

ARGENT SECURES STRATEGIC STAKE IN MT. READ EQUIVALENT BELT

Argent at a glance

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

Facts

■ ASX Code:	ARD, ARDO
■ Share price (17 February 2017):	\$0.037
■ Shares on issue:	360.7 M
■ Market capitalisation:	\$13.35 M

Directors and Officers

Stephen Gemell
Non-Executive Chairman

David Busch
Managing Director

Peter Nightingale
Non-Executive Director

Peter Michael
Non-Executive Director

Vinod Manikandan
Company Secretary

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Highlights:

- Argent has entered into a Joint Venture Agreement, and has been appointed as Manager, to earn up to 90% of the Loch Lilly project on low risk/high reward JV terms.
- The Loch Lilly project comprises exploration licences EL8199 and EL8200, and exploration licence applications ELA5376 and ELA5377, over 1,447 km² of the Loch Lilly - Kars Belt in western NSW approximately 80 kilometres south of Broken Hill.
- Argent to drill-test two identified geophysical targets, Eaglehawk and Netley, each with a 500 metre diamond drill hole.
- Up to \$150,000 of drilling costs co-funded by the NSW Government Cooperative Drilling fund.
- Loch Lilly drill program scheduled to follow the West Wyalong drilling program in late May 2017, subject to access agreements, regulatory approvals and weather.

Argent Minerals Limited (ASX: ARD, Argent, or the Company) is pleased to report that it has entered into a joint venture agreement to earn up to a 90% interest in the Loch Lilly project, with exploration licences and applications covering a significant area of the Loch Lilly - Kars Belt of over 1,400 km².

The Loch Lilly - Kars Belt, located in western NSW approximately 80 kilometres south of Broken Hill, hosts a polymetallic volcanic-hosted massive sulphide VHMS, copper-gold porphyry and nickel sulphide mineralisation potential analogous to the Mount Read Volcanics of Western Tasmania.



Argent will earn its first 51% interest in the Loch Lilly Joint Venture by completing a drill program to test two compelling geophysical targets – Eaglehawk and Netley. One hole will be drilled to test each target to a depth of 500 metres.

The direct per-metre drilling costs of the drilling program will be 75% co-funded by the NSW Government up to \$150,000. The highly contested Government funding was awarded to the project based on merit as assessed by an independent expert advisory panel.

The drill program is scheduled to commence in approximately late May 2017, subject to access agreements, regulatory approvals and weather.

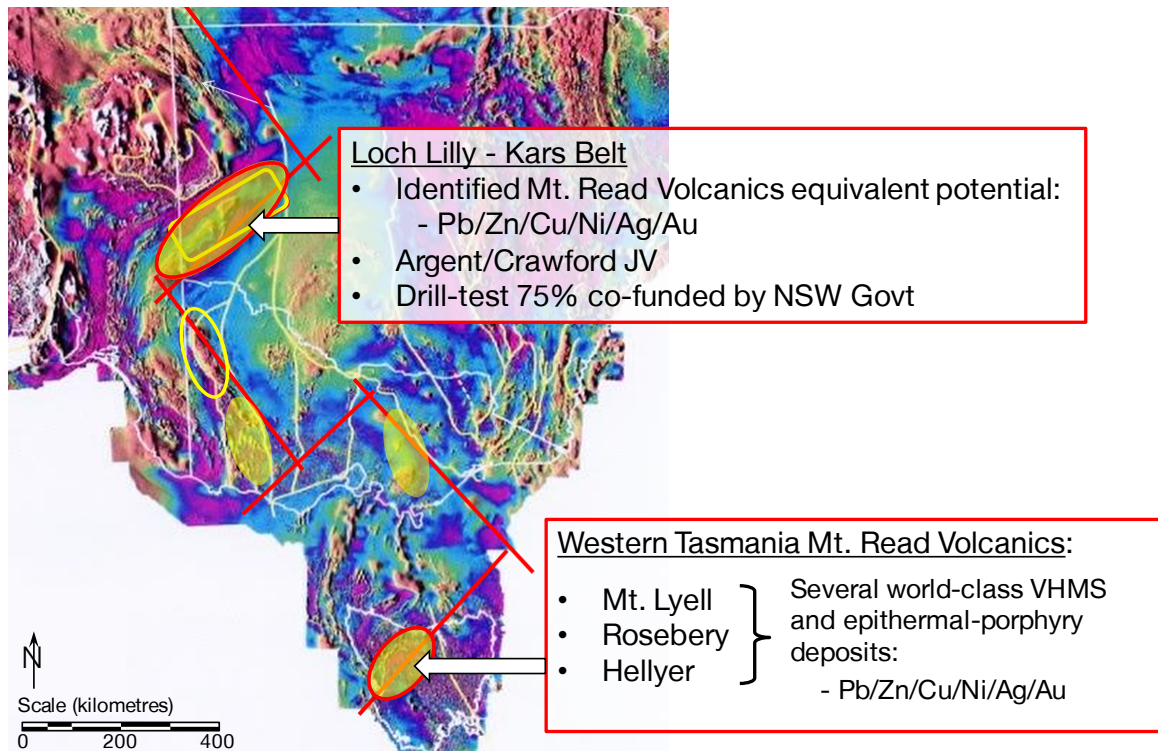
About the Loch Lilly - Kars belt and equivalent Mt. Read volcanics potential

The Loch Lilly - Kars Belt is a NE-SW belt of Late Neoproterozoic and Cambrian rocks measuring 200 by 30 kilometres in area in western NSW located approximately 80 kilometres south of Broken Hill. The belt occurs along the southern margin of the Palaeoproterozoic Broken Hill Block and forms part of the ~600Ma breakup margin of Gondwana that is represented by volcanic rocks that extend from Antarctica, through western Tasmania and western NSW to Charters Towers in Queensland.

The project area is covered by exploration licences EL8199 and EL8200, and exploration licence applications ELA5376 and ELA5377, the combined 1,447 km² area of which covers the majority of the belt.

Research undertaken by Argent’s joint venture partner, Dr. Anthony J. Crawford, has indicated that this belt, which extends from western Tasmania, through western Victoria, and easternmost South Australia before swinging northeast and into western NSW, includes rocks equivalent to western Tasmania’s Mt. Read Volcanics, with potentially major discovery implications for the Loch Lilly - Kars Belt in NSW. Over a strike distance of just 80km, the Mt. Read Volcanics hosts several world-class base and precious metal deposits, including Mt. Lyell, Rosebery and Hellyer, and numerous medium-sized deposits, including the Que River and Hercules VHMS Cu-Pb-Zn deposit and the Henty gold deposit.

Figure 1 – Plan view illustrating the Loch Lilly - Kars Belt location and extension of the Mt. Read Volcanic Belt into NSW over a total magnetic intensity (TMI) background image.

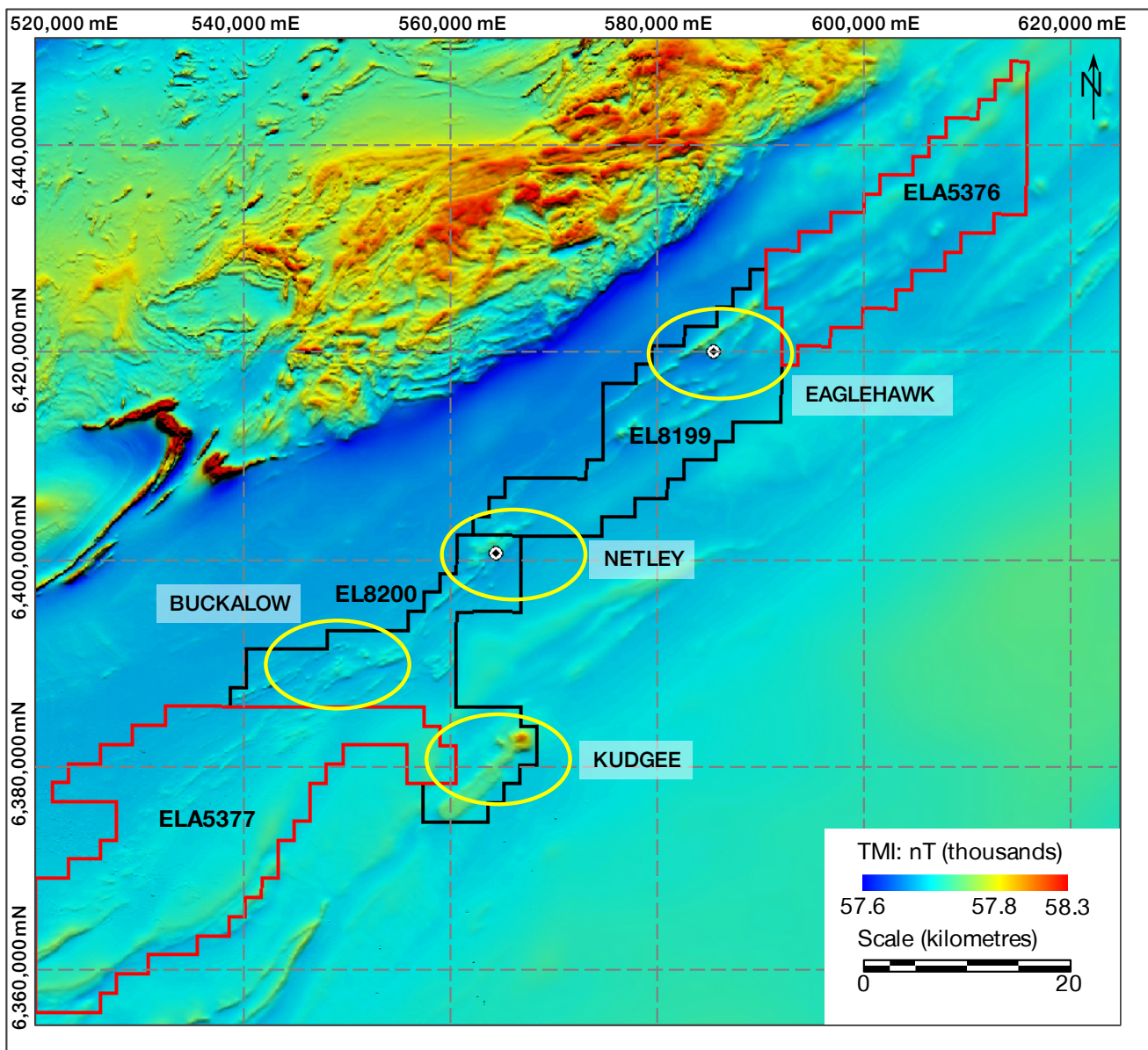


About Argent’s participation in the project as JV partner and manager

Under the terms of the Joint Venture Agreement (JVA), Argent has been appointed as the Manager/Operator and is the sole contributor during the earning period during which time Argent has the right to earn a 51% interest, then 70% and 90%, in the Loch Lilly project. The joint venture continues until Argent either earns 90% or withdraws from the joint venture.

Figure 2 illustrates the project area and tenements against a magnetic image background, with the key identified targets highlighted by yellow ellipses.

Figure 2 – Plan view illustrating the Loch Lilly - Kars Belt over a total magnetic intensity (TMI) background, with the project tenements in the foreground and key identified targets highlighted with red ellipses, and drill-test collars indicated at Eaglehawk and Netley.





The key terms of the Loch Lilly JVA are as follows:

- **51% interest** – will be earned by Argent drill-testing the Eaglehawk and Netley targets by 22 December 2017 – the direct drilling costs of which are 75% co-funded by the NSW Government to a maximum of \$150,000 under the terms of the NSW Government Cooperative Drilling program;
- **70% interest** – will be earned by Argent investing a further \$200,000 in exploration expenditure of the project area, plus a payment of \$50,000. There is no time limit by which the expenditure is to be completed, other than that implied by the regulatory expenditure requirements;
- **90% interest** – will be earned by Argent investing a further \$250,000 in exploration expenditure of the project area, plus a further payment of \$50,000. There is no time limit by which the expenditure is to be completed, other than that implied by the regulatory expenditure requirements;
- **JV Structure following the Earning Period** – Argent to continue as sole contributor to the project until a decision to mine; and
- **Withdrawal** – Either party may withdraw from the JVA on the provision of 30 days' notice. In the event that Argent withdraws after it has earned a 51% interest but no further interest, its interest will revert to 49%. In any case if Argent withdraws more than three months into the relevant tenement regulatory annual licence period, it must pay the other party sufficient cash to fund the minimum regulatory expenditure for the remainder of that annual period.

For further information please contact:

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