

24 March 2022

Mr Damian Dinelli
Adviser Listings Compliance
By Email: ListingsCompliancePerth@asx.com.au

Dear Damian

RE: BLUE ENERGY LIMITED – PRICE QUERY

We refer to your letter of even date in relation to changes in the price and volume of the Company's securities, measured over the last few days and advise as follows:

1. Is BLU aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

Answer: No

2. If the answer to question 1 is "yes":

Answer: Not Applicable

3. If the answer to question 1 is "no", is there any other explanation that BLU may have for the recent trading in its securities?

While BLU is not in possession of any information that might directly explain the recent trading in its securities, it notes that factors possibly affecting the Company's share price and volume escalation in recent days may include:

- The current tightness of gas supply to the East Coast market (highlighted per presentation made by the ACCC on 22 March 2022 to Australian Domestic Gas Outlook (ADGO) conference);
- BLU has as previously announced to the market independently certified contingent gas resources of +4,476 PJ, 2P reserves of +71 PJ and 3P Reserves of +298 PJ (refer ASX Announcement 25/01/2022).
- Blue will commence a reserve build drilling program in June this year in the North Bowen Basin to move contingent resources to reserves, as it moves into the exploitation phase to commercialise its North Bowen Basin gas resources.

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- BLU received a recent independent gas resource upgrade to its ATP 854 Surat Basin permit – to +398 PJ of 3C Contingent Resource. (refer ASX Announcement 25/01/2022);
 - This ATP, the subject of the Resource upgrade, has gas pipeline infrastructure passing through the permit and is located very close to the existing Wallumbilla gas hub;
 - BLU has previously announced non-binding supply agreements to supply Origin Energy and EnergyAustralia with up to 400 PJ of gas at Wallumbilla for their domestic customers (refer ASX Announcements 19/03/2021 & 03/12/2020);
 - Blue has in total +3,964 PJ of uncontracted independently certified gas resources which Blue is currently marketing;
 - The importance of the North Bowen Basin for new gas supply for the east coast gas market is highlighted by the recent release of the National Gas Infrastructure Plan from the Federal Government plus the joint Federal and Qld Govt funded KMPG/GHD/NSAI study into the feasibility of a Bowen gas pipeline connecting to the east coast market;
 - Blue has advised the market that it will commence pilot well drilling in its Production Licence Application areas in the North Bowen Basin permits in June this year with a view to build the 2P reserve base and demonstrate deliverability for the gas supply agreements it has executed plus to confirm the economics of a Moranbah to Wallumbilla interconnect pipeline. (see December Quarterly Report 31/01/2022);
4. Please confirm that BLU is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Answer: The Company is in compliance with the Listing Rules and in particular Listing Rule 3.1.

5. Please confirm that BLU's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of BLU with delegated authority from the board to respond to ASX on disclosure matters.

Answer: The Company confirms that the responses to the questions have been approved in accordance with the Company's Continuous Disclosure Policy.

If there is anything further, we can be of assistance with please contact the writer.

Yours faithfully
Blue Energy Limited



Stephen Rodgers
Company Secretary

***Listing Rule 5.42 Disclosure**

The estimates of Reserves and Contingent Resources noted throughout this letter have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc (NSAI) and were originally reported in the Company's market announcements of 25 January 2012, 26 February 2013, 19 March 2013, 8 December 2015 and 28 February 2019. NSAI independently regularly reviews the Company's Reserves and Contingent Resources. Mr Hattner is a full-time employee of NSAI, has over 30 years of industry experience and 20 years of experience in reserve estimation, is a licensed geologist and a member of the Society of Petroleum Engineers (SPE), and has consented to the use of the information presented herein. The estimates in the reports by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum and Resource Management System (PRMS) approved by the SPE, utilising a deterministic methodology.

Blue Energy confirms that it is not aware of any new information or data that materially affects the information included in any of the announcements relating to ATP 813, 814 or 854 referred to in this letter and that all of the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.

⁺⁺ Listing Rule 5.28.2: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.



24 March 2022

Reference: 49705

Mr Stephen Rodgers
Company Secretary
Blue Energy Limited

By email

Dear Mr Rodgers

Blue Energy Limited ('BLU'): Price and Volume Query

ASX refers to the following:

- A. The change in the price of BLU's securities from a low of \$0.059 on 17 March 2022 to an intraday high of \$0.087 today.
- B. The significant increase in the volume of BLU's securities traded from 17 March 2022 to 24 March 2022.

Request for information

In light of this, ASX asks BLU to respond separately to each of the following questions and requests for information:

1. Is BLU aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is BLU relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in BLU's securities would suggest to ASX that such information may have ceased to be confidential and therefore BLU may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that BLU may have for the recent trading in its securities?
4. Please confirm that BLU is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that BLU's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of BLU with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1:30PM AWST (3:30PM AEST) Thursday, 24 March 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it

does not fall within the exceptions mentioned in Listing Rule 3.1A, BLU's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require BLU to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in BLU's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in BLU's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to BLU's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that BLU's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours faithfully

Damian Dinelli
Adviser, Listings Compliance (Perth)