



ASX Announcement

Armour Energy Limited (ASX: AJQ)

18 October 2017

Successful Completion of Entitlement Offer

Highlights:

- **Entitlement Offer successfully closed, raising approximately \$4.25 million.**
- **Company to proceed with a further placement.**
- **Entitlement Offer fully underwritten by Bizzell Capital Partners Pty Ltd.**

Armour Energy Limited (ASX: "AJQ", the "Company") is pleased to announce that it has successfully completed the \$4.25 million Entitlement Offer component of the Company's previously announced capital raising program to raise up to \$50 million.

The Entitlement Offer closed at 5.00pm (AEST) on 13 October 2017 with valid applications for entitlements and applications under the shortfall facility received for approximately \$4.0 million, representing a take up of approximately 94%. The Entitlement Offer was fully underwritten by the lead manager to the capital raising program, Bizzell Capital Partners Pty Ltd, an entity associated with Armour Director, Mr Stephen Bizzell.

The shortfall of approximately \$0.25 million has been placed pursuant to a priority sub-underwriting agreement with major shareholder, DGR Global Limited.

Given the strong demand from investors and the opportunity to use additional funds to enable an accelerated ramp-up of the Kincora project gas and liquids production, and also provide funding towards other growth initiatives, the Company has decided to undertake a further placement to raise up to \$1 million before costs on the same terms as the Entitlement Offer at a price of \$0.076 per share.

As noted in the Company's earlier announcements, the proceeds (net of costs) from the capital raising program which includes the Entitlement Offer will be utilised to fund the re-commencement and re-start activities at the Company's Kincora Project in Queensland, to fund other growth initiatives, pay creditors and provide additional working capital.

As a result of the above arrangements, the Company advises that the debt facility with DGR Global, established in 2015 as part of the Kincora Project acquisition arrangements, has now been fully extinguished and the security previously granted in favour of DGR Global will now be released.

A handwritten signature in blue ink, appearing to read "K. Schlobohm".

On behalf of the Board
Karl Schlobohm
Company Secretary



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Electronic copies and more information are available on the Company website:
www.armourenergy.com.au

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