

AWE commences matching rights process in MinRes Scheme Implementation Deed in respect of Mitsui Proposal

AWE Limited (**AWE**) (**ASX: AWE**) refers to its announcement on 29 January 2018 that it had received a proposal from Mitsui & Co Ltd (**Mitsui**) to acquire 100% of the shares in AWE for cash consideration of \$0.95 per share, to be effected by way of an off-market takeover bid for AWE¹ (**Mitsui Proposal**).

The AWE Board has assessed the Mitsui Proposal, and has determined that it is or may reasonably be expected to lead to a Superior Proposal² compared to the Mineral Resources Limited (**MinRes**) (**ASX:MIN**) scheme proposal announced by AWE on 21 December 2017. AWE has also now reached in-principle agreement with Mitsui in relation to the terms of a bid implementation deed to implement the Mitsui Proposal.

AWE late yesterday issued a notice to MinRes under the matching rights regime in the MinRes Scheme Implementation Deed (**MinRes SID**), which gives MinRes three business days to match the Mitsui Proposal, expiring on Friday 2 February 2018³. If MinRes does not match the Mitsui Proposal within that period, AWE intends to enter into the Mitsui bid implementation deed, and to change its recommendation to a recommendation that AWE shareholders accept the Mitsui takeover bid, in the absence of a superior proposal and subject to the independent expert concluding that the Mitsui takeover bid is fair and reasonable.

Until MinRes has had an opportunity to match the Mitsui Proposal, the AWE Directors maintain their existing recommendation in favour of the MinRes scheme proposal.

The AWE Board advises shareholders to **TAKE NO ACTION** in relation to the Mitsui Proposal or the previously announced China Energy Reserve and Chemical Group Australia Pty Ltd (CERCG) offer until they receive further advice from the AWE Board.

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¹ As described in AWE's announcement dated 29 January 2018, any such takeover bid would be subject to certain bid conditions, including a 50.1% minimum acceptance condition.

² As defined in the MinRes SID.

³ A full copy of the MinRes SID was attached to AWE's ASX announcement dated 21 December 2017,

