

31 October 2019

## SEPTEMBER 2019 QUARTER ACTIVITIES AND CASH FLOW

### Highlights:

- Compelling drill targets identified by gravity survey at West Wyalong porphyry project.
- \$1.9M Private placement completed 29 October 2019, following shareholder approval of Tranche 2 at the 22 October AGM.
- New \$0.025 options listed under ASX ticker ARDOB.
- New Managing Director/CEO appointed 21 October 2019 – George Karageorge.
- Well-funded for drilling – approximately \$2 M as at 29 October 2019.

### REPORT

Argent Minerals Limited (ASX: ARD, Argent, or the Company) is pleased to report its activities and cash flow for the quarter ended 30 September 2019.

#### WEST WYALONG GRAVITY SURVEY

##### Six new targets identified

On 26 August 2019 Argent announced the completed results of geophysical exploration activities performed by the Company at its majority-owned (78%) West Wyalong exploration Porphyry Cu-Au-Mo Project in central NSW.

Argent identified six new drill targets through a 22.5 km<sup>2</sup> 2,200 station ground gravity geophysical survey and subsequent 3D inversion modelling by combining the Company's substantial data base on the project. The database includes results from the Company's 2017 drilling programme, the 2014 high resolution airborne magnetic survey, extensive basement geochemical data and historical induced polarisation (IP) survey data.

##### About the regional setting

West Wyalong is a porphyry Cu-Au-Mo project strategically located within an actively producing region in central NSW that includes economic deposits such as Newcrest Mining's Cadia-Ridgeway copper-gold mine (38 Moz Au, 8.3 Mt Cu) and Evolution Mining's Cowal Gold mine (7.4 Moz Au).

The mineral zonation of Lachlan Orogen related- alkalic to calc-alkalic porphyries have been extensively documented with a significant degree of predictive geological detail to utilise for exploring the West Wyalong project area.



##### Recent share price-boosting porphyry discoveries

Spurred on by recent porphyry discoveries by Alkane Resources (ASX: ALK) and Stavelly Minerals (ASX: SVY), Argent looks forward to the commencement of the next drilling programme for its own porphyry prospect at West Wyalong, and the potential for a 'company maker' discovery.

Whereas Alkane's share price increased from approximately \$0.375 on 4 September 2019 to \$0.840 on 17 October 2019 following its Boda discovery announcement on 9 September, Staveley's share price rose from \$0.24 on 20 September 2019 to an impressive \$1.32 (550%) on 14 October 2019 following its 26 September 2019 announcement of the copper-gold discovery at Thursday's Gossan in Victoria.

## About the status of West Wyalong as a Porphyry Project

Argent declared West Wyalong as a porphyry project on 27 July 2017, following analysis of the results of its initial six-hole diamond drilling programme.

The assays for holes AWT001 to AWT005 and AWN001, together with drill core visual observations, revealed evidence of an arc-related mineral system that is known globally to host porphyry copper-gold-molybdenum deposits. There were direct observations from these drill holes of a fertile copper-gold-molybdenum deposit geochemical and mineralogical signature.

The assays indicated that elevated copper, gold and molybdenum anomalism continues for 2.5 kilometres from AWT001 to AWT005. Copper, gold and molybdenum anomalism continues eastward for 1.5 kilometres to AWN001 and now delineates a prospective area of 4 square kilometres. Narrow enriched intervals and broad elevated intervals of copper and gold anomalism appear to continue towards AWN001 and may represent either a continuation of the Theia mineral system or an additional porphyry system.

## Gravity survey and interpretation charts - 2019

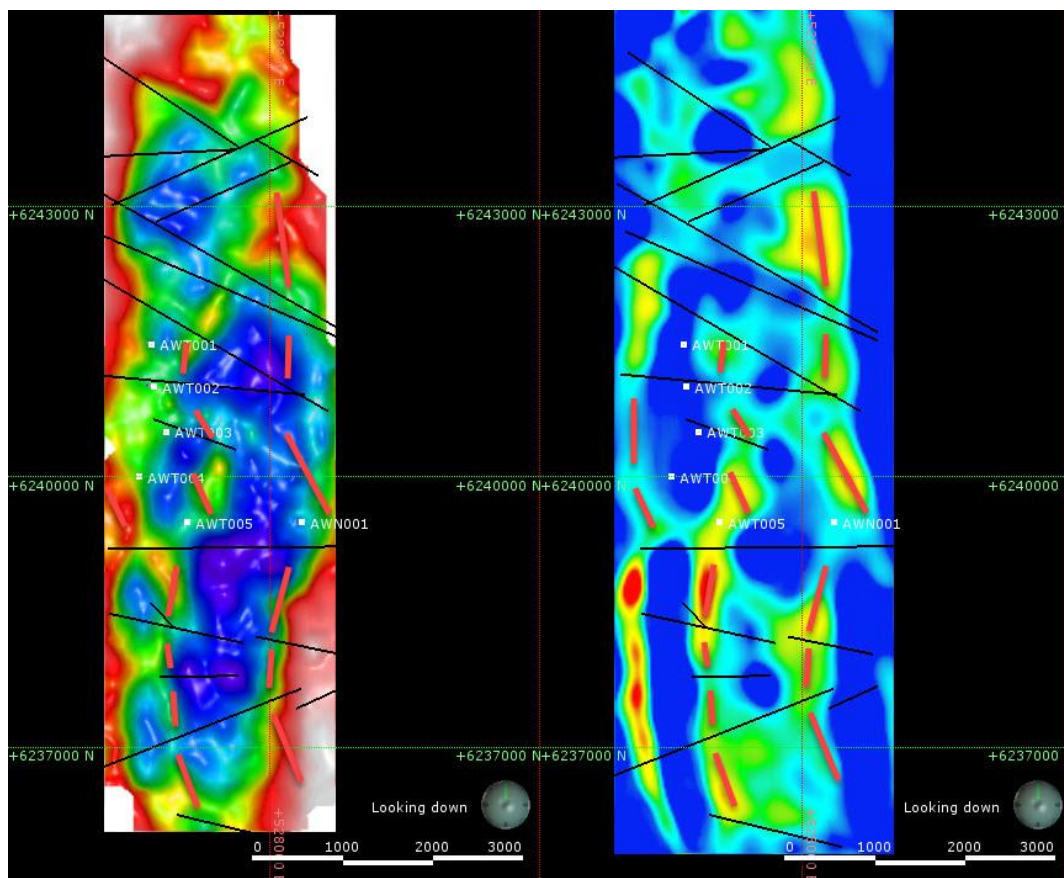


Figure 1: Total Bouguer (TB) Gravity image (left) and Total Magnetic Intensity (TMI) image (right) with interpreted fault lines (black) and TMI trend lines (red).

## COMPLETION OF PRIVATE PLACEMENT RAISING \$1.9 M

### Overview

On 25 October 2019 Argent completed the second and final tranche of the \$1.9 M private placement to sophisticated investors under section 708A of the Corporations Act 2001 (Cth) announced on 29 August 2019 (Placement).

A total of 90,540,475 new fully paid ordinary shares have been issued at 2.1 cents per share (Placement Shares), 22,635,119 attaching listed ASX:ARDOA options on a 1:4 basis (ARDOA Placement Options) and 90,540,475 new attaching listed options on a 1:1 basis (ARDOB Placement Options).

The securities were issued in two tranches as follows:

### Tranche 1

Tranche 1 was completed on 9 September 2019 with the issuance of 58,956,627 ordinary ARD shares under SX Listing Rule 7.1A.

### Tranche 2

Following the shareholder approval granted on 22 October 2019, the following Tranche 2 securities have been issued by Argent:

- 31,583,848 ARD Placement Shares;
- 22,635,119 ARDOA Placement Options; and
- 90,540,475 ARDOB Placement Options.

Each ARDOA Placement Option is exercisable at 5.0 cents at any time on or before 5 pm AEST (3pm AWST) on Friday 29 October 2021 to acquire 1 fully paid ordinary share in the Company, and each ARDOB Placement Option is exercisable at 2.5 cents at any time on or before 5 pm AEST (3pm AWST) on Thursday 29 October 2020 to acquire 1 fully paid ordinary share in the Company.

### **ARDOB options – New ASX Listing**

The new ARDOB Options were listed on the ASX on 30 October 2019.

## Funding Purpose

The proceeds of the Placement have boosted the Company's cash position in preparation for exploration work on its top three projects:

- Kempfield Project drilling programme: The existing regulatory approvals in place will enable the Company to fast track this drilling programme.
- West Wyalong Project Drilling Programme: Deep diamond holes to drill new targets identified by the combined results of Argent's maiden drilling programme and the 2019 gravity survey;
- Pine Ridge Gold Mine wide area geological mapping and geochemical sampling to identify potential mineralisation extensions along strike and to the east and west from the known deposit – high grade gold potential;
- Pine Ridge Drilling Programme: to drill new potential high-grade gold targets identified through analysis of the maiden drilling programme results and the above wide area geological mapping and geochemical sampling programme; and
- Working capital.

## NEW MANAGING DIRECTOR/CEO

George Karageorge

On 21 October 2019 the Argent board announced the appointment of George Karageorge as the Company's Managing Director and Chief Executive Officer.

George is a geologist and is a rare, base and precious metal exploration expert with over 25 years' experience in the mining sector, including Western Mining Corporation, ASARCO, Anglo Gold Ashanti, Barrick Mines, and Bluebird Battery Metals.

George is best known for his role as one of the founding geologists and the first registered alternate mine manager of Pilbara Minerals (ASX: PLS), where he was instrumental in the discovery of the Pilgangoora Lithium and Tantalum deposit. His role was paramount in developing the project from the first drill hole through to the first Lithium Concentrate, taking the company into production and growing it into a \$1.5 B market cap mining company in less than 4 years.

## FUNDING POSITION

### Cash

Argent's cash position as at 29 October 2019 following the Placement completion was \$ 1,981,427.

Appendix 5B is attached to this announcement.

For further information please contact:

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Managing Director/CEO  
Argent Minerals Limited  
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## APPENDIX A - TENEMENTS

The following mining tenement information is provided pursuant to Listing Rule 5.3.3:

Table 1 – Mining Tenement<sup>1</sup> Interest Activities for the Quarter Ended 30 September 2019.

Tenement Identifier	Location	Interest Acquired During Quarter	Interest Divested During Quarter	Interest Held at End of Quarter
<b>Kempfield</b>				
EL5645 (1992)	NSW	-	-	100% <sup>2</sup>
EL5748 (1992)	NSW	-	-	100% <sup>2</sup>
EL7134 (1992)	NSW	-	-	100% <sup>2</sup>
EL7785 (1992)	NSW	-	-	100% <sup>2</sup>
EL7968 (1992)	NSW	-	100%	- <sup>6</sup>
EL8213 (1992)	NSW	-	-	100% <sup>2</sup>
PLL517 (1924)	NSW	-	-	100% <sup>2</sup>
PLL519 (1924)	NSW	-	-	100% <sup>2</sup>
PLL727 (1924)	NSW	-	-	100% <sup>2</sup>
PLL728 (1924)	NSW	-	-	100% <sup>2</sup>
<b>West Wyalong</b>				
EL8430 (1992)	NSW	-	0.95%	79.33% <sup>3</sup>
<b>Loch Lilly</b>				
EL8199 (1992)	NSW	-	-	51% <sup>4</sup>
EL8200 (1992)	NSW	-	-	51% <sup>4</sup>
EL8515 (1992)	NSW	-	-	51% <sup>4</sup>
EL8516 (1992)	NSW	-	-	51% <sup>4</sup>
<b>Queensberry</b>				
EL9/2016	TAS	-	-	100%
<b>Ringville</b>				
EI12/2017	TAS	-	-	100%
<b>Sunny Corner</b>				
EL5964 (1992)	NSW	-	-	70% <sup>5</sup>

### Notes

1. The definition of "Mining Tenement" in ASX Listing Rule 19.12 is "Any right to explore or extract minerals in a given place".
2. For all Kempfield tenements the tenement holder is Argent (Kempfield) Pty Ltd, a wholly owned subsidiary of Argent.
3. Under the West Wyalong Joint Venture and Farm In Agreement dated 8 June 2007 between Golden Cross Operations Pty Ltd and Argent as tenement holder (WWJVA), Argent has earned a 70% interest plus ongoing increments. The ongoing interests of the parties includes WWJVA expenditure contribution and dilution provisions commencing on a 70/30 basis.
4. The tenement holder for EL8199 and EL8200 is San Antonio Exploration Pty Ltd (SAE), and for EL8515 and EL8516 it is Loch Lilly Pty Ltd (LLP), a 100% owned subsidiary of Argent Minerals Limited. Under the Loch Lilly Farm in and Joint Venture Agreement (JVA) dated 12 February 2017 (effective date 17 February 2017), the respective ownership of all the tenements by the JVA Parties (SAE and LLP) is according to their respective JVA Interests. LLP has the right to earn up to a 90% interest, with the first 51% interest earned by completing the drill test for the Eaglehawk and Netley targets. For further details on Farm in



terms and conditions see ASX announcement 20 February 2017 – Argent secures strategic stake in Mt. Read equivalent belt.

5. The tenement holder is Golden Cross Operations Pty Ltd.
6. EL7968 is in the process of being replaced by ELA5864 (1992) due to an inadvertent administration oversight by an external tenement agent, that caused EL7964 to lapse. Argent is the sole applicant for ELA5864.

## COMPETENT PERSON STATEMENTS

### Previously Released Information

This ASX announcement contains information extracted from the following reports which are available for viewing on the Company's website <http://www.argentminerals.com.au> :

- 27 July 2017 Copper and Gold in West Wyalong Porphyry – Final Assays<sup>1</sup>
- 26 August 2019 Maiden Pine Ridge Results – Significant Intercept Recorded<sup>1</sup>

Competent Person:

1. Clifton Todd McGilvray

The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, Exploration Targets, and historical Pre-JORC Code mineralization estimates ('Historical Estimates'), that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

## Appendix 5B

# Mining exploration entity and oil and gas 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, 01/05/13, 01/09/16

### Name of entity

<b>ARGENT MINERALS LIMITED</b>	
<b>ABN</b>	<b>Quarter ended ("current quarter")</b>
89 124 780 276	30 September 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(196)	(196)
(b) development	-	-
(c) production	-	-
(d) staff costs	(22)	(22)
(e) administration and corporate costs	(207)	(207)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refund	-	-
1.8 Other – Repayment of r&d claims	(15)	(15)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(438)</b>	<b>(438)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	1,238	1,238
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(38)	(38)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other – Advance monies received for T2 Placement	148	148
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,348</b>	<b>1,348</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	726	726
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(438)	(438)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,348	1,348
4.5 Effect of movement in exchange rates on cash held	-	-
<b>4.6 Cash and cash equivalents at end of period</b>	<b>1,636</b>	<b>1,636</b>



<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	27	35
5.2 Call deposits	1,609	691
5.3 Bank overdrafts	-	-
5.4 Other – Advance monies received from Placement.	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,636</b>	<b>726</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	49
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments in 6.1 are directors' fees paid during the quarter.

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	11
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Payments in 7.1 are to Steinepreis Paganin Lawyers & Consultants ('Steinepreis'), an entity in which Director Peter Wall hold a controlling interest. Steinepreis provides legal consulting services on ordinary commercial terms to Argent Minerals Limited.

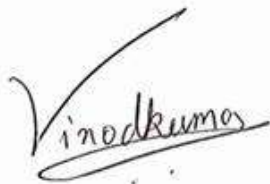
<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A		

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	242
9.2 Development	-
9.3 Production	-
9.4 Staff costs	67
9.5 Administration and corporate costs	183
9.6 Other	-
<b>9.7 Total estimated cash outflows</b>	<b>492</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	<b><u>Kempfield</u></b> EL7968		100%	nil.
10.2 Interests in mining tenements and petroleum tenements acquired or increased	<b><u>West Wyalong</u></b> WW 8430		78.38%	79.33%

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
Company secretary

Date: 31 October 2019.

Print name: Vinod Manikandan

### 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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.