

14 November 2022

Ms Shannon Nicholson
Principal Adviser, Listings Compliance (Perth)
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email: ListingsCompliancePerth@asx.com.au

Ms Nicholson

RE: FINDER ENERGY HOLDINGS LIMITED ("FDR"): AWARE – QUERY ASX REFERENCE 63843

We refer to the Aware Query received from yourself dated 10 November 2022 in relation to FDR's response to the ASX Price Query Letter, released to the ASX Market Announcements Platform on 2 November 2022 and subsequent announcement titled "Finder Signs Three Farmout Transactions in UK" on 8 November 2022.

In May 2022, the counterparty and Finder entered into a Confidentiality Agreement permitting the counterparty to be given FDR's confidential information relating to P2527, P2528 and P2530 (**Licences**). A proposal around a potential farmout for the Licences was provided by FDR to the counterparty in mid-August 2022. Negotiations of key commercial terms continued through the balance of August and until late September. Given the identity of the counterparty, being a foreign government investor, those negotiations were conducted on the basis that there was no final or binding arrangement capable of coming into place unless and until the counterparty had obtained board and shareholder approvals for any transaction.

Negotiations of the transaction documents and further commercial terms then proceeded from late September 2022 to late October 2022. Execution versions of the Agreements were prepared in late October 2022, but they remained subject to the counterparty's board and shareholder approval.

At the time that FDR was contacted by the ASX on 2 November 2022, the counterparty's board and shareholder approvals had not been obtained. Unless and until that approval was obtained, FDR understood that there was no binding agreement in place, and FDR had no certainty that a binding agreement would be reached. In light of previous announcements (including in its investor presentation dated 17 October 2022 and its Quarterly Report dated 28 October 2022) to the effect that FDR was conducting farmout processes in relation to the Licences, FDR formed the view that the fact of the incomplete, non-binding negotiations was not material. FDR was and remains confident that confidentiality was maintained at all times in relation to its incomplete dealings with the counterparty, including at the time it was contacted by the ASX.

The increase in FDR's share price and volume during the period shortly before FDR was contacted by the ASX was not unique to FDR. FDR notes that its movements through the period tracked similarly to movements in the All Ordinaries and the S&P/ASX 200 Energy index. Further, the emphasis in FDR's quarterly report of its cash position, the opportunities created by the UK Government's announced incentives to encourage oil

and gas investment and the nature of the current energy crisis all made FDR an attractive purchase through that period. Further still, the increase in FDR's price was triggered by a relatively low volume of trades.

Executed versions of transaction documents were exchanged after ASX market close on 7 November 2022, and the Agreements were announced before market open on 8 November 2022. FDR only received confirmation of the necessary approvals shortly before receipt of executed transaction documents.

Against that context, FDR outlines its responses to your request for information below.

- 1. Does FDR consider the Agreements, or any one Agreement, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes.

- 2. If the answer to question 1 is "no", please advise the basis for that view.**

Not applicable.

- 3. Please outline the status of any negotiations relating to the Agreements that were underway at the time FDR responded to the Price Query.**

See chronology above. As explained, at the time of the Price Query, negotiations were ongoing but FDR had no certainty or confidence that an agreement would be reached.

- 4. When was each Agreement finalised and executed?**

See chronology above. Dana emailed executed counterparts of the Agreements to Damon Neaves of FDR after ASX market close on Monday, 7 November 2022. Finder executed those counterparts and returned them to Dana on the same day. FDR provided the announcement to ASX promptly and without delay before the market opened on Tuesday, 8 November 2022.

- 5. If the answer to question 1 is "yes", is FDR of the view that the Agreements and their negotiation remained confidential up until the release of the Announcement? If so, please provide the basis for that view, noting the price rise and significant increase in volume of shares traded in the days leading up to the release of the Announcement.**

Yes. All parties to the Agreements were subject to a Confidentiality Agreement. Finder also monitored shareholder discussion sites and did not see any evidence of unauthorised disclosure or breaches of confidentiality. FDR otherwise confirms that it complied at all times with its published continuous disclosure policy. Consistent with that policy, during the period in which FDR was waiting for the counterparty's approvals, FDR monitored the market price for its securities, major national and local newspapers, investor blogs and chat sites and enquiries from analysts for signs that information may have leaked. Other than the increase in FDR's share price (which in FDR's view is explained by the factors addressed in the chronology above) there was no indication of any breach of confidentiality.

- 6. Please confirm that FDR is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

We confirm that FDR is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

7. Please confirm that FDR'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 FDR with delegated authority from the board to respond to ASX on disclosure matters.

FDR's responses to these questions have been authorised and approved by its Board of Directors.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Damon Neaves', written in a cursive style.

Damon Neaves

CEO



10 November 2022

Reference: 63843

Mr Anthony Benino
Company Secretary
Finder Energy Holdings Limited

By email: a.benino@finderenergy.com

Dear Mr Benino

Finder Energy Holdings Limited ('FDR'): Aware Query

ASX refers to the following:

- A. FDR's response to the ASX Price Query letter (the '**Price Query**'), released on the ASX Market Announcements Platform ('**MAP**') on 2 November 2022. In its response, FDR stated (relevantly):
- i. that FDR was not aware of any information concerning it that has not been announced, which, if known by some in the market, could explain the recent trading in its securities; and
 - ii. that FDR was not aware of any specific explanation for the recent trading in its securities.
- B. FDR's announcement titled 'Finder Signs Three Farmout Transactions in UK' (the '**Announcement**'), released on MAP on 8 November 2022 and marked sensitive, which disclosed that FDR had entered into three farm out agreements with Dana Petroleum (E&P) Limited ('**Dana Petroleum**') (each an '**Agreement**', together the '**Agreements**') to assign a 40% interest in each of P2527, P2528 and P3530 to Dana Petroleum.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:
- "an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."*
- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.
- "3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*
- 3.1A.1 One or more of the following applies:*
- *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*

- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.”*

F. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks FDR to respond separately to each of the following questions and requests for information:

1. Does FDR consider the Agreements, or any one Agreement, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. Please outline the status of any negotiations relating to the Agreements that were underway at the time FDR responded to the Price Query.
4. When was each Agreement finalised and executed?
5. If the answer to question 1 is “yes”, is FDR of the view that the Agreements and their negotiation remained confidential up until the release of the Announcement? If so, please provide the basis for that view, noting the price rise and significant increase in volume of shares traded in the days leading up to the release of the Announcement.
6. Please confirm that FDR is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that FDR’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 FDR 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 **11 AM AWST Monday, 14 November 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, FDR’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 FDR 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, you should discuss with us whether it is appropriate to request a trading halt in FDR'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 FDR's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to FDR'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 FDR'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 sincerely

Shannon Nicholson
Principal Adviser, Listings Compliance (Perth)