

NEWS RELEASE

Company Updates Status of Joint Venture on Aripuana Property, Brazil

September 15, 2011, Vancouver, BC – (CNSX:ARO) Les Kjosness, President & CEO, is pleased to announce that, further to the Company's news release of August 3, 2011, Armadillo has entered into a binding letter agreement to grant an option to acquire a 40% interest in the Aripuana Property, Amazon Basin, Brazil, to LKH Investment Group of Seoul, Korea ("LKH"), which was introduced to the Company by Secured Capital Investment Group of Concord, California.

The letter agreement is between the Company, LKH and the Company's Brazilian subsidiary, Amazonia Capital e Participações Ltda. ("ACP"), and provides that LKH will earn a 40% interest in the Aripuana property from ACP by incurring US\$30 million in expenditures on the exploration and development of the property. During the term of the Option, ACP will conduct all operations on the property, and on the exercise of the option the parties will operate as a joint venture with ACP as the initial operator.

Management cautions investors that the transaction remains subject to any required regulatory approval, any third party consents, and the entering into of a definitive formal option and joint venture agreement.

A finder's fee will be applicable to this agreement.

Armadillo Resources is focused on developing its Brazilian tenures -- Manicore, Aripuana and Carauai -- three properties located in the southeastern portion of Amazonas State which comprise 35 mineral claims and encompass approximately 671,632 hectares. The primary exploration targets are for gold with some diamond targets. In total, the Company owns approximately 1,370,368 hectares of 164 processos minerals (claims) in the states of Amazonas, Mato Grosso and Rondonia.

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.