

ASX Announcement

25 February 2022

Lumwana West Project – Zambia Acts Against Allegations of Corruption

Argonaut Resources NL (ASX: ARE) (*Argonaut* or *the Company*) advises that the recently elected Zambian government is taking action to restore order to the country's mineral licencing system.

The Minister for Mines and Mineral Development, the Hon. Paul Kabuswe, released a statement on 23 February saying:

The Ministry of Mines and Minerals Development has recently been dealing with alleged abuse of the Mining Rights administration system of the Mining Cadastre Department. This has led to allegations of corruption and a serious damage to the reputation of the Department and the Ministry.

In order to establish the extent of the problem and determine what corrective actions need to be taken, the Ministry is imposing a one month moratorium...

The moratorium will provide an opportunity for an audit of existing mineral licences, a review of departmental processes, and reorientation training for staff.

The Minister is quoted in media¹ as having said:

“The new government inherited a rotten system which has led to perpetuation of corrupt practices. The suspension period will be used to correct the situation for the benefit of both local and foreign investors.”

Lindsay Owler, Director and CEO, commented:

“Argonaut welcomes the Minister's timely and decisive action to restore confidence in Zambia's mining cadastre system. The Company will cooperate fully with investigations.”

Authorised for release by:

Lindsay Owler
Director and CEO
ARGONAUT RESOURCES NL

¹ <https://english.news.cn/africa/20220223/1579e7684db442d3afb1891812325426/c.html>