

ARMADA MERCANTILE LTD.
301-455 Granville
Vancouver, British Columbia V6C 1T1
Tel: 916-746-0029 Fax: 866-775-7765
cole@armadamercantile.com

July 26, 2006

TRADE SYMBOL: AARM -Canadian Trading and Quotation System Inc.
US TRADE SYMBOL: AAMTF.PK

Redrock Broker Dealer Services Agreement

NEWS RELEASE

Armada Mercantile Ltd. (the Company), through Redrock Trading Partners (Redrock) and its United States broker dealer services division, has signed a brokerage services agreement with EVOGY, Inc. (EVOGY) of San Jose, California. Redrock will provide brokerage and advisory services to EVOGY in connection with suitable strategic business relationships, funding sources and other brokerage services opportunities. EVOGY is endeavoring to obtain funding in an amount up to US\$5,000,000.00, in order to further develop, expand and enhance its business. Redrock shall use its best efforts to assist EVOGY in positioning itself and providing introductions to various types of prospective funding sources in order to obtain funding. Redrock will be compensated based upon performance on a commission basis.

The Company, through a Series A Preferred share purchase, currently owns 1,969,668 shares that are convertible into common shares of EVOGY. EVOGY recently completed a convertible note private placement with certain investors that will convert into common stock at a price of ninety-five cents per share. Based upon the terms and conditions of the EVOGY convertible note and assuming the share price remains stable, the Company currently has an unrealized capital gain of US\$1,621,184.00 on its Series A Preferred investment in EVOGY.

About EVOGY: EVOGY is focused on developing high efficiency, low emission and fuel flexible power generation systems based on a proprietary solid oxide fuel cell technology platform. EVOGY's patented breakthrough technology uses novel components, materials and designs that offer significant commercial advantages over competing fuel cell systems in terms of manufactured cost, operating temperature, power density and long-term reliability. EVOGY's technology will be quicker to market than the competition and will require substantially less capitalization. EVOGY strategic partners will aid in manufacturing, engineering and accelerate sales of distributed power systems to global markets. EVOGY is currently receiving grants or funding from Electric Power Research Institute (www.epri.com), the United States Army as a subcontractor of Altex Technologies Corporation and the National Science Foundation (www.nsf.gov).

About Redrock: While Redrock specializes in the private equity market, clients also enjoy products and services that include online trading. Redrock's goals include provision of full service brokerage firm capabilities and value to investors, entrepreneurs and businesses alike. Redrock assists investors and corporations worldwide in planning investment strategies and raising capital in public and private equity markets. www.redrocktradingpartners.com

For more information pertaining to the Company, visit www.armadamercantile.com. For investor relations, please contact Doren Quinton, President of QIS Capital at (250) 376-8989, info@qiscapital.com or www.qiscapital.com.

"Patrick Cole"
President

Certain statements included herein are "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. Management cautions that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Important factors that could cause the actual results of operations or financial condition of the Company to differ include, but are not necessarily limited to, the risks and uncertainties discussed in documents filed by the Company with the British Columbia, Alberta and Ontario Securities Commissions.