

Sydney

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11 January 2016

Market Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

Proportional takeover offer – Second supplementary bidder's statement

We act for AEGP Australia Pty Ltd ACN 605 683 798 (**AEGP**).

Pursuant to section 647(3)(a) of the *Corporations Act 2001* (Cth), we enclose the second supplementary bidder's statement in relation to AEGP's proportional off-market takeover bid to acquire 13.62% of the ordinary shares in Armour Energy Limited ACN 141 198 414 (**Armour**) that it does not already own.

The second supplementary bidder's statement will today also be lodged with the Australian Securities and Investments Commission and sent to Armour.

Kind regards



Tony Bancroft
Partner

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You should read this document in its entirety. If you are in any doubt as to how to deal with it, you should consult your Broker, legal, financial or other professional adviser as soon as possible.

SECOND SUPPLEMENTARY BIDDER'S STATEMENT

Offer by

AEGP Australia Pty Ltd

ACN 605 683 798

**TO ACQUIRE 13.62% OF YOUR ORDINARY SHARES
IN**

Armour Energy Limited

ACN 141 198 414

for \$0.25 CASH

FOR EACH ARMOUR SHARE

The date of the Offer is 11 December 2015 and the Offer will close on 12 January 2016, unless withdrawn.

Legal Adviser



LAWYERS

DISCLAIMER, IMPORTANT INFORMATION AND NOTICES

(a) Second Supplementary Bidder's Statement

This document is a supplementary bidder's statement under section 643 of the *Corporations Act 2001* (Cth) issued by AEGP Australia Pty Ltd ACN 605 683 798 (**AEGP**) and relates to the Offer. It is the second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) to AEGP's bidder's statement dated 1 December 2015 (**Bidder's Statement**) in respect of AEGP's proportional off-market takeover bid to acquire 13.62% of each Armour Shareholder's Armour Shares (excluding Armour Shares held by AEGP).

This Second Supplementary Bidder's Statement is dated 11 January 2016. It supplements, and should be read together with, the Bidder's Statement and AEGP's first supplementary bidder's statement dated 7 January 2016 (**First Supplementary Bidder's Statement**). This document will prevail to the extent of any inconsistency with the Bidder's Statement or the First Supplementary Bidder's Statement.

(b) Australian Securities and Investments Commission

A copy of this Second Supplementary Bidder's Statement was lodged with ASIC on 11 January 2016. Neither ASIC nor any of its officers take any responsibility for the contents of this Second Supplementary Bidder's Statement.

(c) Defined terms and interpretation

Unless otherwise noted in this document or the context requires otherwise, capitalised terms and certain abbreviations used in this Second Supplementary Bidder's Statement are defined in the Glossary in section 9 of the Bidder's Statement.

KEY DATES

Bidder's Statement lodged with Armour, ASIC and ASX	1 December 2015
Date of Offer	11 December 2015
Date of First Supplementary Bidder's Statement	7 January 2016
Date of this Second Supplementary Bidder's Statement	11 January 2016
Offer closes	7:00pm (Sydney time) 12 January 2016

Update on Farm-out Agreement

Further to the First Supplementary Bidder's Statement, on 9 January 2016:

- AEGP advised Armour that it had completed its due diligence investigations and the relevant condition precedent had been satisfied;
- AEGP was not aware of any court orders or Government decisions being in place which affect the transaction, however it notes that under the Farm-out Agreement the relevant condition precedent cannot be satisfied until 5.00pm on the business day prior to closing; and
- Armour gave notice to AEGP that the condition precedent relating to the assignment to AEGP of an interest in certain native title agreements had become incapable of being satisfied.

As a result of the failure to satisfy the condition precedent to assign to AEGP the interest in the native title agreements, there remains a risk that either party may either seek to terminate the Farm-out Agreement or to re-negotiate it.

Approval of Second Supplementary Bidder's Statement

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

Dated: 11 January 2016

Signed for and on behalf of AEGP by:



Aubrey McClendon, Director