

Armour Energy Limited

6 January 2020

Myall Creek #5A Well - Gas Flows Increasing to 4.23MMSCFd on Recommencement of Flow Back Operations

The Directors of Armour Energy Ltd (ASX: AJQ) are pleased to provide this update on the Company's operations at the Myall Creek #5A well located in its 100% owned PL511 and Horseshoe #4 located in 100% owned PL227.

Myall Creek #5A

As per the Company's announcement of 24 December 2019, Myall Creek #5A commenced flowback operations on 22 December 2019, and by 23 December 2019 had achieved a flow rate of 2.37MMSCF/d before being shut in over the Christmas period.

On 4 January 2020, Armour recommenced flowback operations on Myall Creek #5A, with production rates from the well continuing to climb to 4.23MMSCFd and a flowing wellhead pressure of 1364psi with associated condensate production.

Armour is extremely encouraged by the result of the Myall Creek #5A well. Production from the well is currently in the process of being connected to the existing sales gas pipeline infrastructure.

Further updates will be provided on the production rates of the well as continued flowback of stimulation fluid is recovered.

Horseshoe #4

On 4 January 2020, Armour commenced workover and completions operations on Horseshoe #4. As per the Company's announcement of 12 November 2019, the well was drilled to a total depth (TD) of 2,169m.

Logging operations conducted in November 2019 provided very encouraging results, indicating gas potential in both Triassic and Permian sands. As a part of the proposed completion of the well, Armour Energy is currently installing 2-3/8" production tubing and will perforate the casing to connect to both the Triassic and Permian sand packages. It is intended that this well will be completed conventionally.

Further updates on Horseshoe #4 will be provided as completion operations progress.



On behalf of the Board
Karl Schlobohm - Company Secretary

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**Myall Creek #5A– flaring initial gas of up to 4.4 MMCFD during flow back operations
(photo taken at approximately 6pm 5 January 2020)**

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