

Armour Energy Limited

ASX Announcement

11 March 2020

Petroleum Production Licence PL1084 - Granted to Armour Energy and Australia Pacific LNG Joint Venture

Highlights:

- The Queensland Department of Natural Resources, Mines and Energy (DNRME) has formally granted a Petroleum Production Licence No.1084 (PL1084) to a Joint Venture comprising 90% ownership by Australia Pacific LNG Pty Ltd (APLNG) and 10% by Armour Energy Limited (Armour).
- PL1084 has been granted with the specific conditions that the gas produced from the Production Licence is to be sold exclusively for local manufacturing.
- The Production Licence granting will see Joint Venture partners APLNG and Armour Energy develop up to 103 petajoules of gas over 30 years from a block 22 kilometres south-west of Chinchilla.
- Gas production from the project is expected to commence in 2021.

Armour Energy Limited (**Armour**, ASX:AJQ) is pleased to announce that the Queensland Department of Natural Resources, Mines and Energy (DNRME) has now granted a Petroleum Production Licence No.1084 (PL1084) over the former Authority to Prospect – ATP2046.

PL1084 has been granted to a Joint Venture between Armour Energy Limited (10%) and Australia Pacific LNG Pty Ltd¹ (**APLNG**) (90% and Operator) and has been granted less than eight months after the original exploration tenement was awarded.

PL1084 is an 18km² coal seam gas exploration tenure located 22km south-west of Chinchilla and adjoins APLNG's Talinga Project (see **Figure 1**). The block was part of the first national tender where gas has been designated to be supplied *exclusively* to Australian domestic manufacturers, an initiative by the Queensland Government.

As a part of the the Joint Venture, APLNG will operate the tenure, however both parties are able to independently market their proportion of produced gas directly to local manufacturing firms.

It is anticipated that activity would start on well and gathering infrastructure this year, with first gas from this block expected to be delivered in 2021 and Armour looks forward to supplying the gas to local manufacturers as soon as possible.

¹ APLNG is a Joint Venture between ConocoPhillips Australia (37.5%), Origin Energy Limited (37.5%) and Sinopec (25%).

Armour Energy's Executive Chairman, Mr Nicholas Mather stated:

"Armour is extremely pleased that, with the support of the Queensland Government and the efforts of our Joint Venture partner APLNG, this project continues its rapid path towards development and production. The award of this production licence is a key step towards delivering further gas into the domestic market to underpin local manufacturing."

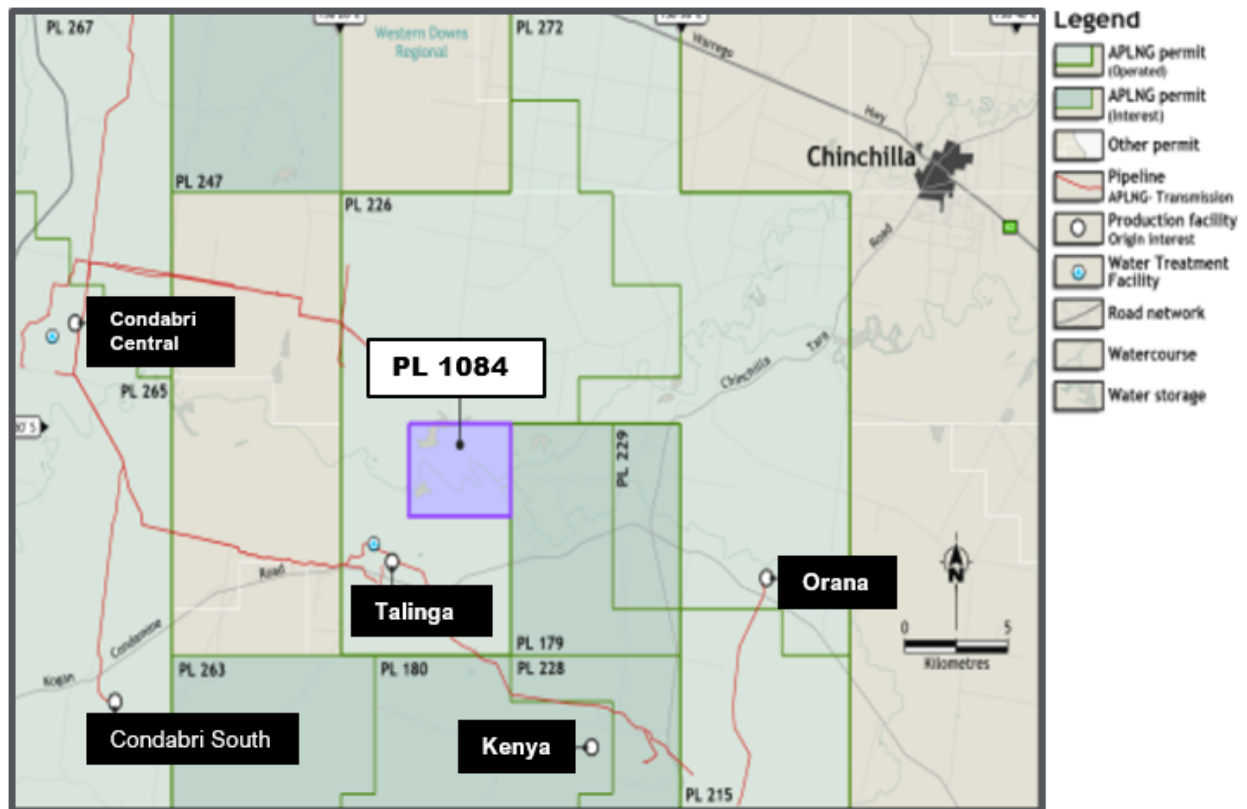


Figure 1 – Location of Petroleum Production Licence PL1084

This Announcement is Authorised by the Board

Karl Schlobohm
Company Secretary

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