

# Supplementary Prospectus

## Armour Energy Limited ACN 141 198 414

### Supplementary Prospectus to a Prospectus dated 15 June 2020

#### 1. Important information

This Supplementary Prospectus is dated 27 July 2020 and was lodged with ASIC pursuant to section 719(1) of the *Corporations Act 2001* (Cth) on 27 July 2020. Neither ASIC nor ASX take any responsibility as to the contents of this Supplementary Prospectus.

This Supplementary Prospectus supplements and is intended to be read together with the prospectus dated 15 June 2020 (**Prospectus**) issued by Armour Energy Limited ACN 141 198 414 (the **Company**). Other than as set out below, all details in relation to the Prospectus remain unchanged. The Directors believe that the information provided in this Supplementary Prospectus is not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already accepted your Entitlement or applied for Additional New Shares under the Prospectus. Unless otherwise indicated, terms used in this Supplementary Prospectus shall have the meaning ascribed to them in the Prospectus.

ASIC, ASX and their officers take no responsibility as to the contents of this Supplementary Prospectus.

**This document is important and should be read in its entirety in conjunction with the Prospectus. If you are in any doubt as to the contents of this document, you should consult your professional adviser.**

#### 2. Supplementary Prospectus

The purpose of this Supplementary Prospectus is to:

- a) extend the Closing Date of the Offer to 5pm (AEST) on Wednesday 5 August 2020; and
- b) provide updated disclosure to investors in relation to the Farmin Agreement.

On 4 December 2019, the Company announced the execution of the Farmin Agreement with Santos QNT Pty Ltd (**Santos**) pursuant to which Santos has the right to earn a 70% interest in the Company's North Queensland tenements, being ATP1087 (granted) and application permit areas ATP1107, ATP1192 and ATP1193, and the Northern Territory tenements EP172 and EP177 (**Application Areas**). Pursuant to the Farmin Agreement, the Company received an initial payment from Santos of \$15 million (the Initial Payment), with the possibility, but no guarantee, of the receipt of further conditional payments of up to \$15 million upon the award and transfer of the permit interests for the Application Areas to Santos.

In section 8.10 of the Prospectus, reference was made to discussions the Company was involved in regarding the acceleration and crystallisation of contingent payments under existing transactions. Further to these discussions, the Company and Santos have now entered into an amendment of the Farmin Agreement aimed at accelerating the permit award process and the crystallization and acceleration of contingent permit transfer payments to the Company.

Pursuant to the amendment to the Farmin Agreement, Santos will make a one-off, unconditional accelerated cash payment of \$6 million in full satisfaction of all future contingent permit transfer payments covering the Application Areas. This accelerated payment is to be made within 5 Business Days of the amendment to the Farmin Agreement.

# Supplementary Prospectus

As noted in section 8.10 of the Prospectus, the payments arising from the acceleration and crystallisation of these contingent payments was anticipated to contribute to the proceeds from anticipated asset transactions set out in section 1.5 of the Prospectus. Accordingly, the Directors note that the proceeds to be received pursuant to the amendment to the Farmin Agreement will not increase the estimated sources of funds as set out in section 1.5 of the Prospectus.

## 3. Prospectus amendments

On 10 July 2020, the Company announced an extension of the Closing Date in respect of the Retail Entitlement Offer to 31 July 2020.

The Directors have resolved to further extend the Closing Date to 5 August 2020. Accordingly, the following changes are to be made to the Prospectus:

- a) the following items in table in the 'IMPORTANT INFORMATION' section of the Prospectus (at page 1 of the Prospectus) are amended to those set out below:

Key dates for investors	
Retail Entitlement Offer expected to close	5 August 2020
Issue of New Shares pursuant to Retail Entitlement Offer	12 August 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer on ASX	13 August 2020
Expected date of despatch of New Shareholding statements for New Shares issued under the Retail Entitlement Offer	14 August 2020

- b) the following items in the table in section 2.6 (Important dates) are amended to those set out below:

Last day to extend Retail Entitlement Offer close date	31 July 2020
Closing Date of Retail Entitlement Offer	5 August 2020 (5.00pm AEST)
Announcement of results of the Retail Entitlement Offer	10 August 2020
Issue of New Shares pursuant to Retail Entitlement Offer	12 August 2020
New Shares under Retail Entitlement Offer commence trading on ASX on a normal basis	13 August 2020
Expected date of despatch of holding statements for New Securities	14 August 2020

- c) the "Santos Farmin Risk" paragraph in section 1.6 is deleted in its entirety and replaced with the following:

*"Santos QNT Pty Ltd (**Santos**) has paid the Company the initial \$15 million pursuant to the Farmin Agreement (the **Initial Payment**), and as per the amendments to the Farmin Agreement will pay to the Company a further \$6 million and will lead all activities and negotiations (including Native Title negotiations) and assume the responsibility and expense for pursuing the award of outstanding permit application areas. However, there remains a risk that the award of these outstanding permit areas will not be obtained."*

# Supplementary Prospectus

- d) the words “A further \$15 million will be payable upon the subsequent award of further tenements in the project area” are deleted from section 4.1, and replaced with the following:

*“Pursuant to a subsequent amendment to the agreement announced by Armour on 27 July 2020, Santos will pay Armour a further \$6 million within 5 Business Days of the date the amendment in full consideration of all future contingent permit transfer payments, and will lead all activities and negotiations (including Native Title negotiations) and assume the responsibility and expense for pursuing the award of outstanding permit application areas.”*

- e) section 6.2(d) is deleted in its entirety, and replaced with this following:

**“d) Santos Farmin Risk**

Santos has paid the Company the initial \$15 million pursuant to the Farmin Agreement, and as per amendments to the Farmin Agreement announced by the Company on 27 July 2020 will pay to the Company a further \$6 million and will lead all activities and negotiations (including Native Title negotiations) and assume the responsibility and expense for pursuing the award of outstanding permit application areas. However, there remains a risk that the award of these outstanding permit areas will not be obtained.

- f) The definition of “Farmin Agreement” is amended by inserting the following after the words “dated 29 November 2019”:

*“and as amended on 24 July 2020”*

## **4. Other Material Information**

The Directors of the Company are not aware of any acts, matters or things (not already described in the Prospectus) which may be material to the making of an informed assessment of:

- a) the effect of the Offer on the Company; or
- b) the rights attaching to the Shares.

## **5. Directors’ authorisation and consent**

This Supplementary Prospectus has been signed by a Director of the Company with the authority of each of the Directors and is dated 27 July 2020. Each Director has consented to lodgement of this Supplementary Prospectus with ASIC.



.....  
Director