

MARCH 2019 QUARTER ACTIVITIES AND CASH FLOW REPORT

Highlights:

- Maiden drilling programme commenced at Pine Ridge – first drilling in 20 years.
- Six holes (800 metres) testing depth and strike extensions of historical high-grade mineralisation.
- Historical intersections include **21 m @ 5.6 g/t Au from 50 m including 1 m @ 62.9 g/t Au from 59 m (PR010)**.
- Regulatory approval for Kempfield drilling programme granted – seven holes will be gold-focussed.
- Seven diamond holes will test the gold-copper footwall domain and the potential feeder zone, including the recently confirmed historic Kempfield Copper Mine.
- Non-core tenements under review for divestment as Argent pursues gold-focussed strategy.
- Cash \$833,678 as at 31 March 2019.
- Private placement completed 30 April 2019, raising \$641,218 before costs.

Argent Minerals Limited (ASX: ARD, Argent, or the Company) is pleased to report its activities and cash flow for the quarter ended 31 March 2019.

ABOUT THE PINE RIDGE GOLD MINE DRILLING PROGRAMME

Significant milestone – first drilling 20 years

On 12 April 2019 Argent announced the commencement of its maiden drilling programme at the historic Pine Ridge Gold Mine.

Pine Ridge is located on a major structure that also hosts the Company's polymetallic Kempfield project and historic high grade gold Trunkey Creek project – both located approximately 19 km to the north, and further to the north, \$2.4 billion market-capitalised Regis Resources' 2.3 Moz McPhyllamys project.

After originally acquiring the Pine Ridge Gold Mine tenement on cost-effective terms, Argent worked with the regulatory authorities over time to resolve the various issues that had effectively prevented any drilling from being conducted since the last programme in 1998. The last of these issues were successfully resolved by Argent during the March 2019 quarter, allowing the drilling programme to commence.

Potential depth and strike extensions

Six diamond holes planned for up to 800 metres will initially evaluate the Pine Ridge gold mine.

The purpose of this initial drilling is to test potential depth and strike extensions to the high-grade mineralisation identified by historical drilling (24 October 2016 High Grade Au Identified in Trunkey-Kings Plain Gold Belt). The Company has been making rapid progress on the drilling programme.



High historical intersection grades

Highlights of historical high-grade gold intersections reported by Argent for the Pine Ridge Gold Mine include:

- 21 m @ 5.6 g/t Au from 50 m (PR010)
incl. 1.0 m @ 62.9 g/t Au from 59 m;
- 10 m @ 4.1 g/t Au from 51 m (PR009)
incl. 1.0 m @ 20.6 g/t Au from 52 m;
- 10 m @ 3.7 g/t Au from 71 m (PR012)
incl. 1.0 m @ 11.2 g/t Au from 76 m;
- 18 m @ 2.4 g/t Au from 68 m (PR023)
incl. 1.0 m @ 5.3 g/t Au from 77 m.

KEMPFIELD GOLD DRILLING PROGRAMME – APPROVAL GRANTED

On 21 January 2019 the Company announced that it had received the regulator's approval for a high impact drilling programme for the Kempfield project.

Out of the 37 new holes approved by NSW Planning & Environment, Resources & Geoscience, Argent is currently planning to complete an initial programme of 7 holes (1,200 m) in two main areas of the higher-grade western portion of the Kempfield deposit. The holes are prioritised as:

■ Gold-Copper footwall domain

Three diamond holes (approximately 800 metres) are planned to test the gold-copper footwall domain (6 June 2018 – Significant Kempfield Exploration Target Revision) in the southwest area of the deposit where historical drilling yielded several high grade gold intersections in an approximately north-south trend including hole AKDD197, which yielded **10.2 m @ 1.5 g/t Au from 28 m**.

Other drilling in the southwest part of the deposit has yielded numerous high-grade gold intersections, including the spectacular AKDD181 results highlights: **1 m @ 1,065 g/t Au and 143 g/t Ag from 97 m**, and **1.8 m @ 1.21% Cu, 2.99 g/t Au and 50 g/t Ag from 136.8 m**.

■ Potential feeder zone

Four diamond holes are planned to test the feeder zone area, to the west of the main Kempfield Ag-Pb-Zn deposit, to test for the gold-copper rich feeder zone, including the recently confirmed Kempfield Copper Mine where Government records reported very high historical assays ranging from **23 to 27% Cu**.

NSW LANDS DEPARTMENT – ACCESS AGREEMENT AND MINISTERIAL CONSENT

On 6 March 2019 Argent announced that it had executed a broad-reaching access agreement with the NSW Department of Industry Crown Land & Water Division (**Crown Lands**), which the Company has been pursuing since December 2017.

In addition to providing access to the Pine Ridge Gold Mine Crown Lands area for the current drilling programme, the new agreement provides access to all Crown Lands within the main Kempfield project area, as well as highly prospective surrounding areas.

CASH MANAGEMENT

Private Placement to s708 sophisticated investors

On 30 April 2019 Argent announced the completion of a private placement to sophisticated investors under section 708A of the Corporations Act 2001 (Cth), raising a total of **\$641,218** before costs (Placement).

New securities issued under the offer comprise 33,748,315 new fully paid ordinary shares at an issue price of 1.9 cents per share (Placement Shares) and 33,748,315 attaching listed ASX:ARDOA options on a 1:1 basis (Placement Options).

Each Placement Option will be exercisable at 5.0 cents at any time on or before 5 pm AEST (3pm AWST) on Friday 29 October 2021 to acquire 1 fully paid ordinary share in the Company.

Proceeds of the Placement will boost Argent's cash position as the Company advances exploration work on its top three projects:

- **Pine Ridge Gold Mine** - Completion of the 6 hole 800 metre drilling programme, and follow up work to evaluate the gold potential, including wide area geological mapping to assess extension potential;
- **Kempfield**: gold-focussed drilling programme – 7 holes (1,200 metres) to test the Cu-Au footwall and Cu-Au feeder zone potential identified by the Company to the west of the known deposit;
- **West Wyalong** – follow up of previous gold-copper exploration work; and working capital.

AusIndustry R&D claim findings - independent review

On 8 January 2019 the Company announced that it would seek an independent internal review in relation to negative findings issued by AusIndustry for the Company's 2015/16 and 2016/17 financial years (R&D Claims), for which the Company may ultimately be required to repay up to \$1,402,997 plus penalties and interest. The independent internal review is in process.

The law provides the Company with full rights to a multi-stage review and dispute resolution process, including the right to seek an independent internal review by another state branch of AusIndustry (Independent Review), together with rights of appeal to both the Administrative Appeals Tribunal and thereafter the Federal Court.

The Company remains of the view that the R&D claims were made in compliance with the applicable legislation and is pursuing its rights under the law commencing with an Independent Review as provided for under Division 5 of the IR&D Act.

Argent has engaged the services of a leading accountancy and advisory firm to assist with the AusIndustry review process, the same firm that has been advising the Company and assisting with its preparation of R&D Tax Incentive claims since December 2013.

Value-add focus and non-core project divestment

Meanwhile the board and management of Argent intend to focus the Company's efforts on generating significant additional value through the high-grade gold-focused exploration strategy.

The Company is in the process of reviewing its other projects to identify non-core projects for divestment. This will allow the Company to focus its available resources on prioritised exploration targets.

Cash position

Argent's cash position as at 31 March 2018 was **\$ 833,678** (prior to the Placement capital raising of **\$641,218** before costs).

Appendix 5B is attached to this announcement.

For further information please contact:

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Chief Executive Officer

Argent Minerals Limited

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APPENDIX A - TENEMENTS

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

Table 1 – Mining Tenement¹ Interest Activities for the Quarter Ended 31 March 2019

Tenement Identifier	Location	Interest Acquired During Quarter	Interest Divested During Quarter	Interest Held at End of Quarter
Kempfield				
EL5645 (1992)	NSW	-	-	100% ²
EL5748 (1992)	NSW	-	-	100% ²
EL7134 (1992)	NSW	-	-	100% ²
EL7785 (1992)	NSW	-	-	100% ²
EL7968 (1992)	NSW	-	-	100% ²
EL8213 (1992)	NSW	-	-	100% ²
PLL517 (1924)	NSW	-	-	100% ²
PLL519 (1924)	NSW	-	-	100% ²
PLL727 (1924)	NSW	-	-	100% ²
PLL728 (1924)	NSW	-	-	100% ²
West Wyalong				
EL8430 (1992)	NSW	-	-	78.20% ³
Loch Lilly				
EL8199 (1992)	NSW	-	-	51% ⁴
EL8200 (1992)	NSW	-	-	51% ⁴
EL8515 (1992)	NSW	-	-	51% ⁴
EL8516 (1992)	NSW	-	-	51% ⁴
Queensberry				
EL9/2016	TAS	-	-	100%
Ringville				
EI12/2017	TAS	-	-	100%
Sunny Corner				
EL5964 (1992)	NSW	-	-	70% ⁵

Notes

- The definition of "Mining Tenement" in ASX Listing Rule 19.12 is "Any right to explore or extract minerals in a given place".
- For all Kempfield tenements the tenement holder is Argent (Kempfield) Pty Ltd, a wholly owned subsidiary of Argent.
- Under the West Wyalong Joint Venture and Farmin Agreement dated 8 June 2007 between Golden Cross Operations Pty Ltd and Argent as tenement holder (WWJVA), Argent has earned a 70% interest. The ongoing interests of the parties includes WWJVA expenditure contribution and dilution provisions commencing on a 70/30 basis.
- The tenement holder for EL8199 and EL8200 is San Antonio Exploration Pty Ltd (SAE), and for EL8515 and EL8516 it is Loch Lilly Pty Ltd (LLP), a 100% owned subsidiary of Argent Minerals Limited. Under the Loch Lilly Farmin and Joint Venture Agreement (JVA) dated 12 February 2017 (effective date 17 February 2017), the respective ownership of all the tenements by the JVA Parties (SAE and LLP) is according to their respective JVA Interests. LLP has the right to earn up to a 90% interest, with the first 51% interest earned by completing the drill test for the Eaglehawk and Netley targets. For further details on Farmin terms and conditions see ASX announcement 20 February 2017 – Argent secures strategic stake in Mt. Read equivalent belt.
- The tenement holder is Golden Cross Operations Pty Ltd.

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> :

- 22 December 2015 Significant Kempfield intersections including Cu and Au¹
- 29 December 2015 Significant Kempfield intersections – Summary Table¹
- 24 October 2016 High Grade Au Identified in Trunkey-Kings Plain Gold Belt¹
- 8 November 2017 Kempfield Exploration Target^{1,2}
- 6 June 2018 Significant Kempfield Exploration Target Update^{1,2}
- 28 November 2018 AGM Presentation to Investors
- 21 January 2019 Argent Gold Strategy Exploration Update¹
- 6 March 2019 Pine Ridge Gold Mine Drilling – All Access Agreements Signed
- 12 March 2019 Ministerial Consent – Pine Ridge Gold Mine Drilling
- 19 March 2019 Drilling Programme Approved – Pine Ridge Gold Mine
- 3 April 2019 Maiden Drilling Programme Commenced at Pine Ridge Gold Mine
- 12 April 2019 Maiden Drilling Underway – Pine Ridge Gold Mine

Competent Person:

1. Clifton Todd McGilvray
2. Arnold van der Heyden

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

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

ARGENT MINERALS LIMITED	
ABN	Quarter ended ("current quarter")
89 124 780 276	31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(207)	(645)
(b) development	-	-
(c) production	-	-
(d) staff costs	(44)	(112)
(e) administration and corporate costs	(138)	(638)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	12
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refund	-	-
1.8 Other – NSW co-operative drilling grant	-	-
1.9 Net cash from / (used in) operating activities	(385)	(1,383)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(8)	(8)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other – Security deposits	-	(10)
2.6 Net cash from / (used in) investing activities	(8)	(18)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	627
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(42)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	585

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,226	1,649
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(385)	(1,383)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(8)	(18)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	585
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	833	833

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	28	54
5.2 Call deposits	805	1,172
5.3 Bank overdrafts	-	-
5.4 Other – Advance monies received from Placement.	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	833	1,226

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

40

-

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

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

6

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

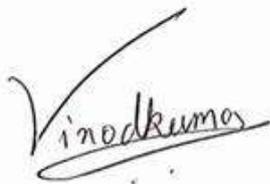
8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description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

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	350
9.2 Development	-
9.3 Production	-
9.4 Staff costs	34
9.5 Administration and corporate costs	116
9.6 Other	-
9.7 Total estimated cash outflows	500

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

Compliance statement

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



Sign here:
Company secretary

Date: 30 April 2019.

Print name: Vinod Manikandan

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.