

25 September 2023

Market Announcements Office  
ASX Limited  
Level 4, 20 Bridge Street  
Sydney NSW 2000

Dear Sir / Madam

**Argonaut Resources N.L. (ASX: ARE)  
Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)**

This notice is given by Argonaut Resources N.L. (ASX: ARE) ACN 008 084 848 (**Argonaut** or the **Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**).

Argonaut has announced a pro rata, non-accelerated, non-renounceable entitlement offer (**Entitlement Offer**) of one fully paid Argonaut ordinary share (**Shares**) for every one Share held by eligible Argonaut shareholders with a registered address in Australia or New Zealand (or as otherwise determined by the Company) as at 7.00pm (Sydney time) on Monday, 2 October 2023.

The Entitlement Offer is being conducted at an issue price of \$0.05 per Share (**Offer Price**) to raise approximately \$3.66 million. A total of up to approximately 73.16 million Shares will be issued under the Entitlement Offer.

The Entitlement Offer is being conducted on a post-Consolidation basis – refer to the Company's Notice of General Meeting dated 17 August 2023 for further details of the Consolidation.

The Entitlement Offer is being lead managed and fully underwritten by Taylor Collison Limited ACN 008 172 450 (**Underwriter**).

Argonaut gives notice that:

1. the Shares to be issued pursuant to the Entitlement Offer will be offered for issue without disclosure under Part 6D.2 of the Act;
2. this notice is being given under section 708AA(2)(f) of the Act;
3. as at the date of this notice Argonaut has complied with:
  - a. the provisions of Chapter 2M of the Act as they apply to Argonaut; and
  - b. sections 674 and 674A of the Act;
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act that is required to be set out in this notice under section 708AA(7)(d) of the Act; and
5. the potential effect that the Entitlement Offer will have on the control of Argonaut, and the consequences of that effect, will depend on a number of factors, including investor demand, existing shareholdings and the underwriting and sub-underwriting arrangements discussed below. Under the Entitlement Offer, the Company will offer approximately 73,161,520 Shares, which, if the maximum number of Shares is issued (noting that the Entitlement Offer is fully underwritten), would result in the total Share capital of the Company upon the completion of the Entitlement Offer increasing to up to approximately 146,323,040 Shares (excluding those Shares to be issued to the minority holders in Orpheus Minerals Limited, who pursuant to a resolution passed at the Company's General Meeting held on Wednesday 20 September 2023 are eligible to receive up to 7,400,000 Shares in exchange for their Orpheus shares). A summary of the potential control impacts of the Entitlement Offer on Argonaut is set out below.

## **Effect on the control of Argonaut**

The potential effect that the issue of the new Shares will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand, the take up of the new Shares under the Entitlement Offer and the underwriting and sub-underwriting arrangements entered into by the Company and the Underwriter.

Given the structure of the Entitlement Offer as a fully underwritten, 'one-for-one' pro-rata issue where shareholders are not permitted to subscribe for Shares in excess of their entitlement, the likely effect that the issue of the new Shares will have on the control of the Company can be summarised as follows:

- (a) if all eligible shareholders take up their entitlement for the new Shares under the Entitlement Offer, the Entitlement Offer will have no material effect on the control of the Company;
- (b) to the extent that any eligible shareholder does not take up their entitlement for the new Shares under the Entitlement Offer, that eligible shareholder's percentage holding in the Company will be diluted;
- (c) to the extent that there are any shortfall Shares following completion of the Entitlement Offer, the Underwriter (and sub-underwriters) will acquire those new Shares pursuant to the underwriting arrangements discussed below.

Ineligible shareholders (being those shareholders with a registered address outside Australia and New Zealand, or as otherwise determined by the Company) will not be able to subscribe for Shares and will have their percentage shareholding in the Company diluted.

## **Underwriting arrangements**

The Entitlement Offer is fully underwritten by the Underwriter pursuant to an underwriting agreement entered into between the Underwriter and the Company dated 23 September 2023. The Underwriter is not a related party of the Company for the purposes of the ASX Listing Rules and Corporations Act and has no current holding in the Company's Shares at the date of this Notice.

The Company understands that the Underwriter has entered into sub-underwriting commitments in respect of its obligations to underwrite the Entitlement Offer. None of the sub-underwriters are related parties of the Company.

Assuming there is no take-up under the Entitlement Offer and all of the shortfall Shares reverted to the Underwriter and sub-underwriters for subscription, no person will acquire a relevant interest in more than 19.9% of the Company's issued Shares on completion of the Entitlement Offer.

For further information, contact the Company Secretary at [richard@argonautresources.com](mailto:richard@argonautresources.com).

**ENDS**

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This announcement has been authorised for release to ASX by the Board of Directors of Argonaut Resources N.L.

## **IMPORTANT INFORMATION**

This announcement has been prepared for publication in Australia and may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the U.S.

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