

**ASX ANNOUNCEMENT**

5 March 2013

**OPTIONS ENTITLEMENT ISSUE**

**Argent Minerals Limited (ASX:ARD) (“Argent Minerals” or the “Company”)** is pleased to advise shareholders that it is the Company’s intention to complete an **Options Entitlement Issue** in 2013.

The terms of the options are outlined below. 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 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 Reset Call option** (see description under “Exercise price” heading below). Argent Minerals will issue one (1) **Incentive Reset Call<sup>1</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 \$0.20** that will be subject to the opportunity for exercise at a **temporarily reduced price within the following Incentive Reset Windows (“Exercise Price”):**

**INCENTIVE RESET WINDOWS**

The Options will be able to be exercised by the Option holder at a reduced price to the \$0.20 Exercise Price whilst the following Incentive Reset Windows are open:

	OPENS	CLOSES	EXERCISE PRICE
<b>Incentive Reset Window 1</b>	Issue Date + 6 months	10 business days later	<b>\$0.17</b>
<b>Incentive Reset Window 2</b>	Issue Date + 12 months	10 business days later	<b>\$0.17</b>
<b>Incentive Reset Window 3</b>	Issue Date + 18 months	10 business days later	<b>\$0.18</b>
<b>Incentive Reset Window 4</b>	Issue Date + 21 months	10 business days later	<b>\$0.19</b>

<sup>1</sup> An Incentive Reset Call 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. In addition, an Incentive Reset Call Option provides the holder for the opportunity to exercise the option at a reduced exercise price provided that the Option is exercised within one of the Incentive Reset Windows set out in this announcement.

At all other times up to and including the Expiry Date (ie. when an Incentive Reset Window is **not** open) the Exercise Price will be **\$0.20**.

Argent Minerals managing director David Busch said:

“This is another innovative step forward for Argent Minerals and its shareholders as the Company continues to aggressively progress the Kempfield Silver Project toward Stage 1 production. Following the issue of the Options and their subsequent Official Quotation<sup>2</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. The Incentive Reset Windows are an additional feature designed to provide an incentive for early Option exercise through temporary reductions in the Exercise Price”.

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>3</sup>) in Stage 1 of the project.

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

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<sup>2</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>3</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.