

## Armour Energy (ASX:AJQ)

### ASX Announcement

23 July 2021

## Noteholders Approve Amendments, Clearing Path Towards McArthur IPO

### HIGHLIGHTS:

- Armour has received Noteholder approval for amendments to the Secured Amortising Notes required to facilitate the McArthur demerger and IPO.
- Amendments are a further step towards Armour achieving the proposed McArthur Oil & Gas demerger and IPO.
- Secured Amortising Notes Amendments are subject to finalising documentation.
- 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 Board of Directors of Armour Energy Limited (Armour; the Company; ASX:AJQ) is pleased to advise that the holders (Noteholders) of the Company's Secured Amortising Notes (Notes) have approved the amendment of the Notes as outlined in the Company's previous ASX announcement of 14 July 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 over 80% voting in favour, highlighting strong support by the Noteholders for the proposed demerger and IPO and retirement of debt. The Company is in the process of finalising the required documentation to give effect to the amendments.

### **Approved Amendments and Consent**

For the full terms of the approved Amendments and Consent please refer to the Notice of Circulating Resolution of Noteholders and Explanatory Memorandum (**Notice**) that was attached to Armour's ASX Announcement of 14 July 2021.

In short, the approved amendments include the following:

1. to permit the corporate restructure, demerger and IPO of McArthur in respect of the Northern Basin Assets transaction;
2. to permit the disposal of the Northern Basin Assets and McArthur and McArthur NT that arises pursuant to the demerger and IPO;
3. to permit Armour to complete the in-specie distribution to Armour shareholders;
4. to permit Financial Indebtedness to be incurred of up to \$10,000,000 through the issue of either redeemable exchangeable notes or convertible notes which are unsecured and subordinate to the Notes (in either case, the exchange or conversion of such notes into McArthur shares will be conditional upon any necessary Armour shareholder approvals being obtained);

5. to facilitate the staged release of security over the assets; and
6. in respect of the creation of two new Escrow Accounts to be held on trust by the Notes Trustee for the benefit of Noteholders. The consideration payable to Armour under the Transfer Agreement out of the IPO proceeds will be held in one of these accounts until repayment of the Notes.

The approved amendments represent a further step towards the Company achieving the demerger and IPO of McArthur.

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

"We are pleased with the on-going support we have received from the Noteholders. Over the last 12 months we have demonstrated Armour's ability to accelerate the reduction of the principal amount of the Notes and with the proposed demerger of McArthur we will look to make further repayment of this debt. The support of the Noteholders with these amendments provides a clear path to achieving the proposed demerger and IPO."

**This Announcement is Authorised by the Board of Directors**

**Karl Schlobohm**

**Joint Company Secretary**

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**Executives**

Bradley Lingo – Chief Executive Officer  
Karl Schlobohm – Joint-Company Secretary  
Olivia Versace – Joint-Company Secretary  
Michael Laurent – Chief Operating Officer  
Toni Hawkins – Chief Financial Officer  
Mark Greenwood – Chief Commercial Officer

**Directors**

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

**Armour Energy**

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