



Investor Update

**Torrens:
Massive IOCG Copper Target**

LINDSAY OWLER, Director/CEO – September 2017

CORPORATE OVERVIEW

ASX Code

ARE

Capital structure

Shares on issue: 1.135 billion

Share price (12 September 2017): 1.2c

Unlisted options: 164.3 million

Market cap at 1.2c: A\$13.6 million

Cash

\$1.8 million raised July 2017

Directors

Pat Elliott Non-Executive Chairman

Lindsay Owler CEO/Executive Director

Andrew Bursill Director/Company Secretary

Malcolm Richmond Non-Executive Director



EXPLORATION FOCUS

Torrens – Copper, SA

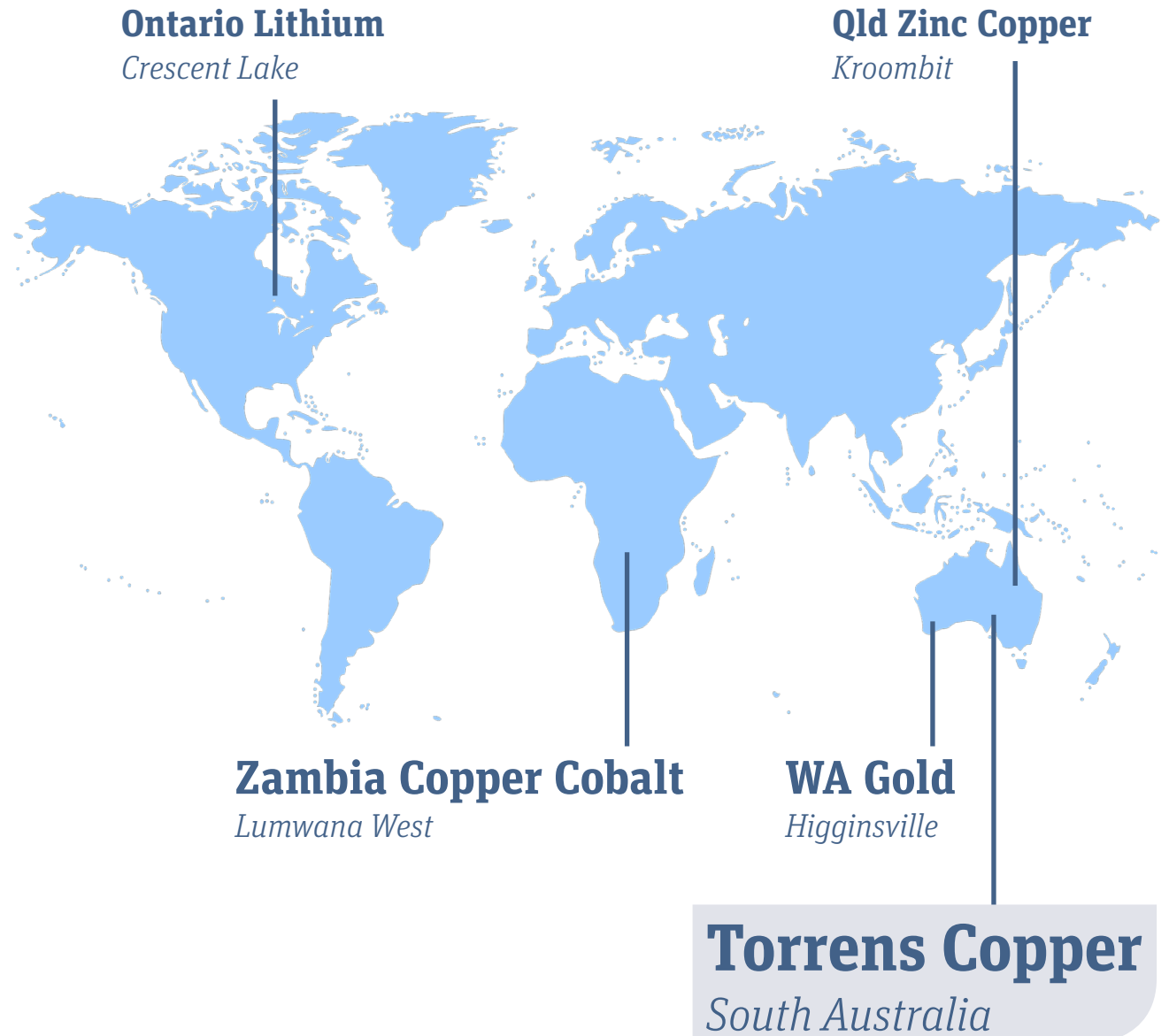
- Massive IOCG system
- Primary focus
- Access resolution coming soon

Higginsville - Gold, WA

- Multiple gold and nickel targets
- Drilling September 2017

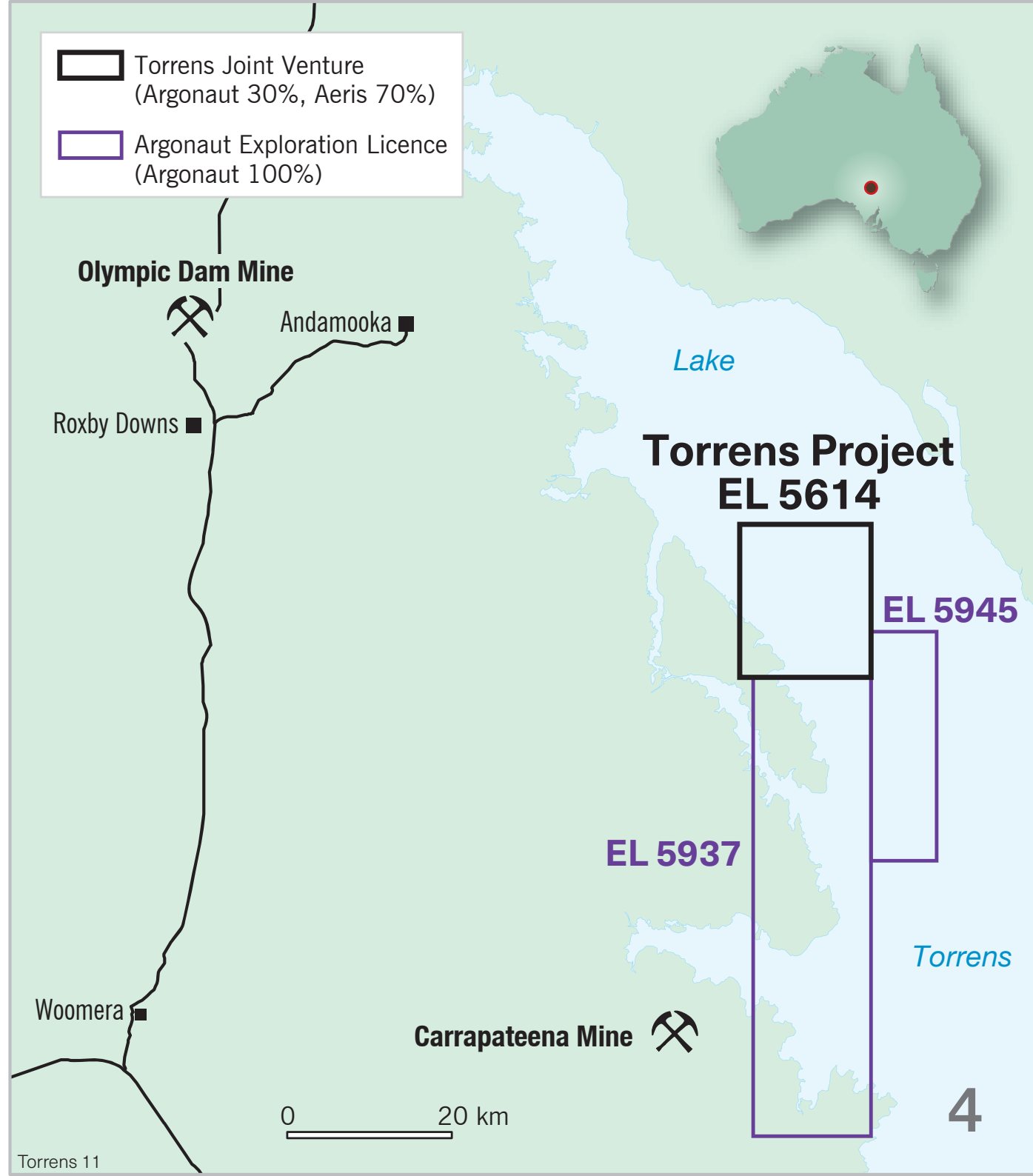
Lumwana West - Copper Cobalt, Zambia

- Nyungu Deposit: JORC 2012 Exploration Target



TORRENS COPPER PROJECT

1. Massive anomaly with multiple deposit-scale target zones
2. The right geological address
3. Confirmed Iron Oxide Copper-Gold (IOCG) system



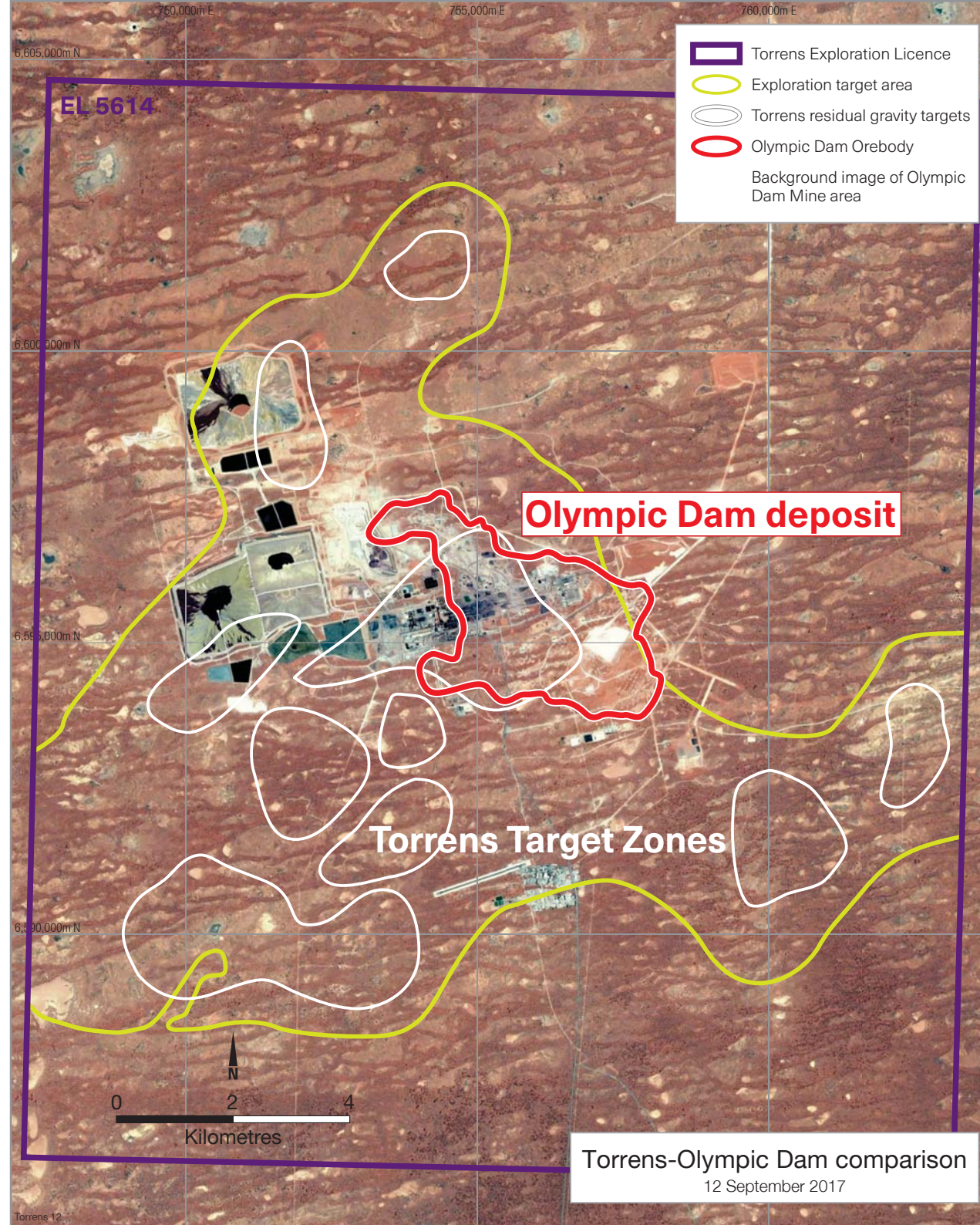
TORRENS: **BIGGER TARGET** THAN OLYMPIC DAM

Torrens target zones draped over:

- Olympic Dam mine site (image)
- Olympic Dam ore body outline (red)

In the event of discovery, there is scope for:

- Very large tonnage deposit
- Successive discoveries



TORRENS: **MASSIVE** ANOMALY WITH MULTIPLE TARGETS

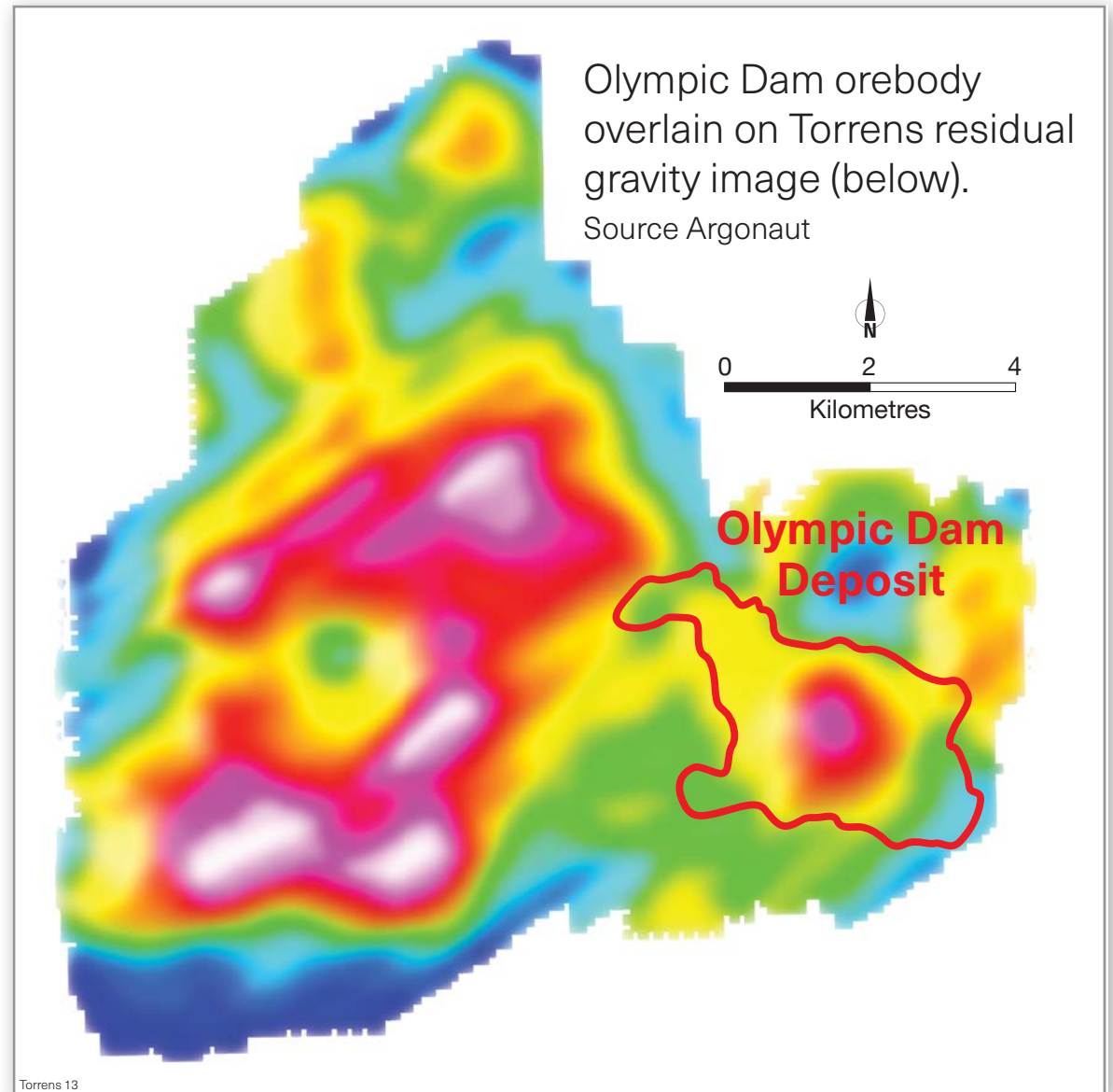
Broad, intense geophysical anomaly

- 130 km² – massive scale
- Similarities with Olympic Dam

Ten individual target zones

- Multiple discovery opportunities

Each target is large enough to host a world-class deposit bigger than Carrapateena

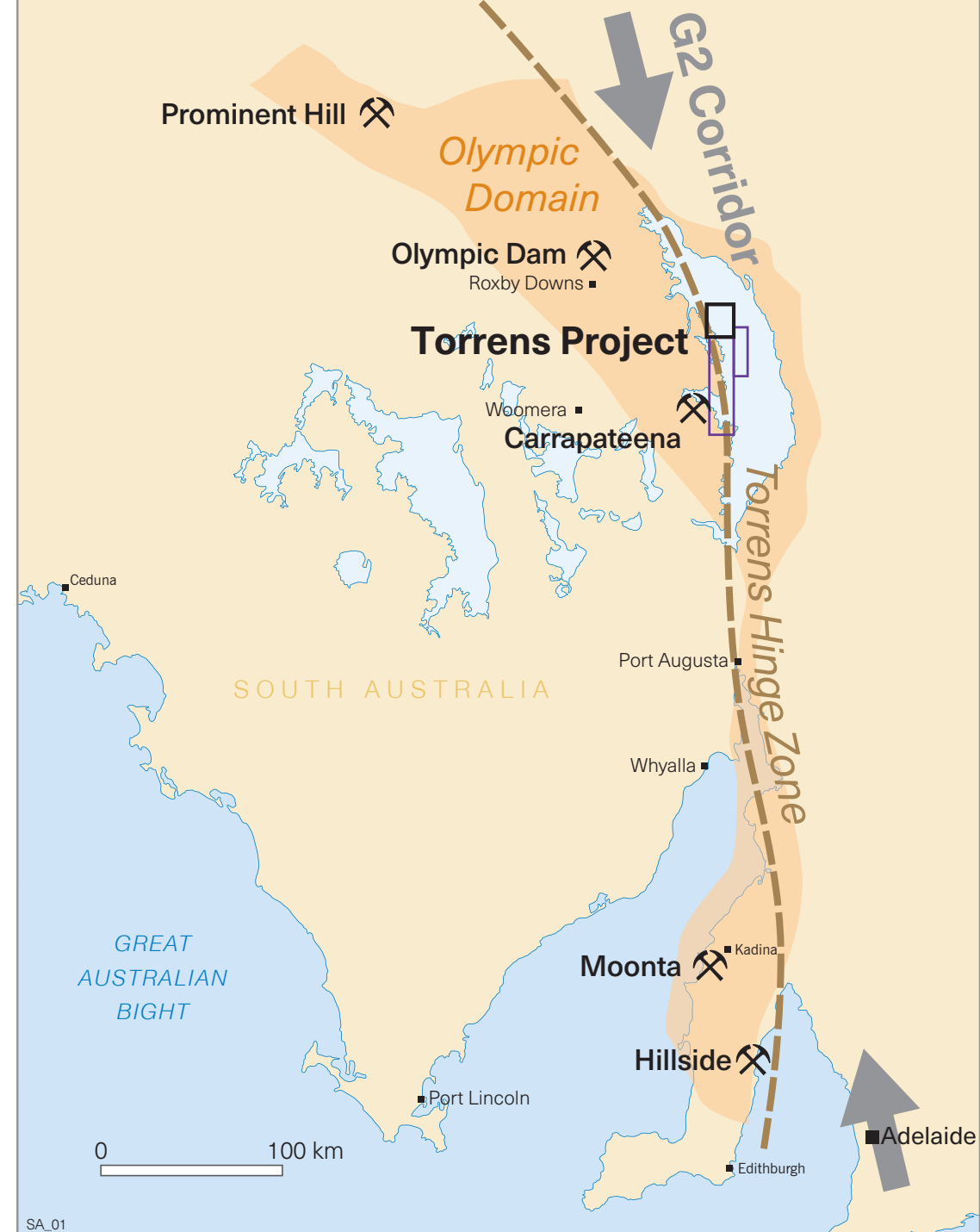


TORRENS: THE RIGHT GEOLOGICAL ADDRESS

South Australia's Olympic Domain:

- Host to major Iron Oxide Copper-Gold (IOCG) deposits
- Olympic Dam
- Carrapateena
- Prominent Hill

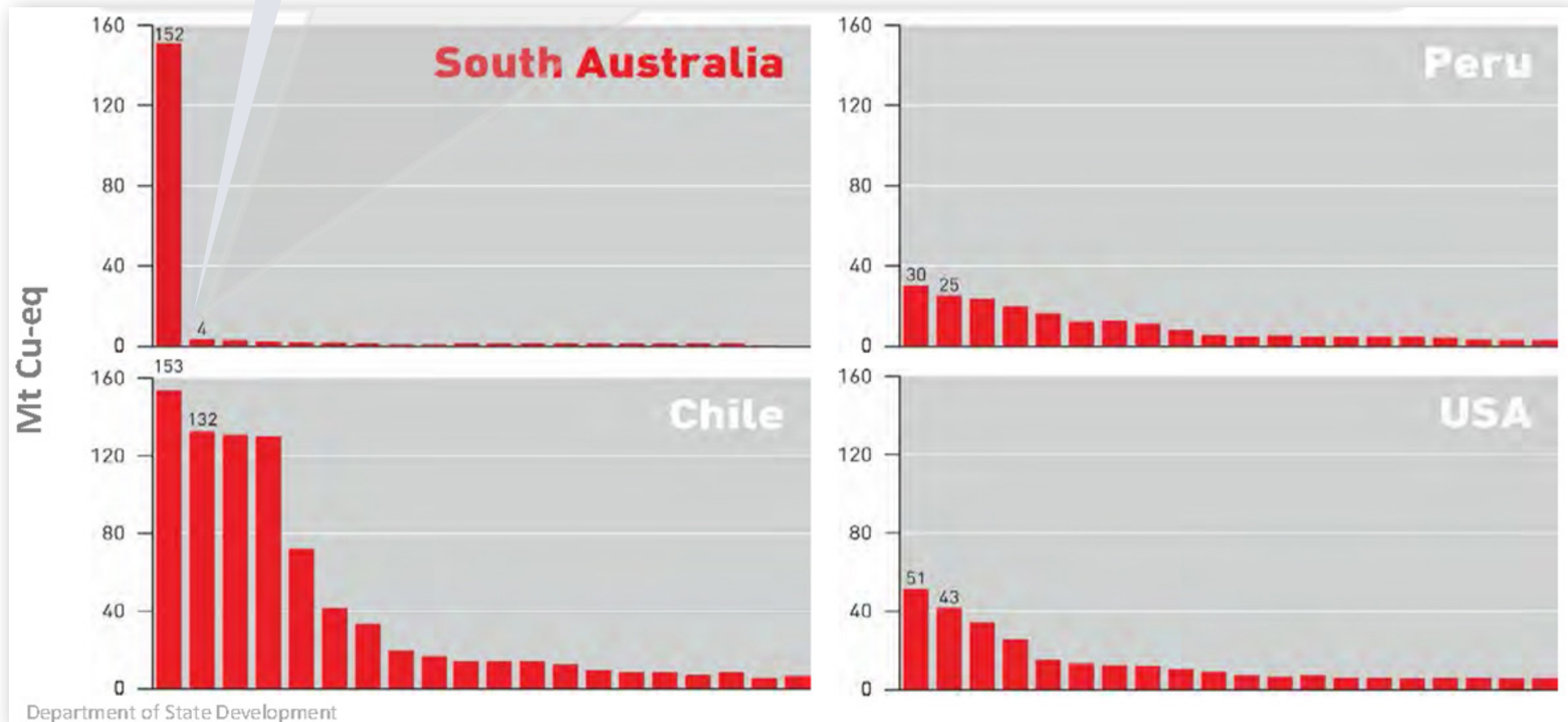
Huge discovery potential



SOUTH AUSTRALIA: COPPER DISCOVERY GAP

South Australia's copper discovery gap.

Large gap between first and second largest copper deposits.



TORRENS: THE RIGHT GEOLOGICAL ADDRESS

Crustal Architecture

- Torrens Hinge Zone
 - Continent-scale zone of crustal weakness
- Crustal domain boundary
 - Gawler Craton margin

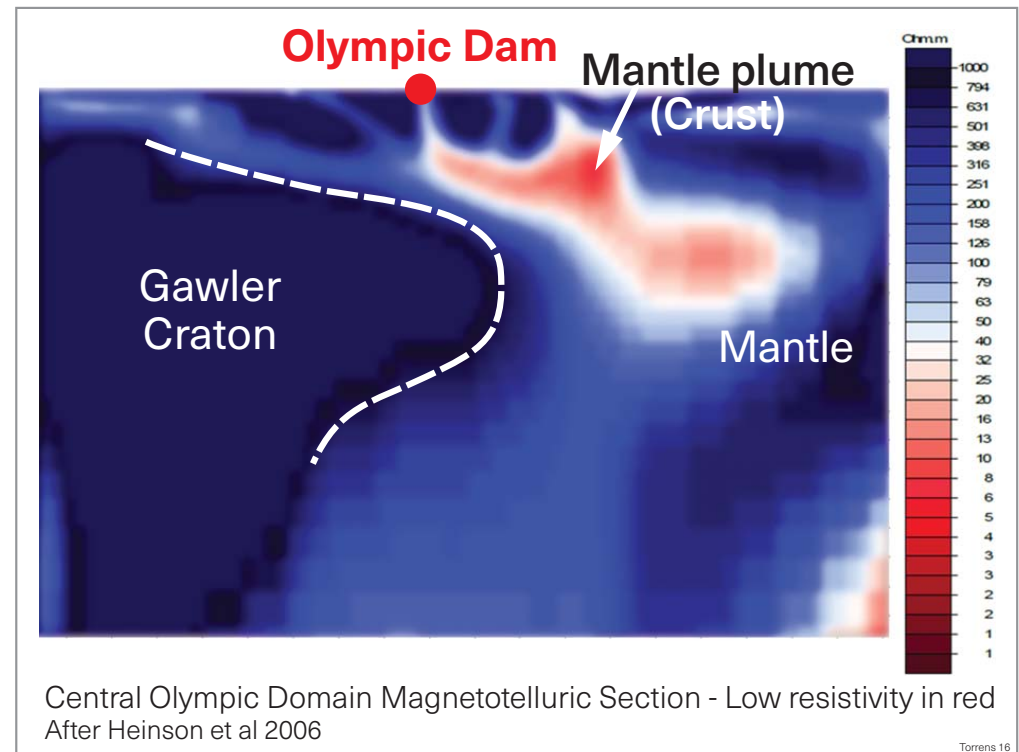
Pathway for mantle fluids

- Intersection of O’Driscoll’s G2 and G9 corridors
 - Gravity lineations predicting major deposit locations

TORRENS IRON OXIDE ESTIMATES from geophysical modelling:

Magnetite	50 billion tonnes
Hematite/Sulphide	13 billion tonnes

Deep-seeing resistivity provides best explanation for emplacement of large volumes of iron-oxide



TORRENS: CONFIRMED IOCG SYSTEM

IOCG CONFIRMATION:

Copper sulphides associated with abundant magnetite and/or hematite:

- Copper assays to 1.36% Cu
- Chalcopyrite and bornite present
- Very large volume of magnetite/hematite

Alteration minerals:

- All diagnostic alteration minerals noted
- Alteration zonation

Late-stage hydrothermal mineralisation:

- Hematite replacement
- Sulphides and proximal alteration minerals

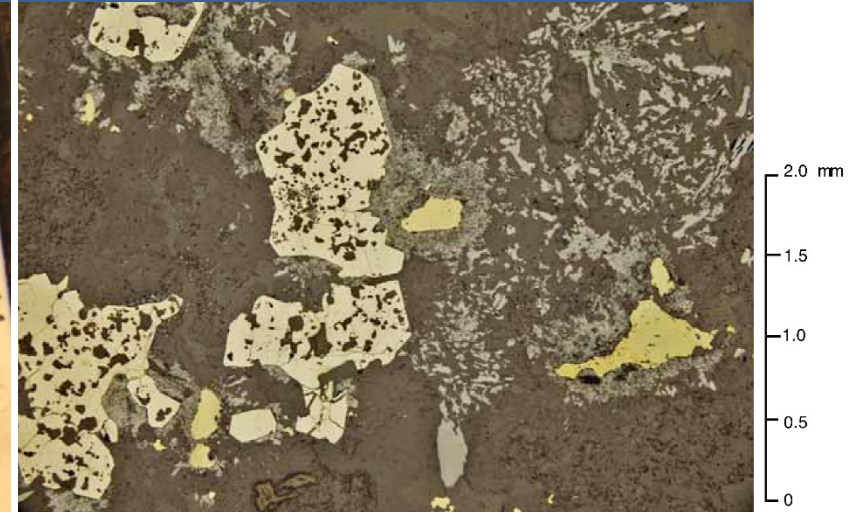
Accessory/indicator elements:

- Fluorine
- Rare earth elements

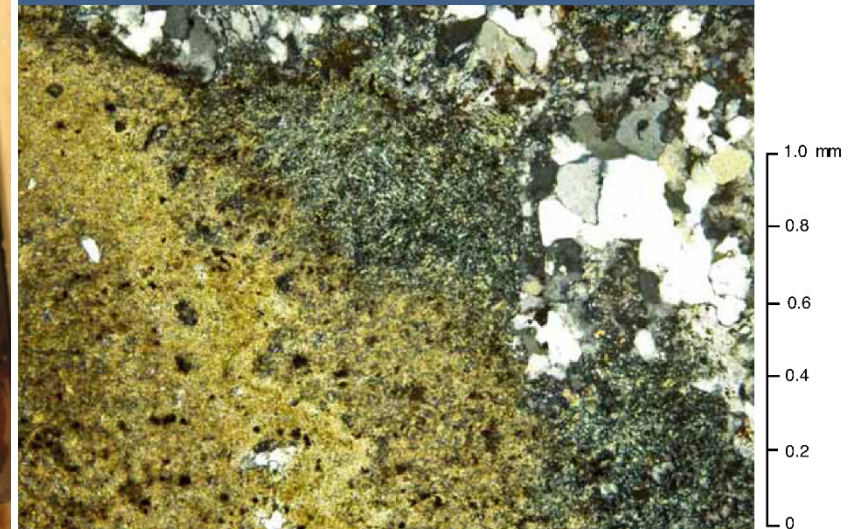
TD4: Sulphide mineralisation



TD4: Hematite - chalcopyrite mineralisation



TD4: Chlorite - sericite alteration



TORRENS: SUMMARY

The right geological address

- Olympic Domain, Torrens Hinge Zone
- Mantle fluids pathway
- Large volumes of magnetite/hematite

Massive anomaly with ten distinct target zones

- Bigger than Olympic Dam
- Ten targets equal or greater in size to Carrapateena

Confirmed IOCG mineralisation

- Copper sulphides, alteration assemblages, rare earth elements

THEREFORE:

- *higher likelihood of discovery, and*
- *higher likelihood of commercial tonnages and grades.*

ARGONAUT: TORRENS EXPLORATION EXPOSURE

TORRENS JOINT VENTURE

- **Joint venture interests:**
 - » 30% Argonaut Resources NL,
 - » 70% Aeris Resources Ltd.
- **Operator:** Argonaut
- **Expenditure:** Pro rata



TORRENS: ACCESS APPROVALS NEAR COMPLETION

Native title:

- ERD Court Approved access and operational rights granted on 31 March 2017

Access and compensation agreement:

- Signed July 2017

Aboriginal heritage:

- First granted in 2010
- Re-grant application in 2017

Mines/Environment Department

- Granted Sept 2007, Mar 2010, Nov 2010
- Re-grant due shortly in 2017



TORRENS: ADDITIONAL REGIONAL TARGETS

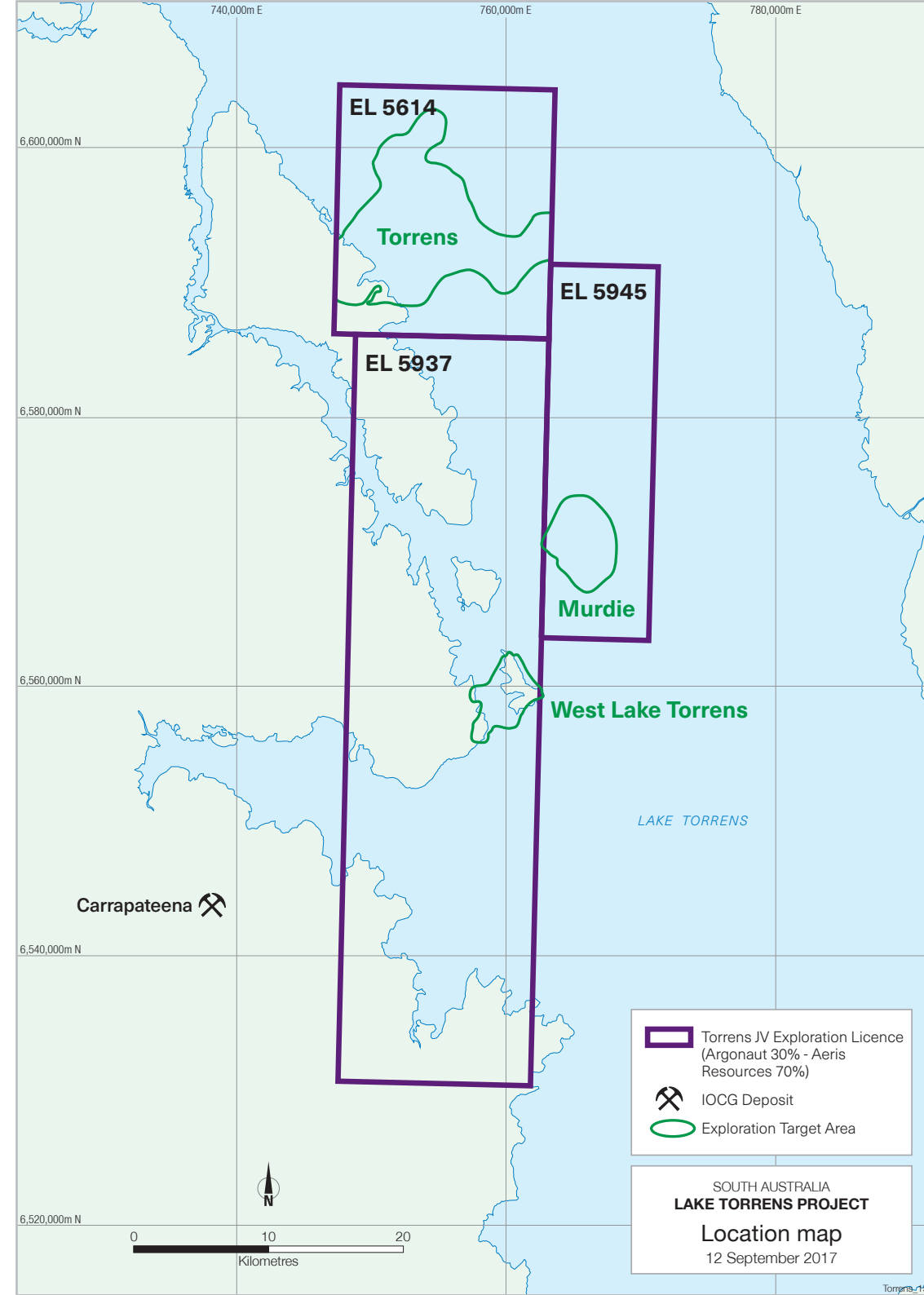
Argonaut holds a commanding land position:

- Murdie anomaly
 - » Confirmed IOCG system
 - » One drill hole by WMC in 1981
- West Lake Torrens anomaly
 - » Further testing warranted

Geological setting equivalent to Torrens:

- Olympic Domain
- Torrens Hinge/Craton margin
- Mantle fluid potential

Primary and secondary exploration targets held in one package

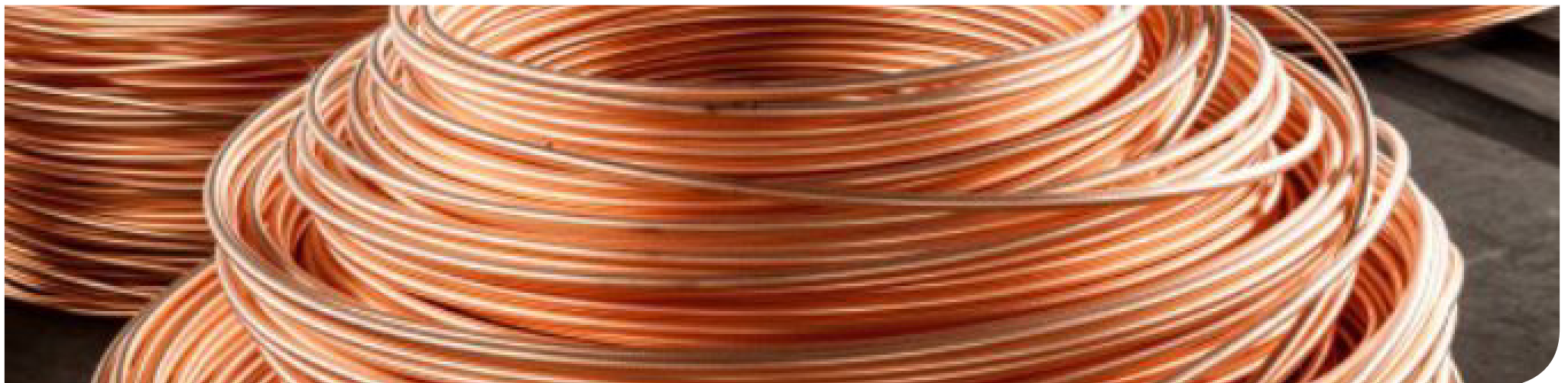


TORRENS: THE RIGHT COMMODITY AT THE RIGHT TIME

Copper price recovery:

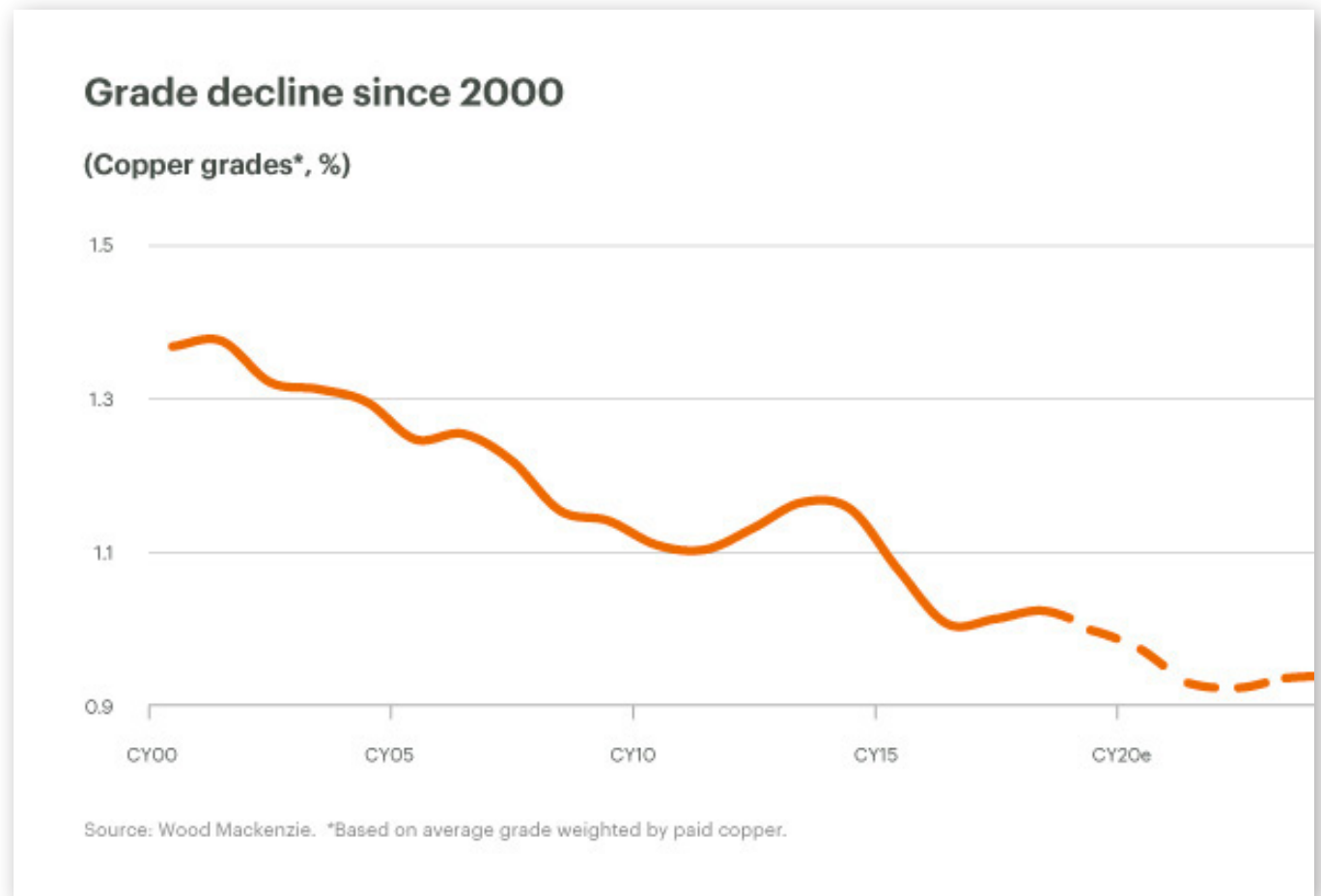
- >50% recovery from 2016 low
- Demand growth overwhelming new supply

Likely sustained upswing



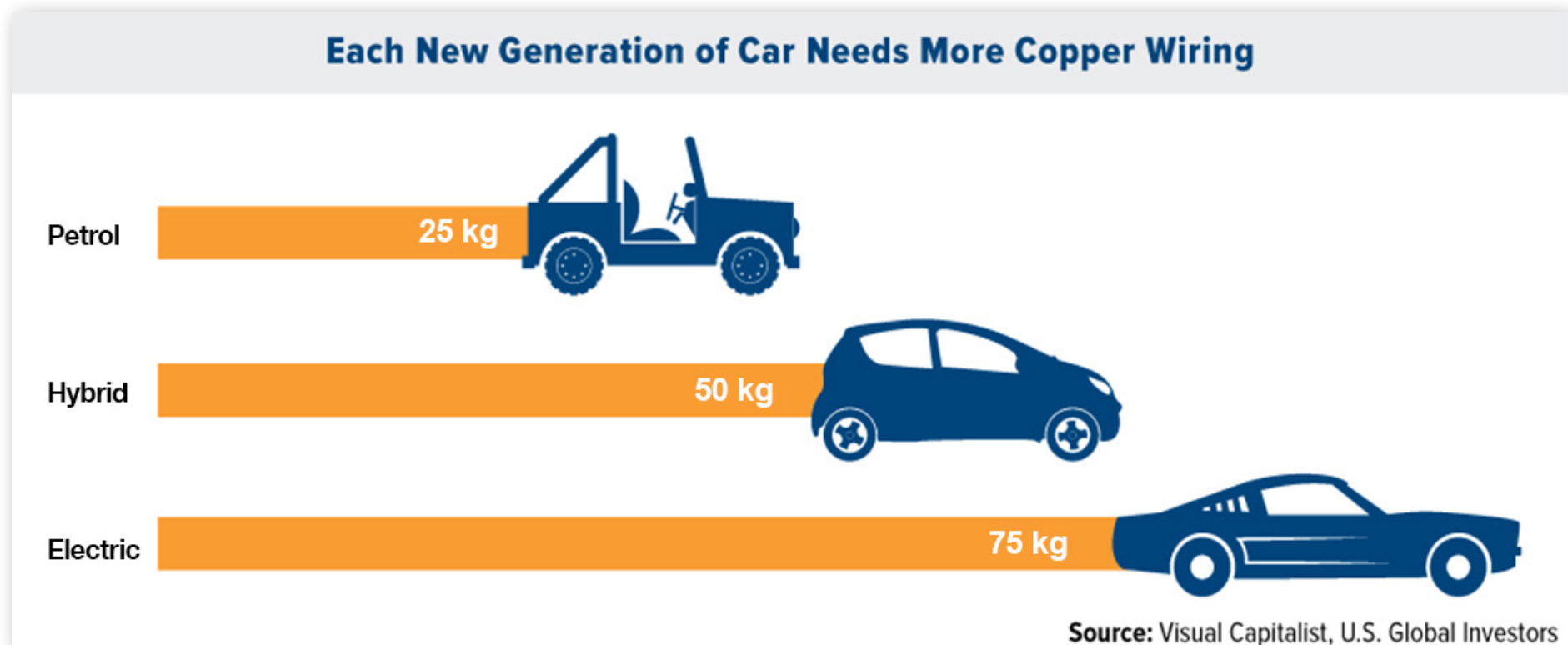
COPPER MARKET

- Structural deficit
- Demand driving prices
- Insufficient new supply coming
 - » pipeline of new supply is thin vs demand growth
- Grades are declining
 - » low prices encouraged 'high-grading' of mines
- Reserves are depleted
 - » underinvestment in exploration since 2012



COPPER DEMAND GROWTH ACCELERATING FROM EMISSIONS REDUCTION

- We are experiencing an explosion in electric vehicle demand
- Hybrid and electric vehicles demand much more copper than conventional cars
- Ongoing demand growth from urbanisation trends



DIVERSIFIED ASSETS

Torrens – Copper, SA

- Massive IOCG system
- Primary focus
- Access resolution coming soon

Higginsville – Gold, WA

- Multiple gold and nickel targets
- Drilling September 2017

Lumwana West – Copper Cobalt, Zambia

- **Nyungu Deposit:** JORC 2012 Exploration Target:

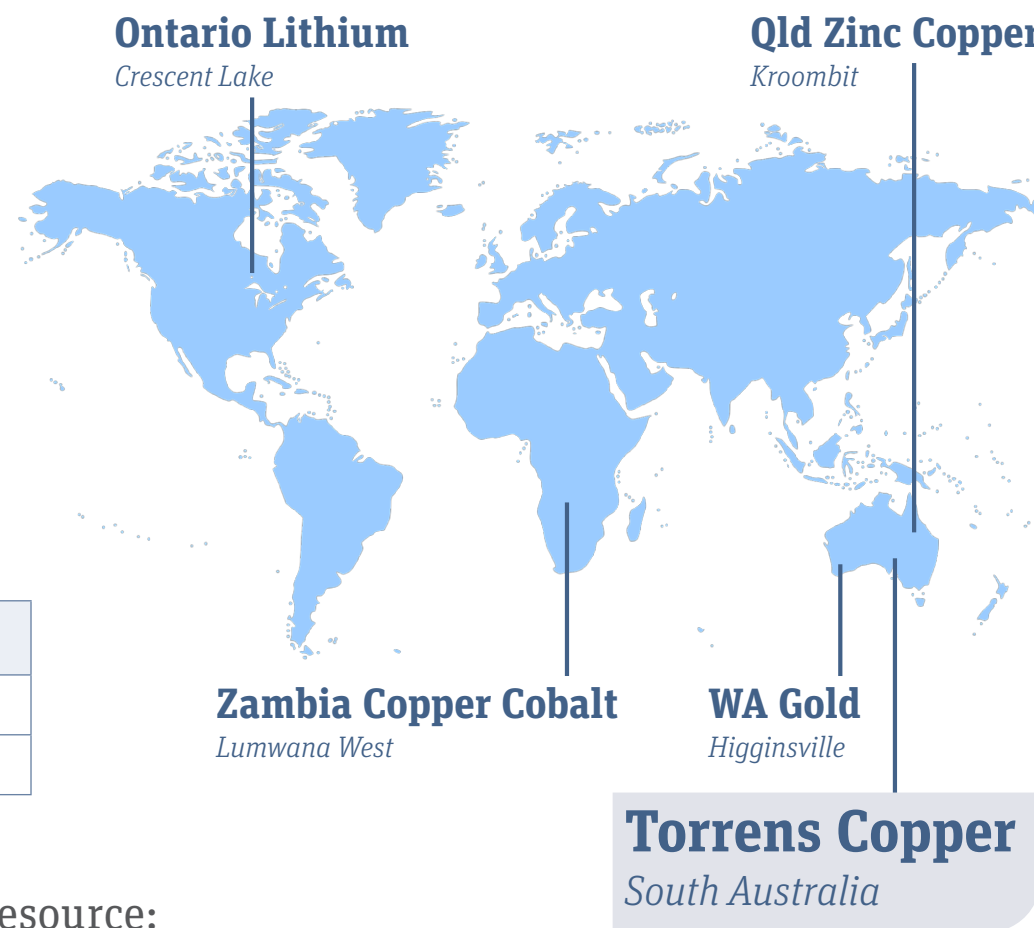
Commodity	Tonnage (Mt)	Grade (%)	Contained metal (kt)
Copper	130 to 180	0.45 to 0.65	580 to 1,150
Cobalt	15 to 20	0.08 to 0.12	12 to 24

Kroombit – Zinc Copper, QLD

- **Kroombit Deposit:** JORC Inferred and Indicated Resource:
 - 5.2 million tonnes grading at 1.9% zinc and 0.2% copper at a cut-off of 1.0% Zn
 - 0.9 million tonnes at 1.0% copper at a cut-off of 0.5% Cu.

Crescent Lake – Lithium, Canada

- Spodumene pegmatite lithium



ARGONAUT – COMING SHARE PRICE CATALYSTS

Drilling at Higginsville, WA gold properties	Sept/Oct 2017
Final access approvals to Torrens	Dec 2017
JV announcement of exploration program scope • Considering 30 hole program over 16-18 months	Dec 2017
Finalisation of Torrens program funding	Dec 2017
Drilling at Torrens – expect to start	Jan 2018
Possible economic grade intersection at Torrens??	From Mar 2018?

ARGONAUT SUMMARY

Market Capitalisation: A\$13.6 million

Focus on Torrens IOCG Target:

- Right geological address
- Massive scale
 - » Larger geophysical anomaly than Olympic Dam
 - » Multiple targets within system
- Confirmed IOCG system
- Exploration access close

Extreme leverage to discovery

Copper demand and prices rising

ARGONAUT AT TORRENS:

- *Multiple drill targets = higher likelihood of discovery, and*
- *Huge upside potential on discovery*