

## ASX ANNOUNCEMENT

13 March 2013

### OPTIONS ENTITLEMENT ISSUE – ENHANCED TERMS

Following discussions with the ASX, **Argent Minerals Limited (ASX:ARD)** (“**Argent Minerals**” or the “**Company**”) is pleased to advise a revision and enhancement to the **Options Entitlement Issue** announced on 5 March 2013.

The enhanced options terms outlined below (“**Enhanced Terms**”) replace those announced on 5 March 2013 (“**Original Announcement**”).

Under the Enhanced Terms, **Option holders will be provided the opportunity to benefit from a fixed exercise price for the options of \$0.175 throughout their 30 month life.** Argent Minerals has obtained an independent valuation which confirms the significant additional value proposition under the Enhanced Terms; the **value** of the Revised Options Entitlement Issue has been estimated to be **up to 29% higher** than that contemplated under the Original Announcement<sup>1</sup>.

A detailed timetable for the Options Entitlement Issue, including confirmation of the record date (“**Record Date**”), will be announced by the Company in due course.

### TERMS OF REVISED OPTIONS ENTITLEMENT ISSUE

**ENTITLEMENT: One (1) Option for Every Two (2) Shares Held at the Record Date**

The options will be offered to all eligible shareholders of Argent Minerals who are registered shareholders at the close of ASX trading on the Record Date.

The Record Date will be determined by the Directors of Argent Minerals in accordance with the ASX Listing Rules.

**OPTION TYPE: Incentive Option** (see description under “Exercise price” heading below). Argent Minerals will issue one (1) **Incentive<sup>2</sup> Option** for every two (2) shares held at the record date (“**Option**”).

**ISSUE PRICE:** Options will be issued at a price of **\$0.01 per Option to shareholders who accept the Options offer.**

**ISSUE DATE:** The **Issue Date** will be determined by the Directors of Argent Minerals according to the Terms & Conditions of the Disclosure Document under which the Options will be issued.

**TERM:** The Options will be exercisable on any business day on or before the expiry of a **30 month term from the date of issue (“Expiry Date”).**

**ASX LISTING:** The Company will apply to ASX to have the **Options listed for Official Quotation (“Listing”).**

**EXERCISE PRICE:** The Options will have an **Exercise Price of \$0.175** throughout the Term of the Option (“**Exercise Price**”).

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<sup>1</sup> Calculated at a spot price of \$0.090 per share, a risk free rate of 3.17% and a volatility range assumption of 31% minimum to 81% maximum.

<sup>2</sup> An Incentive Option provides the Option holder the right but not the obligation to purchase the underlying asset (one Argent Minerals ordinary share) at the agreed Exercise Price, on any ASX business day on or before the option Expiry Date throughout the term of the option.

Argent Minerals managing director David Busch said:

“We are delighted to offer these revised and enhanced terms for the Company’s proposed Options Entitlement Issue. Participation in the Options Entitlement Issue represents an excellent opportunity for investors to share in the future growth of Argent Minerals as we continue to develop the Kempfield Silver Project into a significant mining operation.

Following the issue of the Options and their subsequent Official Quotation<sup>3</sup> on the ASX, Option holders will be able to trade these instruments on the ASX independently from Argent Minerals ordinary shares. Alternatively, they may simply choose to hold Options with the intent to take advantage of any favorable market conditions for Option exercise that may occur at some time in the future before the Expiry Date. The intended ASX Listing of the options will provide Option holders with this choice and flexibility.”

A disclosure document will be made available when the Options are offered by the Company.

Anyone who wishes to acquire Options under the proposed entitlement issue will need to ensure that they are registered shareholders of Argent Minerals on the Record Date and complete an application form that will accompany the disclosure document.

The Company is focused on bringing its core asset, the 100%-owned Kempfield Silver project, into production as a significant silver mining operation.

### **About the Kempfield Project**

The Kempfield Silver Project is located in New South Wales and is a major development asset, which is classified as a State Significant Development by the NSW Government. Argent is committed to bringing the project into production on a stage-by-stage process and continues to make strong progress towards Stage 1 production. The project’s Environmental Impact Statement is due to be submitted in Q1 2013 and its Feasibility Study completed in Q3 2013. Argent plans to mine approximately 8.8 million tonnes over approximately five years to produce 9.9 million ounces of silver (at an approximate cost of \$16.6 per silver bullion ounce<sup>4</sup>) in Stage 1 of the project.

### **For further information, please contact:**

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<sup>3</sup> Official Quotation of the Options on the ASX will be subject to the ASX Listing Rules and ASX grant of the Listing application. In the event of any conflict or any inconsistency between the contractual terms of the Options described in this ASX release and the ASX listing Rules, the ASX Listing Rules will apply.

<sup>4</sup> Direct cash costs (C1) per ounce of silver net of gold credits calculated at \$1,500/oz of gold.

### **Disclaimer**

Certain statements contained in this announcement, including information as to the future financial or operating performance of Argent Minerals and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Argent Minerals, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Argent Minerals disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward-looking statements.

All forward looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Financial derivatives is a highly complex and high risk field. Investors should obtain their own independent advice.