

**ARGENT MINERALS LIMITED  
ACN 124 780 276**

**PROSPECTUS**

**For the offer of up to 22,635,119 ARDOA Options and 90,540,475  
ARDOB Options**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT  
SHOULD BE READ IN ITS ENTIRETY**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL  
ADVISER WITHOUT DELAY**

**THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE  
NATURE**

## IMPORTANT INFORMATION

This Prospectus is dated 22 October 2019 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Listed Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 2, 66 Hunter Street, Sydney, New South Wales 2000 during normal business hours. The Company will provide a copy of this Prospectus to any person on request.

The Listed Options offered by this Prospectus should be considered speculative. Please refer to Section 3 for details relating to investment risks.

The Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's principal place of business by contacting the Company. The Offer contemplated by this Prospectus is only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

Applications for the Listed Options under the Offer will only be accepted on an Application Form which is attached to, or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No action has been taken to permit the offer of Listed Options under this Prospectus in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Listed Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation or particular needs of any Participant. Before making any investment in the Company, each Participant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Participant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 3.

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to AEST, unless otherwise indicated.

## CORPORATE DIRECTORY

### Directors

Mr Peter Wall	Non-Executive Chairman
Mr George Karageorge	Managing Director and CEO
Mr Emmanuel Correia	Non-Executive Director
Mr Tim Hronsky	Non-Executive Director
Mr Peter Michael	Non-Executive Director

### Auditor\*

KPMG  
Level 16, Riparian Plaza  
71 Eagle Street  
Brisbane QLD 4000

### Joint Company Secretaries

Mr Vinod Manikandan  
Mr Emmanuel Correia

### Lawyers

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
West Perth WA 6000

### Registered Office

Level 2  
66 Hunter Street  
SYDNEY NSW 2000  
Telephone: +61 2 9300 3390  
Facsimile: +61 2 9921 6333  
Email: [admin@argentminerals.com.au](mailto:admin@argentminerals.com.au)

**ASX Code:** ARD

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

### Principal Place of Business

Suite 128, Level 1  
117 Old Pittwater Road  
Brookvale NSW 2100

### Share Registry\*

Computershare Investor Services Pty Limited  
Level 3  
60 Carrington Street  
Sydney NSW 2000

\*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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## 1. Details of the Offer

### 1.1 The Offer

The Company is offering, pursuant to this Prospectus, the following Options:

- (a) up to 22,635,119 ARDOA Options; and
  - (b) up to 90,540,475 ARDOB Options,
- (together, the **Offer**).

The Options offered under the Offer are only offered to Corporations Act 2001 section 708 sophisticated investors who participated in the private placement of 90,540,475 Shares at an issue price of \$0.021 per Share, as announced by the Company on 29 August 2019 (**Placement**).

The Offer is made on the basis of one free attaching ARDOB Option for each Share subscribed for under the Placement, and additionally, on the basis of one ARDOA Option for every four Shares subscribed for under the Placement.

The Company has agreed to issue Shares under the Placement in two tranches:

- (a) the first tranche of 58,956,627 Shares were issued on 9 September 2019 out of the Company's then existing Listing Rule 7.1 and 7.1A capacity; and
- (b) the second tranche of 31,583,848 Shares are to be issued subject to Shareholder approval, such approval has been received at an Annual General Meeting held on 22 October 2019.

The ARDOB Options offered under this Prospectus will form a new class of securities of the Company. Further details of the rights and liabilities attaching to the ARDOB Options are in Section 5.2.

The ARDOA Options offered under this Prospectus do not form a new class of securities of the Company and will rank equally with all existing ARDO Options on issue at the date of this Prospectus. Further details of the rights and liabilities attaching to the ARDOA Options are in Section 5.3.

Shareholder approval for the issue of the ARDOB Options was obtained at the Company's annual general meeting held on 22 October 2019.

### 1.2 Purpose of the Prospectus

As no funds will be raised from the Offer, and the Options being issued under this Prospectus will be freely tradeable, this Prospectus has predominately been issued by the Company to:

- (a) make the Offer; and
- (b) facilitate secondary trading of any Shares issued upon exercise of the Options to be issued under the Offer.

Issuing the Options under this Prospectus will enable Participants to on-sell any Shares issued on exercise of the Options.

The Options to be issued to Participants will be issued pursuant to Shareholder approvals under Listing Rule 7.1 received at the Annual General Meeting on 22 October 2019.

No funds will be raised under the Offer. The total estimated expenses of the Offer of \$15,128 will be paid by the Company from its cash reserves.

### **1.3 Minimum subscription**

There is no minimum subscription for the Offer.

### **1.4 Closing Date**

The Closing Date for the Offer is 24 October 2019. The Company reserves the right, subject to the Corporations Act and the Listing Rules to extend the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

### **1.5 Application Forms**

Only Participants will be provided a copy of this Prospectus and a personalised Application Form.

Completed Application Forms must be received by the Company prior to the Closing Date. Application Forms should be sent to Argent Minerals Limited, Level 2, 66 Hunter Street, Sydney, NSW 2000 or sent by facsimile to +61 2 9221 6333.

If you are in doubt as to the course of action, you should consult your professional advisor.

Participants should note that by completing an Application Form, they will be taken to have declared that all details and statements made by the Participant are complete and accurate and that the Participant has received personally the Application Form together with a complete and unaltered copy of the Prospectus.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Participant and the Company for the number of Listed Options on the Application Form. The Application Form does not need to be signed to be a binding acceptance of the Listed Options under the Offer.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

Participants resident in Australia who may hold securities on behalf of persons who are resident overseas are responsible for ensuring that applying for Options under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

### **1.6 Issue Date and despatch**

Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Listed Options under the Offer on or about 25 October 2019.

Security holder statements will be dispatched, as soon as possible after the issue of the Listed Options under the Offer.

## **1.7 ASX quotation**

Subject to the Corporations Act and the Listing Rules, application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Options under the Offer.

The ARDOB Options will only be admitted to official quotation by ASX if the conditions for quotation of new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Listed Options on issue, with at least 50 holders with a Marketable Parcel).

If permission is not granted by ASX for the official quotation of the ARDOB Options offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will issue the ARDOB Options as unlisted Options on the same terms and conditions as the ARDOB Option, other than not seeking official quotation.

The fact that ASX may grant official quotation to the ARDOB Options is not to be taken in any way as an indication of the merits of the Company or the Options now offered for subscription.

## **1.8 CHESS**

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Participants will not receive a certificate but will receive a statement of their holding of Options.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Options.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by the Company's share register, Computershare, and will contain the number of Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

## **1.9 Risks of the Offer**

An investment in Options of the Company should be regarded as speculative. Some of the more significant risks which affect an investment in the Company are:

- (a) going concern risk;
- (b) funding risk; and
- (c) additional requirements for capital.

Please refer to Section 3 for further details relating to these and other risks of an investment in the Company.

### **1.10 Residents outside Australia**

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Options in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Options under the Offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions, having regard to the number of overseas Participants, the number and value of Options these Participants would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Options will not be issued to Participants with a registered address which is outside Australia.

Participants resident in Australia who may hold securities on behalf of persons who are resident overseas are responsible for ensuring that applying for Options under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

### **1.11 Taxation implications**

The Directors do not consider it appropriate to give Participants advice regarding the taxation consequences of subscribing for Options under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Participants. As a result, Participants should consult their professional tax adviser in connection with subscribing for Listed Options under this Prospectus.

### **1.12 Major activities and financial information**

A summary of the activities and financial information relating to the Company for the financial year ended 30 June 2019 is in the Annual Report which was lodged with ASX on 19 September 2019.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report on 19 September 2019 are listed in Section 4.2.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that potential Participants review these and all other announcements prior to deciding whether or not to participate in the Offer.

### **1.13 Privacy**

The Company collects information about each Participant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's Security holding in the Company.

By submitting an Application Form, each Participant agrees that the Company may



use the information provided by a Participant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

Each Participant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

#### **1.14 Enquiries concerning Prospectus**

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 2 9300 3390.

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## 2. Effect of the Offer

### 2.1 Effect on Capital structure

The effect of the Offer on the capital structure of the Company, assuming no Options are exercised after the date of this Prospectus but prior to the issue of the Options under this Prospectus, is set out below.

#### Shares

	Number
Shares currently on issue	598,517,974
Shares offered under Tranche 2 of the Placement	31,583,848
<b>Total Shares on issue after completion of the Offer</b>	<b>630,101,822</b>

#### Options

<u>Quoted Options on issue at the date of this Prospectus</u>	
Quoted Options (ARDOA) exercisable at \$0.05 on or before 29 October 2021	54,666,885
<u>Unquoted Options on issue at the date of this Prospectus</u>	
Options exercisable at \$0.03 on or before 30 September 2021	6,500,000
Options exercisable at \$0.06 on or before 30 September 2021	5,000,000
Options exercisable at \$0.10 on or before 30 September 2021	6,500,000
<u>New Options offered pursuant to the Offer</u>	
Quoted Options (ARDOB) exercisable at \$0.025 on or before 29 October 2020 <sup>1</sup>	90,540,475
Quoted Options (ARDOA) exercisable at \$0.05 on or before 29 October 2021 to be issued under the Offer	22,635,119
<b>Total Options on issue after completion of the Offer</b>	<b>185,842,479</b>

#### Notes:

1. Refer to section 5.2 for full terms and conditions of the ARDOB Options.
2. Refer to section 5.3 for full terms and conditions of the ARDOA Options.

### 2.2 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Mr Marc David Harding	43,046,966	7.98
Oceanic Capital Pty Ltd	42,216,967	7.04

Those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue on completion of the Placement and the Offer will be as follows:

Shareholder	Shares	%
Oceanic Capital Pty Ltd	44,597,920	7.07
Mr Marc David Harding	43,046,966	6.83

### 2.3 Pro forma statement of financial position

The audited balance sheet as at 30 June 2019 and the unaudited pro-forma balance sheet as at 30 June 2019 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming no Options are exercised after the date of this Prospectus but prior to the issue of the Options under this Prospectus and excludes the expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Consolidated 30 June 2019  (Audited)  \$	Pro forma Adjustments  (Unaudited)  \$	Consolidated 30 June 2019  Pro- Forma (Unaudited)  \$
<b>Current Assets</b>			
Cash and cash equivalents	725,933	1,901,350	2,627,283
Trade and other receivables	19,562	-	19,562
Other assets	22,904	-	22,904
<b>Total Current Assets</b>	<b>768,399</b>	<b>1,901,350</b>	<b>2,669,749</b>
<b>Non-Current Assets</b>			
Other financial assets - security deposits	93,100	-	93,100
Property, plant and equipment	362,707	-	362,707
<b>Total Non-Current Assets</b>	<b>455,807</b>	<b>-</b>	<b>455,807</b>
<b>Total Assets</b>	<b>1,224,206</b>	<b>1,901,350</b>	<b>3,125,556</b>
<b>Current Liabilities</b>			
Trade and Other Payables	101,542	-	101,542
Employee entitlements	104,746	-	104,746
R&D claims repayable	1,395,276	-	1,395,276
<b>Total Current Liabilities</b>	<b>1,601,564</b>	<b>-</b>	<b>1,601,564</b>
<b>Total Liabilities</b>	<b>1,601,564</b>	<b>-</b>	<b>1,601,564</b>
<b>Net Assets</b>	<b>(377,358)</b>	<b>1,901,350</b>	<b>1,523,992</b>

	Consolidated 30 June 2019	Pro forma Adjustments	Consolidated 30 June 2019
	(Audited)	(Unaudited)	Pro- Forma (Unaudited)
	\$	\$	\$
<b>Equity</b>			
Issued Capital	30,462,609	1,901,350	32,363,959
Reserves	211,515	-	211,515
Accumulated Losses	(31,051,482)	-	(31,051,482)
<b>Total Equity</b>	<b>(377,358)</b>	<b>1,901,350</b>	<b>1,523,992</b>

### Basis of Preparation

The pro forma statement of financial position has been prepared in accordance with the ASIC Regulatory Guide 230 relating to Disclosing non-IFRS Financial Information. The pro forma balance sheets have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the audited financial position as at 30 June 2019 that has then been adjusted to reflect the material transactions as per the notes to the pro forma above.

## 2.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are 'enhanced disclosure' securities quoted on ASX.

The highest and lowest market sale prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest:	\$0.030 per Share on 5 September 2019
Lowest:	\$0.014 per Share on 6 August 2019

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.021 per Share on 21 October 2019.

## 2.5 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

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## 3. Risk Factors

### 3.1 Introduction

The Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 3.2 Company specific

#### (a) Going concern risk

The Directors have determined that future equity raisings or debt financing arrangements will be required to assist the funding of the Company's activities to meet the Company's objectives. There is no certainty that these will be successfully completed to provide adequate working capital for the Company.

In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern, and which is likely to have a material adverse effect on the Company's activities.

#### (b) R&D risk

The Company has been issued with an interim negative finding by AusIndustry of the Research and Development claims it made for the 2016 and 2017 financial years, which total \$1,402,997 (**R&D Claims**).

The Company is in the process of pursuing its rights to seek a multi-stage review and dispute resolution process and has already pursued its right to seek an independent internal review by another state branch of AusIndustry (which is currently underway).

As at the date of this Prospectus, the AusIndustry independent internal review is in progress, with a final determination yet to be issued on the eligibility of the R&D Claims (**Determination**).

Whilst the AusIndustry internal review is in progress, the Company has entered into a payment arrangement with the Australian Taxation Office whereby the Company makes nominal \$5,000 monthly payments for an interim period until AusIndustry has completed its review process and issued its Determination. The repayment arrangement commenced on 22 May 2019 and will continue until 22 October 2019. In the event that the Determination is negative the Company intends to negotiate a repayment plan with the

ATO for an extended period.

In the event that AusIndustry makes an adverse finding against the Company, the Company may ultimately be required to repay up to \$1,402,997 plus any interest, less any monthly payments made by the Company to date.

The Company remains of the view that the R&D claims were made in compliance with the applicable legislation. However, the risk of an adverse finding remains.

The Directors note that, in the event of an adverse Determination, the law provides the Company with rights to a multi-stage review and dispute resolution process, and the rights of appeal to both the Administrative Appeals Tribunal and thereafter the Federal Court.

In order to manage this risk, the Company will continue to work with its advisers to achieve the best possible outcome.

**(c) Funding risk**

At the date of this Prospectus, the Company has no income producing assets and will generate losses for the foreseeable future. After the net proceeds raised under the Offer are expended, the Company will remain dependent on being able to obtain adequate future equity or debt funding until such time that it is able to develop a project and generate sufficient income to support its activities. Neither the Company nor any of the Directors nor any other party can provide any guarantee or assurance that if further funding is required, such funding can be raised on terms favourable to the Company (or at all).

No guarantee or assurance can be given as to when a project can be developed to the stage where it will generate income. As such, a project would be dependent on many factors, including but not limited to exploration success, subsequent development, commissioning and operational performance.

**(d) Additional requirements for capital**

It is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company. The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary accordingly to a number of factors, including prospectivity of the Company's projects (existing and future), feasibility studies, stock market and industry conditions and the price of relevant commodities and exchange rates.

The Company's capital requirements depend on numerous factors.

Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(e) **Dilution**

Any additional equity funding will dilute existing Shareholders. Shareholders not participating in the Offer should note that their holdings will be diluted by approximately 24% in relation to the Offer (as compared to their holdings and number of Shares on issue as at the date of this Prospectus) if all Options issued under this Prospectus are exercised.

(f) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(g) **Quotation of Options**

The Company intends for the Options to be quoted on the ASX. Accordingly, the Company will apply for Official Quotation of the Options in accordance with the timetable set out in the ASX Listing Rules. However, the quotation of the Options is subject to the satisfaction of the ASX Listing Rules requirements (including, the spread requirements). Accordingly, if the Company does not receive sufficient applications for Options to satisfy these requirements (or does not otherwise satisfy the requirements), the Company will withdraw the application for Official Quotation in respect of the Options and the Options will not be quoted and will remain unlisted, until such time as the Company can satisfy the ASX Listing Rule requirements.

### 3.3 Industry specific

(a) **Commodity price volatility**

It is anticipated that any revenues derived from mining will primarily be derived from the sale of precious and base metals. Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any offtake agreements that it enters into.

Metal prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for minerals and metals, forward selling by producers, and production cost levels in major mineral-producing regions.

Moreover, metal prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the metal as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Environmental**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are

expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to appropriate standards of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There are risks that the cost of compliance with environmental laws and regulations will increase for the Company's operations generally, also negatively impacting any future feasibility studies.

Approvals may be required for land clearing and for ground disturbance activities. Delays in obtaining such approvals can result in delays to planned exploration programmes or mining activities.

**(c) Exploration**

The Company's Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Company's Tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, Aboriginal and European heritage, changing government regulations and many other factors beyond the control of the Company.

**(d) Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.



(e) **Development risk**

If the Company identifies mineral deposits that subsequent studies confirm to be potentially economic, then the future development of a mining operation at any of the Company's projects will be subject to many risks, including:

- (i) obtaining all necessary and requisite approvals from relevant authorities and third parties;
- (ii) access to necessary funding;
- (iii) geological and weather conditions causing delays and interference to operations;
- (iv) technical and operational difficulties associated with mining of minerals and production activities;
- (v) mechanical failure of plant and equipment;
- (vi) shortages or increases in price of consumables, and plant and equipment;
- (vii) environmental hazards, fires, explosions and other accidents;
- (viii) interference by environmental lobby groups;
- (ix) transportation facilities; and
- (x) cost overruns.

There is no guarantee that the Company will achieve commercial viability for any of its projects.

(f) **Operating Risks**

The operations of the Company may be affected by various factors including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

**(g) Tenure**

Mining tenements are subject to periodic renewal. There is no guarantee that the Company's current or future Tenements or its future applications for tenements, tenement renewals or mining licences be approved.

The Company's Tenements are subject to the applicable mining acts and regulations in New South Wales. The renewal of a granted Tenement is also subject to the discretion of the relevant Minister.

Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Company's Tenements. The imposition of any new conditions or the Company's inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

**(h) Access**

Land access is critical for exploration and mining operations. Access to land can be affected by land ownership, including private (freehold) land, Crown land, Crown leases, and regulatory requirements. While access issues are faced by many mining exploration companies and are not considered unusual, the ability of the Company to explore its claims and exploit any deposits that may be discovered, may be affected by any ownership or land usage rights, and regulatory requirements.

**(i) Native Title and Aboriginal or European Heritage**

It is possible that, in relation to Tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to its Tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Company must also comply with Aboriginal and European heritage legislation which makes it an offence for a person to damage or in any way alter an affected site. There is a risk that Aboriginal sites and objects may exist on the land the subject of the Company's projects, the existence of which may preclude or limit mining activities in certain areas of the projects. Further, the intentional or unintentional disturbance of such sites and objects without the permission of the relevant Aboriginal Heritage owners is an offence under the applicable legislation, exposing the Company to fines and other penalties. Heritage survey work may need to be undertaken ahead of the commencement of exploration or mining operations to reduce the risk of contravening this Aboriginal heritage legislation.

**(j) Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and

mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in New South Wales may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

**(k) Joint venture parties, agents and contractors**

The Directors are unable to predict the risk of financial failure or default by a participant in the earn-in agreements and joint ventures to which the Company is at present a party (i.e. the West Wyalong, Sunny Corner and Loch Lilly joint ventures) or may become a party or the insolvency or managerial failure by any of the contractors (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

**(l) Payment obligations**

Under the exploration permits and licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, the permit holders are required to expend the funds necessary to meet the minimum work commitments attaching to the permits and licences. Failure to meet these work commitments will render the permit liable to be cancelled. Further, if any contractual obligations are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Company.

### **3.4 General risks**

**(a) Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

**(b) Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) commodity prices;
- (iv) interest rates and inflation rates;
- (v) changes in investor sentiment toward particular market sectors;
- (vi) the demand for, and supply of, capital; and
- (vii) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(d) **Litigation risks**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(e) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be subject to various risks.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(g) **Insurance**

Insurance against all risks associated with the Company's business is not always available or affordable. Whilst the Company maintains insurance where it considers it to be appropriate for its needs, various risks could be excluded from insurance cover, whether by the underwriter, or Company decisions based on, for example, relative cost versus merit.

(h) **Unforeseen expenditure risks**

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, however if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

### **3.5 Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends on their conversion, returns of capital or the market value of any Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

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## 4. Additional information

### 4.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### 4.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company that has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
22/10/2019	Results of Annual General Meeting
22/10/2019	2019 AGM Presentation to Investors
21/10/2019	Appointment of a Managing Director and Appendix 3X
20/09/2019	Notice of Annual General Meeting/Proxy Form

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.argentminerals.com.au](http://www.argentminerals.com.au).

### 4.3 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:

- (i) the formation or promotion of the Company; or
- (ii) the Offer.

## Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, is set out in the table below.

Director	Shares	Options
Peter Wall	1,333,333	666,6661
George Karageorge	Nil	Nil
Emmanuel Correia	666,667	333,3331
Peter Michael	1,420,001	333,333 1
Tim Hronsky	880,000	100,0001

### Notes:

1. Quoted Options exercisable at \$0.05 on or before 29 October 2021.

## Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration (including superannuation but excluding GST) paid to both executive and non-executive Directors.

Director	FY19 (\$)	FY20 (\$)
Peter Wall <sup>1</sup>	43,800	43,800
George Karageorge	NA	181,021
Emmanuel Correia	43,800	43,800
Peter Michael	43,800	43,800
Tim Hronsky	43,800	64,800



**Notes:**

Mr Wall has a beneficial interest in Steinepreis Paganin, which provides legal services to the Company on ordinary commercial terms. The fees Steinepreis Paganin has received from the Company over the previous two years are set out in section 4.4 below.

#### **4.4 Interests of experts and advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$44,166 (excluding GST and disbursements) for legal services provided to the Company.

#### **4.5 Consents**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the

preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

#### **4.6 Expenses of the offer**

The total expenses of the Offer are estimated to be approximately \$15,128 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fee	3,206
ASX fees	1,922
Legal fees	10,000
<b>Total</b>	<u><u>15,128</u></u>

#### **4.7 Electronic prospectus**

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by an Application Form. If you have not, please phone the Company on +61 2 9300 3390 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at [www.argentminerals.com.au](http://www.argentminerals.com.au).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

#### **4.8 Financial forecasts**

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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## **5. Rights and liabilities attaching to Securities**

### **5.1 Rights and liabilities attaching to Shares**

There is only one class of Share in the Company, fully paid ordinary shares. The following is a summary of the more significant rights and liabilities attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

Full details of the rights attaching to the Shares of the Company are in the Constitution of the Company, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **(a) General Meetings**

Shareholders are entitled to be present in person or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

#### **(b) Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares of the Company, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote, may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares, shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### **(c) Dividend Rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares but only out of the profits of the Company.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company.

Subject to the ASX Listing Rules and the Corporations Act, the Company may implement a dividend reinvestment plan on any terms, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a dividend from the Company in subscribing for securities of the Company or a related body corporate of the Company. The Directors may, at their discretion, implement, amend, suspend or terminate a dividend reinvestment plan subject to the ASX Listing Rules.

(d) **Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(f) **Variation of Rights**

Pursuant to Section 246B of the Corporations Act, the Company may, the rights attached to the shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

(g) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 5.2 **Terms and Conditions attaching to ARDOB Options**

The ARDOB Options offered pursuant to this Prospectus entitle a holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement**

Each ARDOB Option entitles the holder to subscribe for one Share upon exercise of the Listed Option.

(b) **Exercise Price**

Subject to paragraph 5.2(k), the amount payable upon exercise of each ARDOB Option will be \$0.025 (**Exercise Price**).

(c) **Expiry Date**

Each ARDOB Option will expire at 5.00pm (AEST) on 29 October 2020 (**Expiry Date**). An ARDOB Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The ARDOB Options are exercisable at any time on or prior to the Expiry Date.

(e) **Notice of Exercise**

The ARDOB Options may be exercised during the exercise period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each ARDOB Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each ARDOB Option being exercised in cleared funds (**Exercise Date**).

(g) **Quotation**

Provided the Company can meet the minimum requirements pursuant to the Listing Rules, the Company will apply for quotation of the ARDOB Options on ASX.

(h) **Quotation of Shares issued on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the ARDOB Options.

(i) **Timing of issue of Shares on exercise**

After a ARDOB Option is validly exercised, the Company must, within, 15 Business Days of receipt of the Notice of Exercise and receipt of cleared funds equal to the Exercise Price of the exercised ARDOB Option:

- (i) issue the Share; and
- (ii) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 10 Business Days after issuing the Share.

(j) **Shares issued on exercise**

Shares issued on exercise of the ARDOB Options rank equally with the then

issued shares of the Company.

(k) **Reconstruction of capital**

In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the Expiry Date, all rights of the ARDOB Option holder will be varied in accordance with the Listing Rules.

(l) **Participation in new issues**

There are no participation rights or entitlements inherent in the Listed Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Listed Options without exercising the ARDOB Options.

(m) **Change in exercise price**

The Company may change the exercise price of the ARDOB Options or the number of Shares over which the ARDOB Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue) in accordance with Listing Rule 6.22.2A.

(n) **Adjustment for bonus issues**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a ARDOB Option will be increased by the number of Shares which the holder would have received if the holder of the Listed Options had exercised the ARDOB Option before the record date for the bonus issue; and
- (ii) no change will be made to the ARDOB Option exercise price.

(o) **Transferability**

The ARDOB Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

### **5.3 Terms and Conditions attaching to ARDOA Options**

The ARDOA Options offered pursuant to this Prospectus entitle a holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement**

Each ARDOA Option entitles the holder to subscribe for one Share upon exercise of the Listed Option.

(b) **Exercise Price**

Subject to paragraph (k), the amount payable upon exercise of each ARDOA Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each ARDOA Option will expire at 5.00pm (AEST) on 29 October 2021 (**Expiry Date**). An ARDOA Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The ARDOA Options are exercisable at any time on or prior to the Expiry Date.

(e) **Notice of Exercise**

The ARDOA Options may be exercised during the exercise period by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each ARDOA Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each ARDOA Option being exercised in cleared funds (Exercise Date).

(g) **Quotation**

The Company will apply for quotation of the New ARDOA Options being issued under this offer on ASX.

(h) **Quotation of Shares issued on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Options.

(i) **Timing of issue of Shares on exercise**

After an ARDOA Option is validly exercised, the Company must, within, 15 Business Days of receipt of the Notice of Exercise and receipt of cleared funds equal to the Exercise Price of the exercised Listed Option:

- (i) issue the Share; and
- (ii) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 10 Business Days after issuing the Share.

(j) **Shares issued on exercise**

Shares issued on exercise of the ARDOA Options rank equally with the then issued shares of the Company.

(k) **Reconstruction of capital**

In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to

the Expiry Date, all rights of the ARDOA Option holder will be varied in accordance with the Listing Rules.

**(l) Participation in new issues**

There are no participation rights or entitlements inherent in the ARDOA Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the ARDOA Options without exercising the ARDOA Options.

**(m) Change in exercise price**

The Company may change the exercise price of the ARDOA Options or the number of Shares over which the ARDOA Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue) in accordance with Listing Rule 6.22.2A.

**(n) Adjustment for bonus issues**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a ARDOA Option will be increased by the number of Shares which the holder would have received if the holder of the New ARDOA Options had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the ARDOA Option exercise price.

**(o) Transferability**

The ARDOA Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



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## 6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



Peter Wall  
Chairman

Dated: 22 October 2019

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## 7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**AEST** means Australian Eastern Standard Time, being the time in Perth, Western Australia.

**Annual Report** means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2019 and includes the corporate directory, chairman's report, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 30 June 2019, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2019.

**Application** means a valid application for Listed Options under the Offer made on an Application Form.

**Application Form** means the Application Form provided by the Company with a copy of this Prospectus.

**ARDOA Option** means an Option having the terms and conditions detailed in Section 5.3.

**ARDOB Option** means an Option having the terms and conditions detailed in Section 5.2.

**ASIC** means Australian Securities and Investments Commission.

**ASX Settlement** means ASX Settlement Pty Limited ACN 008 504 532.

**ASX** means ASX Limited ACN 008 129 164 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** has the meaning given in Section 1.4.

**Company** means Argent Minerals Limited ACN 124 780 276.

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means *Corporations Act (Cth) 2001*.

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means the listing rules of ASX.

**Marketable Parcel** has the meaning given in the Listing Rules.

**Offer** means the offer of Listed Options under this Prospectus detailed in Section 1.1.

**Option** means an option to acquire a Share and Options means either the ARDOA or ARDOB Options (or both) as the context requires.

**Participant** means a participant in the Placement.

**Placement** has the meaning given in Section 1.1.

**Prospectus** means this prospectus.

**Section** means a section of this Prospectus.

**Securities** mean any securities including Shares or Options.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Tenement** means an ‘exploration licence’ as that term is defined in the Mineral Resources Development Act 1995 (Tasmania), and ‘Title’ as that term is used to refer to all mining and production applications, authorities, authorisations, tenements, licences, leases, and claims under the Mining Act (1992) (New South Wales) and private lands leases under Mining Act (1924), as well as any future permitting and/or licensing that the Company may enter into in other jurisdictions.