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If you sell or transfer, or have sold or transferred, all of your shares in the Company, this document and the enclosed Form of Proxy should be passed as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent or person through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you sell or transfer, or have sold or transferred, any part of your shares in the Company, you should retain these documents.

This document should be read as a whole. Your attention is drawn to the letter from the Executive Chairman which is set out on pages 7 to 10 of this document and which recommends you to vote in favour of the Resolution to be proposed at the General Meeting referred to below.



(Incorporated in the Falkland Islands with registered number 10605)

Proposed Farmout Agreement

and

Notice of General Meeting

The Directors, whose names and functions appear on page 3 of this document, and the Company, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Notice of a General Meeting of the Company to be held at 5.00 p.m. on 4 May 2015 at Falkland Islands Chamber of Commerce, Stanley, Falkland Islands is set out at the end of this document. A Form of Proxy in respect of the General Meeting is enclosed with this document and to be valid, must be completed, signed and returned in accordance with the instructions printed thereon and should be returned as soon as possible and, in any event, so as to be received by the Company's registrars, Computershare Investor Services (Jersey) Ltd, c/o The Pavilions, Bridgwater Road, Bristol, UK BS99 6ZY no later than 5.00 p.m. British Summer Time (BST) on 30 April 2015, being forty eight hours before the time appointed for the holding of the General Meeting. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they wish to do so.

Cenkos Securities plc, which is authorised and regulated in the United Kingdom by the FCA, is the Company's nominated adviser and broker. Cenkos' responsibilities as the Company's nominated adviser and broker under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person. Cenkos is acting exclusively for the Company and nobody else in connection with the Transaction and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Transaction and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos or for providing advice in relation to the Transaction or any matters referred to in this document.

Nomura International plc, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and Prudential Regulation Authority, is acting exclusively for Argos Resources Limited and no one else in connection with the Transaction and will not be responsible to anyone other than Argos Resources Limited for providing the protections afforded to clients of Nomura International plc nor for providing advice in connection with the Agreement or this announcement or any matter referred to herein.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. Neither the London Stock Exchange nor the UK Listing Authority has approved or examined the contents of this document. This document does not constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe for, Ordinary Shares in any jurisdiction.

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Directors and advisers

<i>Directors</i>	Ian Thomson OBE (<i>Executive Chairman</i>) John Hogan (<i>Managing Director</i>) Andrew (Drew) Irvine FCCA (<i>Finance Director</i>) Dennis Carlton (<i>Senior Non-executive Director</i>) Christopher Fleming (<i>Non-executive Director</i>) James Ragg (<i>Non-executive Director</i>)
<i>Company Secretary</i>	Kevin Kilmartin
<i>Registered Office</i>	Argos House H Jones Road Stanley Falkland Islands FIQQ 1ZZ
<i>Nominated Adviser and Broker to the Company</i>	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS
<i>Financial Adviser to the Company</i>	Nomura International plc 1 Angel Lane London EC4R 3AB
<i>Solicitors to the Company as to English law</i>	Peachey & Co LLP 95 Aldwych London WC2B 4JF
<i>Solicitor to the Company as to Falkland Islands law</i>	Kevin Kilmartin Argos House H. Jones Road Stanley Falkland Islands FIQQ 1ZZ
<i>Auditors to the Company</i>	BDO LLP 55 Baker Street London W1U 7EU
<i>Financial Communication Consultants</i>	Citigate Dewe Rogerson 3 London Wall Buildings London Wall London EC2M 5SY
<i>Registrars</i>	Computershare Investor Services (Jersey) Ltd c/o The Pavilions Bridgwater Road Bristol BS99 6ZY
<i>Email</i>	info@argosresources.com
<i>Telephone</i>	+500 22685

Expected Timetable of Principal Events

<i>Event</i>	<i>Date</i>
Posting of this document and the Form of Proxy	17 April 2015
Latest time and date for receipt of Forms of Proxy for use at the General Meeting	5.00 p.m. BST on 30 April 2015
General Meeting	5.00 p.m. on 4 May 2015

- Notes*
- (i) Each of the times and dates shown above and elsewhere in this document are indicative and accordingly are subject to change.
 - (ii) References to time in this document are to the time in Stanley, Falkland Islands unless otherwise stated.
 - (iii) If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by announcement through a Regulatory Information Service.

Definitions

The following definitions apply throughout this document and the accompanying Form of Proxy, unless the context otherwise requires:

<i>"AEL"</i>	Argos Exploration Limited, a wholly-owned subsidiary of the Company
<i>"AIM"</i>	the AIM market operated by the London Stock Exchange
<i>"AIM Rules"</i>	the AIM rules for Companies published by the London Stock Exchange in May 2014 (as amended) governing the admission to and the operation of AIM
<i>"Argos"</i>	Argos Resources Limited and its wholly-owned subsidiary, AEL
<i>"Articles"</i>	the Articles of Association of the Company
<i>"Board" or "Directors"</i>	the directors of the Company whose names are set out on page 3 of this document
<i>"Business Day"</i>	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England
<i>"Cenkos"</i>	Cenkos Securities plc, which is authorised and regulated by the Financial Conduct Authority
<i>"Circular" or "this document"</i>	this document dated 17 April 2015
<i>"Company"</i>	Argos Resources Limited, incorporated in the Falkland Islands with registered number 10605 and whose registered office is at Argos House, H Jones Road, Stanley, Falkland Islands FIQQ 1ZZ
<i>"Completion"</i>	completion of the Transaction
<i>"Computershare" or "Registrars"</i>	Computershare Investor Services (Jersey) Limited
<i>"Edison"</i>	Edison International S.p.A
<i>"Farmees"</i>	Noble and Edison
<i>"Farmout Agreement" or the "Agreement"</i>	the farmout agreement dated 13 April 2015 made between AEL and the Farmees for the assignment of AEL's 100% working interest in the Licence to Noble (as to 75%) and Edison (as to 25%)
<i>"FCA"</i>	the Financial Conduct Authority of the United Kingdom.
<i>"Form of Proxy"</i>	the form of proxy for use at the General Meeting which is enclosed with this document
<i>"FSMA"</i>	the Financial Services and Markets Act 2000 (as amended) of the United Kingdom
<i>"General Meeting"</i>	the General Meeting of the Company to be held at 5.00 p.m. on 4 May 2015 at Falkland Islands Chamber of Commerce, Stanley, Falkland Islands
<i>"Group"</i>	the Company and its subsidiaries and/or subsidiary undertakings
<i>"ISIN"</i>	International Securities Identification Number
<i>"Licence" or "PL001"</i>	production licence PL001 covering an area of approximately 1,126 square

	kilometres in the North Falkland Basin
<i>"Licence Area"</i>	the 1,126 square kilometres (approximately) covered by the Licence as at the date of this Circular
<i>"London Stock Exchange"</i>	London Stock Exchange plc
<i>"Noble"</i>	Noble Energy Falklands Limited, a subsidiary of Noble Energy
<i>"Noble Energy"</i>	Noble Energy, Inc.
<i>"Notice"</i>	the notice of General Meeting set out at the end of this document
<i>"Official List"</i>	the official list maintained by the United Kingdom Listing Authority
<i>"Ordinary Shares"</i>	ordinary shares of two pence each in the issued share capital of the Company
<i>"ORRI"</i>	the overriding royalty interest agreement dated 13 April 2015 made between AEL and the Farmees pursuant to which AEL shall retain a right to 5% of gross revenues from all hydrocarbon discoveries developed within the Licence
<i>"Posting"</i>	the posting of the Circular and Form of Proxy
<i>"Regulatory Information Service"</i>	one of the regulatory information services authorised by the United Kingdom Listing Authority to receive, process and disseminate regulatory information in respect of listed companies
<i>"Resolution"</i>	the resolution as set out in the Notice which is contained at the end of this document
<i>"Shareholders"</i>	the holders of Ordinary Shares
<i>"Transaction"</i>	the completion of the Farmout Agreement, the ORRI and related documentation, and the consequential assignment of the Licence to the Farmees
<i>"UK Prospectus Rules"</i>	the Prospectus Rules of the United Kingdom issued by the FCA under Part VI of the FSMA
<i>"United Kingdom" or "UK"</i>	the United Kingdom of Great Britain and Northern Ireland
<i>"United Kingdom Listing Authority" or "UKLA"</i>	the FCA, acting in its capacity as the competent authority for the purposes of Part IV of the FSMA
<i>"£"</i>	Pounds Sterling, the lawful currency of the United Kingdom
<i>"US\$"</i>	United States Dollars, the lawful currency of the United States of America

Letter from the Executive Chairman



(Incorporated in the Falkland Islands with registered number 10605)

Directors

Ian Thomson OBE (*Executive Chairman*)
John Hogan (*Managing Director*)
Andrew (Drew) Irvine FCCA (*Finance Director*)
Dennis Carlton (*Senior Non-executive Director*)
Christopher Fleming (*Non-executive Director*)
James Ragg (*Non-executive Director*)

Registered office

Argos House
H. Jones Road
Stanley
Falkland Islands
FIQQ 1ZZ

17 April 2015

To Shareholders and, for information, to holders of options over Ordinary Shares

Dear Shareholder,

1. Introduction

On 13 April 2015, the Company announced that its wholly-owned subsidiary, Argos Exploration Limited, had entered into the Farmout Agreement with Noble Energy Falklands Limited and Edison International S.p.A in respect of the Company's principal asset, a 100 percent interest in production licence PL001 covering an area of approximately 1,126 square kilometres in the North Falkland Basin.

The value of the Transaction relative to the Company's current market capitalisation means that Completion is deemed to be a disposal resulting in a fundamental change of business of the Company under Rule 15 of the AIM Rules. Accordingly, completion of the Transaction is conditional on the approval of Shareholders at a General Meeting and a notice convening the General Meeting for 5.00 p.m. on 4 May 2015 at Falkland Islands Chamber of Commerce, Stanley, Falkland Islands to consider the Resolution is set out at the end of this document. Shareholders who are interested, in aggregate, in 114,713,949 Ordinary Shares, representing approximately 52.4 per cent. of the Company's issued share capital, have irrevocably undertaken to vote in favour of the Resolution.

The purpose of this document is to provide you with information about the background to and the reasons for the Transaction and to explain why the Board considers it to be in the best interests of the Company and its Shareholders as a whole and, further, why the Directors recommend that Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

Further details of the Transaction are set out in paragraph 3 below under the heading "*Principal terms of the Transaction*" together with, at paragraph 5 below, details of the Company's ongoing activities and strategy following completion of the Transaction.

2. Background to and Reasons for the Transaction

Licence PL001 covers an area of approximately 1,126 square kilometres in the North Falkland Basin. The Licence is adjacent and to the west of the large Sea Lion oil discovery which is reported to contain some 400 million barrels of recoverable oil.

A 3D seismic survey was acquired by the Company in early 2011 covering the entire Licence Area. The quality of the seismic data acquired is excellent and has led to the identification of 52 prospects and 40 leads within the Licence. The Company's Competent Person's Report ("**CPR**") issued in July 2013 describes 52 prospects with a total unrisks potential of 3.1 billion barrels of prospective recoverable resource in the most likely case, and up to 10.4 billion barrels in the upside case.

Under the terms of the Licence, AEL has an outstanding commitment to drill an exploration well on the Licence no later than 25 November 2016, which is the date of the end of the Second of Three Exploration Terms of the Licence. The Company has

been seeking financially and operationally strong farmin partners to meet the substantial costs of drilling this commitment well and has reported progress on these efforts to Shareholders in previous communications.

Due to its remote location, it is not practical or cost-effective to mobilise a rig to the Falkland Islands to drill a single well and, in the two previous drilling campaigns undertaken in 1998 and 2010/11, licence holders across the basin have collaborated to share the costs in multi-well drilling campaigns. A similar, third, collaborative drilling campaign began in February 2015 with the Eirik Raude rig currently operating offshore the Falkland Islands. The Company considers it imperative that it participates in drilling on PL001 as part of this campaign while sufficient time remains on the Licence to both explore its prospectivity and to fulfil the drilling commitment.

From the large inventory of prospects described in the Company's CPR, the Rhea prospect (and Rhea Stack) is the Company's top ranked prospect. The CPR describes the Rhea Stack as containing a best estimate unrisks resource potential of 449 million barrels of recoverable oil, increasing to 1,463 million barrels in the upside case. As described in paragraph 3 below, as part of the Transaction the Farmees have committed to drill an exploration well and have elected to test the Rhea prospect during the current drilling campaign at no cost to Argos. The Company believes that success at Rhea will de-risk other prospects in the Licence.

In addition to the targeted Rhea prospect, the ORRI (described in paragraph 3 below) provides the Company with continued material exposure to further drilling and success across the Licence Area, which contains a best estimate of 3.1 billion barrels of prospective recoverable resource. Argos will have no requirement to contribute to any future capital or operating expenditures incurred in respect of the Licence.

3. Principal terms of the Transaction

The principal terms of the Transaction are summarised below:

- (a) Noble will assume operatorship of Licence PL001 from Argos;
- (b) Noble and Edison will earn a 75% and 25% working interest in the Licence respectively;
- (c) Noble and Edison have committed to drill an exploration well in the Licence Area during the current drilling campaign at no cost to Argos;
- (d) Argos will retain an overriding royalty interest of 5% of gross revenues from all hydrocarbon discoveries developed within the Licence;
- (e) Argos will have no requirement to contribute to any future capital or operating expenditures incurred over the life of the Licence;
- (f) Argos will receive US\$2.75 million in cash upon completion of the Transaction and US\$800,000 per annum from 1 January 2016 through to receipt of the first royalty payment pursuant to the ORRI (if any) as reimbursement for certain historic costs incurred by Argos in relation to the maintenance of the Licence and the acquisition of certain seismic and other data in respect of the Licence Area;
- (g) The proceeds are expected to be sufficient to meet all anticipated transaction costs and running costs through to receipt of the first such royalty payment pursuant to the terms of the ORRI;
- (h) The initial exploration well will test the Rhea prospect and will fulfil the remaining work obligation on the Second Exploration Term of the Licence;
- (i) Should Noble and Edison elect to withdraw from the Licence following the drilling of the initial exploration well, Argos has retained the right to have 100% of the working interest reassigned to it, subject to appropriate Falkland Islands Government approvals; and
- (j) Completion of the Transaction is subject to Shareholder, government, regulatory and partner approvals.

The Company is pleased to have reached agreement on the Transaction with such highly-regarded and financially robust partners as Noble and Edison and, as a consequence, to be participating in the 2015 drilling campaign in the North Falkland Basin. Noble Energy, an S&P 500 company (NYSE: NBL), is a world-class operator with an outstanding track record and reserves of 1.4 billion barrels of oil equivalent. Edison is a leading European energy company and a part of the EDF (Electricité de France) group.

4. Irrevocable undertakings in favour of the Transaction

The Company has received irrevocable undertakings to vote in favour of the Resolution from shareholders in respect of a total of 114,713,949 Ordinary Shares, representing approximately 52.4 per cent. of the issued share capital of the Company.

5. Ongoing activities and strategy

The Company has a strong and experienced management team with extensive experience in both the oil and gas industry and the Falkland Islands. Accordingly, following completion of the Transaction, the Company will seek to identify additional ways to create value for Shareholders utilising this expertise.

The innovative nature of the Transaction means that there is no material Shareholder dilution or further material Shareholder funding required by the Company for any future investments in the Licence. In addition, with the Company's ongoing working capital requirements expected to be catered for by the terms of the Transaction and the work obligation on the Second Exploration Term of the Three Exploration Term Licence now covered, the Directors believe that the financial position and outlook for the Company is robust.

In addition to its existing interest in the Licence through the ORRI, the Company has an agreement over an area of mutual interest ("**AMI**") with a third party covering unlicensed acreage to the north of the Licence Area which is not subject to the Transaction and within which it has acquired proprietary 3D seismic data. The Company intends to further evaluate the seismic data obtained with a view to a decision on applying either on its own or jointly with a third party for new licences within the AMI.

In addition, there is unlicensed acreage elsewhere offshore the Falkland Islands and the Company expects that there will also be acreage which is currently licensed but which may have to be relinquished over the next few years under the terms of the Falkland Islands licensing regime. The Company has access to seismic data over many of these areas and intends to review this unlicensed acreage and to constantly monitor relinquished acreage as it becomes available with a view to potentially applying for new licences on areas considered prospective from these ongoing efforts.

6. Details of the General Meeting

As described above, the value of the Transaction is such that it is classified as a fundamental change of business for the purpose of Rule 15 of the AIM Rules and Shareholder approval for the Transaction is required to be obtained at a General Meeting.

A notice convening the General Meeting is set out at the end of this document. The General Meeting is to be held at 5.00 p.m. on 4 May 2015 at Falkland Islands Chamber of Commerce, Stanley, Falkland Islands and Shareholders will be asked to consider and, if thought fit, approve the following Resolution which will be proposed as an ordinary resolution:

Resolution 1

THAT approval be and is hereby given to the proposed assignment (the "Transaction") of certain business and assets of Argos Exploration Limited on the terms of a farmout agreement dated 13 April 2015 made between Argos Exploration Limited, Noble Energy Falklands Limited and Edison International S.p.A (the terms of that agreement being more particularly described in the Circular (the "Circular") dated 17 April 2015 issued by the Company to its Shareholders and containing a notice of General Meeting to consider this resolution) with such revisions and amendments of a non-material nature as the Directors may approve and all acts, agreements, arrangements and indemnities necessary or, in the opinion of the Directors, desirable in order to facilitate the Transaction.

7. Action to be taken

A Form of Proxy for use at the General Meeting is enclosed. Whether or not you intend to be present at the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions therein and return it to the Company's Registrars, Computershare Investor Services (Jersey) Ltd, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and in any event not later than 5.00 p.m. BST on 30 April 2015, being 48 hours before the time of the General Meeting (excluding non-working days). The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person if you wish to do so.

8. Documents available

Copies of this document will be available to the public free of charge at the Company's registered office and at the offices of Peachey & Co LLP, 95 Aldwych, London WC2B 4JF during business hours, Monday to Friday, except bank holidays for one

month following publication of this document. This document is also available on the Company's website, www.argosresources.com.

9. Recommendation

Your Board considers the Transaction and passing of the Resolution to be in the best interests of the Company and Shareholders as a whole.

Accordingly, the Directors unanimously recommend that the Shareholders vote in favour of the Resolution as those who hold Ordinary Shares have themselves irrevocably undertaken to do in respect of their entire beneficial holdings of Ordinary Shares amounting to, in aggregate, 32,211,613 Ordinary Shares, representing approximately 14.7 per cent. of the existing issued share capital of the Company.

Yours faithfully,

Ian Thomson
Executive Chairman
Argos Resources Limited



(Incorporated in the Falkland Islands with registered number 10605)

NOTICE OF GENERAL MEETING

NOTICE is hereby given that a General Meeting (the "**General Meeting**") of the Company will be held at 5.00 p.m. on 4 May 2015 at Falkland Islands Chamber of Commerce, Stanley, Falkland Islands for the purpose of considering, and if thought fit, passing the following resolution which will be proposed as an ordinary resolution:

THAT approval be and is hereby given to the proposed assignment (the "**Transaction**") of certain business and assets of Argos Exploration Limited on the terms of a farmout agreement dated 13 April 2015 made between Argos Exploration Limited, Noble Energy Falklands Limited and Edison International S.p.A (the terms of that agreement being more particularly described in the Circular (the "Circular") dated 17 April 2015 issued by the Company to its Shareholders and containing a notice of General Meeting to consider this resolution) with such revisions and amendments of a non-material nature as the Directors may approve and all acts, agreements, arrangements and indemnities necessary or, in the opinion of the Directors, desirable in order to facilitate the Transaction.

By Order of the Board

K Kilmartin
Secretary

Date 17 April 2015

Registered Office Argos House, H. Jones Road, Stanley, Falkland Islands FIQQ 1ZZ

Notes

- (i) Any Shareholder of the Company entitled to attend and vote may appoint another person (whether a member or not) as his/her proxy to attend, speak and vote on his/her behalf at the General Meeting. For this purpose a form of proxy is enclosed with this notice. A proxy need not be a Shareholder of the Company. Lodgement of the form of proxy will not prevent the Shareholder from attending and voting at the General Meeting.
- (ii) Only Shareholders, proxies and authorised representatives of corporations, which are Shareholders, are entitled to attend the General Meeting.
- (iii) To be valid, the form of proxy and, if relevant, the power of attorney under which it is signed, or a certified copy of that power of attorney, must be received by the Company at Computershare Investor Services (Jersey) Ltd, The Pavilions, Bridgwater Road, Bristol, UK, BS99 6ZY, no less than 48 hours prior to the time appointed for the General Meeting.
- (iv) In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (v) Only those Shareholders on the register of members of the Company as at 6.00 p.m. on 30 April 2015 will be entitled to attend and vote at the General Meeting (or in the case of an adjournment as at 6.00 p.m. on the day which is two days before the time of the adjourned meeting) and may only vote in respect of the number of shares registered in their names at that time. Changes to entries in the register after that time will be disregarded in determining the right to any person to attend and/or vote at the General Meeting.
- (vi) In the case of a corporation, the instrument shall be either under its common seal or under the hand of an officer or attorney duly authorised on its behalf.