

## Armour Energy Limited

31 March 2021

### Corporate Finance Update: Noteholders Approve Amendments to the Secured Amortising Notes

#### HIGHLIGHTS:

- Armour has received the required number of votes for approval from Noteholders for amendments to the Conditions of the Secured Amortising Notes and are finalising the required documentation.
- The amendments align with Armour's proposed McArthur Oil & Gas demerger and IPO transaction (refer ASX announcement of 3 March 2021).
- Following the proposed demerger and IPO transaction, Armour will use the cash consideration from the sale of the Northern Basin Assets to McArthur to retire outstanding debt.

**The Directors of Armour Energy Limited (ASX: AJQ; "Armour", or "the Company") are pleased to advise that the required number of votes from holders (Noteholders) of the Company's Secured Amortising Notes (Notes) have been received for approval of the amendment of the Conditions of the Notes as proposed by Armour (as outlined in the Company's previous ASX announcement of 23 March 2021).**

In order for the Special Resolution to pass it required 75% of eligible Noteholders by value to vote in favour, and the Company has received 85% by value voting in favour. The Company is expecting to finalise the required documentation to give effect to the amendment on 6 April 2021.

#### **Approved Amendments**

For the full terms of the approved amendments please refer to the Notice of Circulating Resolution of Noteholders and Explanatory Memorandum (**Notice**) that was attached to Armour's ASX Announcement of 23 March 2021.

In short, the approved amendments include the following:

1. New Note principal amortisation schedule to reflect the \$11.4 reduction in aggregate outstanding principal value of the Notes by way of unscheduled amortization payments already made by Armour;
2. Amendments to Financial Undertakings, including the Debt Service Cover Ratio, the Leverage Ratio and the cash balances Armour must maintain;
3. Amendments to increase a certain limit on incurring Financial Indebtedness;
4. The creation of a new Interest Reserve Account which requires Armour to maintain a certain balance;
5. Amendments to the early redemption of Notes provisions;
6. Amendments to the payment timeframes for the unscheduled amortisation payments; and
7. Consent from the Noteholders to extend the due date for the environmental bonding finance facility.

**Armour Energy's CEO, Brad Lingo said:**

"We are pleased with the on-going support we have received from the Noteholders. We have demonstrated over the last 9 months the Company's ability to reduce the principal amount of the Notes on an accelerated basis and with the proposed demerger of the Northern Basin Assets we will look to make further repayment of this debt. The support of the Noteholders with these recent amendments provides a clear path to achieving this."

**This announcement is authorised by the Board of Directors****Karl Schlobohm****Company Secretary****For further information contact:**

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**ASX Code: AJQ****Executives**

Bradley Lingo - Chief Executive Officer  
Karl Schlobohm – Company Secretary  
Michael Laurent – Chief Operating Officer  
Toni Hawkins – Chief Financial Officer

**Directors**

Nicholas Mather – Executive Chairman  
Stephen Bizzell - Non-Executive Director  
Roland Sleeman – Non-Executive Director  
Eytan Uliel – Non-Executive Director

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