

**Notice of  
Extraordinary General  
Meeting  
and Explanatory  
Memorandum**



**Armour Energy Limited ACN 141 198 414**

**Date of Meeting:** Wednesday, 2 August 2023

**Time of Meeting:** 10.00am (Brisbane time)

**Place of Meeting:** Hamilton Locke, Level 19, Riverside Centre, 123 Eagle Street, Brisbane QLD 4000

Notice is given that an Extraordinary General Meeting of Shareholders of Armour Energy Ltd ACN 141 198 414 (**Company**) will be held at Hamilton Locke, Level 19, Riverside Centre, 123 Eagle Street, Brisbane QLD 4000, on Wednesday, 2 August 2023 at 10.00am (Brisbane time).

Terms used in this Notice of Meeting are defined in the “**Definitions**” section of this Explanatory Memorandum.

## **AGENDA**

### **Special business**

#### **Resolution 1. Ratification of prior issue of Shares under the Institutional Placement**

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 663,364,020 Shares (on a pre-Consolidation basis) under the Institutional Placement on the terms and conditions set out in the Explanatory Memorandum.”*

#### **VOTING EXCLUSION STATEMENT**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of Resolution 1 by a person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 1 by:

- a person as proxy or attorney for a person who is entitled to vote on Resolution 1 in accordance with directions given to the proxy or attorney to vote on Resolution 1 in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 1 in accordance with a direction given to the chair to vote on Resolution 1 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the relevant Resolution; and
  - the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **Resolution 2. Consolidation of capital**

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, for the purpose of section 254H of the Corporations Act, the Company’s Constitution and for all other purposes, the issued capital of the Company be consolidated on the basis that:*

- (a) every 50 Shares in the capital of the Company be consolidated into one Share;*

(b) all Options on issue be adjusted in accordance with Listing Rule 7.22.1; and

(c) where the Consolidation results in a fraction of a Security being held, the Company be authorised to round that fraction up to the nearest whole Security,

with effect from 2 business days after the date of the passing of this Resolution.”

### **Resolution 3. Approval to issue Armour Convertible Notes to DGR Global Limited**

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, in accordance with Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of up to 21,000,000 Armour Convertible Notes (on a post-Consolidation basis) to DGR Global Limited on the terms and conditions set out in the Explanatory Memorandum.”*

#### **VOTING EXCLUSION STATEMENT**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution by:

- DGR Global Limited;
- the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution 3, in accordance with directions given to the proxy or attorney to vote on this Resolution 3 in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution 3, in accordance with a direction given to the chair to vote on this Resolution 3 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the relevant Resolution; and
  - the holder votes on this Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Resolution 4. Approval to issue Armour Convertible Notes to Bizzell Capital Partners Pty Ltd**

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,000,000 Armour Convertible Notes (on a post-Consolidation basis) to Bizzell Capital Partners Pty Ltd on the terms and conditions set out in the Explanatory Memorandum.”*

**VOTING EXCLUSION STATEMENT**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of Resolution 4 by:

- Bizzell Capital Partners Pty Ltd;
- the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the chair to vote on Resolution 4 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the relevant Resolution; and
  - the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

**Resolution 5. Approval to issue Armour Convertible Notes to JLGI SMSF Pty Ltd**

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 82,000 Armour Convertible Notes (on a post-Consolidation basis) to the JLGI SMSF Pty Ltd on the terms and conditions set out in the Explanatory Memorandum.”*

**VOTING EXCLUSION STATEMENT**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of Resolution 5 by:

- a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with directions given to the proxy or attorney to vote on Resolution 5 in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the chair to vote on Resolution 5 as the chair decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the relevant Resolution; and
  - the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

## Resolution 6. Approval to issue Armour Convertible Notes

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, in accordance with Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 15,000,000 Armour Convertible Notes (on a post-Consolidation basis) to Sophisticated and Professional Investors on the terms and conditions set out in the Explanatory Memorandum.”*

### VOTING EXCLUSION STATEMENT

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 6 by:

- a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution 6 by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution 6, in accordance with directions given to the proxy or attorney to vote on this Resolution 6 in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution 6, in accordance with a direction given to the chair to vote on this Resolution 6 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the relevant Resolution; and
  - the holder votes on this Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

## Resolution 7. Approval to issue Additional Placement Shares

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, in accordance with Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 10,000,000 Shares (on a post-Consolidation basis, or 500,000,000 Shares if Resolution 2 is not approved) to Sophisticated and Professional Investors on the terms and conditions set out in the Explanatory Memorandum.”*

#### **VOTING EXCLUSION STATEMENT**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 7 by:

- a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution 7 by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution 7, in accordance with directions given to the proxy or attorney to vote on this Resolution 7 in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution 7, in accordance with a direction given to the chair to vote on this Resolution 7 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the relevant Resolution; and
  - the holder votes on this Resolution 7 in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **Resolution 8. Approval to issue Shares to DGR Global Limited**

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 2,500,000 Shares (on a post-Consolidation basis, or 125,000,000 Shares if Resolution 2 is not approved) to DGR Global Limited on the terms and conditions set out in the Explanatory Memorandum.”*

### **VOTING EXCLUSION STATEMENT**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of Resolution 8 by:

- DGR Global Limited;
- the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 8 by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution 8, in accordance with directions given to the proxy or attorney to vote on this Resolution 8 in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution 8, in accordance with a direction given to the chair to vote on this Resolution 8 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the relevant Resolution; and
  - the holder votes on this Resolution 8 in accordance with directions given by the beneficiary to the holder to vote in that way.

## **General business**

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To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

### **By order of the Board**

Geoff Walker

Company Secretary  
30 June 2023

# Explanatory Memorandum

This Explanatory Memorandum is provided to shareholders of Armour Energy Limited ACN 141 198 414 (the **Company** or **Armour**) to explain the Resolutions to be put to Shareholders at the Extraordinary General Meeting to be held at Hamilton Locke, Level 19, Riverside Centre, 123 Eagle Street, Brisbane QLD 4000 on Wednesday, 2 August 2023 at 10.00am (Brisbane time).

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions to be put to the Meeting. The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in the “**Definitions**” section of this Explanatory Memorandum.

## SPECIAL BUSINESS

### Resolution 1. Ratification of prior issue of Shares under the Institutional Placement

#### 1.1 Background

On 23 March 2023, the Company announced a \$32 million capital raising program consisting of:

- an institutional placement to issue 663,364,020 Shares (on a Pre-Consolidation basis) at an issue price of \$0.004 to raise approximately \$2.7 million (**Institutional Placement**);
- an accelerated non-renounceable pro-rata entitlement offer to eligible Shareholders on the basis of 1 Share issued for every 1 existing Share held at the record date at an issue price of \$0.004 per Share to raise approximately \$9.3 million, comprising:
  - an accelerated institutional entitlement offer to eligible institutional shareholders to raise approximately \$2.9 million (**Institutional Entitlement Offer**); and
  - a retail entitlement offer to eligible retail shareholders which is expected to raise approximately \$6.4 million (**Retail Entitlement Offer**),(together, the **Entitlement Offer**); and
- the issue of new convertible notes (**Armour Convertible Notes**) to raise approximately \$20 million (**Armour Notes Issue**),

(together, the **Capital Raising Program**).

On 27 March 2023, the Company announced the completion of the Institutional Placement. The Institutional Placement was made to Sophisticated and Professional Investors and was made under the Company’s existing Listing Rule 7.1 capacity.

#### 1.2 Use of funds

The funds raised under the Capital Raising Program will be used for the purposes of:

- repaying existing debt under the Company’s Secured Amortising Notes and MOG Notes;
- Surat Basin production enhancement and optimisation and exploration; and
- corporate, technical and operating costs.

### **1.3 Listing Rules 7.1 and 7.4**

Resolution 1 seeks ratification pursuant to Listing Rule 7.4 for the issue of the Institutional Placement Shares. Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue, without the approval of its shareholders, more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid securities on issue at the commencement of that 12 month period.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12-month period.

The issue of the Institutional Placement Shares does not fit within any of the exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Institutional Placement Shares.

### **1.4 Technical information required by Listing Rule 14.1A**

If Resolution 1 is passed, the Shares issued under the Institutional Placement will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 1 is not passed, the Shares issued under the Institutional Placement will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

### **1.5 Technical information required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5, the Company provides the following information:

7.5.1	<b>The names of the persons to whom the securities are issued or agreed to be issued or the basis on which those persons were identified or selected.</b>	<p>The Institutional Placement Shares were issued to Professional and Sophisticated investors pursuant to section 708 of the Corporations Act (<b>Institutional Placement Participants</b>). The Institutional Placement Participants were identified through a bookbuild process managed by Wilsons Corporate Finance Limited ACN 057 547 323 (<b>Lead Manager</b>) and the Directors seeking expressions of interest to participate in the Institutional Placement.</p> <p>In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the Institutional Placement Participants:</p> <ul style="list-style-type: none"> <li>• are Related Parties of the Company, members of the Company’s Key Management Personnel, substantial shareholders of the Company, advisers of the Company or an associate of any of these parties; and</li> <li>• have been issued more than 1% of the issued capital of the Company,</li> </ul> <p>other than Tenstar Trading Limited (an existing substantial holder of the Company prior to the Entitlement Offer) who holds 19.9% of issued Shares at the date of this Notice.</p>
7.5.2	<b>The number and class of securities issued or agreed to be issued.</b>	663,364,020 Shares (on a pre-Consolidation basis)
7.5.3	<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.</b>	The Shares are fully paid ordinary shares.
7.5.4	<b>Date or dates on which the securities were or will be issued</b>	The securities were issued on 30 March 2023.
7.5.5	<b>The price or other consideration the entity has received or will receive for the issue</b>	The issue price of the Institutional Placement Shares was \$0.004. The Company will not receive any other consideration for the issue.
7.5.6	<b>The purpose of the issue, including the use or intended use of any funds raised by the issue</b>	The purpose of the issue is set out section 1.2 of Resolution 1.
7.5.8	<b>A voting exclusion statement.</b>	A voting exclusion statement is included in the Notice of Meeting.

## 1.6 Directors’ recommendation

The Directors unanimously recommend that you vote in favour of Resolution 1.

## Resolution 2. Consolidation of capital

### 2.1 Background

Resolution 2 seeks Shareholder approval for the consolidation of the Company's Shares on a 50:1 basis (consolidation of every 50 equity securities into 1 equity security) (**Consolidation**). The purpose of the Consolidation is to implement a more appropriate capital structure for the Company, and to ensure a more appropriate Share price. As at the date of this Notice of Meeting, the Company has the following securities on issue:

- 4,921,342,072 Shares; and
- 798,548,084 Options.

The Company proposes to undertake the Consolidation in accordance with the timetable set out in section 7.5 below. As at the effective date of the Consolidation, it is expected that the Company will have completed the issue of Shares under the Institutional Placement, Entitlement Offer and if Resolution 2 is approved, the Shares that are the subject of those Resolutions.

### 2.2 Corporations Act – s 254H

Section 254H of the Corporations Act provides that a company may convert its shares into larger or smaller numbers of shares, by resolution passed at a general meeting, with the conversion to take effect from the day the resolution is passed, or such later date specified in the resolution.

### 2.3 Listing Rule 7.20

Pursuant to and in accordance with Listing Rule 7.20 the following information is provided in relation to the Consolidation contemplated by this Resolution 2:

- (a) the Consolidation will have the following effect on the number of Shares on issue:

Event	Shares Pre-Consolidation	Shares Post-Consolidation (subject to rounding)
As at the date of this Notice (pre-Consolidation)	4,921,342,072	98,426,842

- (b) where the number of Shares or Options held as a result of the Consolidation includes any fraction of a security, that fraction will be rounded up to the nearest whole number of Shares, Convertible Notes or Options; and
- (c) assuming the Consolidation is approved by Shareholders, it is expected that the issue of Armour Convertible Notes (the subject of Resolutions 3, 4, 5 and 6), Additional Placement Shares (the subject of Resolution 7) and issue of Shares to DGR Global Limited (the subject of

Resolution 8) will be issued on a post-Consolidation basis after the Consolidation is completed.

## 2.4 Listing Rule 7.21

Listing Rule 7.21 provides that an entity which has convertible securities (except options) on issue may only reorganise its capital if, in respect of the convertible securities, the number of securities or the conversion price, or both, is reorganised so that the holder of the convertible securities will not receive a benefit that holders of ordinary securities receive. There are currently no convertible securities to which Listing Rule 7.21 applies.

## 2.5 Listing Rule 7.22

Listing Rule 7.22.1 requires that when a listed entity undertakes a consolidation of capital, the number of its options must be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio. If Resolution 2 is passed, in accordance with Listing Rule 7.22, the Company's Options will be consolidated as follows:

Options on issue	Pre-Consolidation		Post-Consolidation (subject to rounding)	
	Number	Exercise Price	Number	Exercise Price
AJQOA (quoted, expiring 29 February 2024)	748,548,085	\$0.05	14,970,962	\$2.50
AJQAP (unquoted, expiring 30 September 2023)	48,000,000	\$0.08	960,000	\$4.00
AJQAT (unquoted, expiring 29 February 2024)	2,000,000	\$0.05	40,000	\$2.50

## 2.6 Proposed timetable for Consolidation

Event	Date
Company announces the Consolidation and sends out the Notice of Extraordinary General Meeting to Shareholders	Friday, 30 June 2023
Effective date of Consolidation as specified in the resolution approving the Consolidation	Two business days following the date of the EGM (Wednesday, 2 August 2023) currently expected to be Friday, 4 August 2023

Last day for trading in pre-Consolidation securities	Monday, 7 August 2023
Trading in post-Consolidation securities commences on a deferred settlement basis	Tuesday, 8 August 2023
Record date  Last day for the Company to register transfers on a pre-Consolidation basis	Wednesday, 9 August 2023
First day for the Company update its register and to sending holding statements to security holders reflecting the change in the number of securities they hold.	Thursday, 10 August 2023
Last day for the Company to update its register, to send holding statements to security holders and notify ASX that this has occurred	Wednesday, 16 August 2023

The above dates are indicative only and may be changed by the Board subject to compliance with the Listing Rules and the Corporations Act.

## 2.7 Holding statements

From the date of the Consolidation, all holding statements for securities will cease to have any effect, except as evidence of entitlement to a certain number of securities on a post-Consolidation basis. After the Consolidation, new holding statements for securities will be issued to holders of those securities. It is the responsibility of each Shareholder to check the number of securities held after the Consolidation.

## 2.8 Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

## Resolution 3. Approval of issue of Armour Convertible Notes to DGR Global Limited

### 3.1 Background

Resolution 3 seeks the approval to issue up to 21,000,000 of Armour Convertible Notes (on a post-Consolidation basis) to DGR. DGR currently holds approximately 15.2 million MOG Notes. The Company is proposing to exchange these MOG Notes (with the interest owing) for Armour Convertible Notes. In addition, the Company is intending to issue Armour Convertible Notes to DGR in repayment of various other commitments owing to DGR, including short term loan advances, its Secured Amortising Notes and other fees owing to DGR.

As announced to ASX on 6 July 2022, Armour entered into a funding agreement with its largest Shareholder, DGR for the provision of a \$4.5m facility to be drawn down within three months of issue.

The funding was to be provided by way of a placement of redeemable exchangeable notes to be issued by MOG at an issue price of \$1.00 per note and otherwise on the terms and conditions set out in the Redeemable Exchangeable Note Trust Deed.

As at the date of this notice, DGR is owed approximately \$15.2 million (including accrued interest) under the terms of the MOG Notes. Subject to receipt of Shareholder approval, DGR will convert all of the remaining MOG Notes into Armour Convertible Notes. As at the date of this notice, DGR is owed an additional approximately \$5.5 million for other commitments, including short term loan advances, its Secured Amortising Notes and other fees owing to DGR.

As the proposed terms of the Armour Convertible Notes to be issued to DGR are no more favourable than terms to the other investors being issued Armour Convertible Notes, it is considered that the allotment to DGR Global would be on arm's length terms and as such, Armour can rely on an exception to section 208 of the Corporations Act in relation to Resolution 3. As such, the consent of ASIC has not been sought in relation to Resolution 3, but Shareholder approval will be sought under Listing Rule 10.11.

Listing Rule 10.11 provides that a company must not issue or agree to issue equity securities to any of the following persons without the approval of shareholders unless one of the exceptions in Listing Rule 10.12 applies:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity (in the case of a trust, to the board of the responsible entity of the trust) pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in paragraphs (a) to (c) above (Listing Rule 10.11.4);
- (e) a person whose relationship with the entity or a person referred to in paragraphs (a) to (d) above is such that, in ASX's opinion, the issue of agreement should be approved by security holders (Listing Rule 10.11.5).

The issue of the Armour Convertible Notes to DGR does not fall within any of the exceptions in Listing Rule 10.12. Resolution 3 seeks the required Shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

In accordance with Listing Rule 7.2 (Exception 14), as approval is being sought under Listing Rule 10.11, approval is not required to be obtained under Listing Rule 7.1.

### 3.2 Listing Rule 10.1

Listing Rule 10.1 provides that an entity must ensure that neither the entity, nor any of its child entities, acquires or agrees to acquire a substantial asset from, or disposes of or agrees to dispose of a substantial asset to, any of the following persons without the approval of its shareholders.

10.1.1 A related party of the entity.

10.1.2 A child entity of the entity.

10.1.3 A person who is, or was at any time in the 6 months before the transaction or agreement, a substantial (10%) holder in the entity.

10.1.4 An associate of a person referred to in rules 10.1.1 to 10.1.3

10.1.5 A person whose relationship to the entity or a person referred to in rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the transaction should be approved by security holders.

DGR Global Limited is a 10.1 party by virtue of Listing Rule 10.1.3 as it holds more than 10% of the Company's Shares.

As the Armour Convertible Notes are secured against all of the present and future acquired assets of the Company, ASX views the granting of security to be caught by the provisions of Listing Rule 10.1.

The Company has sought a waiver from the application of Listing Rule 10.1 to allow the Company to issue the Armour Convertible Notes to DGR Global Limited, on the basis the security is granted on the following terms:

- (1) if the security is enforced:
  - i. the assets can only be disposed to a 10.1 party or an associate of the 10.1 party, if the disposal is first approved by shareholders of the Company for the purposes of Listing Rule 10.1; or
  - ii. otherwise, any disposal of the assets under the security may only be sold to an unrelated third party on arms' length commercial terms (whereby any proceeds of sale would be distributed by the note trustee to the relevant noteholders including the 10.1 party); and
- (2) any variation to the terms of the financial accommodation or the security which:
  - i. advantages the 10.1 party in a material respect;
  - ii. disadvantages the company in a material respect; or
  - iii. is inconsistent with the terms of the waiver (if granted), must be subject to shareholder approval under Listing Rule 10.1.
- (3) for each year while they remain on foot, a summary of the material terms of the convertible notes and the security is included in the related party disclosures in the company's audited annual accounts.

If the waiver is not granted by ASX, the Company intends to withdraw this Resolution 3.

### 3.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Armour Convertible Notes will be issued in exchange for the MOG Notes to the DGR.

If Resolutions 3 is not passed, the Armour Convertible Notes will not be issued to DGR Global. In these circumstances, the Company may be required to enter into further negotiations with DGR with a view to negotiating a separate arrangement to repay the monies owing under the MOG Notes and other amounts. Where an arrangement cannot be reached, the Company will be obliged to repay and otherwise discharge its obligations under the MOG Notes and other liabilities on current terms, which will require a further capital raising. There is no guarantee that the Company will be able to raise such amounts.

### 3.4 Technical information required by Listing Rule 10.13

In accordance with Listing Rule 10.13, the Company provides the following information:

<b>10.13.1</b>	<b>The names of the persons.</b>	DGR Global Limited.
<b>10.13.2</b>	<b>Which category in rules 10.11.1 – 10.11.5 the person falls within and why.</b>	10.11.3 – DGR currently holds 19.9% of the issued share capital of the Company and has a nominee Director on the Board, being Nick Mather.
<b>10.13.3</b>	<b>The number and class of securities to be issued to the person.</b>	Up to 21,000,000 Armour Convertible Notes (on a post-Consolidation basis), as follows: <ul style="list-style-type: none"> <li>• Up to 15,200,000 Armour Convertible Notes will be issued in exchange for MOG Notes</li> <li>• Up to 5,500,000 Armour Convertible Notes will be issued in repayment of other commitments, including short term loan advances, its Secured Amortising Notes and other fees owing to DGR</li> </ul>
<b>10.13.4</b>	<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.</b>	The terms of the Armour Convertible Notes are set out in Schedule 1.
<b>10.13.5</b>	<b>Date or dates on which the entity will issue the securities.</b>	As soon as possible after receiving Shareholder approval and in any event, no later than 1 month after the date of the Meeting.
<b>10.13.6</b>	<b>The price or other consideration the entity</b>	The Company will not receive any funds from the issue of the Armour Convertible Notes as the issue

	<b>has received or will receive for the issue</b>	price will be set off against the MOG Notes and other liabilities owing to DGR as detailed in section 3.1. The MOG Notes will be exchanged on a 1:1 basis.
<b>10.13.7</b>	<b>The purpose of the issue, including the use or intended use of any funds raised by the issue</b>	Refer to section 3.1. No funds will be raised as the issue of Armour Convertible Notes is for exchange of MOG Notes and repayment of other liabilities owing to DGR.
<b>10.13.9</b>	<b>Summary of the material terms of the agreement</b>	The material terms of the Armour Convertible Notes are as set out in Schedule 1.
<b>10.13.10</b>	<b>A voting exclusion statement.</b>	A voting exclusion statement is included in the Notice of Meeting.

### 3.5 Directors' recommendation

The Directors, with Nick Mather abstaining, unanimously recommend that Shareholders vote in favour of this Resolution.

## Resolution 4. Approval of issue of Armour Convertible Notes to Bizzell Capital Partners Pty Ltd

### 4.1 Background

Resolution 4 seeks the approval to issue up to 1,000,000 (on a post-Consolidation basis) of Armour Convertible Notes to Bizzell Capital Partners Pty Ltd (**BCP**).

In addition, as disclosed to ASX on 23 March 2023, BCP has agreed to underwrite the Armour Notes Issue. Accordingly, this Resolution also seeks approval for BCP to acquire Armour Convertible Notes pursuant to the agreed underwriting commitment subject to sub-underwriting arrangements. BCP may also subscribe for Armour Convertible Notes in addition to its underwriting commitments for cash or set off against liabilities owing by the Company to BCP, including pursuant to the Secured Amortising Notes or for underwriting fees.

As the proposed terms of the Armour Convertible Notes to be issued to BCP are no more favourable than terms to the other investors being issued Armour Convertible Notes, Armour can rely on an exception to section 208 of the Corporations Act in relation to Resolution 4. As such, the consent of ASIC has not been sought in relation to Resolution 4, but shareholder approval will be sought under Listing Rule 10.11.

The requisite information relating to Listing Rule 10.11 is set out in Resolution 3.

BCP is an associate of Mr Stephen Bizzell and fall within Listing Rule 10.11.4, a director of the Company.

The issue of the Armour Convertible Notes to BCP does not fall within any of the exceptions in Listing Rule 10.12. Resolution 4 seeks the required Shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

In accordance with Listing Rule 7.2 (Exception 14), as approval is being sought under Listing Rule 10.11, approval is not required to be obtained under Listing Rule 7.1.

#### 4.2 Listing Rule 10.1

The requisite information relating to Listing Rule 10.1 is set out in Resolution 3.

BCP is a 10.1 party by virtue of Listing Rule 10.1.1 as it is a related party of Mr Stephen Bizzell, a director of the Company.

As the Armour Convertible Notes are secured against all of the present and future acquired assets of the Company, ASX views the granting of security to be caught by the provisions of Listing Rule 10.1.

The Company has sought a waiver from the application of Listing Rule 10.1 to allow the Company to issue the Armour Convertible Notes to BCP, as described in the explanatory memorandum to Resolution 3.

If the waiver is not granted by ASX, the Company intends to withdraw this Resolution 4.

#### 4.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Armour Convertible Notes will be issued to BCP, either pursuant to or in addition to its underwriting commitments.

If Resolution 4 is not passed, the Armour Convertible Notes will not be issued to BCP. In these circumstances, the Company may have a shortfall in the Armour Convertible Notes issuance. It may also be required to enter into further negotiations with BCP with a view to negotiating a separate arrangement to repay the monies owing under the Secured Amortising Notes and underwriting arrangements. Where an arrangement cannot be reached, the Company will be obliged to repay and otherwise discharge its obligations under the relevant liabilities on current terms, which may require a further capital raising. There is no guarantee that the Company will be able to raise such amounts.

#### 4.4 Technical information required by Listing Rule 10.13

In accordance with Listing Rule 10.13, the Company provides the following information:

<b>10.13.1</b>	<b>The names of the persons.</b>	Bizzell Capital Partners Pty Ltd
<b>10.13.2</b>	<b>Which category in rules 10.11.1 – 10.11.5 the person falls within and why.</b>	10.11.1 – Bizzell Capital Partners Pty Ltd is controlled by Stephen Bizzell, a director of Armour.

<b>10.13.3</b>	<b>The number and class of securities to be issued to the person.</b>	1,000,000 Armour Convertible Notes (on a post-Consolidation basis) as follows: <ul style="list-style-type: none"> <li>Up to 31,304 Armour Convertible Notes will be issued in exchange for MOG Notes</li> <li>Up to 968,696 Armour Convertible Notes will be issued pursuant to the underwriting arrangements with BCP (which may be set off against underwriting fees)</li> </ul>
<b>10.13.4</b>	<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.</b>	The terms of the Armour Convertible Notes are set out in Schedule 1.
<b>10.13.5</b>	<b>Date or dates on which the entity will issue the securities.</b>	As soon as possible after receiving Shareholder approval and in any event, no later than 1 month after the date of the Meeting.
<b>10.13.6</b>	<b>The price or other consideration the entity has received or will receive for the issue</b>	The issue of the Armour Convertibles Notes may be for cash at \$1.00 per note, or may be set off against liabilities owing by the Company to BCP, including pursuant to the Secured Amortising Notes or for underwriting fees.
<b>10.13.7</b>	<b>The purpose of the issue, including the use or intended use of any funds raised by the issue</b>	Refer to section 4.1. To the extent any funds are raised, those funds will be used in accordance with section 1.2.
<b>10.13.9</b>	<b>Summary of the material terms of the agreement</b>	The material terms of the Armour Convertible Notes are as set out in Schedule 1.
<b>10.13.10</b>	<b>A voting exclusion statement.</b>	A voting exclusion statement is included in the Notice of Meeting.

#### 4.5 Directors' recommendation

The Directors, with Stephen Bizzell abstaining, unanimously recommend that Shareholders vote in favour of Resolution 4.

## Resolution 5. Approval of issue of Armour Convertible Notes to JLGI SMSF Pty Ltd

### 5.1 Background

As announced to the market on 6 July 2022, Armour has articulated its intention to obtain all necessary approvals and consents to allow for the exchange of MOG Notes (together with any accrued and unpaid interest) into Armour Convertible Notes on the terms and conditions as

summarised in Schedule 1. The two remaining MOG Note Holders are JLGI SMSF Pty Ltd and DGR Global.

Resolution 5 seeks the approval of Shareholders to issue up to 82,000 Armour Convertible Notes (on a post-Consolidation basis) to JLGI SMSF Pty Ltd in exchange for their MOG Notes.

DGR Global is the only other MOG Note Holder. The issue of Armour Convertible Notes to DGR Global requires shareholder approval under Chapter 10 of the Listing Rules. This approval is sought separately under Resolution 3.

## **5.2 Approvals**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.1 also applies to any agreement to issue equity securities. The Company has relied on Listing Rule 7.2 Exception 17 to agree to issue Armour Convertible Notes to replace MOG Notes, on the basis that the issue will be conditional on Shareholder approval. Accordingly, this Resolution seeks Shareholder approval for that purpose.

## **5.3 Technical information required by Listing Rule 14.1A**

If Resolution 5 is passed, the Armour Convertible Notes will be issued in exchange for the MOG Notes to the MOG Holders and will be excluded from the calculation of the Company's 15% limit in Listing Rule 7.1, maintaining the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue of the Armour Convertible Notes.

If Resolution 5 is not passed, then in accordance with Listing Rule 7.2 Exception 17 the Company will be unable to issue Armour Convertible Notes to . In these circumstances, the Company may be required to enter into further negotiations with JLGI SMSF Pty Ltd with a view to negotiating a separate arrangement to repay the monies owing under the MOG Notes. Where an arrangement cannot be reached, the Company will be obliged to repay and otherwise discharge its obligations under the MOG Notes on current terms.

## **5.4 Technical information required by Listing Rule 7.3**

In accordance with Listing Rule 7.3, the Company provides the following information:

<b>7.3.1</b>	<b>The names of the persons to whom the Securities are issued or agreed to be issued or the basis on which those persons were identified or selected.</b>	JLGI SMSF Pty Ltd.
<b>7.3.2</b>	<b>The number and class of Securities the entity will issue.</b>	82,000 Armour Convertible Notes (on a post-Consolidation basis)
<b>7.3.3</b>	<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.</b>	The terms of the Armour Convertible Notes are set out in Schedule 1.
<b>7.3.4</b>	<b>Date or dates on which the entity will issue the securities.</b>	As soon as possible after receiving Shareholder approval and in any event, no later than 3 months after the date of the Meeting.
<b>7.3.5</b>	<b>The price or other consideration the entity has received or will receive for the issue</b>	82,000 MOG Notes will be exchanged for Armour Convertible Notes on a 1:1 basis. The Company will not receive any funds for the conversion of the MOG Notes.
<b>7.3.6</b>	<b>The purpose of the issue, including the use or intended use of any funds raised by the issue</b>	Refer to section 10.1. No funds will be raised as the issue of Armour Convertible Notes is for exchange of MOG Notes.
<b>7.3.7</b>	<b>Summary of the material terms of the agreement</b>	The Transfer of MOG Notes to Armour Convertible Notes will be on a 1:1 basis. The material terms of the Armour Convertible Notes are as set out in Schedule 1.
<b>7.3.9</b>	<b>A voting exclusion statement.</b>	A voting exclusion statement is included in the Notice of Meeting.

## 5.5 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

## Resolution 6. Approval of issue of Armour Convertible Notes

### 6.1 Background

Resolution 6 seeks the approval of Shareholders for the issue of up to 15,000,000 Armour Convertible Notes to Sophisticated and Professional Investors. The Armour Convertible Notes are being issued with the intention of restructuring the Company's balance sheet whilst providing additional working capital to pursue the Company's strategic resources.

The funds will be utilised to in accordance with section 1.2.

## 6.2 Approvals

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Armour Convertible Notes does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Armour's shareholders under Listing Rule 7.1.

## 6.3 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Armour Convertible Notes will be issued and will be excluded from the calculation of the Company's 15% limit in Listing Rule 7.1, maintaining the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue of the Armour Convertible Notes.

If Resolutions 6 is not passed, the issue of any Armour Convertible Notes can still proceed (if and to the extent there is sufficient capacity to do so under the Company's capacity under Listing Rule 7.1) but it will reduce, to that extent, Armour's capacity to issue equity securities without shareholder approval under Listing Rule 7.1 for 12 months following the Issue.

## 6.4 Listing Rule 7.3

In accordance with Listing Rule 7.3, the Company provides the following information:

<b>7.3.1</b>	<b>The names of the persons to whom the Securities are issued or agreed to be issued or the basis on which those persons were identified or selected.</b>	Sophisticated Investors and Professional Investors, to be identified through a bookbuild process undertaken by Bizzell Capital Partners and Wilsons Corporate Finance Limited.
<b>7.3.2</b>	<b>The number and class of Securities the entity will issue.</b>	15,000,000 Armour Convertible Notes
<b>7.3.3</b>	<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.</b>	The terms of the Armour Convertible Notes are set out in Schedule 1.
<b>7.3.4</b>	<b>Date or dates on which the entity will issue the securities.</b>	As soon as possible after receiving Shareholder approval and in any event, no later than 3 months after the date of the Meeting.
<b>7.3.5</b>	<b>The price or other consideration the entity has received or will receive for the issue</b>	The Company will receive \$1.00 for each Armour Convertible Note subscribed for up to a maximum of \$15,000,000.
<b>7.3.6</b>	<b>The purpose of the issue, including the use or intended</b>	Refer to section 11.1. Funds raised will be used in accordance with section 1.2.

	<b>use of any funds raised by the issue</b>	
<b>7.3.7</b>	<b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b>	A summary of the Convertible Note Deed and Security Trust Deed are set out in Schedule 1.
<b>7.3.9</b>	<b>A voting exclusion statement.</b>	A voting exclusion statement is included in the Notice of Meeting.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

## **Resolution 7. Approval of issue of Additional Placement Shares**

### **7.1 Background**

Resolution 7 seeks the approval of shareholders for the Company to issue up to 10,000,000 Additional Placement Shares (on a post-Consolidation basis, or 500,000,000 Shares if Resolution 2 is not approved) to Sophisticated and Professional Investors for the purpose of Listing Rule 7.1 to raise up to \$2 million.

### **7.2 Approvals**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Additional Placement Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Armour's Shareholders under Listing Rule 7.1.

### **7.3 Technical information required by Listing Rule 14.1A**

If Resolution 7 is passed, the issue of Additional Placement Shares to Sophisticated and Professional Investors under the Additional Placement can proceed without using up any of the Company's 15% capacity to issue equity securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 7 is not passed, the issue of Additional Placement Shares to Sophisticated and Professional Investors under the Additional Placement can still proceed if the Company has sufficient capacity under Listing Rule 7.1, but will reduce, to that extent, the Company's capacity to issue equity securities without shareholder approval under Listing Rule 7.1 for 12 months following the issue of the Shares.

### **7.4 Technical information required by Listing Rule 7.3**

For the purposes of Listing Rule 7.3, the Company provides the following information:

<b>7.3.1</b>	<b>The names of the persons to whom the securities are issued or agreed to be issued or the basis on which those persons were identified or selected.</b>	Sophisticated Investors and Professional Investors, to be identified through a bookbuild process undertaken by Bizzell Capital Partners and Wilsons Corporate Finance Limited.
<b>7.3.2</b>	<b>The number and class of securities the entity will issue.</b>	Up to a maximum of 10,000,000 Shares (on a post-Consolidation basis, or 500,000,000 Shares if Resolution 2 is not approved)
<b>7.3.3</b>	<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.</b>	The Shares are fully paid ordinary securities.
<b>7.3.4</b>	<b>Date or dates on which the entity will issue the securities.</b>	As soon as possible after receiving Shareholder approval and in any event, no later than 3 months after the date of the Meeting.
<b>7.3.5</b>	<b>The price or other consideration the entity has received or will receive for the issue</b>	The issue price will be \$0.20 per Share on a post-Consolidation basis (or \$0.004 if Resolution 2 is not approved) to raise up to \$2 million. The Company will not receive any other consideration for the issue.
<b>7.3.6</b>	<b>The purpose of the issue, including the use or intended use of any funds raised by the issue</b>	The purpose of the issue is set out section of 7.1. Funds raised will be used in accordance with section 1.2.
<b>7.3.9</b>	<b>A voting exclusion statement.</b>	A voting exclusion statement is included in the Notice of Meeting.

## 7.5 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

## Resolution 8. Approval to issue Shares to DGR Global Limited

### 8.1 Background

DGR Global Limited (**DGR**) is a substantial Shareholder and has indicated that it may participate in the Additional Placement, subject at all times to not exceeding in aggregate 20% of the voting power of the Company.

### 8.2 Listing Rule 10.11

The requisite information relating to Listing Rule 10.11 is set out in Resolution 3.

DGR Global Limited currently holds 19.9% of the Company's issued share capital and has a nominee Director on the Board, being Nick Mather. No exception applies in the present circumstances in relation to the proposed issue of Shares to DGR Global Limited.

Pursuant to Listing Rule 7.2 exception 14, where approval under Listing Rule 10.11 is obtained, approval is not required under Listing Rule 7.1 and the issue of securities will not be included in the Company's 15% limit.

### 8.3 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Company will be able to proceed with the issue of up to 2,500,000 Shares on a post-Consolidation basis (or 125,000,000 Shares if Resolution 2 is not approved) to DGR at \$0.20 per Share (on a post-Consolidation basis, or \$0.004 if Resolution 8 is not approved). Additionally, the issue will not use any of the Company's 15% capacity set out in Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of up to 2,500,000 Shares on a post-Consolidation basis (or 125,000,000 Shares if Resolution 2 is not approved) to DGR at \$0.20 per Share (on a post-Consolidation basis, or \$0.004 if Resolution 2 is not approved).

### 8.4 Technical information required by Listing Rule 10.13

In accordance with Listing Rule 10.13, the Company provides the following information:

<b>10.13.1</b>	<b>The names of the persons.</b>	DGR Global Limited.
<b>10.13.2</b>	<b>Which category in rules 10.11.1 – 10.11.5 the person falls within and why.</b>	10.11.3 – DGR Global Limited currently holds 19.9% of the issued share capital of the Company and has a nominee Director on the Board, being Mr Nicholas Mather.
<b>10.13.3</b>	<b>The number and class of securities to be issued to the person.</b>	A maximum of 2,500,000 Shares on a post-Consolidation basis (or 125,000,000 Shares if Resolution 2 is not approved).
<b>10.13.4</b>	<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.</b>	The Shares are paid ordinary shares.
<b>10.13.5</b>	<b>Date or dates on which the entity will issue the securities.</b>	As soon as possible after receiving Shareholder approval and in any event, no later than 1 month after the date of the Meeting.
<b>10.13.6</b>	<b>The price or other consideration the entity has received or will receive for the issue</b>	\$0.20 per Share on a post-Consolidation basis (or \$0.004 if Resolution 2 is not approved).
<b>10.13.7</b>	<b>The purpose of the issue, including the use or intended use of any funds raised by the issue.</b>	The purpose of the issue is set out section 8.1. Funds raised will be used in accordance with section 1.2.
<b>10.13.10</b>	<b>A voting exclusion statement.</b>	A voting exclusion statement is included in the Notice of Meeting.

## **8.5 Directors' recommendation**

The Directors, with Nick Mather abstaining given his position as a director of DGR, unanimously recommend that Shareholders vote in favour of Resolution 8.

## Definitions

**Additional Placement** means the proposed placement of up to 10,000,000 Shares (on a post-Consolidation basis, or 500,000,000 Shares if Resolution 2 is not approved) by the Company that is the subject of Resolution 8 of this Notice.

**Additional Placement Shares** means the Shares to be issued by the Company under the Additional Placement.

**Armour Convertible Notes** means the Armour convertible notes to be issued by the Company under the Armour Notes Issue on the terms set out in Schedule 1.

**Armour Notes Issue** has the meaning given to it in section 1.1.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

**ASIC** means the Australian Securities and Investments Commission.

**BCP** means Bizzell Capital Partners Pty Ltd.

**Board** means the board of directors of the Company.

**Capital Raising Program** has the meaning given to in section 1.1.

**Chair** means the person who chairs the Meeting.

**Company** means Armour Energy Ltd ACN 141 198 414.

**Consolidation** means the consolidation that is the subject of Resolution 2 of this Notice.

**Constitution** means the constitution of the Company from time to time.

**Convertible Notes** means the convertible notes issued by the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

**Director** means a director of the Company.

**DGR** or **DGR Global** means DGR Global Limited.

**Explanatory Memorandum** means this explanatory memorandum accompanying the Notice of Meeting.

**Institutional Entitlement Offer** has the meaning given to it in section 1.1.

**Institutional Placement** has the meaning given to it in section 1.1.

**Institutional Placement Participants** has the meaning given to it in section 1.5

**Institutional Placement Shares** means the 663,364,020 Shares issued by the Company under the Institutional Placement.

**Listing Rule** means the official listing rules of the ASX as amended from time to time.

**Meeting, Extraordinary General Meeting or EGM** means the extraordinary general meeting to be held at Hamilton Locke, Level 19, 123 Eagle Street, Brisbane QLD 4000 on Wednesday, 2 August 2023 as convened by the accompanying Notice of Meeting.

**MOG** means McArthur Oil & Gas Ltd.

**MOG Notes** means McArthur Oil and Gas Redeemable Exchangeable Notes.

**MOG Note Holders** means DGR Global Limited and JLGI SMSF Pty Ltd.

**Notice of Meeting or Notice** means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum.

**Options** means an option issued by the Company to subscribe for Shares.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

**Professional Investor** has the meaning given to that term in section 708(11) of the Corporations Act.

**Resolution** means a resolution as set out in the Notice of Meeting.

**Retail Entitlement Offer** has the meaning given to it in section 1.1.

**Retail Offer Booklet** means the retail offer booklet released by the Company to the ASX on 27 March 2023.

**Secured Amortising Notes** means senior secured notes issued by the Company.

**Share** means an ordinary fully paid share in the issued capital of the Company.

**Shareholder** means a holder of Shares in the Company.

**Sophisticated Investor** means an investor capable of satisfying the criteria for the exemptions in section 708 of the Corporations Act, namely:

(a) a Professional Investor; or

(b) an individual investor with an aggregate investment of \$500,000 in the Company or an investor who has provided an accountant's certificate confirming his or her income and assets in accordance with section 708(8).

**Top Up Facility** means the facility described in section 2.3 of the Retail Offer Booklet.

## Proxy, representative and voting entitlement instructions

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a Shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

The Chair of the Meeting intends to vote all undirected proxies in favour of each Resolution.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001* (Cth).

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the *Corporations Act*.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be **deposited at, posted to, or sent by facsimile transmission to the address listed below** not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

Armour Energy Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia  
Facsimile No: +61 2 9287 0309  
Telephone Phone: 1300 554 474

Alternative online voting can be accessed at: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A proxy form is attached to this Notice. Shareholders must sign the proxy form in accordance with the instructions specified on the form.

### Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the Shares at 7.00pm on Monday, 31 July 2023. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

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Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Geoff Walker (**Company Secretary**): Level 27, 111 Eagle Street, Brisbane, Queensland 4000.

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## Schedule 1 - Summary of the Armour Convertible Note Terms

<b>Issuer</b>	Armour Energy Limited ACN 141 198 414
<b>Offering</b>	Convertible Notes ( <b>Notes</b> ) to be issued by the Issuer pursuant to the Convertible Note Deed and which will be convertible into shares in the Issuer (subject to the Condition Precedent for Conversion being satisfied).
<b>Issue size</b>	Up to 30,000,000 Notes (\$30,000,000). The Notes may be issued in two or more tranches.
<b>Face Value</b>	Face Value of \$1.00 per Note
<b>Term</b>	3 years
<b>Maturity Date</b>	31 March 2026
<b>Security / Ranking / Status</b>	<p>Initially the Notes will constitute direct and unsecured obligations of the Issuer and will rank subordinated and be junior to the Secured Amortising Notes issued by Armour Energy.</p> <p>It is the intention for the Secured Amortising Notes to be repaid and upon repayment, the Notes will be senior secured obligations of the Issuer (subject to any approval required from the Issuer's shareholders for the purposes of the Listing Rules or the Corporations Act, required tenement level security requirements to support Gas Sale Agreements and prepayments).</p> <p>Subject to the initial subordination to the Secured Amortizing Notes, each Note otherwise ranks for payment in a winding up of the Issuer:</p> <ol style="list-style-type: none"> <li>(1) equally and proportionally with each Note; and</li> <li>(2) ahead of all subordinated debts of the Issuer and ordinary shareholders.</li> </ol> <p>The security is granted on the basis that:</p> <ol style="list-style-type: none"> <li>(1) if the security is enforced: <ol style="list-style-type: none"> <li>iii. the assets can only be disposed to a 10.1 party or an associate of the 10.1 party, if the disposal is first approved by shareholders of the Company for the purposes of Listing Rule 10.1; or</li> <li>iv. otherwise, any disposal of the assets under the security may only be sold to an unrelated third party on arms' length commercial terms (whereby any proceeds of sale would be distributed by the note trustee to the relevant noteholders including the 10.1 party); and</li> </ol> </li> <li>(2) any variation to the terms of the financial accommodation or the security which: <ol style="list-style-type: none"> <li>iv. advantages the 10.1 party in a material respect;</li> <li>v. disadvantages the company in a material respect; or</li> <li>vi. is inconsistent with the terms of the waiver (if granted), must be subject to shareholder approval under Listing Rule 10.1.</li> </ol> </li> </ol> <p>The Company has sought a waiver from ASX from the application of Listing Rule 10.1 on the above basis and that, for each year while they remain on foot, a summary of</p>

	the material terms of the convertible notes and the security is included in the related party disclosures in the company's audited annual accounts.
<b>Coupon Rate</b>	<p>10% per annum coupon rate, accrued from the Issue Date.</p> <p>Interest is payable either in cash or, at Armour's election, by the issue to the Noteholder of Armour ordinary shares, issued at a 10% discount to the 30 day volume weighted average price (VWAP) of Armour shares traded on the ASX up to the Interest Payment Date.</p>
<b>Interest Payment Dates</b>	<p>The coupon on the Notes will be payable half yearly for the half year periods to 30 September and 31 March on the following dates:</p> <ul style="list-style-type: none"> <li>- 15 October 2023;</li> <li>- 15 April 2024;</li> <li>- 15 October 2024;</li> <li>- 15 April 2025;</li> <li>- 15 October 2025;</li> </ul> <p>and will be payable for the period from the last Interest Payment Date to the Maturity Date or Redemption Date.</p>
<b>Conversion</b>	<p>Each Note (and any accrued and unpaid interest due and capitalized) will, subject to satisfaction of the Condition Precedent below, be convertible at the Noteholder's election into fully paid ordinary shares of the Issuer at a price of \$0.30 cents per share on a post-Consolidation basis (or \$0.006 per share if Resolution 2 is not passed).</p> <p>A Noteholder may exercise conversion rights in relation to some, or all, of their Notes at any time (subject to satisfaction of the Condition Precedent for Conversion).</p>
<b>Conversion Protections</b>	Notes will be subject to standard anti-dilution adjustments including share consolidations, share splits, rights issues, bonus issues and reorganisations.
<b>Condition Precedent for Conversion</b>	The Conversion of the Notes for Armour Energy Shares is subject to and conditional upon Armour obtaining any necessary shareholder approvals for the purposes of Listing Rules and the Corporations Act (including section 606 of the Corporations Act).
<b>Noteholder Redemption</b>	Repayment of Face Value and any unpaid interest at the Maturity Date or in the event an Exit Event occurs, or the Issuer commits an Event of Default.
<b>Early Redemption – Takeover Event</b>	<p>The Company may give a Redemption Notice in the event of a Takeover Event.</p> <p><b>Takeover Event</b> means that if at any time on or before the Maturity Date, an off market bid, a market bid, scheme of arrangement, or offer or invitation is made to all holders of ordinary shares to purchase or otherwise acquire ordinary shares and the bid, scheme or offer becomes unconditional, and the offeror has at least 50% of the voting power (as defined by the Corporations Act) in Armour.</p> <p>Notwithstanding the issue of a Redemption Notice, a Holder may give a Conversion Notice (which will remain subject to any Condition Precedent to Conversion being satisfied and may be expressed to be subject to a Takeover Event completing) in respect of any of its Notes which are the subject of the Redemption Notice up to the before the relevant Redemption Date (or such later time as the Company may agree with the relevant Holder), and only Notes for which Conversion Notices have not been so given or are treated as having not been given will be Redeemed on the specified Redemption Date. In the event of a Early Redemption pursuant to a</p>

	Takeover Event, a Takeover Early Redemption Fee of 5% of the Face Value of Notes redeemed.
<b>Company Early Redemption Option</b>	<p>The Company may issue a Redemption Notice to Noteholders at any time specifying a Redemption Date no earlier than 30 days after the date of the Redemption Notice.</p> <p>Notwithstanding the issue of a Redemption Notice, a Holder may give a Conversion Notice (which will remain subject to any Condition Precedent to Conversion being satisfied) in respect of any of its Notes which are the subject of the Redemption Notice up to the day before the relevant Redemption Date (or such later time as the Company may agree with the relevant Holder), and only Notes for which Conversion Notices have not been so given or are treated as having not been given will be Redeemed on the specified Redemption Date and the applicable Early Redemption Fee and will be payable by the Company to the Noteholder on the Redemption Date and the Early Redemption Options will be issued to the Noteholder subject to receipt of any necessary shareholder approvals under the Listing Rules and the Corporations Act.</p>
<b>Company Early Redemption Fee and Early Redemption Options</b>	If redeemed by the Company an Early Redemption Fee of 3% of the face value of Notes redeemed will be payable to the Noteholder together with the issue to the Noteholder of 33 options for every 1 Note redeemed, exercisable at \$0.006, expiring 31 March 2026 (which is equivalent to options over ~20% of the face value of the Notes redeemed).
<b>Transaction Documents</b>	<p>The parties will enter into the following definitive agreements to document the Note Offer (<b>Transaction Documents</b>):</p> <ul style="list-style-type: none"> <li>• Convertible Note Deed; and</li> <li>• Security Trust Deed.</li> </ul>
<b>Events of Default</b>	Customary events of default are to be incorporated in the Transaction Documents for a transaction of this nature, including but not limited to payment, redemption or Conversion breaches, covenant breaches cross defaults, and insolvency events.
<b>Covenants</b>	Customary covenants are to be incorporated in the Transaction Documents applicable to the Issuer and the Parent Company for a transaction of this nature.
<b>No Dividends</b>	No dividends may be declared or paid whilst the Notes are on issue.
<b>Voting Rights</b>	Until Conversion, the Notes do not give a Noteholder voting rights or dividend rights.
<b>Investor Eligibility</b>	The Notes are being offered to 'sophisticated investors', 'professional investors' (under the Corporations Act) and investors who are exempt to disclosure requirements.
<b>Note Trustee and Security Trustee</b>	Centec Securities Pty Ltd

**LODGE YOUR VOTE**

-  **ONLINE**  
<https://investorcentre.linkgroup.com>
-  **BY MAIL**  
 Armour Energy Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia
-  **BY FAX**  
 +61 2 9287 0309
-  **BY HAND**  
 Link Market Services Limited  
 Level 12, 680 George Street, Sydney NSW 2000
-  **ALL ENQUIRIES TO**  
 Telephone: 1300 554 474      Overseas: +61 1300 554 474


**X99999999999**

## PROXY FORM

I/We being a member(s) of Armour Energy Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

**the Chairman of the Meeting (mark box)**      **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

**STEP 1**

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **10:00am (Brisbane time) on Wednesday, 2 August 2023 at the offices of Hamilton Locke, Level 19, Riverside Centre, 123 Eagle Street, Brisbane QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an**

**STEP 2**

Resolutions	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of prior issue of Shares under the Institutional Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval to issue Armour Convertible Notes to MOG Note Holders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Consolidation of capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval to issue Armour Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue Armour Convertible Notes to DGR Global Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval to issue Additional Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to issue Armour Convertible Notes to Bizzell Capital Partners Pty Ltd and Centec Securities Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval to issue Shares to DGR Global Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)       Joint Shareholder 2 (Individual)       Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary      Director/Company Secretary (Delete one)      Director

**STEP 3**

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Brisbane time) on Wednesday, 2 August 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MAIL

Armour Energy Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 12  
680 George Street  
Sydney NSW 2000

\*During business hours Monday to Friday (9:00am - 5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**