



## ASX ANNOUNCEMENT

30 October 2009

## QUARTERLY ACTIVITIES REPORT FOR QUARTER ENDED 30<sup>TH</sup> SEPTEMBER 2009

### HIGHLIGHTS

- Deep drilling at West Wyalong has commenced.
- Some high grade silver assays were obtained from extension drilling at Kempfield.
- The Scoping Study to produce silver from the Kempfield property is nearing completion and is expected to be released in November.
- A review of previous drilling at Sunny Corner has identified new drill targets.
- A placement raised \$629,100, giving cash at 31 October of approx \$2.699 million.

### WEST WYALONG

Argent Minerals Limited announced on 21 October that it had commenced drilling on the large, co-incident 21 milligal gravity anomaly and 1850 nanoteslas magnetic anomaly at its West Wyalong tenement in Central Western NSW.

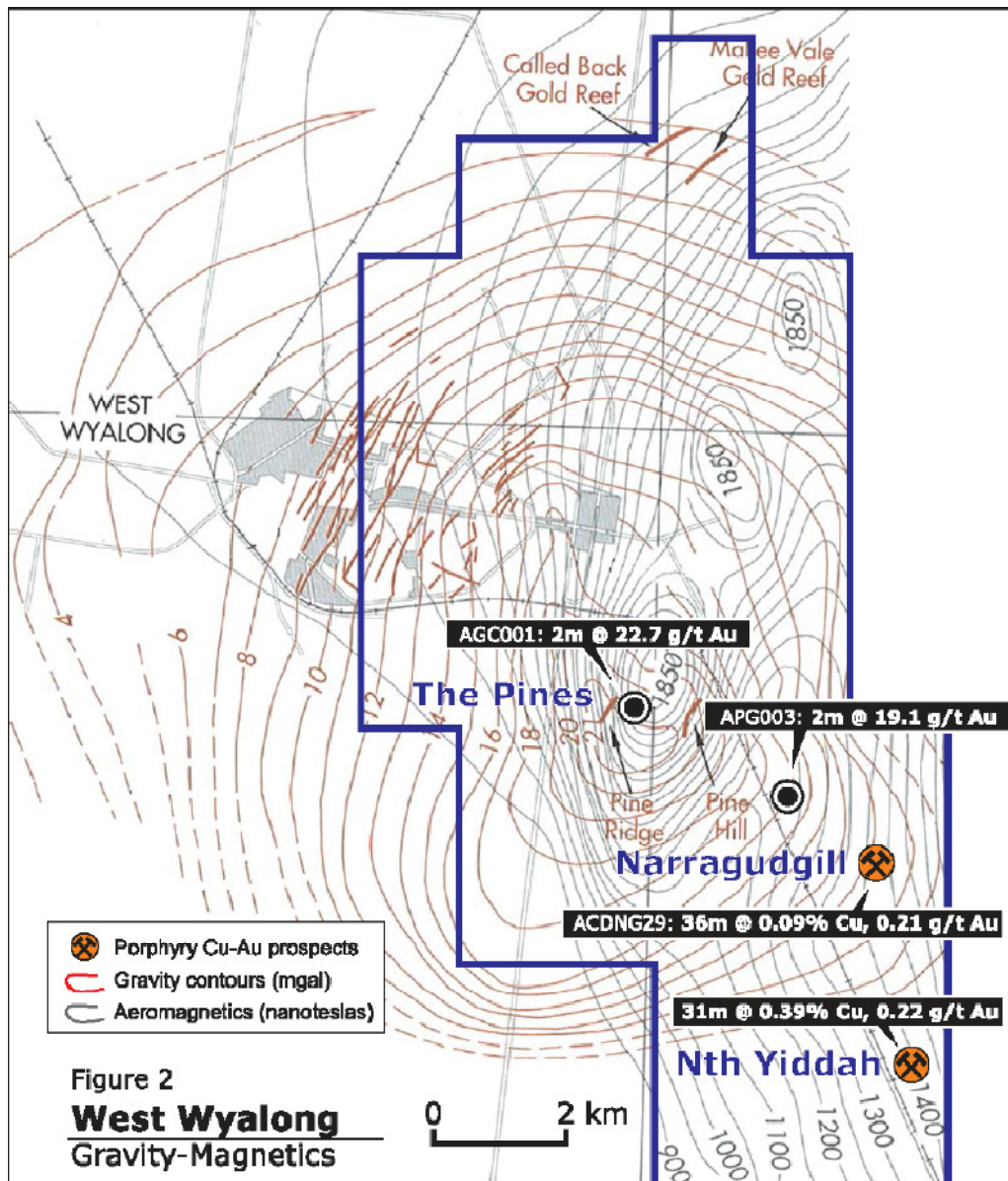
The co-incident gravity / magnetic anomaly is located on the Gilmore Suture, a major mineralizing structure running from Victoria through to northern NSW which hosts gold and copper deposits such as Cowal , Marsden and Yiddah. See Figure 1 below.





The drilling comprises a 300 metre diamond tail on hole AGC001 which was a 200 metre vertical RC hole drilled in April 2009. That hole returned 2 metres at 22.4 g/t Au from 60 metres depth, including one metre at 43.1 g/t Au. The hole also intersected two zones of intense alteration, one at 60 metres and the other from 196 metres to end of hole.

Hole AGC 001 is targeting that part of the anomaly where the highest gravity and magnetic readings overlap-see Figure 2. The very large anomaly, which covers an area over fifteen square kilometres, is a circular gravity high (21 Milligal) with a co-incident magnetic high (1850 nanoteslas). The target is a very large porphyry copper-gold deposit.



The drilling is expected to be completed within a week and assay results should be available in December.

Argent may earn a 70% interest in the West Wyalong Tenements from Golden Cross Resources Limited by the expenditure of \$1.03 million by July 2013.



## KEMPFIELD

### Scoping Study

The scoping study into a heap leach project to produce silver is expected to be released in November 2009. As part of that study consideration has also been given to treating the ore by agitated leach and the results of the study will include consideration of this approach.

### Extension drilling

On 30 October Argent released the results of a 26 RC hole drilling programme at Kempfield to explore for extensions to existing resources in three zones. The silver grades in some holes are impressive. The best intersections are as follows:

#### McCarron West Zone

Hole No	From (m)	Interval (m)	Silver g/t	Gold g/t	Lead %	Zinc %
<b>AKRC 35</b>	34	8	<b>130.9</b>	<b>0.17</b>	<b>1.70</b>	0.61
Including	36	4	<b>204.0</b>	<b>0.29</b>	<b>2.77</b>	0.35

#### South Conglomerate Zone (south of BJ Zone)

<b>AKRC 42</b>	28	<b>12</b>	<b>109.7</b>	<b>0.27</b>	0.35	0.12
<b>AKRC43</b>	20	<b>8</b>	<b>91.9</b>	0.03	0.10	0.20
including	22	4	<b>144.0</b>	0.03	0.11	0.02

#### Quarries Zone

<b>AKRC46</b>	26	<b>10</b>	<b>84.4</b>	0.00	0.13	<b>0.52</b>
	30	4	<b>143.0</b>	0.00	0.18	<b>0.85</b>
<b>AKRC 47</b>	16	<b>12</b>	<b>88.4</b>	0.01	0.15	0.06
Including	22	4	<b>164.5</b>	0.00	0.17	0.04
<b>AKRC51</b>	8	<b>14</b>	<b>65.9</b>	0.03	0.30	0.05
Including	8	4	<b>136.0</b>	0.00	0.30	0.04
<b>ARRC56</b>	0	4	<b>141.7</b>	<b>0.40</b>	<b>1.47</b>	0.02
Also	26	4	<b>64.7</b>	0.02	0.16	0.02
And	38	<b>12</b>	<b>55.2</b>	0.01	0.48	0.09
Including	38	<b>2</b>	<b>134.0</b>	0.00	0.31	0.08

The results open up new areas for detailed follow up to increase open pittable material in the future. An additional program of short RC holes aimed at near surface open pittable material is due to commence shortly.

The detailed results are set out below:



Table 1 Kempfield extension drilling detailed results

Hole Number	Easting	Northing	From	Intersection	Silver g/t	Gold g/t	Lead %	Zinc %
<b>McCarron West Zone</b>								
AKRC32	708573	6258578	32	24	23.8	0.11	0.56	1.40
Including			48	8	42.3	0.16	0.46	1.26
AKRC33	708603	6258562	16	6	44.9	0.05	0.04	0.04
AKRC34	708575	6258521	30	10	56.1	0.16	0.07	0.10
Including			30	6	63.1	0.18	0.07	0.10
AKRC35	708545	6258537	34	8	130.9	0.17	1.70	0.61
Including			36	4	204.0	0.29	2.77	0.35
AKRC36	708534	6258520	40	2	33.2	0.07	1.35	0.44
AKRC38	708527	6258460	6	2	50.4	0.24	0.37	0.17
Also			18	4	43.0	0.13	1.12	0.03
AKRC39	708509	6258440	8	4	47.2	0.08	0.39	0.18
<b>South Conglomerate Zone</b>								
AKRC42	708421	6257991	28	12	109.7	0.27	0.35	0.12
AKRC43	708521	6258106	20	8	91.9	0.03	0.10	0.20
Including			22	4	144.0	0.03	0.11	0.02
AKRC44	708504	6258087	30	10	53.2	0.12	0.17	0.07
Including			30	4	80.2	0.09	0.13	0.02
AKRC45	708538	6258137	18	28	46.1	0.14	0.08	0.02
Including			24	8	69.7	0.11	0.07	0.02
<b>Quarries Zone</b>								
AKRC46	709238	6259712	26	10	84.4	-	0.13	0.52
Including			30	4	143.0	-	0.18	0.85
AKRC47	709209	6259661	16	12	88.4	0.01	0.15	0.06
Including			22	4	164.5	-	0.17	0.04
AKRC48	709242	6258636	14	6	22.8	0.01	1.67	0.45
Also			24	6	64.7	0.03	0.81	0.06
Including			28	2	126.0	0.03	0.52	0.09
AKRC51	709156	6259371	8	14	65.9	0.03	0.30	0.05
Including			8	8	93.1	0.01	0.25	0.02
Including			8	4	136.0	-	0.30	0.04
AKRC52	709119	6259343	16	2	35.7	0.20	0.81	0.05
AKRC54	709222	6259589	20	14	6.7	0.05	2.07	1.89
AKRC55	709224	6259550	10	10	4.7	0.02	0.92	1.26
AKRC56	709315	6259625	0	4	141.7	0.40	1.47	0.02
Including			0	2	199.0	0.79	2.80	0.03
And			26	4	64.7	0.02	0.16	0.02
And			38	12	55.2	0.01	0.48	0.09
Including			38	2	134.0	-	0.31	0.08
AKRC57	709050	6259550	14	6	74.3	0.01	0.04	0.10



Note: all holes were drilled on an azimuth of 110° (except AKRC 54 and 56 which were drilled on azimuths of 140° and 290° respectively) and at a declination of -55° and coordinates are given in GDA 94 (zone 55). Holes 37, 40, 41, 49, 50 and 53 had no significant intersects.

## **SUNNY CORNER**

Argent Minerals reviewed the exploration potential of its Sunny Corner tenement in July-August 2009 by engaging the consulting services of Mr Rod Sainty, a geologist with extensive experience in VMS style mineralization. The review included a complete re-log of core from 20 diamond drill holes located at and peripheral to the historic Sunny Corner and Nevada mines, the first time this core has been evaluated together.

The key conclusion of the review is that the prospective host unit to the massive sulphide deposits continues north of the Sunny Corner mine, where it was not previously known. Also, alteration (related to mineralisation) within the footwall volcanics in this area is increased relative to that in the south. Furthermore, correlation between the drill holes indicates that the dip west of the mine area is very shallow (10-20°), opening up potential in this direction as well. Further work to delineate targets in these areas was recommended.

Three new drill targets were identified in the Sunny Corner mine area and two drill targets at the smaller Nevada copper mine, located two kilometres along strike to the north.

To the south of the Sunny Corner mine the rhyolite thickens considerably, suggesting that the volcanic centre occurs in this direction. The sequence here is intruded and partly obscured by the Bob's Creek Porphyry and this area warrants examination for signs of mineralisation.

## **LOUTH**

A full review of all previous exploration data is underway over Argent's two extensive Exploration Licences granted in the Louth area where Western Mining had earlier made intersections containing phosphate. This will be followed by a systematic soil sampling survey of the prospective area.

## **CAPITAL RAISING**

Argent advised the market on 21 October 2009 that it had resolved to place 6,291,000 shares at \$0.10 per share to raise \$629,100. Each share issued under the placement will be issued with one free attaching listed option, subject to shareholder approval at the Company's Annual General Meeting which will be held on 30 November 2009. The options will be issued on the same terms and conditions as the existing ARDO listed options which are exercisable at \$0.20 on or before 30 June 2011.

The funds will be used to assist the Company to pursue its resource opportunities at Kempfield, West Wyalong and Sunny Corner.



## **CASH RESERVES**

As 30<sup>th</sup> September 2009 Argent had cash totalling \$2.114 million. After allowing for the receipt of the \$629,100 from the placement and cash disbursements in October, cash on hand at end of October will be \$2.699 million.

For more information:

[www.argentminerals.com.au](http://www.argentminerals.com.au)

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Argent Minerals Limited  
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## **Competent Person Statements**

The information in this Report that relates to Exploration is based on information compiled by David Timms and Rod Sainty who are members of the Australian Institute of Geoscientists, are Technical Consultants to Argent, and have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Timms (and Mr Sainty in respect of Sunny Corner only) consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

# Appendix 5B

## Mining exploration entity quarterly report

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

Name of entity

**ARGENT MINERALS LIMITED**

ABN

**89 124 780 276**

Quarter ended ("current quarter")

**30 September 2009**

### Consolidated statement of cash flows

	Current quarter \$A '000	Year to date \$A '000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(137)	(137)
(b) development	-	-
(c) production	-	-
(d) administration	(81)	(81)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	18	18
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material) – GST	(27)	(27)
<b>Net Operating Cash Flows</b>	<b>(227)</b>	<b>(227)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a)prospects		
(b)equity investments		
(c)other fixed assets		
1.9 Proceeds from sale of:		
(a)prospects		
(b)equity investments		
(c)other fixed assets		
Loans to other entities		
Laur		
1.10		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(227)</b>	<b>(227)</b>

+ See chapter 19 for defined terms.

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

1.13	Total operating and investing cash flows (brought forward)	(227)	(227)
<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>			
		(227)	(227)
1.20	Cash at beginning of quarter/year to date	2,341	2,341
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	2,114	2,114

**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 \$'000
1.23	Aggregate amount of payments to the parties included in item 1.2	65
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	57
Accounting, bookkeeping and secretarial services	8

**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

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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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+ 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	
3.2 Credit standby arrangements	NIL	

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	-
<b>Total</b>	<b>400</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	10	20
5.2 Deposits at call	2,068	2,286
5.3 Bank overdraft	-	-
5.4 Other (Bank Guarantee deposit)	36	35
<b>Total: cash at end of quarter</b> (item 1.22)	<b>2,114</b>	<b>2,341</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	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

+ 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>	41,940,251	34,740,251		
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>	41,939,751	41,939,751	<i>Exercise price</i> \$0.20c	<i>Expiry date</i> 30 June 2011
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	-			
7.11 <b>Debentures</b> <i>(totals only)</i>	-			
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-			

+ See chapter 19 for defined terms.

