



Armour Energy Limited

8 August 2018

Accelerated Non-Renounceable Entitlement Issue

Armour Energy Limited (ASX:**AJQ** or **Company**) is pleased to announce an Accelerated Non-renounceable Entitlement Offer to both institutional and eligible retail shareholders, on the basis of 1 new fully paid ordinary share for every 4 shares held at an issue price of \$0.10 per share (**New Shares**), to raise approximately \$10.1 million (before costs) (**Entitlement Offer**). Assuming no existing options or Convertible Notes on issue in the Company are exercised or converted, approximately 101,293,985 New Shares will be offered under the Entitlement Offer.

The Entitlement Offer consists of an entitlement offer to institutional shareholders (**Institutional Entitlement Offer**), and an entitlement offer to retail shareholders (**Retail Entitlement Offer**).

The Institutional Entitlement Offer will be conducted on 8 and 9 August 2018 and the results will be announced to the ASX on 10 August 2018. The Retail Entitlement Offer will be available to all registered retail shareholders who hold shares at 7.00pm (AEST) on 10 August 2018 (**Record Date**) with registered addresses in Australia and New Zealand (**Eligible Retail Shareholders**).

Existing option holders need to exercise their options, and existing Convertible Noteholders need to convert their Notes, and be a registered retail shareholder on the Record Date, if they wish to participate in the Retail Entitlement Offer.

Where not all Eligible Retail Shareholders take up all of their respective Entitlements (**Shortfall**), the Shortfall will be offered to Eligible Retail Shareholders who have taken up all of their Entitlements and have also applied for additional New Shares (**Additional New Shares**).

The Entitlement Offer is fully underwritten by Samuel Holdings Pty Ltd (as trustee), an entity associated with Armour Chairman, Nicholas Mather. Full details of the underwriting arrangements will be set out in the disclosure document referred to below.

If Armour receives applications from Eligible Retail Shareholders for Additional New Shares that would not result in the Offer being oversubscribed, it will, subject to the other terms of this policy, allocate those Additional New Shares to the Eligible Retail Shareholders who applied for them, before calling upon the Underwriter to discharge its obligations in respect of the Underwritten Shares.

In accordance with the ASX Listing Rules and the *Corporations Act 2001* (Cth) (**Corporations Act**), Armour Energy has considered the number of registered retail shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand, the Company has formed the view that it is unreasonable to extend the Entitlement Offer to those shareholders.

The Institutional Entitlement Offer will be made available to registered institutional shareholders in British Virgin Islands, Singapore, Jersey and Hong Kong, however, the Company does not propose to make the Retail Entitlement Offer available to registered retail shareholders in those countries.

The purpose of the Entitlement Offer is to raise approximately \$10.1 million (before costs) which will primarily be used, together with operational cash flows, to support the drilling of the Company's 2018/19 Kincora area development well program, commencing with Myall Creek Well 4A, the progress of which has previously announced to the ASX. The proceeds will also be utilised to meet an element of corporate costs, Kincora operating costs, creditor payments and the costs associated with the Entitlement Offer.

The Entitlement Offer is being made without a disclosure document, under the exemption granted in section 708AA of the Corporations Act (**Offer Document**). Armour will prepare and send the Offer Document to shareholders by 15 August 2018, as set out in the timetable below. The Offer Document is proposed to be lodged with ASX on 10 August 2018 and will then be available on the Company's website www.armourenergy.com.au and the ASX website.

A proposed timetable for the Entitlement Offer is set out in the table below:

Event	Date
Trading halt (before market open)	8 August 2018
Announcement of Entitlement Offer and Appendix 3B and cleansing statement lodged	8 August 2018
Institutional Entitlement Offer opens	8 August 2018
Institutional Entitlement Offer closes	(4.00pm AEST) 9 August 2018
Announcement of results of Institutional Entitlement Offer and release of Retail Offer Booklet to ASX (before commencement of trading following the trading halt)	10 August 2018
Trading halt lifted and Existing Shares resume trading on an ex-entitlement basis	10 August 2018
Record Date for Entitlement Offer	(7.00pm AEST) 10 August 2018
Retail Offer Booklet and Entitlement and Acceptance Form despatched	15 August 2018
Retail Entitlement Offer opens	15 August 2018
Settlement of Institutional Entitlement Offer	16 August 2018
Updated Appendix 3B for New Shares issued under the Institutional Entitlement Offer lodged (if required)	(no later than 12.00pm AEST) 16 August 2018
Quotation of New Shares issued under the Institutional Entitlement Offer	17 August 2018
Last day to extend Retail Entitlement Offer close date	23 August 2018

Event	Date
Closing date for acceptances under Retail Entitlement Offer	(5.00pm AEST) 28 August 2018
Announcement of results of Retail Entitlement Offer	31 August 2018
Settlement of Retail Entitlement Offer	4 September 2018
Updated Appendix 3B for New Shares issued under the Retail Entitlement Offer lodged (if required)	(no later than 12.00pm AEST) 4 September 2018
Quotation of New Shares under Retail Entitlement Offer	5 September 2018
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	6 September 2018

This timetable is indicative only and may be subject to change subject to the requirements of the Corporations Act and the ASX Listing Rules.

If all shareholders take up their entitlement under the Entitlement Offer, the Entitlement Offer will have no effect on the control of Armour. However, the proportional shareholdings of Eligible Retail Shareholders who are not resident in Australia or New Zealand, may be diluted as those shareholders are not entitled to participate in the Entitlement Offer. Additionally, if any Eligible Retail Shareholder does not take up their entitlement in full there may be a dilutionary effect on that shareholder's proportionate shareholding.

In the event of a shortfall, the Directors of Armour, in consultation with Samuel Holdings Pty Ltd (as underwriter), reserve the right to place the shortfall at their sole discretion, after taking into account allocations to eligible shareholders who have applied for additional New Shares. Acceptance of entitlements or the placement of any shortfall may also result in existing shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, the shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company of not more than 20%, subject to a number of exemptions.

Cleansing Notice

Pursuant to section 708AA(7) of the Corporations Act, the Company provides notice of the following:

1. Armour will offer the New Shares for issue without disclosure to investors under part 6D.2 of the Corporations Act.
2. Armour is providing this notice under section 708AA(2)(f) of the Corporations Act.
3. As at the date of this notice, Armour has complied with:
 - (a) the provisions of chapter 2M of the Corporations Act as they apply to Armour; and
 - (b) section 674 of the Corporations Act.
4. As at the date of this notice there is no information:
 - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (b) that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of Armour; or
 - (2) the rights and liabilities attaching to the New Shares.
5. If all shareholders take up their entitlement under the Entitlement Offer, the Entitlement Offer will have no effect on the control of Armour. However, the proportional shareholdings of shareholders who are not residents in jurisdictions where the offer will be made may be diluted as those shareholders are not entitled to participate in the Entitlement Offer. Additionally, if an Eligible Retail Shareholder does not take up their entitlement in full there may be a dilutionary effect on that shareholder's proportionate shareholding.

In the event of a shortfall, the Directors of Armour, in consultation with the underwriter, reserve the right to place the shortfall at their sole discretion. Acceptance of entitlements or the placement of any shortfall may also result in existing shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, the shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company of not more than 20%, subject to a number of exemptions.

Excluded information

Armour advises that as at the date of this notice there is no information:

1. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
2. that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (b) the rights and liabilities attaching to the New Shares.



Further information

The Company anticipates that up to 101,293,985 New Shares will be issued under the Entitlement Offer. This number may be further increased by up to 110,768,988 New Shares if existing option holders exercise their options and Convertible Noteholders convert their Convertible Notes, and are registered shareholders on the Record Date.

Upon completion of the Entitlement Offer, and assuming it is fully subscribed and that existing options and Convertible Notes are not exercised or converted, the issued capital of Armour Energy will comprise approximately 506,469,926 shares, 67,875,000 unlisted options exercisable at between \$0.20 and \$0.50 (with expiry dates varying between 14 December 2019 and 31 July 2021), and 375,200,950 unlisted Convertible Notes with a face value of \$0.11 each and maturing 30 September 2019.

The New Shares issued under the Entitlement Offer will rank equally in all respects with the Company's existing shares. If an Eligible Shareholder's entitlement results in a fraction of a New Share, the entitlement will be rounded down to the nearest whole number.

Trading in the New Shares under the Entitlement Offer is expected to commence on 17 August 2018 for New Shares issued pursuant to the Institutional Entitlement Offer, and on 5 September 2018 for New Shares issued pursuant to the Retail Entitlement Offer.

Armour Energy encourages all Eligible Institutional Shareholders and Eligible Retail Shareholders to participate in the capital raising.

An Appendix 3B applying for quotation of the New Shares is **attached** to this announcement.

A handwritten signature in blue ink, appearing to read "K. Schlobohm", is written over a horizontal line.

On behalf of the board
Karl Schlobohm
Company Secretary

For further information contact:

Roger Cressey – CEO
07 – 3303 0620

Karl Schlobohm – Company Secretary
07-3303 0661

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Armour Energy Limited

ABN

60 141 198 414

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 101,293,985 (subject to rounding) |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares to be offered pursuant to a 1:4 accelerated non-renounceable entitlement offer (Offer). |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>The new shares issued will rank pari passu with existing shares on issue.</p>
<p>5 Issue price or consideration</p>	<p>\$0.10 per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The purpose of the Entitlement Offer is to raise up to \$10.1 million (before costs) which will primarily be used, together with operational cash flows, to support the Company's 2018/19 Kincora area development well program, commencing with Myall Creek Well 4A, the progress of which has previously announced to the ASX. The proceeds will also be utilised to meet an element of corporate costs, Kincora operating costs, creditor payments and the costs associated with the Entitlement Offer.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>21 November 2017</p>

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	2,157,895 FPO Private Placement, 2017.10.20 2,343,092 FPO Private Placement, 2017.11.06 4,328,947 FPO Private Placement, 2017.11.06 1,842,105 FPO Private Placement, 2017.11.27 2,485,856 FPO Private Placement, 2017.12.19 954,546 Convertible Notes, 2018.03.27 41,000,000 Unlisted Options (2018.07.31)
6d	Number of +securities issued with security holder approval under rule 7.1A	N-A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	120,974,908 Convertible Notes (2016.12.16 pre-approved at 2016 AGM) 4,545,455 Convertible Notes (2017.01.16 pre-approved at 2016 AGM) 9,100,000 Convertible Notes (2017.01.30 pre-approved at 2016 AGM) 1,500,000 Convertible Notes (2017.02.24 pre-approved at 2016 AGM) 5,620,358 Convertible Notes – Interest Payment (2017.04.06 approved at 2016 AGM) 37,340,822 Convertible Notes (2017.03.15 & 2017.04.06 approved at 2017 EGM) 52,272,727 Convertible Notes (2017.06.01, pre-approved at 2017 EGM) 18,213,637 Convertible Notes (2017.06.13, pre-approved at 2017 EGM) 36,363,636 Convertible Notes (2017.06.16, pre-approved at 2017 EGM) 7,909,092 Convertible Notes (2017.06.30, pre-approved at 2017 EGM) 6,818,183 Convertible Notes (2017.07.11, pre-approved at 2017 EGM) 2,136,364 Convertible Notes (2017.08.31, pre-approved at 2017 EGM) 18,905,768 Convertible Notes Interest Payment (2017.10.05 approved at 2016 AGM) 1,818,182 Convertible Notes (2017.11.01, pre-approved at 2017 AGM) 5,272,727 Convertible Notes (2017.12.22, pre-approved at 2017 AGM) 45,454,545 Convertible Notes (2018.01.13, pre-approved at 2017 AGM)
6f	Number of +securities issued under an exception in rule 7.2	ESOP options 3,024,998 Unlisted Options (\$0.22@14/12/2019) 3,025,001 Unlisted Options (\$0.27@14/12/2019) 3,025,001 Unlisted Options (\$0.32@14/12/2019) 56,002,074 FPO (Entitlement Offer allotment, 2017.10.20)

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.

	N-A
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6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

	N-A
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6i Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

	42,892,071
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7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

	Institutional Offer – 16 August 2018 Retail Offer – 4 September 2018
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8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
	506,469,926	Ordinary Shares (AJQ)

+ See chapter 19 for defined terms.

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<u>Unrestricted Securities</u>	
		3,150,000	Unlisted Employment Option (\$0.20@29/03/2021)
		3,150,000	Unlisted Employment Options (\$0.35@29/03/2021)
		2,250,000	Unlisted Employment Options (\$0.50@29/03/2021)
		1,500,000	Unlisted Options (\$0.22@14/12/2019)
		1,500,000	Unlisted Options (\$0.27@14/12/2019)
		1,500,000	Unlisted Options (\$0.32@14/12/2019)
		5,000,000	Unlisted Underwriting Options (\$0.20@30/08/2018)
		666,666	Unlisted Options (\$0.22@29/05/2020)
		666,667	Unlisted Options (\$0.27@29/05/2020)
		666,667	Unlisted Options (\$0.32@29/05/2020)
		250,000	Unlisted Options (\$0.22@14/12/2019)
		250,000	Unlisted Options (\$0.27@14/12/2019)
		250,000	Unlisted Options (\$0.32@14/12/2019)
		2,024,998	Unlisted Options (\$0.22@14/12/2019)
		2,025,001	Unlisted Options (\$0.27@14/12/2019)
		2,025,001	Unlisted Options (\$0.32@14/12/2019)
41,000,000	Unlisted Options (\$0.166 @31/07/2021)		
375,200,950	Unlisted Convertible Notes		
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 new share for every 4 existing shares held
14	+Class of +securities to which the offer relates	Fully Paid Ordinary Shares
15	+Record date to determine entitlements	10 August 2018
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded down to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Canada China India Japan Malaysia UAE United Kingdom United Republic of Tanzania
19	Closing date for receipt of acceptances or renunciations	28 August 2018
20	Names of any underwriters	Samuel Holdings Pty Ltd (as trustee)
21	Amount of any underwriting fee or commission	\$1 Underwriting Fee 3% Sub-underwriting Fee payable by the Company on written sub-underwriting commitments.
22	Names of any brokers to the issue	N-A
23	Fee or commission payable to the broker to the issue	N-A

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	3% Broker Fee payable by the Company for stamped applications accepted
25	If the issue is contingent on security holders' approval, the date of the meeting	N-A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Retail Offer - 15 August 2018
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N-A: Accelerated pro-rata non-renounceable entitlement offer as per Appendix 7A of the ASX Listing Rules
28	Date rights trading will begin (if applicable)	N-A
29	Date rights trading will end (if applicable)	N-A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N-A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N-A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N-A
33	⁺ Issue date	Retail Offer - 4 September 2018

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)
Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
42	<p>Number and +class of all +securities quoted on ASX (including the +securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 50px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Karl Schlobohm
Company Secretary

8 August 2018

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	336,015,972
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	56,002,074 (entitlement issue, 2017.10.20)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	392,018,046

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	58,802,707
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>2,157,895 FPO Private Placement, 2017.10.20 2,343,092 FPO Private Placement, 2017.11.06 4,328,947 FPO Private Placement, 2017.11.07 1,842,105 FPO Private Placement, 2017.11.27 2,485,856 FPO Private Placement, 2017.12.19 954,546 Convertible Notes, 2018.03.27 41,000,000 Unlisted Options (2018.07.31)</p>
“C”	55,112,441
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	58,802,707
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	55,112,441
Total [“A” x 0.15] – “C”	3,690,266 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	392,018,046
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	39,201,805
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	nil

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	39,201,805
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	0
Total ["A" x 0.10] – "E"	39,201,805 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.