PRESS RELEASE

7 September 2018

Argo Blockchain Plc
(“Argo” or “the Group”)

Interim Results

Argo Blockchain Plc, a UK-based provider of cryptocurrency mining services (LSE: ARB), is pleased to announce its unaudited interim results for the period from incorporation on 5 December 2017 to 30 June 2018.

Highlights

- Launched Mining-as-a-Service (MaaS) platform on 11 June 2018 covering four cryptocurrencies: Bitcoin Gold, Ethereum, Ethereum Classic and Zcash
- Executed strategy for a significant fund-raising via a London stock market listing
- Established an operating base with first data and operational centre in Quebec, Canada and headquarters in London
- Strong marketing campaign generates a waiting list of more than 50,000 potential users registered on www.argomining.co

Post-Period Highlights

- Achieved listing on the main market of the London Stock Exchange on 3 August, the first crypto-mining company to IPO in the one of world’s top capital markets
- Raised £25m in equity capital in a significantly over-subscribed IPO
- Signed a multi-year agreement on 9 August in Quebec, Canada for 9.5 megawatts of clean energy at one of the most inexpensive electricity rates in the world
- Leased additional two data centres in Quebec, Canada to boost mining capacity to service over 150,000 subscribers
- Commenced major expansion of mining capacity with a new ASIC server platform

Commenting on the results, Jonathan Bixby, Executive Chairman, said: “These results cover the company’s initial start-up phase and relate to the period before Argo’s flotation which has provided a strong capital base to execute its growth strategy. We have made a strong start to the second half of the year and look forward with confidence to delivering on the Company’s long-term potential.”

For further information please visit www.argoblockchain.com or contact:

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Chairman's Statement

Argo has made rapid progress since inception in early December 2017 to establish a global data centre management business aimed at providing an easy-to-use and affordable subscription-based service to the general public for mining cryptocurrencies.

The period under review, which preceded our listing on the London Stock Exchange on 3 August, reflects the Group's initial operations during which it focussed on developing its corporate strategy and a clear plan for raising equity capital to execute its long-term growth plans. At the same time, an operating base and the Company's first mining centre opened in Quebec, Canada.

Our first major milestone was achieved in early June 2018 with the commercial launch of our mining platform www.argomining.co with an initial capacity to support four cryptocurrencies and a user base of 408 monthly subscribers. In addition, a targeted online marketing campaign was launched to generate strong interest from potential miners in advance of the planned scale-up of our platform.

As a result, more than 50,000 potential users have registered on a waiting list on the website for the phased expansion of our mining capacity, which is planned in the second half of the year.

Post period developments

The Company successfully raised £25m before expenses through a share placing and flotation on the main market of the London Stock Exchange on 3 August. Argo is the first crypto-mining services company to gain a listing in London, providing it with the credibility and international profile as well as access to a major global capital market for funds.

The IPO was strongly supported by institutional investors and was significantly over-subscribed. The new funds provide a strong capital base to fund its long-term growth.

The proceeds will be deployed for the development and growth of the business. Shortly after its IPO, the Group commenced a major expansion of its mining capacity with a multi-year agreement with GPU.one a Canadian data centre hosting company, for the supply of 9.5 megawatt hours of clean electricity in Quebec at CAD $0.035 per kilo-watt hour. This is one of the cheapest electricity rates in the world. In addition, the deal provides two additional leased data centres in Quebec with the capacity to service over 150,000 Subscribers.

With this deal we have now locked in enough leased space at the cheapest electricity costs available to handle our first two years of business plans in Canada.

As announced on 6 September we have now also commenced a major expansion of our mining capacity with a new technology platform based on new Application Specific Integrated Circuits (ASIC) based hardware. This will complement our existing platform based on GPU technology and boost our capacity to serve a subscriber base of 3,000, a more than seven-fold increase from our current installed capacity. The investment is part of a phased mass roll-out of our monthly subscription-based service.

Argo is one of the first MaaS companies in the world to roll out this ASIC platform, which incorporates new technology advances that for the first time enables the mining of alt-currencies at scale on ASIC servers. This new platform will enable Argo to offer a wider choice to users in due course and is significantly more energy efficient than current GPU systems.

I would like to take the opportunity to thank our executive team and all of our employees worldwide for their hard work and dedication which has laid a strong foundation for the business.

<u>Financial review</u>

During the period the Group made a loss before tax of £1.15m which is mainly attributable to initial start-up costs and investment in computer hardware and other corporate infrastructure.

Outlook

Despite the recent downturn in the prices of cryptocurrencies, there continues to be huge pent-up consumer demand worldwide for mining services as this sector gains wider acceptance. The industry is still at an early stage of growth and new ASIC-based server technology potentially opens up new opportunities for profitable mining at scale.

With a strong capital base and technology know-how, the Group is well positioned to take advantage of these opportunities and remains on track for the ramp-up of its subscriber-based mining platform in line with its strategic road-map. As a result, the board looks to the future with confidence.

Jonathan Bixby
Executive Chairman

Responsibility Statement

We confirm that to the best of our knowledge:

- the Interim Report has been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as adopted by the EU; and
- gives a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- the Interim Report includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of interim financial

statements; and a description of the principal risks and uncertainties for the remaining six months of the year.

- The Interim Report includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being the information required on related party transactions.

The Directors who served during the period and up to the date of signing the interim financial statements were:

Jonathan Bixby
Mike Edwards
Timothy Le Druillenec
Gil Penchina

Company Secretary:
Timothy Le Druillenec

The Interim Report was approved by the Board of Directors and the above responsibility statement was signed on its behalf by:

Jonathan Bixby
Executive Chairman

6 September 2018

Condensed Consolidated Statement of Comprehensive Income

The unaudited, condensed, consolidated statement of comprehensive income of the Group for the period from 5 December 2017 (incorporation) to 30 June 2018 is set out below.

		Period ended 30 June 2018
	Notes	**£**
Administrative expenses		(1,147,039)
Operating loss		**(1,147,039)**
Finance income		1,011
Loss before taxation		**(1,146,028)**
Tax		-
Loss for the financial period		**(1,146,028)**
Other comprehensive income		**-**

Total comprehensive loss attributable to the equity holders of the parent		**(1,146,028)**
Loss per share	**5**	**(0.0099)**

Condensed Consolidated Statement of Financial Position

The unaudited, condensed, consolidated statement of financial position of the Group as at 30 June 2018 is set out below.

	Notes	As at 30 June 2018 £
ASSETS		
Non-current assets		
Intangible assets	**6**	471,222
Tangible assets	**6**	401,690
Total non-current assets		**872,912**
Current assets		
Trade and other receivables	**7**	90,192
Cash and cash equivalents		466,568
Total current assets		**556,760**
Total assets		**1,429,672**
EQUITY and LIABILITIES		
Share capital	**8**	137,500
Share premium	**8**	2,420,000
Share based payments reserve		-
Retained earnings		(1,146,028)
Total equity		**1,411,472**
Current liabilities		
Trade and other payables	**9**	18,200
Total liabilities		**18,200**
Total equity and liabilities		**1,429,672**

Condensed Consolidated Statement of Changes in Equity

The unaudited, condensed, consolidated statement of changes in equity of the Group for the period from 5 December 2017 (incorporation) to 30 June 2018 is set out below.

	Share capital	**Share premium**	**Share based payment reserve**	**Retained losses**	**Total shareholders' equity**
CURRENT PERIOD	**£**	**£**	**£**	**£**	**£**
Balance at incorporation	1	-	-	-	1
Loss for the period	-	-	-	(1,146,028)	(1,146,028)
Total comprehensive loss for the period	-	-	-	(1,146,028)	(1,146,028)
Transactions with owners					
Issue of ordinary shares net of share costs	137,499	2,420,000	-	-	2,557,500
Balance at 30 June 2018	**137,500**	**2,420,000**	**-**	**1,146,028**	**1,411,472**

Condensed Consolidated Statement of Cash Flows

The unaudited condensed consolidated cash flow statement of the Group from 5 December 2017 (incorporation) to 30 June 2018 is set out below.

	Period ended 30 June 2018 £
Cash flows from operating activities	
Operating loss	(1,147,039)
Depreciation	40.825
Equity settled share-based payments	60,000
Decrease / (increase) in trade and other receivables	(90,192)
(Decrease) / increase in trade and other payables	18,200
Net cash outflow used in operating activities	**(1,118,206)**
Cash flows from investing activities	
Purchase of assets	(913,737)
Finance income	1,011
Net cash outflow from investing activities	**(912,726)**
Cash flows from financing activities	
Proceeds from issue of shares, net of issue costs	2,497,500
Net Cash generated from Financing Activities	**2,497,500**
Net increase in cash and cash equivalents	466,568
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	**466,568**

Notes to the Condensed Consolidated Interim Report

For the period ending 30 June 2018

1. General information

GoSun Blockchain Limited ("the Company") was incorporated on 5 December 2017 in England and Wales with Registered Number 11097258 under the Companies Act 2006. The Company changed its name to Argo Blockchain Limited on 21 December 2017. Also on 21 December 2017, the Company reregistered as a public company, Argo Blockchain plc. No audited financial statements have been prepared and no dividends have been declared or paid since the date of incorporation. The address of its registered office is Room 4, 1st Floor, 50 Jermyn Street, London, United Kingdom. Argo Blockchain plc invested in a 100% subsidiary Argo Blockchain Canada Holdings Inc. (together "the Group") incorporated in Canada on 12 January 2018.

On 3 August 2018, the Company placed 156,250,000 Ordinary Shares at a price of 16 pence per Ordinary Share and gained admission to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's main market for listed securities.

2. Basis of preparation

The interim, condensed, unaudited financial statements for the period ended 30 June 2018 have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'. The results of the period ended 30 June 2018 are consolidated. The financial statements presented are for the period from 5 December 2017 (incorporation) to 30 June 2018. These financial statements are not materially different to the 6 month period beginning at 1 January 2018.

The financial statements are consolidated and present the results of the Company and its wholly owned subsidiary as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

These financial statements do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the date of incorporation. As this is the first period for which the Group is publishing its financial statements, all appropriate accounting policies and explanatory notes are included.

The financial information is presented in Sterling, which is the Company's functional and presentational currency and has been prepared under the historical cost convention. Entities within the Group which have a functional currency that is different to that of the parent, are presented in the Group's presentational currency of Sterling. Where group entities' functional currencies are different from the parent, the assets and liabilities presented are translated at the closing rate as at the date of the Statement of Financial Position. Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).

There are no comparatives included as the Company was only formed on 5 December 2017.

The interim results for the period ended 30 June 2018 are not necessarily indicative of the results to be expected for the full year ending 31 December 2018. Due to the Group having only recently commenced business the operations are not affected by seasonal variations at this stage.

The Interim Report for the period ended 30 June 2018 is unaudited. In the opinion of the Directors the interim financial statements, included in the Interim Report, for the period presents fairly the financial position, and results from operations and cash flows for the period in conformity with the generally accepted accounting principles consistently applied.

The Interim Report, which includes the interim financial statements, does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting

2. Basis of preparation continued

Standards (IFRS) as adopted by the European Union. The accounting policies applied in preparing the interim financial statements are consistent with those that will be adopted in the Company's 2018 audited financial statements.

3. Risks and uncertainties

The key risks that could affect the Group's short and medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2018 Prospectus, a copy of which is available on the Company's website: http://www.argoblockchain.com.

4. Significant accounting policies

The interim financial statements are based on the following policies which have been consistently applied:

Fixed assets
Tangible fixed assets comprise of computer equipment and is stated at cost less accumulated depreciation and any recognised impairment loss. Cost includes the original purchase price of the asset and any costs attributable to bringing the asset to its working condition for its intended use. An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the asset will flow to the entity, and the cost of the asset can be measured reliably. The charge in respect of depreciation is on a straight-line basis over a period of 3 years, which is derived by estimating an asset's expected useful life.

Management assesses the useful lives based on historical experience with similar assets as well as anticipation of future events which may impact their useful life, such as changes in technology.

Intangible fixed assets comprising of the Group's Website and supporting software platform is the user interface for customers, and as such is revenue generating. The assets are carried at cost less accumulated amortisation and any recognised impairment loss. Costs relating to the development of website and software are capitalised once all the development phase recognition criteria of IAS 38 "Intangible Assets" are met. When the software is available for its intended use, amortisation is charged on a straight-line basis over the estimated useful life of 5 years.

The useful life represents management's view of the expected period over which the Group will receive benefits from the Website, as well as anticipation of future events which may impact their useful life, such as changes in technology.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and other financial institutions, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Other receivables
Other receivables are short term financial assets due to the Group. Other receivables are recognised at the transaction price when it is probable that economic benefit will flow to the Group.

Other creditors
Other creditors are short term financial liabilities owed by the Group and are measured at the transaction price.

Equity
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

4. Significant accounting policies continued

Going concern
The Directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore has adopted the going concern basis in preparing its consolidated financial statements.

Critical accounting estimates and judgements
The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. Loss per share

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

	30 June 2018
Operating loss (£'000s)	(1,146)
Weighted average number of shares ('000s)	115,915
Basic loss per share (£)	(0.0099)

The Company has in issue 10,690,453 warrants at 30 June 2018. The inclusion of the warrants in the number of shares in issue would be anti-dilutive and therefore they have not been included.

6. Fixed assets

Group	**Intangible Assets**	**Tangible Assets**	**Total**
	Website	**Computer equipment**	
	£	£	£
Cost			
At Incorporation	-	-	-
Additions	471,222	442,515	913,736
At 30 June 2018	471,222	442,515	913,737
Depreciation/Amortisation			
At Incorporation	-	-	-
Charge for the period	-	40,825	40,825
At 30 June 2018	-	40,825	40,825
Net Book Value			
At 30 June 2018	471,222	401,690	872,912
At Incorporation	-	-	-

7. Debtors

	30 June 2018 £
Other receivables	90,192
At 30 June 2018	90,192

Amounts due from group companies consists of an intercompany loan made to the 100% owned subsidiary Argo Blockchain Canada Holdings Inc. and is eliminated on consolidation.

8. Share capital and premium

	Number of shares	Share Capital £	Share premium £	Total £
At incorporation	1,000	1	-	1
Issue of ordinary shares (20/12/17)	89,999,000	89,999		89,999
Issue of ordinary shares (02/01/18)	10,000,000	10,000	90,000	100,000
Issue of ordinary shares (02/02/18)	31,250,000	31,250	2,270,750	2,302,000
Issue of ordinary shares (02/02/18)	750,000	750	59,250	60,000
Issue of ordinary shares (15/06/2018)	5,500,000	5,500	-	5,500
At 31 March 2018	137,500,000	137,500	2,420,000	2,557,500

On incorporation, the Company issued 1 ordinary share for consideration of £1. The Company later passed a written resolution to subdivide the 1 ordinary share into 1,000 ordinary shares, with a nominal value of £0.001 each. On 20 December 2017, 89,999,000 additional shares were subsequently issued for consideration of £0.001, at par value. An additional share issue occurred on 2 January 2018, where 10,000,000 ordinary shares were subscribed for £0.01 each, at a premium of £0.009. Subsequently, on 2 February 2018 the Company issued 31,250,000 shares for £0.08 each, at a premium of £0.079. The Company undertook a share-based payment to Timothy Le Druillenec, a Director of the company in respect of services rendered in relation to the admission of the Company. The 437,500 ordinary shares were issued on 2 February 2018 for consideration of £0.08, with a premium of £0.079. Similarly, 312,500 ordinary shares were issued to Align Research on 2 February 2018 for consideration of £0.08, with a premium of £0.079. The Company also issued warrants, which were exercised on 15 June 2018, for a total of 5,500,000 ordinary shares at £0.001.

During the period certain Warrant Agreements have been completed as detailed fully in the Prospectus. These warrants were issued to certain parties in relation to their connection with the Group and the assistance provided on obtaining material contracts. As at 30 June 2018 there were warrants in issue for 9,830,000 ordinary shares at an exercise price of £0.08 (for which 3,975,000 had become exercisable) and 860,453 ordinary shares at an exercise price of £0.16 (for which 162,500 had become exercisable). Vesting terms varied, with the majority vesting 25% on issue and 25% every 6 months thereafter. If these shares had been exercised at 30th June 2018 they would have represented 1.33% of the enlarged share capital on listing.

The fair value of the warrants issued have been determined using the Black-Scholes option pricing model. Volatility was calculated based on data from comparable listed technology start-up companies, with an appropriate discount applied due to being an unlisted entity at the grant date. Risk free interest has been based on UK Government Gilt rates for an equivalent term. As the exercise price was equal or above the market value of the shares during the period to 30 June 2018, the likelihood of the warrants being exercised was nil. As such, no expense has been recognised in the period.

8. Share capital and premium continued

The inputs to the Black-Scholes model were as follows:

Grant date share price	0.08
Exercise price	0.08 / 0.16
Expected volatility	40%
Option life	3 years
Risk free interest rate	1%

9. Creditors

	30 June 2018 **£**
Other creditors	5,000
Accruals	13,200
At 30 June 2018	18,200

Other creditors consist of amounts owed to parties in relation to securing trade agreements and facilitating the business and expenditure accrued during the course of business.

10. Controlling party

There is no controlling party of the Company.

11. Related parties

Founder agreement

The Company entered into an agreement with the Founder Shareholders, to pay them £95,000 pro rata to their percentage shareholdings in the Company. This was in consideration of their efforts to enable the Company to enter into certain memoranda of understanding and a media buying contract.

The outstanding balance as at the date of this document is £5,000.

Consulting services

The Group purchased £104,406 of marketing services from Stanley Park Ventures Limited for which Jonathan Bixby (Director of the Group) is General Partner. These transactions were made on an arm’s length basis and a balance of £Nil was owed at the period end.

Share based payment

During the period, the Company issued shares to the value of £35,000 to Timothy Le Druillenec, a Director of the Company. This was in lieu of payment for professional services undertaken in excess of the services required by his directorship.

Rental agreement

The Company rents office space from Dukemount Capital plc, for which Timothy Le Druillenec is a Director. During the period, payments of £1,925 were made with a balance of £Nil outstanding as at 30 June 2018. There is no long-term commitment to this agreement, and these transactions were made on an arm’s length basis.

11. Related parties continued

Key management compensation

Key management includes Directors only (executive and non-executive). The compensation paid to key management for employee services during the period was £243,000. All amounts were paid in respect of salary, and are not inclusive of the related party transactions disclosed above.

12. Post Balance sheet events

On 3rd August 2018 there was a Placing of 156,250,000 ordinary shares at a price of £0.16 each and the Company's shares were admitted to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's main market for listed securities. The total number of ordinary shares in issue following the Placing amounted to 293,750,000 which remains the position at the date of this report.

13. Approval of Interim Financial Statements

The condensed interim financial statements were approved by the Board of Directors on 6 September 2018.