ASX Announcement

Armour Energy Limited

19 June 2020

Capital Raising Update

Private Placement and Accelerated Non-Renounceable Entitlement Offer

Highlights:

- **Over $8 million of committed subscription funds secured.**
- **Successful completion of the accelerated institutional component of the non-renounceable entitlements offer, with firm commitments to raise $1.84 million.**
- **Firm placement commitments received for a further $3.52 million (including $0.9 million committed in the conditional placement subject to receipt of shareholder approval).**
- **Armour Shares will resume trading today on an 'ex-entitlement' basis.**
- **The fully underwritten $2.69 million retail component of the entitlement offer will open 24 June 2020 and close on 15 July 2020 (unless otherwise extended).**

Further to its previous release of 15 June 2020, the Board of Armour Energy Limited (ASX:AJQ – **Armour Energy** or the **Company**) is pleased to provide the following update in relation to the Company's capital raising program.

The capital raising program consists of:

- an initial placement;
- an underwritten accelerated non-renounceable, pro rata entitlement offer; and
- an additional conditional placement;

which together are seeking to raise a combined total of up to $10 million at a price of 2.3 cents per share, together with one free attaching option (exercisable at 5 cents to 29 February 2024) for every two shares issued.

The capital raising program is being managed by Bizzell Capital Partners Pty Ltd (BCP; associated with Armour Energy Director Stephen Bizzell) in conjunction with JB Advisory Partners Pty Ltd as Joint Lead Managers, with the entitlement offer being fully underwritten by Bizzell Capital Partners Pty Ltd.

Armour is pleased to report that the institutional component of the Company's entitlement offer has closed with firm commitments for $1.84 million received. Firm placement commitments for approximately $3.5 million from a range of sophisticated and professional investors have also been received with approximately $2.6 million to be settled upfront, and $900,000 to be settled in a conditional placement subject to receipt of shareholder approval. The allotment of the shares associated with the accelerated component of the entitlement offer and the upfront component of the placement is scheduled for Monday 22 June 2020.

The remaining approximately $2.69 million to be raised under the retail component of the entitlement offer has been fully underwritten by BCP. The Joint Lead Managers of the capital raising program have to date also secured firm commitments for a further $900,000 for the conditional placement, to be conducted subject to obtaining shareholder approval which will be sought at an Armour shareholder meeting in early September 2020.

Accordingly, the total of funds secured to date under the capital raising program is presently in excess of $8 million (including $900,000 subject to shareholder approval) with additional funds targeted to be raised in the conditional placement.

The Company intends that the funds raised under the capital raising program will be used for the purposes of progressing the Kincora Project area well intervention and work program; payment of interest and scheduled amortisation reductions in respect of the Company's Amortising Notes for the balance of 2020, and to otherwise ensure continued compliance with the financial covenants of the Notes; exploration expenditure; the costs of the raisings; and general working capital.

The timetable for the remaining elements of the capital raising is as set out below.

Event	Date
Trading Halt lifted	19 June 2020
Record Date for the Retail Entitlement Offer	19 June 2020 (7:00 pm AEST)
Issue of New Shares under the Placement Issue of New Shares and New Options under the Institutional Entitlement Offer	22 June 2020
Prospectus and Entitlement and Acceptance Form despatched to Eligible Retail Shareholders	24 June 2020
Opening Date of Retail Entitlement Offer (9am AEST)	24 June 2020
Last day to extend Retail Entitlement Offer close date	10 July 2020
Closing Date of Retail Entitlement Offer	15 July 2020 (5:00 pm AEST)
Announcement of results of the Retail Entitlement Offer	20 July 2020
Issue of New Shares pursuant to Retail Entitlement Offer Issue of New Options under the Retail Entitlement Offer	22 July 2020
New Shares under Retail Entitlement Offer commence trading on ASX on a normal basis	23 July 2020

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

The Directors of Armour Energy encourage all eligible retail shareholders to participate in the entitlement offer.

This Announcement is Authorised by the Board of Directors
Karl Schlobohm
Company Secretary

Nicholas Mather – Executive Chairman
07 3303 0680

Karl Schlobohm – Company Secretary
07 3303 0661