

Argonaut Share Purchase Plan Closes Early and Oversubscribed

9 October 2020

Argonaut Resources NL (Argonaut or the Company) (ASX: ARE) is pleased to announce that the Company has been overwhelmed with acceptances in the Share Purchase Plan (SPP) that was announced on 23 September 2020 and opened on 25 September 2020.

The Company advises that it has already received subscriptions in excess of \$3.0 million and as a result the Company has closed the SPP with immediate effect.

The Company advises that any further applications received after 5.00pm today will not be accepted under the SPP and application monies will be returned in full to the applicant.

Given the amount by which valid applications received prior to close of the SPP have exceeded the Company's target, 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. It will undertake a pro rata scale back in respect of the balance amount over-subscribed. 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.

The Company advises that the money raised under this SPP and from the recently completed \$2.7 million share placement (announced 23 September 2020) (Placement) 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.

Following the early closure of the SPP, the Company provides a revised SPP timetable:

22 September 2020 at 7.00 pm (AEST)	Record Date <i>The date on which the Company determines Eligible Shareholders.</i>
25 September 2020	Offer Opening Date <i>The date on which the SPP opens</i>
9 October 2020 at 5.00 pm (AEST)	Offer Closing Date <i>The date on which the SPP closes. Applications and payments must be received by 5.00 pm (AEST)</i>
12 October 2020	Announcement of Results
15 October 2020	Allotment Date <i>The date Shares under the SPP are allotted and any scale back of the Shares is announced.</i>
15 October 2020	Dispatch Date <i>The date on which holding statements are sent to shareholders</i>
15 October 2020	Share Trading Date <i>The date on which it is expected that Shares under the SPP will commence trading on the ASX.</i>

Comments from Lindsay Owler:

The Argonaut board is pleased by the strong shareholder support for our Share Purchase Plan. Funds raised will be applied to copper exploration and development during an exciting stage in the copper price cycle.

Argonaut is preparing to drill several deep holes into gravity targets at the 100% held Murdie copper project in South Australia, nearby to BHP's spectacular Oak Dam discovery and Oz Mineral's newly commissioned Carrapateena copper mine.

Additionally, Argonaut has restarted scoping metallurgical testwork on its 90% held Nyungu copper-cobalt deposit at Lumwana West in North-western Zambia. Work commencing in 2020 includes leach testwork and oxidation testwork which will be followed by solvent extraction/electro-winning tests. Test results will provide data for a scoping economic study which will consider three different processing routes for Nyungu copper-cobalt mineralisation.

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
 Director and CEO
ARGONAUT RESOURCES NL