



**ASX/Media Release  
26 March 2019**

### **Pantheon Resources Plc Announcements**

**Melbourne, 26 March 2019** - Argo Exploration Ltd (“Argo”; ASX Code ‘AXT’) would like to refer to the announcement by Pantheon Resources Plc (“Pantheon”) to the London Stock Exchange (AIM –Quoted).

Argo continues to hold 6,800,000 fully paid ordinary shares in Pantheon. The value of Argo’s investment in Pantheon is ~\$A2.9m as at the date of this announcement.

**For further information please contact:**

Chris Martin - Director

Telephone (03) 9692 7222

Email: [argoexploration@iinet.net.au](mailto:argoexploration@iinet.net.au)

Or visit the website [www.argoexploration.com.au](http://www.argoexploration.com.au)

25 March 2019

**Pantheon Resources plc**  
**Alkaid Well - successful flow test**

Pantheon Resources plc ("Pantheon" or "the Company"), the AIM-quoted oil and gas exploration company with working interests in several conventional project areas in Tyler and Polk Counties, onshore East Texas, as well as onshore North Slope of Alaska following its January 2019 acquisition of the assets of Great Bear Petroleum, is pleased to advise the following update in relation to the testing of the Alkaid well located on the Alaska North Slope:

**Highlights: Alkaid Well, Alaska North Slope, Pantheon 100% working interest**

- The first of the 3 targeted horizons, the Brookian ZOI, confirmed as an oil discovery, following a successful flow test where results exceeded expectations.
- A 6 foot interval (from a c.240 foot interval of net pay) was perforated and flow tested at 80-100 BOPD light oil (40 degree API).
- Such flow rates are considered to be an excellent result and indicate the potential for materially higher flow rates when wells are drilled in the typical manner for Brookian wells in Alaska - horizontally, stimulated, and with larger intervals perforated.
- The Alkaid well was drilled as a vertical test well with the primary objective to obtain sufficient data to make an assessment as to the potential commerciality of the targeted horizons.
- The plan is to now isolate the Brookian ZOI zone, and to flow test the shallower West Sak and Ugnu horizons prior to shutting down operations later in April.

As previously reported, Pantheon is currently undertaking a production testing operation of its Alkaid well which was drilled in 2015 but immediately suspended as a result of regional flooding. Electric logging and other analysis identified three potentially productive zones for flow testing, commencing with the deepest zone, the Brookian ZOI. This will be followed by the two shallower zones, the West Sak and Ugnu, both of which are substantial producers on the North Slope. Pantheon has a 100% working interest in this testing operation.

The Brookian ZOI has an estimated *gross* 400 feet and *net* 240 feet of pay. A six foot interval was perforated and stimulated and the well flowed naturally until 30% of the frac fluid was recovered, when a nitrogen gas lift system was initiated. Light oil (40 degree API) was recovered and c.40% of the frac fluid was returned within the first 14 hours. The well was shut in for 72 hours due to equipment problems and severe weather conditions (stage 3 Blizzard). The well was then turned back on and the oil cut increased steadily to +40%, producing about 80-100BOPD with occasional slugs of oil producing at much higher rate.

The production and pressure data collected through testing, along with pressures and log data acquired when the well was drilled in 2015 gives us increased confidence in the 240 feet of net oil pay in the Brookian ZOI. The acquired data will now be used to determine reservoir parameters and improve development plans. Like the rest of the regional discoveries in the Brookian, the forward development plan envisages horizontal wells with multi-stage fracs.

**Jay Cheatham, CEO, said:**

"This is an excellent result which exceeded our expectations. This result is significant not only for its potential economic impact, but also because it validates the outstanding quality of the geological and high-tech geophysical work undertaken by the Great Bear team. I am very optimistic that this quality of work will benefit our entire prospect inventory in both Alaska and in East Texas."

"There are always risks associated with re-entering and testing wells suspended from previous operations and I am very pleased that our operations and results to date have been very good. We only tested a 6 foot section of the oil reservoir after a small stimulation, which was sufficient to generate rapid flow back with increasing oil cut. We now have high quality 40 deg API oil confirmed as productive at the Alkaid location. The forward plan is to collect some more pressure data and move up hole to test the the West Sak and Ugnu horizons."

"Given the remoteness of Alaska, per barrel NPV's are greatly influenced by proximity to infrastructure and we are very fortunate that the Alkaid reservoir is directly adjacent to both the Trans Alaskan Pipeline and to the Dalton Highway. It is on track to become our first oil development in Alaska. The exploratory significance of this result is also important as it upgrades adjoining structures."

"We will continue to update the market as more information is acquired over the coming weeks"

-ENDS-

**Further information:**

Pantheon Resources plc +44 20 7484 5361  
Jay Cheatham, CEO  
Justin Hondris, Director, Finance and Corporate Development

**Arden Partners plc** (Nominated Adviser and broker) +44 20 7614 5900  
Paul Shackleton  
Daniel Gee-Summons

**Notes to Editors**

Pantheon Resources plc is an AIM listed Oil & Gas exploration and production company with assets in East Texas and on the North Slope of Alaska, onshore USA.

The Group's stated objective is to create material value for its stakeholders through oil exploration, appraisal and development activities in high impact, highly prospective assets, in the USA; a highly established region for energy production with infrastructure, skilled personnel and low sovereign risk. All operations are onshore USA, with drilling costs an order of magnitude below that of offshore wells.

In East Texas, Pantheon holds a 50% to 75% working interest (and in present discussions to increase this to 100% working interest for non-cash consideration) in several conventional prospects in Tyler & Polk Counties, in an area of abundant regional infrastructure, and in proximity to the prized Double A Wells Field. P50 Technically Recoverable Resources are estimated at 157 million barrels of oil equivalent.

In Alaska, following its acquisition of the assets of Great Bear Petroleum in January 2019, Pantheon holds working interests ranging between 10% and 90% of prospects covered by over 1,000 square miles of 3D seismic with P50 Technically Recoverable Resources estimated at 1.7 billion barrels of oil.

An additional 0.4 billion barrels of P50 Technically Recoverable Resources was estimated to apply the Winx-1 Western Acreage acreage blocks, however this number is subject to downward revision following the disappointing Winx result in March 2019.

For further information on Pantheon Resources plc, see the website at: [www.pantheonresources.com](http://www.pantheonresources.com)

The information contained within this RNS is considered to be inside information prior to its release. Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

In accordance with the AIM Rules - Note for Mining and Oil & Gas Companies - June 2009, the information contained in this announcement has been reviewed and signed off by Jay Cheatham, a qualified Chemical & Petroleum Engineer, who has over 40 years' relevant experience within the sector.

Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons.

#### **GLOSSARY**

BOPD      Barrels of Oil per day

API        The [American Petroleum Institute](#) gravity, **or API gravity**, is a measure of how heavy or light a [petroleum](#) liquid is compared to water: if its API gravity is greater than 10, it is lighter and floats on water; if less than 10, it is heavier and sinks.

NPV        Net Present Value