

SEPTEMBER 2015 QUARTER ACTIVITIES AND CASH FLOW REPORT

Argent at a glance

ASX-listed mineral resource company focused on the expansion, development, extraction and marketing of its existing base and precious metals discoveries in NSW.

Facts

■ ASX Code:	ARD
■ Share price (27 October 2015):	\$0.028
■ Shares on issue:	254.7M
■ Market capitalisation:	\$7.13M

Directors and Officers

Stephen Gemell
Non-Executive Chairman

David Busch
Managing Director

Peter Nightingale
Non-Executive Director

Peter Michael
Non-Executive Director

Sarah Shipway
Company Secretary

Contact details

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Highlights:

- Extended reach deep diamond drilling program commenced at Kempfield – 7 holes for 3,200 metres to test for potential for high grade base and precious metals featuring zinc, lead, silver and gold
- Drilling program to test beneath shallow historical drilling to only 120 metres, as well as for strike extensions and new lenses
- Geophysics survey confirms large copper gold target at West Wyalong
- Argent expands technical capabilities with two key appointments
- Board appointments and resignation
- Option period extended over neighbouring property at Kempfield
- R&D claim submitted for \$269,000
- Share Purchase Plan completed – oversubscribed, for a total of \$1.17M raised before costs

Argent Minerals Limited (ASX: ARD, Argent, Argent Minerals or the Company) is pleased to report on its performance for the quarter ending 30 September 2015.

Following the appointment of key personnel to the board of directors, and the expansion of the Company's technical capabilities during September 2015, Argent completed a placement of the shortfall from the Share Purchase Plan (SPP) oversubscribed. This outstanding result was due to strong support from both new and existing shareholders in recognition of the significant potential of Argent Minerals and its key projects.

A total of \$1,171,920 capital was raised before costs, comprising \$400,000 in SPP applications received from existing shareholders in June 2015, and the \$771,921 shortfall placed with sophisticated



investors, as announced on 19 October 2015.

The Company also expects to receive a further \$269,000 in November 2015 from the Research & Development (R&D) claim announced on 13 October 2015.

The proceeds of the SPP and the R&D claim will be used to fund the 7 hole 3,200 metre extended reach deep diamond drilling program that commenced at Kempfield on 21 October 2015, downhole geophysics surveys for selected diamond holes, follow up work in relation to the induced polarisation (IP) geophysics survey at the Company's West Wyalong copper gold target, and working capital.

Deep diamond drilling program commenced at Kempfield

Following the successful completion of the SPP, the first diamond rig was mobilised to Kempfield to commence drilling the first hole, AKDD181, on Wednesday 21 October 2015.

A second drill rig is scheduled to mobilise to Kempfield on Friday 30 October 2015, to commence drilling the second hole concurrently with the first hole, for an accelerated start to the program.

The deep diamond drilling program will test the deposit model developed by Argent for Kempfield, following a series of methodical investigations that uncovered a range of scientific evidence, including high grade lead and zinc intersections of up to 5 metres @17.9% Pb/Zn from 88 metres, and 5 metres @ 4 g/t gold from 353 metres, both immediately to the west of the known deposit.

Historical drilling resulted in a substantial JORC 2012 Mineral Resource estimate of 21.8Mt containing 52 million ounces of silver equivalent in base and precious metals. However, the historical drilling only identified the upper 120 metres of a series of parallel mineralisation lenses which the deposit model implies could extend to substantial depths.

The model also predicts the potential extension to existing lenses along strike, as well as the possibility of new lenses, both also consistent with the characteristics of this type of deposit – Volcanic-Hosted Massive Sulphides (VHMS).

Most significantly, the model and other analysis performed by the Company, both imply the potential for the discovery of high grade lead/zinc lenses at Kempfield associated with higher temperature deposition processes.

Figure 1 illustrates the Kempfield deposit genesis model and the significant potential at depth to be tested by the drilling program.

Figure 1 – Kempfield deposit genesis model showing the significant potential at depth to be tested by the drilling program.

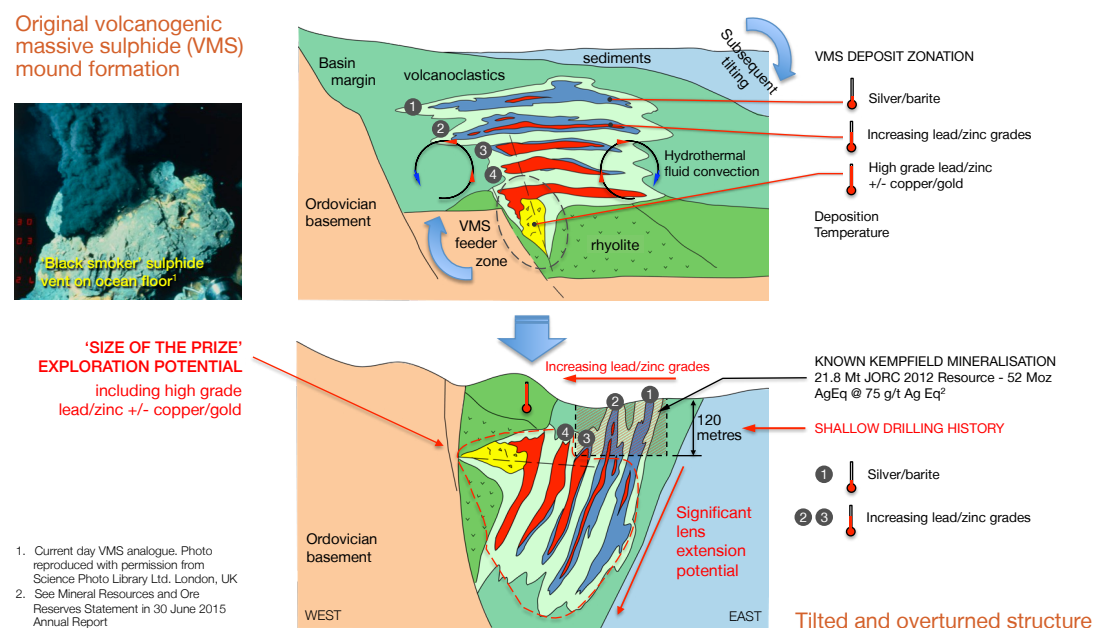
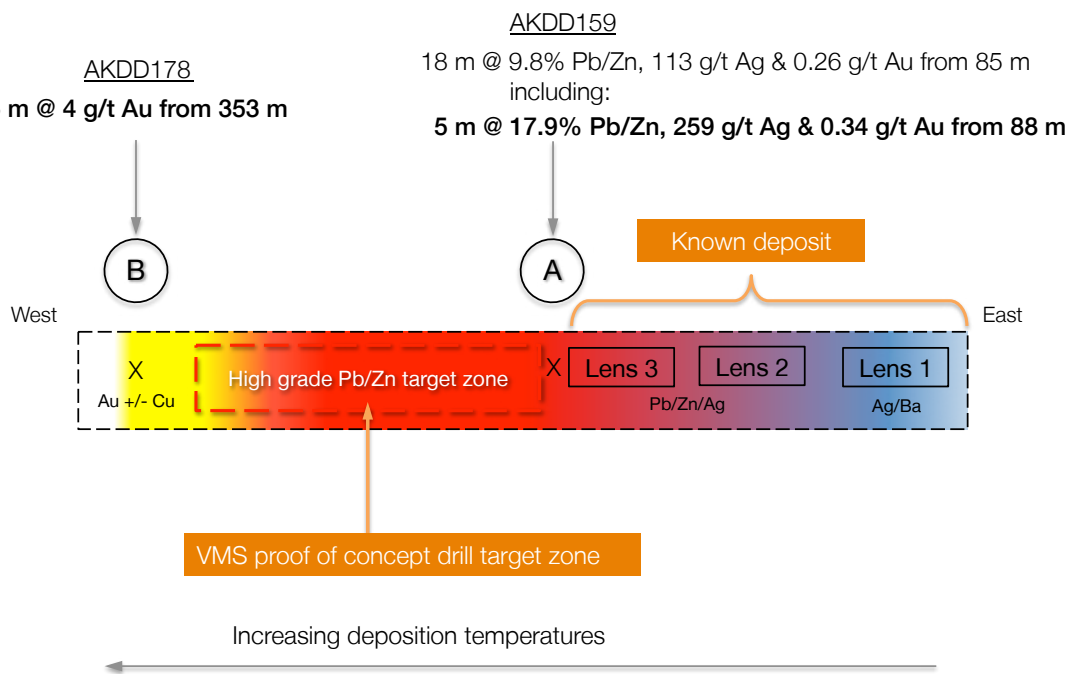


Figure 2 illustrates the targeted lead/zinc grades in the context of the known deposit and example high grade intersections.

Figure 2 – High grade lead/zinc target zonation to be tested by the drilling program.



Geophysics survey confirms large copper gold target at West Wyalong

On 30 September 2015 Argent announced that an induced polarisation (IP) geophysics survey had confirmed a large, broad area of anomalous increased chargeability that corresponds closely with the 1.4 km by 0.8 km magnetic low anomaly reported on 17 July 2014. The IP chargeability anomaly is also coincident with strong copper and gold geochemistry intersected by historical shallow aircore drilling.

The survey results represent another major step forward for the West Wyalong Project. Following analysis performed by geophysicist Steve Collins of ARCTAN Services Pty Ltd, the large combined magnetic and IP feature is considered to be prospective for a porphyry/epithermal copper gold mineralisation system with potential similarities to significant deposits nearby, including the Lake Cowal mine.

A key result of the IP survey is that the copper gold target is now of sufficient resolution for Argent to proceed with designing a drill test plan. The Company has decided to progress this as a priority.

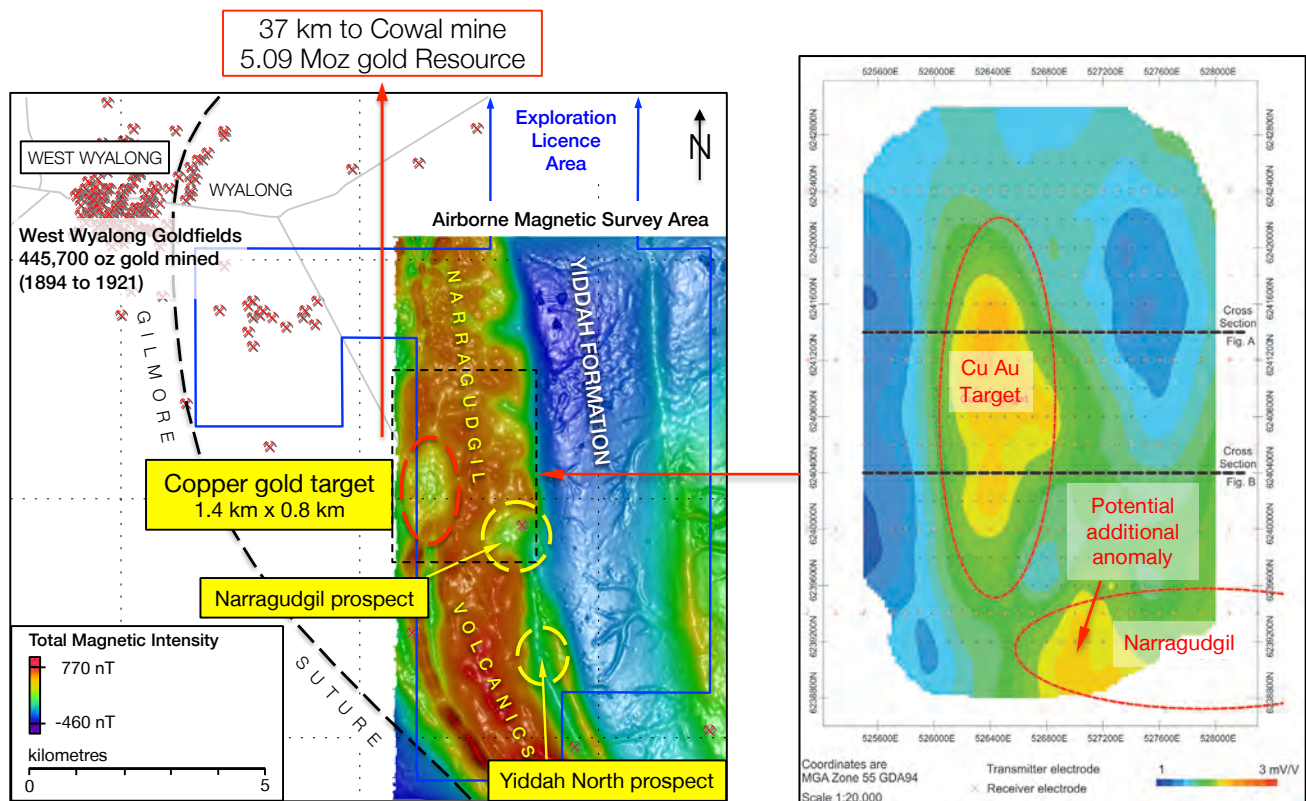
The West Wyalong Project is situated in the Macquarie Arc of the Lachlan Orogen, in a geological setting of Ordovician volcanics which hosts world-class porphyry copper-gold mines such as Newcrest’s Cadia, China Molybdenum’s Northparkes, and 37 kilometres to the north of West Wyalong - the Lake Cowal mine (Cowal).

It is also located only 7 kilometres from the West Wyalong gold fields that produced 445,700 ounces of gold between 1894 and 1921.

Cowal was acquired by Evolution Mining Limited (Evolution) in July 2015 for \$US550 million. Considered by Evolution to be “one of Australia’s most attractive gold assets”, the December 2014 Cowal Mineral Resource has been estimated at 5.09 million ounces of gold, including an Ore Reserve estimate of 2.18 million ounces of gold.

Figure 3 shows the general location of the copper gold target in relation to the regional tectonics and mineral occurrences, including the Cowal mine to the north, the adjacent West Wyalong goldfields, and the Narragudgil and Yiddah North prospects within the West Wyalong Project tenement area.

Figure 3 – Location of the West Wyalong copper gold target (at left) and inset (at right) detailing the IP anomaly.



An additional IP response has been noted in the south east corner of the surveyed area, which displays a similar positive chargeability response as the main target area (see ‘Potential additional anomaly’ in Figure 3).

Whilst Argent is treating the IP results in the southern portion of the surveyed area with caution due to poor weather sustained during data collection in that section, the Company has decided to perform follow up geophysical work on this potential additional anomaly. Given the proximity of this southeastern anomaly to the Narragudgil prospect located approximately 2 kilometres from the main prospect, there is potential for an expansion of the Narragudgil prospect footprint.

Argent expands technical capabilities

On 17 September 2015 Argent announced an expansion of its technical capabilities with two key appointments.

The existing relationship with the Centre of Excellence in Ore Deposits (CODES) and Professor Ross Large has been expanded with the addition of a new R&D initiative, and Mr. Todd McGilvray has been appointed as Exploration Manager to lead the Company’s exploration efforts.

Structured as a collaborative R&D project, the expanded CODES role will provide Argent with access to the very latest techniques and analytical facilities for the targeting of high grade volcanic-hosted massive sulphide (VHMS) mineralisation. CODES is arguably the preeminent authority in VHMS deposits in Australia, and has already provided Argent with valuable insight to the potential processes that formed the Kempfield deposit. Being able to understand and map the current geology of any deposit is key to efficient discovery, especially for the style of high grade zinc/lead mineralisation that the Company is targeting at Kempfield.

Utilising both new and existing drill core samples, the CODES R&D project is expected to take Argent’s understanding of the Kempfield deposit to new levels through the employment of powerful trace element analysis techniques, which will enable efficient guidance of drilling planning for testing the high grade VHMS mineralisation targets.

The simultaneous appointment of Mr. Todd McGilvray as Exploration Manager brings a wealth of specific experience and expertise in polymetallic exploration to Argent.

Originally trained at CODES and graduating with an honours degree in economic geology, Mr. McGilvray's credentials include the leadership of the exploration effort that resulted in the discovery of new mineralisation lenses for an additional 22 million tonnes of high grade base and precious metals at MMG Limited's Rosebery deposit in Tasmania, extending the mine life to 88 years.

Mr. McGilvray's experience includes various roles related to either the resource expansion or business development of a broad range of some of the most prominent polymetallic projects in Australia. With several of these projects belonging to the same deposit peer group as Kempfield, including Rosebery, Hercules and Que River, Mr. McGilvray's expertise and experience will be of immediate benefit for Argent's pursuit of high grade base and precious metal discovery at Kempfield, and as the Company also advances the West Wyalong porphyry copper gold project toward drilling.

Board appointments and resignation

On 17 September 2015, Argent announced two appointments to the Argent Board of Directors.

Originally qualifying with a Bachelor of Economics degree from the University of Sydney and admitted to membership of the Institute of Chartered Accountants in Australia, Mr. Peter Nightingale's credentials include significant experience as a chartered accountant in the Australian and international mineral resources sectors.

As a director or company secretary Mr. Nightingale has, for more than 25 years, been centrally involved with the public listing, capital and debt funding, and trade sale of a number of companies in Australia, the USA and Europe, including:

- **Pangea Resources Limited**, which acquired and developed the Pauper's Dream heap leach gold mine in Montana, USA (ASX listed and taken over by Chase Corporation Limited);
- **Perseverance Corporation Limited**, which discovered and developed the Nagambie heap leach gold mine in Victoria (ASX Listed and taken over by VAM Limited);
- **Valdora Minerals NL**, which developed the Rustler's Roost heap leach gold mine in the Northern Territory, and the Ballarat East Gold Mine in Victoria (ASX listed and taken over by William Resources, Inc.);
- **Timberline Minerals, Inc.**, which acquired and completed a feasibility study for the heap leach development of the MacArthur copper deposit in Nevada, USA (NASDAQ OTC listed);
- **Mogul Mining NL**, which drilled out the Magistral and Ocampo gold deposits in Sinaloa, Mexico (ASX listed and transformed into Wine Plant Holdings Limited);
- **Bolnisi Gold NL**, and its Canadian subsidiary, **Palmarejo Silver and Gold Corporation**, which drilled up the 3.1 Moz AuEq Palmarejo silver gold deposit in Chihuahua, Mexico, arranged permitting, and partly constructed the operation for mining (ASX listed and taken over under a \$1.1 billion merger agreement with Coeur d'Alene Mines Corporation);
- **Sumatra Copper & Gold plc**, which has developed the Tembang gold mine in Indonesia (ASX listed); and
- **Cockatoo Coal Limited**, which acquired and developed the Baralaba coal mine in Queensland (ASX listed).

Mr. Peter Michael also joined the board as Non-Executive Director, following the sudden and unexpected passing away of his brother, Non-Executive Director Mr. Marcus Michael, in June 2015.

Mr. Michael is a real estate professional with 23 years' experience in the real estate industry encompassing the arrangement and execution of commercial and residential property transactions, managed investment schemes, and a number of roles related to the development of built form housing and apartment complexes.

Argent also thanks Ms Sarah Shipway for her excellent support through the transition period, as she resigned from the role of Non-Executive Director, to continue as Company Secretary.

Option period extended over northern neighbouring property ‘Box Hill’

A binding term sheet has been agreed and executed to extend the period of Argent’s option over the neighbouring property to the north of Kempfield, an area of approximately 1,000 acres.

Under the terms of the option, Argent may acquire the adjacent property known as ‘Box Hill’ any time up to and including 12 June 2017, extendable at the Company’s election to 12 June 2018.

The binding term sheet represents an important step forward for the Kempfield Project, containing undertakings for both parties to facilitate a smooth transition for Argent to progress to mining once a decision to mine has been made.

Cash

The Company’s cash balance as at 30 September 2015 was approximately \$509,000, to which \$771,921 before costs was subsequently added as proceeds from the oversubscribed SPP shortfall placement (see 19 October 2015 announcement).

The Company is also expecting a further \$269,000 in November 2015, on settlement of the Company’s R&D tax concession claim announced on 13 October 2015.

Appendix 5B is attached to this announcement.

For further information please contact:

David Busch

Managing Director

Argent Minerals Limited

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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> :

- 10 March 2014 Assays Confirm Third VMS Lens Group at Kempfield – Revised;
- 25 February 2015 Hole 1 intersects significant gold grades at Kempfield;
- 21 April 2015 Hole 2 increases potential size of the prize at Kempfield;
- 29 April 2015 Extended reach for Kempfield deep diamond drilling program;
- 4 September 2015 Annual report to shareholders;
- 30 September 2015 IP Survey confirms large copper gold target at West Wyalong; and
- 22 October 2015 Argent commences deep diamond drilling at Kempfield.

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, 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.

DISCLAIMER

This ASX announcement (**Announcement**) has been prepared by Argent Minerals Limited (ABN: 89 124 780 276) (**Argent Minerals, Argent** or the **Company**). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Argent Minerals, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Argent Minerals.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Argent Minerals securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Argent Minerals and of a general nature which may affect the future operating and financial performance of Argent Minerals and the value of an investment in Argent Minerals including but not limited to economic conditions, stock market fluctuations, silver, lead, zinc, copper and gold price movements, regional infrastructure constraints, securing drilling rigs, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Argent Minerals and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral resources and mineral reserves and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;

- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Argent Minerals, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Argent Minerals disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. In particular, the corporate mission and strategy of the Company set forth in this Announcement represents aspirational long-term goals based on current expectations. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

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, 01/05/2013

Name of entity

Argent Minerals Limited

ABN

84 124 780 276

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(202)	(202)
(b) development	-	-
(c) production	-	-
(d) administration	(218)	(218)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	(13)	(13)
Net Operating Cash Flows	(431)	(431)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(431)	(431)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	400	400
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	(66)	(66)
	Net financing cash flows	334	334
	Net increase (decrease) in cash held	(97)	(97)
1.20	Cash at beginning of quarter/year to date	606	606
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	509	509

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	130
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

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

N/A

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

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	535
4.2 Development	-
4.3 Production	-
4.4 Administration	115
Total	650

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	12	224
5.2 Deposits at call	497	382
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	509	606

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A	N/A	N/A
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities			
	Tranche 1 Performance Rights	1,500,000	-	-
	Tranche 2 Performance Rights	1,000,000	-	-
7.2	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-
7.3	+Ordinary securities	219,631,852	219,631,852	-
7.4	Changes during quarter			
	(a) Increases through issues	18,181,786	18,181,786	\$0.022
	(b) Decreases through returns of capital, buy-backs	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.5	*Convertible debt securities <i>(description)</i>	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	149,399,569 6,574,000	149,399,569 -	<i>Exercise price</i> \$0.175 \$0.25	<i>Expiry date</i> 31 March 2015 29 August 2016
7.8	Issued during quarter	41,386,332	41,386,332	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

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

Sign here: Sarah Shipway
Company secretary

Date: 28 October 2015

Print name: Sarah Shipway

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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