

19 October 2015



WestSide Corporation Ltd
ABN 74 117 145 516

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Brisbane Qld 4000

Phone: 07 3020 0900
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Company Announcements Platform
ASX Limited
By fax: 1300 135 638

www.westsidecorporation.com

Dear Sirs

WestSide Corporation Limited ('WestSide') – off-market takeover bid for Armour Energy Limited ('Armour Energy') – second supplementary bidder's statement

Please find enclosed, in accordance with section 647(3)(b) of the *Corporations Act 2001* (Cth), a copy of WestSide's second supplementary bidder's statement dated 19 October 2015.

A copy of the enclosed document was lodged with the Australian Securities & Investments Commission and given to Armour Energy earlier today.

The second supplementary bidder's statement will also be despatched to Armour Energy shareholders.

Yours faithfully
WestSide Corporation Limited

A handwritten signature in black ink, appearing to read "MCHughes".

Michael Colin Hughes
Director

Second Supplementary Bidder's Statement

SECOND SUPPLEMENTARY BIDDER'S STATEMENT

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE
ATTENTION**

If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible.

ACCEPT THE RECOMMENDED REVISED CASH OFFER

by WestSide Corporation Limited ABN 74 117 145 516, a Subsidiary of Landbridge Group Co., Ltd



to purchase all your shares in
Armour Energy Limited
ABN 60 141 198 414

For each Armour Energy Share you will receive A\$0.20 cash
The Directors of Armour Energy Limited UNANIMOUSLY
RECOMMEND that you ACCEPT the cash Offer, in the absence
of a superior proposal

Please call 1300 721 637 (callers in Australia) or +61 2 8016 2890 (callers outside Australia) if you require assistance with your acceptance.

The Offer is dated **22 September 2015** and will close at 7.00pm (Sydney time) on **9 November 2015**, unless extended.

NORTH

Financial Advisor

**KING & WOOD
MALLESONS
金杜律师事务所**

Legal Advisor

Second Supplementary Bidder's Statement

Key dates

Announcement of the Offer	31 August 2015
Date of Replacement Bidder's Statement	14 September 2015
Offer opened (date of the Offer)	22 September 2015
Offer closes (unless extended or withdrawn)	7:00pm (Sydney time) on 9 November 2015

Table of contents

Important notice	2
Details of the Revised Offer	7
1 Best and final increase to Offer Price	7
2 Armour Energy directors' UNANIMOUS RECOMMENDATION	7
3 Extension of the Offer Period	7
4 Important information regarding the Revised Offer	8
5 Lakes Oil dividend	8
6 Armour Energy's extraordinary general meeting	8
7 Armour Energy's directors UNANIMOUSLY RECOMMEND voting AGAINST the Northern Territory Farm-Out	10
8 Institutional Acceptance Facility	10
9 Funding	12
10 Bid implementation agreement	12
11 WestSide funding commitment	12
12 Consents	14
13 Additional information	15
14 Glossary	16
15 Approval	21

Second Supplementary Bidder's Statement



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19 October 2015

Dear Armour Energy Shareholder

INCREASE IN WESTSIDE CASH TAKEOVER OFFER TO \$0.20 PER ARMOUR ENERGY SHARE AND PROPOSED DIVIDEND IN SPECIE OF LAKES OIL SHARES

WestSide Corporation Limited (**WestSide**) has increased its cash Offer Price to **\$0.20** per Armour Energy Share (the **Revised Offer**) as set out in the enclosed Second Supplementary Bidder's Statement. WestSide has also extended the Offer Period so that the Revised Offer will close at **7.00pm (Sydney time) on 9 November 2015**.

If the Revised Offer becomes unconditional, Armour Energy has announced that it intends to declare a dividend in specie of 6.9755 shares in Lakes Oil (subject to the Corporations Act and ASX Listing Rules). Based on the Independent Expert Report, the dividend in specie is expected to deliver additional value of approximately 1.4 cents per Armour Energy Share.

The Armour Energy directors UNANIMOUSLY RECOMMEND that Armour Energy Shareholders:

- **ACCEPT** the Revised Offer, in the absence of a superior proposal; and
- **VOTE AGAINST** the Northern Territory Farm-Out proposal with American Energy Partners at the Extraordinary General Meeting scheduled for 30 October 2015.

Each Armour Energy director has also confirmed his intention to accept the Revised Offer for all of the Armour Energy Shares that he holds or otherwise controls, in the absence of a superior proposal.

The Revised Offer is now **BEST AND FINAL**, subject to no superior proposal emerging.

To accept the Revised Offer, please follow the instructions on the accompanying Acceptance Form. If you require additional assistance, please call the Offer Information Line on 1300 721 637 (toll-free within Australia) or +61 2 8016 2890 (from outside Australia).

I encourage you to **ACCEPT the Revised Offer NOW**.

Yours sincerely

A handwritten signature in black ink, appearing to read "M. Hughes".

Michael Colin Hughes
Managing Director

Important notice

This document is the second supplementary bidder's statement ("**Second Supplementary Bidder's Statement**") to the bidder's statement dated 31 August 2015 ("**Original Bidder's Statement**") issued by WestSide Corporation Limited ABN 74 117 145 516 ("**WestSide**"), a Subsidiary of Landbridge Group Co., Ltd in relation to its off-market takeover bid for all the ordinary shares in Armour Energy Limited ABN 60 141 198 414.

This Second Supplementary Bidder's Statement supplements, and is to be read together with, the Original Bidder's Statement and WestSide's replacement bidder's statement (which incorporated amendments made in the first supplementary bidder's statement) dated 14 September 2015 ("**Bidder's Statement**").

This Second Supplementary Bidder's Statement is dated 19 October 2015. A copy of this Second Supplementary Bidder's Statement has been lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for the contents of this Second Supplementary Bidder's Statement.

Unless the context requires otherwise, capitalised terms in this Second Supplementary Bidder's Statement have the same meaning given to them in the Bidder's Statement. This Second Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Bidder's Statement.

WHY YOU SHOULD ACCEPT THE REVISED CASH OFFER

1. The Offer Price represents a **SIGNIFICANT PREMIUM** to the initial WestSide Offer
2. **UNANIMOUS RECOMMENDATION** by the Armour Energy Board, in the absence of a superior proposal
3. The Revised Offer is an **ALL CASH** Offer and provides certainty of value at **A\$0.20**
4. The Revised Offer is **WITHIN THE INDEPENDENT EXPERT'S MARKET BASED VALUATION** on a controlling basis¹
5. The Revised Offer is WestSide's **BEST AND FINAL** Offer, subject to there being no superior proposal
6. The Revised Offer is the **ONLY OFFER** available to Armour Energy Shareholders, with no superior proposals having emerged
7. The **SHARE PRICE MAY FALL** after the close of the Offer

ACCEPT THE REVISED CASH OFFER

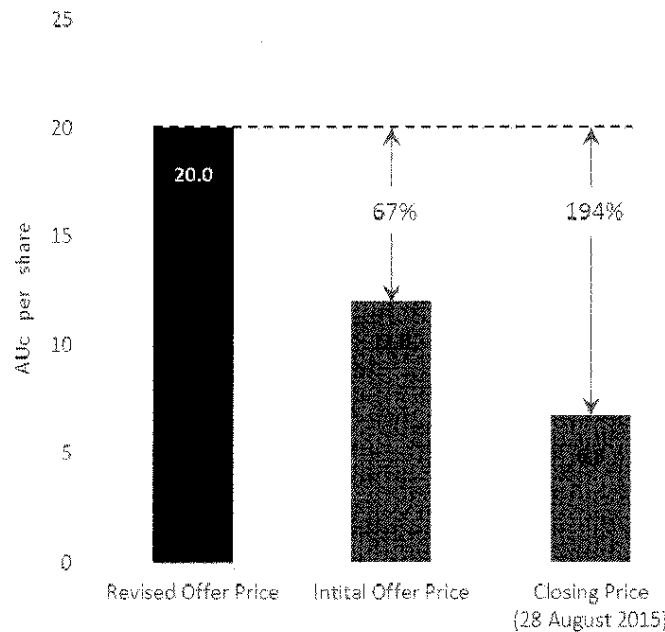
¹ Please refer to table 6.4 on page 129 of the Target's Statement. The Revised Offer and the Lakes Oil dividend in specie (when taken together) are near to the low end of the Independent Expert's 'sum of the parts' valuation of A\$0.22 to A\$0.37 per Armour Energy Share. For further information, please refer to the Independent Expert's Report. To obtain a copy of the Independent Expert's Report, free of charge and within 2 Business Days of the request, please contact the Offer Information Line.

Second Supplementary Bidder's Statement

1. The Revised Offer represents a SIGNIFICANT PREMIUM to recent trading levels

The Revised Offer values Armour Energy's share capital at approximately A\$60.9 million and represents a:

- 67% premium to the initial offer price of A\$0.12; and
- 194% premium to the closing price of Armour Energy Shares on 28 August 2015 of A\$0.068, being the last trading day before the announcement of the Offer.



Armour Energy Shares have traded on ASX in the range of A\$0.11 and A\$0.19 between 2 September 2015 (the date on which Armour Energy came out of a trading halt following the Announcement Date) and 15 October 2015 (the last trading day prior to the date this Second Supplementary Bidder's Statement was lodged with ASIC).

2. UNANIMOUS RECOMMENDATION

The Armour Energy directors **UNANIMOUSLY RECOMMEND** that Armour Energy Shareholders accept the Revised Offer, in the absence of a superior proposal.

The Armour Energy directors also **UNANIMOUSLY RECOMMEND** that Armour Energy Shareholders vote **AGAINST** the Northern-Territory Farm-Out at the EGM scheduled for 30 October 2015.

The Armour Energy directors intend to accept the Revised Offer in respect of all of the Armour Energy Shares that they own or control, in the absence of a superior proposal.

3. The Revised Offer is an ALL CASH Offer and provides certainty of value at A\$0.20

The Revised Offer provides Armour Energy Shareholders with the certainty of a cash Offer at A\$0.20 per Armour Energy Share with the additional value (subject to the Corporations Act and ASX Listing Rules) of approximately 1.4 cents per Armour Energy Share from the

Second Supplementary Bidder's Statement

proposed Lakes Oil dividend in specie, if the Revised Offer becomes unconditional. This is in comparison against the Northern-Territory Farm-Out which is subject to shareholder approval and certain other conditions.

If you accept the Revised Offer, subject to the satisfaction or waiver of the conditions:

- you will be paid **A\$0.20 CASH** for each of your Armour Energy Shares; and
- you should not incur any brokerage fees or stamp duty on the acceptance of the Revised Offer; and
- you will be paid on or before the earlier of:
 - the 7th Business Day after the date this Revised Offer is validly accepted by you, or if this Revised Offer is subject to a defeating condition when accepted, by the 7th Business Day after this Revised Offer or the contract resulting from your acceptance of this Revised Offer becomes unconditional; and
 - the 7th Business Day after the end of the Offer Period.

4. The Revised Offer is WITHIN THE INDEPENDENT EXPERT'S MARKET BASED VALUATION on a controlling basis

The Revised Offer of A\$0.20 per Armour Energy Share is within the Independent Expert's market based valuation range of A\$0.16 to A\$0.26 per Armour Energy Share on a controlling interest basis.²

5. The Revised Offer is the ONLY OFFER available to Armour Energy Shareholders, with no superior proposals having emerged

As at the date of this Second Supplementary Bidder's Statement, the Revised Offer is the only offer available to Armour Energy Shareholders, with no superior proposals having emerged.

6. The Revised Offer is WestSide's BEST AND FINAL Offer, subject to there being no superior proposal

WestSide has now declared the Revised Offer to be its **BEST and FINAL** Offer. This means that WestSide will not be permitted to increase its Offer Price again, unless a superior proposal emerges.

7. The SHARE PRICE MAY FALL after the close of the Revised Offer

Depending on the level of acceptances that WestSide receives under the Revised Offer, the market for your Armour Energy Shares may become less liquid or less active than the current market after the close of the Revised Offer. This may have an adverse impact on the trading price of your Armour Energy Shares.

² Please refer to table 6.4 on page 129 of the Target's Statement. The Revised Offer and the Lakes Oil dividend in specie (when taken together) are near to the low end of the Independent Expert's 'sum of the parts' valuation of A\$0.22 to A\$0.37 per Armour Energy Share. For further information, please refer to the Independent Expert's Report. To obtain a copy of the Independent Expert's Report, free of charge and within 2 Business Days of the request, please contact the Offer Information Line.

Second Supplementary Bidder's Statement

If WestSide and its associates own more than 50% of Armour Energy, they will control the company. If WestSide and its associates control Armour Energy, you will become a minority shareholder which may have a number of adverse implications for you as an Armour Energy Shareholder and for the market for your Armour Energy Shares.

Details of the Revised Offer

1 Best and final increase to Offer Price

WestSide is varying its cash Offer for all of your Armour Energy Shares by increasing the offer price from A\$0.12 to **A\$0.20** for each Armour Energy Share ("**Revised Offer**").

WestSide considers that the Revised Offer provides a compelling premium and certain cash value to Armour Energy Shareholders.

WestSide declares that this Revised Offer will be WestSide's **BEST AND FINAL** Offer, and WestSide will not consider any further increase to the Offer Price, subject to no superior proposal emerging.

The Revised Offer values Armour Energy's share capital at approximately A\$60.9 million and represents a:

- 67% premium to the initial offer price of A\$0.12; and
- 194% premium to the closing price of Armour Energy Shares on 28 August 2015 of A\$0.068, being the last trading day before the announcement of the Offer.

Armour Energy Shares have traded on ASX in the range of A\$0.11 and A\$0.19 between 2 September 2015 (the date on which Armour Energy came out of a trading halt following the Announcement Date) and 15 October 2015 (the last trading day prior to the date this Second Supplementary Bidder's Statement was lodged with ASIC).

2 Armour Energy directors' UNANIMOUS RECOMMENDATION

The directors of Armour Energy have **UNANIMOUSLY RECOMMENDED** that Armour Energy Shareholders accept the Revised Offer, subject to no superior proposal emerging.

The directors of Armour Energy also intend to accept the Revised Offer by submitting Acceptance Instructions into the Institutional Acceptance Facility (which has been set up by WestSide – refer to section 8 of this Second Supplementary Bidder's Statement) by the close of business on Tuesday 20 October 2015, in respect of any Armour Energy Shares which they, or their associates, own, control or otherwise have a relevant interest in ("**Director Acceptances**").

The Director Acceptances may only be withdrawn should a superior proposal emerge prior to the delivery of the Minimum Acceptance Notice.

3 Extension of the Offer Period

WestSide has announced that it has extended the Offer Period so that the Revised Offer will close at **7.00pm (Sydney time) on 9 November 2015** (unless extended). A copy of the formal notice of variation to extend the Offer Period has been released to ASX and will be despatched to Armour Energy Shareholders.

The revised date for giving a notice of the status of the conditions as required by section 630(1) of the Corporations Act is 1 November 2015, subject to variation in accordance with section 630(2) of the Corporations Act in the event that the Offer Period is extended. A copy

of the notice notifying of the new date for giving notice of status of conditions has been released to ASX.

4 Important information regarding the Revised Offer

WestSide advises Armour Energy Shareholders that:

- if WestSide obtains a relevant interest in more than 50% of Armour Energy Shares in the last seven days of the Offer Period, the Offer Period will be automatically extended for a further period of 14 days; and
- all Armour Energy Shareholders who accept, or have already accepted the Offer, will be able to participate in the Revised Offer, regardless of when they accept the Offer.

5 Lakes Oil dividend

Armour Energy has a shareholding of 18.89% of ASX listed Lakes Oil.³

If the Offer becomes unconditional, subject to the Corporations Act and the ASX Listing Rules, Armour Energy has announced an intention to declare a dividend in specie to Armour Energy Shareholders of 6.9755 shares in Lakes Oil for each Armour Energy Share held on the Business Day prior to the Revised Offer becoming unconditional (subject to the grant of an ASX waiver) ("**Record Date**"). This is expected to provide Armour Energy Shareholders an additional value of approximately A\$0.014 cents per Armour Energy Share.

Notwithstanding WestSide's entitlements to all Rights upon the Offer becoming unconditional, should WestSide be paid or otherwise receive the Lakes Oil dividend, WestSide will hold such dividend on trust for the Armour Energy Shareholders as at the Record Date, and pay the Lakes Oil dividend to those Armour Energy Shareholders in due course.

Armour Energy will provide further information in relation to the proposed Lakes Oil dividend in the near future.

It is recommended that each Armour Energy Shareholder consult their own tax adviser regarding the consequences of acquiring, holding or disposing any shares in Lakes Oil that are distributed to Armour Energy Shareholders.

6 Armour Energy's extraordinary general meeting

6.1 Background

As previously announced by WestSide, Armour Energy's entry into the AEP Agreements constituted a breach of certain of WestSide's bid conditions (specifically paragraphs (b) ("**Northern Territory Farm-Out Condition**") and (c)(iv) ("**Prescribed Occurrence Condition**") of Appendix 2 of the Bidder's Statement), entitling WestSide to withdraw the Offer (or allow it to lapse) for breach of the conditions. WestSide's Offer is also subject to a 50.1% minimum acceptance condition.

³ Notice of change of interests of substantial holder lodged by Armour Energy with ASX and Lakes Oil on 12 December 2014.

Second Supplementary Bidder's Statement

On 1 October 2015, Armour Energy announced that it would convene an extraordinary general meeting of Armour Energy Shareholders to seek approval to implement the Northern Territory Farm-Out ("**EGM**"). The agreements comprising the Northern Territory Farm-Out proposal are conditional upon Armour Energy Shareholder approval. The EGM is scheduled to take place on 30 October 2015.

In order to provide Armour Energy Shareholders with all the information that they require to make an informed decision between the Offer and the Northern Territory Farm-Out, WestSide declares its intentions (which are dependent on the relevant scenario) with respect to the EGM below. Importantly, Armour Energy Shareholders should be aware that the directors of Armour Energy **UNANIMOUSLY RECOMMEND** that Armour Energy Shareholders vote **AGAINST** the Northern-Territory Farm-Out at the EGM. For further information on this, please refer to section 7 of this Second Supplementary Bidder's Statement.

6.2 WestSide's intentions in relation to Armour Energy's previous breaches of WestSide's bid conditions

Based on the extended Offer Period as outlined in this Second Supplementary Bidder's Statement, WestSide's Offer Period will close after the EGM. Accordingly, WestSide's intentions with respect to the EGM are outlined below.

Provided that either:

- the resolutions relating to the Northern Territory Farm-Out are not approved at the EGM ("**Resolutions**") and the EGM is not cancelled, postponed or adjourned, other than in accordance with the Bid Implementation Agreement ("**BIA**"); or
- the Northern Territory Farm-Out is terminated,

WestSide will not rely upon the breach by Armour Energy of the Northern Territory Farm-Out Condition or the breach of the Prescribed Occurrences Condition to withdraw the Offer (or allow it to lapse).

However, WestSide reserves its right to withdraw the Offer (or allow it to lapse) for any other breach of the condition set out in paragraph (c) of Appendix 2 of the Bidder's Statement or if the 50.1% minimum acceptance condition is not satisfied.

6.3 WestSide's intentions if Armour Energy Shareholders approve the Northern Territory Farm-Out

If, at the time of the EGM, the Offer remains conditional on either or both of the Northern Territory Farm-Out Condition or the Prescribed Occurrences Condition, WestSide intends to exercise its right to withdraw the Offer (or allow it to lapse) for Armour Energy's breach of those conditions, should Armour Energy Shareholders vote in favour of the Northern Territory Farm-Out.

6.4 WestSide's intentions if the Offer is unconditional at the EGM

If, at the time of the EGM, the Offer is unconditional, WestSide intends to exercise its voting rights in respect of all Armour Energy Shares validly accepted into the Offer, to vote **AGAINST** the Resolutions.

If you accept, or have accepted the Offer, and the EGM occurs prior to the close of the Offer and the Offer is unconditional at the time of the EGM, you will have irrevocably appointed WestSide and each of its directors as your agent and attorney to attend and vote in respect of your Armour Energy Shares at the EGM. By accepting WestSide's Offer, you will also have agreed not to vote in person at the EGM or by proxy or otherwise (provided the Offer is

unconditional). For further information, please refer to paragraph 7.3(g) of the Offer Terms of the Bidder's Statement.

6.5 WestSide's intentions if the Northern Territory Farm-Out is terminated

In the event that the Northern Territory Farm-Out is terminated and there has been no breach by Armour Energy of the BIA, if WestSide acquires a relevant interest in at least 50.1% of Armour Energy Shares (or would acquire a relevant interest, if the number of Armour Energy Shares the subject of the Institutional Acceptance Facility were also included), WestSide will declare the Offer free from all conditions and the Offer will then be unconditional.

7 Armour Energy's directors UNANIMOUSLY RECOMMEND voting AGAINST the Northern Territory Farm-Out

The directors of Armour Energy **UNANIMOUSLY RECOMMEND** that Armour Energy Shareholders vote **AGAINST** the Northern Territory Farm-Out at the EGM.

Furthermore, the directors of Armour Energy, to the extent that they are able to, intend to exercise voting rights in respect of all Armour Energy Shares that they, or their associates, own, control or otherwise have a relevant interest in, against the Northern Territory Farm-Out at the EGM.

8 Institutional Acceptance Facility

WestSide has established an institutional acceptance facility in order to facilitate the receipt of acceptances of the Offer ("**Institutional Acceptance Facility**").

The Institutional Acceptance Facility is open to all eligible Armour Energy Shareholders, being sophisticated investors (as contemplated by section 708(8) of the Corporations Act), professional investors (as contemplated by section 708(11) of the Corporations Act) and people associated with Armour Energy (as contemplated by section 708(12) of the Corporations Act) ("**Eligible Shareholders**"). Armour Energy Shareholders who are not Eligible Shareholders cannot participate in the Institutional Acceptance Facility.

The Institutional Acceptance Facility has been established to facilitate receipt of acceptances of the Offer from Eligible Shareholders as WestSide recognises that some Armour Energy Shareholders may be unable to accept the Offer (for example by reason of their investment mandates), until the Offer becomes or is declared unconditional.

WestSide has arranged for Pacific Custodians Pty Limited (ACN 009 682 866/AFSL 295142) to act as the acceptance facility agent in relation to the Institutional Acceptance Facility ("**Facility Agent**").

Operation of the Institutional Acceptance Facility

The Institutional Acceptance Facility will operate in the following way:

- 1 Eligible Shareholders who wish to take advantage of the Institutional Acceptance Facility should:
 - lodge acceptance instructions with the Facility Agent (in the form of Acceptance Forms and/or directions to custodians ("**Custodian Direction**") to accept the Offer) ("**Acceptance Instructions**"); and

Second Supplementary Bidder's Statement

- complete and return to the Facility Agent, the Appointment of Facility Agent Form ("**Appointment Form**").
- 2 The Facility Agent will hold the Acceptance Instructions subject to a bare trust as Facility Agent and will not acquire a relevant interest in any of the Armour Energy Shares the subject of the Acceptance Instructions. Acceptance Instructions lodged with the Facility Agent will demonstrate the intention of the Eligible Shareholder to accept the Offer. However, they will not constitute acceptances of the Offer while they are held by the Facility Agent.
- 3 Pursuant to ASIC Class Order CO 13/520, WestSide will not acquire a relevant interest in any Armour Energy Shares through the receipt by the Facility Agent of an Acceptance Instruction, because the Institutional Acceptance Facility has been established on the basis that it fulfils the requirements of subsection 609(8A) of the Corporations Act as inserted by CO 13/520.
- 4 The Eligible Shareholder directs the Facility Agent to deliver:
- the Acceptance Form to Boardroom Pty Limited (in the case of Issuer Sponsored Holdings) or to the relevant Controlling Participant (in the case of CHES Holdings); and/or
 - the Custodian Direction to the custodian,
- as soon as reasonably practicable after the Facility Agent receives written confirmation from Westside ("**Minimum Acceptance Notice**") stating that:
- WestSide has declared the Offer free of all the conditions set out in Appendix 2 of the Bidder's Statement that have not been fulfilled; or
 - WestSide will declare the Offer free of all the conditions set out in Appendix 2 of the Bidder's Statement that have not been fulfilled once all of the Acceptance Instructions received under the Institutional Acceptance Facility are validly processed or implemented (as appropriate).
- 5 WestSide will not provide the Minimum Acceptance Notice to the Facility Agent unless the Minimum Acceptance Precondition has been satisfied. For this purpose, the **Minimum Acceptance Precondition** is that the sum of:
- the number of Armour Energy Shares in which WestSide has a relevant interest; and
 - the number of Armour Energy Shares in respect of which Acceptance Instructions have been received under the Institutional Acceptance Facility (as advised by the Facility Agent to WestSide),
- is at least 50.1% of the Armour Energy Shares; and
- the Offer is otherwise unconditional.
- 6 Until the Facility Agent receives the Minimum Acceptance Notice from WestSide, Eligible Shareholders who lodge Acceptance Instructions with the Facility Agent will retain all rights in relation to their Armour Energy Shares and can withdraw their Acceptance Instructions by notice in writing to the Facility Agent. Upon receipt of written notification from an Armour Energy Shareholder, the Facility Agent must return the Acceptance Instructions submitted by the Armour Energy Shareholder.

Second Supplementary Bidder's Statement

A copy of the appointment of the Facility Agent (including the Appointment Form) will be provided to Eligible Shareholders and may also be requested from the Facility Agent by phone on (07) 3320 2237.

Disclosure of Acceptance Instructions

Before 8.30am (Sydney time) on each Business Day, the Facility Agent will inform WestSide of the number of Armour Energy Shares in respect of which Acceptance Instructions have been received as at 7.30pm (Sydney time) on the previous Business Day.

Following receipt of this information, WestSide will disclose this information to ASX by 9.30am (Sydney time) on the Business Day following any movement of at least 1% in the aggregate of the number of Armour Energy Shares subject to the Institutional Acceptance Facility and the number of Armour Energy Shares in which WestSide has a relevant interest, together with a breakdown of the aggregate amount between those two categories.

9 Funding

The consideration for the acquisition of Armour Energy Shares to which the Offer relates will be satisfied wholly in cash, and if the Offer is accepted in respect of all of the Armour Energy Shares, the consideration payable under the Revised Offer will be approximately A\$60.9 million.

Should holders of Unlisted Armour Energy Options exercise their rights to acquire Armour Energy Shares and accept the Offer, WestSide has sufficient funds available to it to pay those holders the Revised Offer, namely an additional approximate amount of A\$4.1 million.

The Revised Offer will be provided by funding from Landbridge Group Co., Ltd pursuant to the funding commitment letter agreement, the details of which are set out in section 6.3 of the Bidder's Statement.

Having regard to the arrangements and matters described in section 6 of the Bidder's Statement and this section 9 of this Second Supplementary Bidder's Statement, WestSide considers that it has a reasonable basis for believing, and it does believe, that it will be able to pay the consideration required to Armour Energy Shareholders who accept the Revised Offer and to meet all other obligations associated with the Revised Offer.

10 Bid implementation agreement

WestSide and Armour Energy entered into a bid implementation agreement ("BIA") in respect of the Offer on 15 October 2015. A copy of the BIA detailing each of WestSide's and Armour Energy's rights and obligations in full, has been lodged by Armour Energy in its ASX announcement dated 15 October 2015.

11 WestSide funding commitment

WestSide has agreed to provide to Armour Energy up to A\$22,500,000 worth of unsecured funding ("**Bridging Facility**"). The Bridging Facility operates as follows:

- During the Offer Period, if:
 - WestSide has a relevant interest in at least 50.1% of Armour Energy Shares (and the Offer is otherwise unconditional); or

Second Supplementary Bidder's Statement

- DGR Global Limited makes a public "truth-in-takeovers" statement that it intends to support the Offer on the same basis as each director of Armour Energy; and
- the facility offered to be provided by DGR Global Limited ("**DGR Facility**") is fully drawn; and
- the BIA has not been terminated or the Offer has not otherwise been withdrawn or allowed to lapse,

WestSide will provide up to \$7,500,000 to Armour Energy to the extent required to enable Armour Energy to (i) fund the acquisition consideration of the Roma Shelf Assets Agreements; and (ii) to pay any environmental bonds following the completion of the Roma Shelf Assets Agreements, in each case in accordance with the terms of the Roma Shelf Assets Agreements.

- In the event WestSide acquires a relevant interest in at least 50.1% of Armour Energy Shares and the Offer is otherwise unconditional, WestSide has also agreed to provide up to \$15,000,000 to repay the DGR Facility to the extent drawn and provided the DGR Facility has only been drawn for the purposes of meeting Armour Energy's obligations under the Roma Shelf Assets Agreements.

The other key commercial terms of the Bridging Facility are as follows:

- interest in an amount of 13% per annum, calculated on the principal owing from time to time, is payable monthly in arrears;
- all moneys owing under the Bridging Facility shall be repayable on the earlier of:
 - 12 months from provision of the first drawdown under the Bridging Facility (or earlier in the event WestSide acquires a relevant interest in at least 90% of Armour Energy Shares);
 - in the event that WestSide does not acquire a relevant interest in at least 50.1% of Armour Energy Shares and otherwise declare the Offer unconditional, the first Business Day occurring 3 months after the Offer lapses or is otherwise withdrawn; and
 - the Business Day after a change of control occurs in respect of Armour Energy to a party other than WestSide;
- there is a commitment fee payable by Armour Energy to WestSide of 0.5% of the facility limit, payable within 5 Business Days of satisfaction or waiver of all of the conditions precedent and the facility being available to be drawn by Armour Energy;
- Armour Energy covenants that during the term of the Bridging Facility it will not:
 - enter into any other debt facilities or financing arrangements in respect of the Roma Shelf Assets, including without limitation, by entering into any gas supply or gas sales agreements, unless (but not if a drawdown notice has already been issued by Armour Energy) they contain a provision entitling Armour Energy to terminate those arrangements upon the occurrence of a change of control at no cost or liability to Armour Energy; or
 - grant security over its assets without the prior consent of WestSide.

Second Supplementary Bidder's Statement

The arrangements are set out in a binding term sheet which is annexed to the BIA (as lodged by Armour Energy in its ASX announcement dated 15 October 2015). WestSide and Armour Energy intend to formalise the arrangements in a facility agreement.

12 Consents

12.1 Statements based on documents announced by Armour Energy to ASX

WestSide has relied on the modification to section 636(3) of the Corporations Act set out in ASIC Class Order 13/521 to include, without obtaining specific consent, statements which are made in, or based on statements made in, any documents announced on the company announcements platform of ASX by Armour Energy on the following dates:

Announcement	Date of Announcement
Recommendation of Revised WestSide Bid	15 October 2015
Target's Statement	7 October 2015
Notice of Extraordinary General Meeting/Proxy Form	1 October 2015
Execution of Binding Term Sheet with DGR Global	30 September 2015

12.2 Consenting parties

Each of the parties named in the table below as a consenting party:

- (a) has given, and has not, before the date of this Second Supplementary Bidder's Statement, withdrawn its written consent to be named in this Second Supplementary Bidder's Statement in the form and context in which it is named;
- (b) does not make, or purport to make, any statements in this Second Supplementary Bidder's Statement; and
- (c) to the maximum extent permitted by law, expressly disclaims and makes no representation regarding and takes no responsibility for any statements in or omissions from this Second Supplementary Bidder's Statement other than any reference to its name.

Consenting party	Statement
J.B. North & Co Pty Ltd	Role as financial adviser
Pacific Custodians Pty Limited	Share registry
King & Wood Mallesons	Role as legal adviser

13 Additional information

As permitted by ASIC Class Order 07/429, this Second Supplementary Bidder's Statement contains security price trading data sourced from Bloomberg without its consent.

Armour Energy Shareholders who have any questions in relation to the Offer should call the Offer Information Line on 1300 721 637 (callers in Australia) or +61 2 8016 2890 (callers outside Australia).

If you are a new Armour Energy Shareholder and have not yet received a copy of the Bidder's Statement, please also call the Offer Information Line to request a copy.

14 Glossary

14.1 Definitions

The following defined terms are used throughout this Second Supplementary Bidder's Statement unless the contrary intention appears or the context requires otherwise:

Term	Meaning
Acceptance Form	means the form of acceptance and transfer accompanying the Offer or any replacement or substitute acceptance form provided by or on behalf of WestSide.
Acceptance Instructions	means the delivery of an Acceptance Form or Custodian Direction from an Eligible Shareholder to the Facility Agent demonstrating its intention to accept the Offer subject to the terms of the Institutional Acceptance Facility.
AEP	means American Energy Partners, LP or any of its affiliates (including American Energy – Acquisitions LLC and AEGP Australia Pty Ltd).
AEP Agreements	means the agreements entered into between Armour Energy and AEP to give effect to the Northern-Territory Farm-Out as announced to the ASX on 11 September 2015 and as discussed at section 3.4 of the Bidder's Statement.
Announcement Date	means 31 August 2015, being the date of the announcement of the Offer.
Armour Energy	means Armour Energy Limited ABN 60 141 198 414, a company incorporated in Australia.
Armour Energy Board	means the board of directors of Armour Energy.
Armour Energy Shareholders	means the holders of Armour Energy Shares.
Armour Energy Shares	means the fully paid ordinary shares in the capital of Armour Energy.
ASIC	means Australian Securities and Investments Commission.
ASX	means ASX Limited or Australian Securities Exchange, as appropriate.
ASX Settlement	means ASX Settlement Pty Limited (ABN 49 008 504 532), the body which administers the CHESS system in Australia.
ASX Settlement Operating Rules	means the settlement rules of ASX Settlement.
ASX Settlement Participant	means a participant under the ASX Settlement Operating Rules.
BIA	means the bid implementation agreement entered into between WestSide and Armour Energy on 15 October 2015.

Second Supplementary Bidder's Statement

Term	Meaning
Bidder's Statement or Replacement Bidder's Statement	means the replacement bidder's statement dated 14 September 2015 given by WestSide to Armour Energy on 14 September 2015 in accordance with the provisions of Part 6.5 of the Corporations Act, as amended by the notices of variations increasing the Offer Price and extending the Offer Period lodged with ASIC on 15 October 2015 and this Second Supplementary Bidder's Statement.
Bridging Facility	means the facility that WestSide is offering to Armour Energy on the terms as summarised in section 11 of this Second Supplementary Bidder's Statement.
Broker	means a person who is a share broker and a participant in CHES.
Business Day	means a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday in that place).
CHES	means the Clearing House Electronic Subregister System, which provides for electronic share transfer in Australia.
CHES Holding	means a holding of Armour Energy Shares on the CHES subregister of Armour Energy.
Controlling Participant	means the Broker or ASX Settlement Participant who is designated as the controlling participant for shares in a CHES Holding in accordance with the ASX Settlement Operating Rules.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Custodian Direction	means the directions to a custodian to accept the Offer.
DGR Facility	means the facility referred to in Armour Energy's ASX announcement on 30 September 2015 and as subsequently varied in further announcements.
EGM or Extraordinary General Meeting	means the extraordinary general meeting of Armour Energy to be held in relation to the Northern Territory Farm-Out.
Eligible Shareholders	means those Armour Energy Shareholders who are designated as "Eligible Shareholders" under the terms of the Institutional Acceptance Facility, and will include, for the avoidance of any doubt, sophisticated investors (as contemplated by section 708(8) of the Corporations Act), professional investors (as contemplated by section 708(11) of the Corporations Act) and people associated with Armour Energy (as contemplated by section 708(12) of the Corporations Act).
Facility Agent	means the operator of the Institutional Acceptance Facility appointed by WestSide, being Pacific Custodians Pty Limited ABN 66 009 682 866.

Second Supplementary Bidder's Statement

Term	Meaning
Independent Expert	means BDO Corporate Finance (QLD) Ltd ACN 010 185 725.
Independent Expert's Report	means the report prepared by the Independent Expert in relation to the Offer and contained in the Target's Statement.
Institutional Acceptance Facility	means the facility established by WestSide with respect to the Offer for the purposes of the holding of Acceptance Instructions from Eligible Shareholders pending the delivery from WestSide to the Facility Agent of a Minimum Acceptance Notice.
Issuer Sponsored Holding	means a holding of Armour Energy Shares on Armour Energy's issuer sponsored subregister.
Lakes Oil	means Lakes Oil N.L. ABN 62 004 247 214.
Landbridge Group	means Landbridge Group Co., Ltd and its Subsidiaries.
Minimum Acceptance Notice	means a written notice from WestSide that: <ul style="list-style-type: none"> a) WestSide will have a relevant interest in at least 50.1% of all of the Armour Energy Shares on issue once all the delivered Acceptance Instructions are validly processed or implemented (as appropriate); and b) the Offer is otherwise unconditional.
Minimum Acceptance Precondition	is that the sum of: <ul style="list-style-type: none"> • the number of Armour Energy Shares in which WestSide has a relevant interest; and • the number of Armour Energy Shares in respect of which Acceptance Instructions have been received under the Institutional Acceptance Facility (as advised by the Facility Agent to WestSide), is at least 50.1% of the Armour Energy Shares; and <ul style="list-style-type: none"> • the Offer is otherwise unconditional.
Northern Territory Farm-Out	means the proposal set out in the non-binding letter of intent Armour Energy entered into with AEP as announced to the ASX on 20 August 2015 and as discussed at section 3.4 of the Bidder's Statement.
Offer or Revised Offer	means the offer by WestSide on the Offer Terms (as amended by WestSide's notices of variation to the Offer lodged with ASIC on 15 October 2015) to acquire Armour Energy Shares (and for the avoidance of doubt includes each such offer made to an individual Armour Energy Shareholder pursuant to that offer).
Offer Information Line	means the offer information line number on 1300 721 637 (toll-free within Australia) or +61 2 8016 2890 (from outside Australia).

Second Supplementary Bidder's Statement

Term	Meaning
Offer Period	means the period commencing on 22 September 2015 and ending at 7:00pm (Sydney time) on 9 November 2015 , or such later date to which the Offer has been extended.
Offer Price	means A\$0.20 per Armour Energy Share.
Offer Terms	means the terms and conditions of the Offer as set out in Appendices 1 and 2 of the Bidder's Statement.
Rights	means all accretions, rights or benefits of whatever kind attaching to or arising from Armour Energy Shares directly or indirectly after the date of the Bidder's Statement, including but not limited to all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by Armour Energy or an Armour Energy Subsidiary.
Roma Shelf Assets	means the petroleum resources, tenures, production and infrastructure assets, the subject of the Roma Shelf Assets Agreements.
Roma Shelf Assets Agreements	means the agreements referred to in section 10 of the Target's Statement being the nine sale and purchase agreements in respect of the Roma Shelf Assets Acquisition.
Roma Shelf Assets Acquisition	means the proposed agreement to acquire oil and gas interests of Origin Energy Limited at Roma in the Surat Basin, Queensland, for \$13 million (plus GST) and as further described in section 10 of the Target's Statement.
Subsidiary	means a subsidiary as that term is defined in the Corporations Act, and Armour Energy Subsidiary means a subsidiary of Armour Energy.
Target's Statement	means the target's statement lodged with ASIC by Armour Energy on 7 October 2015 in respect of the Offer in accordance with the Corporations Act, and any supplementary target's statement.
Unlisted Armour Energy Options	means the unlisted options to acquire Armour Energy Shares.
WestSide	means WestSide Corporation Limited ABN 74 117 145 516, a company incorporated in Australia and a Subsidiary of Landbridge Group.

14.2 General Interpretation

The following rules of interpretation apply unless the contrary intention appears or the context requires otherwise:

- (a) A reference to time is a reference to Sydney time.
- (b) Headings are for convenience only and do not affect interpretation.

Second Supplementary Bidder's Statement

- (c) The singular includes the plural and conversely.
- (d) A reference to a section is to a section of this Second Supplementary Bidder's Statement.
- (e) A gender includes all genders.
- (f) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (g) "\$", "A\$", "cents", "AUD" or "AU" is a reference to the lawful currency in Australia, unless otherwise stated.
- (h) A reference to a person includes a body corporate, an unincorporated body or other entity and conversely.
- (i) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns.
- (j) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- (k) A reference to any instrument or document includes any variation or replacement of it.
- (l) A term not specifically defined in this Second Supplementary Bidder's Statement has the meaning given to it (if any) in the Corporations Act or the ASX Settlement Operating Rules, as the case may be.
- (m) A reference to a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually.
- (n) A reference to you is to a person to whom the Offer is made under Appendix 1 of the Bidder's Statement.

Second Supplementary Bidder's Statement

15 Approval

This Second Supplementary Bidder's Statement has been approved by a resolution of the directors of WestSide.

Signed by Michael Colin Hughes in accordance with section 351 of the Corporations Act.



Michael C Hughes
Director
Date: 19 October 2015

ACCEPTANCE AND TRANSFER FORM

In respect of the Offer by WestSide Corporation Limited ABN 74 117 145 516, (**WestSide**) a subsidiary of Landbridge Group Co., Ltd, to acquire all of your ordinary shares in Armour Energy Limited ABN 60 141 198 414 (**Armour Energy**).

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

IF YOU DO NOT UNDERSTAND IT PLEASE CONSULT YOUR FINANCIAL, LEGAL OR OTHER PROFESSIONAL ADVISER IMMEDIATELY

STEP 1 – Check your details below (see over)

Name & address 1
Name & address 2
Name & address 3
Name & address 4
Name & address 5
Name & address 6

Number of Armour Energy
Shares you hold

HIN / SRN*

(*A new SRN may be allocated to you solely for the purpose of this offer)

Sub-register

Barcode

Use this Acceptance Form to accept the Offer by WestSide for your Armour Energy Shares on the terms set out in WestSide's replacement bidder's statement dated 14 September 2015 ("Bidder's Statement") and WestSide's notices of variation lodged with ASIC on 15 October 2015. You should read the Bidder's Statement and also the second supplementary bidder's statement which accompanies this Acceptance Form. Capitalised terms used in this Acceptance Form have the same meaning as in the Bidder's Statement unless otherwise defined. By accepting the Offer, you are accepting for ALL of your Armour Energy Shares (even if different to the number of shares stated above). You cannot accept for only part of your Armour Energy Shares.

If you need help completing this Acceptance Form, please contact the WestSide Offer Information Line during business hours on 1300 721 637 (within Australia) or +61 2 8016 2890 (from outside Australia), which is available Monday to Friday between 8.30am and 5.00pm (Sydney time).

STEP 2 – For Issuer Sponsored Holdings only

If your Armour Energy Shares are held on the Issuer Sponsored Sub-register (see "Sub-register" above) or if at the time of your acceptance you are entitled to be (but are not yet) registered as a holder of your Armour Energy Shares, to accept the Offer you must **sign below** and **return this form**.

STEP 3 – For CHESS Holdings only

If your Armour Energy Shares are held on the CHESS Sub-register (see "Sub-register" above) to accept the Offer you can either:

- Contact your Controlling Participant – normally your broker – and instruct them to accept the Offer on your behalf (**If you do that, you do not need to complete and return this Acceptance Form**);

OR

- If you want WestSide to contact your Controlling Participant on your behalf, write their details here and sign and return this form. By doing so, you authorise WestSide to instruct your Controlling Participant to initiate acceptance of the Offer in accordance with the ASX Settlement Operating Rules.

STEP 4 – Sign as indicated below

I/We, the securityholder(s) named above, being the holder(s) of Armour Energy Shares:

- ACCEPT the Offer in respect of **ALL** of my/our Armour Energy Shares;
- AGREE TO TRANSFER my/our Armour Energy Shares to WestSide for the consideration specified in the Offer, and in accordance with the terms of the Offer;
- AUTHORISE WestSide, its officers and their agents to correct any errors in or omissions from this Acceptance Form to make it an effective acceptance of the Offer and enable registration of the transfer of the Armour Energy Shares to WestSide; and
- AGREE to be bound by the terms of the Offer.

Please refer overleaf for further instructions on how to complete this form

If this form is signed under power of attorney, the attorney declares that they have no notice of the revocation of the power of attorney.

Individual or Securityholder 1

Sole Director and Sole Company
Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary
(delete one)

Please enter your telephone number where you may be contacted during business hours

Dated ___/___/2015

Telephone number: _____

Your acceptance must be received BEFORE the Offer Period ends. If the Acceptance Form is sent by mail, you may use the enclosed reply paid envelope. Your acceptance of the Offer must be received before 7pm (Sydney time) on 9 November 2015 (unless the Offer is withdrawn or extended).

How to complete this Acceptance Form and ACCEPT the Offer

1. Your Name & Address details

Your pre-printed name and address is as it appears on the share register of Armour Energy. If you are Issuer Sponsored and this information is incorrect, please make the correction on this form and initial the correction. Securityholders sponsored by a broker on the CHES Sub-register should advise their broker of any changes.

2. Issuer Sponsored Holdings

(as indicated by "Issuer Sponsored" appearing next to "Sub-register" on this Acceptance Form)

If your Armour Energy Shares are in an Issuer Sponsored Holding, or if you are not yet registered as the holder of your Armour Energy Shares, then to accept the Offer, you must fill out this Acceptance Form overleaf and return it to one of the addresses shown below.

3. CHES Holdings

(as indicated by "CHES" appearing next to "Sub-register" on this Acceptance Form)

If your Armour Energy Shares are in a CHES Holding, you do not need to complete and return this Acceptance Form to accept the Offer. You can contact your Controlling Participant, normally your broker, and instruct them to accept the Offer on your behalf. If you decide to use this Acceptance Form, follow the instructions below.

It is the responsibility of the eligible securityholder to allow sufficient time for their Controlling Participant to initiate acceptance on their behalf in accordance with ASX Settlement Operating Rule 14.14. You must ensure that this form is received by your Controlling Participant in sufficient time before the end of the Offer Period to enable your Controlling Participant to effect acceptance on CHES during business hours.

If your holding is CHES sponsored and you send your Acceptance Form to Boardroom Pty Limited, we will send the relevant acceptance message to CHES for forwarding to your Controlling Participant for acknowledgement. Neither WestSide nor Boardroom Pty Limited will be responsible for any delays incurred by this process.

4. Signature(s)

You must sign the form as follows in the space provided overleaf:

Joint Holding:	Where the securityholding is in more than one name, all of the Armour Energy Securityholders must sign.	Deceased Estate:	All executors must sign and, if not already noted by the Armour Energy registry, attach a certified copy of probate, letters of administration or grant accompanied (where required by law for the purpose of the transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act.
Power of Attorney:	To sign under power of attorney, you must attach an original certified copy of the power of attorney to this form when you return it. By signing this form under a power of attorney, you will have declared that you have no notice of revocation of the power and are able to further delegate power under it under the replacement Bidder's Statement.	Companies:	This form must be signed by either 2 directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Delete titles as applicable.

Additional Notes

- Sold all your Armour Energy Shares** – if you have sold all of your Armour Energy Shares, please send this form and your Bidder's Statement to the stockbroker who acted on your behalf.
- Recently bought or sold Armour Energy Shares** – if you have recently bought or sold any Armour Energy Shares, your holding may differ from that shown on the front of this form. If so, please alter the number of Armour Energy Shares shown as your registered holding on the front of this form to the number of Armour Energy Shares you now hold (including any Armour Energy Shares of which you are entitled to become registered as holder), initial the alteration and indicate the name of the stockbroker who acted for you.

Information you supply on this Acceptance Form will be used by WestSide, and Boardroom Pty Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to WestSide and WestSide's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you do not supply this information, your acceptance may not be processed and you may not receive the consideration payable. You may have rights to access the personal information you have supplied. Please see Boardroom Pty Limited's privacy policy on its website www.boardroomlimited.com.au.

If you deliver this Acceptance Form in person, it must be received at the delivery address shown below before the end of the Offer Period.

Postal address
Boardroom Pty Limited
WestSide Offer
GPO Box 3993
SYDNEY NSW 2001

Delivery in person
Boardroom Pty Limited
WestSide Offer
Level 12, 225 George Street
SYDNEY NSW 2000

If the Acceptance Form is sent by mail, you may also use the enclosed reply paid envelope.