

**Argonaut Resources NL**

ABN 97 008 084 848

AUSTRALIAN STOCK EXCHANGE



ARE000009

**Argonaut Resources NL announce agreement has been reached  
between its subsidiary, Kellaray Pty Ltd, and  
Mount Isa Mines Limited (MIM) with regard to a joint venture  
on EL2533, the Torrens Prospect**

The Torrens Prospect is located 60km east, south east of the Olympic Dam mine on the eastern boundary of the Olympic Domain and within the Torrens hinge zone.

There are 3 significant phases of the agreement.

1. Twelve-month option period during which MIM will spend at least \$300,000 (subject to access being available). Kellaray will maintain the Torrens Prospect during this period and will receive a tenement administration fee.
2. If MIM exercises the option, MIM can earn a 70% interest in the Torrens Prospect by spending \$7 million over 5 years. If MIM withdraws from the agreement prior to earning the 70% interest, it retains no interest in the Torrens Prospect.
3. On completion of earn-in phase Kellaray may contribute to retain 30% equity.

Separate to the Joint Venture Agreement MIM has executed a letter agreement to transfer to Argonaut, MIM's Mt Kroombit zinc, copper deposit located South West of Gladstone, on exercising MIM's right under the Torrens Joint Venture to earn 70% equity.

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