

# ASX announcement

19 February 2018

## Final Torrens Drilling Authorisation Granted

Argonaut Resources NL (ASX: ARE) (*Argonaut* or the *Company*) is pleased to announce that an application by the Torrens Joint Venture under section 23 of the Aboriginal Heritage Act 1988 has been approved by the Minister for Aboriginal Affairs and Reconciliation.

This authorisation allows the Torrens Joint Venture to proceed to a major exploration drilling program. No further approvals are required.

### Highlights:

- The South Australian Minister for Aboriginal Affairs and Reconciliation has approved an application by the Torrens joint venture under section 23 of the Aboriginal Heritage Act 1988.
- This is the final approval required to undertake a major drilling program at Torrens.
- The approval allows for of up to 70 deep diamond drill holes and covers the area of the Torrens gravity anomaly.

**“This final approval marks the end of a 20-year process to gain access to the giant Torrens anomaly for a major exploration drilling program. Authorisation was only pursued so doggedly because of the exceptional geological properties of the target”.**  
Lindsay Owler, Argonaut CEO.

## Authority under the Aboriginal Heritage Act

On 15 February 2018, the Minister for Aboriginal Affairs and Reconciliation granted an authorisation under section 23 of the Aboriginal Heritage Act 1988. The authorisation allows for up to 70 deep diamond drill holes and covers an area of 120km<sup>2</sup> over the Torrens gravity anomaly.

Appropriately, the authorisation requires the Torrens Joint Venture to stay in close consultative contact with two aboriginal groups.

**“The section 23 consultation process has brought local aboriginal groups and the joint venture together in a pleasing way. Efforts by traditional owners, legal representatives, Government officials and the Torrens JV team to protect and preserve aboriginal heritage have been sincere and productive”.**  
Lindsay Owler, Argonaut CEO.

## Operational Approval

The 'Exploration Program for Environment Protection and Rehabilitation' for ongoing exploration activities including aerial and ground gravity surveys and diamond drilling at exploration licence 5614 was approved in November 2017.

The approval permits the drilling of up to 70 deep diamond drill holes into the giant Torrens anomaly from the salt crust of Lake Torrens. The approval lasts for the term of EL5614 and any subsequent exploration licences.

Authorised drilling is subject to strict environmental controls.

## Native Title Access

In April 2017, Argonaut announced that the South Australian ERD Court granted authority to enter and undertake mining operations (exploration) within the area of EL5614.

## The Torrens Anomaly

The Torrens anomaly is a coincident magnetic and gravity anomaly with a footprint considerably larger than that of Olympic Dam. The anomaly is located at the Torrens hinge zone, a continent-scale zone of crustal weakness that appears to have been a conduit for mineralising fluids from the Earth's mantle.

Drilling of the Torrens anomaly by Western Mining Corporation in the late 1970s and by the Torrens Joint Venture in 2007 and 2008 confirmed the existence of a major IOCG mineralising system beneath several hundred metres of sedimentary cover.

More drilling is required to intercept the modelled copper-gold mineralisation. In the event of a discovery, the Torrens anomaly has the scale to host a world-class copper-gold deposit.

## The Torrens Joint Venture

The Torrens Joint Venture is between Argonaut Resources NL (30%) and Aeris Resources Limited (ASX:AIS) (70%) and relates to the Torrens project, EL5614.

In its role as manager of the joint venture, Argonaut's wholly owned subsidiary, Kelaray Pty Ltd, has succeeded in securing access to the licence for the purpose of a planned drilling program targeting areas which have the properties of large IOCG deposits.

## Murdie, South Australia

Argonaut Resources was granted two highly prospective South Australian exploration licences, EL5937 and EL5945 (Figure 1). The licences are contiguous with the Company's Torrens project in South Australia. The licence areas cover a confirmed IOCG target in an area known as Murdie as well as a second anomaly at West Lake Torrens.

The licences cover an area of 1,015 square kilometres and are located immediately south and east of the Torrens project and east of the Carrapateena deposit (Figure 1).

The Murdie and West Lake Torrens targets constitute excellent exploration opportunities in their own right and provide Argonaut with a commanding land holding in the event of a discovery at Torrens.

### **Lindsay Owler**

Director and CEO

Argonaut Resources NL

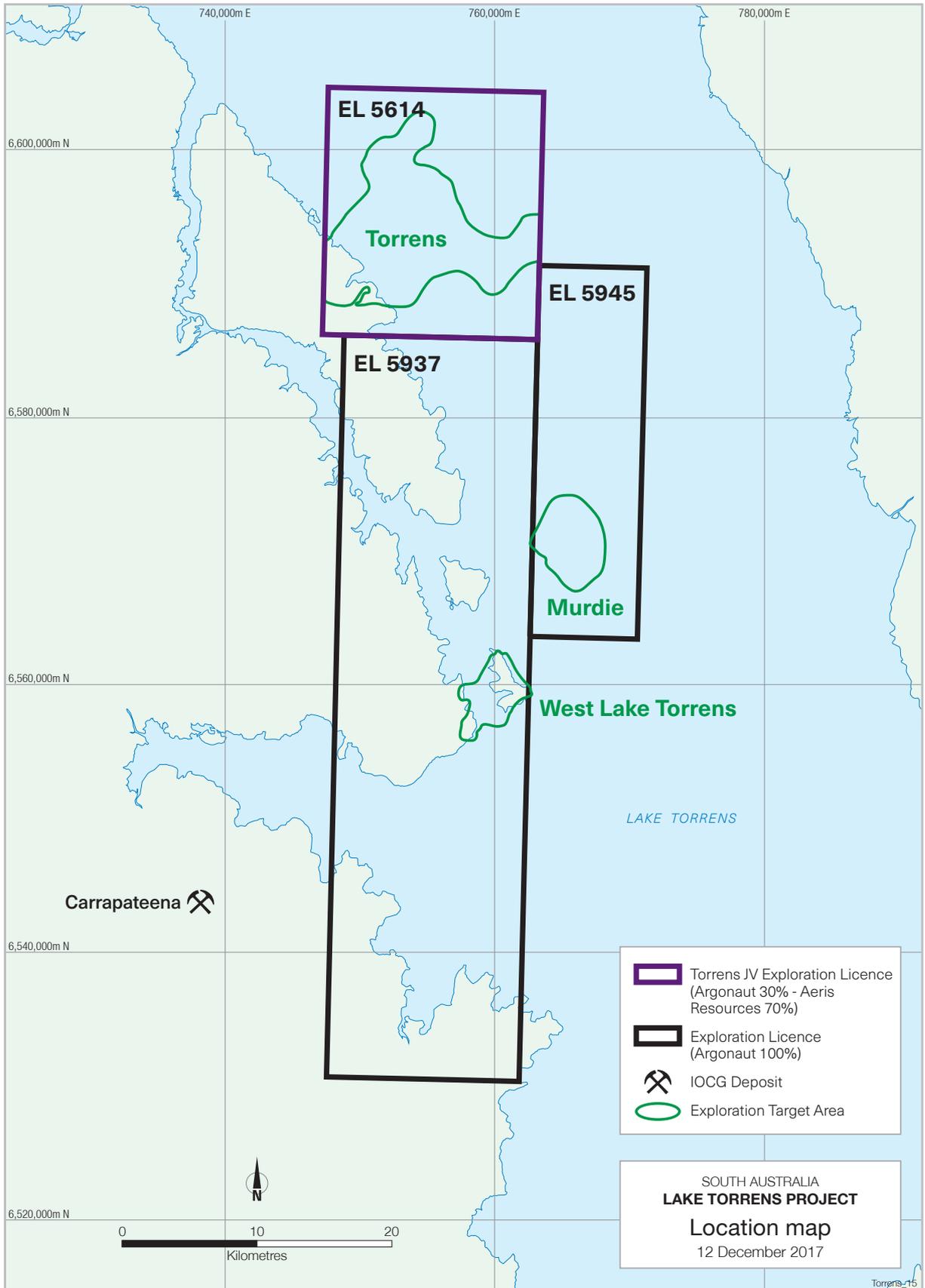
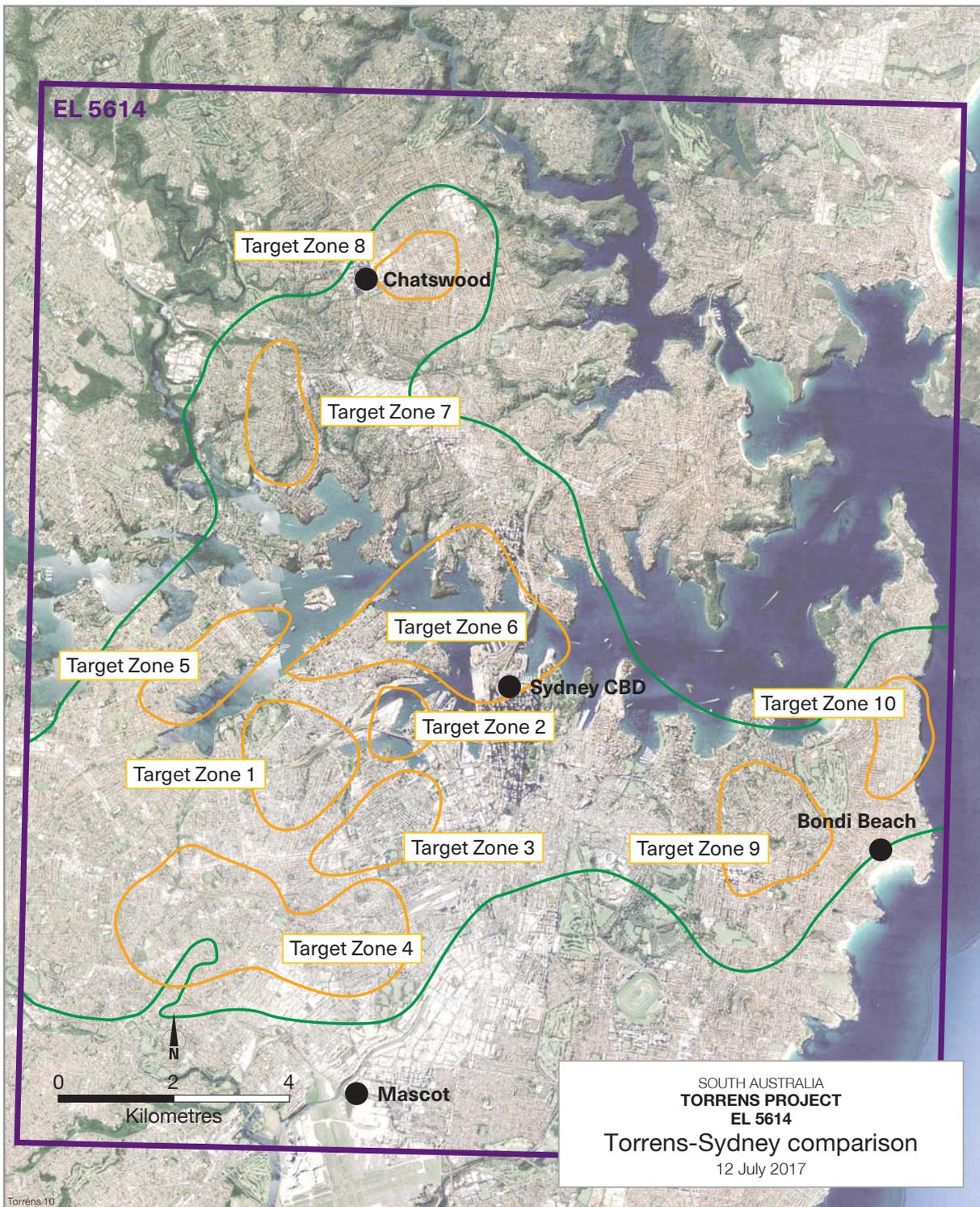


Figure 1 Lake Torrens exploration licences.



**Figure 2** Torrens gravity anomaly (bouguer: green, residual: yellow) overlain on metropolitan Sydney.

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 holds shares and options in Argonaut Resources NL, details of which are disclosed in the Company's 2017 Annual Report. 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 2012 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.