

16 February 2024

Ms Barbara Lim
ASX Compliance
ASX Limited

By email: ListingsCompliancePerth@asx.com.au.

Dear Ms Lim

Re: Strike Energy Limited (Strike) – Aware Query

Please find Strike Energy Limited's (**Strike**) response to your letter dated 15 February 2024 (using the same numbers) as follows:

1. *Does STX consider the Initial Failure to Flow to be information that a reasonable person would expect to have a material effect on the price or value of its securities?*

No

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

As per Strike's announcement to the ASX on Tuesday, 13 February 2024 when it came out of halt, the well was observed to be over balanced after opening the choke. In an overbalanced state the well will not flow. Strike began operations to bring the well out of an over balanced state as is industry standard, and as Strike has done with other wells within its portfolio when in an overbalanced state.

3. *When did STX first become aware of the Initial Failure to Flow, in answering this question please provide specific times and dates.*

Monday, 5 February 2024 at 20:00 WST

4. *If STX first became aware of the Initial Failure to Flow before its request for the Trading Halt, did STX make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why details of the Initial Failure to Flow was not released to the market at an earlier time, commenting specifically on when you believe STX was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps STX took to ensure that the information was released promptly and without delay.*

No, Strike did not make an announcement prior to disclosure of the information on Tuesday, 14 February 2024. This is because the well was observed to be over balanced and, as a result, not expected to flow until the well was brought out of an overbalanced state. Industry standard practice at that point is to proceed to unload the well in order to generate a gas flow. As such, there was no materially price sensitive information to disclose as Strike remained in an operational phase. It was only following pulling of the plug after bringing the well out of an over balanced state in the early evening AWST on Thursday 8 February 2024 that Strike observed no gas flow. Strike proceeded to execute trouble shooting overnight, however, that led to no material change. At this time, Strike requested to enter a trading halt whilst it carried out further trouble shooting and testing to assess why the well was not flowing as was expected, as the possible reason(s) for the failure (ie, mechanical/operational failure versus geological failure) were assessed by Strike at that time to be materially price sensitive.

5. *Noting that the plug was removed with no initial flow in the early evening on 8 February 2024, is there any explanation that STX may have for the high volume of trading in STX's securities on 8 February 2024.*

Yes. As announced by S&P Dow Jones Indices on 1 February 2024, Costa Group Holdings Limited was to be replaced by Strike Energy Limited (ASX: STX) in the S&P/ASX 200 effective prior to the open of trading on Friday, February 9, 2024.

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

Yes

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

Yes

Yours sincerely

Justin Ferravant
Company Secretary and Chief Financial Officer
Strike Energy Limited



15 February 2024

Mr Justin Ferravant
Company Secretary
Strike Energy Limited

By Email: Justin.ferravant@strikeenergy.com.au

Dear Mr Ferravant

Strike Energy Limited ('STX'): Aware Query

ASX refers to the following:

- A. The high volume of trading in STX's securities on Thursday, 8 February 2024 which represented, at the time, the highest daily volume of trading in STX's securities over the past 12 months.
- B. STX's request for a trading halt in its securities dated Friday, 9 February 2024 in anticipation of "an announcement to the market regarding well test results at South Erregula-3" ('SE-3') ('Trading Halt').
- C. STX's announcement entitled "South Erregulla Update" lodged on the ASX Market Announcements Platform and released at 6.15 AM AWST on Tuesday, 13 February 2024 (the 'Announcement') which lifted the Trading Halt and disclosed:
 - a) "SE-3 was completed with 5-1/2" production tubing and the primary zones in the Kingia Sandstone were perforated on Monday 5 February 2024. Upon opening the choke, the well failed to flow but was also observed to be substantially overbalanced ('Initial Failure to Flow'). Strike proceeded to plug off the zones and mobilise nitrogen to displace the well fluid and move the well into an under-balanced state. Early evening AWST on the 8th of February 2024, the plug was removed with no initial flow."
 - b) "These SE-3 testing results were not expected, however, the samples and pressure gradients will form vital data in Strike's South Erregulla subsurface model, noting that SE-3 is the lowest penetration of the Kingia Sandstone in the immediate area and both SE-1 & SE-2 are measured as being up-dip."
- D. The change in price of STX's securities from \$0.42 at the close of market on Thursday, 8 February 2024 (prior to the Trading Halt) to an intraday low of \$0.29 following the release of the Announcement on Tuesday, 13 February 2024 and the record volume of trading conducted over the course of this trading day.
- E. 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.
- F. 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."
- G. 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."*

H. 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 STX to respond separately to each of the following questions and requests for information:

1. Does STX consider the Initial Failure to Flow 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. When did STX first become aware of the Initial Failure to Flow, in answering this question please provide specific times and dates.
4. If STX first became aware of the Initial Failure to Flow before its request for the Trading Halt, did STX make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why details of the Initial Failure to Flow was not released to the market at an earlier time, commenting specifically on when you believe STX was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps STX took to ensure that the information was released promptly and without delay.
5. Noting that the plug was removed with no initial flow in the early evening on 8 February 2024, is there any explanation that STX may have for the high volume of trading in STX's securities on 8 February 2024.
6. Please confirm that STX is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that STX'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 STX 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 **4:45PM AWST Tuesday, 20 February 2024**. 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, STX'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 STX 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 STX'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 STX's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to STX'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 STX'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

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours sincerely

ASX Compliance