

ASX ANNOUNCEMENT

1st September 2009

ARGONAUT RECOVERS FURTHER \$2 MILLION

Previous announcements have detailed irregularities in the financial records of the Company and conditional settlements with various parties which have been agreed.

An additional Settlement Agreement which will further remedy losses has been reached under which the Company will receive a further \$2 million in seven days.

Argonaut continues to consider further avenues for recovery of misappropriation of funds. Argonaut will keep the market informed of the progress of these efforts.

Argonaut confirms that the cash on hand as of 1st September 2009 was in excess of \$7.2mil.

Media Contacts

Graeme Ellis
Managing Director
+61 2 9268 5100

John Field
Field Public Relations
+61 8 8234 9555

Head Office

Suite 4, Level 7, 60 Park Street Sydney NSW 2000 Australia
Phone: +61 2 9268 5100 Fax: +61 2 9268 5188 Email: sydney@argonautresources.com

Laos

Unit 3, Level 5, Vientiane Commercial Building 33 Lane Xang Avenue Vientiane Laos
Phone: +856 21 222 731 Fax: +856 21 240 281 Email: laos@argonautresources.com