



ASX ANNOUNCEMENT

29 April 2011

QUARTERLY ACTIVITIES AND CASHFLOW REPORT

HIGHLIGHTS

- Acquisition of 100% of the interest in the Kempfield Silver Project.
- Acquisition of the Kempfield pastoral property.
- Appointment of Project Manager and key consultants to undertake a Definitive Feasibility Study (DFS) on a 1.5 million tonnes per annum project to produce 22 million ounces of silver over a 10 year mine life.
- Sale of Bullant Gold Project and inspecie distribution of US Nickel Limited shares completed.
- Cash position at 1 April 2011 of \$2.8m.

KEMPFIELD SILVER PROJECT

Argent acquires 100% interest in the Kempfield Silver Project

On 19 April 2011 the Argent Minerals Limited (“Argent” or “Company”) announced that it had reached agreement with Golden Cross Resources Limited (GCR) to acquire its 30% interest in the project. The following is payable for GCR’s 30% interest in Kempfield Silver Project:

- \$1.0 million in cash at settlement;
- \$1.0 million in fully paid Argent shares at settlement, issued at the VWAP over the 5 days prior to signing the Sale Agreement; and
- \$1.0 million upon a Decision to Mine at Kempfield, payable, at Argent’s election, in cash or shares issued at the VWAP over the 5 days prior to the Decision to Mine.

Argent had announced on 12 April 2011 that it had earned a 70% interest in the project through the expenditure of \$2.745 million under the farm-in agreement with GCR. The acquisition of the remaining 30% takes Argent’s interest in the project to 100%.

Kempfield Pastoral Property Acquired

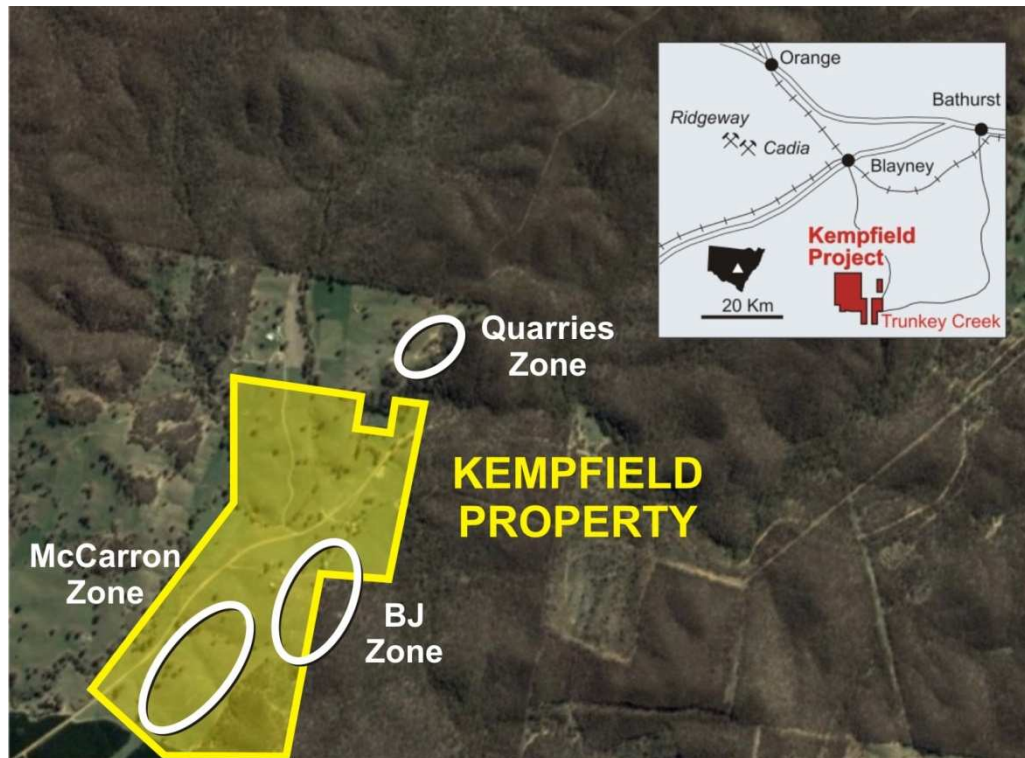
On 8 April 2011 the Company announced that it had purchased the Kempfield surface rights covering some 115 hectares of land within which the Company’s main silver project tenements are located, see Figure One below.

Ownership of the property, which contains over 90% of the Kempfield silver resources, will greatly facilitate the approvals process for Argent’s Kempfield Silver Project.

The property is located some 80kms south east of the city of Orange and is approximately 29kms south of the town of Blayney, in the central-west of NSW. It contains a number of dwellings and farm sheds that Argent uses to accommodate field staff and to provide core cutting and storage facilities.



Figure One - Location of Kempfield Pastoral Property



Road access is via a 10km unsealed public road servicing a small number of rural holdings and an area of NSW State Pine Forest. This road joins the main road linking Orange and Goulburn.

The Orange - Bathurst region provides a large range of mining and exploration services and has a long history of mining with the most recent being Newcrest's Cadia Ridgeway gold/copper operation.

Definitive Feasibility Study

Argent has commenced a Definitive Feasibility Study (DFS) following an earlier Scoping Study which showed the potential for an economically viable silver project.

A review of the Kempfield Scoping Study outputs was released to the market on 23 November 2010. This showed that the application of then current prices for silver, gold, lead and zinc enabled reporting of resources at reduced cut-off grades i.e. from 40g/t Ag to 25g/t Ag for the oxide and transitional mineralization and from 80g/t Ag equivalent to 50g/t Ag equivalent for the primary mineralization. The estimates of contained metal in the revised resources include 31.6 million ounces of silver, 175,000 tonnes of zinc, 86,000 tonnes of lead and 65,000 ounces of gold (see Tables Two and Three).

Australian Mine Design and Development Pty Ltd (AMDAD) revised the pit-optimization model used to underpin the Kempfield Scoping Study using a silver price of US\$30 per ounce, an exchange rate of US\$1.02:A\$1 and a throughput rate of 1.5 million tonnes per annum. That review has been used to produce the following estimates of the key economic outcomes:



Table One - Project Economics

Pit Optimization (pit shells only)	1.5 million tpa US\$30 per ounce silver
Operating Parameters	
Tonnes Treated	16.3mt
Strip Ratio	1.3 to 1
Mine Life	11 years
Silver Produced	22.3 million ounces
Gold Produced	35,000 ounces
Lead Produced	26,800 tonnes
Zinc Produced	92,700 tonnes
Net Cash Flow*	\$260 million
*Includes Argent's preliminary estimate of initial Capex of \$100 million	

DFS Progress

The following key consultants have been appointed and have commenced their investigations:

- Mr Derek White, a mining engineer with extensive experience in managing feasibility studies, has been engaged as Project Manager for the DFS.
- Lycopodium Minerals QLD Pty Ltd has been appointed as the lead process plant design and engineering consultant for the project.
- Australian Mine Design and Development Pty Ltd (AMDAD) has been appointed to undertake mine design.
- Knight Piesold Consulting Pty Ltd, one of the foremost tailings storage experts globally, has commenced work on the design of the Tailings Storage Facility.
- RW Corkery Pty Ltd, a highly experienced and well regarded environmental consultant has been appointed to prepare the Environmental Assessment for the project.
- RPS Aquaterra, has been appointed to advise on surface and ground water matters.
- Mr Bruno Sceresini, a highly experienced metallurgist with an extensive background in minerals processing and precious metals recovery, who directed the metallurgical testwork for the Kempfield Scoping Study, will continue to direct the metallurgical testwork.

Metallurgical testwork is being undertaken aimed at confirming the estimates included in the scoping study relating to the production of zinc concentrates and silver-rich lead concentrates and to the estimates of metallurgical recoveries for silver, lead and zinc, see ASX release of 20 April 2010.

A 50 hole programme totalling 5,000m of infill and metallurgical drilling is underway with 17 holes completed. This includes 2 diamond core holes of 200m each drilled to obtain samples for metallurgical, crushing and grinding tests.



Water monitoring holes have been designed and will be drilled in May 2011. The results will be used to assist in sourcing the project's water requirements.

Knight Piesold Consulting Pty Ltd has identified a number of potential sites for a tailings storage facility and these are being considered in the light of their respective impacts on environmental matters and operational requirements.

The Preliminary Environmental Assessment (PEA) is being prepared by RW Corkery Pty Ltd to support the lodgement of a Development Approval application to the NSW Department of Planning. Acceptance of the PEA will commence the approvals consultation process beginning with a Focus Meeting of the relevant NSW Government Departments and other interested parties such as local communities.

Table Two – Revised Resources

	Million Tonnes	Silver		Gold		Lead		Zinc	
		Grade	Contained Metal	Grade	Contained Metal	Grade	Contained Metal	Grade	Contained Metal
		g/t	M ozs	g/t	000 ozs	%	000 t	%	000 t
Oxide/Mixed*	5.8	58	10.8	0.1	19	N/A	N/A	N/A	N/A
Primary**	14.4	45	20.8	0.1	46	0.6	86	1.2	175
Total	20.2	49	31.6	0.1	65	N/A	86	N/A	175

Cut off grades of 25g/t Ag for the oxide and transitional mineralization and 50g/t Ag equivalent for the sulphide mineralization where 1% Pb or Zn equals 20g Ag.

* Approximately 83% of these resources are Measured or Indicated-see Table 3 below

** Approximately 64% of these resources are Measured or Indicated-see Table 3 below

Table Three – Resources by Category (cut off grades as above)

	Tonnes	Grade (g/t)		Grade (%)	
		Silver	Gold	Lead	Zinc
Oxide and Mixed	million				
Measured	2.1	70.3	0.1	-	-
Indicated	2.7	52.4	0.1	-	-
Inferred	1.0	45.5	0.1	-	-
Primary					
Measured	2.1	60.2	0.1	0.64	1.08
Indicated	7.5	45.7	0.1	0.59	1.21
Inferred	4.8	38.5	0.1	0.60	1.31

Indicative Timetable

The DFS is scheduled to be completed by the end of 2011 with Development Approvals expected to be granted in the June quarter of 2012 followed by a decision to mine supported by debt and equity funding arrangements. Mine and plant construction is estimated to take 12 months to complete with first silver production scheduled for mid 2013.

Other projects

No work was undertaken on the Sunny Corner, West Wyalong or Louth projects during the quarter.



CORPORATE

Sale of Argent (Bullant) Pty Ltd

On 25th March 2011 Argent completed the sale of its subsidiary Argent (Bullant) Pty Ltd to US Nickel Limited ("US Nickel"). The agreement for the sale of Argent (Bullant) Pty Ltd included the cancellation of 19,500,000 ordinary Argent shares held by US Nickel and the issue of 44,000,000 ordinary shares in US Nickel to Argent.

Argent shareholders on the record date of 1 April 2011 participated in an inspecie distribution of 44,000,000 US Nickel shares.

Exercise of Options

During the quarter 1,250,000 Argent options were exercised at \$0.20 per option. On 1 April 2011 an additional 5,752,126 Argent options were exercised at \$0.20 per option.

Cash Position

At the end of the quarter Argent had cash of \$1.653 million. On 1 April 2011 the Company received \$1.15 million from the exercise of 5,752,126 options at \$0.20 per option. Argent's cash balance at 1 April 2011 was \$2.803 million.

Capital Structure

Argent now has 89,393,377 shares on issue, 41,208,625 options, exercisable at \$0.178 cents per option on or before 30 June 2011 and 2,000,000 unlisted options, exercisable at \$0.178 cents per option on or before 28 February 2013.

For more information

Kerry McHugh
Executive Chairman
Argent Minerals Limited
Ph: 0404 465 154

www.argentminerals.com.au

Competent Person Statements

The information in this Report that relates to Mineral Resources is based on information compiled by Dr Phillip Hellman, who is a Fellow of the Australian Institute of Geoscientists and a Director of Hellman & Schofield Pty Ltd. Dr Hellman has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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". Dr Hellman consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.



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, and a Technical Consultant to Argent, and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 the information in the form and context in which it appears.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Argent Minerals Limited

ABN

89 124 780 276

Quarter ended ("current quarter")

31 March 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(83)	(671)
(b) development	(1,756)	(2,172)
(c) production	-	-
(d) administration	(185)	(638)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	25	37
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - GST	67	(114)
Net Operating Cash Flows	(1,932)	(3,558)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(3,790)
(b) equity investments	-	-
(c) other fixed assets	(581)	(3,069)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – Security Bonds/Term Deposit	(1)	(891)
Sale of Subsidiary Company	(921)	(921)
Net investing cash flows	(1,503)	(8,671)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (carried forward)	(3,435)	(12,229)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	250	10,451
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	1,750	2,550
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	(2)	(513)
	Net financing cash flows	1,998	12,488
	Net increase (decrease) in cash held	(1,437)	259
1.20	Cash at beginning of quarter/year to date	3,090	1,394
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,653	1,653

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	197
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	\$'000
Directors fees and remuneration	87
Accounting, corporate, bookkeeping and secretarial services	106
Geological Consulting	4

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 25th March 2011 Argent Minerals Limited ("Argent") completed the sale of its subsidiary Argent (Bullant) Pty Ltd to US Nickel Limited ("US Nickel"). The agreement for the sale of Argent (Bullant) Pty Ltd included the cancellation of 19,500,000 ordinary Argent shares held by US Nickel and the issue of 44,000,000 ordinary shares in US Nickel to Argent.

Argent shareholders on the record date of 1 April 2011 participated in an in specie distribution of 44,000,000 US Nickel shares.

The proceeds from borrowings referred to in cash flows relating to financing activities at 1.16 above, related wholly to US Nickel financing Argent (Bullant) Pty Ltd up to the date of the sale of Argent (Bullant) Pty Ltd to US Nickel. The completion of the purchase of Argent (Bullant) Pty Ltd by US Nickel results in US Nickel now assuming these borrowings and Argent having no interest bearing loans.

+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	
3.2 Credit standby arrangements	NIL	

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	1,100
4.3 Production	-
4.4 Administration	200
Total	1,400

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10	621
5.2 Deposits at call	1,643	2,469
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22)	1,653	3,090

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	M16/44 M16/45	Kalgoorlie Mining Lease	100%	0%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased	NIL			
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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	83,641,251	83,641,251		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(19,500,000)	(19,500,000)		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	46,960,751	46,960,751	<i>Exercise price</i> \$0.178	<i>Expiry date</i> 30 June 2011

+ See chapter 19 for defined terms.

- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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