

18 April 2016

ASX Market Announcements
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

ARE 1 FOR 6 NON-RENOUNCEABLE RIGHTS ISSUE: SHORTFALL NOTICE

Argonaut Resources Limited (ASX: ARE) ("Argonaut" or "Company") advises that the Non-Renounceable Rights Issue Offer announced to the ASX on 24 March 2016 have now closed, with the date of close being 13 April 2016.

The Rights Issue offered 92,448,617 Entitlement New Shares on the basis of one (1) fully paid ordinary share (New Share) for every six (6) fully paid ordinary shares held by eligible Shareholders on the Record Date at an issue price of \$0.012 per share.

Argonaut received a strong response from its shareholders, in particular in relation to the applications for Additional New Shares, with the total applications received substantially exceeding the A\$1.1 million that the Company sought to raise.

With the Offer being oversubscribed, the Board of Directors reviewed the applications for Additional Shares and elected to scale back the Additional New Share applications as outlined in Section 1.11 of the Offer Document.

The results of the Rights Issue Offer after accounting for the abovementioned scale back are as follows:

Number of Entitlement Shares:	44,431,481
Number of Additional Shares:	26,309,101
Shortfall Shares:	21,708,035
Total Number of Shares:	92,448,617

From the Rights Issue, the Company has raised approximately \$1,109,383 in gross funds.

Taylor Collison Limited ABN 53 008 172 450 (Taylor Collison) is the Underwriter of the Rights Issues. Under the Underwriting Agreement, Taylor Collison will place all of the Shortfall Shares within three months after the Closing Date of the Offer that is by 13 July 2016.

For and on behalf of the Board,



Andrew Bursill
Company Secretary
Argonaut Resources NL