



ABN 97 008 084 848

Suite 4, Level 9, 341 George Street Sydney NSW 2000  
Phone: 02 9299 9690 Fax: 02 9299 9629

## ANNUAL GENERAL MEETING – 2013

On behalf of the Board, I have pleasure in inviting you to the Annual General Meeting of the members of the Company.

The Annual General Meeting will be held at Suite 4, Level 9, 341 George Street, Sydney on Wednesday 20 November 2013, commencing at 11:30am (AEDT).

The formal Notice of Annual General Meeting is attached. Please read this carefully.

If you have elected to receive a hard copy of the Company's Annual Report, a copy of that Report is enclosed with this letter. A copy of the Company's Annual Report is also now available on the Company's website – [www.argonautresources.com](http://www.argonautresources.com).

The Directors are of the opinion that the adoption of each of the resolutions to be proposed at the Annual General Meeting is in the best interests of the Shareholders. However, where a Director has an interest in the outcome of a particular resolution, he has refrained from making a recommendation.

Accordingly, where applicable, the Directors recommend that you vote in favour of each of the resolutions set out in the Notice of Annual General Meeting.

If you are unable or unwilling to attend the Annual General Meeting, the Directors urge you to vote on all the resolutions by completing and returning the accompanying Proxy Form directly to the Company in the manner set out in that Proxy Form. The Company must receive your duly completed Proxy Form by no later than 11:30am (Sydney time) on 18 November 2013.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Patrick Elliott', written in a cursive style.

Patrick Elliott  
CHAIRMAN  
22 October 2013

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Argonaut Resources NL will be held at Suite 4, Level 9, 341 George Street Sydney NSW 2000, commencing at 11:30 am (AEDT) on Wednesday 20 November 2013.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company on 18 November 2013 at 7.00 pm (AEDT).

## AGENDA

### BUSINESS

#### Financial Statements

To receive and consider the Annual Financial Report, including Directors' declarations and accompanying reports of the Directors and auditors for the financial year ended 30 June 2013.

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#### RESOLUTION 1 – ADOPTION OF DIRECTORS REMUNERATION REPORT

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To consider and if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*“That for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's financial report for the year ended 30 June 2013.”*

**Short explanation:** The vote on this resolution is advisory only and does not bind the Directors or the Company.

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#### RESOLUTION 2 – RE-ELECTION OF ANDREW BURSILL AS DIRECTOR

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To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That Andrew Bursill, being a director of the Company who retires by rotation pursuant to clause 6.5(a) of the Company's Constitution, and being eligible, be re-elected as a director of the Company.”*

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**RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY UNDER LISTING RULE 7.1A**

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To consider and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital in the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and other the terms and conditions in the Explanatory Memorandum.”*

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**EXPLANATORY MEMORANDUM**

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Attached to and forming part of this Notice is the Explanatory Memorandum which provides Shareholders with background information and further details on the Resolutions to be considered at the Meeting, in accordance with the ASX Listing Rules.

By Order of the Board



AW BURSILL  
COMPANY SECRETARY  
22 October 2013

**Voting Exclusion Statement:**

<b>Resolution</b>	<b>Shareholders excluded from voting</b>
<p><i>Resolution 1 – Adoption of Directors Remuneration Report</i></p>	<p>The Company will not accept any votes cast on Resolution 1 by or on behalf of a person who is disclosed in the Remuneration Report as one of the key management personnel of the Company (including Directors), or a closely related party of that person (as these persons are not entitled to vote on the resolution in their own capacity). However the Company will accept a vote cast by such a person if they do so as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form.</p> <p>As a result of recent amendments to the <i>Corporations Act 2001</i>, the Chairman will vote undirected proxies on this resolution relating to the Remuneration Report in certain circumstances. Please refer to the 'Key Management Personnel Voting Exclusion' information set out in the Information for Shareholders section at the end of this Notice of Meeting.</p>
<p><i>Resolution 3 – Approval of 10% Placement Facility Under Listing Rule 7.1A</i></p>	<p>The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.</p> <p>However, the Company will not disregard a vote if:</p> <p>(a) It is cast by the person as proxy for a person who entitled to vote, in accordance with the directions of the Proxy Form or</p> <p>(b) It is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</p>

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## EXPLANATORY STATEMENT

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This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by Shareholders of Argonaut Resources NL (Company) at the 2013 Annual General Meeting (AGM) to be held, commencing 11:30am (AEDT) on Wednesday 20 November 2013, Suite 4, Level 9, 341 George Street, Sydney NSW 2000. The Directors recommend that Shareholders read this Explanatory Statement before determining whether or not to support the Resolutions.

### FINANCIAL REPORT AND REPORTS OF THE DIRECTORS AND AUDITORS

The Company's Financial Report for the year ended 30 June 2013 is set out in the Company's 2013 Annual Report. In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Financial Report and on the business and management of the Company.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

#### **Written questions for the auditor**

***If you would like to submit a written question to the Company's auditor, please post your question to the Company Secretary or fax it to (612) 9299 9629. Written questions must relate to the content of the auditor's report to be considered at the Annual General Meeting or the conduct of the audit. A list of qualifying questions will be made available at the Annual General Meeting.***

Please note that all questions must be received at least five Business Days before the Annual General Meeting, that is by no later than 11:30am (AEDT) on 13 November 2013.

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## RESOLUTION 1 - ADOPTION OF DIRECTORS REMUNERATION REPORT

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The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2013 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2013 annual general meeting. All of the Directors who were in office when the Company's 2013 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

At the Company's 2011 and 2012 Annual General Meetings, the adoption of the Remuneration Report was carried on a unanimous show of hands, and in excess of 75% of the proxies received by the Company voted in favour of this resolution.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2013 which is also available on the Company's website at [www.argonautresources.com](http://www.argonautresources.com).

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

### **1.1 Key Management Personnel Proxy Restrictions**

*Corporations Act 2001* (Cth) restricts members of the key management personnel (**KMP**) of the Company and their closely related parties (which includes a KMP's spouse, dependents and company controlled by the KMP) from voting in relation to remuneration related items in certain circumstances.

This restriction does not limit shareholders from appointing the Chairman as their proxy with a direction to cast the votes on a resolution (which may be contrary to the Chairman's stated voting intention) or from abstaining from voting on a resolution.

**What this means for shareholders:** If you intend to appoint a member of the KMP (such as the Chairman of the AGM or one of the directors) as your proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by either marking the boxes for Resolutions 1 (for example if you wish to vote for or against or to abstain from voting), or by appointing the Chairman as your proxy without directing him how to vote, you will need to give expressed authority for the Chairman to exercise your proxy by marking the tick box on Step 3 of the proxy form (in which case the Chairman of the Meeting will vote in favour of Resolution 1).

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### **RESOLUTION 2 – RE-ELECTION OF ANDREW BURSILL AS DIRECTOR**

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Andrew Bursill was appointed as a director of the Company on 16 April 2010.

Clause 6.5(a) of the Constitution requires one third of the Company's Directors to retire at each annual general meeting. It also provides that a Director who retires under Clause 6.5(a) is eligible for re-election. Mr Bursill has retired by rotation and now seeks re-election in accordance with clause 6.5(a) of the Constitution.

Mr Bursill is a chartered accountant with more than 14 years' experience as a director and company secretary of numerous ASX listed, unlisted public and private companies, in a range of industries covering mineral exploration, oil and gas exploration, biotechnology, technology, medical devices, retail, venture capital and wine manufacture and distribution.

In addition to his appointment as Non-Executive Director and Company Secretary of Argonaut Resources, Mr Bursill is the Company Secretary of Aguiá Resources Limited, Eagle Nickel Limited, Elk Petroleum Limited, Gladiator Resources Limited, MOKO.mobi Limited, Novogen Limited and Site Group International Limited and several other unlisted public and private companies.

The Directors (other than Andrew Bursill) recommend that you vote in favour of Resolution 2.

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### **RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY UNDER LISTING RULE 7.1A**

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#### **3.1 General**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 3.2 (c) below).

**The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.**

#### **3.2 Description Listing Rule 7.1A**

##### **(a) Shareholder approval**

The ability to issue Equity securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

##### **(b) Equity Securities**

Any Equity Securities under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice, has on issue 4 classes of Equity Securities. The class and number of each Equity Securities are set out in the table below:

Security Class	Number on issue
Ordinary Shares	274,876,470
Unlisted options, 30c, expiry 31 December 2013	7,000,000
Unlisted options, 10c, expiry 31 December 2015	7,000,000
Unlisted options, 15c, expiry 11 December 2015	10,000,000

**(c) Formula for calculation 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

**(A x D) – E**

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- (A) Plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) Plus the number of partly paid shares that became fully paid in the 12 months;
- (C) Plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval;
- (D) Less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

**(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 274,876,470 shares and therefore has a theoretical capacity to issue:

- (i) 41,231,471 Equity Securities under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2 (c) above)

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) The date on which the price at which the Equity Securities are to be issued is agreed; or



- (ii) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

#### **(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) The date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) The date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

### **3.3 Listing Rule 7.1A**

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **3.4 Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
  - (i) The date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - (i) The market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) The Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset;

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) Two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company currently has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) Two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.011 50% decrease in Issue Price	\$0.022 Issue Price	\$0.044 100% increase in Issue Price
Current Variable 'A' 274,876,470	10% Voting Dilution	27,487,647 Shares	27,487,647 Shares	27,487,647 Shares
	Funds Raised	\$302,364	\$ 604,728	\$1,209,456
50% increase in current variable 'A' 412,314,705	10% Voting Dilution	41,231,471 Shares	41,231,471 Shares	41,231,471 Shares
	Funds Raised	\$453,546	\$907,092	\$1,814,185
100% increase in current variable 'A' 549,752,940	10% Voting Dilution	54,975,294 Shares	54,975,294 Shares	54,975,294 Shares
	Funds Raised	\$604,728	\$1,209,456	\$2,418,913

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility
- (ii) No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of Equity Securities;
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting;
- (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A not under the 15% placement capacity under Listing Rule 7.1;
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is \$0.022 being the closing price of the Shares on the ASX on 27 August 2013.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
  - (i) Non-cash consideration for the acquisition of assets such as mineral exploration tenements, or a business or company holding mineral exploration tenements. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) Cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case by case basis having regard to the factors including but not limited to the following:

- (i) The methods for raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) The effect of the issue of the Equity Securities on the control of the Company;
- (iii) The financial situation and solvency of the Company; and
- (iv) Advice from corporate, financial and broking advisors (if available).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (e) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class or existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

- (f) In light of the fact that the Company has previously received Shareholder approval for a 10% Placement Facility – being effected by the passage of the eighth resolution at the Company's Annual General Meeting on 29 November, 2012 (see ASX release 29 November, 2012) – it is required under Listing Rule 7.3A.6 that the following information be provided:
- (i) during the 12 months preceding the date of this Meeting, being from and including 28 November 2012 to and including 28 November, 2013 (**Preceding 12 Month Period**):
    - 1. the Company has issued in aggregate the following Equity Securities:
      - (i) 21,500,000 Shares;
      - (ii) 17,000,000 unlisted Options; and
    - B. those Equity Securities issued during the Preceding 12 Month Period represent, on a fully diluted basis, 14.79% of the total number of Equity Securities that were issued on the first day of the Preceding 12 Month Period; and
  - (ii) during the Preceding 12 Month Period, the Company effected various issues of Equity Securities, the particulars of which are set out in Annexure 1.

**ANNEXURE 1 - PARTICULARS OF ISSUES OF EQUITY SECURITIES IN PRECEDING 12 MONTH PERIOD**

<b>Date</b>	<b>Class of Equity Securities issued</b>	<b>Allottees of Equity Securities issued or basis of allotment</b>	<b>Issue Price per Equity Security</b>	<b>Discount to market price (if any)</b>	<b>Total cash consideration raised</b>	<b>Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised</b>	<b>Particulars of any non-cash consideration raised and its current value</b>	<b>No. of Ordinary Shares</b>	<b>No. of Unlisted Options</b>
06/12/2012	Fully paid Ordinary Shares	Veritas Securities Limited	\$0.06	N/A	Nil	N/A	N/A – shares were issued in relation to provision of corporate advisory services by the allottee	1,500,000	N/A
06/12/2012	Unlisted Options issued as exercisable over fully paid ordinary shares at an exercise price \$0.10 on or before 31 December 2015	Amicus Group Limited	N/A	N/A	Nil	N/A	N/A – options were issued as a key component of remuneration in order to attract and retain their services and incentivise their employment	-	2,500,000
06/12/2012	Unlisted Options issued as exercisable over fully paid ordinary shares at an exercise price \$0.10 on or before 31 December 2015	Panstyn Investments Pty Ltd	N/A	N/A	Nil	N/A	N/A – options were issued as a key component of remuneration in order to attract and retain their services and incentivise their employment	-	1,500,000

Date	Class of Equity Securities issued	Allottees of Equity Securities issued or basis of allotment	Issue Price per Equity Security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Particulars of any non-cash consideration raised and its current value	No. of Ordinary Shares	No. of Unlisted Options
06/12/2012	Unlisted Options issued as exercisable over fully paid ordinary shares at an exercise price \$0.10 on or before 31 December 2015	BJ Retail Pty Ltd	N/A	N/A	Nil	N/A	N/A – options were issued as a key component of remuneration in order to attract and retain their services and incentivise their employment	-	1,500,000
06/12/2012	Unlisted Options issued as exercisable over fully paid ordinary shares at an exercise price \$0.10 on or before 31 December 2015	Malcolm Richmond	N/A	N/A	Nil	N/A	N/A – options were issued as a key component of remuneration in order to attract and retain their services and incentivise their employment	-	1,500,000
11/12/2012	Fully Paid Ordinary Shares and Unlisted Options issued as exercisable over fully paid ordinary shares at an exercise price \$0.15 on or before 11 December 2015	Nsansala Resources Limited	\$0.06	N/A	Nil	N/A	<i>Non-cash consideration paid: \$1,287,300 Value of shares and options issued in respect of non-cash consideration as at 3 October 2013: \$410,000</i>	20,000,000	10,000,000

Any enquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Mr Andrew Bursill (Company Secretary):

Suite 4  
Level 9 341 George Street  
Sydney NSW 2000  
Tel: +61 2 9299 9690  
Fax: +61 2 9299 9629

## GLOSSARY

**AEDT** means Australian Eastern Daylight Time, Sydney, New South Wales.

**Annual General Meeting** means the meeting convened by the Notice.

**ASX** means the ASX Limited ACN 008 624 691.

**ASX Listing Rules** means the rules and procedures issued and enforced by the ASX, as amended from time to time, including all guidance notes and appendices thereto.

**ASIC** means the Australian Securities and Investments Commission.

**Board** means the current board of directors of the Company.

**Business Day** means a day that is not a Saturday, Sunday or a public holiday or bank holiday in the place concerned.

**Chairman** means the chairman of the Board.

**Company** means Argonaut Resources NL (ABN 97 008 084 848).

**Constitution** means the Company's constitution.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** mean the current directors of the Company.

**Documents** mean each of the Notice, Explanatory Memorandum and the Proxy Form and all other documents, that each constitute part of this booklet and that accompany each other when sent to each Shareholder.

**Explanatory Statement** means the explanatory statement to the Memorandum.

**Notice** means the notice of meeting which forms part of this Memorandum.

**Ordinary Resolution** means a resolution passed by more than 50 per cent of the votes at a general meeting of shareholders.

**Proxy Form** means the proxy form that accompanies and forms part of the Documents.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means the holder of a Share.

**VWAP** the volume weighted average price of the Shares sold on the ASX during the 5 Trading Days immediately preceding and including the date on which such price is to be determined, but does not include any transactions defined in the ASX Business Rules as 'special' crossings prior to the commencement of normal trading, crossings during the after hours adjust phase nor any overseas trades or trades pursuant to the exercise of options over ordinary shares in the capital of the Company



## Interpretation

In these Documents, unless the context requires otherwise:

- (a) a reference to a word includes the singular and the plural of the word and vice versa;
- (b) a reference to a gender includes any gender;
- (c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (d) a term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate, a joint venture or a governmental agency;
- (e) headings are included for convenience only and do not affect interpretation;
- (f) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (g) a reference to a thing includes a part of that thing and includes but is not limited to a right;
- (h) the terms "included", "including" and similar expressions when introducing a list of items do not exclude a reference to other items of the same class or genus;
- (i) a reference to a statute or statutory provision includes but is not limited to:
  - (i) a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;
  - (ii) a statute or statutory provision which has been amended, extended, consolidated or replaced by the statute or statutory provision; and
  - (iii) subordinate legislation made under the statute or statutory provision including but not limited to an order, regulation, or instrument;
- (j) reference to "\$", "A\$", "Australian Dollars" or "dollars" is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia;
- (k) a reference to an asset includes all property or title of any nature including but not limited to a business, a right, a revenue and a benefit, whether beneficial, legal or otherwise.

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By mail:  
Argonaut Resources NL  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

## SHAREHOLDER PROXY FORM

I/We being a member(s) of Argonaut Resources NL and entitled to attend and vote hereby appoint:

### STEP 1

#### APPOINT A PROXY

the Chairman  
of the Meeting  
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the General Meeting of the Company to be held at 11:30 am on Wednesday, 20 November 2013, at Suite 4, Level 9, 341 George Street, Sydney NSW and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an

### STEP 2

#### VOTING DIRECTIONS

##### Resolution 1

Adoption of directors remuneration report

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

##### Resolution 2

Re-election of Andrew Bursill as director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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##### Resolution 3

Approval of 10% placement facility under listing rule 7.1A

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### STEP 3

#### IMPORTANT - VOTING EXCLUSIONS

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Item 1 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of that Item and that votes cast by him/her for that Item, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 1 and your votes will not be counted in calculating the required majority if a poll is called on this Item.

The Chairman of the Meeting intends to vote undirected proxies in favour of Item 1.

### STEP 4

#### SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

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## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

## Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:30 am on Monday, 18 November 2013**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



**ONLINE** > [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

Argonaut Resources NL  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.

If you would like to attend and vote at the General Meeting, please bring this form with you.  
This will assist in registering your attendance.