

# ASX announcement

4 January 2021

## MURDIE PROJECT Final Drilling Authorisation Granted

Argonaut Resources NL (ASX: ARE) (*Argonaut* or the *Company*) is pleased to announce that an application under the Aboriginal Heritage Act 1988 (*AHA*) has been approved by the South Australian Government.

This authorisation allows Argonaut to proceed with a major exploration drilling program around the western shoreline of Lake Torrens and Andamooka Island. The drilling program will target iron oxide copper-gold (IOCG) copper mineralisation in the style of Olympic Dam, Carrapateena and BHP's recent Oak Dam discovery.

### Highlights

- The Government has approved an application by Argonaut's 100% held subsidiary, Kelaray Pty Ltd, under the AHA.
- This is the final approval required to undertake a major drilling program around the western shoreline of Lake Torrens, as well as on the lake itself.
- The approval covers exploration drilling plus resource and reserve definition drilling.
- The authorisation area covers all areas within EL5937 and EL5945 that require specific AHA approval, including all IOCG targets within nearshore and offshore domains (Figure 1).

### Work Program

Argonaut will mobilise geophysical contractors to the Carrapateena Well, Andamooka Island and Murdie Island areas on 11 January 2021 to acquire detailed gravity data for the finalisation of drill hole locations.

Gravity contractors will work dayshift and nightshift to complete the acquisition as quickly as practical under the authorisations. Specially modified tracked quad bikes that apply low ground-pressure will be used for the gravity survey to avoid salt crust disturbance.

Argonaut expects to announce the execution of a drilling contract early in the new year with drilling to commence soon afterwards. The track-mounted drilling rig will be capable of drilling cored holes to 1,500m. Drill holes are expected to be 500 to 1,000m in depth. Results of the gravity survey will determine the number of drill holes.

The drilling rig will sit on fit-for-purpose, heavy duty, interlocking mats to protect the salt crust. Vehicles will access the drilling rig via temporary tracks covered by ground protection mats.

## Authority under the Aboriginal Heritage Act

On 24 February 2020, Kelaray lodged an application under section 23 of the Aboriginal Heritage Act 1988 for areas of exploration licences 5937 and 5945.

On 29 December 2020, the South Australian Government granted an authorisation. The authorisation allows for exploration-phase drilling plus potential resource and reserve definition drilling. The approval covers the parts of exploration licences 5937 and 5945 that overlap with Lake Torrens or are onshore and within 500m of the Lake Torrens shoreline.

Appropriately, the authorisation requires Argonaut to:

- report regularly to representatives of certain Aboriginal groups;
- facilitate visits by Aboriginal representatives to the authorisation area to observe the results of rehabilitation measures;
- adhere to the Company's cultural heritage management plan, particularly chance find procedures and the cultural and legal induction process; and
- avoid a sand dune located on Andamooka Island outside the boundaries of EL5937 and EL5945.

## Operational Approval

The 'Exploration Program for Environment Protection and Rehabilitation' for ongoing exploration activities including ground gravity surveys and diamond drilling at exploration licences 5937 and 5945 was approved on 29 January 2020.

The approval permits the drilling of up to 200 deep diamond drill holes into large, dense copper targets from the salt crust of Lake Torrens.

Authorised drilling is subject to strict environmental controls.

## Native Title Access

In February 2018, the South Australian ERD Court granted authority to enter and undertake mining operations (exploration) within those parts of EL5937 and EL5945 located east of the Lake Torrens shoreline.

## Murdie, South Australia

Argonaut Resources holds 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. There are 54 known residual gravity targets within the area.

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 mine (Figure 1).

*This report is authorised for release by:*

**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 2019 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.*

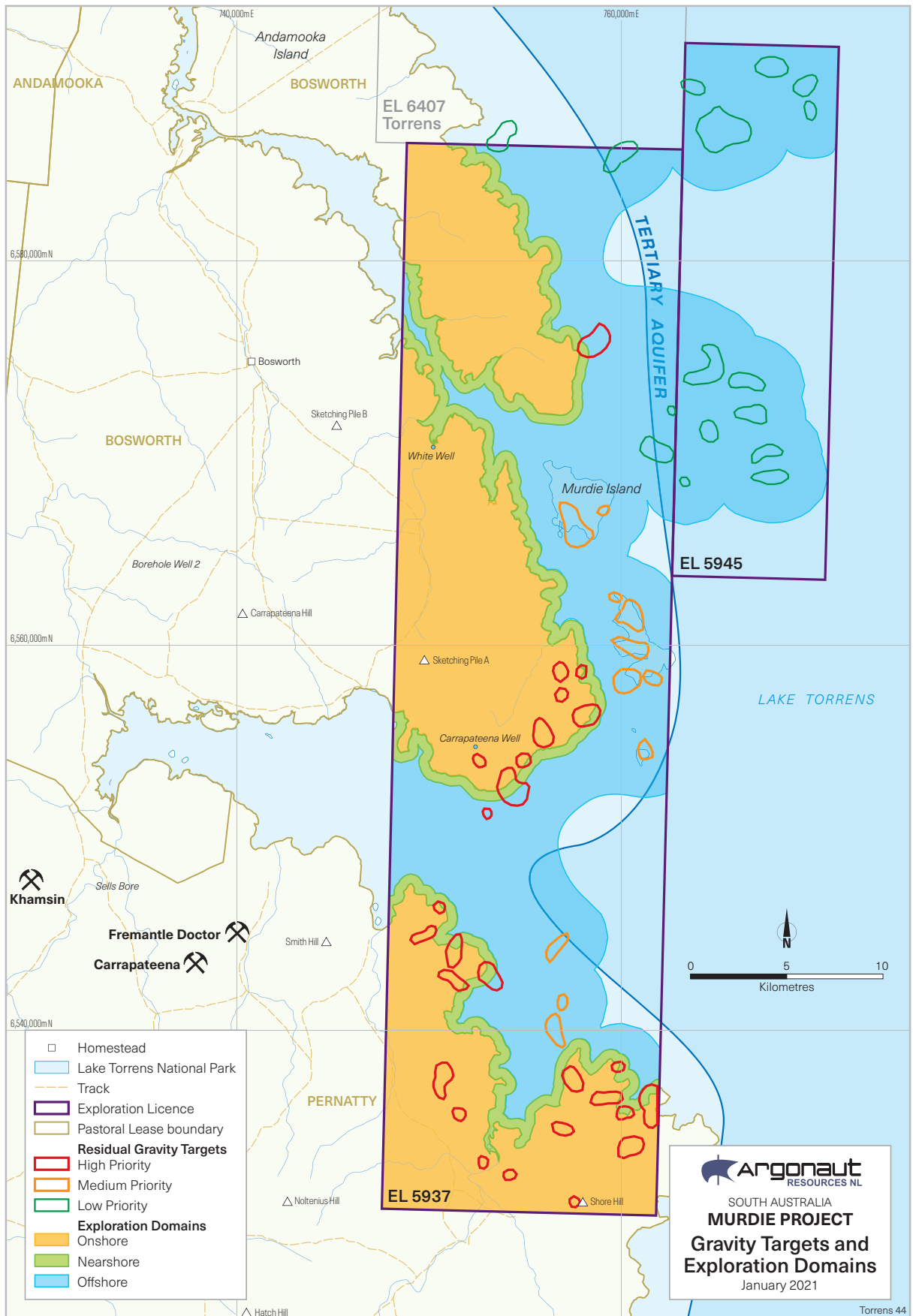


Figure 1 Murdie Project iron oxide–copper–gold gravity targets and exploration domains.