



# ASX announcement

12 February 2014

## Aircore drilling commences at Alford project, South Australia

### Highlights

- Sandfire Resources NL has commenced its 2014 exploration program on the Alford tenement.
- IP chargeability and gravity surveys are in progress
- A regional aircore drilling program is now underway

Argonaut Resources NL (ASX: ARE) ('Argonaut' or the 'Company') is pleased to announce that Sandfire Resources NL (ASX: SFR) ('Sandfire') has commenced the 2014 exploration program at the Alford tenement in South Australia.

The program is targeting IP chargeability and gravity anomalies in areas of the Alford East trend. These anomalies are also within a large alteration system associated with basement geochemistry copper anomalies.

Sandfire commenced a gravity survey at Alford in December 2013 and an Induced Polarisation (IP) geophysical survey in the New Year.

These surveys are being followed-up by an aircore drilling program which is underway.

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## Alford Farm-in Joint Venture

On 9 November 2012, Argonaut announced it had signed a farm-in joint venture letter agreement with Sandfire in relation to the Company's 100% owned EL3969, Alford, on the Yorke Peninsula in South Australia.

Under the terms of the letter agreement, Sandfire may earn a 49% interest in the Alford tenement by sole funding \$4,000,000 of exploration within three years (the first earn-in period). In the first 14 months of the earn-in period Sandfire has met certain requirements under the letter agreement and is progressing steadily towards the first \$4,000,000 expenditure target.

If Sandfire meets the minimum commitment during the First Earn-in Period, it then has the right to form a Joint Venture with Argonaut's subsidiary, Kelaray Pty Ltd, to jointly explore the tenement or to proceed to earn an additional 26% interest in the project by spending a further \$4,000,000 on exploration within an additional three years (the Second Earn-in Period).

## About Argonaut

Argonaut is an Australian Securities Exchange listed mineral exploration and development company focussed on large Copper targets with projects in Zambia, South Australia and Queensland. Argonaut's projects are in the advanced exploration and feasibility stages.

The Company is exploring for copper at its flagship Lumwana West project in Zambia and copper (+/- gold and silver) at its Alford and Torrens projects in South Australia. The Company also owns a zinc-copper deposit at Mt Kroombit in Central Queensland and a 70% interest in a gold exploration project in Laos.

Argonaut has a significant investment in Cuesta Coal Ltd which listed on the Australian Securities Exchange in May 2012.

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, as described on page 10 of the Company's 2013 Annual Report. Mr Owler has sufficient experience which is relevant to the style of mineral tenements 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.

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