



12 February 2018

The Manager  
Company Announcements Office  
Australian Securities Exchange  
Level 4, 20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

**Off-market bid by CERCG Aus Gas Pty Ltd to acquire 100% of the shares in AWE Limited**

We refer to the Bidder's Statement dated 25 January 2018 in relation to the offer by CERCG Aus Gas Pty Ltd ACN 622 835 894 (**CERCG Aus Gas**), a 100% owned subsidiary of China Energy Reserve and Chemical Group Australia Pty Ltd ACN 615 286 443 (**CERCG Australia**), to acquire 100% of the shares in AWE Limited ACN 077 897 440 (**Offer**).

In accordance with section 647(3)(b) of the *Corporations Act 2001* (Cth), we attach a copy of the First Supplementary Bidder's Statement dated 12 February 2018 in relation to the Offer.

We request that this announcement is immediately released to the market through AWE's announcements platform page.

Yours faithfully

**Liping Xuan**

**Managing Director CERCG Australia**

**Director CERCG Aus Gas**

## Supplementary Bidder's Statement in relation to the Offer by CERCG Aus Gas Pty Ltd (ABN 72 622 835 894) to acquire all your ordinary shares in AWE Limited (ABN 70 077 897 440) for A\$0.73 cash per ordinary share

This is an important document and to the extent of any inconsistency between this document and the Bidder's Statement which is attached to this document, this document will prevail. If you are in any doubt as to how to act, you should consult your financial or legal adviser as soon as possible.

This is the first supplementary Bidder's statement (**First Supplementary Bidder's Statement**) given by CERCG Aus Gas Pty Ltd (ABN 72 622 835 894) (**CERCG Aus Gas** or **Bidder**) under section 643 of the *Corporations Act 2001* (Cth) (**Corporations Act**). This First Supplementary Bidder's Statement relates to and supplements CERCG Aus Gas' bidder's statement dated 25 January 2018 (**Original Bidder's Statement**) in respect of its offer to acquire all of the ordinary shares of AWE Limited (ABN 70 077 897 440) (**AWE**), and should be read together with that document. Unless the context otherwise requires, terms defined in the Original Bidder's Statement have the same meaning when used in this document.

A copy of this First Supplementary Bidder's Statement was lodged with ASIC and ASX and sent to AWE on 12 February 2018. Neither ASIC, ASX nor any of its respective officers take any responsibility for the contents of this First Supplementary Bidder's Statement.

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### 1. IMPORTANT UPDATES

The Bidder notes the following important developments since the date of its Original Bidder's Statement:

- on 5 February 2018, AWE announced that it had entered into a bid implementation agreement with Mitsui & Co Ltd (**Mitsui**) to acquire 100% of the shares in AWE at an offer price of \$0.95 cash per share (**Mitsui Offer**), and recommended that AWE Shareholders accept the Mitsui Offer, in the absence of a superior proposal and subject to an independent expert report concluding that the Mitsui Offer is fair and reasonable;
- on 5 February 2018, AWE also announced that it has terminated the scheme implementation agreement that it had entered into on 21 December 2017 with Mineral Resources Limited;
- on 5 February 2018, AWE also publicly announced that its Board had considered the CERCG Aus Gas Offer and unanimously recommended that shareholders **DO NOT ACCEPT** it, principally on the basis that the Mitsui Offer of \$0.95 cash per share is \$0.22 higher than the CERCG Aus Gas Offer; and
- the trading price of AWE shares on the ASX as at the close of trading on 9 February 2018, being the last full trading day prior to the lodgment of this First Supplementary Bidders Statement, was \$0.970.

**YOU SHOULD NOTE THAT THE PRICE OFFERED BY CERCG AUS GAS UNDER ITS OFFER IS CURRENTLY LESS THAN BOTH THE MITSUI OFFER PRICE AND THE CLOSING MARKET PRICE ON 9 FEBRUARY 2018.** As stated in the Original Bidder's Statement, the Bidder reserves the right to increase its Offer Price.

### 2. Funding arrangements

The Bidder makes the following confirmations and clarifications in relation to the funding arrangements described in section 4 of the Original Bidder's Statement:

- the legally binding funding obligations of CERCG Trading and Mr Wang are unconditional; and
- CERCG Trading and Mr Wang respectively have cash and cash equivalents sufficient to meet their respective funding commitments to the Bidder described in section 4 of the Original Bidder's Statement held by or on their behalf in the Hong Kong accounts of CERCG Trading. The transfer of these amounts is not subject to any material condition precedent, including Chinese foreign exchange approval.

### 3. Revision to date of the Offer and extension of the Offer Period

On 2 February 2018, AWE applied to the Takeovers Panel asserting that the disclosures in the Original Bidder's Statement were deficient. The Bidder has provided an undertaking to the Takeovers Panel to make the disclosures in this First Supplementary Bidder's Statement and attach it to the front of the Original Bidder's Statement to be dispatched to AWE Shareholders within a 3 day period commencing on Tuesday, 13 February 2018. The Takeovers Panel has indicated that it intends to decline to commence proceedings provided that the Bidder has complied with its undertaking.

As a consequence of the delay in the dispatch of the Original Bidder's Statement, ASIC relief is necessary to amend the terms of the Offer. ASIC has granted relief to permit the Bidder to amend the terms of the Offer as set out in Annexure A of the Original Bidder's Statement as follows:

- in paragraph 1(f) of Annexure A, the date of the Offer is 13 February 2018 rather than 8 February 2018; and
- in paragraph 2(a) of Annexure A, the Offer Period ends at 7.00pm (AEDT) on 13 March 2018 rather than 8 March 2018.

### 4. Approval

This First Supplementary Bidder's Statement has been approved by a resolution of the directors of the Bidder.

**Dated:** 12 February 2018.

**Signed** on behalf of CERCG Aus Gas Pty Ltd (ABN 72 622 835 894)



**Ms Liping Xuan**  
**Managing Director CERCG Australia**  
**Director CERCG Aus Gas**



**Mr Jianguo Wang**  
**Director CERCG Australia**  
**Director CERCG Aus Gas**