

Argonaut Share Purchase Plan Results

13 October 2020

Argonaut Resources NL (Argonaut or the Company) (ASX: ARE) advises that the Company will raise \$2.5 million under the Share Purchase Plan (SPP) that was announced on 23 September 2020, opened on 25 September 2020 and closed on 9 October 2020.

The SPP was open to all 2,284 eligible shareholders and 175 valid applications totalling \$3,354,500 were received. The Board has decided that it is in the best interest of shareholders to increase the size of its share purchase plan from the target amount of \$1.2 million to \$2.5 million.

The Company will therefore undertake a pro rata scale back, of \$854,500, being the balance amount over-subscribed. The pro rata scale back will be performed under the terms and conditions as set out in the Share Purchase Plan sent to all eligible shareholders on 25 September 2020.

The scale back will be applied having regard to the pro rata shareholding of Eligible Shareholders (as at the record date on 23 September 2020) and who applied for SPP Shares. Indicatively, this will result in the percentage scale back in the table below.

Shares held at the Record Date	Number of Applicants	Percentage Scale Back
1-99	12	99.997
100-999	2	99.990
1,000-9,999	2	99.918
10,000-99,999	4	90.485
100,000-999,999	57	61.251
1,000,000-2,500,000	42	18.142
>2,500,000	56	0.000

The Company will refund any excess application monies (without interest) to Applicant's whose applications are affected by the scale-back, as soon as practicable after allotment of Shares as provided under the SPP Offer document.

Since 30 September 2020, Argonaut has raised \$5,204,000, consisting of \$2,704,000 placement to professional and institutional investors, completed on 2 October 2020 and the SPP of \$2,500,000.

The Company advises that the money raised will be used to:

- drill test copper targets at the Company's 100% held Murdie Project in South Australia. The copper targets at Murdie are gravity anomalies in the style of BHP's high-grade Oak Dam discovery, 45 kilometres to the northwest;
- complete a scoping economic study of the Nyungu copper-cobalt deposit at Lumwana West in North-western Zambia; and
- for working capital.

The additional funds raised from the larger than expected SPP uptake will be used to provide greater financial flexibility to fast track work on these projects.

The Argonaut board sincerely thanks those shareholders who contributed to the Share Purchase Plan. The Company is excited about its impending exploration and feasibility work, particularly given the strong potential for results to drive the Company's share price during this rising copper market.

This announcement was authorised for release by

Lindsay Owler
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ARGONAUT RESOURCES NL