

Armour Energy (ASX:AJQ)

ASX Announcement

5 August 2021

**Approval for Northern Territory Asset transfer
Next step in the demerger and IPO of McArthur**

HIGHLIGHTS:

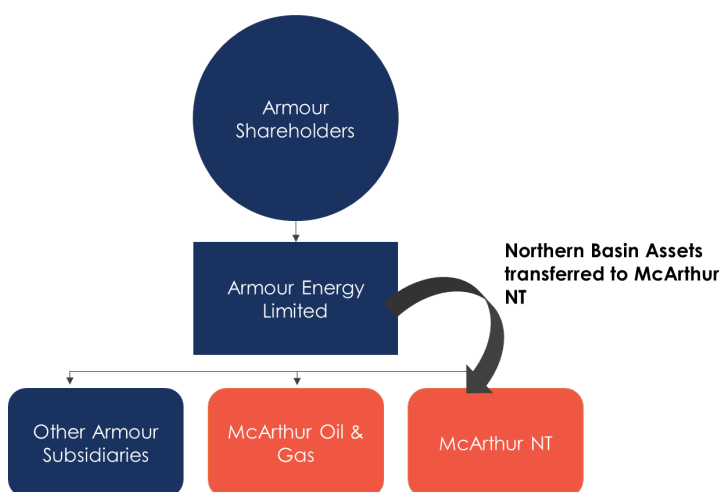
- Armour has received approval from the Northern Territory Department of Investment, Tourism and Trade (DITT) to transfer the Northern Territory Exploration Permits into McArthur NT Pty Ltd.
- McArthur NT will be the operating entity for the Northern Basin Assets.
- Significant step forward in the proposed demerger and IPO process.

The Board of Directors of Armour Energy Limited (Armour; the Company; ASX:AJQ) is pleased to advise that the transfer of the Northern Territory Exploration Permits (EPs) from Armour Energy to McArthur NT Pty Ltd has been approved. Armour is also expecting to receive approval from the Department of Investment, Tourism and Trade (DITT) shortly for the interposition of McArthur Oil & Gas Limited (McArthur).

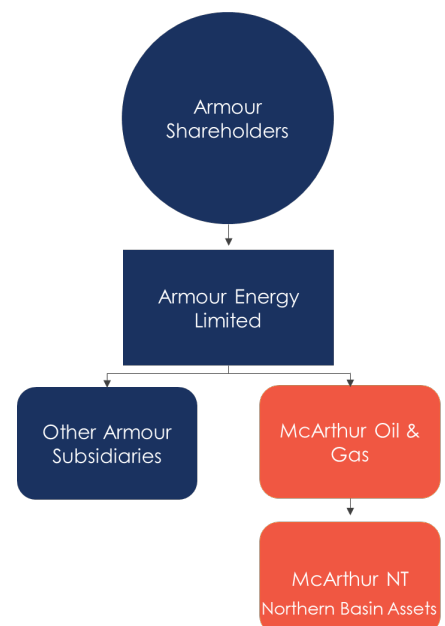
In preparation for the proposed demerger and separate ASX listing of the Northern Basin Assets, Armour Energy has undergone a restructuring exercise to transfer the Northern Territory EPs into a newly established subsidiary, McArthur NT Pty Ltd (MNT). Following this transfer, Armour expects to soon receive approval from DITT to interpose McArthur between Armour as the parent company and its subsidiary MNT.

Once the interposition is complete, the restructuring required to enable the proposed demerger and IPO of McArthur will be complete.

Restructuring to transfer Northern Basin Assets into McArthur NT

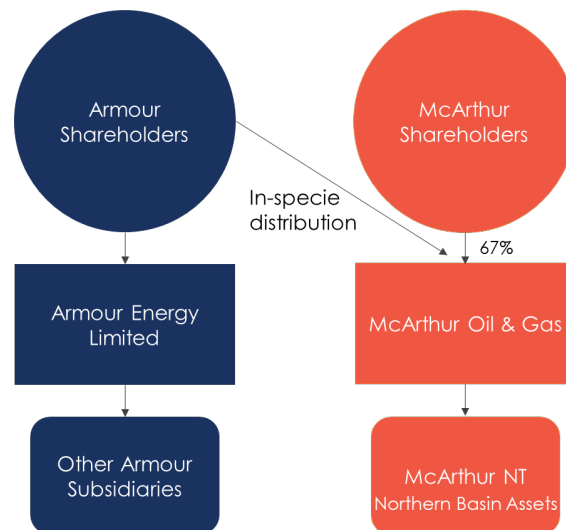


Interposition of McArthur Oil & Gas



The next stage in the proposed demerger and IPO process will be the in-specie distribution of Armour's interests in McArthur to Armour shareholders.

Demerger and ASX listing of McArthur Oil & Gas, in-specie distribution from Armour



The following granted permits have been transferred:

Granted Permits			
Permit	Jurisdiction	Area (km2)	Working Interest %
EP 171	Northern Territory	3,453	100%
EP 174	Northern Territory	4,320	100%
EP 176	Northern Territory	7,441	100%
EP 190	Northern Territory	12,760	100%
EP 191	Northern Territory	15,163	100%
EP 192	Northern Territory	9,455	100%
Total		52,592	100%
Permit Applications			
Application	Jurisdiction	Area (km2)	Working Interest %
EP(A) 173	Northern Territory	2,903	100%
EP(A) 178	Northern Territory	14,853	100%
EP(A) 179	Northern Territory	11,500	100%
EP(A) 193	Northern Territory	1,348	100%
EP(A) 194	Northern Territory	2,331	100%
EP(A) 195	Northern Territory	3,287	100%
EP(A) 196	Northern Territory	739	100%
Total		36,961	100%

Armour Energy's CEO, Brad Lingo said:

"I appreciate the work that DITT has put in to assisting Armour with the restructuring of the Northern Basin Assets. Once the interposition is complete, Armour will be in a strong position to progress with the next stages of the proposed demerger and IPO of McArthur."

This Announcement is Authorised by the Board of Directors

Karl Schlobohm

Company Secretary

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Executives

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

Directors

Nicholas Mather – Executive Chairman
Stephen Bizzell – Non-Executive Director
Roland Sleeman – Non-Executive Director
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