

30 April 2018

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

Dear Sir/Madam

SHARE PLACEMENT: ASX LISTING RULE 7.1A.4(B) & 3.10.5A NOTICE

Argonaut Resources Limited (ASX: ARE) ("Argonaut" or "Company") hereby provides notice to the ASX for the purposes of ASX Listing Rule 3.10.5A and ASX Listing Rule 7.1A.4(B) that on 30 April 2018 it issued 275,850,000 fully paid ordinary shares in the Company, of which 124,353,062 ordinary shares were issued in accordance with ASX Listing Rule 7.1A ("ASX LR 7.1A Placement").

The issue price for the 124,353,062 ordinary shares that were issued in accordance with ASX Listing Rule 7.1A was \$0.02 per share, with a total of A\$2,487,061.24 in funds raised before costs.

Pursuant to the provisions of ASX Listing Rule 3.10.5A in which the issue of 124,353,062 ordinary shares were made under ASX Listing Rule 7.1A, the Company states that:

- The ASX LR 7.1A Placement of 124,353,062 ordinary shares represented 8% of the expanded ordinary shares on issue of the Company, resulting in a dilution to the existing holders of ordinary securities by that amount;
- The Company considered the ASX LR 7.1A Placement as the most efficient and expedient method for raising the funds required by the Company for its working capital purposes;
- Applications for the 124,353,062 ordinary shares issued under ASX LR 7.1A were made via a broker. A brokers' fee of 5% of the amount raised by the broker was payable, plus a 2% management fee of the placement amount, all exclusive of GST.
- The 7.1A Placement was not underwritten.

For and on behalf of the Board,



Andrew Bursill
Company Secretary