

# ASX announcement

21 January 2019

## Torrens Drilling Starts

Argonaut Resources NL (ASX: ARE) (*Argonaut* or the *Company*) is pleased to announce that drilling has commenced at the giant Torrens copper-gold anomaly at Lake Torrens in South Australia.

### Highlights

- **Drilling has commenced** at the first prioritised copper target with the Torrens anomaly.
- The Torrens anomaly is an extensive series of gravity and magnetic targets located approximately 40km northeast of the spectacular Oak Dam West copper discovery, announced by BHP in November 2018.
- There are 28 distinct target zones within the broader Torrens anomaly. The anomaly has a footprint larger than Olympic Dam.
- The Torrens Joint Venture has committed to an initial 8-10 hole, \$5,000,000 program which is part of an extensive 25-30 hole, \$15,000,000 program, expected to take 18 to 24 months.



**Photo 1** Heli-portable drilling commences at the Torrens exploration site.

Argonaut Resources NL  
ABN 97 008 084 848

**Registered Office**  
Level 5  
126 Phillip Street  
Sydney, NSW, 2000, Australia  
T +61 2 9299 9690  
F +61 2 9251 7455  
E [sydney@argonautresources.com](mailto:sydney@argonautresources.com)

**Adelaide Office**  
Level 1  
63 Waymouth Street  
Adelaide, SA, 5000, Australia  
T +61 8 8231 0381  
F +61 8 8231 6092  
E [adelaide@argonautresources.com](mailto:adelaide@argonautresources.com)

## Torrens Drilling

Argonaut CEO, Lindsay Owler, said “The commencement of drilling at Torrens is a huge milestone for Argonaut. Argonaut’s subsidiary, Kelaray Pty Ltd, was first granted the Torrens licence in 1998. The company resolutely pursued access approvals to this remarkable copper target in difficult circumstances over many years. Our supportive shareholders can enjoy this moment as much as the directors and management. Now the drill results can do the talking!”

A heli-portable drilling rig capable of drilling deep, cored holes in remote locations has commenced drilling from custom-made pontoons, designed to protect the salt crust and anchor the drilling rig. Holes will be drilled to depths of between 800 and 1,500m into dense, iron-rich rocks, interpreted to contain copper and gold mineralisation.

The program is targeting geophysical anomalies that have the properties of the Oak Dam West, Olympic Dam and Carrapateena copper deposits.

### The Torrens Anomaly

The Torrens anomaly is a complex series of magnetic and gravity anomalies with a footprint larger than that of Olympic Dam. The anomaly is located over 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 iron oxide copper-gold 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, Torrens has the potential to host a world-class copper-gold deposit.

### The Torrens Joint Venture

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

The Torrens Joint Venture is exploring for iron oxide-copper-gold systems in the highly prospective Stuart Shelf region of South Australia. The Torrens Project is located near the eastern margin of South Australia’s Gawler Craton (Stuart Shelf), within 40 kilometres of BHP’s Oak Dam West copper discovery, 50 kilometres of Oz Minerals’ Carrapateena copper-gold deposit and 75 kilometres from BHP Billiton’s Olympic Dam mine.

In its role as manager of the joint venture, Argonaut’s wholly owned subsidiary, Kelaray Pty Ltd, secured access to the tenement in difficult circumstances for a planned drilling program targeting areas which have been geophysically modelled as having the physical properties of large iron oxide-copper-gold deposits. In September 2018, Argonaut’s partner, Aeris Resources, took over as manager of the joint venture.

#### **Lindsay Owler**

CEO and Director

Argonaut Resources NL

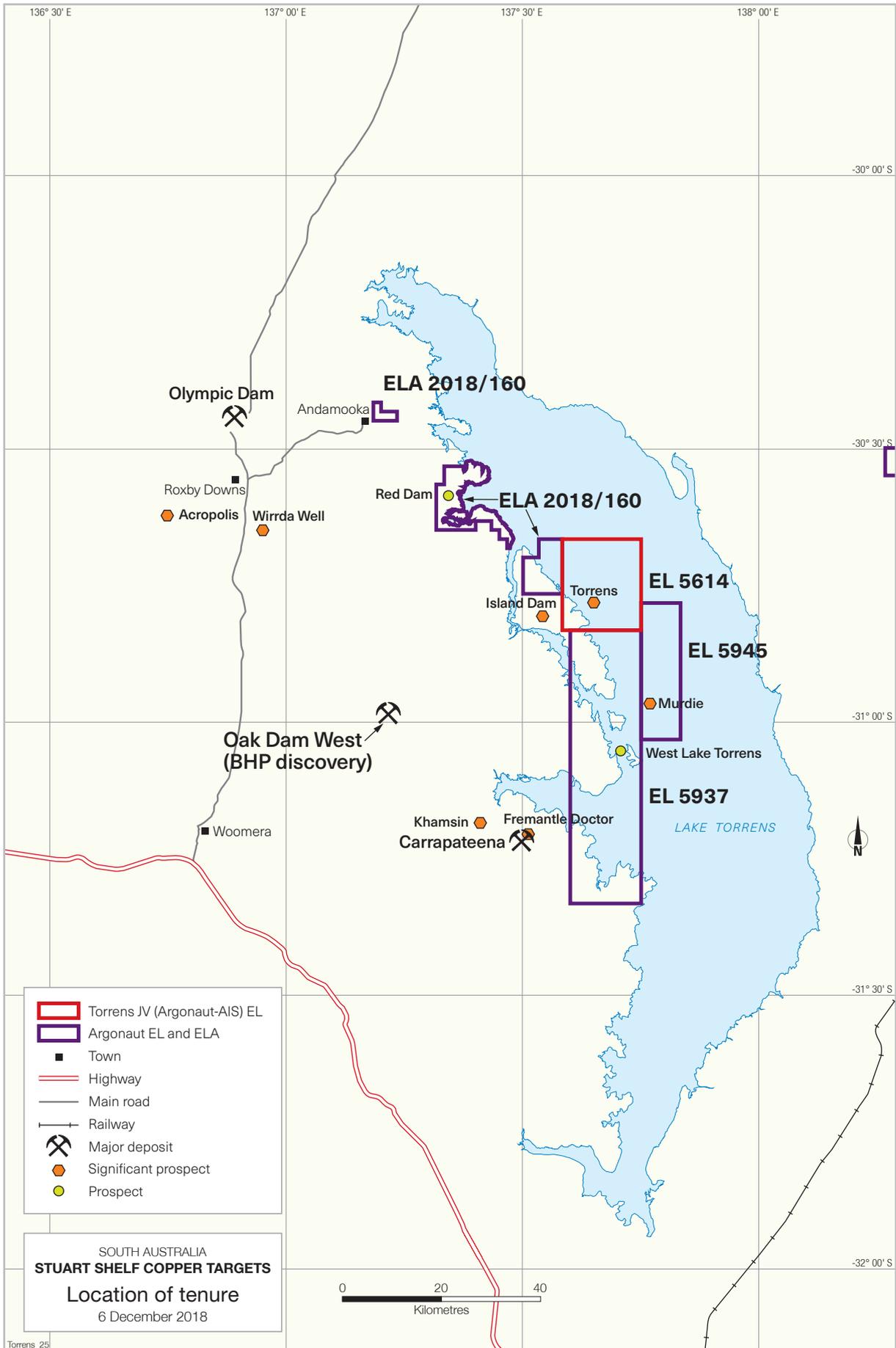


Figure 1 Torrens Project, copper mines and prospects, Stuart Shelf, South Australia.