

NEWS RELEASE

Company Completes & Increases Acquisition of Amazonia Concessions in Brazil

May 31, 2011, Vancouver, BC – (CNSX: ARO) Les Kjosness, President & CEO, is pleased to announce that further to our news release of February 18, 2011, the Company has completed the acquisition of the Amazonia Capital land concessions in north central Brazil.

As reported in February 2011, Armadillo signed a Letter of Intent to acquire a 99% interest in Amazonia Capital E Participacoes Ltda. (APC), a Brazilian Company, from Rusheen Handels AG.(RH), a Swiss based company. APC possessed the Amazon Basin Projects which consisted of approximately 860,000 hectares of processos minerais (exploration concessions). With continued negotiations, Armadillo has acquired an additional 390,000 hectares of mineralized concessions at a cost of 12,500,000 common shares of the Company. The property, which originally encompassed 116 claims, now encompasses 154 concessions in the states of Amazonas, 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 artisanal miners (garimpeiros) in northern Mato Grosso from the end of the 1970 to 2000 is reported by the National Department of Mineral Production (DNPM) to have totaled 123t.

As a result of this additional acquisition, a revised NI43-101 Technical Report will be prepared shortly. Extensive exploration work planned is for 2011 on the Amazon Basin projects as well as at the Waverley-Tangier silver property near Revelstoke, BC. Les Kjosness will be meeting in Brazil with Regional Manager, Andre Klumb, and John Young to establish the initial program on the Amazon Basin and this will be released to shareholders once determined.

The Company also wishes to announce that, due to previous commitments, Dave Rennie, resigned from the Company's Board of Directors effective May 15, 2011. The Company wishes to thank Mr. Rennie for his time, services and for the valuable contribution he made during his tenure as a Director.

On behalf of the Board,

'Les Kjosness'
President and Director

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The CNSX has neither approved nor disapproved of the accuracy of this release. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.