



ASX Announcement

Armour Energy Limited

15 June 2020

Execution of Agreement with Oilex Ltd for Acquisition of Cooper Eromanga Basin Assets and Commencement of Brad Lingo as CEO

Further to the previous announcements of 28 May, 1 June and 5 June 2020, the Board of Armour Energy ("Armour" or the "Company") wishes to advise that the share sale agreement with Oilex Ltd ("Oilex") for the acquisition of all the issued capital in CoEra Ltd has been executed by the parties.

As previously disclosed, CoEra's assets comprise a substantial footprint of exploration and production licences on the oil rich Western and Northern Flanks of the Cooper Basin. The basin historically has a high exploration success rate, low cost development pathways, and remains under-explored and under-developed. Proven oil fairways transect and lie adjacent to the licence areas subject of the proposed acquisition and the many nearby discoveries and fields provide analogues for future discoveries.

The acquisition consideration includes the issue to Oilex (or its nominees) of a minimum of 24.5m shares and a maximum of 34.5m shares in Armour, subject to the VWAP of the Armour share price for a period of 90 days from the execution of the Term Sheet. The variance is designed to deliver a closing consideration of \$906,500 in Armour shares to Oilex, subject to the aforementioned maximum and minimum parameters. Completion of the sale agreement is subject to a number of conditions. The conditions include that the issue of the shares to Oilex will be subject to any necessary Armour shareholder or regulatory approvals, and the shares issued will also be subject to a 12 month voluntary escrow.

In conjunction with this development, the Company is pleased to announce the commencement of Mr Brad Lingo as Armour's CEO.

Mr Brad Lingo has had a distinguished career spanning over 30 years in a diverse range of oil and gas leadership roles, including business development, new ventures, mergers and acquisitions and corporate finance. Mr Lingo has been actively involved in oil and gas exploration, development and production activities in the Cooper Basin since 1993. He was Managing Director and CEO of Drillsearch Energy Ltd for 6 years building the company from a 200BOPD oil producer to a leading S&P/ASX 200 index Cooper Basin focused oil and gas company. During his time at Drillsearch, the market capitalisation of the company increased from ~ \$40m to ~ \$800m.

Mr Lingo has received recognition as an oil and gas industry leader winning the S&P/ASX200 Energy Best CEO of the Year award in 2014 in the annual SMH/East Coles awards. Prior to taking on the role at Drillsearch, Mr Lingo was Head of Oil & Gas for the Commonwealth Bank of Australia. Mr Lingo started his career in the Cooper Basin as VP and Head of Business Development for Tenneco Energy and following the acquisition of Tenneco by El Paso Corporation, Mr Lingo was a co-founder of Epic Energy which became one of Australia's leading developer, owner and operator of natural gas infrastructure.

A summary of the key terms of an Executive Services Agreement for Mr Lingo will be lodged separately.

The Company also wishes to advise that incumbent CFO Mr Richard Aden has tendered his resignation from Armour, and is currently working out his notice period. The Board would like to sincerely thank Mr Aden for his dedicated service to Armour over the past two years, and wishes him well in his future endeavours. The Company will advise of arrangements to be made in relation to the appointment of a new CFO in due course.

This Announcement is Authorised by the Board of Directors

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Company Secretary

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