

## Armour Energy (ASX:AJQ)

### ASX Announcement

11 May 2021

### Northern Territory Work Program 2021

#### HIGHLIGHTS:

- A 20,000km<sup>2</sup> airborne geophysical survey scheduled to commence in early July 2021.
- Largest airborne survey of its type to be undertaken in the Northern Territory - equivalent to the size of Wales.
- The survey is expected to provide clear focus areas of exploration interest.
- Survey also to de-risk, rank and high-grade existing leads and prospects and help form new leads and prospects - helping identify future drill targets.
- The survey is a non-invasive, low to zero environmental impact program that is scheduled for approximately 35 days.

**The Directors of Armour Energy Limited (ASX: AJQ; "Armour", or "the Company") are pleased to announce that Pinemont Technologies Australia Pty Ltd, a specialist geophysical service provider, has been engaged to acquire approximately 20,000km<sup>2</sup> of airborne geophysical data over of its Northern Territory acreage.**

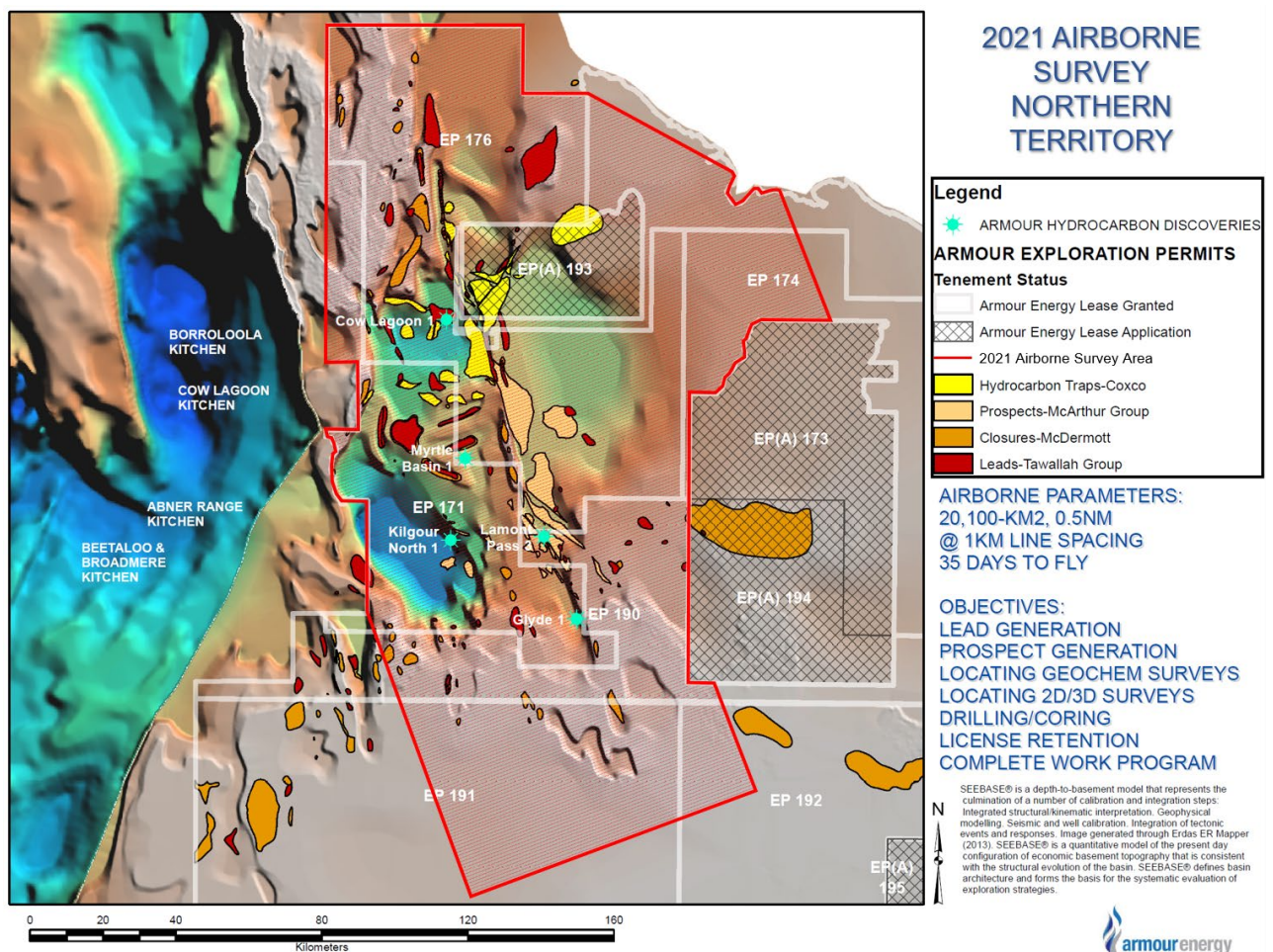
The airborne survey will cover all or substantial portions of five (5) exploration permits (EPs 171, 174, 176, 190 and 191) and one (1) exploration application area (EP(A) 193) which cover the Batten Trough and Fault Zone and a conventional oil and gas fairway encompassing the Coxco Dolomite and McArthur and Tawallah Group prospects and structural closures (see map below).

Armour's large portfolio of leads and prospects (refer Armour's resource statement on 27 April 2021 announcement) includes multiple features within four geological horizons that are adjacent to or lie directly over deeper parts of the McArthur Basin and the Beetaloo sub-basin that are proven hydrocarbon kitchens. These kitchen areas are known to produce both oil and gas as demonstrated by several of the Company's discoveries across multiple conventional and unconventional hydrocarbon bearing zones - in the conventional Reward and Coxco Dolomites and in the unconventional Barney Creek, Wologorang and McDermott Shales - within the exploration permits along the Batten Trough and Fault Zone conventional play fairway within the airborne survey coverage area.

To date the Company has identified 193 conventional leads and prospects along this conventional play fairway and the airborne survey is aimed at both high-grading these existing leads and prospects and identifying additional conventional leads and prospects along the conventional play fairway.

The Company has engaged geophysical technology company, Pinemont Technologies Australia Pty Ltd to undertake the largest private airborne geophysical survey ever acquired in the Northern Territory using their patented passive airborne survey technology (AEM-PTP). The technology underpinning the AEM-PTP system measures a geophysical response associated with variability in elements of the earth's electromagnetic field interacting with REDOX cells. REDOX cells can form in association with the upward fluid flow of migrating hydrocarbons and/or micro-seepage from hydrocarbon accumulations.

The application of airborne technology has significant advantages as a data acquisition method including its non-invasive nature and the ability to collect data over large areas in both a timely and cost-effective manner. Once processed and interpreted, the data collected will help to mitigate risk associated with potential hydrocarbon migration pathways and hydrocarbon reservoir charge.



This data is expected to provide focus upon areas of exploration interest and provide a measure against which to de-risk, rank and high-grade existing leads and prospects. The method can also form the basis to identify areas for follow up ground-proofing using iodine geochemical surveying, and the acquisition of gravity and/or seismic surveys.

The proposed airborne data acquisition is a safe, relatively low-cost approach, and has low to zero environmental impact. The survey is designed to complement the data in the area, and to provide a focus to Armour's exploration efforts, identifying higher potential areas and providing a high-grading tool for Armour's existing drilling inventory.

It is expected that the survey acquisition will take around 35 days, and that it will be progressively undertaken across July and August 2021, with results available from September 2021.

Armour CEO, Brad Lingo stated "This is an important moment for Armour and McArthur Oil and Gas (McArthur) to restart a very focused exploration programme covering the Company's extensive exploration holdings in the McArthur Basin. Armour has already demonstrated the hydrocarbon potential of the Batten Trough and Fault Zone making four discoveries in its initial five well exploration programme. Kicking off this airborne survey is the beginning of the Company rebuilding the momentum it had with those initial discoveries."

Mr. Lingo continued "One of the challenges for the Company and McArthur, is that Armour's exploration holdings in the Northern Territory are so extensive and encompass multiple play types both conventional and unconventional, is where to focus our exploration efforts to deliver material results as early as possible. The recent NSAI Resource update has quantified the multi-TCF conventional and unconventional resource potential of these exploration holdings."

Mr. Lingo added "We believe that the airborne geophysical survey will hold high-grade key areas of focus when tied together with the historical discoveries, and we expect that the survey will help the Company focus on where to target the next phase of exploration as well as complement the development programme for the Glyde conventional gas discovery, where the Company has recently applied for retention licenses as a first step towards pursuing a commercial development, aiming at first gas commercial production as early as the end of 2022."

Jim Dirstein, of Pinemont Technologies Australia Pty Ltd. stated "Pinemont is very pleased to be participating in this survey with Armour Energy. Globally our patented AEM-PTP system has proven to be successful in helping to mitigate risk associated with identifying hydrocarbon migration pathways. These insights often provide focus for our clients' exploration efforts and their understanding of the resource potential of the asset."

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

**ASX Code: AJQ**

**Executives**

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

**Directors**

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