

ASX ANNOUNCEMENT

15 December 2022

Cancellation of Lumwana West Licence Suspended by Court Order

Argonaut Resources NL (*Argonaut or the Company*) (ASX:ARE) announces that the Zambian High Court has ordered a stay of execution which suspends the purported cancellation of the Lumwana West licence.

A judicial review aimed at the prompt reinstatement of the Lumwana West licence in North-western Zambia to Argonaut's 90% held subsidiary, Mwombezhi Resources Ltd was filed on 12 October 2022.

Highlights

- In January 2022, Mwombezhi filed an appeal to the Zambian Minister for Mines and Mineral Development, Hon. Paul Kabuswe, MP, against the illegal grant of a new licence over the Lumwana West area.
- On 12 October 2022, Argonaut filed an application to the Zambian High Court for judicial review of the Minister's inordinate delay in deciding this appeal.
- The judicial review application seeks orders to have the appeal decided promptly.
- On 8 December 2022, the court granted Mwombezhi:
 - leave for judicial review; and
 - a *stay of execution* of the decision by the Zambian Government to:
 - cancel the Lumwana West licence; and
 - grant a new licence over the same area to a different entity¹.
- The Zambian Attorney General's Office made oral submissions that it is seeking to settle the judicial review out of court.
- The judicial review is scheduled to be heard on 30 January 2023.

"The stay order by the Zambian courts is a pivotal achievement by Argonaut in its efforts to have the Lumwana West licence restored. Not only does it protect Argonaut's interests by suspending the licence cancellation, but it also restrains the purported new holders of a licence from exercising rights under that licence and from dealing the licence interest."

Lindsay Owler, Director and CEO.

Judicial Review

Argonaut's subsidiary, Mwombezhi, filed an application in the Zambian High Court for judicial review (High Court for Zambia, Principal Registry, Holden at Lusaka, file number 2022/HP/1613) of the Minister's apparent inaction in deciding an appeal dated January 2022.

The appeal of January 2022 is against the cancellation of large-scale exploration licence 22399-HQ-LEL, Lumwana West, and the hasty and illegal grant of a new licence over the same area.

¹ Signed court order dated 8 December 2022 and received by Argonaut on 14 December 2022.

The judicial review has proceeded through the Zambian High Court, firstly via an order to extend the time available to Mwombezhi to apply for judicial review and secondly by the grant of leave for judicial review.

The court has further ordered that the grant of leave for judicial review operates as a *stay of execution* of the decisions by the Zambian Government to both cancel 22399-HQ-LEL, Lumwana West, and grant a new licence over the same area to a different entity.

The stay suspends the purported cancellation of the Lumwana West licence.

The stay is in operation until the determination of the judicial review or further order of the court.

Following the grant of leave, the court proceeded to issue directions regarding the judicial review and set an expedited hearing date of 30 January 2023.

The Attorney General's Office made oral submissions during the preliminary hearings that it was seeking to settle the judicial review out of court and that it had taken actions in this regard.

Argonaut notes that it has sworn and filed a substantial affidavit in the judicial review proceedings that contains relevant contextual materials for the benefit of the court.

Authorised for release by the Board of Argonaut Resources NL.

Lindsay Owler
Director and CEO
ARGONAUT RESOURCES NL