

27 November 2018

ASX Market Announcements
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

By Email: Patrick.McCarthy@asx.com.au

Dear Patrick

ARGONAUT RESOURCES NL
PRICE QUERY

With reference to your letter dated 27 November 2018 and with specific reference to your queries contained therein, we advise as follows:

1. Argonaut Resources NL (ASX:ARE) (*Argonaut* or the *Company*) is not aware of any information concerning it that has not been announced to the market which, if known by someone in the market, could be an explanation for recent trading in the securities of the Company.
2. Not applicable
3. The Company notes the ASX announcement made by BHP today titled "BHP copper exploration program update" announcing the potential identification of a new iron oxide, copper gold mineralised system in the Olympic IOCG Province. A copy of the announcement can be found on the ASX markets announcement platform using the following link:
<https://www.asx.com.au/asxpdf/20181127/pdf/440nhy97knh83z.pdf>

The Company's Lake Torrens tenements are in same Olympic IOCG Province, nearby to this discovery. The Company previously announced that a major program of drilling at the Torrens anomaly to similar depths as BHP's discovery drilling is imminent. We are of the opinion that the announcement of BHP's discovery in combination with near-term commencement of Argonaut's drilling is likely to have influenced the prices and trading volumes of the shares of the Company. The Company is not aware of any other information apart from this in relation to the recent trading in its securities

4. The Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. The responses as noted above have been authorised and approved by the Board of Directors.

Yours sincerely,



Andrew Bursill
Director & Company Secretary
Argonaut Resources NL



27 November 2018

Mr Andrew Bursill
Company Secretary
Argonaut Resources NL
C/ Franks & Associates
Suite 2, Level 10
170 Phillip Street
Sydney NSW 2000

By email: abursill@fa.com.au

Dear Mr Bursill

Argonaut Resources NL ('ARE'): Price Query

We note the change in the price of ARE's securities from a low of \$0.017 on 13 November 2018 to a high of \$0.024 today.

We also note the significant increase in the volume of ARE's securities traded.

Request for Information

In light of this, ASX asks ARE to respond separately to each of the following questions and requests for information:

1. Is ARE aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is ARE relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in ARE's securities would suggest to ASX that such information may have ceased to be confidential and therefore ARE may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that ARE may have for the recent trading in its securities?
4. Please confirm that ARE is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that ARE's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of ARE with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1.30 pm AEDT today Tuesday, 27 November 2018**. If we do not have your response by then, ASX will likely suspend trading in ARE's securities under Listing Rule 17.3. You should note that if the

information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ARE's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to ARE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance *Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that ARE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in ARE's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in ARE's securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Regards

Patrick McCarthy
Adviser, Listings Compliance (Sydney)