

ASX Announcement

20 August 2018

CHANGES TO CEO REMUNERATION

ARGONAUT RESOURCES NL (ASX: ARE, “Argonaut” or the “Company”) in accordance with ASX Listing Rule 3.16.4 announces that the remuneration of Mr. Lindsay Owler, Director and CEO is increased to \$350,000 (exclusive of super) per annum retrospectively from 1 February 2018.

The Company also intends to implement an Employee Incentive Plan (**EIP**), to assist in the reward, retention and motivation of the Company's Executive Directors, senior management, and other key employees.

The Company will issue and allot the following Loan Funded Shares under the EIP and the provision of an accompanying loan to Mr. Owler (or his nominee) subject to the approval of the shareholders:

1. 12,000,000 shares to be issued at 50% premium over the 30-day VWAP immediately prior to the Company's 2018 annual general meeting (AGM).
2. 12,000,000 shares to be issued at 75% premium over the 30-day VWAP immediately prior to the Company's 2019 AGM.
3. 16,000,000 shares to be issued at 100% premium over the 30-day VWAP immediately prior to the Company's 2020 AGM.

Pursuant to the proposed terms of the EIP, it is envisaged that Mr Owler be provided a loan of sufficient size from the Company to acquire each of the Loan Funded Shares (**Loan**). The terms of the Loan Funded Shares are designed to incentivise Mr Owler as they are linked to his continued tenure with the Company and the future performance of the Company.

Full details of the Loan Funded Shares and the Loan will be provided in the notice of meeting to shareholders where their approval for issue will be sought.

All other material terms and conditions of Mr Owler's CEO Agreement remain unchanged.

For further information please contact:

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