Morgans IN ALLIANCE WITH CIMB

Armour Energy

AJQ AU / AJQ.AX

Market Cap	Avg Daily Turnover	Free Float
US$32.6m	US$0.18m	67.6%
A$36.6m	A$0.21m	221.8 m shares

Current	A$0.17
Unrisked value	A$2.26
Risked value	A$0.59

STOCK RATING: ADD | HOLD | REDUCE

Morgans Analyst(s)

Krista WALTER
T (61) 7 3334 4775
E krista.walter@morgans.com.au

Roger LEANING
T (61) 7 3334 4554
E roger.leaning@morgans.com.au

A new frontier

AJQ has been evaluating the unconventional and conventional potential of its acreage in the Northern Territory and Queensland. AJQ will recommence flow testing of its Egilabria-2 lateral well in May, as well as the restart of its exploration program in the North following the wet season. A farm-in agreement on some of its acreage is a likely near term catalyst, which will likely highlight AJQ's value and provide funding for the next stage of exploration and development.

Based on comparable explorers, there is significant upside to the current share price as the company achieves its near term goals. Our risked valuation for AJQ is $0.59ps is based on comparable transactions.

What have they achieved?

AJQ owns a 100% interest in one of the largest Shale Gas acreage positions in Australia, comprising exclusive rights over approximately 133,900 km^2 of adjoined tenements and a large inventory of associated conventional leads and prospects. Significant unconventional (41.3Tcf) and conventional (3.5Tcf), third-party assessed gas prospective resources have been identified across its acreage. AJQ's early results have also helped to de-risk the potential in the area for significant hydrocarbons, though not yet commercially proven.

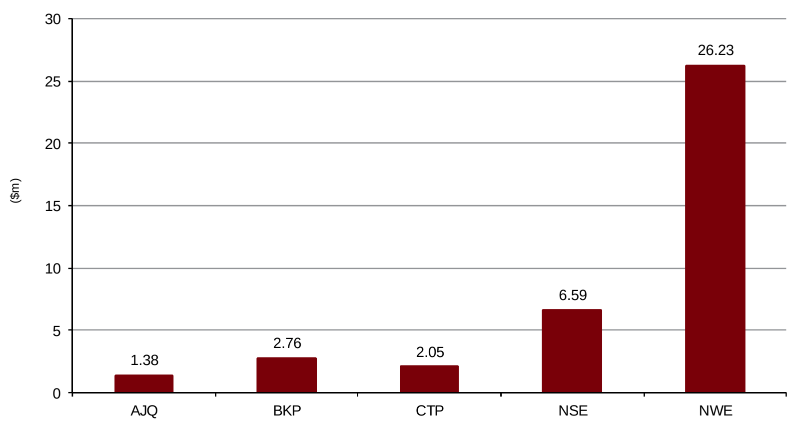
What is next?

AJQ is seeking farm in partners for its Northern Acreage, over which the company has proven extensive gas resources in place and may relieve a market perception that additional capital is necessary. Early revenue is possible from gas sales in Victoria if wells are successful, with approvals pending.

Upside in exploration

Key investment highlights include AJQ's early mover advantage with initial results, large acreage footprint, potential for short term cashflow to supplement funding, an experienced team, access to market, and location in an exploration hotspot. Given the risks associated with early stage exploration, we rate this as a Speculative Add.

Comparable EV/Acre values



SOURCE: MORGANS, COMPANY REPORTS

Detail done, now for the farm out

1. INVESTMENT HIGHLIGHTS

- **Early mover**: AJQ is an early entrant into a large emerging hydrocarbon province in northern Australia that is highly prospective for gas and associated liquid resources.
- **Large acreage footprint with contingent resources:** The company owns a 100% interest in one of the largest Shale Gas acreage positions in Australia, comprising exclusive rights over approximately 133,900 km^2 of adjoined tenements and a large inventory of associated conventional leads and prospects. Significant unconventional (41.3 Tcf) and conventional (3.5 Tcf), third-party assessed, gas prospective resources have been identified across its acreage.

  At the time of the IPO, MBA Petroleum Consultants' assessed a mean prospective unconventional resources estimate for the Barney Creek Shale in the Company's two granted permits EP 171 and EP 176 in the NT, of 18.8 TCF of gas and 2.0 billion barrels of associated and a mean prospective unconventional resource estimate of 22.5 Tcf of gas and 0.2 billion barrels of condensate in the Lawn Shale in Armour's Queensland ATP 1087 tenement. Through additional exploration activities in the NT in 2012-2013, SRK recently assessed conventional mean Prospective Resources of 3.5 TCF of gas in the Coxco Formation within the Company's currently granted NT permits, and in Queensland, the AJQ reported resources of up to 1.8 TCF of gas and 137 million barrels of liquids in conventional structures and up to 18Tcf of gas in the unconventional Riversleigh Shale within its Queensland ATP 1087 tenement.
- **Glyde Discovery:** Armour's Glyde 1 discovery well and surrounding structure was assessed by DeGolyer & McNaughton to hold up to 12.5 PJ of 3C Contingent Resources, based on a potential development plan targeting the Coxco Formation to deliver up to 9 PJ/A to local and NT markets connecting through existing pipeline infrastructure.
- **Potential for early cash flow**: AJQ entered into an agreement with Lakes Oil where Armour would take a strategic stake in the company as well as farm into some of Lakes Oil assets. The rationale for this investment and farm-in is that Armour believes the Lakes ground is underexplored and new exploration approaches could yield positive results. Furthermore, Armour believes the Lakes Oil ground could be prospective for early production and cash flow which could help fund Armour's other exploration activities.
- **Experienced board and management:** The Company's senior management team has extensive technical, commercial and operational expertise in the petroleum and broader resources sectors. The members of the Company's Board, executive and technical teams have extensive experience in the resources sector in Australia and overseas as well as strong relevant experience in building and managing resource companies.
- **Access to Market:** AJQ is well located with respect to nearby mines which may need gas for power, as well as near to the pipeline infrastructure. AJQ's tenements in the Northern Territory straddle the McArthur River Gas Pipeline, and the leads currently identified are close to this pipeline (within 60km). This provides Armour with the opportunity to tap into existing infrastructure at low cost. In Queensland, Armour's granted tenement is approximately 300km from Mt Isa. A 300km pipeline could connect Armour's gas resources into the existing pipeline infrastructure at Mt Isa which would enable gas to flow south to the Mt Isa market and further south into the pipeline

network that extends to markets such as the LNG trains on Curtis Island, Gladstone and onto Brisbane and Sydney markets.

- **Regional Location is a hot spot:** AJQ is in basins with proven hydrocarbon systems, including the Georgina, McArthur, and South Nicholson Basins. These basins are being explored by major companies, including Total, Santos, and Statoil. As exploration results are released by bordering companies as well as AJQ, the market may further de-risk the potential value.

2. GROWTH DRIVERS

2.1 Significant acreage position

AJQ has amassed a significant acreage position in northern Australia and holds multiple granted exploration permits in NT and Queensland covering approximately 60,500 km^2 that are all in good standing. The company also has granted rights pending in respect of an additional 10 permits covering another 73,400km^2 in the Northern Territory and Queensland. All in all, Armour has secured a substantial acreage position covering approximately 133,900km^2 of the McArthur, South Nicholson and Georgina Basins, as well as in Victoria.

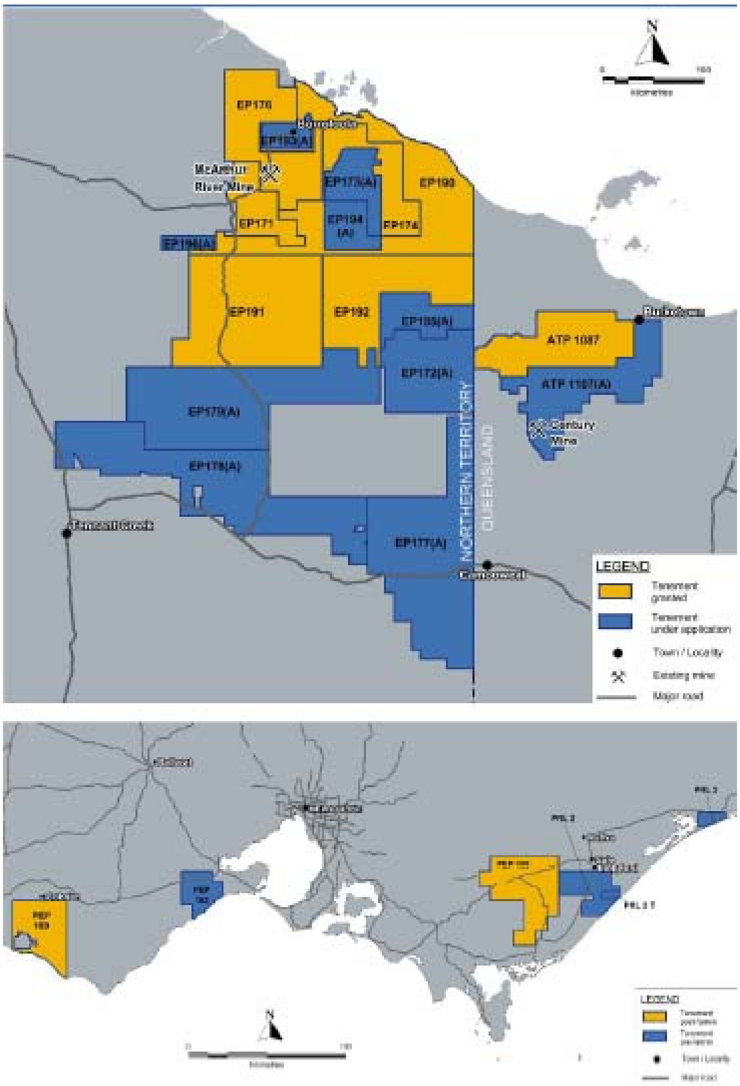
The company has a mean prospective resource of 18.8 Tcf of gas and 2.0 billion barrels of condensate in the Northern Territory acreage, and 22.5 Tcf of gas and 0.2 billion barrels of condensate in the Queensland acreage (as estimated by MBA Petroleum Consultants). These prospective resources cover only 26,586 km^2, which highlights the potential upside from the remainder of the company's large acreage position.

Figure 1: Resource Summary

	Northern Territory	Queensland
Conventional (Contingent)*	2.4 Bcf 1C, 6.0 Bcf 2C, 10.3 Bcf 3C	
Conventional (Prospective)	Mean 264.4 Bcf	
Conventional (Prospective)*	Mean 3,496 Bcf	
Unconventional (Prospective)*	Mean 18.8 Tcf 2.0bn bbl condensate	Mean 22.5 Tcf

*Third-party assessed resources SOURCES: MORGANS, COMPANY REPORTS

Figure 2: AJQ's acreage position spans NT, QLD and VIC



SOURCES: MORGANS, COMPANY REPORTS

The figure below highlights the growth of conventional gas Prospective Resources in its NT acreage following its initial exploration program.

Figure 3: AJQ's prospective resource estimates

Assessor	Low Estimate (Bscf)	Most Likely Estimate (Bscf)	High Estimate (Bscf)	Mean Estimate (Bscf)	Low Estimate (PJ)*	Most Likely Estimate (PJ)*	High Estimate (PJ)*	Mean Estimate (PJ)*
Degolyer and MacNaughton (as of 1 April 2013)	191.5	255.6	345.9	264.4	233.2	311.3	421.3	322.0
SRK Consulting (as of 26 November 2013)	890	2,254	5,708	2,870	1,084	2,745	6,952	3,496

SOURCES: MORGANS, COMPANY REPORTS

2.2 Exploration strategy

AJQ's exploration strategy should lead to increased value, as initial flow rates help de-risk exploration. Flow rates enable initial field development calculations, which better enables the market to value acreage. AJQ's future plans include:

Queensland:

- Further evaluation via vertical wells and seismic. Drilling to target stacked plays
- Targeted laterals to prove shale gas play and book resources
- Multi-well pilots, resources growth and first gas sales, feasibility for large scale project

Northern Territory:

- Drill vertical wells to test the unconventional Barney Creek Shale
- Drill low-cost conventional targets
- First production from conventional targets and links to existing infrastructure or via CNG or micro LNG
- Prove Barney Creek Shale for large scale production

Victoria:

- Drill Otway-1 in PEP 169
- Early gas sales in the success case
- Review options over PRL 2

2.3 Access to markets

AJQ's tenements in the Northern Territory straddle the McArthur River Gas Pipeline, and the leads currently identified are close to this pipeline (within 60km). This provides Armour with the opportunity to potentially tap into existing infrastructure at low cost for a gas development to supply the regional Northern Territory market. Significantly larger volumes could find its way into Darwin based LNG projects and other consumers by expanding infrastructure using existing pipeline corridors.

In Queensland, Armour's granted tenement is approximately 300km from Mt Isa. A 300km pipeline could connect Armour's gas resources into the existing pipeline infrastructure at Mt Isa which would enable gas to flow south to the Mt Isa market and further south into the pipeline network that extends to markets such as the LNG trains on Curtis Island, Gladstone and onto Brisbane and Sydney markets.

Armour is also considering Compressed Natural Gas and or micro LNG projects from its prospective acreage with the aim to obtain near term cash flow.

Armour's tenements may be remote but they are not isolated and it is possible to connect to existing pipeline infrastructure and markets.

2.4 News Flow

We are expecting news regarding an ongoing farm out process in the Northern Territory and separately in Queensland. Due to the onset of the wet season, we don't expect further news in QLD or NT until drilling begins again in ~May.

The Company intends that its projects in Queensland and the Northern Territory continue to be explored including drilling a number of wells in both the NT and QLD and the restart of the production test on Egilabria-2, the first well in Australia to flow gas from a horizontal, hydraulically stimulated shale formation. The production test was suspended in November last year in view of the onset of the wet season. In Victoria, work scheduled for 2014 includes the drilling of the Otway-1 well ($1.35m, Armour share), subject to receipt of final Victorian government approval. The Otway-1 well is located in very close proximity to the Ioana gas processing plant and, if successful, could provide a short term monetization route.

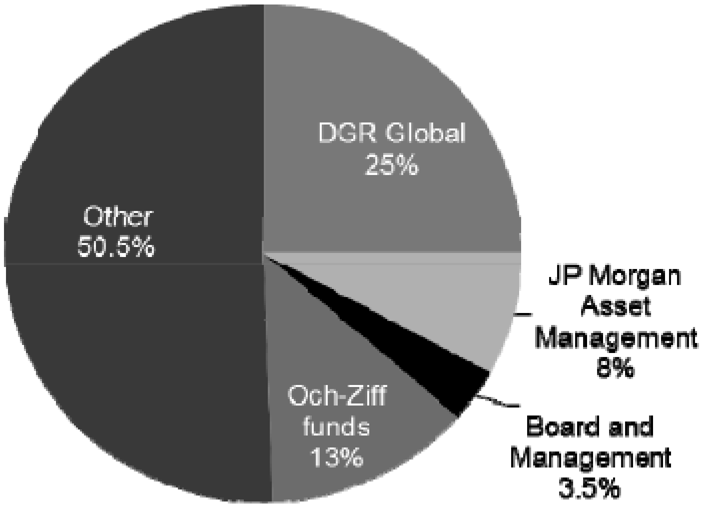
3. FINANCIALS

- AJQ had an NPAT of A$772,249 in 1H14.
- AJQ has 300,767,196 of ordinary shares on issue (of that 78.95m are

restricted) and no debt

- Cash was $11.3m at 31 December 2014. The Company also expects to receive a substantial Research and Development tax incentive refund in the second half of 2014 based on the exploration program undertaken in Queensland and the Northern Territory during the 2013 financial year.
- AJQ has future exploration commitments of A$26m in less than 12 months and A$101m between 12 months and 5 years
- Farm-in funding is possible as the company is actively pursuing JVs

Figure 4: AJQ shareholder split



SOURCES: COMPANY REPORTS

4. VALUATION AND INVESTMENT VIEW

Given the early stage exploration of the company's assets, and the significant number of factors which need to be defined, it is difficult to value Armour using our preferred DCF valuation methodology. Consequently, our valuation is based on a more subjective transaction multiple methodology of other farm-ins in Australia. There has been a significant amount of interest in the Australian oil and gas scene which has seen global super majors (BG, Mitsubishi, ConocoPhillips, Statoil and Total, etc) taking positions in the acreage of junior oil and gas explorers. Below we outline recent transactions which have been over A$50m in value.

Figure 5: Significant farm-in transactions

Date	Tenement owner	Farminee	Total commitment	Interest earned	Tenement size (acres)	Implied value per acre
Nov-12	Central Petroleum	Total	$152.00	68% interest	6000000	$37.25
2012	Acer Energy	DLS	$132.30	100% interest	4876523	$27.13
2012	Central Petroleum	STO	$150.00	70% interest	19768400	$10.84
Jul 2011	Drillsearch Energy	QGC (BG Group)	$130.10	60% interest[1]	630,000	$344.18
Jul 2011	New Standard Energy	ConocoPhillips	$110.50	75% interest	11,000,000	$13.39
May 2011	Falcon Oil & Gas	Hess Corporation	$97.00	62.5% interest[2]	6,227,500	$23.96
Dec 2010	Exoma Energy	CNOOC	$50.00	50% interest	6,632,308	$15.08
Jun 2010	Buru Energy	Mitsubishi	$152.50	50% interest	18,000,000	$16.94
					Average:	$61.10
					Average (Exc. DLS/QGC):	$20.66

1 In addition to 31.6m share options

2 In addition to 10m share warrants

SOURCES: MORGANS, COMPANY REPORTS

The limitations of this approach include:

- While it is still early days for these projects, there is no doubt that the underlying resource potential will vary from region to region, with some play types being preferred to others;
- Access to infrastructure is critical for the development of unconventional resources and a higher priority (and price) would likely be paid for acreage closer to markets;
- Prospective resource sizes (and acreage positions) are wide ranging and this needs to be taken into consideration as higher prospectivity (and larger acreage positions) will generally attract; and
- The stage of development and resource definition will also impact the price a party is willing to pay to farm into acreage.

In our view, it is best to use the average of these transactions excluding the DLS/QGC farm-in due to the relatively small acreage position relative to the other transactions. Consequently, we have used a value of A$20.66 per acre in valuing the assets for AJQ. We note a range of $10-$37/ac on recent deals in frontier basins. We attribute the full average transaction value to the permits which AJQ has done exploration work on, but note that it is unlikely a deal will be done across all of the permit areas. We discount the company's extensive additional acreage by 95% to highlight the earlier-stage nature of these prospects and that the acreage has not yet been granted native title approval. The Victoria valuation is based on our estimates of exploration spend to date on the permits and includes the planned upcoming well. We include current cash plus an estimated R&D credit in the valuation. We do not include options.

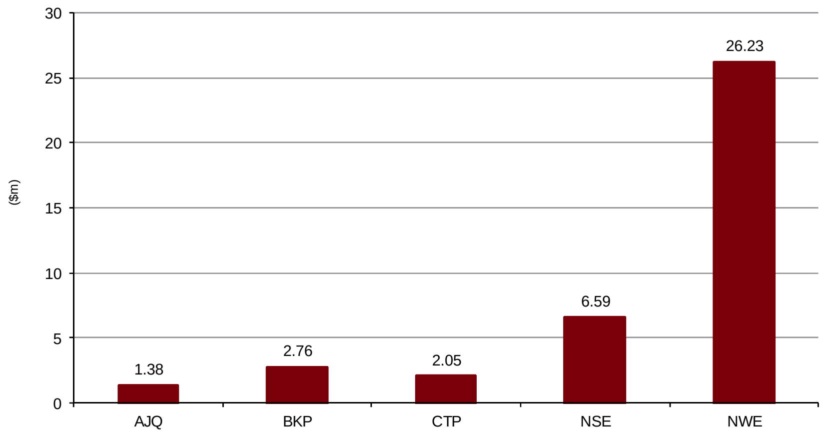
Figure 6: AJQ SOTP Valuation (A$)

Tenement	Size (million acres)	Value per acre	Unrisked	POS	Unrisked Value	Value (A$m)
EP 171	0.86	$20.66	100%	100%	$ 17.73	$17.73
EP 176	1.98	$20.66	100%	100%	$ 41.00	$41.00
ATP1087	1.76	$20.66	100%	100%	$ 36.36	$36.36
Other permits	26.53	$20.66	100%	5%	$ 548.14	$27.41
Victoria permits			100%	100%	$ 10.00	$ 10.00
Lakes Oil holding (market value)				100%	$17.07	$17.07
Cash (incl. R&D)					$19.30	$19.30
Option cash						$0.00
Total value					$689.59	$168.86
Listed Shares					301	301
Value per share					**$2.29**	**$0.56**

SOURCES: MORGANS, COMPANY REPORTS

Looking at the Enterprise values (EV) of other ASX listed unconventional explorers highlights how cheap the EV/acre is generally compared to transaction values. The low value being ascribed to Armour by the market could be attributed to the fact that there has been little flow test work completed to date on their acreage. In our view, as the company drills further wells and conducts further analysis on its ground, the market value of Armour should increase to levels of comparable companies.

Figure 7: Comparable EV/Acre values



SOURCES: MORGANS, COMPANY REPORTS

Another way to look at the current value of Armour is to compare it on an EV per acre basis to its peers. Using this measure Armour looks good value due to the significant acreage the company has along with its large cash balance. Using this measure, Armour has an EV per acre of $1.38 which compares to Central Petroleum at $2.05 (its nearest peer) which also has an extensive landholding in Northern Australia. As AJQ moves toward de-risking and production in Victoria, its EV/acre may move toward that of CTP and peers.

4.1 Risks and Key Issues

AJQ is subject to the same E&P risks as other companies in the sector, including exploration risk, regulatory risk, financing risk, and geological and technical risk. To date, key issues have included delays and cost overruns on drilling, weather, and lack of exploration success in Victoria.

Given the early stage of exploration that this company is in, we rate this as a speculative investment, and note that no commercially definitive results have yet been attained. However, there is significant value if reserves are proved up.

5. BUSINESS OVERVIEW

AJQ was established in 2009 specifically to focus on the discovery and development of world class gas and associated liquids resources in an extensive and recently recognised hydrocarbon province in northern Australia. AJQ has initially focused on identifying both unconventional and conventional hydrocarbon exploration plays in regions of the southern McArthur Basin, the Georgina Basin, and the South Nicholson Basin (Northern Territory and Queensland) and in the onshore Gippsland and Otway Basins (Victoria) with the objective of applying proven modern technologies to previously lightly explored areas. Initial results have been encouraging, with confirmation of an extensive hydrocarbon play and the potential for significant production from its 60,500km^2 of granted acreage across the Barney Creek shale, Riversleigh Shale, Lawn Hill shale and conventional Coxco Dolomite. The 2014 program is focussed on delineating contingent resources in the Northern Territory and Queensland.

- **Queensland (South Nicholson, Isa Superbasin)**: AJQ has identified a potential basin centred gas system in Queensland, with prospectivity from the Riversleigh Shale, the Lawn Shale, and shallower conventional zones. Two wells have been drilled in the area, with gas shows and flows from both shale formations, and gas to surface in the lateral Egilabria 2 well; flow testing will recommence in May of 2014.
- **Northern Territory**: AJQ has drilled 5 wells, successfully discovering oil and gas from the Lynott Reward Dolomite, Coxco Dolomite and the

Barney Creek Shale from 2 wells. The Glyde-1 discovery flowed more than 3mmscf/d on test. Recent farm-ins by Santos and Total in nearby areas help to validate the potential of the play.

- **Victoria (JV with Lakes Oil)**: AJQ has recently exercised its option to increase its interest in PRL2. PRL2 is in the onshore Gippsland Basin and is prospective for both tight and conventional gas and is near to existing infrastructure. AJQ also has interests in PEP169 and PEP166. AJQ will be drilling a conventional gas well in the Otway Basin onshore following receipt of approvals.
- **Heads of Agreement with APA**: In June 2013, AJQ entered into a heads of agreement with APA to work towards transportation of up to 330PJ a year of gas in the existing upgraded and future APA pipeline network to undersupplied coastal Queensland LNG and Sydney markets.

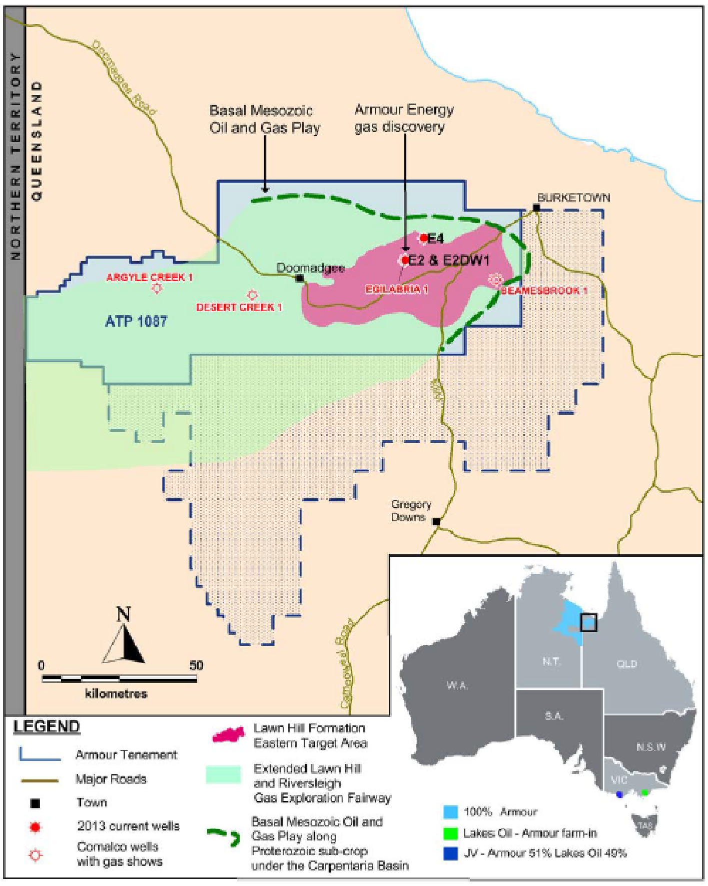
6. ASSET OVERVIEW

6.1 Queensland

Queensland permits include ATP1087 (7138km^2, granted) and ATP1107(A)(7943km^2, pending). Resources include the Lawn Shale with 22.5Tcf of mean prospective gas resource, the Riversleigh Formation, targeting unconventional gas, and the potential for conventional resources.

Currently, two wells have been drilled to date in Queensland. The wells were drilled to test the prospectivity of the Lawn Hill Shale and the Riversleigh Shale. The lateral Egilabria 2 well was the first horizontal well to be drilled and hydraulically fracture stimulated (fracced) in the region. Technical issues were encountering during the fraccing process which delayed flow testing. Flow testing was stopped due to weather conditions, and will resume in the dry season (May 2014). This well is critical for understanding potential commerciality in the area. The 2 Egilabria wells confirmed an extensive gas system in the Riversleigh shale.

Figure 8: Queensland assets



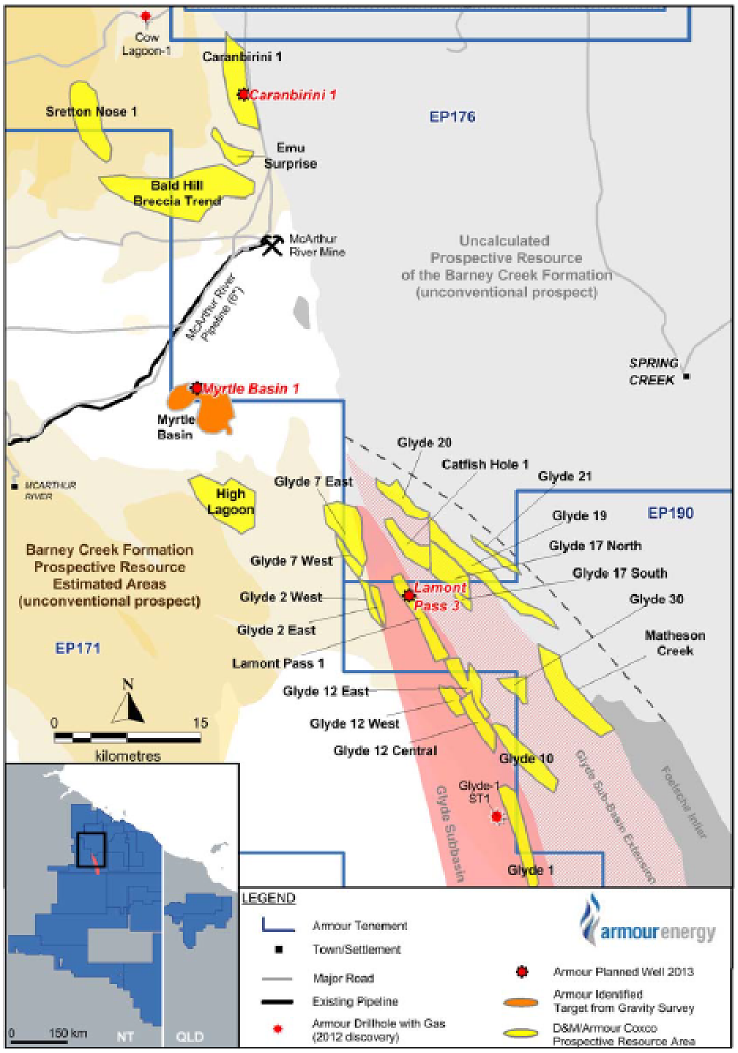
SOURCES: MORGANS, COMPANY REPORTS

6.2 Northern Territory

NT tenements contain multiple stacked unconventional and conventional hydrocarbon targets. 18 Tcf of prospective resource is contained in the Barney Creek Shale. The company has also identified 23 conventional gas prospects in the brecciated Coxco Dolomite with a prospective resource of 264 Bcf.

The Key Northern Territory permits contain the Cow Lagoon, Glyde and Kilgour leads, as well as the Myrtle Basin and Lamont Pass areas which were tested in the 2012/2013/2014 campaigns. In 2013, the Barney Creek shale was tested by 2 wells, which also drilled into the Coxco Dolomite formation. The depth of the prospective oil window increase based on drilling results. Focus has now shifted into the Myrtle and Glyde Sub-basin for the 2014 campaign.

Figure 9: Northern Territory assets



SOURCES: MORGANS, COMPANY REPORTS

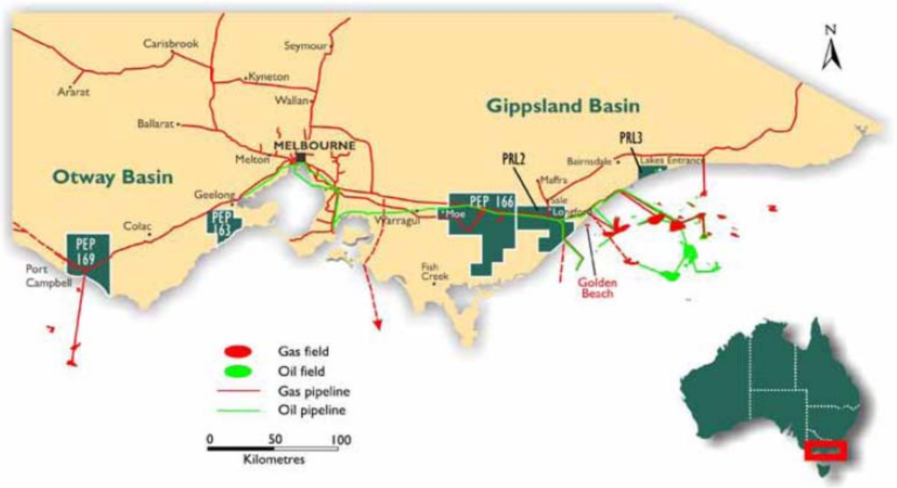
6.3 Lakes Oil farm in and program

In late 2011 Armour entered an agreement with Lakes Oil (LKO) where Armour would take a strategic stake in the company as well as farm into some of Lakes Oil assets. The rationale for this investment and farm-in is that Armour believes the Lakes ground is underexplored and new exploration approaches could yield positive results. Furthermore, Armour believes the Lakes Oil ground could be prospective for early production and cash flow which could help fund the Armour's other exploration activities. As a result, AJQ has a shareholding of 18.9% including bonds, and holds a 51% interest in PEP169 (Operator), a 25% interest in PEP166 with an option to earn 51% and a 15% interest in PRL 2.

Lakes Oil holds licenses in the onshore Gippsland Basin and the Otway Basin. The region has extensive infrastructure which connects it to the East Australia Gas Network.

Victorian interests hold tight gas resource plays. PEP166 has had exploration wells drilled to date which encountered tight gas shows. PEP 169 Moreys 1 well recovered tight gas and condensate from the Eumeralla Formation. The Otway 1 conventional well is planned for Q1 2014 following receipt of approvals.

Figure 10: Victorian assets



SOURCES: MORGANS, COMPANY REPORTS

Armour has acquired Beach Energy's interest in PRL 2. AJQ is now operator of PRL 2 and has rights to an immediate, initial 15% working interest. AJQ must use reasonable endeavours to undertake a $10m work program within 12 months, which it is currently prevented from carrying out due to the Victorian moratorium on hydraulic fracturing. AJQ can earn an additional 35% working interest (to bring the total to 50%) subject to making the election over 2 years and undertaking a further $40m work program. AJQ can withdraw from the agreement at any time without cost and efforts to agree revised deal terms with Lakes are ongoing. Previous tests on wells drilled in PRL 2 flowed up to 2mmcfpd, with sustained flows of 0.68mmcfpd from one well. Based on the current LKO share price (A$0.005), the 19.9% equity investment would be worth $10.1m, though we note that with low liquidity, it may be hard to resell this position.

6.4 Board

Figure 11: Board of directors

Name	Position	Description
Nicholas Mather	Executive Chairman	Nicholas Mather has been involved in the junior resource sector at all levels for 30 years. He was co-founder and served as an Executive Director of Arrow Energy NL (until 2004) which was acquired in 2010 by Shell and PetroChina, for a value of approximately $3.5 billion. Mr Mather was also founder and Chairman of Waratah Coal and was a co-founder and Non-Executive Director of Bow Energy Limited until its recent takeover by Arrow Energy Pty Ltd in January 2012 for approximately $550 million.
Stephen Bizzell	Non-Executive Director	Mr Bizzell was previously an Executive Director of Arrow Energy Ltd until its recent acquisition by Shell and PetroChina. Mr Bizzell was a co-founder and Non-Executive Director of Bow Energy Limited until its recent takeover by Arrow Energy Ltd in January 2012 for approximately $550 million. Mr Bizzell is the Chairman of boutique corporate advisory and funds management group Bizzell Capital Partners Pty Ltd, Executive Director of Dart Energy Ltd (ASX) and a Non-Executive Director of ASX listed Hot Rock Ltd, Stanmore Coal Ltd, Diversa Ltd and Titan Energy Services Ltd. He is Chairman of Renaissance Uranium Ltd and Renison Consolidated Mines NL.
Roland Sleeman	Non-Executive Director	Roland Sleeman has 34 years experience in oil and gas as well as utilities and infrastructure. Mr Sleeman has served in senior management roles, including with EasternStar Gas Limited as Chief Commercial Officer and AGL as General Manager of the Goldfields Gas Pipeline.
William Stubbs	Non-Executive Director	William (Bill) Stubbs is a lawyer of 35 years experience, having practiced extensively in the area of commercial law including stock exchange listings and all areas of mining law. He is the Chairman of Directors of DGR Global Limited (ASX) and a Non-Executive Director of Coalbank Ltd (ASX).

SOURCES: MORGANS, COMPANY REPORTS

6.5 Senior management

Figure 12: Key management

Name	Position	Description
Robbert de Weijer	Chief Executive Officer	Robbert de Weijer is an international oil and gas executive. who joined Armour Energy as Chief Executive Officer in July 2013 to drive the Company's project and corporate development initiatives. Mr de Weijer's prior role was as Chief Executive Officer (Australia) for Dart Energy Ltd, an unconventional gas exploration and production company operational in eight (8) countries. Prior to joining Dart Energy as Chief Executive Officer, Australia, Robbert (under secondment from Shell) held the position of Chief Operating Officer for Arrow Energy, one of Australia's leading coal bed methane companies. Robbert's career with Shell spanned 22 years during which time he gained extensive experience within the oil and gas industry and held a variety of senior management roles in multiple countries spanning Europe, the Middle East and Australia.
Priyanka Jayasuriya	Chief Financial Officer	Priy Jayasuriya is a Chartered Accountant with over 15 years of experience in public practice and has broad experience over a number of industries. Mr Jayasuriya has worked as a Chartered Accountant in Australia, Singapore and the United States. Mr Jayasuriya commenced his career at Ernst & Young and most recently served as an Executive Director with the firm. Mr Jayasuriya is currently Chief Financial Officer of DGR Global Limited.
Roger Cressey	GM Operations and Projects	Roger Cressey has over 30 years experience in engineering, construction and project management, including in excess of 20 years in the oil and gas industry, having previously held senior project manager roles at OSD Pipelines, Transfield Services Limited (ASX) and Caltex Refineries.
Chris Ohlrich	GM Commercial	Chris Ohlrich has over 15 years' experience in management, finance and corporate advisory roles and is a Chartered Accountant. Prior to joining Armour Energy he held commercial and finance roles with Arrow Energy Limited and Dart Energy Limited with responsibility for gas commercialisation, business development, investor relations and mergers and acquisitions including implementation of the sale of Arrow Energy to Shell and Petro China in 2010 for $3.5billion.Prior to that, Chris had over 12 years of finance and investment banking experience focused on mergers and acquisitions, capital raising and principal investment involving transactions in Australia, UK, Europe and the US. His previous roles include with Deutsche Bank, Investec Bank and Ernst & Young.
Luke Titus	Chief Geologist	Luke Titus received a Bachelor of Science in Geology in 1997 from Fort Lewis College in Colorado, USA. He has 16 years experience in major US and International hydrocarbon basins exploring and developing carbonate, tight sand, coalbed methane and shale plays. Prior to hiring on with Armour Energy Luke has worked in the private and public sectors for major and junior operators and more recently British Gas as a Principal Geologist in Upstream Subsurface Developments where he was responsible for reserve growth in the Surat Basin in Queensland, Australia. Luke is a member of AAPG and SPWLA.
Ray Johnson	Reservoir Development Adviser	Ray Johnson has 31 years experience in reservoir and well completion engineering and well-site supervision. Mr Johnson has a broad range of petroleum unconventional experience in Australia as well as the United States. Mr Johnson has held previous technical and engineering roles at QGC Pty Limited (Manager Technical), Blue Energy Limited (Chief Operating Officer) and Santos Limited (Senior Reservoir Engineer).
Jonathan Martin	Well Engineering Consultant	Jonathan Martin has over 12 years experience in Petroleum Engineering. He has a wealth of experience in drilling and completing tight shale/dolomitic formations in Canada, working for Poco Petroleum, Burlington Resources, Player Petroleum and Wrangler West Energy Corp. Most recently Mr Martin held the role of Senior Drilling Engineer with Santos Limited in Brisbane, before joining the Armour team.

SOURCES: MORGANS, COMPANY REPORTS

QUEENSLAND

BRISBANE	(07) 3334 4888
BUNDABERG	(07) 4153 1050
CAIRNS	(07) 4222 0555
CALOUNDRA	(07) 5491 5422
CHERMSIDE	(07) 3350 9000
EDWARD STREET	(07) 3121 5677
EMERALD	(07) 4988 2777
GLADSTONE	(07) 4972 8000
GOLD COAST	(07) 5581 5777
IPSWICH/SPRINGFIELD	(07) 3202 3995
MACKAY	(07) 4957 3033
MILTON	(07) 3114 8600
MT GRAVATT/CAPALABA	(07) 3245 5466
NOOSA	(07) 5449 9511
REDCLIFFE	(07) 3897 3999
ROCKHAMPTON	(07) 4922 5855
SPRING HILL	(07) 3833 9333
SUNSHINE COAST	(07) 5479 2757
TOOWOOMBA	(07) 4639 1277
TOWNSVILLE	(07) 4725 5787
YEPPOON	(07) 4939 3021

NEW SOUTH WALES

SYDNEY	(02) 8215 5055
ARMIDALE	(02) 6770 3300
BALLINA	(02) 6686 4144
BALMAIN	(02) 8755 3333
CHATSWOOD	(02) 8116 1700
COFFS HARBOUR	(02) 6651 5700
GOSFORD	(02) 4325 0884
HURSTVILLE	(02) 9570 5755
MERIMBULA	(02) 6495 2869
NEUTRAL BAY	(02) 8969 7500
NEWCASTLE	(02) 4926 4044
NEWPORT	(02) 9998 4200
ORANGE	(02) 6361 9166
PORT MACQUARIE	(02) 6583 1735
SCONE	(02) 6544 3144
SYDNEY – LEVEL 9	(02) 8215 5000
SYDNEY – LEVEL 33	(02) 8216 5111
SYDNEY – HUNTER STREET	(02) 9125 1788
SYDNEY – MACQUARIE STREET (Parramatta)	(02) 9615 4500
SYDNEY – REYNOLDS EQUITIES	(02) 9373 4452
WOLLONGONG	(02) 4227 3022

ACT

CANBERRA	(02) 6232 4999

VICTORIA

MELBOURNE	(03) 9947 4111
BRIGHTON	(03) 9519 3555
CAMBERWELL	(03) 9813 2945
CARLTON	(03) 9066 3200
FARRER HOUSE	(03) 8644 5488
GEELONG	(03) 5222 5128
RICHMOND	(03) 9916 4000
SOUTH YARRA	(03) 9098 8511
TRARALGON	(03) 5176 6055
WARRNAMBOOL	(03) 5559 1500

WESTERN AUSTRALIA

PERTH	(08) 6462 1999

SOUTH AUSTRALIA

ADELAIDE	(08) 8464 5000
NORWOOD	(08) 8461 2800

NORTHERN TERRITORY

DARWIN	(08) 8981 9555

TASMANIA

HOBART	(03) 6236 9000

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