

Case Study

Armour Energy Limited



Issue Date	March 2019
Amount	\$55m
Maturity	29 March 2024
Term	5 years
Coupon	8.75% p.a.

Issuer Profile

Armour is an ASX-listed (ASX: AJQ) production and exploration company focussed on the discovery, development and production of gas and associated liquid resources. Headquartered in Brisbane, Armour Energy's key asset is the Kincora Project, located in the Surat-Bowen Basin in Queensland, with further exploration tenements in the Northern Territory, Victoria and Uganda.

Thanks to the acquisition of the Kincora Project, Armour is poised to become a significant producer of oil, gas, LPG and condensate, strategically located near the Wallumbilla gas hub on the East Coast of Australia. Armour's permit areas are characterised by low population densities, cooperative stakeholders, and aspects of the natural environment suited to the exploration and development of a future gas and liquids province.

Issuer Need

Prior to the bond financing arranged by FIIG, Armour's principal funding arrangement was a series of Convertible Notes maturing in September 2019. Given the transformation undertaken by the company with the acquisition of the Kincora Project, Armour was seeking a new financier to partner with and support the business strategy through its 4-phase growth plan.

FIIG Solution

FIIG was able to review the group's overall strategy and structure a bond that provided Armour with long term capital that could be tapped at later stages to fund future growth. The long term nature of Armour's assets and contracted revenue streams made the bond highly

attractive to investors. The additional flexibility and added tenor that a bond structure was able to offer meant that Armour could continue executing its 4-phase growth strategy.

Client Testimonial

In its announcement to the ASX for the new issue, Armour noted that it was pleased with the transaction, stating that *"This \$55 million re-financing of the Company is transformational for Armour and enables the Company to deliver a material work program toward its growth objectives"*.

FIIG Contact

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