

CAPITAL STRUCTURE:

Issued shares: 1,544 million

Listed options: None

Unlisted options: 65 million

Cash on hand: \$5,336,000

DIRECTORS:

Patrick Elliott,
Non-Exec Chairman

Lindsay Owler,
Director/CEO

Andrew Bursill,
Director/Secretary

Malcolm Richmond,
Non-Exec Director

COPPER PROJECTS

Torrens, South Australia

Copper, gold (large IOCG)

Phase: Permitting/Exploration

Interest: Aeris Resources 70%,
Argonaut 30%

Agreement Phase: Exploration

Operator: Argonaut

Lumwana West, Zambia

Copper, cobalt (shear-hosted)

Phase: Advanced exploration

Interest: Argonaut 90%,

Agreement Phase: Exploration

Operator: Argonaut

GOLD PROJECTS

Higginsville, Western Australia

Oxide and primary gold

Phase: Exploration

Interest: Earning up to 80%

Agreement Phase: Earn-in,
phase one

Operator: Argonaut

Quarterly report

FOR THE PERIOD ENDING 30 JUNE 2018

Argonaut Resources NL (*Argonaut or the Company*) (ASX: ARE) is pleased to present the following report for the period to 30 June 2018 (*the Quarter*).

Highlights

Torrens, South Australia – Copper

- A FALCON airborne gravity and aeromagnetic survey was flown by the Torrens joint venture over the Torrens exploration licence in March 2018, the results of which are very promising.
- Interpretations of this data have exceeded expectations by defining 28 large-volume drilling targets.
- These new targets have the physical properties of Iron Oxide Copper-Gold deposits such as Olympic Dam, Prominent Hill, Carrapateena or Hillside (Figure 3).
- The survey has increased the probability of drilling success.
- Preparations for a major drilling program are well advanced – drilling is expected to commence towards the end of the current quarter.
- The most prospective targets will be selected for drilling early in the program.

Lumwana West, Zambia – Copper-Cobalt

- Potential exists for a two-stage, low capital cost, short lead-time copper-cobalt mine at the Nyungu deposit.
- A program of metallurgical test work on copper-cobalt sulphide and transitional mineralisation is underway with a team engaged to undertake and supervise tests.
- Metallurgical testing aims to define a process flow-sheet which will in-turn allow Argonaut to meaningfully evaluate the economics of a mine.
- A large-scale exploration licence was reissued over the Lumwana West area by the Zambian Government for a period of up to 10 years.

Corporate

Private Placement

- During the Quarter, Argonaut completed a private placement and raised \$5,500,000 before costs.
- Placement funds will be used for the Company's share of a major drilling program at Torrens plus metallurgical testing of Lumwana West drill core and working capital.

Outlook

- Shareholders can expect a major drilling program to commence around September at the internationally recognised Torrens copper-gold anomaly.
- Copper market fundamentals such as tightening of mined copper supply and gradual growth in global consumption will result in a medium-term copper price increase.
- Copper and cobalt supply remain susceptible to disruption due to a concentration of production in the Democratic Republic of the Congo (DRC) and the potential in the DRC for maladministration and unrest.
- World-class copper exploration assets such as Torrens and Lumwana West place Argonaut in a strong position to benefit as the current commodity cycle strengthens.

Registered Office

Suite 2, Level 10, 70 Philip Street
Sydney, NSW, 2000, Australia
T +61 2 9299 9690
F +61 2 9251 7455
E 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

Torrens, South Australia

(Argonaut 30%)

Geophysics

New geophysical survey data has defined numerous large areas that have the physical properties of Iron Oxide Copper-Gold (IOCG) deposits. This survey has increased the probability of drilling success at Torrens due to its higher precision.

Gravity Targets

Argonaut has defined 28 gravity targets from modelling of gravity and magnetic data. These targets each display the properties of large IOCG deposits. The targets have been categorised into four groups which are detailed in Table 1 below.

Table 1: Categorised gravity anomalies identified at Torrens. See Figure 4 for locations.

Target Type	Description	Targets
Partial to non-coincident gravity and magnetic anomaly	Modelled magnetite anomaly offset from interpreted hematite/sulphide mineralisation.	5
Coincident gravity and magnetic anomaly	Largely coincident gravity and magnetic anomalies plus or minus abutting non-magnetic interpreted hematite/sulphide mineralisation.	9
Gravity only anomaly	Modelled gravity anomaly without a proximal magnetic anomaly. Carrapateena-style.	10
Deeper gravity anomaly	Modelled gravity anomaly greater than 700m depth plus or minus magnetic anomalism.	4

IOCG Deposits and Geophysics

Rocks with locally high concentrations of subsurface iron can be distinguished via gravity (high rock density) and magnetic (high or low susceptibility to magnetism) surveys. These iron-rich rocks can be associated with economic concentrations of copper and gold. Drilling of this type of anomaly along the eastern margin of the Gawler Craton has led to the discovery of the Olympic Dam, Prominent Hill and Carrapateena mines.

Different IOCG deposits have different geophysical characteristics. This is due to variations in the extent of iron alteration. It is generally accepted that large bodies of high-density, magnetite-rich rock with low concentrations of copper can be altered into non-magnetic hematite which can carry higher copper and gold grades. This alteration from magnetic to non-magnetic iron can be partial, as is the case at Olympic Dam and Prominent Hill, or complete as seen at Carrapateena. It follows that IOCG gravity targets with a variety of relationships to magnetics can be prospective for IOCG mineralisation.

3D models of the new survey data show the spatial relationship between gravity and magnetic anomalies more precisely. This provides better definition of target zones and higher accuracy drill targeting.

The Torrens licence contains numerous gravity anomalies with a variety of gravity-magnetic relationships. These are described in Table 1 and Figure 3.

Geophysical Modelling

There are several valid ways to model geophysical data. A common modelling technique is unconstrained inversion modelling. This involves using the geophysical survey data to create three-dimensional, mathematical models without any imposed geological constraints. Then, in the case targets like Torrens where downhole geophysical measurements are available from existing drill holes, the theoretical models are validated against real density and susceptibility measurements taken from drill core.

The Torrens joint venture has completed the three-dimensional inversion modelling process and these results are presented in Figures 1 to 4.

Additional three-dimensional modelling of gravity and magnetic data using alternative modelling techniques has commenced. The output of this modelling will be used in conjunction with the inversion modelling and geological interpretations to determine drill hole locations.

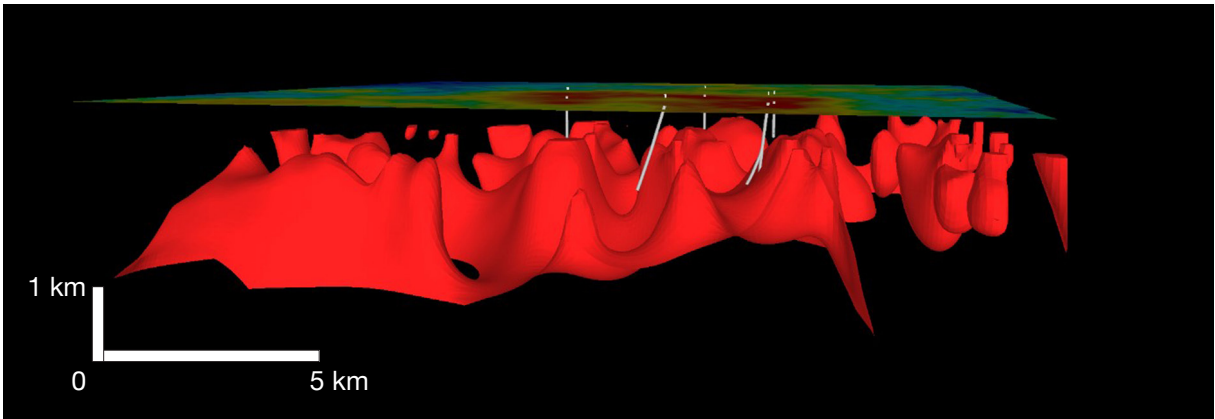


Figure 1 Gravity inversion model iso-surface (red) under GDD gravity image (colour) with existing drill holes (white).

Interpretations

Figure 1 shows that the gravity inversion model produced numerous gravity targets within the Torrens licence area. Figure 2 shows the relationship between a gravity inversion iso-surface and a magnetic inversion iso-surface. Argonaut has categorised all significant gravity inversion highs according to their relationship with magnetics and depth. Anomalies that occur at expected drilling depths and have coincident, partially coincident or non-coincident magnetic associations have been categorised, as have those gravity anomalies without associated magnetic highs. Gravity targets at depths greater than 700m are grouped separately. This categorisation of gravity targets is shown in Figure 3.

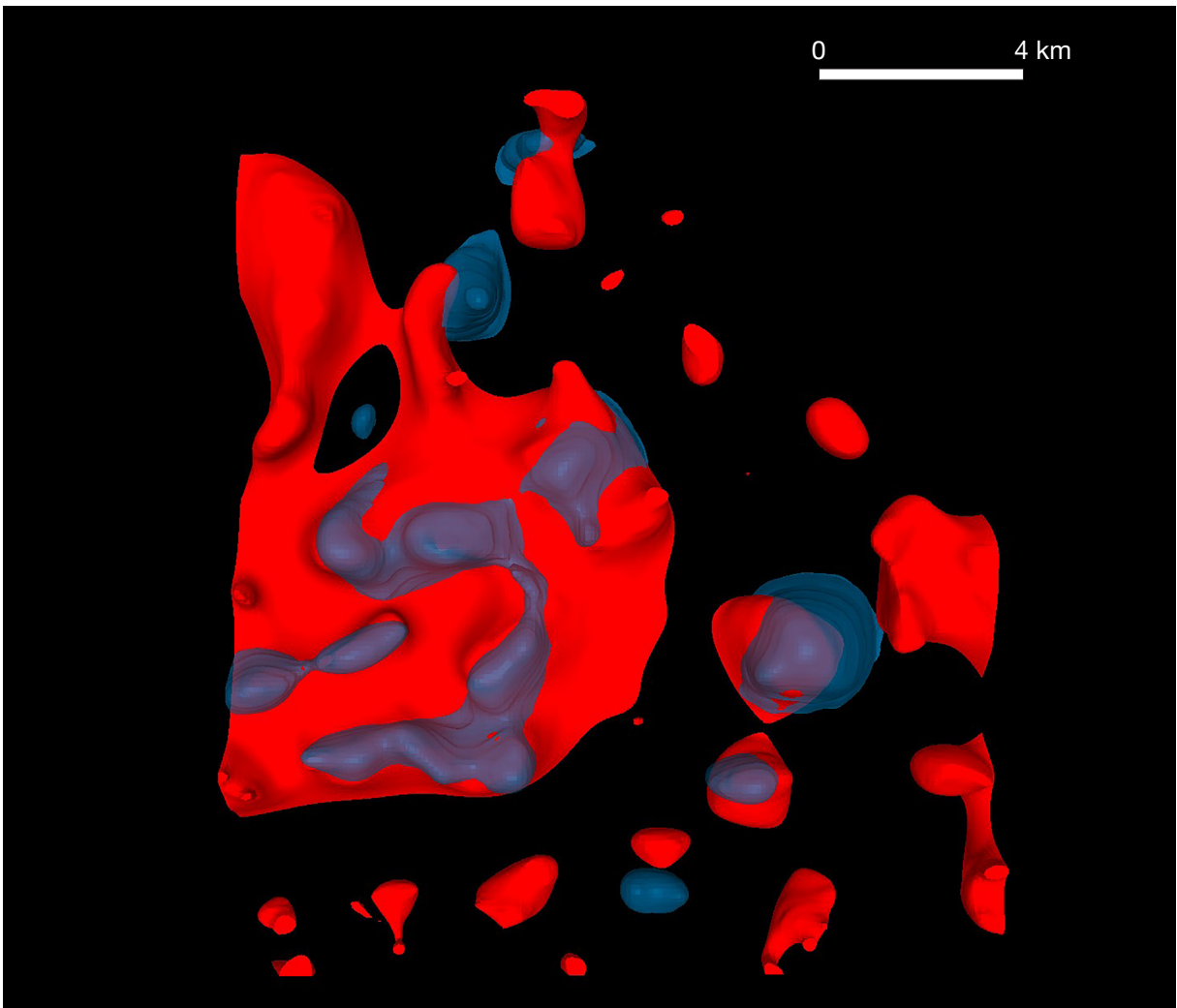


Figure 2 Gravity inversion model iso-surface (red) with magnetic inversion model iso-surface (transparent blue).

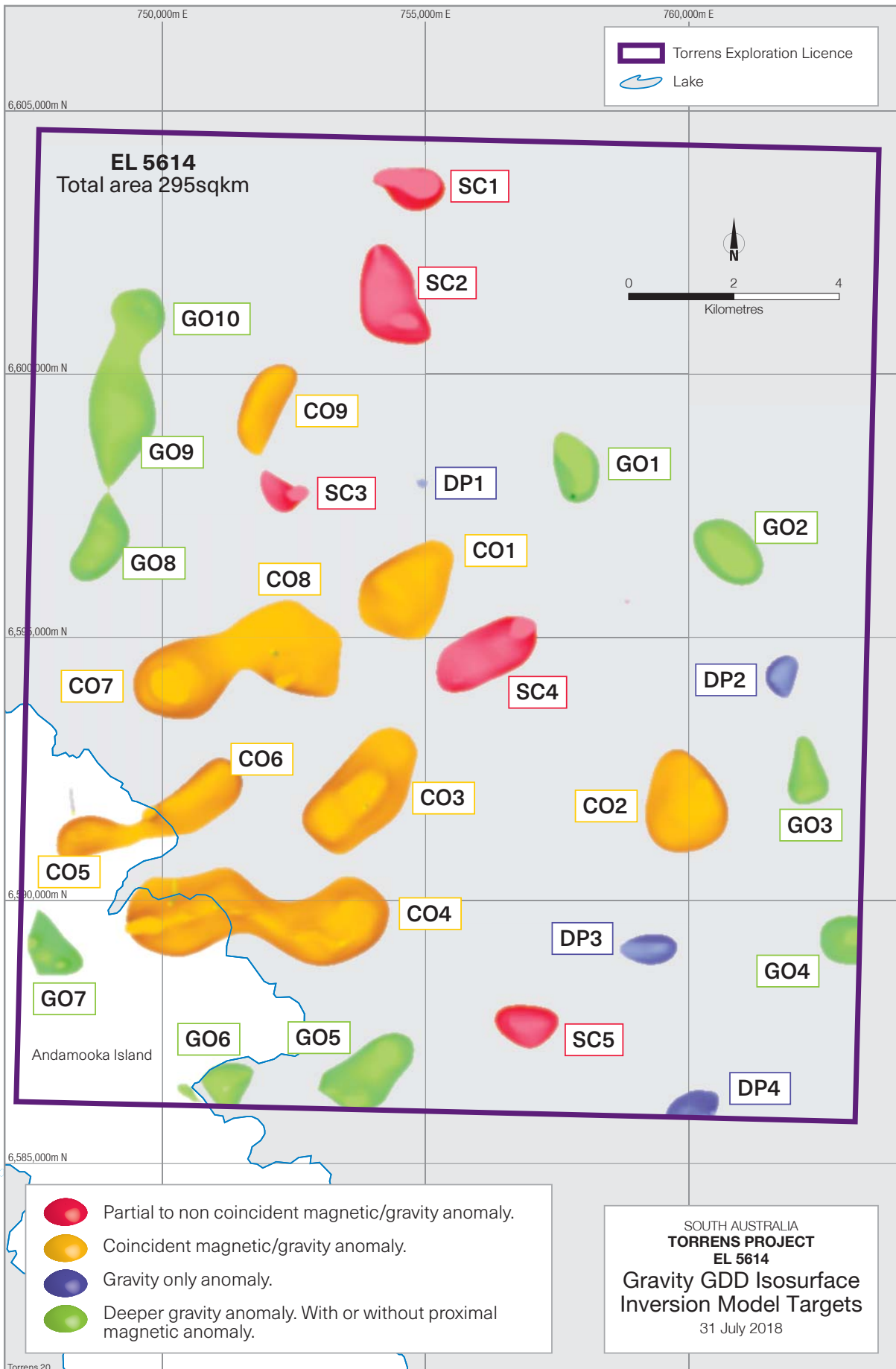


Figure 3 Gravity inversion model targets by category.

Survey

In March 2018, the Torrens JV completed an airborne geophysical survey over the entire 295 square kilometre area of exploration licence 5614, Torrens. The survey recorded gravity via a FALCON airborne gravity gradiometer system and magnetics via a high resolution, high sensitivity Scintrex magnetometer.

The survey was flown at a 200m line-spacing in north-south orientation for a total of approximately 2,000 line-kilometres. Laser scanner data was acquired for accurate terrain correction of the gravity data.

Previously, the Torrens JV used several generations of ground-based gravity survey data to geophysically model the Torrens anomaly. Some of this ground-based data was relatively modern (2007) and some was historic (1976). The three-dimensional modelling of historic data had comparatively poor resolution and had the potential to negatively affect drill targeting.

Drilling

The Torrens joint venture technical committee has completed a thorough review of Eastern Gawler Craton geology with specific regard to IOCG mineralisation. Experts in IOCG geology have contributed papers, comparisons and targeting reviews. The committee will select the most prospective targets for drilling early in the program.

The fabrication of specialist heli-portable equipment required for environmentally sensitive drilling on a salt-lake crust commenced during July 2018.

The drafting of operational safety and environmental protection systems, specific to helicopter-supported drilling and Torrens project approvals, is underway.

Drilling is expected to commence during the September quarter 2018.

The Torrens Anomaly

The Torrens anomaly is a coincident magnetic and gravity anomaly with a footprint 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 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, the Torrens anomaly has the scale to host a world-class copper-gold deposit.

Permits

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 120km² over the Torrens gravity anomaly.

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

Operational Approval

The 'Exploration Program for Environmental 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 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 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 50 kilometres of Oz Minerals' Carrapateena copper-gold deposit and 75 kilometres from BHP Billiton's Olympic Dam mine.

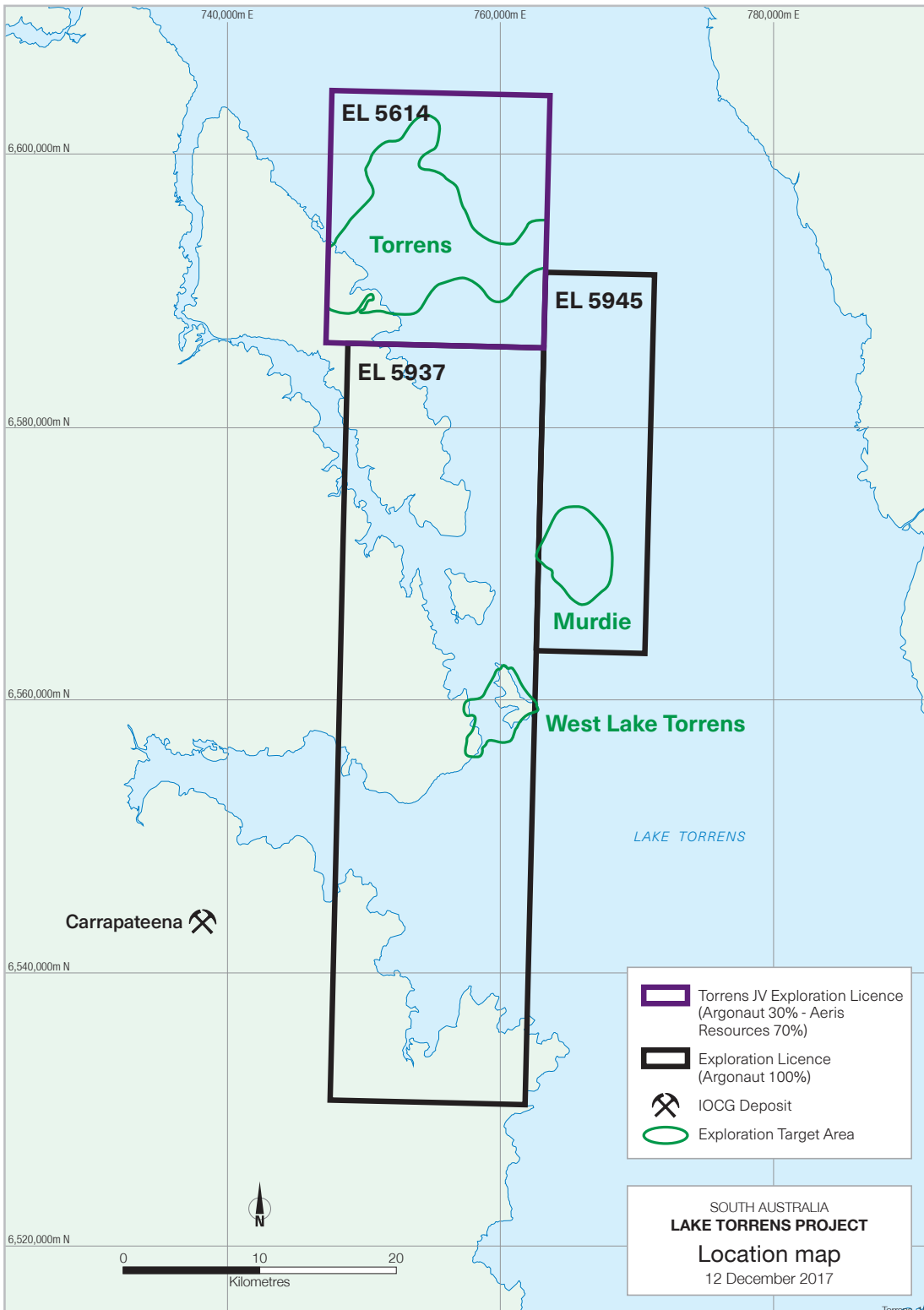


Figure 4 Lake Torrens exploration licences.

Murdie, South Australia

(Argonaut 100%)

Argonaut Resources holds two highly prospective South Australia exploration licences, EL5937 and EL5945 (Figure 4). The licences are contiguous with the Company's Torrens project in South Australia. The licence areas encompass 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 4).

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

Lumwana West, Zambia

(Argonaut 90%)

The Lumwana West project is in the Central African Copperbelt, North-Western Province, Zambia. The area is prospective for large tonnage, low to medium grade copper/cobalt deposits. There are several major mines nearby to Lumwana West that are hosted in similar geological settings (Figure 5).

Argonaut, via its 90% held subsidiary, Mwombeshi Resources Ltd, has been successful in intercepting broad copper and cobalt intercepts at the Nyungu deposit. The upturn in commodity prices has caused the value of the Nyungu deposit to increase sharply. With the benefit of a newly granted licence, Argonaut has proceeded to a scoping mining study and is now developing a process flow-sheet to better understand the economics of a potential mine.

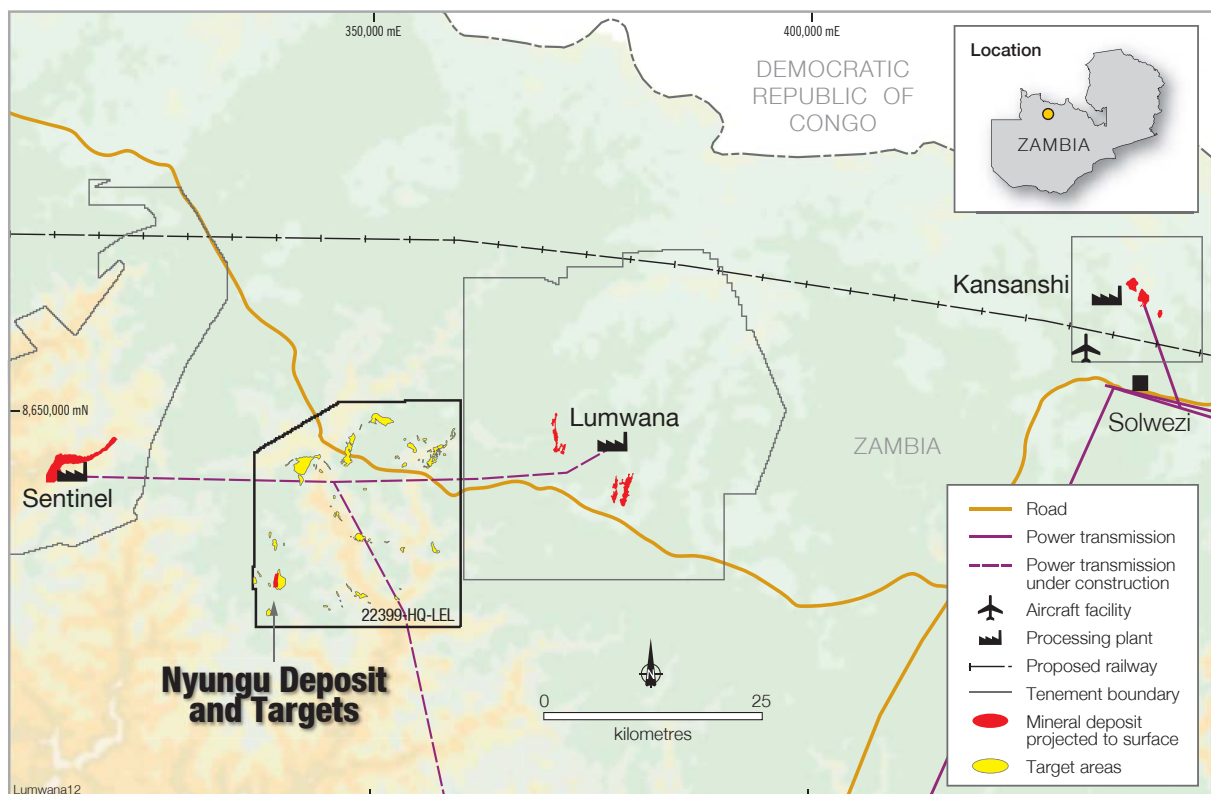


Figure 5 Lumwana West licence showing the Nyungu copper-cobalt deposit plus nearby mines and infrastructure.

Metallurgical Test Work

Argonaut has identified the potential for a two-stage, low capital cost, short lead-time copper-cobalt mine. The high priority processes for investigation are:

- Stage one – dense media separation of cobalt oxide.
- Stage two – leach and solvent extraction from copper-cobalt concentrate.

Metallurgical samples have been selected from existing drill core and these samples have been exported to Australia for test work. Initial test work involves a mineralogical study of the four mineralisation types. Results of this initial work will direct further test work and infill drilling at Nyungu Central.

Follow-up metallurgical work may include:

- dense media separation of copper and cobalt oxide;
- leaching of copper and copper-cobalt sulphide; and
- conventional flotation of copper-cobalt sulphide.

Mining Study

RPM conducted a preliminary open pit optimisation study on the Nyungu Central and Nyungu South deposits. The modelling was conducted for copper production only using costs from similar mines. Results were highly encouraging.

Modelling shows excellent deposit geometry via a very low stripping ratio (Figure 6).

- Stripping ratio of 1.5 to 1 for the optimum pit at the current copper price; and
- Stripping ratio of 2.3 to 1 to a depth of >300m at 150% of the current copper price, indicating the deposit has a low sensitivity to stripping ratio.

RPM concluded the project had economic potential and warrants further studies.

Copper and Cobalt Exploration Targets

RPM have previously estimated Exploration Targets for both copper and cobalt mineralisation at Nyungu. These are shown below in Table 2.

Table 2. Nyungu March 2017 Exploration Target

Commodity	Tonnage Range (Mt)	Grade Range (%)	Contained Metal Range (kt)
Copper*	130 to 180	0.45 to 0.65	580 to 1,150
Cobalt	15 to 20	0.08 to 0.12	12 to 24

The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

* Copper Exploration Target announced to the ASX by Argonaut on 9 April 2013.

* Cobalt Exploration Target announce to the ASX by Argonaut on 27 March 2017.

Both Exploration Targets are estimated to JORC 2012 standards.

Argonaut is planning to undertake a drilling program targeting cobalt of at least 3,000 metres as soon as possible.

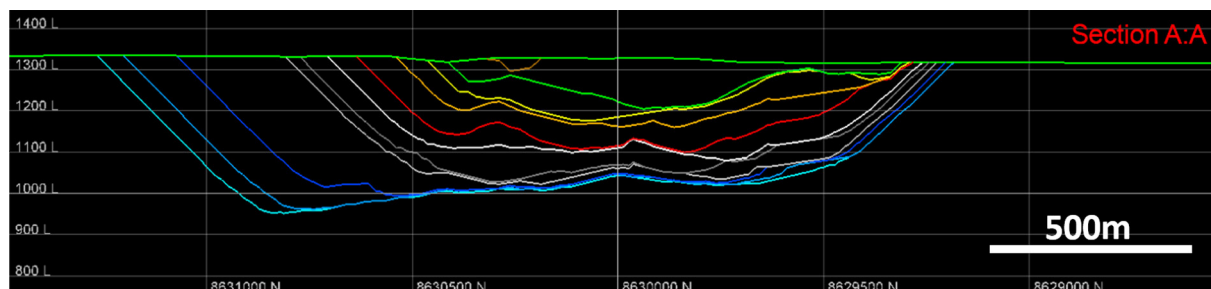


Figure 6 Nyungu Central long-section, looking east. Preliminary pit optimisation open pit shells. White shell has a stripping ratio of 1.5 to 1 and reflects the optimisation at the current copper price. The light blue shell has a stripping ratio of 2.3 to 1 and is economic at 150% of the current copper price.

Copper-Cobalt Deposit

The Nyungu copper-cobalt deposit was drilled by Argonaut in 2011 and 2012. 48 drill holes for 9,019m were considered by RPM in its studies of Nyungu. This drilling targeted copper mineralisation, rather than cobalt, due to the metal prices at the time.

Cobalt mineralisation tends to sit at the footwall of the Nyungu Central deposit in a relatively predictable manner (Figure 8), typically with grades of 0.1%. Wide high-grade zones, such as 23m at 0.21% cobalt, have been intercepted.

Three cobalt domains have been defined using wireframes for estimation purposes (Figure 8). These cobalt domains sit within the envelope of copper mineralisation (Figures 7-8).

Resource Upgrade

Cobalt Oxide

Initial drilling targeted fresh copper sulphide mineralisation i.e. copper mineralisation below the weathered (oxide and transitional) zones. Consequently, very few existing drill holes intercept mineralisation in these weathered zones.

A program of shallow drilling has the potential to significantly upgrade copper and copper-cobalt mineralisation in the oxide and transitional zones. This is particularly significant because of the favourable metallurgical properties of cobalt oxide. Much of the cobalt produced in the DRC is mined from cobalt oxide.

Argonaut plans to target these zones for drilling. This drilling will provide both resource estimation data and metallurgical samples for dense media separation and leach test work.

Cobalt Sulphide

The Nyungu Central deposit plunges gently to the north. Existing drill holes targeted this plunging mineralisation to approximately 300m below the surface. The cobalt grades increase down-plunge and copper grades stay roughly consistent.

The preliminary mining study, discussed above, clearly demonstrates that deeper drilling is warranted at Nyungu Central due to the low stripping ratio and increased cobalt value. This drilling will increase the contained tonnages of both copper and cobalt.

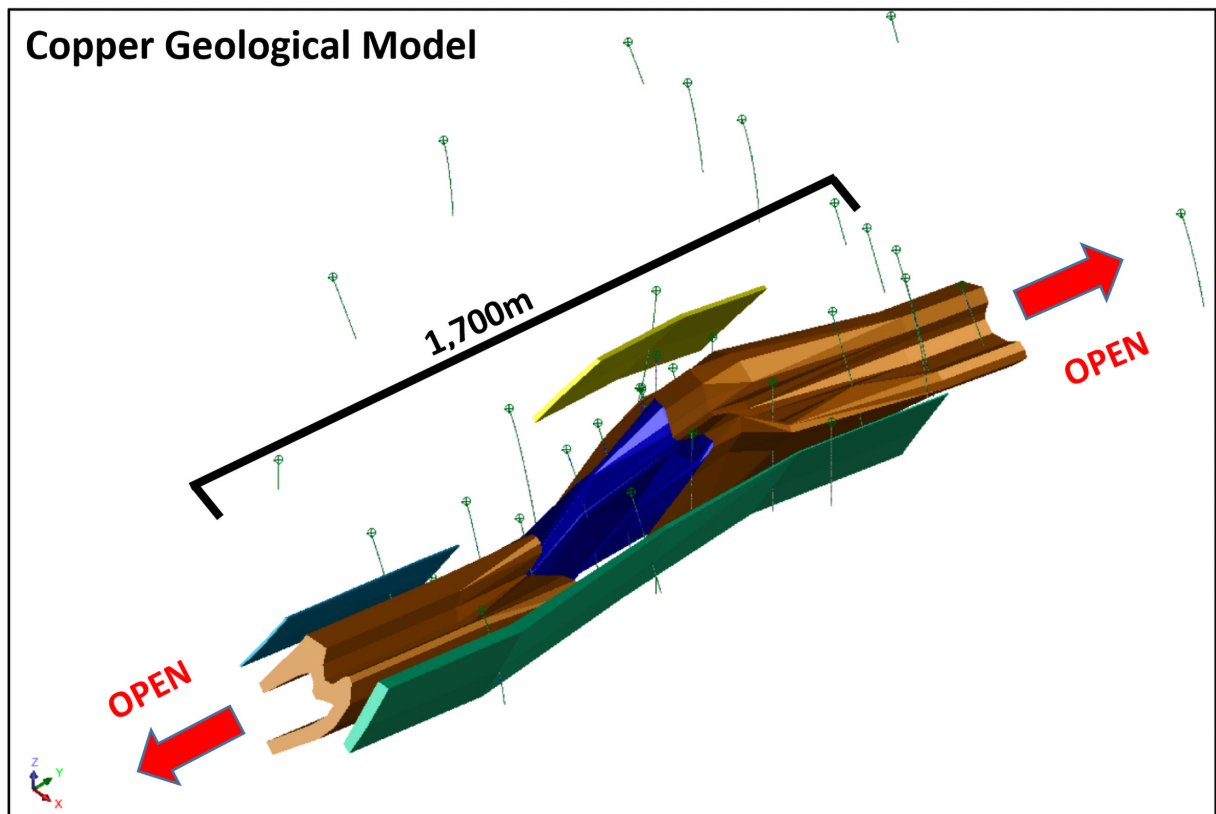


Figure 7 Nyungu Central, copper wireframes. Oblique view.

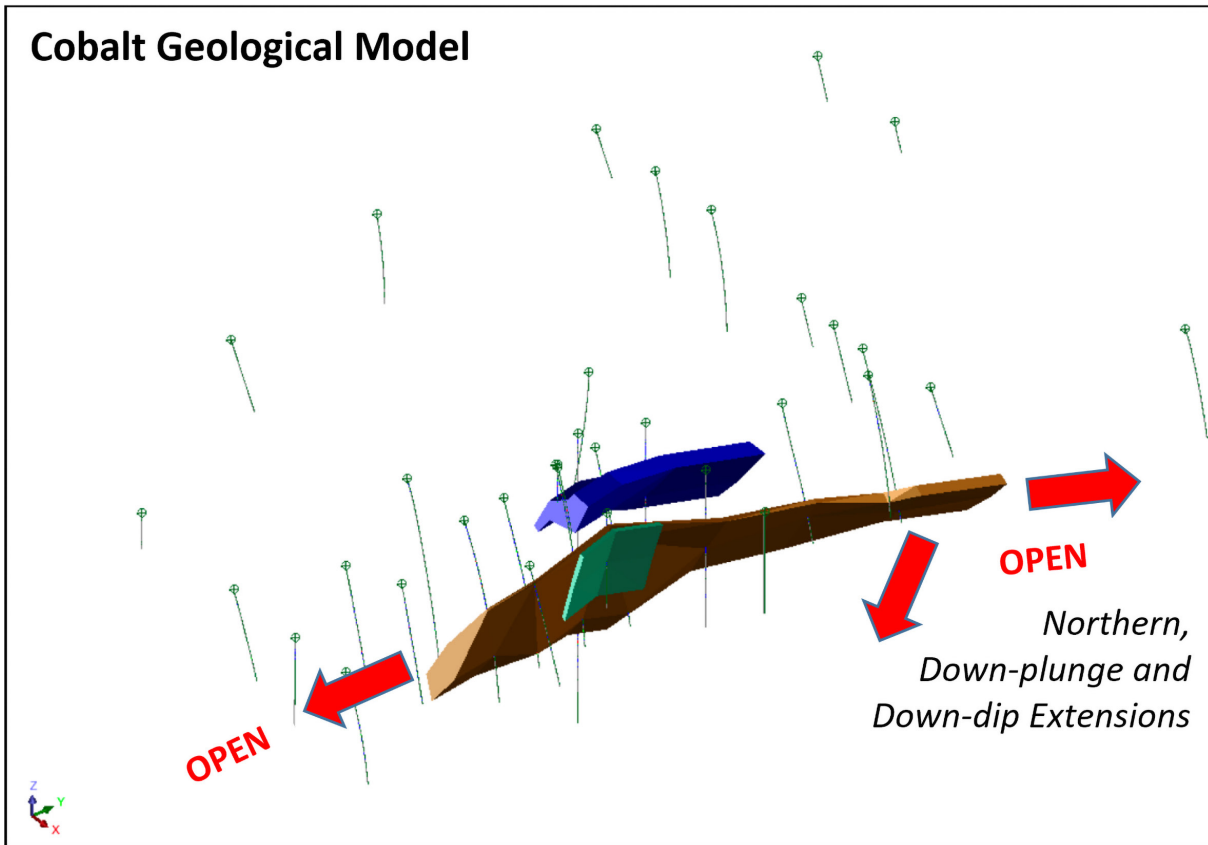


Figure 8 Nyungu Central, cobalt wireframes. Oblique view.

Tenure

The Lumwana West large-scale exploration licence was reissued recently for a maximum period of 10 years. The new licence was granted on 29 December 2017 and the cadastral system was recently updated to reflect the grant. The licence covers 568 square kilometres.

Alford, South Australia

(Argonaut 100%)

The Alford Project on South Australia's Yorke Peninsula lies 20km north-east of Wallaroo within the geological province known as the Olympic Domain. The tenement is prospective for iron oxide copper-gold mineralisation as found at Prominent Hill, Olympic Dam and Hillside. No field-based work was undertaken at Alford during the Quarter.

Kroombit, Queensland

(Argonaut 100%)

No field-based work was undertaken at Kroombit during the Quarter.

Background

Argonaut holds a 100% interest in the Kroombit zinc-copper deposit in Central Queensland via its interest in ML5631 and MDL2002. Mining on ML5631 is subject to a 2% net smelter royalty, payable to Aeris Resources Ltd.

On 11 June 2009 Argonaut announced a maiden resource estimation for the Kroombit deposit. The Indicated and Inferred Resources at Kroombit comprise:

- a Zinc Resource of 5.2 million tonnes at 1.9% zinc and 0.15% copper using a cut-off of 1.0% Zn, for 98,800 tonnes of zinc and 7,800 tonnes of copper; and
- a Copper Resource of 0.9 million tonnes at 1.0% copper at a cut-off of 0.5% Cu for 9,000 tonnes of copper.

In addition, Exploration Results are reported comprising a defined Exploration Potential of between:

- 1 million and 1.5 million tonnes at 1.5% to 2.0% zinc, and between
- 0.5 million and 1 million tonnes at 0.7% to 1.3% copper.

Aroona, South Australia

(Argonaut 100%)

EL5336, Aroona, is subject to a joint venture agreement with Perilya Limited. No field-based work was undertaken at Aroona during the Quarter.

Higginsville, Western Australia

(Argonaut earning 80%)

The tenements that make-up the Higginsville project are in Western Australia's Eastern Goldfields (Figure 9). Geologically, the package sits within the Norseman-Wiluna Belt, a belt of ancient rocks endowed with gold and nickel that sits within the broader Yilgarn Craton.

Approximately 70% of Australia's historical gold production has come from the Yilgarn Craton and most of that from the Norseman-Wiluna Belt.

The Higginsville Project is located south of Kambala, west of Lake Cowan and adjacent to Higginsville where over two million ounces of gold has been historically defined.

The package of tenements at Higginsville is held by Loded Dog Prospecting Pty Ltd. Argonaut and Loded Dog Prospecting are parties to an earn-in joint venture agreement which grants Argonaut the right to earn up to 80% of the tenements in two phases. The earn-in agreement is currently in the first phase.

Gold Exploration

Argonaut's goals are to explore for near-surface oxide gold in areas with historic shallow drilling results and to target deeper primary gold mineralisation at previously untested depths.

The Amorphous and Footes Find targets are located approximately 5km along existing roads from an operating mill (Figure 10) and present an excellent opportunity for a meaningful, near-term exploration outcome.

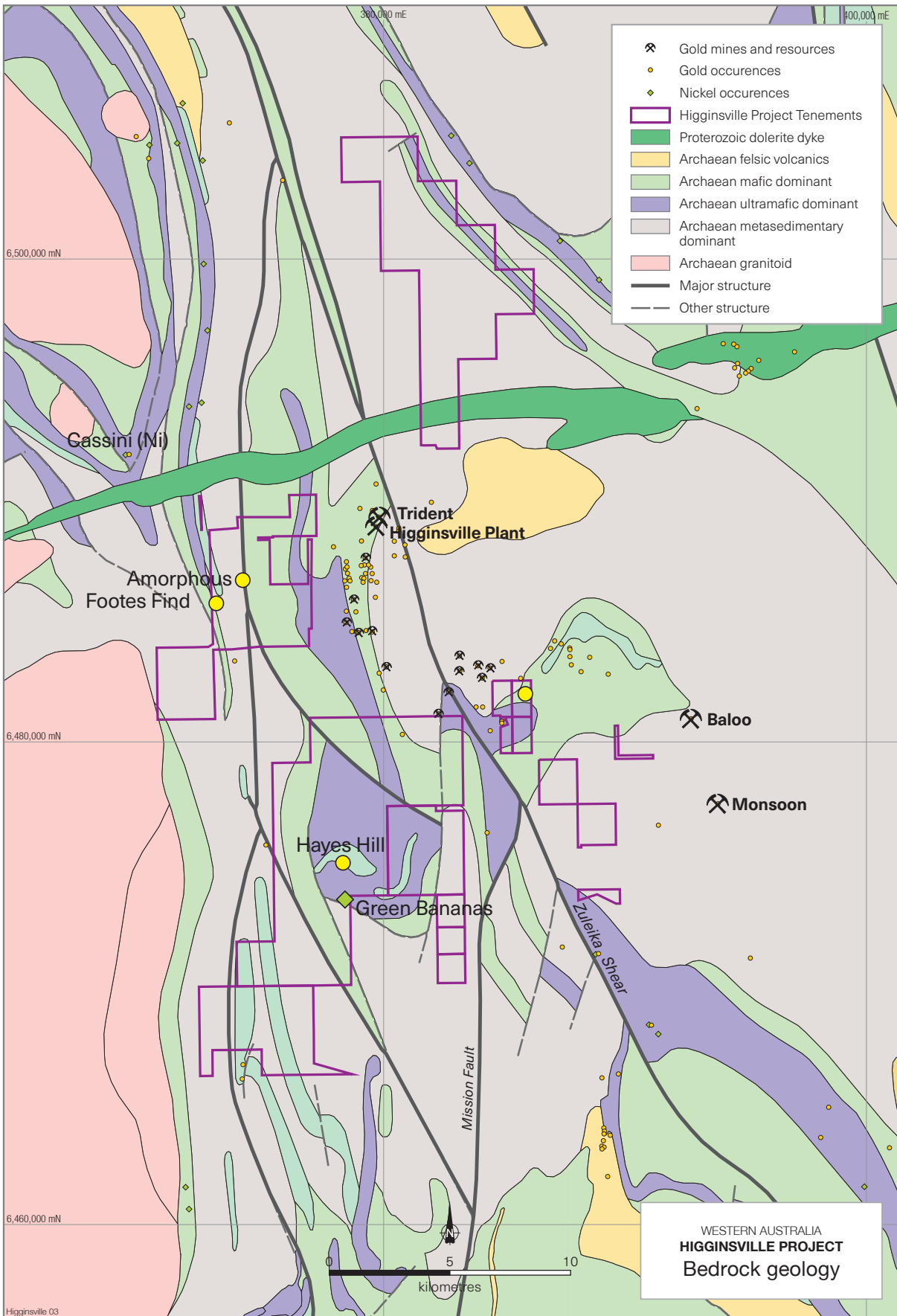


Figure 9 Higginsville tenement location.

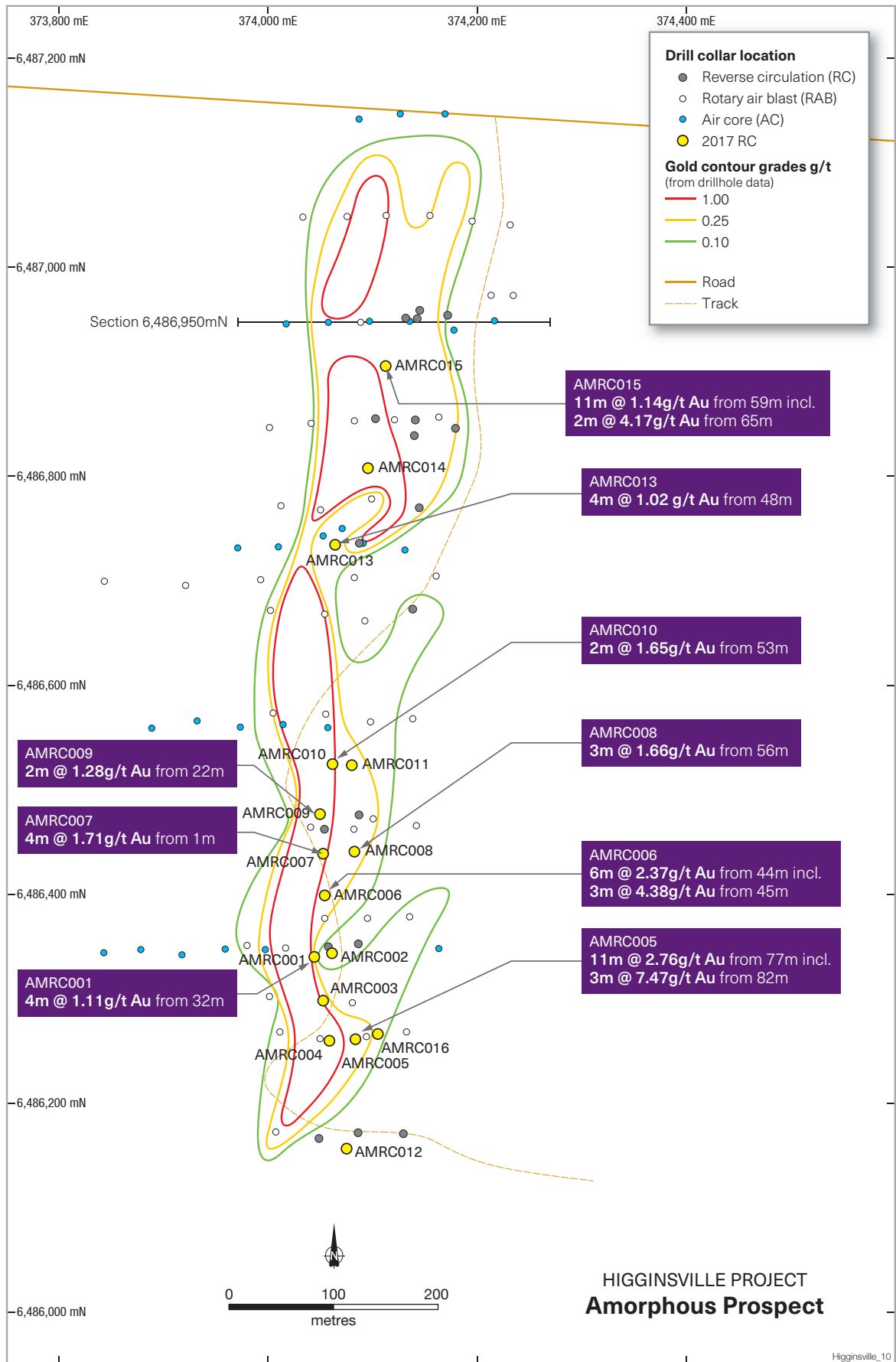


Figure 10 Amorphous Prospect showing drill collars, 2017 intercepts and gold contour grades.

Agreement Terms

Argonaut and Loded Dog Prospecting Pty Ltd executed the Eastern Goldfields Earn-In Joint Venture and Royalty Agreement on 7 February 2017. Under the agreement, Argonaut has the right to earn an 80% interest in the tenement package according to the following terms:

- Argonaut can earn a 51% interest in the tenement package in exchange for completing \$500,000 in exploration expenditure within two years of commencement; and
- Argonaut may earn a further 29% interest, for a total of 80%, for completing an additional \$1,500,000 in exploration expenditure within a further three years.
- Reimbursement of tenement acquisition expenses totalling \$250,000 are payable by Argonaut progressively under the agreement.
 - Reimbursement of \$100,000 is payable on execution of the definitive earn-in agreement;
 - Reimbursement of \$75,000 is payable on the first anniversary; and
 - Reimbursement of \$75,000 is payable on election to proceed to the second phase of the earn-in.
- An issue of ordinary fully paid Argonaut shares valued at \$50,000 was issued on execution of the definitive earn-in agreement.

The earn-in agreement is currently in the first phase.

Crescent Lake, Canada

(Argonaut 100%)

On 4 March 2016, Argonaut released details of the Crescent Lake Lithium Project to the ASX. The initial acquisition included the Falcon Lake and Zigzag areas. On 8 June 2016, Argonaut announced the grant of 22 additional claims in the Crescent Lake area. These claims are 100% held by Argonaut.

On 28 February 2017, Argonaut exercised its option to acquire 100% of the Falcon Lake and Zigzag claims.

Argonaut is prepared to divest its portfolio of lithium exploration assets and is considering its option in this regard.

About Argonaut

Argonaut is an Australia Securities Exchange listed exploration and development company. Argonaut operates the Torrens Iron Oxide Copper-Gold Joint Venture with Aeris Resources Ltd in South Australia, the Lumwana West copper-cobalt project with Chilean copper producer, Antofagasta plc, in north-western Zambia and the Crescent Lake lithium project in Ontario, Canada.

Lindsay Owler

Director and CEO

Argonaut Resources NL

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.

The information regarding Resource definition and Exploration Potential for the Kroombit deposit is extracted from a report entitled 'Maiden resource estimate announced for Queensland zinc-copper project'. This report was released on 11 June 2009 and is available to view on www.asx.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Tenement Schedule

Table 1 – Summary of mining tenements

South Australian Mineral Exploration Licences						
Tenement	Granted	Expiry	Area (km ²)	Locality	Licensee	Interest
EL 5998	21/05/2017	20/05/2019	33	Campfire Bore	Coombedown Resources Pty Ltd	10%1
EL 6172	05/11/2017	04/11/2019	351	Alford	Kelaray Pty Ltd	100%
EL 5336	04/06/2013	03/06/2018	27	Myrtle Springs	Kelaray Pty Ltd	100%
EL 5614	18/08/2014	17/08/2019	295	Lake Torrens	Kelaray Pty Ltd	30%
EL 5732	18/10/2015	17/10/2020	104	Sandstone	Coombedown Resources Pty Ltd	10%1
EL 5937	30/03/2017	29/03/2019	794	West Lake Torrens	Kelaray Pty Ltd	100%
EL 5945	20/04/2017	19/04/2019	221	Murdie	Kelaray Pty Ltd	100%

Queensland Mining Lease						
Tenement	Granted	Expiry	Area (km ²)	Locality	Licensee	Interest
ML 5631	16/05/1974	31/05/2026	0.32	Kroombit	Kelaray Pty Ltd	100%

Queensland Mineral Development Licence						
Tenement	Granted	Expiry	Area (km ²)	Locality	Licensee	Interest
MDL 2002	03/08/2016	02/08/2021	0.64	Kroombit	Kelaray Pty Ltd	100%

Zambian Large Scale Exploration Licence Application						
Tenement	Applied	Expiry	Area (km ²)	Locality	Licensee	Interest
22399-HQ-LEL	29/12/2017	28/12/2021	568	North Western Province	Mwombezhi Resources Ltd	90%

Ontario Unpatented Mining Claims						
Tenement	Granted	Expiry	Area (km ²)	Locality	Licensee	Interest
4244211 ²	27/10/2008	27/10/2019	1.94	Crescent Lake - Zigzag	Canadian Orebodies Inc.	100%
4244212 ²	27/10/2008	27/10/2019	2.56	Crescent Lake - Zigzag	Canadian Orebodies Inc.	100%
4244213 ²	27/10/2008	27/10/2019	2.56	Crescent Lake - Zigzag	Canadian Orebodies Inc.	100%
42524212	09/12/2009	09/12/2018	2.56	Crescent Lake - Zigzag	Canadian Orebodies Inc.	100%
4213186 ²	24/09/2009	24/09/2019	2.56	Crescent Lake - Zigzag	Canadian Orebodies Inc.	100%
4213187 ²	24/09/2009	24/09/2019	2.24	Crescent Lake - Zigzag	Canadian Orebodies Inc.	100%
4229526 ²	24/09/2009	24/09/2019	1.93	Crescent Lake - Zigzag	Canadian Orebodies Inc.	100%
4252441 ²	09/12/2009	09/12/2018	1.33	Crescent Lake - Falcon Lake	Canadian Orebodies Inc.	100%
4252442 ²	09/12/2009	09/12/2018	0.64	Crescent Lake - Falcon Lake	Canadian Orebodies Inc.	100%
4250593 ²	17/07/2009	17/07/2018	2.56	Crescent Lake - Falcon Lake	Canadian Orebodies Inc.	100%
4250594 ²	17/07/2009	17/07/2018	2.56	Crescent Lake - Falcon Lake	Canadian Orebodies Inc.	100%
4250595 ²	17/07/2009	17/07/2018	2.56	Crescent Lake - Falcon Lake	Canadian Orebodies Inc.	100%
4276304 ²	22/03/2016	22/03/2019	2.53	Greenbush Lake	Canadian Orebodies Inc.	100%
4276305 ²	22/03/2016	22/03/2019	2.39	Greenbush Lake	Canadian Orebodies Inc.	100%
4276306 ²	22/03/2016	22/03/2019	2.56	Greenbush Lake	Canadian Orebodies Inc.	100%
4282315	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282316	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282317	01/04/2016	01/04/2019	2.52	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282318	01/04/2016	01/04/2019	2.52	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282319	01/04/2016	01/04/2019	2.52	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282320	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282321	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282322	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282323	01/04/2016	01/04/2019	2.51	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282324	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%

Ontario Unpatented Mining Claims						
Tenement	Granted	Expiry	Area (km ²)	Locality	Licensee	Interest
4282325	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282326	01/04/2016	01/04/2019	2.51	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282327	01/04/2016	01/04/2019	2.4	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282328	01/04/2016	01/04/2019	2.55	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282329	01/04/2016	01/04/2019	2.53	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282330	01/04/2016	01/04/2019	2.42	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282331	01/04/2016	01/04/2019	1.47	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282332	01/04/2016	01/04/2019	2.3	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282333	01/04/2016	01/04/2019	2.51	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282334	01/04/2016	01/04/2019	2.59	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282335	01/04/2016	01/04/2019	2.52	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4282336	01/04/2016	01/04/2019	2.49	Crescent Lake - North Jackfish	Sunrise Canada Inc.	100%
4279256	15/04/2016	15/04/2019	2.53	Superb Lake	Sunrise Canada Inc.	100%
4279257	15/04/2016	15/04/2019	2.55	Superb Lake	Sunrise Canada Inc.	100%
4279258	15/04/2016	15/04/2019	2.55	Superb Lake	Sunrise Canada Inc.	100%
4279259	15/04/2016	15/04/2019	2.55	Superb Lake	Sunrise Canada Inc.	100%
4279260	15/04/2016	15/04/2019	2.55	Superb Lake	Sunrise Canada Inc.	100%
4279261	15/04/2016	15/04/2019	2.57	Superb Lake	Sunrise Canada Inc.	100%
4279262	15/04/2016	15/04/2019	2.56	Superb Lake	Sunrise Canada Inc.	100%
4279263	15/04/2016	15/04/2019	2.55	Superb Lake	Sunrise Canada Inc.	100%
4279264	15/04/2016	15/04/2019	2.55	Superb Lake	Sunrise Canada Inc.	100%
4279265	15/04/2016	15/04/2019	2.55	Superb Lake	Sunrise Canada Inc.	100%

Western Australian Mineral Exploration Licences						
Tenement	Granted	Expiry	Area (km ²)	Locality	Licensee	Interest
E28/2513 ²	06/07/2016	05/07/2021	64	Torquata	Loded Dog Prospecting Pty Ltd	100%
E15/1484 ²	18/07/2016	17/07/2021	12	Nawock-Hayes Hill	Loded Dog Prospecting Pty Ltd	100%
P63/2071 ²	24/04/2017	23/04/2021	1.37	Hayes Hill	Loded Dog Prospecting Pty Ltd	100%
P63/2072 ²	24/04/2017	23/04/2021	1.27	Hayes Hill	Loded Dog Prospecting Pty Ltd	100%
P63/2073 ²	24/04/2017	23/04/2021	1.54	Hayes Hill	Loded Dog Prospecting Pty Ltd	100%
E15/1509 ²	03/05/2017	02/05/2022	3	Eundynie	Loded Dog Prospecting Pty Ltd	100%
E 15/1510 ²	08/05/2017	07/05/2022	3	Eundynie	Loded Dog Prospecting Pty Ltd	100%
E 63/1773 ²	08/05/2017	07/05/2022	21	Hayes Hill	Loded Dog Prospecting Pty Ltd	100%
E15/1523 ²	08/05/2017	07/05/2022	42	Higginsville	Loded Dog Prospecting Pty Ltd	100%
E 15/1540 ²	17/05/2017	16/05/2022	9	Higginsville	Loded Dog Prospecting Pty Ltd	100%
P15/6029 ²	04/07/2017	03/07/2021	1.2	Higginsville	Loded Dog Prospecting Pty Ltd	100%
P15/6030 ²	25/05/2017	24/05/2021	1.2	Higginsville	Loded Dog Prospecting Pty Ltd	100%
P15/6031 ²	25/05/2017	24/05/2021	1.2	Higginsville	Loded Dog Prospecting Pty Ltd	100%
P15/6032 ²	25/05/2017	24/05/2021	1.2	Higginsville	Loded Dog Prospecting Pty Ltd	100%
E15/1489 ²	14/08/2017	13/08/2022	52	Higginsville	Loded Dog Prospecting Pty Ltd	100%
P63/2077 ²	26/10/2017	25/10/2021	0.7	Hayes Hill	Loded Dog Prospecting Pty Ltd	100%
E15/1588 ²	1/12/2017	30/11/2022	61	Higginsville	Loded Dog Prospecting Pty Ltd	100%

Table 2 – Summary of mining tenements acquired in Quarter

No tenements were acquired in the June 2018 Quarter.

Table 3 – Summary of mining tenements surrendered in Quarter

The following tenements were surrendered in the June 2018 Quarter.

South Australian Mineral Exploration Licences						
Tenement	Granted	Expiry	Area (km ²)	Locality	Licensee	Interest
EL 5798	02/06/2016	01/06/2018	997	Lake Blanche area	Kelaray Pty Ltd	100%
EL 5796	02/06/2016	01/06/2018	997	Petermorra Creek area	Kelaray Pty Ltd	100%

¹ Kelaray holds a 33% interest in Coombedown Resources Pty. Ltd.

² Under option agreement

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Argonaut Resources NL

ABN

97 008 084 848

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(151)	(833)
(b) development		
(c) production		
(d) staff costs (including exploration staff)	(190)	(701)
(e) administration and corporate costs	(290)	(1,194)
1.3 Dividends received (see note 3)		
1.4 Interest received	15	25
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(616)	(2,703)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(4)	(10)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(4)	(10)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	5,517	8,544
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(419)	(557)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	5,098	7,987

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	858	62
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(616)	(2,703)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4)	(10)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,098	7,987
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,336	5,336

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	5,336	858
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (credit card)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,336	858

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	117
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Remuneration and fees paid to Directors and their related entities.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

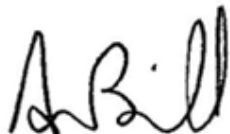
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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	300
9.2 Development	-
9.3 Production	-
9.4 Staff costs	167
9.5 Administration and corporate costs	106
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows *	573

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Refer to Quarterly Activities Report		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		N/A		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
Director/Company secretary

Date: 31 July 2018

Print name: **Andrew Bursill**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.