

News Release

Company Increases Percentage of Acquisition and Signs Final Letter of Intent re Amazon Basin Project

February 18, 2011, 2010, Vancouver, BC – (TSX.V: ARO, CNSX: ARO) Les Kjosness, President & CEO is pleased to announce, subject to regulatory approval, the final letter of intent has been signed regarding the 100% acquisition of the Amazon Basin project in north central Brazil. As previously reported, the letter of intent was originally signed October 18, 2010 with Rusheen Handels AG, a private company based in Zurich, allowing Armadillo to acquire a 50% interest in the issued units of Amazonia Capital E Participants Ltda., a private company based in Brazil. Amazonia is 99% owned by Rasheen Handels AG and one percent by Kym Keaves of Brazil. The Company will assume 100% of Amazonia's expenses, the responsibility to complete a \$1.5 million initial exploration program and issue 250,000,000 common shares to the Rhusheen Handels Group. There will be a 1.5 million share finder's fee associated to this acquisition.

Amazonia is the registered owner of 860,000 hectares of processos minerais (exploration concessions) in northern Brazil. The property encompasses 116 mining claims in good standing located in the states of Amazona, Mato Grosso and Rondonia. Most of the claims have been staked over Archaen to Lower Proterozoic greenstone belts which are considered to be prospective for gold. Gold production by natives (garimpeiros) in northern Mato Grosso from the end of the 1970 to 2000 is reported by the National Department of Mineral Production (DMPM) to have totaled 123t (Tobia da Silva, 2008).

Management and consulting geologists are currently preparing a 2011 work program on the Amazon Basin projects and this will be announced once finalized.

On behalf of the Board,

'Les Kjosness'
President and Director

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