

31 October 2024

Argonaut Reports Record Revenue

Perth, Western Australia: Argonaut, the specialist natural resources investment banking firm, is pleased to announce that it has achieved record revenue from continuing operations for the year ended 30 June 2024 (**FY24**) of \$38.2 million compared to \$25.1 million in the prior year.

ECM raisings were a particular highlight with \$1.3 billion raised for clients in FY24 (FY23: \$0.4 billion). Operating profit¹ grew strongly from \$2.2 million to \$5.7 million.

During the year, fully franked dividends of \$8.8 million were paid (FY23: \$3.2 million) on the back of the significant growth in operating profit and strong cash generation.

A summary of the 2024 financial results are as follows:

	2024	2023	YoY Change	
	\$	\$	%	\$
Revenue from continuing operations	38,233,471	25,088,392	Up 52%	13,145,079
Operating profit ¹	5,652,271	2,157,697	Up 162%	3,494,574
Dividends	8,832,119	3,216,131	Up 175%	5,615,988
Cash as at 30 June	14,159,601	9,256,764	Up 53%	4,902,837
Operating free cash generated	8,081,204	(2,553,958)	Up 416%	10,635,162

Several of Argonaut's investments achieved significant milestones in FY24.

Salubris Australia Limited (**Salubris**), 27% owned and founded by Argonaut, established itself as a leading developer, owner and operator of environmental projects. Salubris continues to build a platform of high margin Australian Carbon Credit Units (**ACCUs**) and is actively securing a portfolio of bio-diversity projects.

During FY24, as part of Argonaut's talent-led growth strategy, Hayden Bairstow was appointed as Head of Research. Since his appointment, Hayden and his team have expanded Argonaut's research coverage from 30 to 70 companies which now cover \$100 billion in market capitalisation. In addition, Argonaut recently announced the appointment of Digby Gilmour as Co-Head of Institutional Sales commencing in January 2025.

Argonaut expanded its geographical reach by opening an office on O'Connell Street in Sydney under Benjamin Clifford. A focus for FY25 is the build out of an East Coast Team. A lease was also signed for Argonaut's new Perth headquarters at 9 The Esplanade, a brand-new state-of-the-art building in the Elizabeth Quay district, with the capacity for future growth.

¹ Profit/loss before income tax excluding investments (dividends received, net gain on the sale of financial assets, change in fair value of financial assets, share of profit/loss of associates)

Commenting on the FY24 results, Argonaut Group Managing Director & Head of Corporate Finance Greg Southee said:

“Argonaut has performed exceptionally well in FY24, exceeding budget and achieving a record year for group-wide client revenue.”

“The strong operating results are particularly pleasing given the significant ongoing strategic investment being made across the group’s diversified operating platform.”

Year-To-Date Performance & Outlook

Argonaut’s financial performance in FY25 has been very strong and is ahead of both budget and the group financial performance at the same period last year.

Corporate Finance activity continues to drive group performance with a significant number of Corporate Finance M&A and ECM mandates executed in FY25 with a strong transaction pipeline in hand. Agency brokerage is up meaningfully on FY24 levels. Performance of the Argonaut Natural Resources Fund and the Argonaut Global Gold Fund is pleasing. Substantial FUM growth is expected in FY25.

The Principal Investing division continues to perform well with significant positive movements in the investment portfolio in FY25 year to date. The Company’s cornerstone investment, Salubris, continues to achieve material milestones in the ethical production of carbon credits in partnership with Traditional Owners. With Argonaut’s achievements in sustainability and indigenous engagement, it will be looking to expand its capabilities in these areas.

Executive Chairman, Eddie Rigg commented:

“FY24 was a pleasing year but I remain more excited about FY25 and beyond. The structural tailwinds for the resources sector, especially those exposed to decarbonisation are powerful. The ever-growing US debt and the trend to deglobalisation is constructive for a sustained high gold price. These factors support Argonaut’s focus on the natural resources industry. We look forward to broadening our capability in sustainability, environment services and indigenous engagement”

“Some of the achievements of our clients during the year were truly remarkable. It was a pleasure to be involved with those parties and we look forward to their continued success.”

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About Argonaut

Argonaut is an integrated investment house with corporate, stockbroking & research and special situations financing capability in the Australia/Asian region.

Located in Perth and Sydney, Australia, Argonaut is technically driven and focused on Metals & Mining, Energy, Decarbonisation and Contractors that service the natural resource sector as well as select Industrial companies with market capitalisations between \$30 million and \$5 billion.