



# ASX ANNOUNCEMENT

28 AUGUST 2023

## Announcement by Strike Energy

Talon Energy Limited (ASX: TPD, "**Talon**") refers to today's announcement by Strike Energy Limited (ASX: STX, "**Strike Energy**") that its offer to acquire each Talon share held on the scheme record date for the consideration of 0.4828 new Strike Energy shares per Talon share by way of a scheme of arrangement ("**Scheme**") is its "Best and Final Offer, in the absence of a superior proposal".

The effect of this statement is that Strike Energy will not be able to increase the consideration payable to Talon shareholders unless there is a superior proposal for Talon.

As previously disclosed, Talon established a secured convertible facility with Strike Energy pursuant to which Strike Energy agreed to provide additional funding of up to \$6 million to Talon to assist Talon fund its short-term working capital needs through the Scheme process.

Strike Energy also stated in its announcement that should the Scheme not be successfully implemented, and the scheme implementation deed is terminated, Strike will call all existing drawn funds from the secured convertible facility that was established for Talon to meet its commitments during the Scheme process.

The effect of this statement is that if the Scheme is not implemented, Strike will not exercise its rights to convert any outstanding loan amounts under the secured convertible facility into Talon shares and instead will require the repayment of amounts outstanding under the secured convertible facility.

Following termination of the scheme implementation deed, Talon has 60 days to repay any amounts owed under the secured convertible facility. The Talon Board considers that this 60-day period is sufficient for Talon to complete any refinancing or capital raising required to repay any amounts owing under the secured convertible facility. The Talon Board notes that Talon was in advanced negotiations for alternative sources of additional funding prior to reaching an agreement on the terms of the scheme implementation deed with Strike Energy.

The Talon directors unanimously recommended the Scheme in the absence of a superior proposal and subject to the independent expert concluding and continuing to conclude that the Scheme is in the best interests of Talon shareholders. Each of the Talon directors has committed to vote in favour of the Scheme in respect of the shares they control in the absence of a superior proposal and subject to the independent expert concluding, and continuing to conclude, that the Scheme is in the best interests of Talon shareholders.

Talon is advised by RBC Capital Markets and Sternship Advisers as financial advisors, and Allens and Steinepreis Paganin as legal advisors.

**This Announcement was authorised for release by the Board of Talon Energy Ltd.**

For further information, please contact:

**Talon Energy Limited**

Colby Hauser  
Managing Director and CEO  
+61 8 6319 1900  
info@talonenergy.com.au

**Talon Energy Limited**

Shannon Coates  
Company Secretary  
+61 8 6319 1900  
info@talonenergy.com.au