light of the current economic environment. It is anticipated that the completion work on the Cinco Saus Creek #1 will occur in the second half of calendar year 2015. For the quarter ended 30 June 2015, the Company invested $5,587 into the project.

The Company drilled and cased its first exploratory well on the Sleeping Giant Gas Project, the Rohweder #1-11 well in June/July 2014. It is currently shut-in awaiting completion and testing activities. The Company anticipates that the testing of the Rohweder #1-11 will be delayed until the second half of calendar 2015. For the quarter ended 30 June 2015, the Company invested $14,598 in the project, principally to extend leases that would have expired.

In the Canning Basin Project, the Company continues to pursue access agreements with Native Title claimants as a requirement of having the tenement granted.

Strata-X is also reviewing its other projects, in which it has 22.5% to 37.5% working interests, in order to determine going-forward activities that meet the Company's growth plans. No decision has been made yet on drilling or continuing any of these projects. Any drilling on these projects will depend on the Company's ability to target oil reserves that, in the Company's assessment, offer a combination of acceptable risk and sufficiently high potential reward to more than offset such risk. The Company also continues to seek out and review other growth opportunities. Due to the nature of the oil and natural gas industry, budgets are regularly reviewed with respect to the success of the programs and other opportunities which become available to the Company. Accordingly, actual expenditures may differ from these amounts and locations as outlined above. The Company reserves the right to exercise its business judgment to reallocate funds in order for the Company to achieve its overall business objectives.

(1) Information originally appears in the News Release dated 6 April 2015 which is available for review at the Company's website www.strata-x.com.

USA Tenement / Lease Explanation

Project	Location	% Interest	Net Acres
Illinois Oil	Illinois, USA	100%	40,000
Maverick Oil(1)	Texas, USA	100%	9,777
Canning(2)	Western Australia	100%	1,438,120
Sleeping Giant	North Dakota, USA	100%	70,000
Vallecitos	California, USA	22.5%	4,728
Eagle	California, USA	23.9%	770
Total			**1,523,395**

(1) Strata-X Energy has a 100% interest in most of the project areas, however, pursuant to the Maverick Purchase Agreement it has a 15% interest in one 660 acre area.

(2) Exploration permit acres vesting subject to completing and complying with the Native Title Act of 1993.

The ownership of in-situ hydrocarbons in the United States differs from almost all other countries in that the owners are typically private individuals or private entities. The vast majority of the exploration tenements or leases held by the Company in the USA are with private parties. Currently, the Company holds rights to over 1,800 leases in the USA. These leases differ from each other in numerous ways including the size of each parcel of land, financial terms, royalties and contract duration. Differences in expiration dates allow for a gradual release or roll-over or, if renewed, continuation, of exploration rights. The tenement or leasehold position for each project, including its relative location, reflects the position of the Company as of the date of this report. If the disposal of a Company position was material or represented a change from a prior reporting period then this aggregate change would be reflected in the total position listed by the Company.

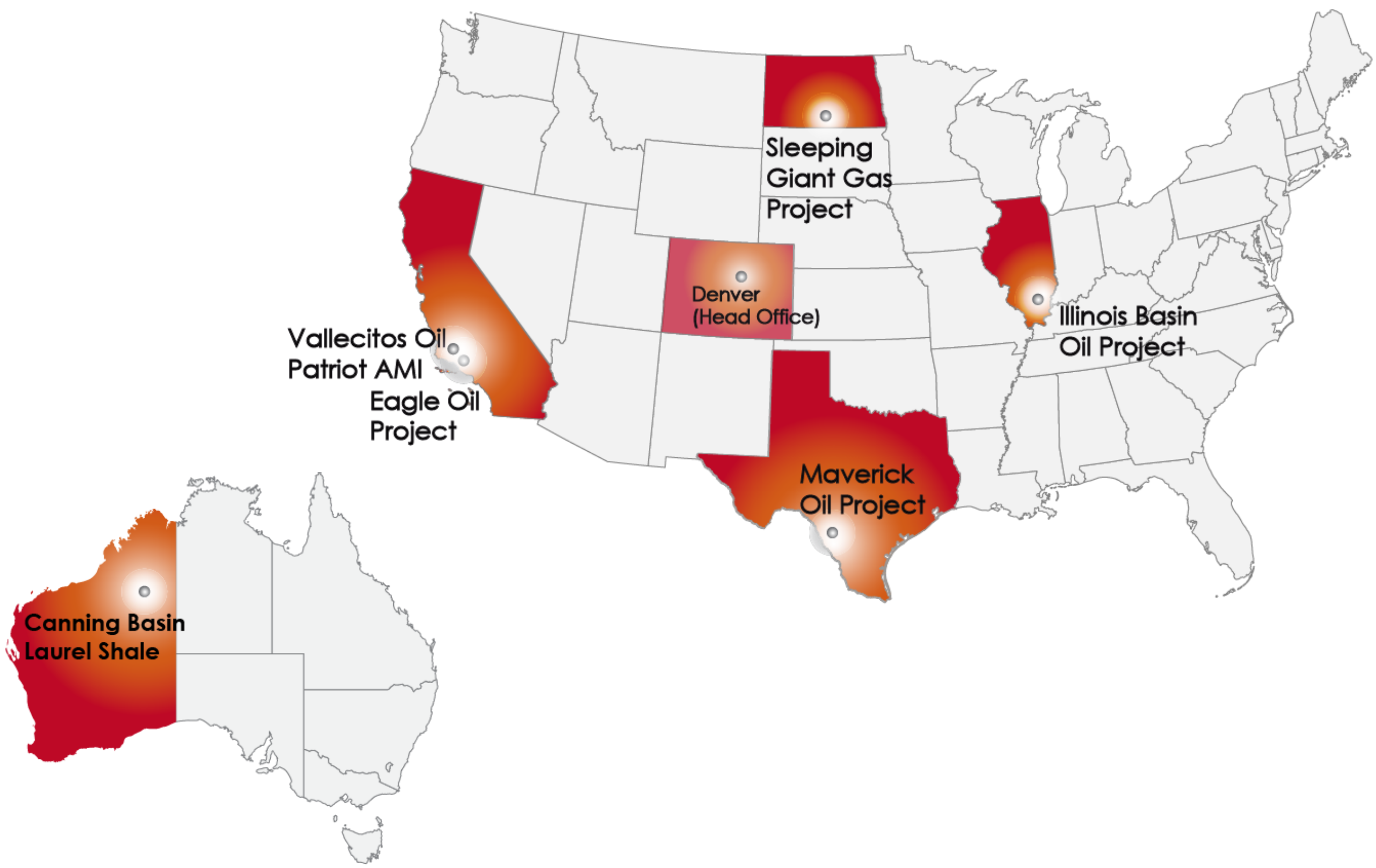
Generally, petroleum rights in the USA are purchased from the owner as leases on negotiated terms which may include cash payments up front, royalties and rental arrangements. Competition for leases can become very heated, particularly in highly sought-after productive areas. Strata-X's goal has been and continues to be to minimize lease purchase costs while maximizing shareholder growth potential, by striving to be the first or early mover on areas or projects. To accomplish this, the Company carries out its own in-house geological mapping and analysis to high-grade areas or projects for acquisition. Further, the Company will not be making public detailed geological maps or detailed lease maps as this may attract competitors, especially much larger and better financed rivals, potentially increasing the Company's lease purchase costs and diminishing its ability to consolidate significant land positions on attractive terms.

On 6 April 2015, the Company attempted to farm-out its aggregate 50% working interest in the La Capilla Project, located in Texas and was successful in placing approximately a 27% working interest of 8/8ths. The La Capilla Project originated from a 2005 participation agreement that just recently reached the exploration phase. The Company has determined that the Project is a non-core asset and instead plans to use available capital on advancing its core assets such as the Blue Spruce oil development and Burkett production. The Company is entering into a number of farm-out agreements including two with Officers of the Company, being the Company's Chief Executive Officer, Tim Hoops and its Chief Financial Officer, David Hettich. The Officers will collectively acquire the right to earn an aggregate 19% working interest of 8/8ths in the Project, with arm's length third parties acquiring the balance available. The farm-outs to Company officers were approved by the Strata-

X board. The terms of the farm-out agreements are identical and no consideration will accrue to the Company as a result of the farm-out. By farming-out this non-core project to third parties, the Company will retain a 5.4% working interest after payout in the Project.

During the quarter ended 30 June 2015, Strata-X reduced the tenement acres it held on the Illinois Oil and Sleeping Giant Gas Projects. On the Sleeping Giant Gas Project, non-core leases were allowed to expire reducing the Company's net acreage position from 106,900 to 70,000, a decrease of ~36,900 net acres to Strata-X's interest. On the Illinois Oil Project, non-core leases were allowed to expire reducing the Company's acreage position to ~40,000 acres from ~61,000, a decrease of 21,000 acres net to the Company's interest. Due to the change in the economic environment, the Company has decided to let a significant amount of exploration acreage it currently has under lease expire. The Company believes that most of the acreage can be re-leased at better terms in the future. Subject to available funds, the Company will pursue extending or acquiring new leases in its core area in the Illinois Basin vertical oil play. While this action may result in a partial write-down of the Company's asset base, Strata-X feels this is the most prudent course of action in light of significantly lower oil prices. Under the terms of the Purchase and Sale Agreement (PSA) with the Sellers' of the Sleeping Giant Gas Project, the Company had until 30 September 2015 to drill its remaining 3 obligation wells or rights to the project would revert to the Sellers. In July 2015, the Company acquired a cost free extension to the Sleeping Giant Gas Project PSA allowing the Company until 31 July 2016 to drill its remaining obligation wells

This calendar year, the Company expects further lease reductions of approximately 10,500 net acres on the Illinois Project and 9,777 net acres on the Maverick Oil Project. These reductions will result in a write-down of the Company's asset base.



Corporate Financial and Other Information

Financial Position

Strata-X Energy Ltd's cash position at the end of the quarter was USD$957,000.

Reporting Currency

The functional reporting currency of Strata-X Energy Ltd is United States of America dollars (USD). Therefore the corresponding ASX Appendix 5B (Statement of Cash Flows) is denoted in USD.

Corporate Events

On 2 July 2015, the Company appointed Mr. Greg Hancock BA (Econs) BEd (Hons) F.Fin as a Non-Executive Director, with effect on 2 July 2015. Mr. Hancock's appointment follows the resignation from Strata-X's Board of Mr. Don Schurman on July 2, 2015.

On 6 April 2015, the Company attempted to farm out its aggregate 50% working interest in the La Capilla Project, located in Texas and was successful in placing approximately a 27% working interest of 8/8ths. The La Capilla Project originated from a 2005 participation agreement that just recently reached the exploration phase. The Company has determined that the Project is a non-core asset and instead plans to use available capital on advancing its core assets such as the Blue Spruce oil development and Burkett production. The Company is entering into a number of farm-out agreements including two with Officers of the Company, being the Company's Chief Executive Officer, Tim Hoops and its Chief Financial Officer, David Hettich. The Officers will collectively acquire the right to earn an aggregate 19% working interest of 8/8ths in the Project, with arm's length third parties acquiring the balance available. The farm-outs to Company officers were approved by the Strata-X board. The terms of the farm-out agreements are identical and no consideration will accrue to the Company as a result of the farm-out. By farming-out this non-core project to third parties, the Company will retain a 5.4% working interest after payout in the Project.

Share Data

As of 30 June 2015, Strata-X had 156,584,977 shares outstanding, including 99,346,354 CDIs.

Person Compiling Information

Technical information contained herein is based on the information compiled by the Company's Chief Executive Officer and President, Tim Hoops. Mr. Hoops has over 35 years' experience in the petroleum industry and is a graduate of the Colorado School of Mines with a degree in Geological Engineering. Mr. Hoops consents to the inclusion in this document of the matters based on this information, in the form and context in which they appear.

Definitions

In this document, the abbreviations set forth below have the following meanings:

Bbl	barrel
Bbls	barrels
Mbbls	thousand barrels
MMbls	millions barrels
Mcf	thousand standard cubic feet
MMcf	millions standard cubic feet
Bcf	billions cubic feet
Tcf	trillion cubic feet