



Blue Energy Limited
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23 October 2019

Ms Lauren Osbich
Senior Listing Adviser
20 Bridge Street
Sydney NSW 2000

By Email: Lauren.Osbich@asx.com.au

Dear Lauren

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?

We understand that the broker Bell Potter released to its clients earlier this week a research report which suggests a valuation price of \$0.16/per share on the stock and contains generally favorable comments on the Townsville gas market and the emergence of new gas buyers in the market, which may have had the effect of encouraging those clients to support the stock through buying.

It is also noted Comet Ridge (ASX:COI) made an announcement yesterday releasing details of the results of a conventional well it had drilled in the Galilee Basin, which could be construed as positive and saw their share price increase.

While the location of this well is not necessarily in close proximity to Blue Energy's permits, the market may have taken this as something which will hasten the construction of infrastructure in Northern Queensland allowing gas to be delivered to the LNG and east coast domestic gas markets.

While the volume of shares traded yesterday were higher than daily averages there have been a number of days over the last 3-6 months where there have been volumes exceeding 1,500,000.

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



23 October 2019

Reference: 09434

Mr Stephen Rodgers
Company Secretary
Blue Energy Limited

By email: stephen.rodgers@blueenergy.com.au

Dear Mr Rodgers

Blue Energy Limited ('BLU'): Price Query

We note the change in the price of BLU's securities from a low of \$0.04 to a high of \$0.055 in the last few days.

We also note the significant increase in the volume of BLU's securities traded from 21 October 2019 to 23 October 2019.

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 **1:15 PM AEDT today Wednesday, 23 October 2019**. If we do not have your response by then, ASX will likely suspend trading in BLU's securities under Listing Rule 17.3. 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.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at ListingsComplianceSydney@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.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed 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. Exceptions to this requirement are set out in Listing Rule 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.

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 may 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.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Regards

Lauren Osbich



Compliance Adviser, Listings Compliance (Sydney)