



ABN 89 124 780 276

FINANCIAL REPORT

For the Half Year Ended 31 December 2008

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2008 and any public announcements made by Argent Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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DIRECTORS' REPORT

Your directors submit their report on Argent Minerals Limited for the half-year ended 31 December 2008.

DIRECTORS

The names of the directors who held office during or since the end of the half-year are:

Kerry McHugh
 Marcus Michael
 Jamie Ogilvie

REVIEW AND RESULTS OF OPERATIONS

A summary of revenues and results for the half-year is set out below:

	2008	
	Revenues	Results
	\$	\$
Revenues and Loss	114,021	(893,776)

During the six months period the exploration and evaluation expenditure was \$769,530. In accordance with the Company's accounting policy these costs were written off. Net administration costs were \$238,267, this resulted in a total loss for the six months of \$893,776.

JULY-DECEMBER 2008 REVIEW OF OPERATIONS

The focus of the company's operations in the six months to 31 December 2008 was on the Kempfield and Sunny Corner tenements.

KEMPFIELD TENEMENTS

Metallurgical Test Work

Metallurgical testing on samples of mineralization from the BJ zone began at the Metcon laboratory in Brookvale, NSW. The work, which is on-going, includes column leach tests to determine the potential recovery of silver from a heap leaching operation, bottle roll tests and flotation tests.

The flotation tests will be performed on the heap leach residues to determine the cumulative recoveries of silver and gold but also for lead and zinc in the form of concentrates.

The samples were obtained from five short PQ diamond holes that produced high grade intersections up to 697 g/t silver (22.4 ounces) over 1 metre and 422 g/t (13.5 ounces) silver over 5 metres. Results are expected during the March 2009 quarter.

RC Drilling at McCarron, and Mather Zones

A program of RC drilling was undertaken at the McCarron, Mather and BJ Zones which comprised 12 RC holes for a total of 2,052 metres and targeted strike and depth extensions of currently delineated resources.

McCarron East Zone

Hole AKRC10, which was drilled 30 metres to the west of hole AKRC03 (84 metres at 59 g/t Ag and 4.0% combined lead / zinc), failed to encounter a similar wide zone of high grade mineralization with the best intersection being 10 metres at 0.19 g/t Au, 58.6 g/t Ag and 4.8% combined lead / zinc. A possible explanation is that the mineralization in the upper part of AKRC03 has been faulted off.

Hole AKRC11 was successfully drilled to follow up mineralization (34 metres at 38.5g/t Ag and 2.2% combined lead / zinc) in hole GKF034. It intersected two well mineralized zones including one of 16 metres @ 74.5 g/t Ag and 5.8% combined lead / zinc.

Hole AKRC12 was also successful in that it intersected over 70 metres of mineralization comparable to that in hole GFK107 (68metres @ 40.6 g/t Ag and 2.2% combined lead / zinc) with the silver grade generally being lower but the lead / zinc greater.

McCarron West Zone

Hole AKRC13 intersected two possible new lenses, each of 4 metres down hole width in the top part of the hole, and also intersected the targeted extension of previously identified mineralization, including 10 metres at 0.2 g/t Au, 128.4 g/t Ag and 10.7% combined lead / zinc.

Hole AKRC14 Intersected the extension of mineralization in hole GFK077 at 100 metres down hole and a possible new lens at 50 metres down hole (6 metres at 39.4g/t Ag and 4.5% combined lead /zinc).

Mather Zone

Hole AKRC15 appeared to intersect an extension to mineralization in a previously drilled Mather Zone hole but at a lower grade and might have intersected McCarron West Zone mineralization, but at a lower grade.

Hole AKRC16 was abandoned at 80 metres due to poor ground but intersected a Mather Zone lens at 14 metres and appeared to be approaching a McCarron West Zone lens (10 metres @ 43.2 g/t Ag and 2.5% combined lead / zinc) when it was abandoned.

Consideration will be given to a follow-up hole.

Resource extension holes at BJ Zone

A programme of 6 RC drill holes was undertaken in October on the BJ Zone to explore for depth extensions to known mineralization.

The holes covered a north-south strike length of over 175 metres. They were collared approximately 30 metres to the west of previous holes and were designed to test for depth extensions of mineralization identified therein. The holes averaged a vertical depth of approx 110 metres with the deepest two holes reaching 140 and 142 metres respectively.

The drilling confirmed the presence of broad widths of silver mineralization containing high grade lenses with 5 of the 6 holes encountering intersections grading better than 100 g/t silver with several intersections grading over 200g/t silver e.g. Hole 18 with 22 metres averaging 158.3 g/t silver and Hole 20 with 8 metres averaging 212 g/t silver.

The lead zinc intersections were encouraging in that each of the first 5 holes (AKRC17 - 21) intersected zones of lead / zinc which were either of higher grade than that in adjacent holes or appear to be new zones of lead / zinc.

The drilling has confirmed that lead / zinc grades are increasing at depth, eg: Hole AKRC-19 with 6 metres from 142 metres averaging 9.33% Zn and 1.91% Pb plus 6 metres from 150 metres averaging 5.34% Zn and 1.3% Pb.

Infill Drilling at BJ Zone

A programme of infill drill holes was undertaken at the BJ Zone in November 2008. It comprised 7 RC holes for a total of 674 metres.

Assays returned good silver results with Hole AKRC31 in particular yielding 86m averaging 102.8 g/t Silver. Hole AKRC27 returned 26m of 287.9 g/t silver including 6m at 447.7 g/t with 2m at 635 g/t or 20.4 ounces per tonne of silver.

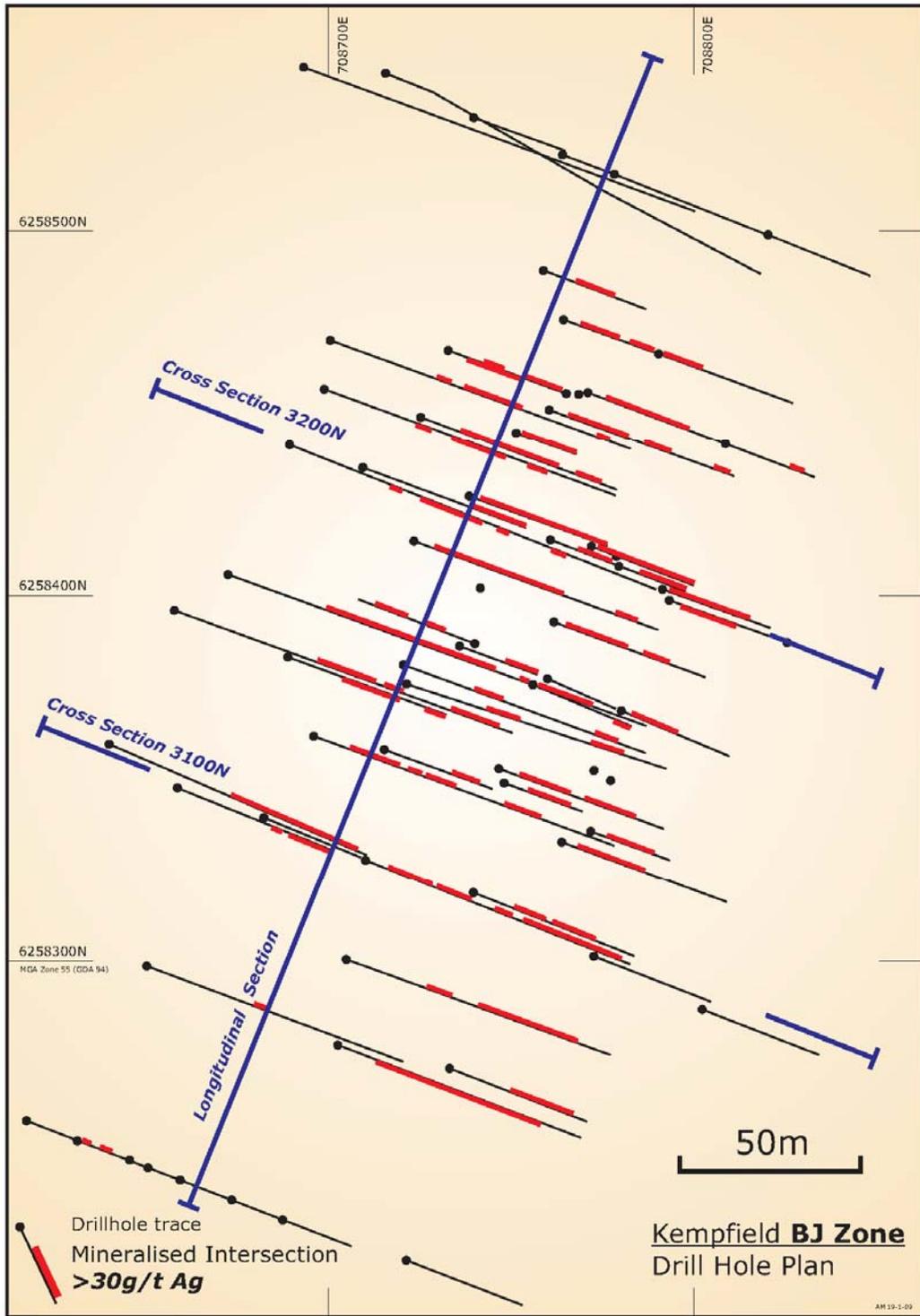
Hole AKRC29 recorded 48m averaging 133.2 g/t Ag including 10m at 303.2 g/t and 2m at 618 g/t silver. Barite results were consistently high varying from 23.7% to a high of 59.7%.

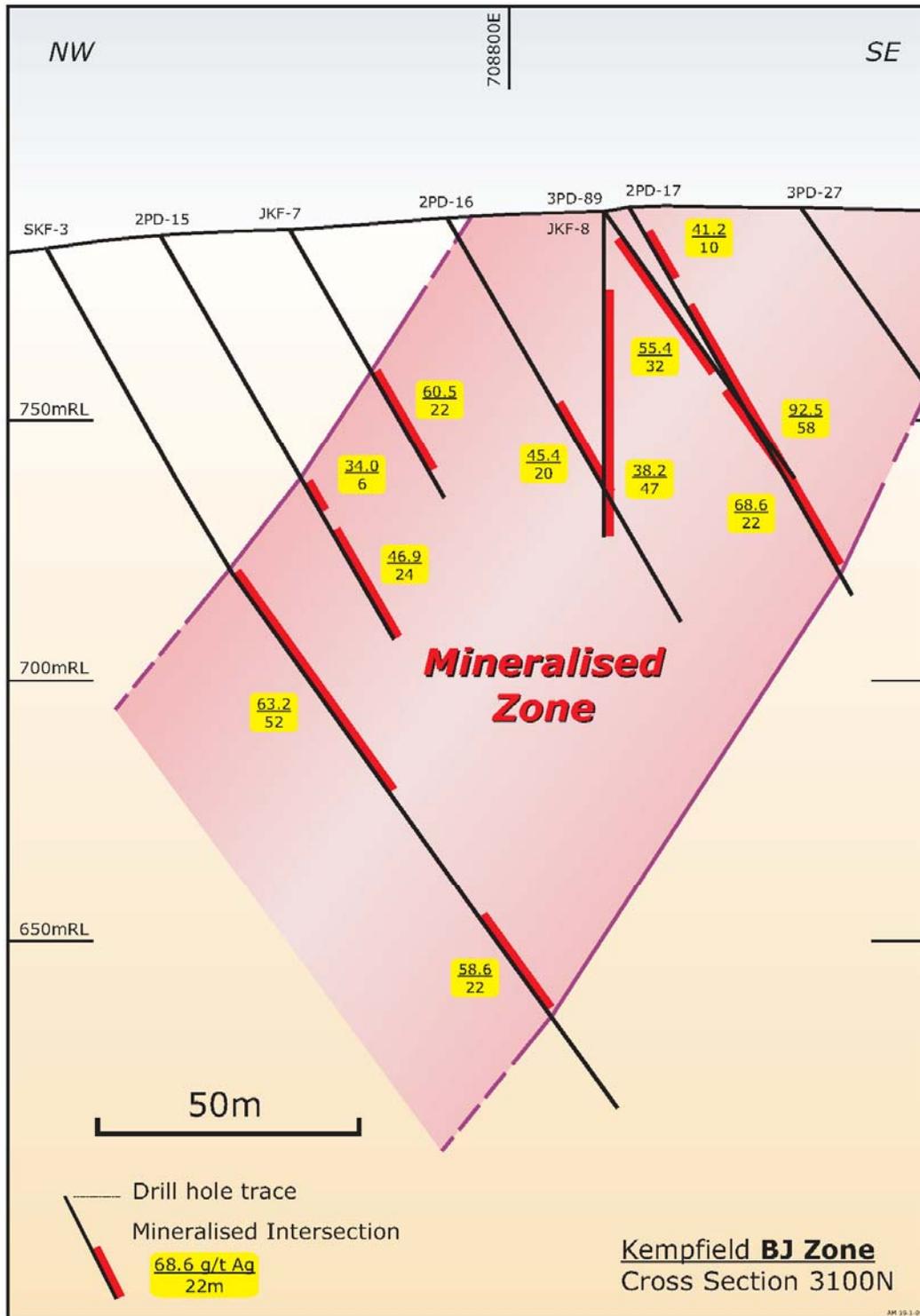
An indication of the extent and shape of the mineralized zone is given in the following plan and vertical sections. The mineralized zone appears to be a 200m long tabular body dipping at 55 to 70 degrees to the west with a horizontal width varying from 55 to 100 metres.

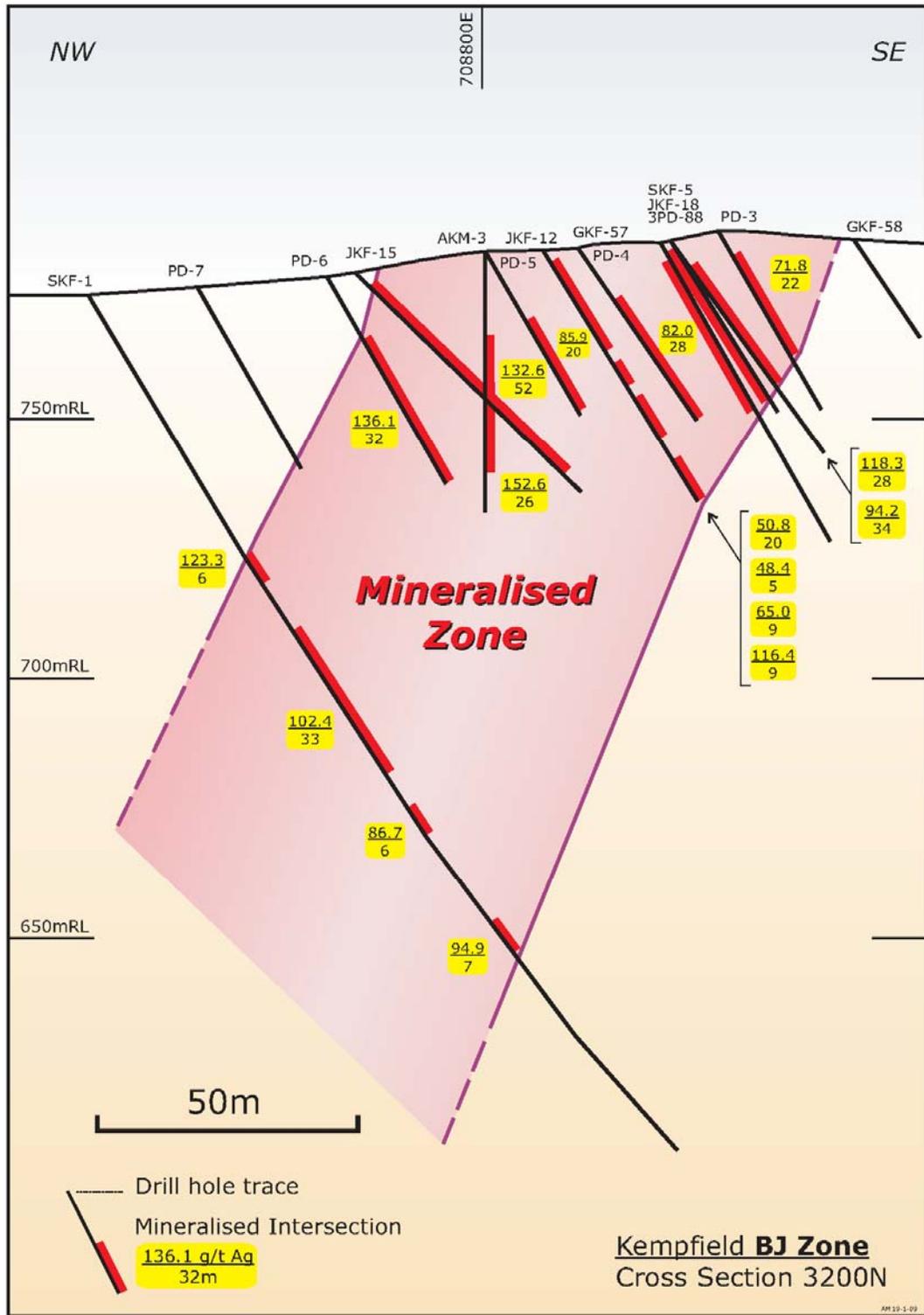
Southern VTEM Anomaly

A soil sampling programme was undertaken on the VTEM anomaly at the southern end of the Kempfield Tenement in November 2008. Results were inconclusive and no further work is proposed at this stage.

Argent Minerals Limited may earn a 70% interest in the Kempfield Tenements from Golden Cross Resources Limited by spending \$2.745 million by June 2013.







SUNNY CORNER TENEMENTS

An initial Inferred Resource was announced on 12 August 2008 comprising:

1.5 million tonnes @ 2.1% lead, 3.7% zinc, 0.4% copper, 0.3 g/t gold and 24 g/t silver containing:

- 32,200 tonnes of lead;
- 55,800 tonnes of zinc;
- 5,700 tonnes of copper;
- 12,640 ounces of gold; and
- 1.2 million ounces of silver.

The Volcanogenic Massive Sulphide (VMS) style resource lies below and adjacent to the old high grade Sunny Corner mine. It is approximately 6.5 metres thick, is flat lying and ranges from 12 to 30 metres from the surface making it likely to be amenable to open pit mining.

A programme of 4 diamond core drill holes was undertaken to obtain samples for metallurgical (flotation) testing and density calculations. Results should be available in the March quarter.

The Sunny Corner resource is classified as an Inferred Resource under the JORC code. The work involved in bringing parts of it to Indicated or Measured status will include the diamond drill holes mentioned above. The current Inferred Resource is based on the results of RC drilling only and a conservative estimate of density of 2.8 has been used although typically VMS ore has a density of over 3.0.

Argent Minerals limited may earn a 70% interest in the Sunny Corner tenement from Golden Cross Resources Limited by the expenditure of \$686,000 by June 2013.

West Wyalong Tenements

During the period under review the company's activities were confined to meeting the requirements of the Commonwealth - Native Title Act 1993 to determine if Native Title claimants existed over certain areas of crown land within the tenements. That process has now been completed and the company is free to undertake exploration on that ground subject to the ordinary provisions of the Mining Act (1992), as amended. A programme of air core and RC drilling is planned for the March 2009 quarter to test a number of gold targets on the tenements.

Competent Person Statement

The information in this Report that relates to Exploration is based on information compiled by David Timms, who is a member of the Australian Institute of Geoscientists, is a Technical Consultant to Argent, and has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Timms consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to mineral resources on the Sunny Corner Tenements is based on information compiled by Mr Simon Tear, who is a Member of the Australian Institute of Mining and Metallurgy and a full time employee of Hellman & Schofield Pty Ltd.

The data used to derive the mineral resource estimates was supplied by Argent Minerals and compiled by Dr Vladimir David who is a Member of the Australian Institute of Geoscientists and Registered Professional Geoscientist in Mining, Mineral Exploration and Regional Geology.

Simon Tear and Vladimir David have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as "Competent Persons" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Tear and Dr David consent to the inclusion in this Report of the information compiled by them in the form and context in which they appear.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 11.

This report is made in accordance with a resolution of directors.



Kerry McHugh
Executive Chairman

Perth, 11 March 2009

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11 March 2009

Board of Directors
Argent Minerals Limited
Level 1, 115 Cambridge Street
WEST LEEDERVILLE WA 6007

Dear Sirs

RE: ARGENT MINERALS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Argent Minerals Limited.

As Audit Director for the review of the financial statements of Argent Minerals Limited for the period ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully
STANTONS INTERNATIONAL
(Authorised Audit Company)



John P Van Dieren
Director

INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2008	Half-year	
	31 December 2008	31 December 2007
	\$	\$
REVENUE FROM CONTINUING OPERATIONS	114,021	2,785
EXPENDITURE		
Exploration expenditure written off	769,530	128,602
Administration expenses	238,267	76,348
Other expenses	-	-
	<hr/>	<hr/>
LOSS BEFORE INCOME TAX	(893,776)	(202,165)
Income tax benefit / (expense)	-	-
	<hr/>	<hr/>
LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF ARGENT MINERALS LIMITED	(893,776)	(202,165)
	<hr/>	<hr/>
Basic and diluted loss per share (cents)	(2.13)	(2.54)

The above income statement should be read in conjunction with the accompanying notes.

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	31 December 2008 \$	30 June 2008 \$
CURRENT ASSETS			
Cash and cash equivalents		3,017,277	3,502,785
Trade and other receivables		39,008	51,110
TOTAL CURRENT ASSETS		3,056,285	3,553,895
NON-CURRENT ASSETS			
Exploration and evaluation expenditure		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		3,056,285	3,553,895
CURRENT LIABILITIES			
Trade and other payables		88,314	97,784
TOTAL CURRENT LIABILITIES		88,314	97,784
TOTAL LIABILITIES		88,314	97,784
NET ASSETS		2,967,971	3,456,111
EQUITY			
Contributed equity	3	4,405,458	4,405,408
Reserves		405,736	-
Accumulated losses		(1,843,223)	(949,297)
TOTAL EQUITY		2,967,971	3,456,111

The above balance sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Issued Capital	Accumulated Losses	Option Premium Reserve	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2007	170,858	(118,043)	-	52,815
Profit / (Loss) attributable to members of the Argent Minerals Limited	-	(202,164)	-	(202,164)
Shares issued during the period	619,000	-	-	619,000
Share issue expenses	(135,033)	-	-	(135,033)
Balance at 31 December 2007	654,825	(320,207)	-	334,618
Balance at 1 July 2008	4,405,408	(949,297)	-	3,456,111
Profit / (Loss) attributable to members of the Argent Minerals Limited	-	(893,776)	-	(893,776)
Adjustments to previous period period retained earnings	-	(150)	-	(150)
Shares and options issued during the period	50	-	419,400	419,450
Share and option issue expenses	-	-	(13,664)	(13,664)
Balance at 31 December 2008	4,405,458	(1,843,223)	405,736	2,967,971

The above statement of changes in equity should be read in conjunction with the accompanying notes.

	Half-year	
CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2008	December 2008 \$	December 2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Expenditure on mining interests	(768,966)	(8,324)
Payments to suppliers and employees	(245,587)	(70,075)
Interest received	114,021	2,785
Other - GST	17,077	(13,679)
Net cash (outflow) from operating activities	(883,455)	(89,293)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for plant and equipment	-	-
Net cash (outflow) from investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from shares and options issued	397,947	523,360
Net cash inflow/(outflow) from financing activities	397,947	523,360
Net increase/(decrease) in cash and cash equivalents	(485,508)	434,067
Cash and cash equivalents at the beginning of the half-year	3,502,785	89,849
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	3,017,277	523,916

The above cash flow statement should be read in conjunction with the accompanying notes.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the period ended 30 June 2008 and any public announcements made by Argent Minerals Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies applied by the Company in this half year report are the same as those applied by the Company in its financial report for the period ended 30 June 2008. The Company has not elected to early adopt any new standards or amendments.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

Going Concern Basis

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realization of assets and settlement of liabilities in the ordinary course of business. The going concern of the Company is dependant upon it maintaining sufficient funds for its operations and commitments. The directors continue to monitor the ongoing funding requirements of the Company.

The directors are confident that sufficient funding can be secured if required to enable the Company entity to continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

NOTE 2: SEGMENT INFORMATION

The company operates in predominantly one business and geographical segment, being mineral exploration in Australia.

NOTE 3: ISSUED CAPITAL

	31 December 2008 \$	30 June 2008 \$
(a) Issued and paid up capital		
41,940,251 (30 June 2008: 41,940,001) ordinary shares, fully paid	4,405,458	4,405,408
Movements in Ordinary Shares	Number	\$
Balance at 1 July 2008	41,940,001	4,405,408
Share issued pursuant to capital raisings	-	-
Shares issued pursuant to exercise of options	250	50
Transactions costs arising from issue for cash	-	-
Balance at 31 December 2008	41,940,251	4,405,458

(b) Share options

Options to take up ordinary shares in the capital of the Company have been granted as follows:

Exercise period	Note	Exercise Price	Opening Balance	Options Issued	Options Exercised 31 December 2008	Closing Balance 31 December 2008
		Number \$0.20	Number	Number	Number	Number
On or before 30 June 2011	(i)		-	41,940,001	(250)	41,939,751

- (i) On 20 August 2008, 25,324,065 options were issued at 1 cent each pursuant to a non renounceable entitlement offer of one per option for every one held. On 14 November 2008, 16,615,936 shortfall options were issued at 1 cent each. The total amount raised was \$405,736 net of option raising costs of \$13,664.

During the period, 250 options were exercised at \$0.20 each to acquire shares in the Company during the period raising \$50.00.

NOTE 4: CONTINGENCIES

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

NOTE 5: SUBSEQUENT EVENTS

No matter or circumstance has arisen since 31 December 2008, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

NOTE 6: ESTIMATES & ASSUMPTIONS

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Future Rehabilitation

The Company measures the cost of future rehabilitation in relation to its tenements based on probable cost estimations at the date upon which tenements are altered from their original state. Fair values are determined using local data available. No rehabilitation provision is considered necessary at 31 December 2008.

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 12 to 18 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 31 December 2008 and of the performance for the 6 months ended on that date of the Company;
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Kerry McHugh
Executive Chairman
Argent Minerals Limited

Perth, 11 March 2009

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENT MINERALS LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Argent Minerals Limited, which comprises the condensed balance sheet as at 31 December 2008, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, a condensed statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 *Review of Interim Financial and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Argent Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

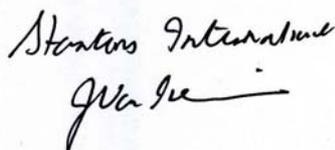
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Argent Minerals Limited on 11 March 2009.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Argent Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL
(An Authorised Audit Company)

Handwritten signature of John P Van Dieren in black ink, written over a light blue rectangular background.

John P Van Dieren
Director

West Perth, Western Australia
11 March 2009