



**Strike Energy Limited**  
**(ACN 078 012 745)**

**NOTICE OF GENERAL MEETING AND  
EXPLANATORY STATEMENT**

General Meeting to be held at the offices of Strike Energy Limited, 120B Underwood Street Paddington,  
New South Wales on Wednesday, 28 May 2014 commencing at 4.00pm (Sydney time)

**The Strike Directors recommend that Shareholders vote in favour of each Resolution and intend to vote any shares they own or control in favour of each Resolution (subject to any applicable voting exclusion)**

This Notice of Meeting and Explanatory Statement should be read in its entirety.  
If you are in doubt as to how to vote, you should seek advice from your accountant, solicitor or other professional adviser without delay.

**NOTICE OF GENERAL MEETING  
STRIKE ENERGY LIMITED  
ACN 078 012 745**

Notice is hereby given that a Meeting of Shareholders of Strike Energy Limited ACN 078 012 745 (Company) will be held at the offices of Strike Energy Limited, 120B Underwood Street Paddington, New South Wales, on Wednesday, 28 May 2014 commencing at 4.00pm (Sydney time).

Further details of each Resolution to be considered at the Meeting are set out in the Explanatory Statement. Definitions of capitalised terms used in the Notice of Meeting and Explanatory Statement are set out in the Glossary in Section 4 of the Explanatory Statement.

**Resolution 1 – Ratification of Placement Shares**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*That, for the purposes of Listing Rule 7.4.2 and all other purposes, Shareholders ratify the previous issue of 105,977,949 Placement Shares at \$0.12 per Share, as further described in the Explanatory Statement.*

**Voting exclusion:**

The Company will disregard any votes cast on Resolution 1 by any person who participated in the Placement and each of their Associates unless:

- (a) it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**Resolution 2 – Issue of 20,833,333 shares to Orica Investments Pty Ltd (ACN 009 781 257)**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 20,833,333 Shares to Orica Investments Pty Ltd (**Orica Shares**) under the terms of the Orica Subscription Agreement at \$0.12 per Share, as further described in the Explanatory Statement.*

**Voting exclusion:**

The Company will disregard any votes cast on Resolution 2 by Orica Limited (ACN 004 145 868) and any or each of its Associates unless:

- (a) it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**Resolution 3 – Grant to Orica Investments Pty Ltd (ACN 009 781 257) of an option (Orica Option) to subscribe for up to 20,833,333 shares**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve:*

- (a) the grant to Orica Investment Pty Ltd of an option (Orica Option) to subscribe for up to 20,833,333 Shares for consideration of \$2,500,000: and*
- (b) if the Orica Option is exercised by Orica, the issue to Orica of a number of Shares (not to exceed 20,833,333 Shares) determined as described below.*

In the event that the Orica Option is exercised by Orica, the number of Shares to be issued will be determined by dividing the total Orica Option Subscription Amount of \$2,500,000 by the price per Share, being the greater of (a) \$0.12 cents per share and (b) a 10% discount to the volume weighted average price of Shares over the 10 trading days immediately prior to the date of exercise of the Orica Option. The Orica Option may be exercised by Orica during the period commencing on the later of (i) the PPTP Review Date and (ii) the date of grant of the option. The Orica option shall expire 30 days after the later of these two exercise dates. If approved by Shareholders, it is expected that the Orica will have the right to exercise the Orica Option during a 30 day period which is expected to commence from November 2014.

**Voting exclusion:**

The Company will disregard any votes cast on Resolution 3 by Orica Limited (ACN 004 145 868) and any or each of its Associates unless:

- (a) it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**By order of the Board**



**Sean McGuinness**  
Company Secretary  
Strike Energy Limited  
17 April 2014

## IMPORTANT NOTES FOR SHAREHOLDERS

These notes and the Explanatory Statement form part of the Notice of Meeting.

### Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of Meeting and should be read in conjunction with it. Section 4 of the Explanatory Statement contains definitions of capitalised terms used in this Notice of Meeting and the Explanatory Statement.

### Required majorities

All of the Resolutions are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by Shareholders present (in person, by proxy or representative) and entitled to vote on the Resolution.

### How to vote

You may vote by attending the Meeting in person or by proxy, attorney or authorised representative.

### Vote in person

To vote in person, attend the Meeting on the date and at the place set out in the Notice of Meeting.

### Proxies

All Shareholders who are entitled to attend and vote at the Meeting have the right to appoint a proxy to attend and vote for them. The proxy may be, but need not be, a Shareholder and can be an individual or body corporate. Shareholders holding two or more Shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion, each proxy may exercise half of the votes.

To vote by proxy, please complete and return the proxy form enclosed with this Notice of Meeting as soon as possible and either:

- (a) send the proxy form by fax to the Company's share registry, Computershare Investor Services Pty Limited on 1800 783 447 (from within Australia) or +61 3 9473 2555 (outside Australia); or
- (b) deliver or post the proxy form to the Company's Sydney office at 120B Underwood Street Paddington, New South Wales, 2021 or the Company's share registry, Computershare Investor Services Pty Limited, at GPO Box 242, Melbourne, Victoria, 3001.

To be effective, a completed proxy form must be received **by no later than 4.00pm (Sydney time) on Monday, 26 May 2014**, being not less than 48 hours prior to the commencement of the Meeting. Proxy forms received later than this time will be invalid.

Where the proxy form is executed under power of attorney, the power of attorney (or a certified copy of the authority) must be lodged in the same way as the proxy form.

### Corporate representatives

A body corporate may appoint an individual as its representative to attend and vote at the Meeting and exercise any other powers the body corporate can exercise at the Meeting. The appointment, which must comply with section 250D of the Corporations Act, may be a standing one. The representative should bring to

the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

**Voting entitlements**

The Directors have determined that, for the purpose of voting at the Meeting, Shareholders are those persons who are the registered holders of the Company's Shares at **7.00pm (Sydney time) on Monday, 26 May 2014**.

## EXPLANATORY STATEMENT

### 1. INTRODUCTION

#### 1.1 Purpose

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting.

This Explanatory Statement should be read in full and in conjunction with the Notice of Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary in Section 4 of this Explanatory Statement. You should consult with your professional advisers if you have any questions in relation to how to vote on the Resolutions.

#### 1.2 Resolutions and recommendations

There are 3 Resolutions to be considered at the Meeting.

Certain voting exclusions are imposed by the Listing Rules in relation to the Resolutions as detailed in the accompanying Notice of Meeting.

**The Strike Directors recommend that Shareholders vote in favour of each Resolution and intend to vote any shares they own or control in favour of each Resolution (subject to any applicable voting exclusion).**

### 2. Resolution 1 – Ratification of Placement Shares

#### 2.1 Background

As announced on 13 March 2014, the Company has undertaken a Placement of new Shares to sophisticated and professional investors (as those terms are defined in sections 708(8) and 708(11) of the Corporations Act, respectively).

The Placement was made under the Company's 15% placement capacity.

Settlement of the Placement, comprising the issue of 105,977,949 Placement Shares issued at \$0.12 per Share (representing just under 15% of the issued equity capital of the Company at the time), took place on 19 March 2014. The Placement raised approximately \$12.7 million prior to transaction costs.

The proceeds from the Placement will be used predominately to fund the acceleration of the appraisal and development of the Company's Southern Cooper Basin Gas Project, as well as augmenting working capital and funding the cost of the Placement.

#### 2.2 Listing Rule 7.4

As the Placement was issued within the Company's available placement capacity under Listing Rule 7.1, it was conducted without Shareholders' approval.

Listing Rule 7.4 allows a company to seek shareholder ratification for an issue of securities after the issue has been made without approval under Listing Rule 7.1 (so long as that issue did not breach Listing Rule 7.1 at the time). Accordingly, the Company now seeks Shareholders' approval to ratify the issue of the Placement Shares. Approval of this Resolution (together with Resolutions 2 and 3) will provide the Company with enhanced flexibility to issue further equity securities as and when required.

The following information is required by Listing Rule 7.5 in relation to the issue of the Placement Shares.

- (a) The number of the Placement Shares issued by the Company was 105,977,949.
- (b) The issue price for each Placement Share was \$0.12.
- (c) The Placement Shares are fully paid ordinary shares which rank equally in all respects with other Shares.
- (d) The Placement Shares were issued to certain institutional and sophisticated and professional investors. Bell Potter Securities Limited acted as Lead Manager for the Placement with Blackswan Equities Limited acting as Co-Manager.
- (e) The proceeds from the Placement will be used predominately to fund the acceleration of the appraisal and development of the Company's Southern Cooper Basin Gas Project, as well as augmenting working capital and funding the cost of the Placement.

**The Strike Directors recommend that Shareholders vote in favour of Resolution 1 and intend to vote any shares they own or control in favour of this Resolution (subject to any applicable voting exclusion).**

### **3. Resolutions 2 and 3 – Issue of Shares (Orica Shares) and grant of an Option (Orica Option) to subscribe for Shares by Orica Investments Pty Ltd (ACN 009 781 257)**

#### **3.1 General**

In its announcement lodged with the ASX on 25 March 2014, the Company announced the signing of a fully-termed Gas Supply Agreement (**GSA**) with Orica International Pte Ltd which:

- provides for a total prospective gas supply of 250PJ by the Company to Orica:
- contemplates total potential funding by Orica of \$52,500,000, comprising:
  - up to \$47,500,000 by way of elective pre-payments for gas that align with the proposed project development milestones; and
  - the subscription by Orica Investments Pty Ltd for up to \$5,000,000 in new Shares.

The timing and quantity of gas which could be supplied to Orica International Pte Ltd reflects a balanced risk and reward profile for both parties that incorporates a portfolio of production-cost based, fixed/indexed and market linked pricing.

The value of the gas expected to be supplied under the GSA over its term is expected to be substantially in excess of \$1bn, with initial gas supply anticipated to commence in 2017.

#### **3.2 Orica Shares and Orica Option**

Strike is interested to ensure that the Company has access to additional funding to accelerate the evaluation of the Company's estimated prospective gas resources in PEL 96, ahead of a prospective commitment to proceed with the development of an initial project. The issue of the Orica Shares (the subject of Resolution 2) and the granting of the Orica Option (the subject of Resolution 3) are expected to provide the Company with \$5,000,000 of supplementary funding to advance this project as well as introducing Orica as a Shareholder of the Company.

Under Resolution 2, the Company is seeking Shareholders' approval to issue 20,833,333 Shares to Orica Investments Pty Ltd for the subscription price of \$0.12 per Share. The issue of the Orica Shares under the Orica Subscription Agreement will raise \$2,500,000 and, taking into account the Placement referred to in Resolution 1, the number of Shares to be issued to Orica will represent 2.49% of the Shares on issue. The issue of the Orica Shares is subject to a Holding Period as defined in the Orica Subscription Agreement of up to a maximum of 18 months under which Orica may not sell any of the Orica Shares on the ASX without the prior written consent of the Company. The Holding Period and the restriction on Orica selling or otherwise dealing with their shares may terminate early in certain circumstances, including for example a change of control event.

Under Resolution 3, the Company is seeking Shareholders' approval to grant to Orica Investments Pty Ltd the Orica Option to subscribe (in the event that the Orica Option is exercised) for up to 20,833,333 Shares (to be determined as described below) for a consideration of \$2,500,000.

*Exercise of the Orica Option*

In the event that the Orica Option is exercised by Orica, the number of Shares to be issued will be determined by dividing the total Orica Option Subscription Amount of \$2,500,000 by the price per Share, being the greater of (a) \$0.12 cents per share and (b) a 10% discount to the volume weighted average price of Shares over the 10 trading days immediately prior to the date of exercise of the option. The Orica Option may be exercised by Orica during the period commencing on the later of (i) the PPTP Review Date and (ii) the date of grant of the option. The Orica Option shall expire 30 days after the later of these two exercise dates. If approved by Shareholders, it is expected that the option exercise period will commence in November 2014.

The maximum number of Shares which could be issued upon exercise of the Orica Option is 20,833,333, being the number determined by dividing the Orica Option Subscription Amount of \$2,500,000 by the minimum subscription price of \$0.12 per Share (rounded down to the nearest whole number). The issue of the Shares under the Orica Option (if exercised) will also be subject to the same Holding Period condition as defined in the Orica Subscription Agreement as outlined above.

In the case of each of Resolutions 2 and 3, Shareholders' approval is sought for the purposes of Listing Rule 7.1 and all other purposes. By approving the issue of Shares under Resolution 2 and, if the Orica Option is exercised, under Resolution 3 for the purposes of Listing Rule 7.1, Shareholders' would be refreshing the Company's capacity to issue further Shares not exceeding in number 15% of the total Shares on issue, without being required to obtain Shareholders' approval to do so.

**The Strike Directors recommend that Shareholders vote in favour of Resolutions 2 and 3 and intend to vote any shares they own or control in favour of this Resolution (subject to any applicable voting exclusion).**

#### 4. DEFINITIONS

In this Explanatory Statement:

**Associate** has the meaning given to that term in sections 11 to 17 of the Corporations Act.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it, as appropriate.

**Company or Strike** means Strike Energy Limited (ACN 078 012 745).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Explanatory Statement** means the Explanatory Statement accompanying the Notice of Meeting.

**FID date** means the date upon which a final development decision is made by the PEL 96 Joint Venture to proceed with development of the initial project in the permit area.

**Holding Period** means the period in which Orica may not sell the Orica Shares or the Shares issued under the Orica Option (if exercised) on the ASX without the prior written consent of the Company.

The holding period ends on the earlier of

- a. 18 months from the date of the Orica Subscription Agreement or
- b. the FID Date.

**Listing Rules** means the Listing Rules of ASX.

**Meeting** means the meeting of the Shareholders convened for the purposes of considering the Resolutions.

**Notice of Meeting** means the notice convening the Meeting accompanying this Explanatory Statement.

**Orica** means Orica International Pte Ltd or Orica Investments Pty Ltd (as applicable given the context).

**Orica Option** means the option to be issued to Orica Investments Pty Ltd which if exercised will allow for the issue of up to 20,833,333 shares.

**Orica Option Subscription Amount** refers to \$2,500,000 to be received if the Orica Option is exercised.

**Orica Shares** means the 20,833,333 shares to Orica Investments Pty Ltd which is to be ratified by Resolution 2.

**Orica Subscription Agreement** refers to the agreement executed between Orica Investments Pty Ltd and the Company on 25 March 2014 for the issue of the Orica Shares.

**Orica Subscription Amount** refers to \$2,500,000 to be received from the issue of the Orica Shares

**Placement** means the issue of the Placement Shares which is to be ratified by Resolution 1.

**Placement Shares** means the 105,977,949 shares issued on 20 March 2014

**PEL 96** means Petroleum Exploration Licence PEL 96 granted under the *Petroleum and Geothermal Act 2000* (SA).

**PEL 96 Joint Venture** means the joint venture constituted by the Joint Operating Agreement dated 8 August 2008 between Australian Gasfields Limited and the Company.

**PPTP Review Date** means the date on which:

- (a) the Company has publicly announced or disclosed all information which a reasonable person would expect to have a material effect on the price of the Shares produced from the independent review the Company commissions to be conducted by De Golyer and MacNaughton (or such other independent petroleum expert as agreed between the Company and Orica Investments Pty Ltd) to the standard of the Society of Petroleum Engineers of the results of fracture stimulating and flow testing of the Le Chiffre and Klebb wells for a full three months' period to assess whether or not there are reasonable grounds to support an extension of the flow testing, ahead of a decision to proceed with development of an initial project; or
- (b) The Company has confirmed to Orica Investments Pty Ltd that the independent review referred to in paragraph (a) contains no information which a reasonable person would expect to have a material effect on the price of the Shares.

**Related Bodies Corporate** has the meaning provided under section 9 of the Corporations Act.

**Resolution** means a resolution to be considered at the Meeting as set out in the Notice of Meeting.

**Section** means a section of this Explanatory Statement.

**Share** means a fully paid ordinary share on issue in the capital of the Company.

**Shareholder** means a holder of Shares.

## Lodge your vote:



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

000001 000 STX

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

For your vote to be effective it must be received by 4.00pm (Sydney time) on Monday, 26 May 2014

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** →



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

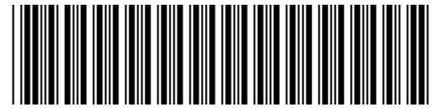
**SRN/HIN: I999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Strike Energy Limited hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Strike Energy Limited to be held at the offices of Strike Energy Limited, 120B Underwood Street Paddington, New South Wales on Wednesday, 28 May 2014 at 4:00pm (Sydney time) and at any adjournment or postponement of that meeting.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Ratification of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of 20,833,333 shares to Orica Investments Pty Ltd (ACN 009 781 257)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Grant to Orica Investments Pty Ltd (ACN 009 781 257) of an option (Orica Option) to subscribe for up to 20,833,333 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / /

STX

999999A

Computershare +