

ASX ANNOUNCEMENT

TECHNICAL PRESENTATION 2009 ANNUAL GENERAL MEETING

27 November 2009

Exploration Activities

Kroombit

The Kroombit Zn-Cu deposit is approximately 100km southwest of Gladstone in Central Queensland. Historically the site was mined for copper but the near surface mineralisation is predominantly zinc with copper principally found at depth.

Argonaut drilled 13 confirmatory RC holes in 2007 and based on the results of this program proceeded to drill 184 RC holes, for a total of 14,785m, as well as 4 diamond drill holes in 2008.

Skarn style zinc mineralisation, i.e. mineralisation chemically 'replacing' components of limestone rocks and other calcium rich rocks, presumably associated with porphyry rocks, was found to be hosted near surface in a synclinal structure. The copper mineralisation was generally deeper and appears to cross-cut the stratigraphy.

The company engaged independent geological consultants Hellman & Schofield Pty. Ltd. to estimate the zinc and copper resource at Kroombit and released the Resource Estimate to the exchange on 11 June 2009.

The Resource Estimates were based on the results of the drill holes mentioned above.

The Indicated and Inferred Resources comprise:

- a zinc resource of 5.2 million tonnes grading at 1.9% zinc and 0.15% copper at a cut-off of 1.0% Zn, for 96,700 tonnes of zinc and 7,800 tonnes of copper
- a copper resource of 0.9 million tonnes at 1.0% copper at a cut-off of 0.5% Cu for 9,000 tonnes of copper
- giving a combined copper resource of 16,700 tonnes from the zinc & copper Resource models.

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The zinc resource estimate was reported using a 1% zinc cut-off grade for oxide, transition and sulphide material constrained within a zinc mineralisation wireframe. The resources were modelled and classified according to the assumption that they will be selectively mined in an open pit.

The additional copper mineralisation is constrained within copper wireframes at depth and outside the zinc mineralisation wireframe.

Hellman & Schofield has defined Exploration Potential for additional zinc mineralisation between 1,000,000 and 1,500,000 tonnes at 1.5% to 2.0% Zn. This is peripheral to the currently defined zinc mineralisation wireframe. This potential is based on grades that were generated by Ordinary Kriging of existing drill hole data outside the zinc wireframe, using a maximum search distance of 45 metres. This potential mineralisation has had insufficient exploration to define a Mineral Resource. It is uncertain whether further drilling will convert this to a Mineral Resource.

Additionally, Hellman & Schofield commented that there is a substantial potential for additional copper and zinc mineralisation at depth beneath the zinc mineralisation wireframe. This is based on a consideration of isolated drill-hole intercepts of significant mineralisation outside the currently defined zinc and copper mineralisation wireframes and the periphery Exploration Potential.

RC drilling rig access to certain areas central and peripheral to the main zinc-copper resource area was restricted. All of the areas where access was restricted are in the vicinity of historical mine workings including two areas with adits (originally targeting copper) and an area adjacent to several small pits and shafts. Infill drilling using appropriate equipment and environmental management is planned for these areas.

Full details of the Resource Estimates can be found in the announcement made by Argonaut to the ASX on 11 June 2009.

Zinc flotation test-work was undertaken by Optimet Laboratories using samples sourced from 2008 diamond core. Initial tests by Optimet succeeded in producing a zinc concentrate grading 55.4% Zn at 87% recovery from a master zinc sulphide composite sample with a head grade of 2.25% Zn.

The keys to the future for the Kroombit Zn-Cu deposit as a mining project are:

- the defined pathway to an increased Resource;
- the excellent metallurgical properties, hence an easily marketable product; and
- the project's convenient location with respect to infrastructure in an existing mining district with associated skilled labour and engineering facilities.

Argonaut is also proceeding to explore regional targets in the Kroombit area with the aim of discovering supplementary resources within trucking distance of the initial mining site. The Company has recently been offered two additional Mineral Exploration Permits in the area.

Global Zinc		1% Zn cut off			Ave Density = 2.78t/m³	
Category	Volume	Tonnes	Zinc %	Copper %	Zn Tonnes	Cu Tonnes
Indicated	1,789,750	4,985,947	1.88	0.15	93,643	7,602
Inferred	65,750	171,702	1.79	0.12	3,070	213
Total	1,855,500	5,157,649	1.88	0.15	96,713	7,815

Oxide		1% Zn cut off			Ave Density = 2.29t/m³	
Category	Volume	Tonnes	Zinc %	Copper %	Zn Tonnes	Cu Tonnes
Indicated	330,000	755,700	2.08	0.16	15,716	1,171
Inferred	30,500	69,845	1.87	0.08	1,304	55
Total	360,500	825,545	2.06	0.15	17,020	1,227

Transition		1% Zn cut off			Ave Density = 2.84t/m³	
Category	Volume	Tonnes	Zinc %	Copper %	Zn Tonnes	Cu Tonnes
Indicated	230,000	652,671	1.87	0.12	12,211	790
Inferred	10,250	29,547	1.70	0.10	503	30
Total	240,250	682,218	1.86	0.12	12,714	819

Sulphide		1% Zn cut off			Ave Density = 2.91t/m³	
Category	Volume	Tonnes	Zinc %	Copper %	Zn Tonnes	Cu Tonnes
Indicated	1,229,750	3,577,575	1.84	0.16	65,718	5,633
Inferred	25,000	72,311	1.75	0.18	1,263	128
Total	1,254,750	3,649,886	1.84	0.16	66,981	5,761

Copper Sulphide			0.5% Cu Cut Off	Ave Density 3.22t/m³
Category	Volume	Tonnes	Copper %	Cu Tonnes
Indicated	225,250	728,998	1.06	7,746
Inferred	41,250	128,362	0.91	1,172
Total	266,500	857,360	1.04	8,918

Torrens

The Torrens project located near Olympic Dam in South Australia is recognised as one of the most prospective large Iron Oxide Copper-Gold targets in Australia and internationally.

In October 2007, after nine years of negotiation, Argonaut and its Joint Venture partner, Straits Resources, gained access to the tenement for the purpose of drilling deep diamond core holes into target zones based on modelled geophysics. An initial three holes were drilled prior to access being revoked.

In recent months a new, amalgamated Native Title claim – the Kokatha Uwankara claim – has been registered, thus providing the Joint Venture with a clearly defined party for continued negotiations.

Recently a meeting was held with the new Kokatha Uwankara management committee in Port Augusta. The Joint Venture was given a firm commitment from the group that discussions in relation to the Torrens project will be progressed.

In addition, the Joint Venture held a number of meetings with the South Australian State Government to resolve the access issue in order to recommence drilling operations. During these meetings the Joint Venture was given a firm undertaking and commitment that this matter is likely to be resolved within the next three to six months.

The Joint Venture has identified seven high priority targets at Torrens and is aiming to gain approval to drill multiple holes into each.

The access delays to date have been long and unfortunate but the Joint Venture is becoming increasingly optimistic that the exploration program will recommence.

Straits Resources Ltd. has the right to earn a 70% interest in the project, pursuant to the terms of the Joint Venture, by spending \$7 million on exploration. Argonaut currently holds 100%.

Laos

In Laos in mainland Southeast Asia, the Company has two exploration projects. Argonaut conducted gold and nickel exploration programs at the Century project during the year. The company completed 2,000 metres of reverse circulation, 2,349 metres of trenching and analysed 2,431 exploration samples at an independent laboratory.

In February 2009, the company reported high-grade trench intersections from the Houai Khouay prospect including 24m at 25.5g/t gold from trench KHTR121 and 4m at 8.12g/t gold from trench HKTR112.

The company drilled 11 reverse circulation drill holes for a total of 1,542m at Houai Khouay during the year. Highlights of this program included 2m at 5.94g/t gold from 16m in drill hole BSRC1 and 10m at 1.28g/t gold from 129m in drill hole BSRC7.

No field-based exploration was undertaken at the Xekong tenement area.

Argonaut's primary objective in Lao during the year has been to secure extensions to its two Mineral Reconnaissance and Exploration Agreements (MREAs). These concession agreements were initially signed in 2004 for a period of five years. The application process for the extension of these concessions is well advanced.

Both Laotian tenements are highly prospective for gold and contain numerous untested anomalies. Drill-ready targets at the Ban Bak prospect on the Xekong tenement feature trenching and channel sampling intercepts such as:

- BBRL172: 8m at 40g/t gold
- BBRL34: 18m at 4.35g/t gold
- BBRL46: 20m at 10.6g/t gold
- BBRL218: 12m at 19.2g/t gold
- BBRL219: 8m at 19.8g/t gold

The Company is keen to see these targets thoroughly tested by RC drilling.

Lindsay Owler
Exploration Director

The data in this report that relates to Mineral Resources for the Mt Kroombit Deposit is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Tear is a full-time employee of Hellman & Schofield Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.

Sections of information contained in this report that relate to Exploration Results were compiled or supervised by Mr Lindsay Owler BSc, MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Argonaut Resources NL. Mr Owler has sufficient experience which is relevant to the style of mineral deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Owler consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.