

## Armour Energy (ASX:AJQ)

### ASX Announcement

12 March 2021

## Execution of share acquisition agreement for the sale of Ripple Resources Pty Ltd

### HIGHLIGHTS:

- **Execution of the share acquisition agreement between Armour, Ripple and Auburn Resources Limited (Auburn) to sell 100% of the issued share capital in Ripple to Auburn.**
- **Armour to receive 5,600,000 fully-paid ordinary Auburn shares, which equates to approximately 12.5% of Auburn's issued share capital immediately following the completion of the transaction.**

Further to the previous announcement of 18 August 2020, the Board of Directors of Armour Energy Limited (**Armour**, the Company, ASX: AJQ) is pleased to advise that a share sale agreement has been executed with public, unlisted Auburn Resources Limited (**Auburn**) for the sale of all issued share capital in Ripple Resources Pty Ltd (**Ripple**).

As previously disclosed, Ripple currently holds a number of mineral exploration tenements in Queensland and the Northern Territory considered to be prospective for lead and / or zinc. Auburn, which will be 39% owned by DGR Global immediately following completion of the transaction, holds interests in a range of mineral projects in Queensland and the Northern Territory prospective for copper, gold, lead, zinc, cobalt and nickel. Auburn holds an extensive lead-zinc focussed exploration position in Northern Queensland and the Northern Territory, and this is considered to be complementary to Ripple's existing tenement holdings in the same states. A map of the combined tenement position is provided in **Figure 1**.

In consideration for the issue of 5,600,000 fully-paid ordinary Auburn shares, Armour will transfer its legal, beneficial and unencumbered interest in 100% of the shares in Ripple to Auburn. Following completion, this equates to Armour obtaining approximately 12.5% of Auburn's issued share capital immediately following completion of the transaction.

Completion of the transaction is subject to a number of customary conditions precedent, including:

- a) Ripple being released from its obligations and liabilities as an obligor and guarantor under the Secured Amortising Notes issued by Armour pursuant to the Information Memorandum dated 27 March 2019 (**Notes**); and
- b) any security interest (granted in respect of the Notes) held in or over:
  - i) Armour's shareholding in Ripple; and
  - ii) Ripple's tenements,

is released prior to completion.

The proposed transaction will, on completion, provide Armour with a passive investment in a company which is currently investigating opportunities for an ASX listing event. Furthermore, the divestment will allow Armour's Board and management to focus their time, and the Company's capital, on its core oil and gas business.

Armour Energy's CEO, Brad Lingo said:

"The execution of the sales agreement with Auburn further demonstrates Armour's commitment to streamlining its asset portfolio and focusing on the core oil and gas assets in the Surat and Cooper basins. Ripple has some great assets and Armour will be a keen observer of Auburn's progression over the coming years."

This Announcement is Authorised by the Board of Directors  
Karl Schlobohm  
Company Secretary

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**ASX Code: AJQ**

**Executives**

Bradley Lingo - Chief Executive Officer  
Karl Schlobohm – Company Secretary  
Michael Laurent – Chief Operating Officer  
Toni Hawkins – Chief Financial Officer

**Directors**

Nicholas Mather – Executive Chairman  
Stephen Bizzell - Non-Executive Director  
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Map showing the combined Auburn / Ripple Project Portfolio

