

## 1. Hancock's 40% Increase Condition has been satisfied

Hancock has received acceptances in excess of 40% of all Warrego Shares, as a result of Warrego Shareholder acceptances under the Hancock Offer, and the number of Warrego Shares participating in Hancock's Acceptance Facility. This means **Hancock's 40% Increase Condition<sup>1</sup> has been satisfied**. Consequently, all Warrego Shareholders who accept, or have accepted, Hancock's Offer will receive **\$0.36 cash per Warrego Share**, regardless of when they accepted the Offer.

As previously announced, Hancock will **accelerate the timing for the cash payment** of the Offer consideration to **seven Business Days** of the later of the date the shareholder's acceptance is received and the date of this Tenth Supplementary Bidder's Statement. A copy of the formal notice under section 650D of the Corporations Act increasing Hancock's Offer Price is attached to this Tenth Supplementary Bidder's Statement as Annexure A.

Hancock has notified the Facility Agent that Hancock's Offer is free from the 40% Increase Condition. The Facility Agent has released the Acceptance Instructions and Warrego Shareholders participating in the Acceptance Facility can no longer withdraw their Acceptance Form or Custodian Direction. Warrego Shares participating in the Acceptance Facility have become formal acceptances of Hancock's Offer.

The Acceptance Facility is now closed. Warrego Shareholders who have not yet accepted, but would like to accept, Hancock's Offer must follow the instructions set out in section 11.4 of Hancock's Bidder's Statement. You may immediately accept the Offer by emailing a complete and executed Acceptance Form, in the form previously provided to you to [corpactprocessing@computershare.com.au](mailto:corpactprocessing@computershare.com.au), or call the Offer Information Line on 1300 916 761 (if within Australia) or +61 3 9415 488 (if outside Australia).

## 2. Hancock holds more than 50% of Warrego Shares

Hancock's relevant interest in Warrego Shares has now reached a majority position of approximately **50.54%**, which means **Hancock has become Warrego's controlling shareholder**.

As a result of Hancock's voting power in Warrego increasing to more than 50% and the increase in the consideration under Hancock's Offer to \$0.36 per Warrego Share, **Hancock's Offer is automatically extended and will remain open for acceptance until 7.00pm (AEDT) on Friday, 24 February 2023**.<sup>2</sup>

A copy of the notice under section 624(2) of the Corporations Act in respect of the extension of the Offer Period is attached to this Tenth Supplementary Bidder's Statement as Annexure B.

## 3. Strike's offer likely delivers inferior outcome in all cases

**Hancock considers any prospect of a new competitor takeover offer for Warrego is negligible**, particularly given Hancock has become Warrego's controlling shareholder. Warrego Shareholders should now decide whether to accept Hancock's Offer of \$0.36 cash per Warrego Share or Strike's scrip offer of one Strike share per Warrego Share. Warrego Shareholders should not do nothing and retain their Warrego Shares because any remaining minority shareholders may face significantly reduced trading liquidity and may have difficulty realising an equivalent cash value for their shares.<sup>3</sup> Hancock continues to consider that the Hancock Offer, which has been recommended by the majority of Warrego's Board,<sup>4</sup> remains superior to Strike's scrip offer.

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<sup>1</sup> As outlined in Hancock's Sixth Supplementary Bidder's Statement and its Seventh Supplementary Bidder's Statement.

<sup>2</sup> Unless extended in accordance with the Corporations Act.

<sup>3</sup> As advised by Warrego's Board in their ASX Announcement 23 January 2023 "Target Statement in response to Strike offer".

<sup>4</sup> Warrego ASX Announcement 23 January 2023 "Target Statement in response to Strike offer".

**Hancock considers Strike's scrip offer likely delivers an inferior outcome to all remaining Warrego Shareholders in all cases.** This includes any Warrego Shareholder who may be interested in swapping their Warrego Shares for Strike shares (**Scrip Investor**).

If a Scrip Investor holds the opinion that Strike's share price will trade below \$0.36 at any point in future, then Hancock considers that the rational course of action for the Scrip Investor must be to accept Hancock's Offer. This is because the Scrip Investor would:

- a) receive \$0.36 per Warrego Share (which have regularly traded below \$0.36 since 30 January 2023);
- b) use those cash proceeds to buy Strike shares on-market in an equivalent number;
- c) potentially pay less than \$0.36 for those Strike shares (which have regularly traded below \$0.36 since 30 January 2023); and
- d) therefore, likely get an additional valuable benefit of retaining a cash surplus (subject to any applicable brokerage fees).

The Scrip Investor's alternative is to accept Strike's scrip offer and swap their Warrego shares for the equivalent number of Strike shares only, which will likely therefore deliver an inferior outcome (as no cash surplus is likely), unless Strike shares never trade below \$0.36 again, which Hancock considers to be extremely unlikely.

#### **4. Strike and Warrego share prices are expected to decline**

Hancock considers current share prices of Strike and Warrego are largely being supported by Hancock's Offer, with their prices rising in step with Hancock's key announcements over the past two months. Now that Hancock has become Warrego's controlling shareholder, and Strike has confirmed its scrip offer is its "*best and final*" offer,<sup>5</sup> **Hancock expects Strike's and Warrego's share prices to continue to fall below \$0.36 and will likely further decline significantly once Hancock's Offer closes.**

Hancock reminds Warrego Shareholders that in early-November 2022, prior to Hancock's Offer, **the market valued Strike at ~\$0.25 per share and Warrego at ~\$0.15 per share.**

## Approval

This Tenth Supplementary Bidder's Statement has been approved by a resolution passed by the directors of Hancock.

Date: 6 February 2023

Signed for and on behalf of **Hancock Energy (PB) Pty Ltd** by:



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**Stuart Richard Johnston**  
Director

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<sup>5</sup> Strike ASX Announcement 3 February 2023 "*Sixth Supplementary Bidder's Statement*".