

ARGENT MINERALS LIMITED
and its controlled entities

A.B.N. 89 124 780 276

**INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2015**

Corporate Information

DIRECTORS

Stephen Gemell – Non-Executive Chairman
David Busch – Managing Director
Peter J. Nightingale – Non-Executive Director
Peter Michael – Non-Executive Director

COMPANY SECRETARY

Vinod Manikandan

PRINCIPAL OFFICE

Suite 6, Level 6, 50 Clarence Street

Sydney NSW 2000

Australia

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REGISTERED OFFICE

Level 2, 66 Hunter Street

Sydney NSW 2000

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ABN: 89 124 780 276

ASX CODES:

ARD (ordinary shares)

ARDO (options)

SOLICITORS

Sydney – Jones Day

Perth – Steinepreis Paganin

AUDITORS

KPMG

Level 16, Riparian Plaza

71 Eagle Street

Brisbane QLD 4000

SHARE REGISTRY

Computershare

Level 4, 60 Carrington Street

Sydney, NSW 2000

Australia

Contents

Highlights.....	1
Operations Review	3
Directors' Report.....	13
Lead Auditor's Independence Declaration.....	15
Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income	16
Condensed Consolidated Interim Statement of Financial Position	17
Condensed Consolidated Interim Statement of Cash Flows.....	18
Condensed Consolidated Interim Statement of Changes in Equity	19
Notes to the Condensed Consolidated Interim Financial Statements	20
Directors' Declaration	23
Independent Auditor's Report to the Members of Argent Minerals Limited	24

Argent Minerals Limited and its controlled entities

Highlights

Argent minerals Limited has concluded the first half of the 2016 financial year with significant advancement of the Kempfield and West Wyalong projects. Highlights of this report include:

EXPLORATION

KEMPFIELD

- Commencement of deep diamond drilling program to test large polymetallic VMS system potential.
 - Relatively shallow historical drilling to approximate depth of only 120 metres resulted in a substantial JORC 2012 Mineral Resource estimate of 21.8 Mt with 52 million ounces of silver equivalent in base and precious metals.
 - 7 hole, 3,200 metre drilling program commenced with the drilling of holes AKDD181 and AKDD180.
- Excellent preliminary results achieved for holes AKDD181 and AKDD180.
 - Very significant gold grade intersected by AKDD181 - 1m @ 1,065 g/t Au from 97 metres.
 - Mineralisation intersected at 385 and 407 metres by hole AKDD181 confirms Argent's interpreted model for a much deeper deposit.
 - New mineralisation zone intersected immediately to the west of the known deposit by both holes in the region of Argent interpreted Lens 4.
 - Both holes intersected significant copper values, including 1.8m @ 1.21% Cu from 136 metres by hole AKDD181.
 - Possible proximity of massive sulphides indicated at depth, confirming Argent's interpreted model for high grade precious and base metals zones at Kempfield.
- Results being incorporated for optimisation of Phase 2 of the planned 3,200 metre drilling program.
 - Further drilling required to test depth extensions, following the confirmation that Kempfield mineralisation extends to more than three times the depth limit imposed by relatively shallow historical drilling to only 120 metres.
 - The occurrence of new mineralisation identified to the west and north of the known deposit.
 - Several intersections of high gold grades, including the 1 m @ 1,065 g/t Au from 97 metres, together demand further investigation of the gold potential at Kempfield in addition to the recently validated high grade lead/zinc target zone potential.
 - Drilling to recommence on completion of the analysis of the initial holes, drill hole design, regulatory approvals and drill pad preparation.
- Argent's option over northern neighbouring property 'Box Hill' renegotiated – now extendable until 12 June 2018.

WEST WYALONG

- IP survey result confirms the copper-gold target of sufficient resolution to proceed with designing the drill test plan.
- Possible additional anomaly indicated to the south east – requiring extended IP survey to be performed.
- JV terms renegotiated for earning to 70% - Argent now has until 30 June 2017 to complete the remaining expenditure of \$372,570, of which \$200,000 needs to comply with agreed "In-ground Expenditure" definition (includes eg. the IP survey extension).
- Surrounding acquisition activity by eg. Evolution Mining, and during the half year, Sandfire Resources, places Argent's West Wyalong project in the centre of this key gold focus area.

Argent Minerals Limited and its controlled entities

Highlights

CORPORATE

- On 16 September 2015, Peter Nightingale and Peter Michael were appointed as the non-executive directors and Sarah Shipway resigned as the non-executive director.
- On 5 November 2015, Sarah Shipway retired as the Company Secretary and Vinod Manikandan was appointed as the new Company Secretary.
- During the year, the Company raised \$1,171,921 by a share purchase plan.
- Additional funding totalling \$317,000 was received under R&D Tax Incentive Scheme and NSW Government Cooperative Drilling Program Grant.
- On 5 November 2015, registered office of the company along with its finance and administrative functions were relocated to Level 2, 66 Hunter Street Sydney NSW 2000.
- On 21 December 2015, the Company's share registry was transferred from Security Transfer Registrars Pty Ltd in Western Australia to Computershare Investor Services Pty Limited in New South Wales.

Argent Minerals Limited and its controlled entities

Operations Review

EXPLORATION

KEMPFIELD

Kempfield polymetallic project commences deep diamond drilling program

The first diamond rig was mobilised to Kempfield to commence drilling the first hole, AKDD181, on Wednesday 21 October 2015.

A second drill rig was mobilised 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.

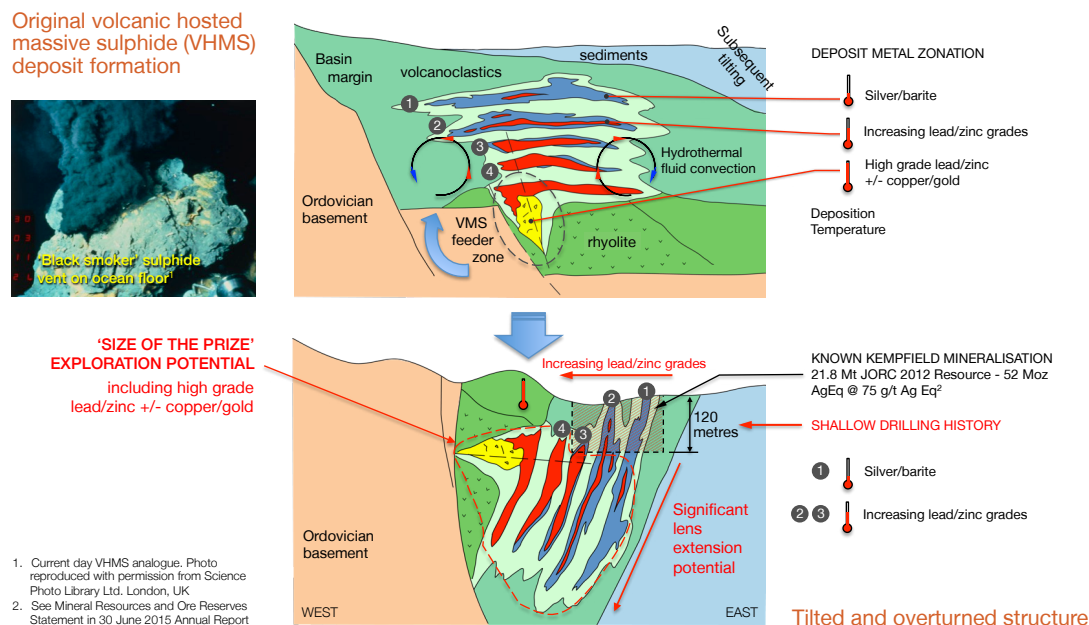
Historical drilling resulted in a substantial JORC 2012 Mineral Resource estimate of 21.8Mt containing 52 million ounces of silver equivalent in base and precious metals. However, the historical drilling had only identified the upper 120 metres of a series of parallel mineralisation lenses which the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

Argent's deposit 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, as well as the potential for copper, and high grade gold.

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.

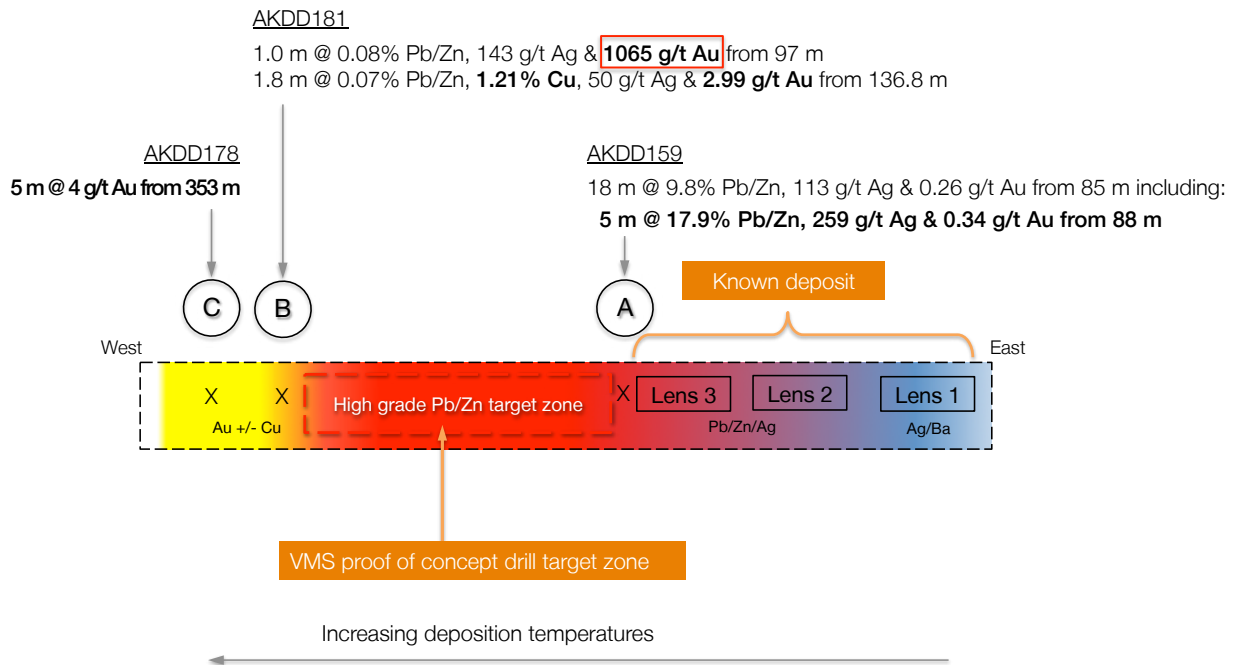


Argent Minerals Limited and its controlled entities

Operations Review

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.



About the intersections

Excellent preliminary results have been achieved early in the planned 7 hole 3,200 metre Kempfield diamond drilling program that commenced on 21 October 2015.

On 22 December 2015 Argent announced significant intersections for holes AKDD181 and AKDD180.

Hole AKDD181 intersected very high grade gold, including 1 m @ 1,065 g/t Au from 97 metres, and both holes intersected copper values, including 1.8 m @ 1.21 % Cu from 136 metres by hole AKDD181.

The intersections are summarised in Table A.

Table A – Summary of significant intersections for the Kempfield Polymetallic Project

Hole_ID	From (m)	To (m)	Easting/ Northing ¹	Azimuth/ Dip	Elevation (mRL)	Hole width	Pb (%)	Zn (%)	Cu (%)	Ag (g/t)	Au (g/t)
AKDD181	97.0	98.0	708,144mE/ 6,258,406mN	110° TN/ -55°	770	HQ ²	0.06	0.02	0.16	143	1065
AKDD181	136.8	138.6	708,144mE/ 6,258,406mN	110° TN/ -55°	770	HQ	0.02	0.05	1.21	50	2.99
AKDD181	382.5	384.1	708,144mE/ 6,258,406mN	110° TN/ -55°	770	NQ ²	0.93	0.82	0.01	29	0.42
AKDD181	407.3	407.5	708,144mE/ 6,258,406mN	110° TN/ -55°	770	NQ	-	-	-	-	4.09
AKDD181	EOH 456.6 m										
AKDD180	54.0	58.0	708,029mE/ 6,258,120mN	110° TN/ -55°	760	HQ	0.45	1.19	0.45	20	0.1
AKDD180	EOH 210.5 m										

Argent Minerals Limited and its controlled entities

Operations Review

Notes:

1. Geodetic Datum of Australia 94 (GDA94), projection Map Grid of Australia (MGA), Zone 55.
2. Both HQ and NQ core were sampled as half core.
3. EOH = end of hole.
4. Mineralisation dips steeply westward at approximately 80°. Drill holes AKDD180 and AKDD181 were drilled towards the east, intersecting 70% of down hole length to define true width. Down hole lengths are reported in Table A above.

For further technical details please refer to the ASX announcements dated 22 and 29 December 2015.

Preliminary results confirm key aspects of the Kempfield deposit model predictions

Whilst the results are preliminary in nature for this early stage of the program, the intersections confirm key aspects of the model.

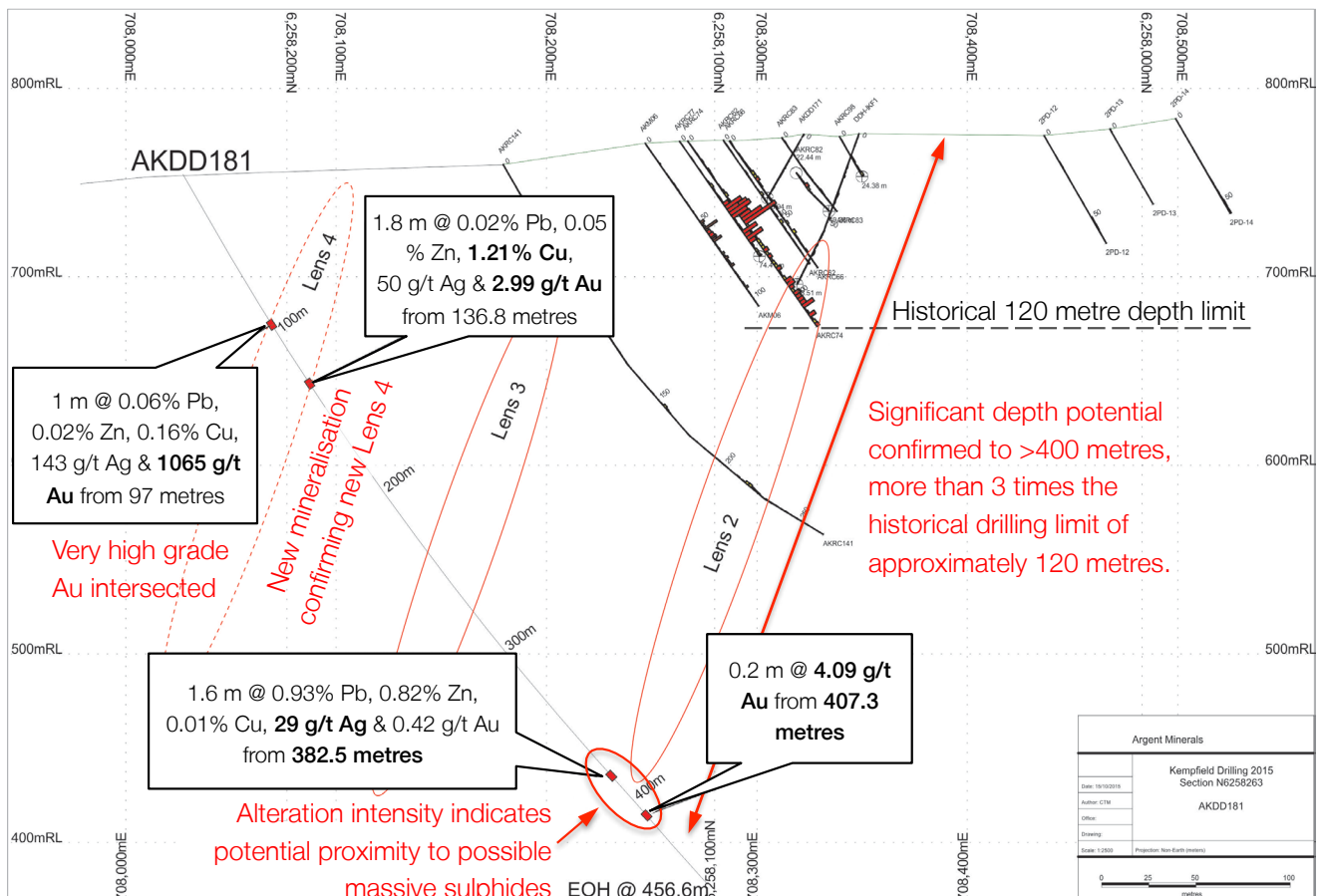
Importantly, the intersections confirm depth extensions of Lens 2 to greater than 400 metres hole length, more than three times the previous drilling limit of approximately 120 metres. The observed alteration intensity also indicates potential proximity to possible massive sulphides.

The intersections also confirm the occurrence of new mineralisation that extends along strike to the north from known mineralisation. This supports earlier interpretations by Argent of a Lens 4 that were based on magnetometric conductivity (MMC) surveys performed in 2014, and symmetry with existing known lenses.

Additionally, this is also the first time that significant copper has been intersected at Kempfield.

The section view in Figure 3 illustrates the extent of the depth extensions confirmed by the drilling, and the confirmed position of the new Lens 4, as intersected by hole AKDD181.

Figure 3 – West-East section view of hole AKDD181 showing intersections in relation to Lenses 2, 3, and the new Lens 4

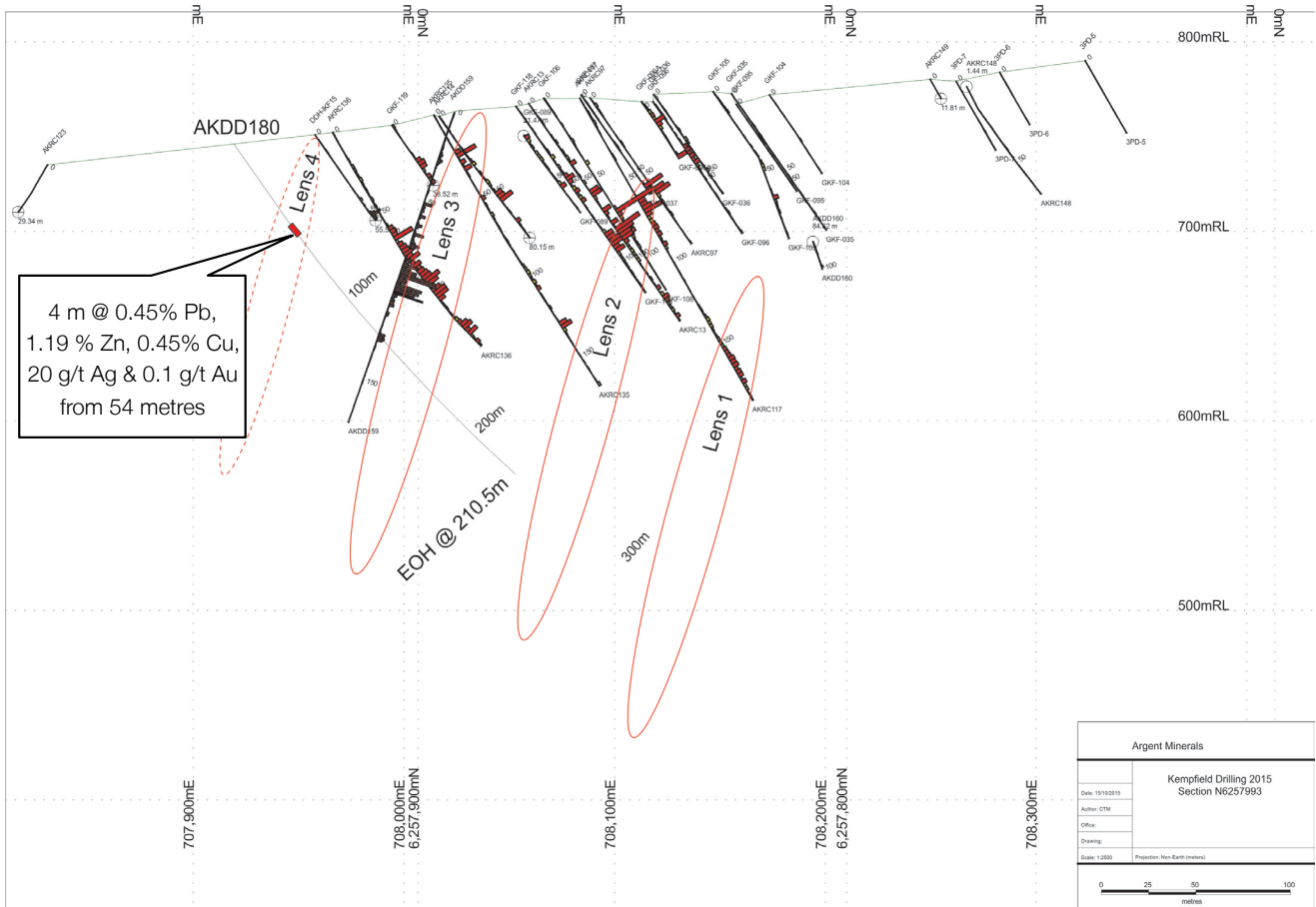


Argent Minerals Limited and its controlled entities

Operations Review

Figure 4 illustrates the interpreted position of interpreted Lens 4 position confirmed by the AKDD180 intersection, and Figure 5 provides a plan view of the drill collar locations in relation to the known lenses and the new Len 4.

Figure 4 – West-East section view of hole AKDD180 showing intersections in relation to Lenses 2, 3, and the new Lens 4



Potentially significant implications for the Kempfield project

The implications of these preliminary results are potentially very significant for the Kempfield project in terms of the extent of the mineralisation (or the 'size of the prize'), mineral composition and grade potential.

Of particular interest is that several areas of high gold grades have been intersected by recent diamond drilling, including 1 m @ 1,065 g/t Au from 97 metres, which together demand further investigation of the gold potential at Kempfield in addition to the recently validated high grade lead/zinc target zone potential.

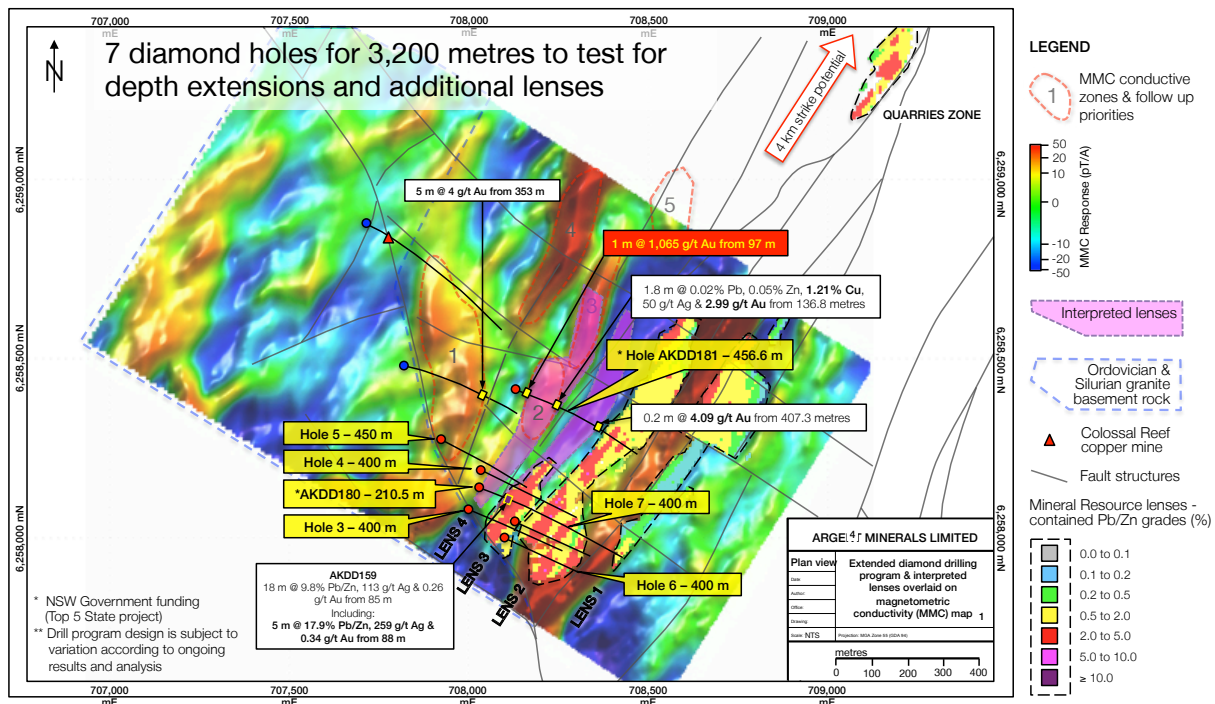
The Company is continuing to analyse the intersected geochemistry in order to evaluate the potential impact of these results on the scope of the Kempfield project, the potential positions of additional new mineralisation lenses, and to optimise the remainder of the planned 3,200 metre drilling.

Drilling is anticipated to recommence following completion of this analysis, drill hole design variation, regulatory approvals, and drill pad preparation.

Argent Minerals Limited and its controlled entities

Operations Review

Figure 5 – Plan view showing collar locations of Holes AKDD181 and AKDD180, and the previously interpreted position of the new Lens 4



Option period extended over northern neighbouring property 'Box Hill'

An agreement has been executed to extend the period of Argent's option over the neighboring 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.

WEST WYALONG

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).

Argent Minerals Limited and its controlled entities

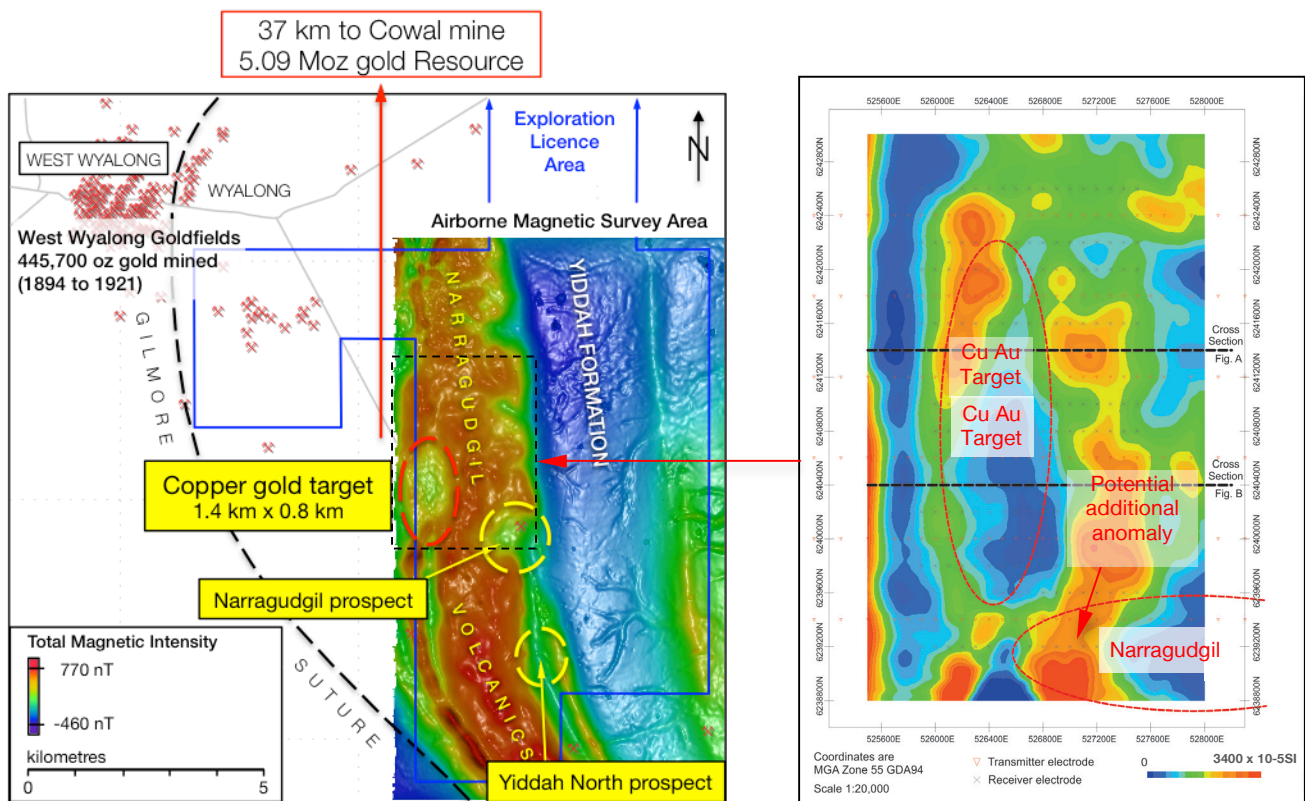
Operations Review

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 6 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 6 – 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 6).

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

Argent Minerals Limited and its controlled entities

Operations Review

(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.

CORPORATE

Board appointments and resignation

On 17 September 2015, Argent announced the appointments of Peter Nightingale and Peter Michael as non-executive directors to the Argent Board.

- Peter Nightingale graduated with a Bachelor of Economics degree from the University of Sydney and is a member of the Institute of Chartered Accountants in Australia. He has worked as a chartered accountant in both Australia and the USA.

As a director or company secretary Mr Nightingale has, for more than 25 years, been responsible for the financial control, administration, secretarial and in-house legal functions of a number of private and public listed companies in Australia, the USA and Europe including Bolnisi Gold N.L., Callabonna Uranium Limited, Cockatoo Coal Limited, Mogul Mining N.L., Pangea Resources Limited, Perseverance Corporation Limited, Sumatra Copper & Gold plc, Timberline Minerals, Inc. and Valdora Minerals N.L. Mr Nightingale is currently a director of ASX listed Augur Resources Ltd, Planet Gas Limited and unlisted public companies Nickel Mines Limited and Prospech Limited.

- Mr. Peter Michael 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 on 16 September 2015.

Argent Minerals Limited and its controlled entities

Operations Review

Appointment and resignation of Company Secretary

On 5 November 2015, Sarah Shipway retired as Company Secretary of the Company.

Vinodkumar Manikandan was appointed to the role of Company Secretary. Vinod has a Bachelor of Commerce degree from MG University, India, Graduate Certificate in Accounting from Deakin University, Victoria and is a member of CPA Australia.

The Board thanks Sarah for her efforts as Company Secretary over the past two years and welcomes Vinod Manikandan as the Company Secretary.

Share purchase plan completed – oversubscribed

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 and its key projects.

On 11 August 2015, the company closed a Share Purchase Plan raising \$400,000, resulting in the issue of 18,181,786 fully paid ordinary shares at \$0.022 and 17,499,968 free attaching options exercisable at \$0.175 on or before 31 March 2016.

On 19 October 2015, the company completed the Share Purchase Plan under the approval of shareholders at the 7 August 2015 general meeting, resulting in the issue of 35,087,324 full paid ordinary shares at \$0.022 with 35,087,324 free attaching listed options exercisable at \$0.175 on or before 31 March 2016.

Additional \$317,000 from R&D claim and NSW Government funding

Additional funds totaling \$317,000 were procured as a result of the \$269,000 Research and Development (R&D) claim announced on 4 November 2015, and the Company's final claim of \$48,000 in relation to the New South Wales Government Cooperative Drilling Program grant.

The New South Wales Government had awarded Argent one of the five largest cooperative drilling grants for Kempfield diamond drilling based on the merit of the project as assessed by an independent panel of geoscience experts.

Relocation of registered office, finance and administration functions and share registry to Sydney

During the year Argent relocated its registered office including the relocation of its finance and administration functions to Sydney in proximity to the head office and the same regulatory jurisdiction as the Company's main assets – New South Wales, in order to streamline operational efficiencies.

On 21 December 2015, the Company changed its share registry from Security Transfer Registrars Pty Limited to Computershare Investor Services Pty Limited in Sydney.

Whilst Argent has always intended to execute this relocation well ahead of any potential production, the Company considered the December 2015 quarter timing of this move to be appropriate, given the significant potential identified by Argent at the Kempfield project, and the intent of the Company to accelerate progress during 2016 and beyond.

Argent Minerals Limited and its controlled entities

Operations Review

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 – Mineral Resources and Ore Reserves Statement.
- 30 September 2015 IP Survey confirms large copper gold target at West Wyalong
- 22 October 2015 Argent commences deep diamond drilling at Kempfield.
- 22 December 2015 Significant intersections at Kempfield including Cu and Au.
- 29 December 2015 Significant Kempfield intersections – summary table.

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 has been prepared by Argent. 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, 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.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Argent securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Argent and of a general nature which may affect the future operating and financial performance of Argent and the value of an investment in Argent 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 and its projects, are forward-looking statements that:

Argent Minerals Limited and its controlled entities

Operations Review

- 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, 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 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.

Argent Minerals Limited and its controlled entities

Directors Report

The Directors are pleased to submit their report on Argent Minerals Limited ("Argent" or "the Company") and its consolidated entities ("the Group") for the half year ended 31 December 2015.

DIRECTORS

The names of the directors who held office during or since the end of half- year are:

Directors	Title	Date of Appointment
David Busch	Managing Director	10 April 2012
Stephen Gemell	Non- Executive Chairman	7 July 2010
Peter Nightingale^	Non- Executive Director	16 September 2015
Peter Michael^	Non- Executive Director	16 September 2015
Sarah Shipway*	Non-Executive Director	15 June 2015

*Resigned as director on 16 September 2015

^Appointed as director on 16 September 2015

RESULTS OF OPERATIONS

A summary of the results for the half-year are set out below:

	2015
	\$
Loss from operations	<u>(707,280)</u>

During the six month period the exploration and evaluation expenditure was \$614,266. In accordance with the Company's accounting policy these costs were expensed. Administration costs were \$414,703, resulting in a total loss before income tax for the six months of \$707,280.

Argent Minerals Limited and its controlled entities

Directors Report

SUBSEQUENT EVENTS

On 18 January 2016, the Company issued 448,430 ordinary shares at \$0.022 per share in consideration for consultancy services provided.

Except for the above, no matters or circumstances have arisen since the end of the reporting period, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Lead Auditor's Independence Declaration on page 15 as required under Section 307C of the *Corporations Act 2001* is attached to and forms part of the Directors' Report for the half-year ended 31 December 2015.

Signed in accordance with a resolution of the Directors.



David Busch
Managing Director
Sydney, 7 March 2016



**Lead Auditor's Independence Declaration under Section 307C
of the *Corporations Act 2001***

To the Directors of Argent Minerals Limited:

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'Adam Twemlow', with a long horizontal line extending to the right.

Adam Twemlow
Partner

7 March 2016
Brisbane

Argent Minerals Limited and its controlled entities
Condensed Consolidated Interim Statement of Profit or Loss and
Other Comprehensive Income

	Note	31 December 2015 \$	31 December 2014 \$
CONTINUING OPERATIONS			
Other income		321,689	201,017
Administration expenses		(414,703)	(363,715)
Exploration and evaluation expenditure		(614,266)	(534,927)
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX			
		(707,280)	(697,625)
Income tax benefit/(expense)		-	-
LOSS FROM CONTINUING OPERATIONS AFTER INCOME TAX			
		(707,280)	(697,625)
Other comprehensive income			
Items that will not be classified subsequently to Profit or (Loss)		-	-
Items that may be classified subsequently to Profit or (Loss)		-	-
TOTAL OTHER COMPREHENSIVE INCOME			
		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD			
		(707,280)	(697,625)
EARNINGS PER SHARE			
Basic and diluted loss per share (cents per share)		(0.61)	(0.45)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Argent Minerals Limited and its controlled entities
Condensed Consolidated Interim Statement of Financial Position
as at 31 December 2015

	Note	31 December 2015 \$	30 June 2015 \$
CURRENT ASSETS			
Cash and cash equivalents		913,664	611,678
Trade and other receivables		23,264	14,610
Other assets		18,809	20,155
TOTAL CURRENT ASSETS		955,737	646,443
NON CURRENT ASSETS			
Other financial assets- deposits		46,000	46,000
Property, plant and equipment		425,254	434,417
TOTAL NON CURRENT ASSETS		471,254	480,417
TOTAL ASSETS		1,426,991	1,126,860
CURRENT LIABILITIES			
Trade and other payables		43,271	186,470
Provisions		55,167	51,028
TOTAL CURRENT LIABILITIES		98,438	237,498
TOTAL LIABILITIES		98,438	237,498
NET ASSETS		1,328,553	889,362
EQUITY			
Issued capital	4	23,530,632	22,405,146
Reserves	4	571,033	550,048
Accumulated losses		(22,773,112)	(22,065,832)
TOTAL EQUITY		1,328,553	889,362

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Argent Minerals Limited and its controlled entities
Condensed Consolidated Interim Statement of Cash Flows
for the half-year ended 31 December 2015

	Note	31 December 2015 \$	31 December 2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Expenditure on mining interests		(598,801)	(521,259)
Payments to suppliers and employees		(520,599)	(348,839)
Interest received		4,375	9,043
Receipt of R&D tax incentive		269,326	173,189
Receipt of NSW government cooperative drilling program grant		47,988	-
Other – GST		-	220
Net cash used in operating activities		(797,711)	(687,646)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		-	19,864
Purchase of plant and equipment		(5,290)	(15,101)
Net cash used in investing activities		(5,290)	4,763
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares	4	1,171,921	648,125
Capital raising costs	4	(66,934)	(41,474)
Net cash from financing activities		1,104,987	606,651
Net increase in cash and cash equivalents		301,986	(76,232)
Cash and cash equivalents at the beginning of the financial year		611,678	892,433
CASH AND CASH EQUIVALENTS AT THE END OF HALF YEAR		913,664	816,201

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Argent Minerals Limited and its controlled entities
Condensed Consolidated Interim Statement of Changes in Equity
for the half-year ended 31 December 2015

	NOTE	SHARE CAPITAL \$	ACCUMALATED LOSSES \$	RESERVES \$	Total Equity \$
Balance as at 1 July 2015		22,405,146	(22,065,832)	550,048	889,362
Loss for the half year		-	(707,280)	-	(707,280)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		-	(707,280)	-	(707,280)
Transactions with owners recorded directly in equity					
Shares issued during the period		1,197,421	-	-	1,197,421
Share based payments - performance rights		-	-	20,985	20,985
Share issue expenses		(71,935)	-	-	(71,935)
Balance at 31 December 2015		23,530,632	(22,773,112)	571,033	1,328,553
Balance as at 1 July 2014		21,433,104	(20,661,439)	527,392	1,299,057
Loss for the half year		-	(697,625)	-	(697,625)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		-	(697,625)	-	(697,625)
Transactions with owners recorded directly in equity					
Shares issued during the period		648,125	-	-	648,125
Share based payments - options		-	-	105,017	105,017
Share based payments - performance rights		-	-	20,985	20,985
Options expired during the period		-	123,991	(123,991)	-
Share issue expenses		(146,491)	-	-	(146,491)
Balance at 31 December 2014		21,934,738	(21,235,073)	529,403	1,229,068

The above condensed consolidated statement of changed in equity should be read in conjunction with the accompanying notes.

Argent Minerals Limited and its controlled entities

Notes to the Condensed Consolidated Interim Financial Statements

for the half-year ended 31 December 2015

1. REPORTING ENTITY

Argent Minerals Limited (the 'Company') is a company domiciled in Australia. The condensed interim financial statements of the Company as at and for the half-year ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is primarily engaged in mineral exploration in Australia.

The Consolidated annual financial statements of the Group as at and for the year ended 30 June 2015 are available upon request from the Company's registered office at Level 2, 66 Hunter Street, Sydney, NSW, 2000 or at www.argentminerals.com.au.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*.

The condensed consolidated interim financial report is intended to provide users with an update on the latest annual financial statements of Argent Minerals Limited. It is recommended that this interim financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the half-year.

These condensed consolidated interim financial statements were approved by the Board of Directors on 7 March 2016.

Going Concern

The consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group incurred a loss of \$707,280 for the half-year ended 31 December 2015 and has accumulated losses of \$22,773,112 at 31 December 2015. The Group has cash on hand of \$913,664 at 31 December 2015 and used \$797,711 of cash in operations including expenditure on exploration and evaluation activities for the half-year ended 31 December 2015.

These conditions give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. The ongoing operations of the Group is dependent upon the Group raising additional funding from shareholders or other parties and/or the Group reducing expenditure in-line with available funding.

The Directors have prepared cash flow projections that support the ability of the Group to continue as a going concern. These cash flow projections assume the Group obtains sufficient additional funding from shareholders or other parties. If such funding is not achieved, the Group plans to reduce expenditure significantly.

In the event the Group does not obtain additional funding and/or reduce expenditure in-line with available funding, it may not be able to continue its operations as a going concern and therefore may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the interim financial report.

3. SIGNIFICANT ACCOUNTING POLICIES

The same accounting policies and methods of computations have been followed in this interim financial report as were applied in the most recent annual financial statements. Argent Minerals Limited has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half year. The new and revised standards did not have any material impact on the financial report for the half year ended 31 December 2015.

Argent Minerals Limited and its controlled entities
Notes to the Condensed Consolidated Interim Financial Statements
for the half-year ended 31 December 2015

4. ISSUED CAPITAL

(a) Issued and paid up capital	31 December 2015	31 December 2014
	\$	\$
At the beginning of the reporting period	22,405,146	21,433,104
Shares issued for cash on 11 December 2014 at \$0.027	-	648,125
Shares Issued for cash on 18 August 2015 at \$0.022	400,000	-
Shares Issued for cash on 19 October 2015 at \$0.022	771,921	-
Shares issued for services on 6 November 2015 at \$0.025	20,000	-
Shares issued for services on 18 November 2015 at \$0.021	5,500	-
Share issue costs	(71,935)	(146,491)
Balance at 31 December	23,530,632	21,934,738

(b) Movement in ordinary shares	31 December 2015	31 December 2014
	Number	Number
At the beginning of the reporting period	201,450,066	153,559,068
Shares issued during the reporting period	54,306,927	24,004,630
Balance at 31 December	255,756,993	177,563,698

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(c) Reserves	31 December 2015	31 December 2014
	\$	\$
At the beginning of the reporting period	550,048	527,392
Options issued pursuant to capital raisings	-	105,017
Tranche 1 Performance Rights	12,591	12,591
Tranche 2 Performance Rights	8,394	8,394
Expiry of Options	-	(123,991)
Balance at 31 December	571,033	529,403

Options to take up ordinary shares in the capital of the Company are as follows:

Exercise period (On or Before)	Note	Exercise Price \$	Opening Balance 1 July 2015 Number	Options Issued Number	Closing Balance 31 December 2015 Number
31 March 2016		\$0.175	108,013,237	76,473,656	184,486,893
29 August 2016		\$0.25	6,574,000	-	6,574,000

- (i) On 18 August 2015, the Company issued 41,386,332 free attaching listed options as part of the Company's share purchase plan as announced on 30 June 2015. The terms and conditions of the options are detailed in the Notice of General Meeting dated 3 July 2015. The Company have valued the free attaching options at nil value.
- (ii) On 19 October 2015, under the approval granted by shareholders at 7 August 2015 general meeting and in accordance with Section 1.9 of the SPP Option prospectus dated 29 June 2015, the Company issued 35,087,324 listed options. The Company have valued the free attaching options at nil value.

Argent Minerals Limited and its controlled entities

Notes to the Condensed Consolidated Interim Financial Statements

for the half-year ended 31 December 2015

5. CONTINGENCIES AND COMMITMENTS

There has been no change in contingent liabilities or contingent assets since the last annual report date.

Mineral exploration commitment

In order to maintain the current rights of tenure to exploration tenements, the Group has discretionary expenditure of approximately \$402,000 relating to exploration expenditure requirements. Should the Group decide to relinquish certain joint-venture or annual exploration expenditure obligations, the joint venture will terminate and the Group will have no further obligations.

For more information in relation to the Company's commitments please see the Company's 30 June 2015 Annual Report.

6. RELATED PARTIES

Key management personnel and director transactions

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or joint control over the financial or operating policies of those entities.

These entities transacted with the Group during the half year as follows:

- From 1 November 2015, Mining Services Trust an entity where Peter Nightingale held a controlling interest, provided administration services to the Group, including accounting, bookkeeping, corporate secretarial, administrative staff, services and supplies. Fees paid to Mining Services Trust during the year amounted to \$16,666 (31 December 2014 - nil). At 31 December 2015, there were no fees outstanding.
- During the year, Gemell Mining Engineers, an entity where Stephen Gemell held a controlling interest provided engineering consulting services to the Group. Fees paid to Gemell Mining Engineers during the year amounted to \$6,557 (31 December 2014 - \$9,766). At 31 December 2015 and 2014 there were no fees outstanding.

7. SUBSEQUENT EVENTS

On 18 January 2016, the Company issued 448,430 ordinary shares at \$0.022 per share in consideration for consultancy services provided.

Except for the above, no matters or circumstances have arisen since the end of the reporting period, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

8. ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements have not changed since the last annual reporting date.

Future Rehabilitation

The Group measures the cost of future rehabilitation in relation to its tenements based on probable cost estimations at the date upon which tenements are altered from their original date. Fair values are determined using local data available. No rehabilitation provision is considered necessary at 31 December 2015.

9. OPERATING SEGMENTS

The Group operates in predominantly one business and geographical segment, being mineral exploration in Australia.

Argent Minerals Limited and its controlled entities Directors' Declaration

In the opinion of the Directors of Argent Minerals Limited ('the Company'):

- (a) the financial statements and notes set out on pages 16 to 22 are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



David Busch
Managing Director

Sydney, 7 March 2016



Independent Auditor's Review Report to the Members of Argent Minerals Limited

We have reviewed the accompanying interim financial report of Argent Minerals Limited ('the Company'), which comprises the condensed consolidated interim statement of financial position as at 31 December 2015, the condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the half-year ended on that date, notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Interim Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the interim financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state, whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including; giving a true and fair view of the Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. As auditor of Argent Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements of the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Independent Auditor's Review Report to the Members of Argent Minerals Limited

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Argent Minerals Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material uncertainty regarding continuation as a going concern

Without modifying our conclusion, we draw attention to Note 2 'Going Concern' in the interim financial report. The conditions disclosed in Note 2, including the need to raise additional funding from shareholders or other parties and/or the Group reducing expenditure in-line with available funding, indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the interim financial report.

KPMG
7 March 2016
Brisbane

Adam Twemlow
Partner