

# ASX Announcement



11 April 2018

The Company Announcement Officer ASX Ltd  
*via electronic lodgement*

## Notice of General Meeting

Strike Energy Limited (ASX:STX) ("Company" or "Strike") is pleased to advise shareholders that a General Meeting (GM) of the Company will be held on Thursday 17 May 2018 commencing at 11.00 am (Adelaide time).

For the information of shareholders, a copy of the Notice of Meeting is attached.

Yours faithfully

A handwritten signature in black ink, appearing to read "Justin Ferravant".

Justin Ferravant  
Chief Financial Officer & Company Secretary



**Strike Energy Limited**

**(ACN 078 012 745)**

**NOTICE OF GENERAL MEETING  
AND EXPLANATORY STATEMENT**

**General Meeting to be held at the offices of Strike Energy Limited 1/31-35 George St, Thebarton, South Australia on Thursday, 17 May 2018 commencing at 11.00am (Adelaide time)**

This Notice of Meeting and Explanatory Statement should be read in its entirety.  
If you are in doubt as to how to vote, you should seek advice from your accountant,  
Solicitor, or other professional adviser without delay.

**NOTICE OF GENERAL MEETING  
STRIKE ENERGY LIMITED  
ACN 078 012 745**

Notice is hereby given that a Meeting of Shareholders of Strike Energy Limited ACN 078 012 745 (**Company**) will be held at the offices of **Strike Energy Limited, 1/31-35 George St, Thebarton, South Australia** on Thursday, 17 May 2018 commencing at 11.00am (Adelaide time)

Further details of each Resolution to be considered at the Meeting are set out in the Explanatory Statement. Definitions of capitalised terms used in the Notice of Meeting and Explanatory Statement are set out in the Glossary in Section 4 of the Explanatory Statement.

**Resolution 1 – Grant of Performance Rights to or for the benefit of the Managing Director, Mr Stuart Nicholls**

*“That, pursuant to and in accordance with section 208 of the Corporations Act 2001 (Cth) and ASX Listing Rule 10.14 and for all other purposes, the grant to the Managing Director, Mr Stuart Nicholls or his nominee, of 2,500,000 Performance Rights as described in and otherwise on the terms and conditions set out in the Explanatory Statement, is approved.”*

**Resolution 2 – Grant of Options to Non-Executive Director, Miss Jody Rowe**

*“That, pursuant to and in accordance with section 208 of the Corporations Act 2001 (Cth) and ASX Listing Rule 10.11 and for all other purposes, the grant to Non-Executive Director, Miss Jody Rowe or her nominee, of 5,000,000 Options, with an exercise price of \$0.15, and otherwise on the terms and conditions set out in the Explanatory Statement, is approved.”*

**Voting exclusion statement for Resolutions 1 and 2:**

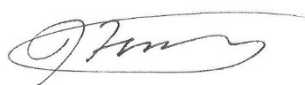
The Company will disregard any votes cast on Resolutions 1 and 2:

- (a) On Resolution 1, any Director who is eligible to participate in the Company’s employee incentive scheme
- (b) Resolution 2, by a person who is to receive securities the subject of the relevant Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the relevant Resolution is passed, and any of their respective associates; or
- (c) Resolutions 1 and 2, by a person appointed as proxy if that person is either a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel and the appointment does not specify the way the proxy is to vote on the relevant Resolution.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the Chair of the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel.

**By order of the Board**



**Justin Ferravant**  
Company Secretary  
Strike Energy Limited

10 April 2018

## IMPORTANT NOTES FOR SHAREHOLDERS

These notes and the Explanatory Statement form part of the Notice of Meeting.

### Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of Meeting and should be read in conjunction with it. Section 4 of the Explanatory Statement contains definitions of capitalised terms used in this Notice of Meeting and the Explanatory Statement.

### Required majorities

All the Resolutions are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by Shareholders present (in person, by proxy or representative) and entitled to vote on the Resolution.

### How to vote

You may vote by attending the Meeting in person or by proxy, attorney or authorised representative.

### Vote in person

To vote in person, attend the Meeting on the date and at the place set out in the Notice of Meeting.

### Proxies

All Shareholders who are entitled to attend and vote at the Meeting have the right to appoint a proxy to attend and vote for them. The proxy may be, but need not be, a Shareholder and can be an individual or body corporate. Shareholders holding two or more Shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion, each proxy may exercise half of the votes.

To vote by proxy, please complete and return the proxy form enclosed with this Notice of Meeting as soon as possible and either:

- (a) send the proxy form by fax to the Company's share registry, Boardroom Pty Limited on +61 2 9290 9655 or
- (b) Post the proxy form to the Company's Adelaide office at Strike Energy Limited PO Box 639, Torrensville Plaza, South Australia 5031 or the Company's share registry, Boardroom Pty Limited, at GPO Box 3993, Sydney, New South Wales, Australia 2001.

To be effective, a completed proxy form must be received **by no later than 48 hours prior to the commencement of the Meeting**. Proxy forms received later than this time will be invalid.

Where the proxy form is executed under power of attorney, the power of attorney (or a certified copy of the authority) must be lodged in the same way as the proxy form.

### Corporate representatives

A body corporate may appoint an individual as its representative to attend and vote at the Meeting and exercise any other powers the body corporate can exercise at the Meeting. The appointment, which must comply with section 250D of the Corporations Act, may be a standing one. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

### Voting entitlements

The Directors have determined that, for the purpose of voting at the Meeting, Shareholders are those persons who are the registered holders of the Company's Shares at 6.30pm (Adelaide time) on **Tuesday 15 May 2018**.

## EXPLANATORY STATEMENT

### 1. INTRODUCTION

#### 1.1 Purpose

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting.

This Explanatory Statement should be read in full and in conjunction with the Notice of Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary in Section 4 of this Explanatory Statement. You should consult with your professional advisers if you have any questions in relation to how to vote on the Resolutions.

#### 1.2 Resolutions and recommendations

There are 2 Resolutions to be considered at the Meeting.

Certain voting exclusions are imposed by the Corporations Act and the Listing Rules in relation to the Resolutions as detailed in the accompanying Notice of Meeting. The Directors intend to vote in favour of each Resolution (subject to any applicable voting exclusions) and recommend that Shareholders vote in favour of each Resolution.

### 2. Resolutions 1 - Performance Rights for Managing Director

#### 2.1 Background

Under Resolution 1, Shareholders' approval is sought to grant to or for the benefit of the Managing Director of the Company (Mr Stuart Nicholls) 2,500,000 Performance Rights under the Company's employee incentive scheme (ESP) to subscribe for 2,500,000 Shares for nil consideration, subject to the exercise conditions of the Performance Rights having been satisfied as described below and as otherwise set out in accordance with the ESP.

**The Performance Rights proposed to be granted to Mr Nicholls (per Resolution 1) are intended to incentivise him to work towards, and to reward him for, achieving increases in the Company's value as a result of the Company declaring a Reserve at its Southern Cooper Basin Gas Project.**

The Performance Rights will vest on the Company declaring a Reserve at the PEL96 Southern Cooper Basin Gas Project or, if earlier, upon the disposal, by whatever means, of all or substantially all of Strike's interest in the PEL96 Southern Cooper Basin Gas Project. The vesting condition is non-market based which aligns with the Company's strategic objectives

The Performance Rights are intended to incentivise and reward Mr Nicholls for the 2018 and 2019 performance. Consequently, if the 2,500,000 Performance Rights are issued to or for the benefit of Mr Nicholls, the Board may seek to grant further Incentive Securities to or for the benefit of Mr Nicholls before the end of the year after the issue date of those Performance Rights.

The Directors (other than Mr Nicholls) unanimously recommend that Shareholders vote in favour of Resolution 1. Mr Nicholls makes no recommendation because he has an interest in the outcome of Resolution 1.

The Chairman of the Meeting intends to vote all undirected proxies in favour of Resolution 1.

Mr Nicholls did not vote on the proposed issue of Performance Rights to or for his benefit at the meeting of the Board which considered that matter.

#### 2.2 Chapter 2E of the Corporations Act

Under section 208 of the Corporations Act (which is part of Chapter 2E), for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Approval of Resolution 1 will result in the granting of a conditional right to subscribe for Shares for nil consideration to a Director. This constitutes the giving of a financial benefit to a related party as Directors are related parties of the Company. Although the grant of Performance Rights to Mr Nicholls might be said to fall within one of the exceptions in sections 210 to 217 (eg. reasonable remuneration of an officer or director), your Directors consider it prudent to seek Shareholder approval nonetheless under the Corporations Act.

### **2.3 ASX Listing Rules**

ASX Listing Rule 10.11 states that a listed company must not issue, or agree to issue, equity securities (which include ordinary shares and options or performance rights to acquire ordinary shares) to a related party without the approval of ordinary shares, unless an exception in ASX Listing Rule 10.12 applies. Each of the Directors is a related party of the Company.

One of the exceptions to ASX Listing Rule 10.11 (being in Rule 10.12, Exception 4) is that the relevant equity securities are issued under an employee incentive scheme with ordinary shareholder approval under ASX Listing Rule 10.14. As noted above, it is intended that all of the Performance Rights will be issued to or for the benefit of Mr Nicholls pursuant to the ESP. Accordingly, the Company seeks Shareholder approval for and in relation to the Performance Rights under ASX Listing Rule 10.14.

In accordance with ASX Listing Rule 7.2, Exception 9(b), the Performance Rights (and Shares issued upon the exercise of the Performance Rights) will not be counted towards any future calculation of the Company's 15% annual placement capacity under ASX Listing Rule 7.1 or, in circumstances where ASX Listing Rule 7.1A applies, of the Company's 10% annual placement capacity under ASX Listing Rule 7.1A.

### **2.4 Information required by ASX Listing Rule 10.15**

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided.

- (a) The maximum number of Performance Rights that may be acquired by, or for the benefit of, Mr Nicholls is 2,500,000. Each Performance Right is exercisable into one Share. In each case the Shares will be issued only if the exercise conditions (as described earlier) are satisfied and the holder exercises the Performance Rights.
- (b) The price for each Performance Right which may be acquired by Mr Nicholls or his nominee is nil. The price for each Share to be issued upon the exercise of each Performance Right is also nil.
- (c) There have not been any persons referred to in ASX Listing Rule 10.14 (being Directors of the Company, associates of any director of the Company and any person whose relationship with any such director or associate is, in ASX's opinion, such that shareholders' approval should be obtained) who received securities under the ESP since the last Shareholders' approval under ASX Listing 10.14.
- (d) Each Director of the Company is an "Eligible Person" under the ESP and therefore potentially entitled to participate in the ESP. However, the Board has determined that non-executive Directors are not entitled to participate in the ESP.
- (e) A voting exclusion statement is set out in the Notice of Meeting.

- (f) The Performance Rights will be granted to Mr Nicholls or his nominee promptly following the passing of Resolution 1 and in any event, by no later than 12 months after the date of the meeting.

## 2.5 Other Information

The following additional disclosures are made for the purposes of Chapter 2E of the Corporations Act and for all other purposes.

### (a) Nature of financial benefit

The proposed financial benefit to be given is the grant of Performance Rights (and the consequent issue of Shares upon the exercise of the Performance Rights) to or for the benefit of Mr Nicholls for nil consideration.

### (b) Valuation of Performance Rights

The Performance Rights have a non-market condition which is not taken into account for accounting valuation purposes. The fair value of the Performance Rights are recognised in the profit and loss over the period of the Performance Rights.

The value of the Performance Rights was based on the following:

- Share price = \$0.069 per Share
- Number of shares = 2,500,000

Using this method of valuation, the Company has determined a preliminary value per Performance Right of \$0.069 each with the expected total financial benefit of \$172,500 to Mr Nicholls.

### (c) Effect of grant of Performance Rights

As at the date of the Notice of Meeting, the Company has the following equity securities on issue. See the Company's Appendix 3B released to ASX on 13 December 2017 for further information.

Type of security	Number on issue
Shares	1,094,640,299
Options	23,200,000 (exercisable into 23,200,000 Shares)
Performance Rights	6,750,000 (exercisable into 6,750,000 Shares)

If Resolution 1 is approved and the Performance Rights are granted, the Company will have on issue an additional 2,500,000 Performance Rights.

If any of the Performance Rights to be granted to or for the benefit of Mr Nicholls are exercised the effect would be to dilute the shareholding of existing Shareholders.

As at the date of this Notice of Meeting, on a fully diluted basis (i.e. assuming all of the existing options and Performance Rights on issue are exercised and no other securities are issued), the Company has an equivalent of a maximum of 1,124,590,299 Shares. The issue of up to 2,500,000 Shares upon the exercise of the Performance Rights to be issued to or for the benefit of Mr Nicholls would result in a dilution of approximately 0.2% (i.e. 2,500,000 Shares expressed as a percentage of the expanded Share capital of 1,124,590,299).

### (d) Individual security holdings

The equity securities in the Company currently held directly and indirectly by Mr Nicholls as at the date of this Notice of Meeting are set out below.

Director	Shares	Number of Incentive Securities held as at date of this Notice of Meeting	Percentage of Share capital on a fully diluted basis as at date of this Notice of Meeting
Mr Stuart Nicholls	325,000	2,000,000 options Nil Performance Rights	0.1% (approx.)

(e) **Other aspects of remuneration packages**

As announced on 10 April 2017, Mr Nicholls receives a total fixed remuneration of \$300,000 per annum including superannuation. Mr Nicholls is eligible to be considered for a discretionary annual short-term incentive award and an entitlement to an annual long-term incentive award of up to 100% of his total fixed remuneration as determined by the Board subject to shareholder approvals and the governing rules of the Company's applicable short-term or long-term incentive program.

(f) **Rationale and Recommendation**

The Performance Rights proposed to be granted to Mr Nicholls, (per Resolution 1) were approved for grant by the Board (subject to obtaining Shareholder approval) to incentivise him to work towards, and to reward him for, increasing the Company's value in exploration permit PEL96 through the declaration of a 2P reserve.

### 3. Resolution 2 - Grant of Options to Jody Rowe

#### 3.1 Background

On 16 November 2017, Miss Rowe was re-elected to the Board. In consideration for Miss Rowe's service on the Board and subject to obtaining Shareholder approval, the Board approved the grant to Miss Rowe (or her respective nominee) of 5,000,000 Options to subscribe for Shares with an exercise price of \$0.15 over a 3-year exercise period from grant.

The rationale for the grant of the Options to Miss Rowe is detailed in paragraph 3.6(f) below.

#### 3.2 Terms and conditions of Options

The terms and conditions of the Options proposed to be granted are:

- (1) Each Option will entitle the holder (**Optionholder**) to subscribe for one Share (subject to possible adjustments referred to in paragraphs (9) and (10) below).
- (2) Each Option will be exercisable during the period from the date it is granted until 5.00pm (Adelaide time) on the date that is 3 years from the date of grant of the Option (**Expiry Date**). Options not exercised before the Expiry Date will lapse.
- (3) The exercise price of each Option will be 15 cents (subject to any adjustment in accordance with the formula set out below in paragraph 11) (**Exercise Price**).
- (4) The Options will be exercisable by notice in writing to the Company, delivered to the registered address of the Company and accompanied by the full payment of the Exercise Price in cleared funds.
- (5) Shares issued pursuant to the exercise of any of the Options will rank in all respects on equal terms with the existing Shares. The Company will apply for official quotation by ASX of the



Shares issued upon exercise of the Options within 5 business days (in New South Wales) of the date of allotment of the Shares.

- (6) The Options will not be quoted on ASX.
- (7) The legal or a beneficial interest in an Option may not be sold, transferred or otherwise disposed without the prior written consent of the Board.
- (8) The Options will not entitle the Optionholder to participate in any new issue of securities by the Company unless the Option has been duly exercised prior to the relevant record date. The Company will ensure that for the purposes of determining entitlements to participate in any new issues of securities to holders of Shares, the record date will comply with the timetables prescribed by the ASX Listing Rules.
- (9) If there is a bonus issue to the holders of Shares:
  - (a) the number of Shares over which each Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
- (10) If, prior to the Expiry Date the issued capital of the Company is reorganised, the rights of the holders of the Options may be varied to comply with the ASX Listing Rules which apply to the reorganisation.
- (11) If the Company makes a rights issue (other than a bonus issue), the Exercise Price of the Options will be reduced in accordance with the following formula:

$$\text{Reduced Option Exercise Price} = \frac{O - E(P - (S + D))}{(N + 1)}$$

Where:

- |   |   |   |
|---|---|---|
| O | = | the old Exercise Price of the Option;   |
| E | = | the number of underlying Shares into which one Option is exercisable;   |
| P | = | the volume weighted average price per Share recorded on the stock market of ASX during the 5 trading days immediately preceding the ex-rights date or ex-entitlements date; |
| S | = | the subscription price for a Share under the pro rata issue;  |
| D | = | the dividend due but not yet paid on existing underlying Shares (except those to be issued under the pro rata issue); and   |
| N | = | the number of Shares with rights or entitlements that must be held to receive a right to one new Share.   |

### 3.3 Chapter 2E of the Corporations Act

Under section 208 of the Corporations Act, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Options to Director, Miss Rowe, constitutes the giving of a financial benefit to a related party as a Director is a related party of the Company. The grant of the Options to Miss Rowe might be said to fall within one of the exceptions in sections 210 to 217 (eg. reasonable remuneration of an officer or director), your Directors (other than Miss Rowe who has a material personal interest in Resolution 2) consider it prudent to seek Shareholder approval nonetheless under the Corporations Act.

### 3.4 Listing Rule 10.11

Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party unless an exception in Listing Rule 10.12 applies.

As the Company is proposing to issue options to a Director who is a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors (other than Miss Rowe) that the exceptions set out in Listing Rule 10.12 do not apply to the issue of the Options to Miss Rowe.

### 3.5 Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the grant of the Options to Miss Rowe:

- (a) Options will be granted to Director, Miss Jody Rowe (or her nominee).
- (b) The maximum number of Options to be issued is 5,000,000 Options.
- (c) The Options will be granted no later than 1 month after the date of the Meeting.
- (d) The Options will be granted for nil cash consideration, and as such no funds will be raised from the grant of the Options. The exercise price of each Option is \$0.15.
- (e) Each Option is an option to subscribe for a fully paid ordinary share in the capital of the Company, on the same terms and conditions as the Company's existing Shares. The terms of the Options are set out in Section 3.2.
- (f) A voting exclusion statement is set out in Notice of Meeting.

Approval pursuant to Listing Rule 7.1 is not required for the grant of the Options to Miss Rowe (or her nominee) as Shareholder approval is being obtained under Listing Rule 10.11. Accordingly, the grant of the Options will not use up the Company's 15% annual placement capacity under Listing Rule 7.1.

### 3.6 Other Information

The following additional disclosures are made for the purposes of Chapter 2E of the Corporations Act and for all other purposes.

#### (a) Nature of financial benefit

The proposed financial benefit to be given is the grant of Options (and the consequent issue of Shares upon the exercise of the Options) to or for the benefit of Miss Rowe for nil consideration, other than the payment of the \$0.15 exercise price upon exercise.

#### (b) Valuation of Options

The Directors have had the fair value of the Options to be awarded valued on a preliminary basis using a Black-Scholes model. The actual value of the Options will however be determined on a similar basis as at the actual date of the grant.

The assumptions underlying the Black-Scholes model used in calculating the preliminary value of the Options were as follows:

- Share price = \$0.069 per Share
- Expected life = 3 years
- Risk-free rate (r) = 2.23%
- Expected share volatility (q)\* = 59%
- Dividend yield = 0%

Using this method of valuation, the Company has determined a preliminary value per Option of \$0.015 per Option.

The expected total financial benefit of the Options to be issued to or for the benefit of Miss Rowe is \$67,500.

(c) **Effect of grant of Options**

As at the date of this Notice of Meeting, the Company has the following equity securities on issue. See the Company's Appendix 3B released to ASX on 13 December 2017 for further information.

Type of security	Number on issue
Shares	1,094,640,299
Options	23,200,000 (exercisable into 23,200,000 Shares)
Performance Rights	6,750,000 (exercisable into 6,750,000 Shares)

If Resolution 2 is approved and the Options are granted, the Company will have on issue an additional 5,000,000 Options.

If any of the Options to be granted to or for the benefit of Miss Rowe are exercised the effect would be to dilute the shareholding of existing Shareholders.

As at the date of this Notice of Meeting, on a fully diluted basis (i.e. assuming all of the existing options and Performance Rights on issue are exercised and no other securities are issued), the Company has an equivalent of a maximum of 1,124,590,299 Shares. The issue of up to 5,000,000 Shares upon the exercise of the Options to be issued to or for the benefit of Miss Rowe would result in a dilution of approximately 0.4% (i.e. 5,000,000 Shares expressed as a percentage of the expanded Share capital of 1,124,590,299).

(d) **Individual security holdings**

The equity securities in the Company currently held directly and indirectly by Miss Rowe as at the date of this Notice of Meeting are set out below.

Director	Shares	Number of Incentive Securities held as at date of this Notice of Meeting	Percentage of Share capital on a fully diluted basis as at date of this Notice of Meeting

\* The volatility assumption is representative of the level of uncertainty expected in the movements of the Company's Share price over the life of the Options.

Miss Jody Rowe	849,550	Nil options Nil Performance Rights	0.1% (approx.)
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(e) **Other aspects of remuneration packages**

- Miss Rowe, as a Non-Executive Director, is entitled to an annual director's fee, which is currently \$45,600 (including superannuation).

(f) **Rationale and Recommendation**

The Options proposed to be granted to or for the benefit of the Non-Executive Director, Miss Rowe, (per Resolution 2) were approved for grant by the Board (subject to obtaining Shareholder approval):

- as a means of retaining on the Board persons of the calibre and with the skills and experience that Miss Rowe has; and
- to incentivise her to work towards, and to reward her for, achieving increases in the Company's value as determined by the market price of Shares. For this last reason, the exercise price is set at a 46% premium to the share price as at 22 January 2018.

Whilst the grant of the Options to a Non-Executive Director will mean the Company is not complying with Recommendation 8.3 of the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations (2<sup>nd</sup> edition), for the above reasons the Board (other than Miss Rowe who has a material personal interests in Resolution 2) consider the grant of the Options appropriate in the circumstances and recommend Shareholders vote in favour of Resolution 2.

(g) **Effect on earnings and other**

There will be an effect on the Company's earnings for the 3-year period subsequent to the grant of the Options in that the Company will likely recognise a share-based payment expense in the Company's profit and loss statement of approximately \$22,500 per annum. This amount is based on the Options amortising over the 3-year exercise period.

The opportunity costs, taxation consequences (such as fringe benefits tax) and benefits foregone by the Company is nil.

**Important Information for Shareholders**

Please note, in accordance with sections 250R(4) and (5) of the Corporations Act, the Chair will not vote any undirected proxies in favour of either Resolution 1 or Resolution 2 unless the Shareholder expressly authorizes the Chair to exercise the proxy even though it is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel. Please note that if the Chair of the meeting is your proxy (or becomes your proxy by default), by completing the attached proxy form, you will expressly so authorize the Chair. The Chair intends to vote undirected proxies where such authorization is given in favour of Resolution 1 and Resolution 2.

Alternatively, if you appoint the Chair of the meeting as your proxy, you may direct the Chair to vote for, against or abstain from voting on the relevant Resolution(s) by marking the appropriate box on the proxy form.

As a further alternative, Shareholders can nominate as their proxy for the purposes of Resolutions 1 and 2 a proxy who is not a member of the Company's Key Management Personnel or any of their Closely Related Parties. That person would be permitted to vote undirected proxies (subject to the ASX Listing Rules).

#### 4. DEFINITIONS

In this Explanatory Statement:

**Associate** has the meaning given to that term in sections 11 to 17 of the Corporations Act.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it, as appropriate.

**Board** means the Board of Directors of the Company.

**Closely Related Party** of a member of Key Management Personnel for an entity means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependent of the member or of the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company or Strike** means Strike Energy Limited (ACN 078 012 745).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Explanatory Statement** means the Explanatory Statement accompanying the Notice of Meeting.

**ESP** has the meaning in Section 2.1

**Key Management Personnel** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any Director.

**Listing Rules** means the Listing Rules of ASX.

**Meeting** means the meeting of the Shareholders convened for the purposes of considering the Resolutions.

**Notice of Meeting** means the notice convening the Meeting accompanying this Explanatory Statement.

**Option** means an option to subscribe for a Share on the terms and conditions set out in section 3.2 of the Explanatory Statement.

**Performance Right** means an entitlement to subscribe for a Share for nil consideration, subject to the satisfaction of any applicable exercise conditions.

**Related Bodies Corporate** has the meaning provided under section 9 of the Corporations Act.

**Resolution** means a resolution to be considered at the Meeting as set out in the notice of Meeting.

**Section** means a section of this Explanatory Statement.

**Share** means a fully paid ordinary share in the equity capital of the Company.

**Shareholder** means a holder of Shares.



#### All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (Adelaide time) on Tuesday 15 May 2018.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** [www.votingonline.com.au/stxgm2018](http://www.votingonline.com.au/stxgm2018)
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (Adelaide time) on Tuesday 15 May 2018.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** [www.votingonline.com.au/stxgm2018](http://www.votingonline.com.au/stxgm2018)
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

# Strike Energy Limited

ACN 078 012 745

## Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## PROXY FORM

### STEP 1 APPOINT A PROXY

I/We being a member/s of **Strike Energy Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at the offices of **Strike Energy Limited, 1/31-35 George Street, Thebarton, South Australia on Thursday 17 May 2018, commencing at 11.00am (Adelaide time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

**Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters:** If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 or 2, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 2 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 2). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

### STEP 2 VOTING DIRECTIONS

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Grant of Performance Rights to or for the benefit of the Managing Director, Mr Stuart Nicholls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Grant of Options to Non-Executive Director, Miss Jody Rowe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2018