



Update Summary

Entity name

ARMOUR ENERGY LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

27/9/2021

Reason for update to a previous announcement

Update to maximum amount to be raised. For more information refer to ASX announcement of 27 September 2021.

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

ARMOUR ENERGY LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

60141198414

1.3 ASX issuer code

AJQ

1.4 The announcement is

Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

Update to maximum amount to be raised. For more information refer to ASX announcement of 27 September 2021.

1.4b Date of previous announcement to this update

23/9/2021

1.5 Date of this announcement

27/9/2021

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis? Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	25/11/2021	<input checked="" type="checkbox"/> Actual	

Comments

AUD 1.6 million of Conditional Placement with attaching options will be subject to shareholder approval. The Conditional Placement includes commitments to subscribe by the Company's largest shareholder DGR Global Ltd. For more information refer to ASX announcement of 27 September 2021.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

 Yes

Details of +securities proposed to be issued

ASX +security code and description

AJQ : ORDINARY FULLY PAID

Number of +securities proposed to be issued

315,384,615

Reason for the update of 'Number of +securities proposed to be issued'

Update to maximum amount to be raised

Offer price details



Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.02600

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

Existing class

Attaching +Security - Existing class (additional +securities in a class that is already quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ASX +security code and description

AJQOA : OPTION EXPIRING 29-FEB-2024

Number of +securities proposed to be issued

105,128,205

Reason for the update of 'Number of +securities proposed to be issued'

Update to maximum amount to be raised

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Free attaching securities on a 1 option for 3 shares basis

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes



Part 7C - Timetable

7C.1 Proposed +issue date

29/9/2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Up to 177,439,213, being 92,823,828 ordinary shares and 84,615,385 quoted options

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

Up to 161,022,326 ordinary shares

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

This approach has been taken as the Company considers that this method of capital raising is the most cost-efficient and expedient method available at the time for raising, at an appropriate price, the funds required by the Company to achieve its objectives, given the funding certainty and the pricing achieved under the Placement.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No



Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Bizzell Capital Partners Pty Ltd (an entity associated with Director Stephen Bizzell) and JB Advisory Partners

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

- (a) A management fee of 1.0% of the value of all funds raised
- (b) A selling fee of 5.0% of the value of all funds raised
- (c) Subject to obtaining shareholder approval, issue of options (exercisable at 5c, expiring 29 February 2024), representing 4 options for every \$1 raised

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Additional working capital, and to assist with the short-term progression of the McArthur Oil and Gas transaction.

For more information refer to ASX announcement of 27 September 2021.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

The \$1.6 million Conditional Placement is subject to shareholder approval and the Company expects to issue approximately 61,538,462 ordinary shares and 20,512,821 quoted options pursuant to the Conditional Placement. For more information refer to ASX announcement of 27 September 2021.

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)