

QUARTERLY REPORT September 2019

Argo Exploration Limited
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SUMMARY OF ACTIVITY

Subsequent to the end of the quarter, the Company announced the Placement of 20,000,000 fully paid ordinary shares at \$0.02 (2 cents) per share (together with 5,000,000 unlisted options exercisable at \$0.05 (5 cents) each with expiry 15th October 2021) to a strategic investor, LC Capital Limited ("LC") to raise \$400,000.

LC are a Hong Kong based private equity group, with an extensive network and deep local expertise in the Asia-Pacific region. Argo will be able to utilise LC's network to potentially further our business interests in multiple sectors, thereby creating more value for our shareholders.

The funds raised from the Placement will be used to explore and further develop corporate opportunities currently available to the Company, whilst maintaining its significant interest in London listed Oil & Gas Company Pantheon Resources Plc. Post placement, LC will hold a ~10% interest in Argo.

Concurrent with the Placement, Argo announced the appointment of Mr Jonathan Cheng as a Director of the Company. Jonathan brings with him a wealth of experience with more than two decades starting up new enterprises, of which 15 years were spent focusing on private equity. Jonathan is the Managing Partner of LC, and he sits on the board of a number of companies from property development, to venture capitalist across Asia-Pacific.

As previously disclosed in the Company's 2019 Annual Report, the Company received a letter from ASX notifying that the Company will need to demonstrate adequate operations by 5 February 2020. ASX has advised that in their opinion, the Company's current operations, being solely the investment in Pantheon and holding no interest in resource tenements, are not sufficient to warrant the continued quotation of its securities. If the Company does not demonstrate adequate operations, in ASX's opinion, by 5 February 2020, then ASX may suspend the Company's securities from official quotation.

The Board of Argo continues to review a number of new projects to augment its investment in Pantheon, in conjunction with exploring corporate opportunities currently available to the Company but has yet to find a project or opportunity that has the potential on a risk/reward basis that compares favorably to the upcoming drilling program of Pantheon.

As at the end of the September 2019 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 and cash equivalents at the end of the September 2019 quarter stood at approximately \$16,000 with no secured debt while the value of the Pantheon Resources Plc investment as at the end of September 2019 amounted to approximately \$1.9 million.

In August 2019, the Company sold 100,000 shares in its listed investment Pantheon Resources Plc to fund general working capital. The consideration for the sale was \$33,490. The Directors considered that the sale of shares in Pantheon was the most cost-efficient, non-dilutive and expedient method available to it at the time.

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.

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CORPORATE DIRECTORY

Board of Directors

Christopher Martin
Justin Hondris
Andrew Van Der Zwan
Jonathan Cheng

Company Secretary

Melanie Leydin

Issued Share Capital

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

Pantheon

Argo continues to hold 6,600,000 fully paid ordinary shares in Pantheon Resources Plc.

Registered Office

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Please direct shareholding enquiries to the share registry