

QUARTERLY REPORT MARCH 2017

Argo Exploration Limited
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KEY POINTS

Investment in Pantheon Resources Plc ("Pantheon")

- Pantheon confirmed that the VOBM#2H sidetrack well, Polk County, onshore East Texas (Pantheon 58% working interest), had been drilled to a total measured depth of c.16,450 feet and was completed ahead of testing. Data from electronic logs indicated the presence of hydrocarbons in a potentially significant reservoir in the primary target, the Eagle Ford sandstone. The Board stressed however that the significance of these results cannot be accurately assessed until flow testing operations have been completed. Drilling operations with this rig have now been completed at this location and a production liner will be run and the well bore cased. A lower cost workover rig was contracted to undertake completion and flow testing of operations will commence in due course.
- VOBM#4 well, Tyler County, onshore East Texas (Pantheon 50% working interest) Pantheon confirmed that completion operations are presently underway on the VOBM#4 well, following which the well will be tested. A further update will be issued at the end of testing operations.
- 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 March 2017 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 March 2017 Quarter stood at \$269,000 with no secured debt while the value of the Pantheon Resources Plc investment as at end March 2017 was ~\$9.0m.

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 increasing 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