

QUARTERLY REPORT JUNE 2016

Argo Exploration Limited
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KEY POINTS

Investment in Pantheon Resources Plc ("Pantheon")

- Pantheon was pleased to announce the spudding of the VOBM#2H well at Polk County, East Texas;
- VOBM#2H will be a horizontal development well, stepping out from the VOBM#1 discovery well and targeting the Eagleford sandstone at a depth of approximately 13,500 feet and at a lateral length of approximately 3,500ft.
- Operations are underway for the planned fracture stimulation procedure at VOS#1. Results from the procedure will be announced when completed;
- Argo continues to hold 7,000,000 fully paid ordinary shares in Pantheon.

SUMMARY OF ACTIVITY

The Board of Argo continues to review a number of new projects to augment its investment in Pantheon, but has yet to find a project that has the potential similar to the upcoming drilling program of Pantheon.

As at the end of the June 2016 quarter Argo did not hold any interest in exploration licences.

More details on Pantheon can be found on the Pantheon website www.pantheonresources.com

CORPORATE

Cash reserves at the end of the June 2016 Quarter stood at \$386,497 with no secured debt while the value of the Pantheon Resources Plc investment as at end June 2016 was ~\$18.4m.

The Board continues to review and evaluate potential corporate opportunities in the natural resource sector and is of the view that present market conditions will provide increased opportunities going forward at more sensible valuations than seen in recent years. This has become increasingly evident in the junior resource sector, where many companies are trading well below tenement valuations.

CORPORATE DIRECTORY

Board of Directors

Christopher Martin
Justin Hondris
Andrew Van Der Zwan

Joint Company Secretaries

Melanie Leydin
Justin Mouchacca

Issued Share Capital

Argo Exploration Ltd has 182,970,000 ordinary shares currently on issue.

Registered Office

Argo Exploration Limited
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Share Registry

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Please direct shareholding enquiries to the share registry