

# ELK PETROLEUM

Elk Petroleum Ltd ABN 36 112 566 499

14 January 2010

Attn: Jill Hewitt  
 Advisor, Issuers (Perth)  
**Australian Securities Exchange Limited**  
 Level 8 "Exchange Plaza"  
 2 The Esplanade,  
**Perth WA 6000**

**Via Facsimile & Email**

Dear Jill,

Re: Price & volume query

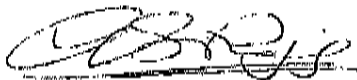
We refer to the price and volume query received today via email issued by the Australian Securities Exchange and respond as follows:

1. The Company, Elk Petroleum Limited, is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. Not applicable.
3. The Company does not have any explanation for the price change and increase in volume in the securities of the Company.

The Company has previously announced that it is expecting results of both history matching and future production simulation modelling from Surtek Inc in relation to the Phase 1 chemical flood development of its Grieve Field early in 2010. None of this information has been received from Surtek Inc to date. The Company expects to provide a status update on this work to the market next week.

4. The Company confirms it is in compliance with the listing rules and, in particular, listing rule 3.1.

Regards,



Andy Rigg  
 MD/CEO  
 ELK PETROLEUM LIMITED

**ELK PETROLEUM LIMITED**  
 L40 Northpoint 100 Miller St North Sydney 2060  
 PO Box 1717 North Sydney 2059  
 Tel +61 2 9510 0030 Fax +61 2 9510 0003

**DIRECTORS / OFFICERS**

Peter Power	Andy Rigg
Tony Strasser	Bob Cook
Chris Mullen	Jo Bourke

Issued Capital: 102.6 m shares ASX Symbol: ELK  
 Contact: Andy Rigg MD/CEO Email [info@elkpet.com](mailto:info@elkpet.com) [www.elkpet.com](http://www.elkpet.com)



14 January 2010

Mrs J Bourke  
Company Secretary  
Elk Petroleum Limited  
Level 40 Northpoint  
100 Miller Street  
NORTH SYDNEY NSW 2060

By Email: [jbourke@elkpet.com](mailto:jbourke@elkpet.com)

Dear Joanne

ASX Markets Supervision Pty Ltd  
ABN 26 087 780 489  
Level 8, Exchange Plaza  
2 the Esplanade  
Perth WA 6000

PO Box D187  
Perth WA 6840

Telephone 61 8 9224 0000  
Facsimile 61 8 9221 2020  
[www.asx.com.au](http://www.asx.com.au)

**Elk Petroleum Limited (the "Company")**

**RE: PRICE AND VOLUME QUERY**

We have noted a change in the price of the Company's securities from a close of 16 cents on 11 January 2010 to an intra day high of 23 cents today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by facsimile on **facsimile number (08) 9221 2020**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 10.30 am (W.S.T.) on Thursday, 14 January 2010**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

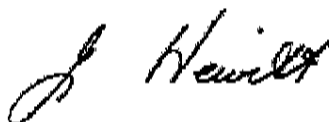
If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- 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.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,



Jill Hewitt  
**Adviser - Issuers**