

**ARGENT MINERALS LIMITED  
ACN 124 780 276**

**PROSPECTUS**

**For the offer of up to 117,000,000 Listed Options**

**THIS PROSPECTUS IS BEING ISSUED IN ORDER TO FACILITATE SECONDARY TRADING OF THE LISTED OPTIONS**

**THIS PROSPECTUS IS ALSO BEING ISSUED IN ORDER TO FACILITATE SECONDARY TRADING OF THE UNDERLYING SHARES TO BE ISSUED UPON EXERCISE OF THE LISTED OPTIONS PURSUANT TO ASIC CORPORATIONS (SALE OFFERS THAT DO NOT NEED DISCLOSURE) INSTRUMENT 2016/80**

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

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

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

## IMPORTANT INFORMATION

This Prospectus is dated 17 August 2016 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

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

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 2, 66 Hunter Street, Sydney, New South Wales 2000 during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 4.4).

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

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

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

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

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

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

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

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to AEST, unless otherwise indicated.

# CORPORATE DIRECTORY

## Directors

Mr Stephen Gemell	Non-Executive Chairman
Mr David Busch	Managing Director
Mr Peter Nightingale	Non-Executive Director
Mr Peter Michael	Non-Executive Director

## Company Secretary

Mr Vinod Manikandan

## Registered Office

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

## Share Registry\*

Computershare Investor Services Pty Limited  
Level 4  
60 Carrington Street  
Sydney NSW 2000

## Auditor\*

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

## Lawyers

Bellanhouse Legal  
Ground Floor  
11 Ventnor Avenue  
West Perth WA 6005

**ASX Code:** ARD

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

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

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## **1. Details of the Offer**

### **1.1 The Offer**

The Company is offering, pursuant to this Prospectus, up to 117,000,000 Listed Options (**Offer**).

The Listed Options under the Offer are offered to participants in the placement of 58,500,000 Shares at \$0.03 each announced by the Company on 28 June 2016 (**Placement**), on the basis of two free attaching Listed Options for one Share subscribed for under the Placement.

The Placement Shares are to be issued in two tranches:

- (a) the first tranche of 18,096,283 Shares were issued on 6 July 2016 in accordance with the Company's Listing Rule 7.1A capacity; and
- (b) the second tranche of 40,403,717 Shares were subject to Shareholder approval received at a Shareholder meeting held on 16 August 2016.

The Listed Options offered under this Prospectus will form a new class of securities of the Company. Further details of the rights and liabilities attaching to the Listed Options are in Section 4.2.

Shareholder approval for the issue of the Listed Options was received at the Shareholder meeting held on 16 August 2016.

### **1.2 Purpose of the Prospectus**

This Prospectus has been issued to:

- (a) facilitate secondary trading of the Listed Options to be issued under the Offer. A prospectus is required under the Corporations Act to enable persons who are issued the Listed Options to on-sell those Listed Options within 12 months of their issue. The Company will not issue the Listed Options with the purpose of the persons to whom they are issued selling or transferring those Listed Options, or granting, issuing or transferring interests in those Listed Options within 12 months of the issue, but this Prospectus provides them the ability to do so should they wish; and
- (b) facilitate secondary trading of the Shares to be issued upon exercise of the Listed Options to be issued under the Offer. Issuing the Listed Options under this Prospectus will enable persons who are issued the Listed Options to on-sell the Shares issued on exercise of the Listed Options pursuant to ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

Accordingly, the purpose of this Prospectus is to:

- (a) make the Offer;
- (b) ensure that the on-sale of Listed Options does not breach section 707(3) of the Corporations Act; and

- (c) ensure that the on-sale of the underlying Shares to be issued upon the exercise of the Listed Options is in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

The Listed Options to be issued to Participants will be issued pursuant to Shareholder approvals under Listing Rule 7.1 received at the General Meeting on 16 August 2016.

No funds will be raised under the Offer. The total estimated expenses of the Offer of \$36,484 will be paid by the Company from its cash reserves.

### **1.3 Closing Date**

The Closing Date for the Offer is 18 August 2016. The Company reserves the right, subject to the Corporations Act and the Listing Rules to extend the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

### **1.4 Application Forms**

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

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

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

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

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

### **1.5 Issue Date and despatch**

Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Listed Options under the Offer on or about 23 August 2016.

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

### **1.6 ASX quotation**

Application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Listed Options under the Offer.

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

If permission is not granted by ASX for the official quotation of the Listed Options offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will not issue the Listed Options.

## **1.7 CHESS**

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

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

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

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

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

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

## **1.8 Risks of the Offer**

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

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

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

## **1.9 Residents outside Australia**

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

## **1.10 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the

taxation consequences of subscribing for Listed Options under this Prospectus.

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

### **1.11 Major activities and financial information**

A summary of the activities and financial information relating to the Company for the financial year ended 30 June 2016 is in the Annual Report which was lodged with ASX on 10 August 2016.

A summary of the Company's activities for the three month period ended 30 June 2016 is in the Quarterly Report which was lodged with ASX on 27 July 2016.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report on 10 August 2016 are listed in Section 4.4.

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

### **1.12 Privacy**

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

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

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

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

### **1.13 Enquiries concerning Prospectus**

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



## 2. Effect of the Offer

### 2.1 Capital structure on completion of the Offer

	No. of Shares	No. of unquoted Options	No. of quoted Options	No. of Performance Rights
Balance at the date of this Prospectus	318,398,972	6,574,000	Nil	2,500,000
Placement Shares	40,403,717	-	-	-
To be issued pursuant to the Offer	Nil	Nil	117,000,000	Nil
<b>Balance after the Offer</b>	<b>358,802,689</b>	<b>6,574,000<sup>(1)</sup></b>	<b>117,000,000<sup>(2)</sup></b>	<b>2,500,000<sup>(3)</sup></b>

**Notes:**

- (1) 6,574,000 Options with an exercise price of \$0.25 each and an expiry date of 29 August 2016.
- (2) Assumes that the quotation requirements in respect of the Listed Options are satisfied and that the Listed Options are quoted. Assumes that 117,000,000 Listed Options are issued under the Offer. 117,000,000 Options with an exercise price of \$0.10 each and an expiry date of 27 June 2019.
- (3) 2,500,000 Performance Rights comprised of:
- (a) 1,500,000 Tranche 1 Performance Rights to David Busch each vest into one Share on achievement of the Tranche 1 Milestone on or before 29 August 2016; and
- (b) 1,000,000 Tranche 2 Performance Rights each vest into one Share if on achievement of the Tranche 2 Milestone on or before 29 August 2016.

### 2.2 Pro forma statement of financial position

	Consolidated 30 June 2016 (Audited) \$	Effect of Placement (Unaudited) \$	Consolidated 30 June 2016 Pro- Forma (Unaudited) \$
<b>Current Assets</b>			
Cash and cash equivalents	648,759	851,592	1,500,351
Trade and other receivables	-	-	-
Other assets	17,902	-	17,902
<b>Total Current Assets</b>	<b>666,661</b>	<b>851,592</b>	<b>1,518,253</b>
<b>Non-Current Assets</b>			
Other financial assets - security deposits	67,000	-	67,000
Property, plant and equipment	408,438	-	408,438
<b>Total Non-Current Assets</b>	<b>475,438</b>	<b>-</b>	<b>475,438</b>
<b>Total Assets</b>	<b>1,142,099</b>	<b>851,592</b>	<b>1,993,691</b>

<b>Current Liabilities</b>			
Trade and Other Payables	96,106	-	96,106
Employee entitlements	52,057		52,057
Advance monies received from share placement	360,520	(360,520)	-
<b>Total Current Liabilities</b>	<b>508,683</b>	<b>(360,520)</b>	<b>148,163</b>
<b>Total Liabilities</b>	<b>508,683</b>	<b>(360,520)</b>	<b>148,163</b>
<b>Net Assets</b>	<b>633,416</b>	<b>1,212,112</b>	<b>1,845,528</b>
<b>Equity</b>			
Issued Capital	24,343,436	1,212,112	25,555,548
Reserves	61,796	-	61,796
Accumulated Losses	(23,771,816)	-	(23,771,816)
<b>Total Equity</b>	<b>633,416</b>	<b>1,212,112</b>	<b>1,845,528</b>

### Basis of Preparation

The above pro forma statement of financial position has been prepared in accordance with the draft ASIC Guide to Disclosing Pro Forma Financial Information (issued July 2005).

The pro forma balance sheets have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the audited financial position as at 30 June 2016 that has then been adjusted to reflect the material transactions as per the notes to the pro forma above.

### 2.3 Market price of Shares

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

Highest: \$0.039 per Share on 13 July 2016

Lowest: \$0.024 per Share on 15 June 2016

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.032 per Share on 16 August 2016.

### 2.4 Dividend Policy

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

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### **3. Risk factors**

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

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

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

#### **3.1 Specific risks associated with the Company**

(a) **Going concern risk**

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

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

(b) **Funding risk**

At the date of this Prospectus, the Company has no income producing assets and will generate losses for the foreseeable future. Until it is able to develop a project and generate appropriate cash flow, it is dependent upon being able to obtain future equity or debt funding to support long term exploration, after the expenditure of the net proceeds raised under the Placement. Neither the Company nor any of the Directors nor any other party can provide any guarantee or assurance that if further funding is required, such funding can be raised on terms favourable to the Company (or at all).

Any additional equity funding will dilute existing Shareholders. Also, no guarantee or assurance can be given as to when a project can be developed to the stage where it will generate cash flow. As such, a project would be dependent on many factors, for example exploration success, subsequent development, commissioning and operational performance.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. The Company will require further financing in addition to amounts raised under

the Placement. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Title - Sunny Corner mineral rights only**

The Company does not have a registered interest in the Sunny Corner tenement. It only has an equitable interest pursuant to farm in and joint venture agreements to earn an initial interest of 70% of the mineral rights of the tenement.

The only right available to the Company to protect its interest in this tenement is lodgement of a caveat over the tenement pursuant to the *Mining Act 1992* (NSW). A caveat prevents the registration of any transfer or mortgage over the tenement without first giving notice to the Company. As at the date of this Prospectus, the Company has not yet lodged caveats with the Department of Trade and Investment, Mineral Resources and Energy Division, New South Wales over the tenement.

### 3.2 Specific industry risks

(a) **Environmental**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(b) **Exploration**

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

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

(c) **Exploration costs**

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

(d) **Operations**

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests.

(e) **Tenure and access**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

The Company's tenements are subject to the applicable mining acts and regulations in New South Wales. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(f) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitted in New South Wales may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

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

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

### **3.3 General risks**

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's

exploration, development and production activities, as well as on its ability to fund those activities.

**(b) Market conditions**

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

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

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

**(c) Dividends**

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

**(d) Reliance on key personnel**

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

### **3.4 Speculative nature of investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. The Applicants should consider that an investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for Securities pursuant to this Prospectus.

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## **4. Additional information**

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

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

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

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

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

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

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

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

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

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

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

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

(d) **Winding-Up**

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

(e) **Transfer of Shares**

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

(f) **Variation of Rights**

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

(g) **Alteration of constitution**

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

## 4.2 **Terms and Conditions attaching to Listed Options**

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

(a) **Entitlement**

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

(b) **Exercise Price**



Subject to paragraph 4.2(k), the amount payable upon exercise of each Listed Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Listed Option will expire at 5.00pm (AEST) on 27 June 2019 (**Expiry Date**). A Listed Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Listed Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Quotation**

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

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

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

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

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

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

(j) **Shares issued on exercise**

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

**(k) Reconstruction of capital**

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

**(l) Participation in new issues**

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

**(m) Change in exercise price**

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

**(n) Adjustment for bonus issues**

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

(i) the number of Shares which must be issued on the exercise of a Listed Option will be increased by the number of Shares which the holder would have received if the holder of the Listed Options had exercised the Listed Option before the record date for the bonus issue; and

(ii) no change will be made to the Listed Option exercise price.

**(o) Transferability**

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

### **4.3 Company is a disclosing entity**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Securities.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from ASIC (see Section 4.4 below).

#### **4.4 Copies of documents**

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer, a copy of:

- (a) the Annual Report, being the last financial year for which an annual financial report was lodged with ASIC in relation to the Company before the issue of the Prospectus; and
- (b) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report referred to in paragraph 4.4(a) and before the date of issue of this Prospectus are as follows:

<b>Date</b>	<b>Description of Announcement</b>
10/08/2016	Annual Report to Shareholders
16/08/2016	Results of General Meeting

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company at Level 2, 66 Hunter Street, Sydney, New South Wales:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 4.13 and the consents provided by the Directors to the issue of this Prospectus.

#### **4.5 Information excluded from continuous disclosure notices**

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

#### **4.6 Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing Securities under this Prospectus.

#### **4.7 Directors' interests**

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities offered under this Prospectus; or

- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or Securities offered under this Prospectus.

## 4.8 Directors' interests in Securities

Set out in the table are details of the Directors' relevant interests in the Securities at the date of this Prospectus:

Director	Shares	Options	Performance Rights
Mr Stephen Gemell <sup>(1)</sup>	1,181,818	Nil	Nil
Mr David Busch <sup>(2)</sup>	2,681,818	Nil	2,500,000
Mr Peter Nightingale <sup>(3)</sup>	Nil	Nil	Nil
Mr Peter Michael <sup>(4)</sup>	420,000	Nil	Nil

### Notes:

- (1) Mr Gemell has the following interests:
- 1,181,818 Shares indirectly held through Davalik Pty Ltd as trustee for the <Gemell Family Superfund A/C>.
  - Mr Gemell is participating in the Placement and Offer. Following Shareholder approval of the Placement Shares and Listed Options, Mr Gemell will have an interest in a further 400,000 Shares and 800,000 Options in the Company.
- (2) Mr Busch has the following interests:
- 2,681,818 Shares indirectly held through Busch Custodians Pty Limited <Busch Super Fund A/C>.
  - 2,500,000 Performance Shares consisting of 1,500,000 Tranche 1 Performance Rights and 1,000,000 Tranche 2 Performance Rights which expire on 29 August 2016.
- Each Tranche 1 Performance Right vests into one Share upon:
- the Company receiving all necessary approvals for the commencement of the Kempfield project;
  - the Company making a public announcement to ASX of its intent to mine for the Kempfield project;
  - the Company entering into legally binding arrangements for debt funding for the Kempfield project; and
  - the Company entering into a construction contract with a principal contractor in respect of the Kempfield project,
- (together, the **Tranche 1 Milestone**).
- Each Tranche 2 Performance Right vests into one Share upon:
- the vesting conditions in respect of the Tranche 1 Performance Rights having been met; and
  - receipt by the Company of written confirmation of completion by the provider of the Kempfield project debt funding,
- (together, the **Tranche 2 Milestone**).
- Mr Busch is participating in the Placement and Offer. Following Shareholder approval of the Placement Shares and Listed Options, Mr Busch will have an interest in a further 2,100,000 Shares and 4,200,000 Options in the Company.
- (3) Mr Nightingale is participating in the Placement and Offer indirectly through Rosignol Pty Ltd <Nightingale Family A/C>. Following Shareholder approval of the Placement Shares and Listed Options, Mr Nightingale will have an interest in a further 833,333 Shares and 1,666,666 Options in the Company.
- (4) Mr Michael has the following interests:
- 420,000 Shares indirectly through Mowka Pty Ltd <Monaghan Super Fund A/C>.

- Mr Michael is participating in the Placement and Offer. Following Shareholder approval of the Placement Shares and Listed Options, Mr Michael will have an interest in a further 333,334 Shares and 666,668 Options in the Company.

#### 4.9 Directors' remuneration

The remuneration of an executive Director is decided by the Board. The total maximum remuneration of non-executive Directors is determined by the Company in general meeting, or until so determined, as the Directors resolve.

The determination of non-executive Directors' remuneration within that maximum will be made by the Board, failing which the maximum will be divided between the non-executive directors equally. The current amount has been set at an amount not to exceed \$250,000 per annum.

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

The following table shows the total annual remuneration paid to both executive and non-executive directors.

Director	2016 (Actual)	2015 (Actual)	2014 (Actual)
Mr Stephen Gemell	\$65,700	\$65,700	\$52,932
Mr David Busch	\$194,713	\$318,415	\$331,483
Mr Peter Nightingale	\$34,530	-	-
Mr Peter Michael	\$34,067	-	-

#### 4.10 Substantial Shareholders

As at the date of the Prospectus, the Company has the following substantial Shareholders:

Substantial Shareholder	Number of Shares	Voting power (%)
Oceanic Capital Pty Ltd	20,242,563	6.36
HSBC Custody Nominees (Australia) Limited	20,092,985	6.31

#### 4.11 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Securities offered under this Prospectus or property acquired or proposed to

be acquired by the Company in connection with its formation or promotion or the Securities offered under this Prospectus; or

- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Securities offered under this Prospectus.

Bellanhouse Legal will be paid fees of approximately \$10,000 (plus GST) in relation to the preparation of this Prospectus.

Computershare has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to issue of the Listed Options, and will be paid for these services on standard industry terms and conditions.

#### 4.12 Expenses of Offer

The estimated expenses of the Offer are as follows:

	\$
ASIC Lodgement fee	2,350
ASX quotation fee	24,134
Legal, preparation and printing expenses	10,000
<b>Total</b>	<u>36,484</u>

#### 4.13 Consents

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

Each of the parties referred to below:

- (a) does not make the Offer;
- (b) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus; and
- (c) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

Bellanhouse Legal has given, and has not withdrawn prior to the lodgement of the Prospectus with ASIC, its written consent to being named in this Prospectus as solicitors to the Company in the form and context in which it is named.

Computershare has given, and has not withdrawn and has not withdrawn prior to the lodgement of the Prospectus with ASIC, its written consent to be named as the Company's share registry in the form and context in which it is named. Computershare has had no involvement in the preparation of any part of this Prospectus other than being named as the share registry of the Company.

Only to the maximum extent permitted by law, each of the persons referred to above expressly disclaims and takes no responsibility for any part of this Prospectus other than the references to their name.

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## 5. Directors' Statement and Consent

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

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



David Busch  
**Managing Director**

Dated: 17 August 2016

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## 6. Glossary of Terms

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

**\$** means Australian dollars.

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

**Annual Report** means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2016 and includes the corporate directory, chairman's report, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 30 June 2016, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2016.

**Applicant** means a Participant.

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

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

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

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

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

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

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

**Closing Date** has the meaning given in Section 1.3.

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

**Computershare** means Computershare Investor Services Pty Limited ACN 078 279 277.

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

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

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

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



**Listed Option** means an Option having the terms and conditions detailed in Section 4.2.

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

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

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

**Option** means an option to acquire a Share.

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

**Performance Rights** means the performance rights held by David Busch described in Section 4.8.

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

**Prospectus** means this prospectus with the date in Section 5.

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

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

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

**Shareholder** means a holder of Shares.

**Tranche 1 Milestone** has the meaning given in Section 4.8.

**Tranche 2 Milestone** has the meaning given in Section 4.8.

**Tranche 1 Performance Rights** means 1,500,000 Performance Rights granted to Mr David Busch by which the Tranche 1 Milestone must be satisfied before 29 August 2016.

**Tranche 2 Performance Rights** means 1,000,000 Performance Rights issued to Mr David Busch by which the Tranche 2 Milestone must be satisfied before 29 August 2016.