

**ASX Announcement**

30 April 2013

**QUARTERLY ACTIVITIES AND CASH FLOW REPORT – FOR QUARTER ENDING 31 MARCH 2013  
HIGHLIGHTS**

- **Argent Minerals submits Environmental Impact Statement for Kempfield Silver Project**
- **Option entitlement issue announced**
- **Investor Update presentation released**
- **Available cash of approximately \$835,000 at 31 March 2013.**

**ENVIRONMENTAL IMPACT STATEMENT SUBMITTED - KEMPFIELD SILVER PROJECT.**

On 8 April 2013 Argent Minerals Limited (“Argent Minerals” or the “Company”) announced that it had submitted the Environmental Impact Statement (“EIS”) to the NSW Department of Planning & Infrastructure (“DP&I”) for the Kempfield Silver Project.

This is a major milestone for the project, and marks the commencement of the NSW Government’s assessment phase.

The Kempfield Silver Project is classified as a State Significant Development by the NSW Government. Under the State Significant Development approval process the next stage is for Government agencies to provide comment for consideration by the Company and incorporation into the final version of the EIS. That document will be placed on public exhibition for a 30 day period, and the exhibition start date will depend on NSW Government agency response times. During the exhibition period, the public and NSW Government agencies will be provided with an opportunity to offer comment on the EIS. The Company will respond to each issue raised and that response, together with the Company’s final statement of commitments, will be lodged with the DP&I. Recent timeframes for determination of similar projects by the NSW Government indicates that a target date for determination in Q4 2013 to early Q1 2014 is reasonable.

The environmental impacts associated with the project have been assessed by twelve specialist consultancies. In all cases, the impacts were determined to be less than the relevant criteria, capable of being offset through licencing, or not significant.

Additionally, the submitted project includes a proposed biodiversity offset strategy that the Company contends will provide medium and long-term biodiversity benefits within and surrounding the site, while balancing the community’s need to ensure that agricultural land remains productive.

Argent Minerals has engaged some of the industry’s best people on the Kempfield Silver Project, including RW Corkery & Co who have been instrumental in advising on the environmental aspects of other recently approved NSW State Significant Developments. Given the care that has been invested in the project design, the Company is confident that all relevant environmental issues have been adequately addressed.

## OPTIONS ENTITLEMENT ISSUE

On 13 March 2013 the Company announced an options entitlement issue. Eligible shareholders of Argent Minerals who are registered shareholders of the Company at the close of ASX trading on the Record Date will in summary be offered the following:

- 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>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 \$0.175** throughout the Term of the Option (“**Exercise Price**”).

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

Investors are reminded that anyone wishing 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.

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<sup>1</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.

## INVESTOR UPDATE PRESENTATION

On 1 March 2013 Argent Minerals released the Investor Update presentation and commenced road shows. Highlights of the presentation include:

- **Argent Minerals business model and historical exploration performance**
  - Near term producer focus with significant exploration upside potential
- **Updated Resource Statements**
  - Kempfield (including silver equivalent calculation)
  - Mt. Dudley (new - shallow gold feedstock potential 3.5 km from Kempfield)
- **Kempfield staged approach commencing with Stage 1 low cost heap leach operation**
  - Significantly reduced initial capex - now \$67M
  - C1 direct cash costs of \$16.60 per silver bullion ounce<sup>2</sup>
  - Significant leverage to the silver price – details provided
- **Potentially significant Kempfield exploration upside**
  - Volcanic Massive Sulphide feeder zone potential identified by Professor Ross Large
  - High priority drill targets established within Kempfield Silver Project area
  - Shallow gold feedstock potential also identified within 10 km radius

The Investor Update presentation also highlighted exploration progress for the West Wyalong and Sunny Corner projects. At West Wyalong, four untested porphyry copper gold targets have been identified, and at Sunny Corner, soil geochemistry analysis has identified the potential for 3 shallow gold deposits less than 7 km to the north west of the historic VMS silver/polymetallic mine site.

As the Company continues to focus on the Kempfield Silver Project as its highest priority, it is reducing cash outlays by either eliminating, reducing, or deferring non-core expenditures. The West Wyalong Joint Venture and Farmin Agreement was amended on 28 March 2013 to defer the date by which Argent Minerals is required to have invested the balance of \$750,000 in project expenditure in order to achieve a 51% interest. This date has been amended from 30 June to 31 December 2013, which is now also more closely aligned with the date for completing the minimum regulatory expenditures under the tenement exploration licence – 9 January 2014. Having invested \$492,200 to date in the project, Argent Minerals will achieve a 51% interest by investing a further \$257,800 by 31 December 2013. The date and additional amount for achieving a 70% interest were also amended from 30 June 2014/\$400,000 to 31 December 2014/\$450,000 respectively.

## APPENDIX 5B CASH FLOW REPORT

The Appendix 5B cash flow report follows.

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<sup>2</sup> Direct cash costs (C1) per ounce of silver net of gold credits calculated at \$1,500/oz of gold.

**For further information, please contact:**

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**Competent Person Statements**

The information in this report that relates to Exploration Results is based on information compiled by Dr Vladimir David who is a member of the Australian Institute of Geoscientists, and a full-time employee of Argent Minerals, and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Dr. David consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

**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.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Argent Minerals Limited

ABN

89 124 780 276

Quarter ended ("current quarter")

31 March 2013

### 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	(93)	(250)
(b) development	(639)	(1,895)
(c) production	-	-
(d) administration	(155)	(685)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	12	65
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid)/refunded	-	-
1.7 Other - GST	12	113
- R&D Tax Incentive	-	144
<b>Net Operating Cash Flows</b>	<b>(863)</b>	<b>(2,508)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(2)
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	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>(2)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(863)</b>	<b>(2,510)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(863)	(2,510)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	<b>(863)</b>	<b>(2,510)</b>
1.20	Cash at beginning of quarter/year to date	1,698	3,345
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>835</b>	<b>835</b>

**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	162
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	143
Accounting, corporate, bookkeeping and secretarial services	15
Engineering 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

N/A

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

N/A

+ See chapter 19 for defined terms.

### 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	NIL
3.2 Credit standby arrangements	NIL	NIL

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	260
4.2 Development	
4.3 Production	
4.4 Administration	252
<b>Total</b>	<b>514</b>

### 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	6	17
5.2 Deposits at call	829	1,681
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>835</b>	<b>1,698</b>

### 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	N/A	-	-	-
6.2 Interests in mining tenements acquired or increased	N/A	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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 <b>Preference securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>*Ordinary securities</b>	141,700,493	141,700,493	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 <b>*Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	-	-	<i>Exercise price</i> -	<i>Expiry date</i> -
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	2,000,000	-	\$0.178	28 February 2013
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

7.12	<b>Unsecured notes (totals only)</b>	-	-
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:            Marcus Michael  
                                 Director

Date: 30 April 2013

Print name:            Marcus Michael

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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+ See chapter 19 for defined terms.