Strike Oil

Strike Oil Limited
Level 9 Wesfarmers House
40 The Esplanade
Perth Western Australia 6000

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11 February 2009

Mr Wade Baggot
Adviser, Issuers (Perth)
ASX Markets Supervision Pty Ltd
Level 8
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Wade

Strike Oil Limited (Strike Oil) – response to ASX query

We refer to your letter dated 10 February 2009 relating to the appendix 3Z final director's interest notices lodged by Strike Oil on 9 February 2009 in relation to 2 directors who recently resigned from the Board (**Appendices**). Our responses to your questions are as follows:

1. *Please explain why the Appendices were lodged late.*

   The Appendices were not lodged with ASX within the required time frame due to an administrative oversight by Strike Oil during a period of intense activity in the lead up to the end of the calendar year. Once this oversight was identified, it was addressed by lodging the Appendices with ASX.

   Please note that Strike Oil notified the fact of the resignations to the ASX and to the Australian Securities and Investments Commission (**ASIC**) within the appropriate time frames.

   In addition, we confirm that at all times the market was fully informed as to the notifiable interests of the relevant directors. There were no further changes to the relevant directors' notifiable interests between the time of lodgement of their last appendix 3Y and the time of their resignations as directors of Strike Oil on 16 December 2008.

2. *What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?*

   Each director appointed to the board of Strike Oil is required to sign a letter that outlines the obligations of the director, including the requirement to immediately inform the company secretary of any change to the director's notifiable interests. Any change notified to Strike Oil by a director is subsequently notified to ASX (via an appendix 3Y) as soon as practicable, but in any event, within 5 business days as required by Listing Rule 3.19A.

   Further, as part of Strike Oil's general policy on securities trading, the chairman must be notified when there is any trading of Strike Oil securities by its directors, officers or employees. Strike Oil assesses this information to determine any notifications that must be made to either ASX or ASIC.

The requirement to lodge an appendix 3Z results from the relevant person ceasing to be a director, not from any change of notifiable interests. Accordingly, as noted above, the failure to lodge the Appendices results from an administrative oversight on the part of the Company, not from any failure on the part of the relevant directors.

3. *If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?*

Strike Oil believes that the policies, systems and procedures it currently has in place (as outlined in our response to question 2 above) are adequate to ensure compliance with Listing Rule 3.19A and that no additional steps are required.

Yours sincerely

TONY BRAZIER
Company Secretary

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FAXED

10 February 2009

Tony Brazier
Company Secretary
Strike Oil Limited
Level 9, Wesfarmer's House
40 The Esplanade
Perth WA 6000

By Facsimile: 6464 0401

Dear Tony

Strike Oil Limited (the "Company") Appendix 3Z –Final Director's Interest Notice.

We refer to the following;

1. The Appendices 3Z lodged by the Company with ASX on 9 February 2009.

2. Listing rule 3.19A which requires an entity to tell ASX the following:

   3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
   - On 1 January 2002.
   - On the date that the entity is admitted to the official list.
   - On the date that a director is appointed.

   The entity must complete Appendix 3X and give it to ASX no more than 5 business days after 1 January 2002 or the entity's admission or a director's appointment.

   3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

   3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing rule 3.19B which states as follows.

   An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendices indicated that a change occurred on 16 December 2008, it appears that the Appendices should have been lodged with the ASX prior to 9 February 2009. As the Appendices were lodged on 9 February 2009, it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears that there may have been a breach of S205G of the Corporations Act by the directors concerned.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendices were lodged late.

2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?

3 If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

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.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.S.T.) on Thursday 12 February 2009.

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

Yours sincerely,

W Baggott

Wade Baggott
Adviser, Issuers (Perth)