

QUARTERLY REPORT SEPTEMBER 2015

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KEY POINTS

Investment in Pantheon Resources Plc ("Pantheon")

- Pantheon was pleased to announce the spudding of the VOS #1 well, Tyler County onshore East Texas using the Nabors F-12 rig.
- The Primary target is the Eagleford/Woodbine sandstone with the secondary target being the independent Austin Chalk formation, both of which are proven to exist on the JV's acreage
- Drilling operations at the VOBM#1 well, Polk County, onshore East Texas have been successfully concluded
- VOBM#1 is being completed as a vertical well and has been cased. Flow testing will occur using a lower cost workover rig
- Encouragingly, data from electronic logs indicate the presence of a potential reservoir in the Eagleford/Woodbine sandstone. The Board stresses however that the significance of these results will not be known until flow testing operations have been completed. Additionally, natural gas shows were encountered when passing through the Austin Chalk formation in the wellbore, but these will not be tested as part of the flow testing procedures at this time, which will focus on the Eagleford/Woodbine.
- Results will be announced at the conclusion of these testing operations.

Jay Cheatham, CEO of Pantheon, stated,

"These are exciting times for Pantheon shareholders. Whilst we are encouraged by the log data from the VOBM#1 so far, we stress that until such time as flow testing has been completed it is not possible to assess the significance of the well for our company. The same rig and crew has now spudded the lower risk VOS#1 well in Tyler County, and a positive result in either of these wells has the potential to be transformational for our company."

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 September 2015 quarter Argo did not hold any interest in exploration licences.

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

Should the Pantheon JV drilling enjoy some success, then this should provide material capital appreciation for Argo shareholders, and provide the company with more options to raise capital to deploy to new opportunities.

CORPORATE

Cash reserves at the end of the September 2015 Quarter stood at \$31,703 with no secured debt while the value of the Pantheon Resources Plc investment was ~\$4,300,000.

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

Company Secretaries

Melanie Leydin
Justin Mouchacca

Issued Share Capital

Argo Exploration Ltd has 131,220,000 ordinary shares currently on issue.

Registered Office

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Please direct shareholding enquiries to the share registry