



HERBERT  
SMITH  
FREEHILLS

The Manager  
Company Announcements Office  
ASX Limited

26 March 2018

Dear Sir/Madam

**Takeover bid by Mitsui & Co., Ltd. ABN 88 001 855 465 for AWE  
Limited  
First Supplementary Bidder's Statement**

We act for Mitsui & Co., Ltd. (**Mitsui**) in relation to its off-market takeover bid for all the shares in AWE Limited.

We attach, by way of service pursuant to paragraph 647(3)(b) of the *Corporations Act 2001* (Cth), Mitsui's first supplementary bidder's statement dated 26 March 2018.

Yours sincerely

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MITSUI & CO., LTD.

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Chiyoda-ku, Tokyo, 100-8631, Japan



**Mitsui & Co., Ltd.**

**ABN 88 001 855 465**

## First Supplementary Bidder's Statement

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### 1 Introduction

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This document is a supplementary bidder's statement under section 643 of the *Corporations Act 2001* (Cth). It is the first supplementary bidder's statement (**First Supplementary Bidder's Statement**) issued by Mitsui & Co., Ltd. ABN 88 001 855 465 (**Mitsui**) in relation to its off-market takeover bid for all the shares in AWE Limited ABN 70 077 897 440 (**AWE**). This First Supplementary Bidder's Statement supplements, and should be read together with, Mitsui's bidder's statement dated 9 February 2018 (**Original Bidder's Statement**).

### 2 Update on Offer

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Mitsui refers to its recommended cash takeover offer of A\$0.95 cash per share for all of the issued shares of AWE announced on 5 February 2018. Mitsui currently has an interest<sup>1</sup> in 16.53% of AWE's shares.

Mitsui announces that **it will not extend its Offer** unless Mitsui's interest<sup>1</sup> in AWE shares exceeds 50.1% prior to its scheduled close, being **7:00pm (Sydney time) on 6 April 2018** (in the absence of a competing proposal).<sup>2</sup>

Mitsui also confirms that the **Offer Price of A\$0.95 per share is final and will not be increased** (in the absence of a competing proposal).

Mitsui believes its Offer is compelling and highly attractive and encourages AWE shareholders to accept the Offer without delay for the following reasons:

- Mitsui's Offer remains the **only offer available to AWE shareholders** for their shares;
- the AWE Directors continue to **unanimously recommend that AWE shareholders accept the Offer** and **each AWE Director intends to accept the Offer for all the Shares they hold or otherwise control** (in each case, in the absence of a superior proposal);

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<sup>1</sup> Interest includes both valid acceptances under the Offer and acceptance instructions received under the Institutional Acceptance Facility

<sup>2</sup> In this First Supplementary Bidder's Statement, competing proposal is as defined in the Bid Implementation Deed between Mitsui and AWE dated 3 February 2018. See the extracted definition in Appendix to this First Supplementary Bidder's Statement. The Corporations Act provides for extensions in response to a competing proposal or where the Offer Price is increased in response a competing proposal. It also provides for an automatic extension of the Offer Period if Mitsui's interest (as defined in note 1) exceeds 50% in the last 7 days of the Offer Period. Mitsui reserves the right, but is not committed, to extend the Offer Period if Mitsui's interest (as defined in note 1) in AWE shares exceeds 50.1% prior to 7:00pm (Sydney time) on 6 April 2018 and to further extend the Offer Period if the Offer is automatically extended under the Corporations Act.

- the **Offer has been deemed to be fair and reasonable** by the Independent Expert appointed by AWE (in the absence of a superior proposal);
- the Offer is an **all-cash offer** and provides certain value;
- Mitsui believes the Offer **fully recognises the value of AWE's existing operations and development projects**, including the Waitsia Gas Project in Western Australia; and
- the **AWE share price may fall** if the Offer is unsuccessful.

In addition, the Offer Price represents a significant premium<sup>3</sup> of:

- **74.3%** to the closing share price of AWE prior to the receipt of any takeover proposals; and
- **86.6%** to the 3 month VWAP of AWE shares prior to the receipt of any takeover proposals.

Mitsui's Offer has now been open for 6 weeks, providing sufficient time for AWE shareholders to assess the merits of the Offer and for any other party to make a competing offer. No competing offer has been announced to date.

Mitsui confirms that it intends to declare the Offer unconditional<sup>4</sup> and provide accelerated payment terms such that AWE shareholders will be paid within 7 business days<sup>5</sup> if it acquires an interest<sup>1</sup> in AWE shares of more than 50.1% prior to the Offer's scheduled closing date of 7:00pm (Sydney time) on 6 April 2018.

### 3 Offer information

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AWE shareholders who have any questions in relation to the takeover bid or who would like another acceptance form should call the Mitsui Offer Information Line on 1800 095 654 (for callers within Australia) or 1800 095 654 (for callers outside Australia).

<sup>3</sup> Refer to section 1.1 the Original Bidder's Statement for further detail regarding the premium analysis

<sup>4</sup> Subject to there being no breach in Offer conditions in the intervening period. Mitsui reserves its right to declare the Offer free of any or all of the Offer conditions at any time, subject to the Corporations Act

<sup>5</sup> AWE shareholders will be paid within 7 business days after Mitsui receives a valid acceptance in accordance with the terms of the Offer (or within 7 business days after the Offer is declared unconditional for those shareholders whose valid acceptance has been received by Mitsui prior to the Offer being declared unconditional)

## 4 Other notices

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Unless the context otherwise requires, terms defined in the Original Bidder's Statement have the same meaning as in this First Supplementary Bidder's Statement.

A copy of this First Supplementary Bidder's Statement was lodged with ASIC on 26 March 2018. Neither ASIC nor any of its officers take any responsibility for its contents.

Signed for and on behalf of Mitsui & Co., Ltd. following a resolution of the directors of Mitsui & Co., Ltd..

sign here ►



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Kensuke Togawa  
Attorney

date

26 March 2018

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## Appendix

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### Competing Proposal

any proposal, agreement, arrangement or transaction, which, if entered into or completed substantially in accordance with its terms, a Third Party (either alone or together with any Associate) would directly or indirectly:

- 1 acquire a Relevant Interest in, or have a right to acquire, a legal, beneficial or economic interest in, or control of, 15% or more of the AWE Shares;
- 2 acquire Control of AWE or any material Subsidiary of AWE;
- 3 acquire or become the holder of, or otherwise acquire or have a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part of AWE's business or assets or the business or assets of the AWE Group;
- 4 otherwise acquire or merge with AWE or a material Subsidiary of AWE; or
- 5 require Mitsui to terminate this deed or abandon, or otherwise fail to proceed with making the Takeover Bid, or fail to obtain Control of AWE,

whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement.

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*Note: Capitalised terms in this extract have the meanings given to them in the Bid Implementation Deed between Mitsui and AWE dated 3 February 2018 and released to ASX on 5 February 2018.*