



# ASX ANNOUNCEMENT

7 DECEMBER 2023

## Chair's Address to Scheme Meeting

Talon Energy Limited (ASX: TPD) (**Talon**) refers to the scheme of arrangement between Talon and Talon shareholders (**Scheme**), under which Strike Energy Limited (ASX: STX) (**Strike**) proposes to acquire all the issued shares in Talon for consideration of 0.4828 New Strike Shares for every 1 Talon share held by Talon shareholders.

### Scheme Meeting materials

In accordance with ASX Listing Rule 3.13.3, attached to this announcement is the Chair's address to be made at the Scheme Meeting to be held today (Thursday, 7 December 2023) at 12:00pm (AWST).

The voting results of the Scheme Meeting will be announced to ASX shortly after the conclusion of the Scheme Meeting.

This announcement has been approved and authorised for release by the Board of Talon Energy Limited.

For further information, please contact:

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# TALON ENERGY LTD

## CHAIRMAN'S SCRIPT FOR SCHEME MEETING

**SCHEME MEETING HELD AT 12:00PM (PERTH TIME) ON 7 DECEMBER 2023 AT THE CELTIC CLUB, 48 ORD STREET, WEST PERTH WA 6005**

Talon Energy Ltd (ASX: TPD) (**Talon** or the **Company**) provides the Chairman's script for today's Scheme Meeting scheduled to commence at 12:00pm (Perth time).

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### 1. OPENING

Good morning, Ladies and Gentlemen and welcome to the Scheme Meeting of Talon Energy Ltd. My name is Toby Hicks, I am a lawyer and a partner at law firm, Steinepreis Paganin, and I will be the Chairman for this Scheme Meeting.

In accordance with the orders of the Federal Court of Australia, the board of Talon has requested that I chair this meeting as an independent chair, with no connection or interest in either Talon or Strike Energy Limited (**Strike**).

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### 2. QUORUM

As I am advised that a quorum is present, I now declare the meeting open at [12:00]pm.

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### 3. INTRODUCTION OF DIRECTORS AND SECRETARIES

I would now like to introduce to you, the directors and joint company secretaries of Talon:

- (a) Mr Greg Columbus – Non-Executive Chairman;
- (b) Mr Colby Hauser – Managing Director and Chief Executive Officer;
- (c) Mr Matt Worner – Non-Executive Director; and
- (d) Mr David Casey – Non-Executive Director.

Ms Shannon Coates and Joan Dabon are the Joint Company Secretaries of Talon.

Mr Chris Kohne, Talon's Chief Financial Officer, is also present.

***Note any apologies from attendance.***

I will, as independent chair, be responsible for the formal business of the meeting. However, I will refer any questions on the Company, its business and the commercial aspects of the proposed transaction, to the directors of Talon.

I would also like to introduce Rod Somes from Computershare Investor Services Pty Limited, who will be the Returning Officer for today's meeting. Joining Rod Somes from Computershare is Danielle Petch.

I will now ask for mobile phones to be turned off for the duration of the meeting. The taking or recording of photographs, video or audio of the meeting or its proceedings (by whatever means) is not permitted.

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#### 4. VOTING

All voting on the Scheme Resolution today will be conducted by way of a poll.

Each Talon Shareholder would have received a voting paper for the purposes of voting by poll. Any shareholder who has not yet received their voting paper is asked to see the Computershare representatives and they will assist you.

On a poll, each shareholder, whether voting in person, by proxy, by attorney or representative, is entitled to one vote for every share held by that member.

For this reason, once the resolution has been considered, we will undertake the poll of those shareholders entitled to vote on the resolution.

You should record your vote by placing a cross in either the "For" or "Against" square on the voting paper. If you wish to abstain from voting, please place a cross in the "Abstain" box on your voting paper next to the relevant resolution. If you have any questions, please ask the Computershare representative before submitting your voting paper.

For people in attendance here today, I remind you that only shareholders present in person, persons holding valid proxies and validly appointed corporate representatives have the right to speak and vote at this meeting.

Once this process has been completed, the results will be announced by the Company to the ASX following the meeting.

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#### 5. QUESTIONS FROM SHAREHOLDERS

In relation to the proceedings for today's meeting, I will deal with the formal items of business as set out in the Notice of Scheme Meeting.

I request that when asking a question, you state your name and whether you are speaking as a shareholder, proxy, attorney or corporate representative so that the Board can address you.

I will now provide an overview of the Scheme Resolution.

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#### 6. OVERVIEW OF THE SCHEME RESOLUTION

This meeting has been convened in accordance with orders made by the Federal Court of Australia on 3 November 2023 under section 411(1) of the *Corporations Act 2001* (Cth) for shareholders of Talon (**Talon Shareholders**) to consider and, if thought fit, pass a resolution approving the proposed scheme of arrangement between Talon and the Talon Shareholders, under which it is proposed that Strike, through its wholly owned subsidiary Strike Energy Holdings Pty Ltd, acquires 100% of Talon's fully paid ordinary shares.

The Scheme Consideration is 0.4828 new Strike shares per Talon share held on the record date, being 7:00pm (Perth time) on 18 December 2023, other than to:

- (a) ineligible foreign shareholders whose registered address as at the record date is outside of Australia and its external territories, Germany, Hong Kong, New Zealand, and the United Kingdom; or

- (b) cash out shareholders, being a Talon Shareholder (other than an ineligible foreign shareholder) who, based on their holding of Talon shares on the record date, would, on implementation of the Scheme, be entitled to receive less than a marketable parcel (\$500) of new Strike shares (assessed by reference to the last traded price of Strike shares on ASX on the trading day prior to the record date).

The new Strike shares to which ineligible foreign shareholders and cash out shareholders would otherwise have been entitled under the Scheme will be issued to the sale nominee (or its nominees) on the implementation date. The sale nominee is to then sell those new Strike shares on ASX or another prescribed financial market on behalf of, and at the risk of, ineligible foreign shareholders and cash out shareholders under the sale nominee process, as soon as reasonably practicable and in any event not more than 15 business days after the implementation date.

Ineligible foreign shareholders and cash out shareholders will ultimately receive their proportion of the net sale proceeds (after deducting any applicable brokerage, duty and other selling costs, taxes and charges) as consideration for their Talon shares in lieu of new Strike shares under the sale nominee process.

To be passed, the Scheme Resolution must be approved by the requisite majorities, which are:

- (a) **(headcount test)** a majority in number (more than 50%) of Talon Shareholders present and voting at this Scheme Meeting (either in person, by proxy or attorney, or in the case of corporate Talon Shareholders, by corporate representative) - I will refer to this requirement as the **Headcount Test**; and
- (b) **(voting test)** at least 75% of the total number of votes cast on the Scheme Resolution by Talon Shareholders at this Scheme Meeting.

To become effective, the Scheme must also be approved by the Federal Court of Australia at the second court hearing, which is expected to be held on 13 December 2023.

The Scheme Booklet containing, amongst other things, explanatory information on the Scheme, an independent expert's report on the Scheme prepared by the independent expert, BDO Corporate Finance (WA) Pty Ltd (**BDO**), and the Notice of this Scheme Meeting, has been sent to all members of the Company and I now table this Scheme Booklet.

BDO has concluded in its independent expert's report that, in the absence of a superior proposal, the Scheme is fair and reasonable and therefore in the best interests of Talon Shareholders.

The Talon Directors unanimously recommend that Talon Shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the independent expert continuing to conclude that the Scheme is in the best interests of Talon Shareholders.

The Chairman of Talon has confirmed to me today, that the Directors have not received a superior proposal prior to the date of this meeting.

Detailed reasons for the recommendation of the Talon Directors are set out in the Scheme Booklet. Each Director entitled to vote on the resolution at this meeting

has voted in favour of the resolution in respect of all Talon shares held or controlled by them.

In considering the unanimous recommendation and intentions of the Talon Directors to vote in favour of the Scheme, Talon Shareholders should note that the Talon Directors will each receive various personal benefits if the Scheme is implemented as outlined in the Scheme Booklet.

Implementation of the Scheme remains subject to the following key Scheme Conditions:

- (a) approval of the Scheme Resolution by Talon Shareholders at this Scheme Meeting by the requisite majorities;
- (b) approval of the Scheme by the Federal Court of Australia at the second Court hearing; and
- (c) the Independent Expert continuing to conclude that, in the absence of a superior proposal, the Scheme is in the best interests of Talon Shareholders.

The Scheme is also subject to other customary Scheme Conditions which are described in detail in section 12.2 of the Scheme Booklet.

For the Scheme to be implemented, each Scheme Condition must be satisfied by the due date (if any) fixed for its satisfaction (or otherwise waived to the extent it is capable of waiver).

If the Scheme Resolution is approved by Talon Shareholders today by the requisite majorities, and all other Scheme Conditions are satisfied (or waived where permitted), the key events and expected timing in relation to approval and implementation of the Scheme are set out in sections 12.5 to 12.8 of the Scheme Booklet.

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## **7. FORMAL BUSINESS – APPROVAL OF SCHEME**

I propose that we now move to the business of the meeting.

The Scheme Booklet, which contained the Notice of this Scheme Meeting, was circulated to Talon Shareholders. I will take the Notice of Scheme Meeting that was contained in the Scheme Booklet as having been read.

As noted earlier, I declare the vote on the Scheme Resolution will be conducted by way of a poll.

Prior to conducting the poll, I will now read the Scheme Resolution as set out in the Notice of Scheme Meeting:

*“That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed to be entered into between Talon and Talon Scheme Shareholders, as contained and more particularly described in the Scheme Booklet, of which the notice convening this meeting forms part, is approved (with or without alterations or conditions as approved by the Court to which Talon and Strike agree in writing) and, subject to approval of the Scheme by the Court, the Talon Board is authorised to implement the Scheme with any such alterations or conditions.”*

Proxies have been received in relation to the Scheme Resolution from 314 Talon Shareholders representing 250,276,728 fully paid ordinary shares, being 38.68% of the Company's issued share capital. The proxies received are shown on the screen.

Undirected proxies appointing myself as Chairman of the Meeting to vote will be cast in favour of the Scheme Resolution.

We will now address any questions raised in relation to the Scheme. As previously stated, I have been appointed as an independent chairman of the meeting, however, I will refer any questions on the Company, its business, and the commercial aspects of the transaction to the board of directors of Talon, to respond.

***Pause for a minute to receive any questions. Answer questions relevant to the business of the meeting.***

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## **8. CAST VOTES**

**I declare that the poll on the Scheme Resolution is now open.**

Shareholders may now vote on the resolution on the voting paper provided.

The persons entitled to vote on the poll are all shareholders, representatives and attorneys of shareholders, and proxyholders who hold **GREEN** admission cards.

On the reverse of your **GREEN** admission card is your voting paper and instructions.

Proxyholders have attached to their admission card a Summary of Proxy Votes which details the voting instructions. By completing the voting paper, you are deemed to have voted in accordance with those instructions.

In respect of any open votes a proxyholder may be entitled to cast, you need to mark a box beside the motion to indicate how you wish to cast your open votes.

Shareholders also need to mark a box beside the motion to indicate how you wish to cast your votes.

Please ensure you print your name where indicated and sign the voting paper. When you have finished filling in your voting paper, please lodge it in a ballot box to ensure your votes are counted.

If you require any assistance, please raise your hand.

***Once all voting papers have been collected.***

It appears as though the voting process has been completed.

**I therefore declare the poll closed** and note that no more votes will be counted toward the resolution proposed at this meeting.

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## **9. NEXT STEPS**

If the resolution put to the Scheme Meeting is passed by shareholders by the requisite majorities, the hearing at which the Court will be asked to approve the Scheme will be held on 13 December 2023 in the Federal Court of Australia in Perth.

If the Court approves the Scheme on 13 December 2023, and subject to the satisfaction or waiver of the remaining Scheme Conditions, it is proposed that the Scheme will become effective on the date that the Court orders are lodged with the ASIC and announced to the ASX, which is expected to be 14 December 2023.

The implementation of the Scheme will then occur on 27 December 2023.

The poll registrar will now undertake a verification of the number of votes to the proxies received.

The results of the poll will be announced to the ASX shortly.

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## **10. CLOSING**

I now declare the Scheme Meeting closed and thank you for your attendance and support of Talon and the proposed Scheme with Strike.

Thank you.