ARGENT MINERALS LIMITED

A.B.N. 89 124 780 276

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

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CHAIRMAN'S LETTER

Dear Shareholders,

On behalf of the Board, I am pleased to present this report for the 2018/19 financial year (FY2019).

During FY2019, the Company refocused its efforts on its top three precious metal projects, as investors responded with renewed enthusiasm to the price of gold awakening from several years of range-constrained trading, and more recently, silver as it emerged from the shadows into the spotlight.

The year commenced with the announcement of the results of the Company's application of modern exploration tools and fresh analytical thinking to the Pine Ridge Gold Mine located a short distance to the south of Argent's flagship Kempfield project.

The modern techniques applied by our able staff have shed new light on this deposit, which is prized for its high grade gold. This work revealed potential that extends way beyond an outlook limited to quartz vein-associated gold - over a much larger area than considered historically.

During the year, the Company's patient and persistent work with the various regulatory authorities and land holders was rewarded with a completion of the granting of the necessary approvals and access required to conduct the first drilling at the Pine Ridge project in 20 years. In addition to validating the historical high grade intersections at Pine Ridge, the drilling results also confirmed depth extensions and 6 kilometres of along-strike potential, further elevating its strategic importance in the Company's asset portfolio.

Meanwhile Argent continued to advance the Kempfield project, fueled by the significant breakthroughs it achieved in the previous year with 3D modeling and metallurgy. These breakthroughs opened up a new development scenario for Kempfield as a large-scale opportunity in a NSW mining growth neighbourhood - providing significant leverage to silver and gold, as reflected by the Annual Mineral Resources and Ore Reserves Statement in this report.

During FY2019, the Company designed a drilling programme comprising 37 new holes, for which Government approvals were sought and granted. We look forward to drilling the first stage of this programme, which is focused on the identified copper-gold footwall and feeder zone potential to the west of the known deposit.

The Company also conducted a gravity survey over an area of more than 22 square kilometres at its 78%-owned West Wyalong project that is strategically located in a highly productive gold producer neighbourhood featuring Evolution Mining's 6 million ounce Cowal Mine 45 kilometres to the north. Analysis of the combined data resulted in the generation of 6 high priority targets that the Company is also looking forward to commencing this drilling programme.

Our gratitude goes to the Argent employees and contractors, whose enthusiastic efforts have made this all happen, with special thanks to CEO David Busch whose leadership over more than 7 years has developed Argent to the company that it is today, positioned for growth in what we believe to be a very bright future ahead. We wish David all the best as he moves on in December 2019 to pursue his next venture.

We also thank our shareholders for their ongoing support of the Argent Board and management team.

We look forward to the 2020 financial year, as we continue to pursue the development of Argent to its full potential as a successful leading mineral resources company.

Yours Sincerely,

Peter Wall

Chairman

2019 HIGHLIGHTS

KEMPFIELD - GOLD TARGETS IDENTIFIED FOR DRILLING

- **High grade gold-focussed strategy**
  - Complements major metallurgical breakthroughs achieved for the primary material.
  - Advances Kempfield toward production in proven large-scale mining region.
  - Potential early revenue from small-scale gold production.
- **Gold-drilling programme – Government approval granted for 37 holes**
- **Initial 7 diamond holes designed to prioritise:**
  - *Gold-copper footwall domain* where historical drilling yielded several high grade gold intersections including **10.2 m @ 1.5 g/t Au from 28 m** (AKDD197), in the southwest region of the deposit where other drilling 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* including historic Kempfield Copper Mine where Government records reported very high historical assays ranging from **23 to 27% Cu**.

PINE RIDGE GOLD MINE – INITIAL DRILLING PROGRAMME INTERSECTS HIGH GRADE GOLD

- Milestone hole with **visual gold** intersected **19 m @ 3.2 g/t Au** from 98.4 m including **0.6 m @ 4.4 g/t Au** from 98.4 m, **1 m @ 4.0 g/t Au** from 101 m and **1 m @ 40.7 g/t Au** from 106 m (APDD031).
- **Geological similarities to the economic McPhillamys 2.3 Moz deposit located north on the same structure.**
- **Prospect enhanced through the first drilling to be conducted in 20 years**
  - 40 metre increase in the depth of gold mineralisation.
  - Geology consistent with identified 6 km along-strike potential.
- **Accuracy of historical high-grade results confirmed**
- **Successful milestone in Argent's economic gold-focussed strategy**

WEST WYALONG – COMPELLING DRILL TARGETS IDENTIFIED IN HIGHLY PRODUCTIVE GOLD AREA

- **Large gravity survey completed over large area within significant economic producer district**
  - Geological neighbours include Newcrest Cadia (+36 Moz Au) and Lake Cowal Mine (+6 Moz Au)
- **New 3D model generated for analysis of combined historical results**
  - Incorporates all data obtained by Argent – including geophysical, mineralogical and lithogeochemical data.
  - Sophisticated analysis conducted.
- **6 new targets generated for priority drilling**

EXPLORATION – KEMPFIELD AND PINE RIDGE (100% ARGENT)

GOLD-FOCUSSED STRATEGY TO ADVANCE TOWARD PRODUCTION

At the Company's AGM presentation to investors on 28 November 2018 Argent issued its strategy to focus on high-grade gold exploration within and to the immediate south of the Kempfield multi-metallic project.

The announcement followed several key developments during the year that enabled Argent to pursue this strategy, and in the opinion of the board and management, is also well-timed to take advantage of any renewed interest in the global precious metals markets, while the Company aggressively pursues the path to production revenue.

The gold-focused exploration strategy complements key achievements during 2018. Significant breakthroughs in metallurgy have enabled a major revision to the Company's JORC-compliant Resource and Exploration Target for its Kempfield project. These achievements have advanced the project in a region that has a track record of hosting some of the largest metallic mines in Australia, including Newcrest's Cadia Ridgeway gold mine.

In addition to advancing Kempfield toward production, Argent's new high-grade gold-focused strategy provides potential for early revenue from small scale gold production.

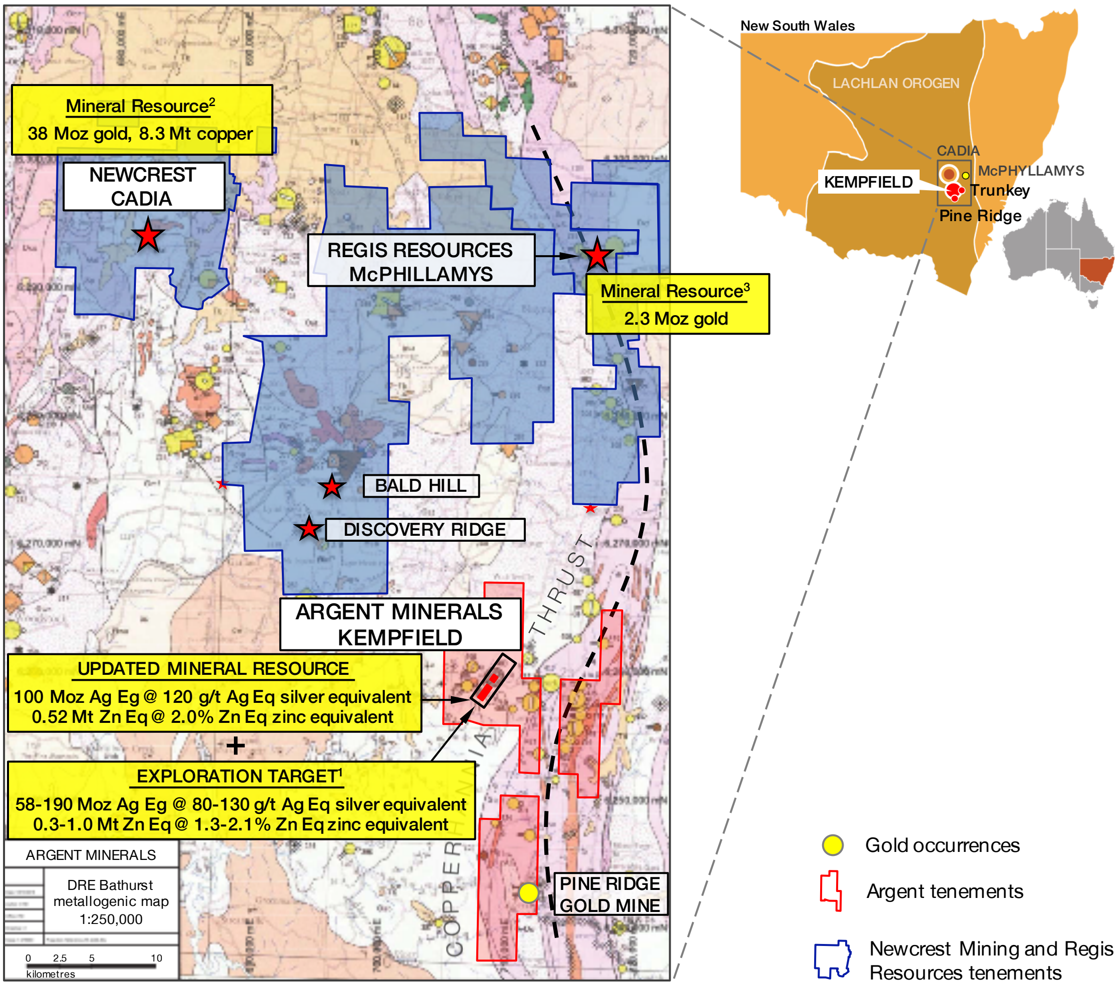

Figure 1 – New potential development scale for Kempfield project in large-scale mining growth neighbourhood

Notes:

1. An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate an additional Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

2. Newcrest Mining Limited Mineral Resources and Ore Reserves Statement ASX:NCM 14 February 2019 3. Regis Resources Limited Mineral Resources and Ore Reserves Statement ASX:NCM 19 July 2019 3. All mineral resources are illustrated as in-situ-contained metals.

KEMPFIELD GOLD DRILLING PROGRAMME – APPROVAL GRANTED

During the year Argent prepared a drilling programme for Kempfield, and submitted this to the relevant authorities for approval. On 21 January 2019 the Company announced that it had received the regulator's approval to drill.

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) have been designed 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 have been designed 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**.

PINE RIDGE – FIRST DRILLING IN 20 YEARS INTERSECTS HIGH GRADE GOLD

High-grade historical drilling results accuracy confirmed

On 5 June 2019 Argent announced the drilling results for the Pine Ridge drilling programme – the first drilling to be conducted in 20 years on the Pine Ridge exploration licence area.

The drilling results confirm the accuracy of high-grade historical intersections sufficient for JORC 2012 reporting and resource estimation purposes, to which the maiden drilling intersections will be added, including the following for diamond hole APDD031:

- **19 m @ 3.2 g/t Au from 98.4 m**

  incl. 0.6 m @ 4.4 g/t Au from 98.4 m

  and 1 m @ 4.0 g/t Au from 101 m

  and 1 m @ 40.7 g/t Au from 106

Similarities to nearby 2.3 Moz McPhillamys deposit

The diamond drilling results from Pine Ridge confirm that the gold deposit has strong similarities to the economic 2.29 Moz McPhillamys gold deposit situated 50 kilometres to the north, where a 2.02 Moz Ore Reserve has been reported by $2.6 billion market-capitalised Regis Resources Ltd (ASX:RRL).

The drilling confirmed the Company's 16 October 2018 analysis that the gold mineralisation is hosted by mafic volcanics, and is distributed over a much wider area. This is in contrast with the historic view limited to quartz vein-associated gold, and substantially expands the exploration search area.

Figure 2 - Visible free gold observed (magnified) at 117.3 metres in hole APDD031 within an intensely silica-altered basalt.

Broad intercepts of gold mineralisation were discovered by this drilling programme, and high-grade intersections associated in quartz vein may relate to a peripheral positioning of the veins where these higher grades correlate with a stronger rock strength and a weaker fluid pressure.

Historical high-grade gold intersections reported previously by Argent at Pine Ridge 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.

Exploration upside

The potential commonalities between Pine Ridge the McPhillamys deposit allows for some key criteria to be applied to mineral exploration at Pine Ridge. Argent has identified an initial 40 metre depth extension consistent with the known mineralisation, which appears to plunge toward the north.

The Company also confirmed that the intersected geology is consistent with the early identified 6-kilometre potential along strike – one kilometre to the south and five kilometres to the north.

New gold strategy milestone

The initial Pine Ridge drilling programme results mark an important milestone as Argent works towards enhancing the economics of its assets.

Having successfully produced separate commercial grade concentrates for the Kempfield volcanic-hosted massive sulphide (VHMS) project, the Company announced that it will pursue satellite gold deposits within the well-endowed Trunkey Creek – Kings Plains gold belt for processing at a central Kempfield location.

Successful implementation of this gold-focussed strategy will allow profitable mining of the lower grade shallow oxide material at Kempfield, and unlock the value of the primary silver, zinc, lead and gold.

The Company also notes the potential for further Pine Ridge exploration to result in a standalone economic deposit, as other nearby major gold producers also actively search for potential additional feedstock for their infrastructure investments.

Figure 3 – Pine Ridge drilling April 2019

EXPLORATION – WEST WYALONG (ARGENT 78%)

NEW COMPELLING DRILL TARGETS IDENTIFIED

Strategic location in highly productive gold-hosting geology

Argent's majority-owned West Wyalong porphyry copper-gold-molybdenum project is strategically located within an actively producing region in central NSW that includes economic deposits such as Newcrest's Cadia-Ridgeway porphyry project (38 Moz in-situ gold resource[1]) and the Lake Cowal gold mine (7.4 Moz in-situ gold resource[2]). The mineral zoning of these alkalic to calc-alkalic porphyries have been extensively documented with a significant amount of predictive geological detail for exploration at West Wyalong.

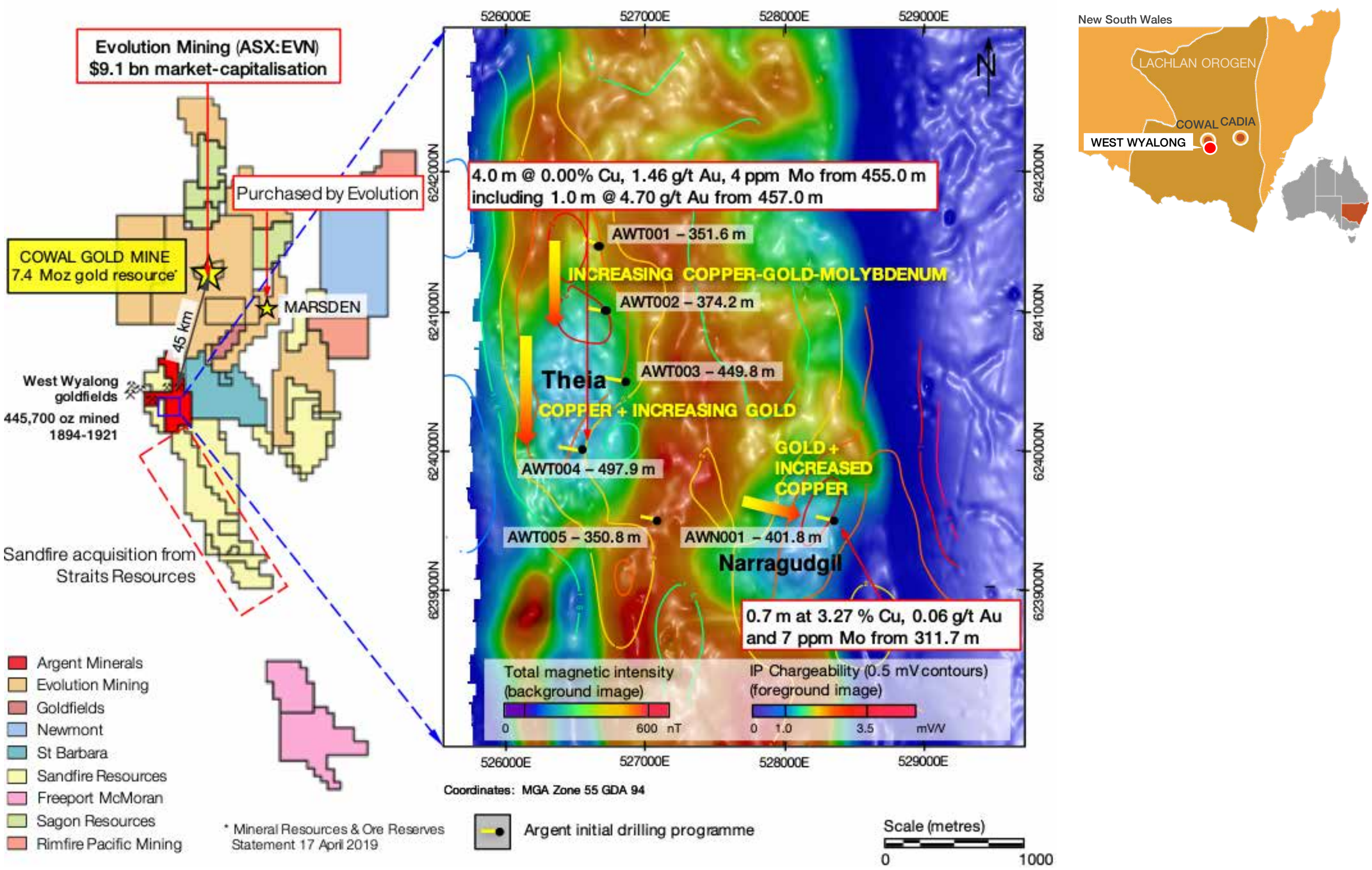

Figure 4 – Location illustration - West Wyalong project

6 new drill targets

During the year the Company completed a gravity survey at West Wyalong.

Gravity low or high features may be typically associated with have specific magnetic responses as a result of mineral association. The gravity survey allowed previously identified magnetic responses to be further refined for enhanced targeting efficiency.

The survey comprised 2,200 new stations on a 100 metre spaced grid and measured the precision gravity signature over an area of 9.0 km x 2.5 km. The data produced was combined with high resolution airborne magnetic data and IP data to produce high resolution 3D inversion models.

On 26 August 2019 Argent announced the results of the gravity survey, which generated six new drill target areas for priority drilling.

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[1] Newcrest Mining Limited Mineral Resources and Ore Reserves Statement ASX announcement 14 February 2019

[2] Evolution Mining Limited Resources and Ore Reserves Statement ASX announcement 17 April 2019

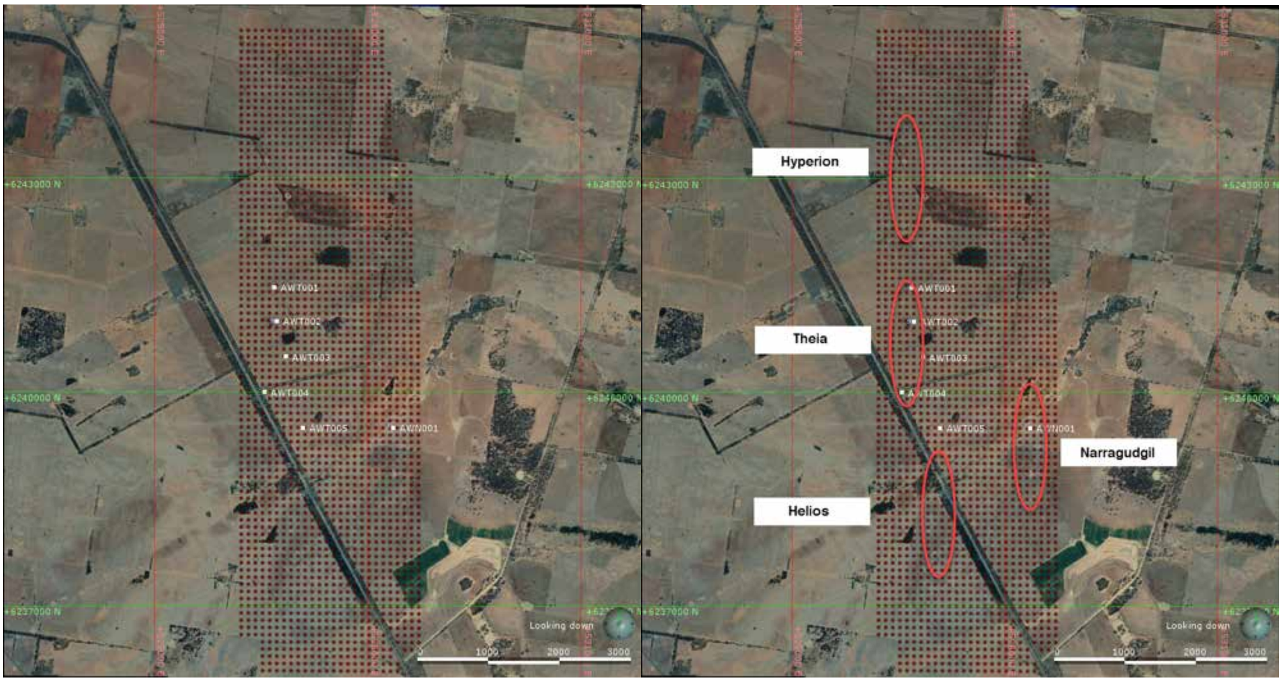

Figure 5 – Satellite image showing surveyed and modelled area (left) and existing areas of interest, Theia and Narragudgil, with newly identified areas of interest Hyperion and Helios (right).

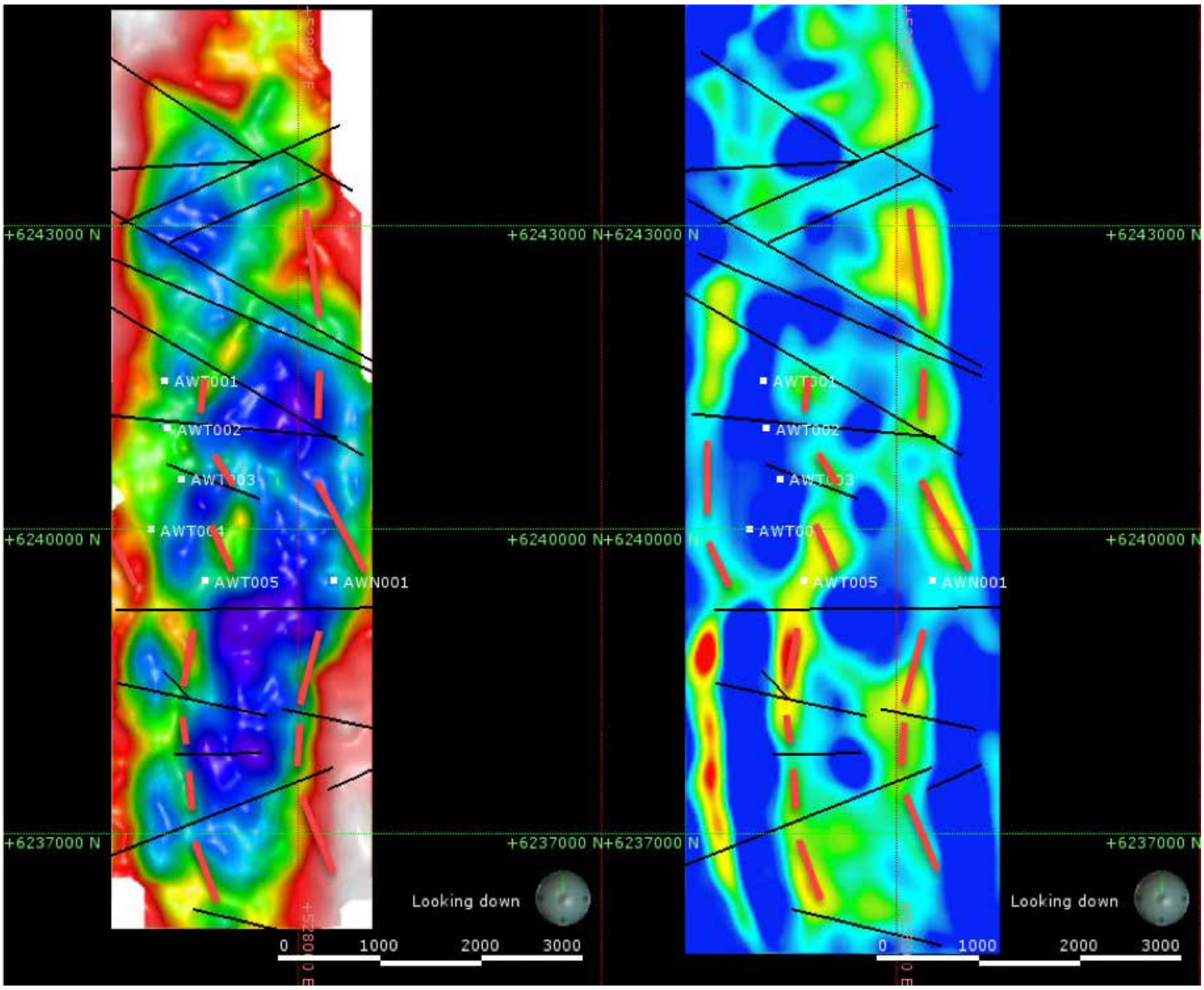

Figure 6: Total Bouguer (TB) Gravity image (left) and Total Magnetic Intensity (TMI) image (right) with interpreted fault lines (black) and TMI trend lines (red)

CORPORATE

R&D CLAIM REVIEW

On 8 January 2019 Argent announced that it had received advice from AusIndustry concerning its negative findings in its review of the research and development claims made by the Company for the 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 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.

On 15 May 2019 announced that AusIndustry is currently conducting an Independent Review of its earlier findings in relation to Argent's R&D Claims (**R&D Claim Review**).

Amended Australian Taxation Office assessment

At the request of the ATO, and to avail a reduction in the administrative penalties and interest charges that would normally apply, Argent self-amended its income tax returns for FY2015/16 and FY2016/17.

The amended assessment was that the Company owed $709,249 for FY16 payable on or before 7 June 2019, and $693,748 for FY17 payable on or before 28 May 2019 (**Effective Dates**). The total of $1,402,997 is less than the provision made in the Company's Interim Financial Report released to the ASX on 7 March 2019 and is in line with previous Argent market guidance in relation to this matter.

Interim Review Arrangement agreed with the Australian Taxation Office

On 14 May 2019 the Australian Taxation Office (**ATO**) agreed to a proposal submitted by Argent whereby the Company, as a sign of good faith, makes nominal $5,000 monthly payments for an interim period until AusIndustry has completed its review process and issued its Determination (**Review Arrangement**).

The monthly Review Arrangement payments will be made toward the Company's potential tax liability, commencing on 22 May 2019 an continuing until 22 October 2019. A single interest only balloon payment is also required by the ATO on 22 November 2019 as a General Interest Charge for interest incurred from the Effective Dates, estimated to be approximately $60,000. The ATO has explained that this was necessary in order for the Review Arrangement to be approved, but if this is a problem for the Company at that time, then after the last monthly payment on 22 October 2019 the Company should make contact with the ATO with a view to negotiating a revised arrangement.

In the event that AusIndustry reverses/modifies its findings as a result of its R&D Claim Review, the income tax returns for FY2016 and FY2017 will be amended accordingly under the Income Tax Assessment Act.

The Company remains of the view that the R&D claims were made in compliance with the applicable legislation and intends to pursue its rights under the law commencing with an Independent Review as provided for under Division 5 of the IR&D Act - which AusIndustry has invited Argent to request within 28 days.

Federal Court finding in favour of Moreton Resources

The Company notes the key announcement made by Moreton Resources Limited on 29 July 2019 in relation to its R&D claim dispute with AusIndustry (*Moreton Resources vs. Innovation and Science Australia*) (**Announcement**).

The Announcement reports that, "*the Federal Court has considered the appeal of Moreton Resources Limited, and found in favour of the appeal by Moreton Resources Limited, and as such* ***have determined the prior decision of the Tribunal, is to be set aside*** *and the matter remitted to the Tribunal for determination according to the law*".

The Announcement concludes with comments by the Moreton Resources management, including that "*The matter is by no means resolved as yet, the findings and observations have left the board feeling vindicated in the pursuit of this matter and certainly looking forward to resolving the matter, be it an AAT hearing or through prior negotiation with AusIndustry.*"

CEO DEPARTURE

On 19 June 2019 the Company announced that as part of its focus to cut costs and improve efficiency, the board had reviewed the Company structure and after full consideration, had elected to give six months' termination notice to the Company CEO David Busch in compliance with his employment contract. Mr. Busch will be leaving the Company after more than two years in this role and five years as a board member.

On behalf of the board Chairman Peter Wall thanks David for his significant contribution in leading the development of the Company including progressing the Company's Kempfield and West Wyalong projects.

FUNDING

A total of $1,269,212 million before costs was raised during the year through an entitlement issue and a private placement.

Argent concluded the 2018/19 financial year with a cash position of approximately $725,933.

Subsequent to the year, the Company announced on 29 August 2019 that it had raised a further $1,901,350 before costs through a two tranche private placement. The first tranche provides the Company with $1,238,089 for immediate use, while the second tranche is subject to shareholder approval.

As at the date of this report the first tranche shares have been issued and the general meeting for approval of the second tranche has not yet been determined.

COMPETENT PERSON STATEMENTS

Previously Released Information

This Annual Report contains information extracted from the following reports which are available for viewing on the Company's website http://www.argentminerals.com.au :

- 27 July 2017 Copper and Gold in West Wyalong Porphyry Final Assays[i]
- 12 April 2018 Separate Commercial Grade Concentrates – Kempfield Milestone[ii]
- 30 May 2018 Significant Kempfield Resource Update[iii]
- 6 June 2018 Significant Kempfield Exploration Target Revision[iv]
- 16 October 2018 Major Event for Pine Ridge Gold Mine Acquisition[i]
- 28 November 2018 AGM Presentation to Investors
- 8 January 2019 Argent to Seek Independent Review of AusIndustry Findings
- 21 January 2019 Argent Gold Strategy Exploration Update
- 15 May 2019 R&D Claim Review and Gold Exploration Results Update
- 5 June 2019 Maiden Pine Ridge Results – Significant Intercept Recorded[i]
- 26 August 2019 Compelling West Wyalong Targets Identified[i]

Competent Person:

i. Clifton Todd McGilvray
ii. Roland Nice
iii. Arnold van der Heyden
iv. Arnold van der Heyden (Exploration Target), Clifton Todd McGilvray (Exploration Results)

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, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

CORPORATE GOVERNANCE STATEMENT

The Board is committed to maintaining the highest standards of Corporate Governance. Corporate Governance is about having a set of core values and behaviours that underpin the Company's activities and ensure transparency, fair dealing and protection of the interests of stakeholders. The Company has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2019 corporate governance statement is dated as at 4 September 2019 and reflects the corporate governance practices throughout the 2019 financial year. The 2019 corporate governance was approved by the Board on 4 September 2019. A description of the Company's current corporate governance practices is set out in the Company's corporate governance statement which can be viewed at www.argentminerals.com.au/about/corporategovernance.

DIRECTORS' REPORT

The names and particulars of the directors of the Company during the financial year and as at the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Peter Wall LLB BComm MAppFin FFin
Non-Executive Chairman
Appointed 23 April 2018.

Mr Wall is a corporate lawyer and has been a Partner at Steinepreis Paganin (Perth based corporate law firm) since July 2005. Mr Wall graduated from the University of Western Australia in 1998 with a Bachelor of Laws and Bachelor of Commerce (Finance). He has also completed a Masters of Applied Finance and Investment with FINSIA.

Mr Wall has a wide range of experience in all forms of commercial and corporate law, with a particular focus on resources (hard rock and oil/gas), technology companies, equity capital markets and mergers and acquisitions. He also has significant experience in dealing in cross border transactions.

During the past three years he has also served on the board of the following listed companies:

Company	Date of Appointment	Date of Resignation
Minbos Resources Limited	February 2014	Not Applicable
MMJ PhytoTech Limited	August 2014	Not Applicable
MyFizig Ltd	May 2015	Not Applicable
Transcendence Technologies Limited	October 2015	Not Applicable
Pursuit Minerals Limited	January 2016	Not Applicable
Sky & Space Global Ltd	October 2015	4 December 2018
Bronson Group Limited	June 2017	5 August 2019
Activistic Ltd	June 2015	February 2018
Zyber Holdings Limited	January 2015	January 2018
Ookami Limited	October 2015	January 2018

EMMANUEL CORREIA BBus, CA
Non-Executive Director and Joint Company Secretary
Appointed 6 December 2017.

Mr Emmanuel Correia has over 25 years' public company and corporate finance experience in Australia, North America and the United Kingdom and is a founding director of Peloton Capital and Peloton Advisory.

Mr Correia is an experienced public company director/officer and, prior to establishing Peloton Capital in 2011, he was a founder and major shareholder of Cardrona Capital which specialised in providing advisory services to the small/mid cap market in Australia. Cardrona was acquired by a UK backed private advisory firm seeking advisory capabilities in Australia.

Mr Correia has also held various senior positions with Deloitte and other boutique corporate finance houses. Mr Correia's key areas of expertise include IPOs, secondary capital raisings, corporate strategy, structuring, mergers and acquisitions and corporate governance.

Mr Correia is currently a non-executive director of Canyon Resources Limited. Mr Correia is also the Company Secretary of Bluglass Limited.

During the past three years he served on the board of the following listed company:

Company	Date of Appointment	Date of Resignation
Canyon Resources Limited	July 2016	Not Applicable
Orminex Limited	April 2018	August 2019

PETER MICHAEL
Non-Executive Director
Appointed 16 September 2015.

Peter has over 20 years' experience in the property sector encompassing the arrangement and execution of commercial and residential property transactions, land development, construction and joint venture operations utilising an extensive network of contacts throughout Australia.

Peter is currently the Managing Director of a private aged care business, a private property development business and privately-owned Real Estate Agency. Peter is also the Managing Director of a private investment firm, based in Subiaco, specialising in developing resource exploration companies. He is also a director of not for profit group who specialise in delivering exercise programs for people with diabetes in WA and Vanuatu.

TIM HRONSKY B.Eng (Geology) MAusIMM, MSEG
Non-Executive Director
Appointed 6 December 2017.

Mr Tim Hronsky is a geologist with 30 years of international experience in the mining and exploration industry. Tim has had a strong focus on precious metals, base metals and nickel exploration. He is highly experienced in exploration targeting and management. Previously, Tim spent 18 years with Placer Dome Inc, one of the largest gold companies in the world at that time.

Tim has extensive global consulting experience within the mining industry, providing clients with value-adding solutions. He worked in the fields of business improvement, strategic management and sustainable development demonstrating a track record in establishing new businesses and creating value in the early phases of exploration in Junior mining company development.

Tim has strong conceptual and analytical skills and has been able to integrate geological exploration and operational information to create unique technical and commercial solutions.

During the past three years he served on the board of the following listed company:

Company	Date of Appointment	Date of Resignation
St George Mining Limited	November 2009	2 January 2019

VINOD MANIKANDAN
Joint Company Secretary
Appointed 4 November 2015.

Vinod Manikandan graduated with a Bachelor of Commerce degree from Mahatma Gandhi University and also attained a Graduate Certificate of Professional Accounting from Deakin University. He has completed his post graduate studies in Applied Corporate Governance and is a member of CPA Australia. For the past three years, Vinod has provided financial reporting, accounting and company secretarial services to a range of public listed companies in Australia.

DIRECTORS INTERESTS

At the date of this report, the Directors held the following interests in Argent Minerals.

Name	Fully Paid Ordinary Shares	Options	Option Terms (Exercise Price and Term)
Peter Wall	1,333,333	666,666	$0.05 at any time up to 29 October 2021
Emmanuel Correia	666,667	333,333	$0.05 at any time up to 29 October 2021
Peter Michael	1,420,001	333,333	$0.05 at any time up to 29 October 2021
Tim Hronsky	380,000	100,000	$0.05 at any time up to 29 October 2021

There were no options over unissued ordinary shares granted as compensation to directors or executives of the Company during or since the end of the financial year.

UNISSUED SHARES UNDER OPTION

At the date of this report, unissued ordinary shares of the Company under option are:

Number of Shares	Exercise Price	Expiry Date
6,000,000	$0.03	30 September 2021
5,000,000	$0.06	30 September 2021
6,500,000	$0.10	30 September 2021
54,666,885	$0.05	29 October 2021

All options expire on the earlier of their expiry date or termination of the employee's employment provided the exercise period has been reached. In the event that the employment of the option holder is terminated, any options which have not reached their exercise period will lapse and any options which have reached their exercise period may be exercised within three months of the date of termination of employment. Any options not exercised within this three month period will lapse. The persons entitled to exercise the options do not have, by virtue of the options, the right to participate in a share issue of the Company or any other body corporate.

PRINCIPAL ACTIVITIES

The principal activity of the Group is mineral exploration in Australia.

RESULTS AND REVIEW OF OPERATIONS

The results of the consolidated entity for the financial year ended 30 June 2019 is a comprehensive loss after income tax of $3,539,654 (2018: loss of $1,712,330).

A review of operations of the consolidated entity during the year ended 30 June 2019 is provided in the 'Operations Review'.

LIKELY DEVELOPMENTS

The Group's focus over the next financial year will be on its key projects, Kempfield, West Wyalong and Loch Lilly. Further commentary on planned activities in these projects over the forthcoming year is provided in the 'Operations Review'. The Company will also assess new opportunities, especially where these have synergies with existing projects.

ENVIRONMENTAL ISSUES

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out exploration work.

DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

BOARD MEETINGS

During the financial year, 5 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
Director	**No. of Eligible Meetings to Attend**	**No. of Meetings Attended**
Peter Wall	5	5
Emmanuel Correia	5	4
Peter Michael	5	5
Tim Hronsky	5	5

REMUNERATION REPORT - AUDITED

Remuneration Policy

The remuneration policy of Argent Minerals Limited has been designed to align directors' objectives with shareholder and business objectives by providing a fixed remuneration component, which is assessed on an annual basis in line with market rates and equity related payments. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Group.

The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

- The remuneration policy and setting the terms and conditions for the executive directors and other senior staff members is developed and approved by the Board based on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice is obtained when considered necessary to confirm that executive remuneration is in line with market practice and is reasonable within Australian executive reward practices.

- Executives receive a base salary (which is based on factors such as length of service and experience) and superannuation.

- The entity is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions within the same industry. Options and performance incentives may be issued particularly as the entity moves from an exploration to a producing entity, and

Remuneration Report - Audited (continued)

key performance indicators such as profit and production and reserves growth can be used as measurements for assessing executive performance.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Executive Directors, in consultation with independent advisors, determine payments to the non-executives and review their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and is currently $250,000 per annum. Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

DETAILS OF DIRECTORS AND EXECUTIVES

The following table provides details of the members of key management personnel of the entity as at 30 June 2019.

Directors/Executives	Position Held as at 30 June 2019
Peter Wall	Non-Executive Chairman
David Busch	CEO
Emmanuel Correia	Non-Executive Director/ Joint Company Secretary
Peter Michael	Non-Executive Director
Tim Hronsky	Non-Executive Director

Executive Officer's remuneration and other terms of employment are reviewed annually by the Non-Executive Directors having regard to performance against goals set at the start of the year, relative to comparable information and independent expert advice.

Except as detailed in the Remuneration Report, no director has received or become entitled to receive, during the financial year or since the financial year end, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in the Remuneration Report, prepared in accordance with the Corporations Regulations, or the fixed salary of a full time employee of the Company.

Remuneration Report - Audited (continued)

Details of remuneration for the year ended 30 June 2019 – Audited

Details of director and senior executive remuneration and the nature and amount of each major element of the remuneration of each director of the Company, and other key management personnel of the Company are set out below:

	Salary, Fees and Leave	Superannuation $	Share Based Payments – Options $	Other Long Term	Total $	% of Remuneration as Share Payments
Directors						
Non-executive						
Peter Wall						
2019	43,800	-	-	-	43,800	-
2018	8,260	-	-	-	8,260	-
Emmanuel Correia						
2019	43,800	-	-	-	43,800	-
2018	24,865	-	-	-	24,865	-
Peter Michael						
2019	40,000	3,800	-	-	43,800	-
2018	39,999	3,800	-	-	43,799	-
Tim Hronsky						
2019	43,800	-	-	-	43,800	-
2018	24,961	-	-	-	24,961	-
Klaus Eckhof						
2019	-	-	-	-	-	-
2018	16,320	-	-	-	16,320	-
Stephen Gemel[I]						
2019	-	-	-	-	-	-
2018	28,258	-	-	-	28,258	-
Peter Nightingale						
2019	-	-	-	-	-	-
2018	21,900	-	-	-	21,900	-
CEO						
David Busch						
2019	263,596	25,655	11,753	16,843	317,847	3.69
2018	266,883	25,650	39,095	5,494	337,122	11.60

Remuneration Report - Audited (continued)

Options Granted as Compensation – Audited

Details of options granted as compensation to each key management person:

Director	Grant Date	Number of Options Granted	Vesting Date	Fair Value at Grant Date	Option Terms (Exercise Price and Term)
David Busch^	2 November 2016	2,000,000	2 November 2016	$41,982	$0.03 at any time to 30 September 2021.
David Busch^	2 November 2016	2,000,000	31 December 2017	$37,417	$0.06 at any time from 31 December 2017 up to 30 September 2021.
David Busch^	2 November 2016	3,000,000	31 December 2018	$50,397	$0.10 at any time from 31 December 2018 up to 30 September 2021.

The fair value of the options at grant date was determined based on Black- Scholes formula. The model inputs of the options issued, were the Company's share price of $0.027 at the grant date, a volatility factor of 110% based on historic share price performance, a risk free rate of 1.87% based on the 5 year government bond rate and no dividends paid.

No Options were granted as compensation during 2019 and 2018 financial year. The number of options that vested during the year ended 30 June 2019 is 3,000,000 (2018 – 2,000,000).

Other transactions and balances with Key Management Personnel

- During the year ended 30 June 2019, Peter Wall had a beneficial interest in an entity, Steinepreis Paganin Lawyers & Consultants, which provided legal consulting services on ordinary commercial terms. Fees paid to Steinepreis Paganin Lawyers & Consultants amounted to $34,008 (2018 - $1,523). A balance of $3,000 remained outstanding at 30 June 2019 in relation to these services (2018 - $1,523).

EMPLOYMENT CONTRACTS OF DIRECTORS AND EXECUTIVES

In accordance with best practice corporate governance, the Company provided each Director with a letter detailing the terms of appointment, including their remuneration.

The Company has entered into an employment agreement with Mr David Busch whereby Mr Busch receives remuneration of $270,000 per annum plus statutory superannuation. The agreement may be terminated subject to a 6 month notice period.

Remuneration Report - Audited (continued)

Ordinary shareholdings of key management personnel

Directors and other key management personnel	Balance at 1 July 2018	Net other change	Balance at 30 June 2019
	(i)	(ii)	(iii)
Peter Wall	-	1,333,333	1,333,333
David Busch	5,866,751	3,752,632	9,619,383
Emmanuel Correia	-	666,667	666,667
Peter Michael	753,334	666,667	1,420,001
Tim Hronsky	180,000	200,000	380,000

Directors and other key management personnel	Balance at 1 July 2017	Net other change	Balance at 30 June 2018
	(i)	(ii)	(iii)
Peter Wall	-	-	-
David Busch	5,281,818	584,933	5,866,751
Emmanuel Correia	-	-	-
Peter Michael	753,334	-	753,334
Tim Hronsky	180,000	-	180,000
Klaus Eckhof	-	-	-
Stephen Gemell	1,581,818	-	1,581,818
Peter Nightingale	833,333	-	833,333

(i) Balance at the beginning of the financial year or at the date of appointment.
(ii) On market transactions for cash consideration.
(iii) Balance at the end of the financial year or at the date of retirement.
(iv) No remuneration shares were issued or options exercised during the financial years ended 30 June 2019 and 30 June 2018.

Option holdings of key management personnel

Directors and other key management personnel	Balance at 1 July 2018	Issued during the period	Expired during the period	Balance at 30 June 2019
	(i)			(ii)
Peter Wall	-	666,666	-	666,666
David Busch	4,784,933	2,402,632	4,784,933	2,402,632
Emmanuel Correia	-	333,333	-	333,333
Peter Michael	666,668	333,333	666,668	333,333
Tim Hronsky	-	100,000	-	100,000

Remuneration Report - Audited (continued)

Option holdings of key management personnel

Directors and other key management personnel	Balance at 1 July 2017	Issued during the period	Balance at 30 June 2018
	(i)		(ii)
Peter Wall	-	-	-
David Busch	4,200,000	584,933	4,784,933
Emmanuel Correia	-	-	-
Peter Michael	666,668	-	666,668
Tim Hronsky	-	-	-
Klaus Eckhof	-	-	-
Stephen Gemell	800,000	-	800,000
Peter Nightingale	1,666,666	-	1,666,666

(i) Balance at the beginning of the financial year or at date of appointment.
(ii) Balance at the end of the financial year or at date of retirement.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholders' wealth, the Board has regard to the following indices in respect of the current financial year and the previous four financial years.

	2019	2018	2017	2016	2015
Net loss attributable to equity holders of the Company	$3,539,654	$1,712,330	$2,120,074	$2,115,199	$1,528,384
Dividends paid	-	-	-	-	-
Change in share price	(0.9) cents	(1.1) cents	0.2 cents	0.6 cents	(0.5) cents

The overall level of key management personnel's compensation is assessed on the basis of market conditions, status of the Company's projects, and financial performance of the Company.

End of Remuneration Report.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every officer or agent of the Company shall be indemnified out of the property of the entity against any liability incurred by him or her in their capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

EVENTS SUBSEQUENT TO BALANCE DATE

On 29, August 2019, the Company announced a private placement to sophisticated investors, raising up to $1.9 million. The maximum number of new securities that will be issued under the offer is 90,540,475 new fully paid ordinary shares at an issue price of 2.1 cents per share (Placement Shares), 22,635,119 attaching listed ASX:ARDOA (ARDOA Placement Options) on a 1:4 basis and 90,540,475 new attaching listed options on a 1:1 basis (ARDOB Placement Options).

Events subsequent to balance date (Contd)

Each ARDOA Placement Options will be exercisable at 5.0 cents on or before 29 October 2021 to acquire and each ARDOB Placement Option will be exercisable at 2.5 cents up to one year from the date that the ARDOB options are listed on the ASX.

The private placement will be issued in two Tranches:

- **Tranche 1** – up to 58,956,627 Placement Shares under the Company's existing capacity under ASX Listing Rule 7.1 and 7.1A; and
- **Tranche 2** - subject to shareholder approval, up to 31,583,848 Placement Shares, 22,635,119 ARDOA Placement Options and subject to ASX approval, 90,540,475 ARDOB Placement Options.

On 9 September 2019, the Company issued Tranche 1 Placement Shares to raise $1,238,089 before costs. As at the date of this report, Tranche 2 placement offer has not been issued as they are subject to shareholder approval at the general meeting, for which the date and venue is yet to be determined.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations, or the state of the affairs of the consolidated entity in future financial years.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

During the year ended KPMG, the Company's auditor, performed no other services in addition to their statutory duties.

A copy of the auditors' independence declaration as required under Section 307C of the Corporations Act 2001 is included in the Directors' Report.

Details of the amounts paid and accrued to the auditor of the Company, KPMG, and its related practices for audit and non-audit services provided during the year are set out below.

	2019 $	2018 $
Statutory audit		
Audit and review of financial reports - KPMG	55,250	45,500

Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on page 23 and forms part of the Directors' Report for the year ended 30 June 2019.

This report has been signed in accordance with a resolution of the directors and is dated 11 September 2019.

Peter Wall
Chairman

Peter Michael
Director

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 audit of Argent Minerals Limited for the financial year ended 30 June 2019 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Adam Twemlow
Partner
Brisbane
11 September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019	2018
		$	$
Continuing operations			
Research & Development Claim – (expense)/income	5	**(1,402,997)**	693,749
NSW co-operative drilling grant		**-**	141,966
Administration and consultants' expenses		**(638,353)**	(695,694)
Depreciation	12	**(45,481)**	(47,326)
Employee and director expenses		**(284,430)**	(291,756)
Exploration and evaluation expenses	6	**(1,183,603)**	(1,537,773)
Operating loss before financing income		**(3,554,864)**	(1,736,834)
Interest income		**15,210**	24,504
Net financing income		**15,210**	24,504
Loss before tax		**(3,539,654)**	(1,712,330)
Income tax expense	9	**-**	-
Loss for the year		**(3,539,654)**	(1,712,330)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(3,539,654)**	(1,712,330)
Basic and diluted loss per share (cents)	7	**(0.72) cents**	(0.39) cents

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Notes	2019	2018
		$	$
Current assets			
Cash and cash equivalents	8	**725,933**	1,649,466
Trade and other receivables	10	**19,562**	-
Other assets	11	**22,904**	23,265
Total current assets		**768,399**	1,672,731
Non-current assets			
Other financial asset – security deposits		**93,100**	83,100
Plant and equipment	12	**362,707**	398,371
Total non-current assets		**455,807**	481,471
Total assets		**1,224,206**	2,154,202
Current liabilities			
Trade and other payables	13	**101,542**	125,787
Employee entitlements	14	**104,746**	91,326
R&D claims repayable	18	**1,395,276**	-
Total current liabilities		**1,601,564**	217,113
Total liabilities		**1,601,564**	217,113
Net assets		**(377,358)**	1,937,089
Equity			
Issued capital	15	**30,462,609**	29,274,380
Reserves	15	**211,515**	193,529
Accumulated losses		**(31,051,482)**	(27,530,820)
Total equity		**(377,358)**	1,937,089

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

Attributable to equity holders of the Company	Notes	Issued Capital	Option Reserves	Accumulated Losses	Total
		$	$	$	$
Balance at 1 July 2018		29,274,380	193,529	(27,530,820)	1,937,089
Total comprehensive income for the year					
Loss for the year		-	-	(3,539,654)	(3,539,654)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(3,539,654)	(3,539,654)
Transactions with owners, recorded directly in equity					
Contribution by and distribution to owners					
Ordinary shares/options issued		1,268,939	-	-	1,268,939
Cost of shares issued		(80,983)	-	-	(80,983)
Share based payments – options		-	36,978	-	36,978
Exercise of options		273	-	-	273
Expiry of options		-	(18,992)	18,992	-
Balance at 30 June 2019	15	30,462,609	211,515	(31,051,482)	(377,358)
Balance at 1 July 2017		28,090,527	143,636	(25,830,094)	2,404,069
Total comprehensive income for the year					
Loss for the year		-	-	(1,712,330)	(1,712,330)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(1,712,330)	(1,712,330)
Transactions with owners, recorded directly in equity					
Contribution by and distribution to owners					
Ordinary shares/options issued		1,268,000	-	-	1,268,000
Cost of shares issued		(84,147)	-	-	(84,147)
Share based payments – Options		-	61,497	-	61,497
Expiry of options		-	(11,604)	11,604	-
Balance at 30 June 2018	15	29,274,380	193,529	(27,530,820)	1,937,089

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019	2018
		$	$
Cash flows used in operating activities			
Cash receipts in the course of operations		-	693,749
Government Subsidy		-	141,966
Exploration and evaluation expenditure		(1,165,086)	(1,531,308)
Cash payments in the course of operations		(941,578)	(811,332)
Interest received		15,210	24,504
Net cash used in operating activities	16	(2,091,454)	(1,482,421)
Cash flows used in investing activities			
Payments for plant and equipment	12	(10,308)	(24,871)
(Payments)/receipts for security deposits		(10,000)	11,900
Net cash used in investing activities		(20,308)	(12,971)
Cash flows from financing activities			
Proceeds from issue of shares and options	15	1,269,212	1,200,000
Cost of issue of shares and options	15	(80,983)	(84,147)
Net cash from financing activities		1,188,229	1,115,853
Net increase in cash held		(923,533)	(379,539)
Cash and cash equivalents at 1 July		1,649,466	2,029,005
Cash and cash equivalents at 30 June	8	725,933	1,649,466

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY

Argent Minerals Limited (the 'Company') is a company domiciled in Australia. The address of the Company's registered office is at Level 2, 66 Hunter Street, Sydney, NSW 2000. The consolidated financial statements of the Company as at and for the year ended 30 June 2019 comprise the Company and its subsidiary (together referred to as the 'Group'). The Group is a for-profit entity and is primarily engaged in the acquisition, exploration and development of mineral deposits in Australia.

2 BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The consolidated financial statements comply with the International Financial Reporting Standards ('IFRSs') adopted by the International Accounting Standards Board ('IASB').

The consolidated financial statements were authorised for issue by the directors on 11 September 2019.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

(d) Use of estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

- Note 2(e) - Going concern
- Note 9 - Unrecognised deferred tax asset
- Note 15 - Capital and reserves
- Note 19 - Share based payments

(e) Going concern

The 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 recorded a loss attributable to equity holders of the Company of $3,539,654 for the year ended 30 June 2019 and has accumulated losses of $31,051,482 at 30 June 2019. The Group has cash and cash equivalents of $725,933 at 30 June 2019 and used $2,091,454 of cash in operations, including payments for exploration and evaluation, for the year ended 30 June 2019.

2 BASIS OF PREPARATION (Cont.)

(e) Going concern (Cont.)

On 9 September 2019, the Company issued 58,956,627 ordinary shares for cash totalling $1,289,089 (before costs) under Tranche 1 of the private placement offer to sophisticated investors.

During the year, the Company was issued with a negative finding by AusIndustry in relation to its research and development claims for the 2016 (FY16) and 2017 (FY17) financial years (R&D Claims). The Company pursued its rights to a multi-stage review and dispute resolution process and pursued the right to seek an independent internal review by another state branch of AusIndustry (currently underway).

At 30 June 2019 the Company has recorded a liability of $1,395,276 in relation to R&D Claims repayable including general interest charges (refer to note 18). The Company has entered into a payment arrangement with the ATO whereby, the Company makes monthly payments of $5,000 for an interim period until AusIndustry has completed its review process and issued its Determination (Review Arrangement). The repayment arrangement commenced on 22 May 2019 and will continue until 22 October 2019. In the event that the AusIndustry review is unsuccessful the Company intends to negotiate a repayment plan with the ATO over an extended period of time.

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 operation of the Group is dependent upon the Group achieving a positive outcome from the AusIndustry review or negotiating a repayment plan with the ATO to settle the outstanding R&D liability over an extended period of time, the Group raising additional funding from shareholders or other parties and 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 achieves a positive outcome from the AusIndustry review or negotiates an extended repayment plan with the ATO and obtains sufficient additional funding from shareholders or other parties. If such funding is not achieved, the Group plans to reduce expenditure to the level of funding available.

In the event that the Group does not obtain additional funding, reduce expenditure in line with available funding and successfully resolve the AusIndustry review of the R&D claims, 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 financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by all entities in the Group with the exception of the new accounting policies for new standards.

(a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entities and the revenue can be reliably measured.

(b) Finance income and finance costs

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income and gains on the disposal of available-for-sale financial assets. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, losses on disposal of available-for-sale financial assets and impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(c) Exploration, evaluation and development expenditure (Cont.)

Expenditure on exploration and evaluation is accounted for in accordance with the ‘area of interest’ method and with AASB 6 Exploration for and Evaluation of Mineral Resources.

For each area of interest, exploration and evaluation expenditure is expensed in the period in which the expenditure is incurred. Expenditure incurred in the acquisition of tenements and rights to explore may be capitalised and recognised as an exploration and evaluation asset. Exploration and evaluation assets are initially measured at cost at recognition. Exploration and evaluation expenditure incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred.

Capitalised acquisition costs are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset to which it has been allocated, being no larger than the relevant area of interest is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development costs.

(d) Property, plant and equipment

Items of property, plant and equipment are measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets is depreciated over the assets' estimated useful lives to the Group commencing from the time the asset is ready for use.

The depreciation rates and useful lives used for each class of depreciable assets are:

Class of fixed asset	Depreciation rates	Depreciation basis
Buildings	7.50%	Prime cost
Plant and equipment	5% to 37.5%	Prime cost

(e) Government grants

Where a rebate is received relating to research and development costs or other costs that have been expensed, the rebate is recognised as other income when the rebate becomes receivable and the Group complies with all attached conditions. If the research and development costs have been capitalised, the rebate is deducted from the carrying value of the underlying asset when the grant becomes receivable and the Group complies with all attached conditions.

(f) Financial instruments

Non-derivative financial assets

Recognition and initial measurement

The Company initially recognises trade receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

3 Significant accounting policies (Cont.)

(f) Financial instruments (Cont.)

Non-derivative financial assets (Cont.)

Recognition and initial measurement (Cont.)

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Classification and subsequent measurement – Policy applicable from 1 July 2018

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as fair value through profit or loss:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value through OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3 Significant accounting policies (Cont.)

(f) Financial instruments (Cont.)

Non-derivative financial assets (Cont.)

Subsequent measurement and gains and losses – Policy applicable from 1 July 2018

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity instruments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss.
Financial assets at FVPTL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in pofit or loss.

Prior to 1 July 2018, the Company classified its financial assets into one of the following:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise, they are classified as non-current. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which take into account any dividend income, are recognised in profit or loss.

Amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. They are included in current assets, except for those with maturities greater than 12 months after the reporting period, which are classified as non-current assets. Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Non-derivative financial liabilities

Financial liabilities are measured at amortised cost.

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Other financial liabilities comprise loans and borrowings and trade and other payables.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(g) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The accounting policies of the subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the Statement of Profit or Loss and Other Comprehensive Income and within equity in the Consolidated Statement of Financial Position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary.

Loss of control

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently that retained interest is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Investments in associates and jointly controlled entities are accounted for under the equity method and are initially recognised at cost. The cost of the investment includes transaction costs.

Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(h) Tax

Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the

3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(h) Tax (Cont.)

foreseeable future; or

- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

(j) Impairment

Financial instruments

Policy applicable from 1 July 2018

The Company recognises expected credit losses ('ECLs'), where material, on:

- Financial assets measured at amortised cost;

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Other debt securities and bank balances for which credit risk (i.e the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit-impaired.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Non-derivative financial assets

Policy applicable before 1 July 2018

A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(j) Impairment (Cont).

Non-derivative financial assets (cont.)

Policy applicable before 1 July 2018 (cont.)

For an investment in an equity security classified as available-for-sale, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment. The Group consider a decline of 20 per cent to be significant and a period of 9 months to be prolonged.

Financial assets measured at amortised cost

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognised within profit or loss. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Impairment losses are recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Segment reporting

Determination and presentation of operating segments

The Group determines and presents operating segments based on the information that is provided internally to the CEO, who is the Group’s chief operating decision maker.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ operating results are regularly reviewed by the Group’s CEO to make decisions about resources to be allocated to the segment and assess its performance.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company’s headquarters), head office expenses, and income tax assets and liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(l) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Share-based payment transactions

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Site restoration

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land, and the related expense, is recognised when the land is contaminated.

(n) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2018, and have not been applied in preparing these consolidated financial statements. The Group is in the process of assessing the impact of new standards. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

AASB 16 Leases

AASB 16 removes the lease classification test for lessees and requires all the leases (including operating leases) to be brought onto the balance sheet. The definition of a lease is also amended and is now the new on/off balance sheet test for lessees.

AASB is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted.

The Group is assessing the potential impact on its financial statements resulting from the application of AASB 16.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

4 DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Equity securities

The fair values of investments in equity securities are determined with reference to their quoted closing bid price at the measurement date.

Share-based payment transactions

The fair value of the employee share options is measured using the Black-Scholes formula. Measurement inputs include share price on the measurement date, exercise price of the instrument, expected volatility (based on an evaluation of the historic volatility of the Company's share price, particularly over the historical period commensurate with the expected term), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions are not taken into account in determining fair value.

5 OTHER INCOME AND EXPENSES

	2019 $	2018 $
Research and development claim – (expense)/income (refer note 18)	**(1,402,997)**	693,749
Government subsidy	**-**	141,966
	(1,402,997)	835,715

6 LOSS FROM OPERATING ACTIVITIES - EXPENSES

	2019 $	2018 $
Loss from ordinary activities have been arrived after charging the following items:		
Auditors' remuneration paid during the year		
- Audit and review of financial reports – KPMG	**55,250**	45,500
Depreciation		
- Land and Building	**24,080**	24,059
- Plant and equipment	**21,401**	23,267
Exploration and evaluation expenditure expensed as incurred	**1,183,603**	1,537,773

7 LOSS PER SHARE

The calculation of basic and diluted loss per share at 30 June 2019 was based on the loss attributable to ordinary shareholders of $3,539,654 (2018 - $1,712,330 loss) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2019 of 494,819,677 (2018 – 443,244,168), calculated as follows:

Net loss for the year	**3,539,654**	1,712,330

	2019 Number	2018 Number
Weighted average number of ordinary shares (basic and diluted)		
Issued ordinary shares at 1 July	**463,959,479**	421,414,516
Weighted average number of ordinary shares at 30 June	**494,819,677**	443,244,168

As the Company is loss making, none of the potentially dilutive securities are currently dilutive.

8 CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash at bank	**725,933**	1,649,466
Cash and cash equivalents in the statement of cash flows	**725,933**	1,649,466

9 INCOME TAX EXPENSE

	2019 $	2018 $
Current tax expense		
Current year	**(607,775)**	(682,497)
Tax losses not recognised	**607,775**	682,497
	-	-
Deferred tax expense		
Current year	**23,426**	32,621
De-recognition of temporary differences	**(23,426)**	(32,621)
	-	-
Numerical reconciliation between tax expense and pre-tax net profit		
Loss before tax - continuing operations	**(3,539,654)**	(1,712,330)
Prima facie income tax benefit at the Australian tax rate of 27.5%	**(973,405)**	(470,891)
Increase in income tax expense due to:		
- Adjustments not resulting in temporary differences	**(479,249)**	294,554
- Effect of tax losses not recognised	**1,476,080**	208,958
- Unrecognised temporary differences	**(23,426)**	(32,621)
Income tax expense current and deferred	**-**	-
Deferred tax assets have not been recognised in respect of the following items		
Deductible temporary differences (net)	**79,521**	78,936
Tax losses	**8,208,026**	6,731,946
Net	**8,287,546**	6,810,882

The deductible temporary differences and tax losses do not expire under the current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits of the deferred tax asset.

	2019 $	2018 $

10 TRADE AND OTHER RECEIVABLES

	2019 $	2018 $
Current		
Other debtors	**19,562**	-

11 OTHER ASSETS

	2019 $	2018 $
Current prepayments	**22,904**	23,265
	22,904	23,265

12 PROPERTY PLANT AND EQUIPMENT

	2019 $	2018 $
Land and Buildings		
Land and Building - at cost	**502,763**	500,278
Accumulated depreciation	**(192,509)**	(168,429)
Total Land and Buildings – net book value	**310,254**	331,849
Plant and Equipment		
Plant and equipment - at cost	**157,443**	155,259
Accumulated depreciation	**(104,990)**	(88,737)
	52,453	66,522
Total plant and equipment - net book value	**362,707**	398,371

Reconciliations

Reconciliations of the carrying amounts for each class of assets are set out below:

	2019 $	2018 $
Land and Buildings		
Balance at 1 July	**331,849**	355,908
Additions	**2,485**	-
Depreciation	**(24,080)**	(24,059)
Carrying amount at the end of the financial year	**310,254**	331,849
Plant and equipment		
Balance at 1 July	**66,522**	64,918
Additions	**7,823**	24,871
Disposals	**(491)**	-
Depreciation	**(21,401)**	(23,267)
Carrying amount at the end of the financial year	**52,453**	66,522
Total carrying amount at the end of the financial year	**362,707**	398,371

	2019	2018
	$	$
13 TRADE AND OTHER PAYABLES		
Current		
Creditors	**33,599**	100,787
Accruals	**67,943**	25,000
	101,542	125,787
14 EMPLOYEE ENTITLEMENTS		
Current		
Employee annual leave provision	**68,807**	66,884
Long service leave provision	**35,939**	24,442
	104,746	91,326
Number of employees at the end of the financial year	**3**	6
15 CAPITAL AND RESERVES		
Issued and paid up capital		
539,561,347 (2018 – 463,959,479) fully paid ordinary shares	**30,462,609**	29,274,380
Fully paid ordinary shares		
Balance at the beginning of the financial year	**29,274,380**	28,090,527
Issue of shares	**1,268,939**	1,268,000
Exercise of options	**273**	-
Costs of issue	**(80,983)**	(84,147)
Balance at the end of financial year	**30,462,609**	29,274,380

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

During the year ended 30 June 2019 the following shares were issued:

- On 30 April 2019, the Company issued 33,748,315 ordinary shares and 33,748,315 listed options under a share placement offer for cash totalling $641,218. Total issue cost of $38,520 was recognised as a reduction in proceeds of issue of these shares. The listed options were each exercisable at 5 cents to acquire one fully paid ordinary share which expire on 29 October 2021.

- On 20 December 2018, the Company issued 2,866,667 ordinary shares and 1,433,332 listed options under a shortfall offer on the same terms as the non-renounceable entitlement offer for cash totalling $43,000. The listed options were each exercisable at 5 cents to acquire one fully paid ordinary share which expire on 29 October 2021.

- On 20 November 2018, the Company issued 38,981,428 ordinary shares and 19,490,696 listed options under a non-renounceable entitlement offer for cash totalling $584,721. Total issue cost of $42,463 was recognised as a reduction in proceeds of issue of these shares. The listed options were each exercisable at 5 cents to acquire one fully paid ordinary share which expire on 29 October 2021.

15. CAPITAL AND RESERVES (Cont.)

- During the year ended 30 June 2019, 5,458 ordinary shares (2018 – nil) were issued through the exercise of listed options for cash totalling $273 (2018 – nil).

During the year ended 30 June 2018 the following shares were issued:

- On 22 June 2018, the Company issued 1,304,347 ordinary shares for nil consideration under the Option to Purchase Box Hill farm. This transaction was recorded at a fair value of $30,000 at an issue price based on the five day volume weighted average price immediately prior to issue date being $0.023 per share.
- On 20 December 2017, the Company issued 40,000,000 ordinary shares and 40,000,000 listed options for cash totalling $1,200,000. Total issue cost of $84,147 was recognised as a reduction in proceeds of issue of these shares. The listed options were each exercisable at 10 cents to acquire one fully paid ordinary share which expire on 27 June 2019.
- On 10 November 2017, The Company issued 1,240,616 ordinary shares for nil consideration to Mr Clifton McGilvray as part of his employment contract. This transaction was recorded at a fair value of $38,000 at an issue price of $0.03 per share.

Terms and conditions - Shares

Holders of ordinary shares are entitled to receive dividends as declared and, are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

	2019	2018
	$	$
Option Reserves		
At the beginning of the year	**193,529**	143,636
Options lapsed during the reporting period	**(18,992)**	(11,604)
Share Based Payments - Options	**36,978**	61,497
Balance at the end of the period	**211,515**	193,529

Listed options to take up ordinary shares in the capital of the Company have been granted as follows:

Exercise Period	**Exercise Price**	**Opening Balance 1 July 2018 Number**	**Options Issued Number (vii) (viii) (xi)**	**Options Expired/Exercised Number (ix) (xii)**	**Closing Balance 30 June 2019 Number**
On or before 27 June 2019	$0.10	187,000,000	-	187,000,000	-
On or before 29 October 2021	$0.05	-	54,672,343	5,458	54,666,885

Exercise Period	**Exercise Price**	**Opening Balance 1 July 2017 Number**	**Options Issued Number (iii)**	**Options Expired/Exercised Number**	**Closing Balance 30 June 2018 Number**
On or before 27 June 2019	$0.10	147,000,000	40,000,000	-	187,000,000

15. CAPITAL AND RESERVES (Cont.)

Unlisted options to take up ordinary shares in the capital of the Company have been granted as follows:

Exercise Period	Exercise Price	Opening Balance 1 July 2018 Number	Options Issued/(Expired)/(Exercised) Number (iv) (v) (vi) (x)	Closing Balance 30 June 2019 Number
On or before 30 September 2021	$0.03	3,500,000	2,500,000	6,000,000
On or before 30 September 2021	$0.06	3,500,000	1,500,000	5,000,000
On or before 30 September 2021	$0.10	4,500,000	2,000,000	6,500,000

Exercise Period	Exercise Price	Opening Balance 1 July 2017 Number	Options Issued/ (Expired)/(Exercised) Number (i), (ii)	Closing Balance 30 June 2018 Number
On or before 30 September 2021	$0.03	4,000,000	(500,000)	3,500,000
On or before 30 September 2021	$0.06	4,000,000	(500,000)	3,500,000
On or before 30 September 2021	$0.10	4,500,000	-	4,500,000

(i) On 15 September 2017, the Company cancelled 500,000 6 cents unlisted options issued under the Employee Share Scheme following the employee resignation.

(ii) On 15 November 2017, the Company cancelled 500,000 3 cents unlisted options issued under the Employee Share Scheme following the employee resignation.

(iii) On 20 December 2017, the Company issued 40,000,000 10 cents listed options to sophisticated investors with respect to December 2017 capital raising.

(iv) On 9 October 2018, the Company issued 3,000,000 3 cents unlisted options to its employees under the Employee Share Scheme.

(v) On 9 October 2018, the Company issued 2,000,000 6 cents unlisted options to its employees under the Employee Share Scheme.

(vi) On 9 October 2018, the Company issued 2,000,000 10 cents unlisted options to its employees under the Employee Share Scheme.

(vii) On 20 November 2018, the Company issued 19,490,696 5 cents listed options under a non-renounceable entitlement offer with respect to November 2018 capital raising.

(viii) On 20 December 2018, the Company issued 1,433,332 5 cents listed options under a shortfall offer on the non-renounceable entitlement offer with respect to December 2018 capital raising.

(ix) On 20 December 2018, the 5,458 5 cents listed options were exercised by an option holder.

15. CAPITAL AND RESERVES (Cont.)

(x) On 14 February2019, the Company cancelled 500,000 3 cent and 500,000 6 cent unlisted options issued under the Employee Share Scheme following an employee's resignation.

(xi) On 30 April 2019, the Company issued 33,748,315 5 cents listed options to sophisticated investors with respect to April 2019 capital raising.

(xii) On 27 June 2019, 187,000,000 10 cents listed options expired.

16 STATEMENT OF CASH FLOWS

	2019	2018
	$	$
Reconciliation of cash flows from operating activities		
Loss for the period	**(3,539,654)**	(1,712,330)
Adjustments for:		
Depreciation of plant and equipment	**45,481**	47,326
Loss on disposal of plant and equipment	**491**	-
Share based payments	**36,978**	61,497
Changes in assets and liabilities		
R&D claims payable	**1,395,276**	-
Decrease/(Increase) in receivables	**(19,562)**	17,610
Decrease/ (Increase) in prepayments	**361**	(3,727)
(Decrease)/Increase in payables and provisions	**(10,825)**	39,203
Shares issued for non-cash	**-**	68,000
Net cash used in operating activities	**(2,091,454)**	(1,482,421)

17 RELATED PARTIES

Key management personnel and director transactions

The following key management personnel holds a position in another entity that results in them having control or joint control over the financial or operating policies of that entity, and this entity transacted with the Company during the year as follows:

- During the year ended 30 June 2019, Peter Wall had a beneficial interest in an entity, Steinepreis Paganin Lawyers & Consultants, which provided legal consulting services on ordinary commercial terms. Fees paid to Steinepreis Paganin Lawyers & Consultants amounted to $34,008 (2018 - $1,523). A balance of $3,000 remained outstanding at 30 June 2019 in relation to these services (2018 - $1,523).

Key management personnel compensation

During the year ended 30 June 2019 compensation of key management personnel totalled $493,047 (2018 - $505,485), which comprised primary salary and fees of $434,996 (2018 - $431,446), superannuation of $29,455 (2018 - $29,450), share based payments of $11,753 (2018 - $39,095) and long service leave of $16,843 (2018 – 5,494). During the 2019 and 2018 financial years, no long-term benefits or termination payments were paid.

18 REPAYMENT OF R&D CLAIM

	2019 $	2018 $
R&D Claim repayable	**1,395,276**	-

The Group has been undergoing a review by AusIndustry in relation to the R&D claims it made for the 2016 and 2017 financial years totalling $1,402,997.

During the year, AusIndustry issued negative findings for the R&D Claims, for which the Company may ultimately be required to repay up to $1,402,997 plus penalties and interest. The Company remains of the view that the R&D claims were made in compliance with the applicable legislation and is currently pursuing its rights under the law commencing with an Independent Review by another state branch of AusIndustry (Independent Review) as provided for under Division 5 of the Industry Research and Development Act 1986 (“IR&D Act”).

Subsequent to the negative finding issued by the AusIndustry, Argent informed the Australian Taxation office (ATO) by providing a preliminary voluntary disclosure on its R&D Claims. In addition the Company self-amended its income tax returns for the 2016 (FY2016) and 2017 (FY17) financial years which resulted in an amended assessment and the Company owing $709,249 for FY16 and $693,748 for FY17. The ATO has agreed to a proposal submitted by the Company requiring monthly payments of $5,000 for an interim period until AusIndustry has completed its review process and issued its Determination (Review Arrangement).

The monthly payments commenced on 22 May 2019 and continue until 22 October 2019 at which time the Company anticipates the independent review by AusIndustry will be complete. The Company accrued for a General Interest Charge (GIC) for interest incurred from 9 May 2019 to 30 June 2019 of $9,932. As at 30 June 2019, payments totalling $10,000 under the payment arrangement plus $7,653 from GST tax credits and FBT returns were used towards the payment of the potential tax liability.

In the event, AusIndustry reverses/modifies its findings as a result of its R&D Claim Review, the income tax returns for FY2016 and FY2017 will be amended accordingly under the Income Tax Assessment Act. However, if the findings are unfavourable, the law provides the Company the right of appeal to both the Administrative Appeals Tribunal and thereafter the Federal Court.

At 30 June 2019, a provision for $1,395,276 has been recognised equal to the amount repayable in relation to the R&D claim for the 2016 and 2017 financials years.

19 SHARE BASED PAYMENTS

The Company has an Incentive Option Plan to provide eligible persons, being employees or directors, or individuals whom the Plan Committee determine to be employees for the purposes of the Plan, with the opportunity to acquire options over unissued ordinary shares in the Company. The number of options granted or offered under the Plan will not exceed 10% of the Company's issued share capital and the exercise price of options will be the greater of the market value of the Company's shares as at the date of grant of the option or such amount as the Plan Committee determines. Options have no voting or dividend rights. The vesting conditions of options issued under the plan are based on minimum service periods being achieved. There are no other vesting conditions attached to options issued under the plan.

In the event that the employment or office of the option holder is terminated, any options which have not reached their exercise period will lapse and any options which have reached their exercise period may be exercised within two months of the date of termination of employment. Any options not exercised within this three month period will lapse.

19 SHARE BASED PAYMENTS (Cont)

The following options were granted during the year ended 30 June 2019 and were on issue at 30 June 2019.

Grant Date	Expiry Date	Vesting Date	Exercise Price	Fair Value of Options Granted	Expired During the Period Number	Balance at the end of the period Number
24 October 2016	30 September 2021	24 October 2016	$0.03	$30,154	500,000	1,000,000
24 October 2016	30 September 2021	31 December 2017	$0.06	$26,826	500,000	1,000,000
24 October 2016	30 September 2021	31 December 2018	$0.10	$24,052	-	1,500,000
2 November 2016	30 September 2021	2 November 2016	$0.03	$41,982	-	2,000,000
2 November 2016	30 September 2021	31 December 2017	$0.06	$37,417	-	2,000,000
2 November 2016	30 September 2021	31 December 2018	$0.10	$50,397	-	3,000,000
25 October 2018	30 September 2021	31 December 2018	$0.03	$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2019	$0.03	$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	$0.03	$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2019	$0.06	$3,200	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	$0.06	$3,200	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	$0.10	$3,800	-	2,000,000
				$237,828	1,000,000	17,500,000

The following options were on issue at 30 June 2018:

Grant Date	Expiry Date	Vesting Date	Exercise Price	Fair Value of Options Granted	Expired During the Period Number	Balance at the end of the period Number
24 October 2016	30 September 2021	24 October 2016	$0.03	$30,154	-	1,500,000
24 October 2016	30 September 2021	31 December 2017	$0.06	$26,826	-	1,500,000
24 October 2016	30 September 2021	31 December 2018	$0.10	$24,052	-	1,500,000
2 November 2016	30 September 2021	2 November 2016	$0.03	$41,982	-	2,000,000
2 November 2016	30 September 2021	31 December 2017	$0.06	$37,417	-	2,000,000
2 November 2016	30 September 2021	31 December 2018	$0.10	$50,397	-	3,000,000
30 November 2016	30 September 2021	30 November 2016	$0.03	$7,884	500,000	-
30 November 2016	30 September 2021	31 December 2017	$0.06	$6,948	500,000	-
				$225,660	1,000,000	11,500,000

Fair value of options

The fair value of options granted is measured at grant date and recognised as an expense over the period during which the key management and the employees become unconditionally entitled to the options.

The fair value of the options granted is measured using an option valuation methodology, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of options that vest.

There were 7,000,000 options granted as consideration during the year (2018 – nil) and 1,000,000 options lapsed during the year (2018 – 1,000,000).

The fair value of options granted on 24 October 2016 was $81,032. The Black-Scholes formula model inputs were the Company's share price of $0.026 at the grant date, the volatility factor of 110% based on historic share price performance, a risk free interest rate of 1.84% based on government bonds, and a dividend yield of 0%.

19 SHARE BASED PAYMENTS (Cont)

The fair value of options granted on 2 November 2016 was $129,796. The Black-Scholes formula model inputs were the Company's share price of $0.027 at the grant date, the volatility factor of 110% based on historic share price performance, a risk free interest rate of 1.87% based on government bonds, and a dividend yield of 0%.

The fair value of options that expired on 30 November 2016 was $14,832. The Black-Scholes formula model inputs were the Company's share price of $0.021 at the grant date, the volatility factor of 111.53% based on historic share price performance, a risk free interest rate of 2.16% based on government bonds, and a dividend yield of 0%.

The fair value of options granted on 25 October 2018 was $27,000. The Black-Scholes formula model inputs were the Company's share price of $0.016 at the grant date, the volatility factor of 76.82% based on historic share price performance, a risk free interest rate of 2.11% based on government bonds, and a dividend yield of 0%.

During the year ended 30 June 2019, share based payment expense of $36,978 was recorded in the profit and loss (2018 - $61,497).

No ordinary shares have been issued as a result of the exercise of any option granted pursuant to the Incentive Option Plan during the current and prior financial year.

During the year ended 30 June 2019, 7,500,000 (2018 - 3,500,000) share options vested and 4,000,000 were yet to be vested at balance date. During the year, 1,000,000 options lapsed following the resignation of an employee (2018 – 1,000,000).

A summary of the movements of all the Company's options issued as share based payments is as follows:

	2019		2018	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Outstanding at the beginning	**11,500,000**	**$0.067**	12,500,000	$0.065
Granted	**7,000,000**	**$0.059**	-	-
Expired	**1,000,000**	**$0.045**	1,000,000	$0.045
Options outstanding at year end	**17,500,000**	**$0.065**	11,500,000	$0.067
Exercisable at year end	**13,500,000**	**$0.062**	7,000,000	$0.045

The weighted average remaining contractual life of share options outstanding at the end of 30 June 2019 was 2.25 years (2018 – 1.12 years), and the weighted average exercise price was $0.054 (2018 - $0.067).

(i) On 9 June 2017, the Company issued 666,666 fully paid ordinary shares as part consideration under the binding option term sheet, to the owners of a key property within the proposed Kempfield Polymetallic Project site. The transaction was recorded at a fair value of $20,000 at an issue price based on the five day volume weighted average price immediately prior to issue date being $0.03 per share.

(ii) On 10 November 2017, the Company issued 1,240,616 ordinary shares for nil consideration to Mr Clifton McGilvray as part of his employment contract. This transaction was recorded at a fair value of $38,000 at an issue price of $0.03 per share.

(iii) On 22 June 2018, the Company issued 1,304,347 fully paid ordinary shares as part consideration under the binding option term sheet, to the owners of a key property within the proposed Kempfield Polymetallic Project site. The transaction was recorded at a fair value of $30,000 at an issue price based on the five day volume weighted average price immediately prior to issue date being $0.023 per share.

20 FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's financial instruments comprise deposits with banks, receivables, other deposits, trade and other payables and from time to time short term loans from related parties. The Group does not trade in derivatives or in foreign currency.

The Group manages its risk exposure of its financial instruments in accordance with the guidance of the audit and the risk management committee and the Board of Directors. The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risks. This note presents information about the Group's exposure to each of these risks, its objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the risk management framework. Informal risk management policies are established to identify and analyse the risks faced by the Group. The primary responsibility to monitor the financial risks lies with the CEO and the Company Secretary under the authority of the Board.

Credit risk

Credit risk arises mainly from the risk of counterparties defaulting on the terms of their agreements.

The carrying amounts of the following assets represent the Group's maximum exposure to credit risk in relation to financial assets:

	Note	Carrying amount	
		2019	**2018**
		$	**$**
Cash and cash equivalents	8	**725,933**	1,649,466
Trade and other receivables	10	**19,562**	-
Security deposits		**93,100**	83,100
		838,595	1,732,566

Cash and cash equivalents

The Group mitigates credit risk on cash and cash equivalents by dealing with regulated banks in Australia.

Trade and other receivables

Credit risk of trade and other receivables is very low as it consists predominantly of amounts recoverable from Golden Cross Resources Limited for their share of exploration expenditure in the West Wyalong project. In the event that such amounts are not recoverable, their share in the project will be diluted in accordance with the Farm in and Joint Venture Agreements.

Security deposits of $93,100 held as deposits with government departments and regulated banks within Australia are the only non-current financial assets held by the Group. All other financial assets are current and are not past due or impaired and the Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

20 FINANCIAL INSTRUMENTS (Cont)

Ultimate responsibility for liquidity management rests with the Board. The Group monitors rolling forecasts of liquidity on the basis of expected fund raisings, trade payables and other obligations for the ongoing operation of the Group. At balance date, the Group has available funds of $725,933 for its immediate use.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Carrying amount	Contractual cash flows	Less than one year	Between one and five years	Interest
	$	$	$	$	$
30 June 2019					
Trade and other payables	**101,542**	**(101,542)**	**(101,542)**	**-**	**-**
R&D Claims repayable	**1,395,276**	**1,395,276**	**1,395,276**	**-**	**60,047**
30 June 2018					
Trade and other payables	**125,787**	**(125,787)**	**(125,787)**	**-**	**-**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Market Risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's income statement is affected by changes in interest rates due to the impact of such changes on interest income from cash and cash equivalents and interest bearing security deposits. The average interest rate on funds held during the year was 1.27% (2018 - 1.19%).

At balance date, the Group had the following mix of financial assets exposed to variable interest rate risk that are not designated as cash flow hedges:

	Note	2019 $	2018 $
Financial assets			
Cash and cash equivalents	8	**725,933**	1,649,466
Security deposits		**35,000**	35,000
Net exposure		**819,033**	1,684,466

The Group did not have any interest bearing financial liabilities in the current or prior year.

The Group does not have interest rate swap contracts. The Group always analyses its interest rate exposure when considering renewals of existing positions including alternative financing.

Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposures at balance date.

An increase of 100 basis points in interest rates throughout the reporting period would have decreased the loss for the period by the amounts shown below, whilst a decrease would have increased the loss by the

20. FINANCIAL INSTRUMENTS (Cont.)

same amount. The Company's equity consists of fully paid ordinary shares. There is no effect on fully paid ordinary shares by an increase or decrease in interest rates during the period.

	2019 $	2018 $
	12,007	20,602

Currency risk

The Consolidated entity is not exposed to any foreign currency risk as at 30 June 2019 (2018 - $nil).

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board ensures costs are not incurred in excess of available funds and will seek to raise additional funding through issues of shares for the continuation of the Group's operations. There were no changes in the Group's approach to capital management during the year.

The Group is not subject to externally imposed capital requirements.

Estimation of fair values

The carrying amounts of financial assets and liabilities approximate their net fair values, given the short time frames to maturity and or variable interest rates.

21. SEGMENT REPORTING

For management purposes, the consolidated entity is organised into one main operating segment, which involves the exploration of minerals in Australia. All of the consolidated entity's activities are interrelated, and discrete financial information is reported to the Board as a single segment. Accordingly, all significant operating decisions are based upon analysis of the consolidated entity as one segment.

The financial results from this segment are equivalent to the financial statements of the consolidated entity as a whole.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements.

22. SUBSIDIARIES

The parent entity, Argent Minerals Limited, has a 100% interest in Argent (Kempfield) Pty Ltd, Loch Lilly Pty Ltd, West Wyalong Pty Ltd, Sunny Silver Pty Ltd and Mt Read Pty Ltd. Argent Minerals Limited is required to make all the financial and operating policy decisions for these subsidiaries.

Subsidiaries of Argent Minerals Limited	Country of incorporation	Ownership percentage	
		2019	2018
Argent (Kempfield) Pty Ltd	Australia	100%	100%
Loch Lilly Pty Ltd	Australia	100%	100%
West Wyalong Pty Ltd	Australia	100%	100%
Sunny Silver Pty Ltd	Australia	100%	100%
Mt Read Pty Ltd	Australia	100%	100%

23. PARENT COMPANY DISCLOSURE

(a) Financial Position as at 30 June 2019

	2019 $	2018 $
Assets		
Current assets	**756,097**	1,603,739
Non-current assets	**53,194**	20,992
Total assets	**809,291**	1,624,731
Liabilities		
Current liabilities	**1,517,318**	131,979
Non- current liabilities	**-**	-
Total liabilities	**1,517,318**	131,979
Net assets	**(708,027)**	1,492,752
Equity		
Issued capital	**30,462,609**	29,274,380
Reserves	**211,515**	193,529
Accumulated losses	**(31,382,151)**	(27,978,157)
Total equity	**(708,027)**	1,492,752

There are no contingencies, commitments and guarantees by the Parent other than disclosed in Note 18.

(b) Financial Performance for the year ended 30 June 2019

Loss for the year	**3,422,986**	1,718,374
Other comprehensive income	**-**	-
Total comprehensive loss	**3,422,986**	1,718,374

24. JOINT VENTURES

West Wyalong

The Group has entered into the Farm in and Joint Venture Agreements with Golden Cross Operations Pty Ltd, a wholly owned subsidiary of Golden Cross Resources Limited (ASX:GCR).

Under the terms of the Farm in and Joint Venture Agreement, Argent had previously earned a 70% interest in the West Wyalong Project by spending a total of $1,350,000 by 31 March 2017.

Following the Company increasing its ownership of the West Wyalong project to 70%, under the West Wyalong Farm in and Joint Venture Agreement, the Group’s 30% partner will either contribute their share of exploration expenditure or be diluted.

As at 30 June 2019, the joint venture partner decided to not contribute their share of exploration expenditure amounting to $6,312 (2018 - $36,592). Following this election, the Company now owns 78.38% (2018 – 78.14%) of the West Wyalong Project. There was $19,532 receivable outstanding as at 30 June 2019 (2018 – nil).

24. JOINT VENTURES (Cont.)

Loch Lilly

On 12 February 2017, the Group entered into joint venture agreement to earn a 51% interest, then 70% and 90% in the Loch Lilly Project, with exploration licences and applications covering a significant area of the Loch Lilly – Kars Belt of over 1,400km^2. The joint venture continues until the Company earns 90% or withdraws from the joint venture.

The Company earned a 51% interest in the joint venture completing a drill program to test two geophysical targets during the year. A 70% interest will be earned by the Company 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. A 90% interest will be earned by the Company investing a further $250,000 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.

The Company continues as sole contributor to project expenditure until a decision to mine.

Either party may withdraw from the joint venture on provision of a 30 day notice of withdrawal. In the event that the Company withdraws after it has earned a 51% interest but no further interest, its interest will revert to 49%. In any case if the Company withdraws more than three months into the relevant tenement regulatory annual licence period, it must fund the other party's minimum regulatory expenditure for the reminder of that annual period.

Sunny Corner

The Group earned a 70% interest of the Sunny Corner Project tenements on 16 May 2013.

25. SUBSEQUENT EVENTS

On 29, August 2019, the Company announced a private placement to sophisticated investors, raising up to $1.9 million. The maximum number of new securities that will be issued under the offer is 90,540,475 new fully paid ordinary shares at an issue price of 2.1 cents per share (Placement Shares), 22,635,119 attaching listed ASX:ARDOA (ARDOA Placement Options) on a 1:4 basis and 90,540,475 new attaching listed options on a 1:1 basis (ARDOB Placement Options).

Each ARDOA Placement Options will be exercisable at 5.0 cents on or before 29 October 2021, and each ARDOB Placement Option will be exercisable at 2.5 cents up to one year from the date that the ARDOB options are listed on the ASX.

The private placement will be issued in two Tranches:

- **Tranche 1** – up to 58,956,627 Placement Shares under the Company's existing capacity under ASX Listing Rule 7.1 and 7.1A; and
- **Tranche 2** - subject to shareholder approval, up to 31,583,848 Placement Shares, 22,635,119 ARDOA Placement Options and subject to ASX approval, 90,540,475 ARDOB Placement Options.

On 9 September 2019, the Company issued Tranche 1 Placement Shares to raise $1,238,089 before costs. As at the date of this report, Tranche 2 of the placement offer has not been issued as they are subject to shareholder approval at the general meeting, for which the date and venue is yet to be determined.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations, or the state of the affairs of the consolidated entity in future financial years.

DIRECTORS' DECLARATION

1. In the opinion of the directors of Argent Minerals Limited (the Company):

(a) the consolidated financial statements and notes thereto, set out on pages 24 to 52, and the Remuneration Report in the Directors Report, as set out on pages 15 to 20, are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;

(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.

2. The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the financial year ended 30 June 2019.

3. The directors draw attention to note 2(a) of the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed at Sydney this 11th day of September 2019 in accordance with a resolution of the Board of Directors.

Peter Wall	**Peter Michael**
Chairman	**Director**

KPMG

Independent Auditor's Report

To the shareholders of Argent Minerals Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Argent Minerals Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group***'s financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2019;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report.

We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 2(e), "Going Concern" in the financial report. The conditions disclosed in Note 2(e), indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Group's assessment of going concern. This included:

- Analysing the cash flow projections by:
  - Evaluating the underlying data used to generate the projections for consistency with other information tested by us, our understanding of the Group's intentions, and past results and practices;
  - Assessing the planned levels of operating and capital expenditures for consistency of relationships and trends to the Group's historical results, results since year end, and our understanding of the business, industry and economic conditions of the Group;
- Assessing significant non-routine forecast cash inflows and outflows for feasibility, quantum and timing. We used our knowledge of the client, its industry and financial position to assess the level of associated uncertainty; and
- Evaluating the Group's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projection assessment, the Group's plans to address those events or conditions, and accounting standard requirements. We specifically focused on the principal matters giving rise to the material uncertainty.

Key Audit Matters

In addition to the matter described in the *Material uncertainty related to going concern* section, the ***Key Audit Matter*** we identified is:

Exploration and evaluation expenditure.

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Exploration and evaluation expenditure - $1,183,603	
Refer Note 6	
The key audit matter	**How the matter was addressed in our audit**
Exploration and evaluation expenditure is a key audit matter due to the significance of the amount (being 33% of total expenses) and the audit effort associated with assessing the completeness and accuracy of the amounts recorded by the Group.	Our procedures included: • Assessing the Group's policy for exploration and evaluation expenditure against the requirements of the accounting standards; • Selecting a statistical sample of items recorded as exploration and evaluation expenditure and checking the expenditure amount recorded for consistency to invoices from third parties or other underlying documentation; • For the sample identified above, checking the nature of the expenditure for consistency with its classification as exploration and evaluation expenditure in accordance with the Group's accounting policy and the criteria in the accounting standards; • Testing the completeness of exploration and evaluation expenditure recorded in the year by checking payments recorded since year end for evidence of the timing of the transactions. For this procedure, we selected our sample from the Group's payments since balance date, July/August trade payables schedule and unprocessed invoices post balance date, and the underlying documentation of the transaction; and • For each area of interest, we assessed the Group's current rights to tenure by corroborating the ownership of the relevant tenement to exploration licences and evaluating agreements in place with other parties.

Other Information

Other Information is financial and non-financial information in Argent Minerals Limited’s annual reporting which is provided in addition to the Financial Report and the Auditor’s Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor’s Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

• preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001;*

• implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

• assessing the Group and Company's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the Financial Report

Our objective is:

• to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and

• to issue an Auditor’s Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_files/ar1.pdf. This description forms part of our Auditor’s Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Argent Minerals Limited for the year ended 30 June 2019, complies with *Section 300A of the Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A of the Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 15 to 20 of the Directors' report for the year ended 30 June 2019.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Adam Twemlow
Partner
Brisbane
11 September 2019

ARGENT MINERALS LIMITED

SHAREHOLDER INFORMATION

ADDITIONAL STOCK EXCHANGE INFORMATION

Home Exchange

The Company is listed on the ASX Limited. The home exchange is Perth.

Use of Cash and Assets

Since the Company's listing on the ASX, the Company has used its cash and assets in a way consistent with its stated business objectives.

Class of Shares and Voting Rights

There is only one class of shares in the Company, fully paid ordinary shares.

The rights attaching to shares in the Company are set out in the Company's Constitution. The following is a summary of the principal rights of the holders of shares in the Company.

Every holder of shares present in person or by proxy, attorney or representative at a meeting of shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of shares who is present in person or by proxy, attorney or representative has one vote for every fully paid share registered in the shareholder's name on the Company's share register.

A poll may be demanded by the chairperson of the meeting, by at least 5 shareholders entitled to vote on the resolution or shareholders with at least 5% of the votes that may be cast on the resolution on a poll.

Distribution of Equity Security holders

As at 9 September 2019, the distribution of each class of equity was as follows:

Quoted Securities

Range	Fully Paid Ordinary Share Holders	Total Number of Shares	29 October 2021 $0.05 Listed Option Holders	Total Number of Listed Options
1 - 1,000	131	13,285	24	6,210
1,001 - 5,000	186	648,759	48	133,773
5,001 - 10,000	162	1,426,078	14	109,252
10,001 - 100,000	964	43,340,918	70	2,546,734
100,001 and over	628	553,088,934	63	51,870,916
	2,071	**598,517,974**	**219**	**54,666,885**

At 9 September 2019, 747 shareholders held less than a marketable parcel of shares and nil listed option holders held less than a marketable parcel of options.

Unquoted Securities

Range	30 September 2021 $0.03 Unlisted Options	30 September 2021 $0.06 Unlisted Options	30 September 2021 $0.10 Unlisted Options
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	-	-	-
100,001 and over	2	2	2
	2	**2**	**2**

SHAREHOLDER INFORMATION

Twenty Largest Quoted Shareholders

At 9 September 2019 the twenty largest fully paid ordinary shareholders held 39.09% of fully paid ordinary as follows:

	Name	Fully Paid Ordinary Shares	%
1	Mr Marc David Harding	43,046,966	7.98
2	Oceanic Capital Pty Ltd	42,216,967	7.04
3	HSBC Custody Nominees (Australia) Limited	24,042,797	4.01
4	Mr John Henry Matterson	18,343,747	3.06
5	Redland Plains Pty Ltd <Brian Bernard Rodan S/F A/C>	11,462,612	1.91
6	St Barnabas Investments Pty Ltd <The Melvista Family A/C>	11,238,714	1.87
7	Busch Custodians Pty Limited <Busch Super Fund A/C>	9,619,383	1.60
8	Mr Danny Murphy+Mrs Susan Murphy <Danny Murphy Super Fund A/C>	8,450,210	1.41
9	1215 Capital Pty Ltd	7,961,303	1.33
10	Metugo Pty Ltd <Metugo PL Super Fund A/C>	7,500,000	1.25
11	Caves Road Investments Pty Ltd	6,315,000	1.05
12	Mr David Ian Raymond Hall + Mrs Denise Allison Hall	6,229,709	1.04
13	Dixtru Pty Limited	5,538,124	0.92
14	Struven Nominees Pty Ltd <Alan Strunin Staff S/F A/C>	4,800,000	0.80
15	WGS Pty Ltd	4,800,000	0.80
16	Elphinstone Pty Ltd	4,776,781	0.80
17	First Investment Partners Pty Ltd	4,681,246	0.78
18	Payzone Pty Ltd <St Barnabas Super A/C>	4,552,000	0.76
19	J P Morgan Nominees Australia Limited	4,415,600	0.74
20	Mr Owen Barry Merrett + Mrs Joanne Ross Merett <Merrett Family A/C>	4,387,498	0.73

There are no current on-market buy-backs.

SHAREHOLDER INFORMATION

Twenty Largest Quoted Option Holders

At 9 September 2019 the twenty largest option holders held 70.40% of listed options as follows:

	Name	Quoted Options	%
1	Mr Marc David Harding	7,552,567	13.82
2	Oceanic Capital Pty Ltd	4,932,696	9.02
3	Busch Custodians Pty Limited <Busch Super Fund A/C>	2,402,632	4.40
4	Mr David Ian Raymond Hall + Mrs Denise Allison Hall	2,256,060	4.13
5	Mr Mark Arlen Ishkanian	2,202,448	4.03
6	St Barnabas Investments Pty Ltd <The Melvista Family A/C>	2,063,003	3.77
7	Mr William Henry Hernstadt	2,000,000	3.66
8	Dixtru Pty Ltd	1,930,055	3.53
9	Caves Road Investments Pty Ltd	1,815,000	3.32
10	Redland Plains Pty Ltd <Brian Bernard Rodan S/F A/C>	1,487,098	2.72
11	Mr Thomas Andrew Calvert Murrell	1,315,000	2.41
12	Mr Danny Murphy + Mrs Susan Murphy <Danny Murphy Super Fund A/C>	1,052,000	1.92
13	Payzone Pty Ltd <St Barnabas Super A/C>	1,052,000	1.92
14	Mr Dean Mathews	1,048,341	1.92
15	Mr Richard Joseph Smidt	1,000,000	1.83
16	Pooky Corporation Pty Ltd < K L Christensen Super A/C>	1,000,000	1.83
17	Pooky Corporation Pty Ltd < The Garfield Family A/C>	1,000,000	1.83
18	Mr Alistair James Mckenzie	900,000	1.65
19	Metugo Pty Ltd < Metugo PL Super Fund A/C>	750,000	1.37
20	Mr Brett James Rudd	725,000	1.33

Substantial Shareholders

The names of the substantial shareholders who have notified the Company in Accordance with Section 671B of the Corporations Act 2011 are:

Shareholder	Ordinary shares held	Percentage interest %
Mr Marc David Harding	43,046,966	7.98%
Oceanic Capital Pty Ltd	42,216,967	7.04%

ARGENT MINERALS LIMITED

SCHEDULE OF MINERAL TENEMENTS

SCHEDULE OF MINERAL TENEMENTS

New South Wales - Australia

Tenement Identifier	Location	Current Equity Interest
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	78.38%[3]
Loch Lilly		
EL8199	NSW	51%[4]
EL8200	NSW	51%[4]
EL8515	NSW	51%[4]
EL8516	NSW	51%[4]
Queensbury		
EL9/2016	TAS	100%
Ringville		
EL12/2017	TAS	100%
Sunny Corner		
EL5964 (1992)	NSW	70%[5]

Notes

1. The definition of “Mining Tenement” in ASX Listing Rule 19.12 is “Any right to explore or extract minerals in a given place”.

2. For all Kempfield tenements the tenement holder is Argent (Kempfield) Pty Ltd, a wholly owned subsidiary of Argent Minerals Limited.

3. 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.

4. 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 to be 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.

5. The tenement holder is Golden Cross Operations Pty Ltd.

MINERAL RESOURCES AND ORE RESERVES STATEMENT

KEMPFIELD (NSW, AUSTRALIA - 100% ARGENT)

RESOURCE SUMMARY

The updated Kempfield JORC 2012 Mineral Resource estimate as announced on 30 May 2018 is summarised in the following table at cut-off grades of 25 g/t Ag for Oxide/Transitional and 80 g/t Ag equivalent[1] for Primary:

Table 1 - Kempfield Mineral Resource summary - 30 June 2019

	Silver (Ag)			Gold (Au)		Lead (Pb)		Zinc (Zn)		In-situ Contained Metal Equivalents[2] **Zn Eq**		Ag Eq	
	Resource Tonnes (Mt)	Grade (g/t)	Contained Metal (Moz)	Grade (g/t)	Contained Metal (000 oz)	Grade (%)	Contained Metal (000 t)	Grade (%)	Contained Metal (000 t)	Grade (Zn Eq %)	Contained Zn Eq (000 t)	Grade (Ag Eq g/t)	Contained Ag Eq (Moz)
Oxide/ Transitional*	6.0	55	11	0.11	21	N/R[i]	N/R[i]	N/R[i]	N/R[i]	1.0	62	64	12
Primary**	20	35	23	0.13	81	0.60	120	1.3	250	2.3	450	140	91
Total***	**26**	**40**	**33**	**0.12**	**100**	**0.46**	**120**	**1.0**	**250**	**2.0**	**520**	**120**	**100**

* 90% ** 76% *** 79%: % of material class tonnes in Measured or Indicated Category (see Table 4 for details). 1. See Note 1 for details. 2. See Note 2 for details. i : Not recoverable.

EXPLORATION TARGET ESTIMATE

An Exploration Target for potential mineralisation, **additional to the existing resource,** was estimated by H&S Consultants Pty Ltd (**H&SC**) and announced on 6 June 2018, and is restated as follows as at 30 June 2019:

	Silver (Ag)			Gold (Au)		Lead (Pb)		Zinc (Zn)		In-situ Contained Metal Equivalents[b] Zn Eq		Ag Eq	
Approx. Range	Resource Tonnes (Mt)	Grade (g/t)	Contained Metal (Moz)	Grade (g/t)	Contained Metal (000 oz)	Grade (%)	Contained Metal (000 t)	Grade (%)	Contained Metal (000 t)	Grade (Zn Eq %)	Contained Zn Eq (000 t)	Grade (Ag Eq g/t)	Contained Ag Eq (Moz)
Lower	**20**	**20**	**13**	**0.1**	**64**	**0.3**	**60**	**0.7**	**140**	**1.3**	**300**	**80**	**58**
Upper	**50**	**40**	**64**	**0.2**	**320**	**0.5**	**250**	**1.0**	**500**	**2.1**	**1,000**	**130**	**190**

Exploration Target Notes:

a) **An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate an additional Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.**

b) Same as for the Mineral Resource, Ag Eq is based on US$16.77/oz Ag, US$1,295/oz Au, US$2,402/t Pb, and US$3,219/t Zn, recoverable at 86% of head grade for Ag, 90% for Au, 92% for Zn, and 53% for Pb. For calculation details see Note 2.

c) The upper and lower grades of the Exploration Target estimate do not necessarily correspond to the upper and lower tonnages, nor do the upper and lower grades for each element necessarily correspond.

d) The Exploration Target estimate is based on a cutoff grade 80 g/t Ag Eq.

e) The Exploration Target has been estimated on the basis of a combination of Exploration Results and the proposed exploration programmes set out under the heading 'About the resource infill drilling programme' in the 8 November 2017 announcement – Kempfield Exploration Target. A detailed technical description of the Exploration Target estimation methodology employed by H&SC (which remains unchanged) is provided in Appendix B of that announcement.

f) The Exploration Target is based on 515 holes/49,229 metres, with drill hole spacing generally greater than 100 metres, and sample spacing (downhole) predominantly 1.0 metres.

MINERAL RESOURCES AND ORE RESERVES STATEMENT

RESOURCE DETAILS

Table 2 - Kempfield Mineral Resource - Primary material tonnes and grades by mineralisation zone and locality

			Contained Metal Grades				In-situ Contained Metal Equivalent Grades[2]	
Zone	Locality*	Resource Tonnes (Mt)	Silver (Ag) (g/t)	Gold (Au) (g/t)	Zinc (Zn) (%)	Lead (Pb) (%)	Zinc Equivalent (Zn Eq) (%)	Silver Equivalent (Ag Eq) (g/t)
1	BJ Zone	6.9	47	0.05	1.2	0.37	2.1	130
	Southern Conglomerate Zone	0.20	31	0.29	0.62	0.53	1.7	110
	Zone 1 Total	7.1	46	0.06	1.2	0.38	2.1	130
2	Quarries Zone	2.8	27	0.05	1.4	0.66	2.2	140
	McCarron Zone	7.9	31	0.17	1.2	0.78	2.3	140
	Zone 2 Total	11.1	30	0.14	1.3	0.75	2.3	140
3	West McCarron	2.2	22	0.27	1.6	0.58	2.6	160
	Zone 3 Total	2.2	22	0.27	1.6	0.58	2.6	160
Total	**Zone 1 + Zone 2 + Zone 3**	**20**	**35**	**0.13**	**1.3**	**0.60**	**2.3**	**140**

* Mineral Resource Model constructed prior to re-characterisation of mineralisation into Zones and Horizons:
BJ Zone ▸ Kempfield North = C Horizon and D Horizon
Southern Conglomerate Zone ▸ Kempfield South = C Horizon and D Horizon
Quarries Zone ▸ Henry Zone = C Horizon & D Horizon
McCarron Zone ▸ Kempfield South = A Horizon and B Horizon
West McCarron Zone ▸ Kempfield West = FW1 Horizon

Table 3 - Kempfield Mineral Resource by category

		Grade (g/t)		Grade (%)		In-situ Grade (Contained Zn Eq and Ag Eq)[b]	
Category	Resource Tonnes (Mt)	Silver (Ag)	Gold (Au)	Lead (Pb)	Zinc (Zn)	Zinc Equivalent (Zn Eq %)	Silver Equivalent (Ag Eq g/t)
Oxide/Transitional							
Measured	2.7	68	0.11	-	-	1.2	76
Indicated	2.7	47	0.11	-	-	0.9	56
Inferred	0.6	39	0.08	-	-	0.7	45
Total Oxide/Transitional	6.0	55	0.11	-	-	1.0	64
Primary							
Measured	4.7	49	0.12	0.65	1.3	2.5	150
Indicated	10	34	0.13	0.57	1.2	2.2	140
Inferred	4.9	25	0.12	0.60	1.4	2.2	140
Total Primary	20	35	0.13	0.60	1.3	2.3	140
Total Resource	**26**	**40**	**0.12**	**0.46**	**1.0**	**2.0**	**120**

MINERAL RESOURCES AND ORE RESERVES STATEMENT

Table 4 - Kempfield Mineral Resource tonnes and contained metal in Measured and Indicated categories

		Contained Metal					
	Resource Tonnes (Mt)	Moz Silver (Ag)	'000 oz Gold (Au)	'000 t Lead (Pb)	'000 t Zinc (Zn)	'000 t In-situ Zinc Equivalent (Zn Eq)	Moz In-situ Silver Equivalent (Ag Eq)
Oxide/Transitional							
Measured	2.7	5.8	9.3	-	-	33	6.6
Indicated	2.7	4.1	9.9	-	-	25	4.9
Measured + Indicated	**5.4**	**9.9**	**19**	**-**	**-**	**57**	**11**
As % of Total Oxide/Transitional	**90%**	**93%**	**93%**	**-**	**-**	**93%**	**93%**
Primary							
Measured	4.7	7.5	19	31	60	120	24
Indicated	10	11	44	60	130	230	46
Measured + Indicated	**15**	**19**	**63**	**90**	**190**	**350**	**69**
As % of Total Primary	**76%**	**83%**	**78%**	**76%**	**74%**	**76%**	**76%**
Oxide/Transitional + Primary							
Measured	7.4	13	28	31	59	150	30
Indicated	13	15	54	60	130	250	51
Total Measured + Indicated	**21**	**29**	**82**	**90**	**190**	**400**	**81**
As % of Total Resource	**79%**	**86%**	**81%**	**76%**	**74%**	**78%**	**78%**

Note 1 - 80 g/t Silver Equivalent Cut-off Grade for Primary

This Resource is only reported in Resource tonnes and contained metal (ounces of silver and gold, and tonnes for lead and zinc). The Resource estimation for the Primary material is based on a silver equivalent (Ag Eq) cut-off grade of 80 g/t.

A silver equivalent was not employed for the oxide/transitional material estimation and is based on a 25 g/t silver only cut-off grade.

The contained metal equivalence formula is based on the following assumptions:

Silver price:	$US 16.77/oz
Gold price:	$US 1,295/oz
Zinc price:	$US 3,129/tonne
Lead price:	$US 2,402/tonne
Silver recoverable:	86% of head grade
Gold recoverable:	90% of head grade
Zinc recoverable:	92% of head grade
Lead recoverable:	53% of head grade

The metals pricing is based on the one year historical average daily market close on which the 30 May 2018 Significant Kempfield Resource Update report was based.

The metallurgical recovery assumptions are based on metallurgical testing to date, including the results announced on 12 April 2018. It is the Company's opinion that all the elements in the metals equivalents calculation have a reasonable potential to be recovered and sold.

Note 2 – In-situ contained metal equivalent ('Zn Eq' and 'Ag Eq') calculation details

(i) The zinc equivalent (Zn Eq) continues to be reported for the Kempfield deposit on the basis that zinc is estimated to be a material contributor to potential revenues, comparable to silver, with the relative order of zinc and silver contributions highly sensitive to volatile market prices.

(ii) The formula for calculating the zinc equivalent grade (% Zn Eq) is:

% Zn Eq = % Zn + % Pb x 0.4422 + g/t Ag x 0.0161 + g/t Au x 1.3017

(iii) The silver equivalent (Ag Eq) continues to be reported on the basis that a) the estimated silver contribution to potential revenues is also material, comparable to zinc, with the relative order of zinc and silver contributions highly sensitive to volatile market prices; and b) since the Company has historically published a silver equivalent, the Company's opinion is that continuing to do so is in the interest of transparency for investors.

(iv) The formula for calculating the silver equivalent grade (g/t Ag Eq) is:

g/t Eq Ag = g/t Ag + g/t Au x 80.81 + % Pb x 27.46 + % Zn x 62.08

(v) The above Ag Eq and Zn Eq formulae apply to both the Oxide/Transitional and Primary. For Oxide/Transitional the grade value for Pb and Zn is entered into each formula as zero.

Note 3 – Rounding and Significant Figures

Figures in the tables in this Mineral Resources and Ore Reserves Statement may not sum precisely due to rounding; the number of significant figures does not imply an added level of precision.

Note 4 - Comparison with Previous Mineral Resource Estimate

The underlying Mineral Resource estimate that was initially reported on 26 April 2012, subsequently updated to JORC 2012 reporting standard on 6 May 2014, and further updated on 16 October 2014 with the addition of the metal zonation detail in Table 2 of the Mineral Resource statement.

On 30 May 2018 the Company announced substantial revisions to the contained metal equivalence formula to reflect the significant impact of the metallurgical recoveries announced on 12 April 2018 for the primary material, and updated market pricing for zinc, silver, lead and gold. This resulted in significant increases to contained metal equivalents (approximately doubling the Ag Eq ounces), and the addition of a zinc equivalent for the first time.

Whilst the underlying mineral resource estimation methodology and individual metal grade estimates remain unchanged, the cut-off grade for reporting of the primary material resource, which is based on the contained metal equivalence formula set out in Note 1 and Note 2, has been increased to 80 g/t Ag Eq (from 50 g/t Ag Eq previously).

The cut-off grade for the oxide/transitional material, which does not depend on the equivalence formula, remains unchanged at 25 g/t Ag.

There have been no further changes in the Mineral Resource estimate from 30 May 2018 to 30 June 2019.

Accordingly no comparison is provided for Mineral Resource estimate statement as at 30 June 2019 versus 30 June 2018.

Note 5 - Annual Review

The Company has engaged H&S Consultants Pty Ltd (**H&SC**) to complete the annual review of Mineral Resources and Ore Reserves for the Kempfield Polymetallic Project for reporting as at 30 June 2019. H&SC is an independent Mineral Resources estimation consulting practice located in Sydney, New South Wales. H&SC maintains best in class industry standard governance arrangements and internal controls with respect to the estimation of Mineral Resources.

JORC 2012 MINERAL RESOURCES AND ORE RESERVES STATEMENT - COMPETENT PERSON STATEMENT

The information in the Mineral Resources and Ore Reserves Statement for the Kempfield deposit is based on information compiled by Mr. Arnold van der Heyden, geologist and a Director of H&S Consultants Pty Ltd (**H&SC**).

The information in the Mineral Resources and Ore Reserves Statement, including the Exploration Target, is based on, and fairly represents, information and supporting documentation prepared by Mr. Arnold van der Heyden. Mr. Arnold van der Heyden is a Member and Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy. Mr. Arnold van der Heyden has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Resources Committee, the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Mineral Council of Australia'. The Mineral Resources and Ore Reserves Statement for the Kempfield deposit as a whole, and the Exploration Target in the Operations Review section of this 2019 Annual Report, are approved by Mr. Arnold van der Heyden in the form and context in which they appear.

MINERAL RESOURCES AND ORE RESERVES STATEMENT

MT. DUDLEY (NSW, AUSTRALIA - 100% ARGENT)

On 1 March 2013 Argent announced a small maiden Resource for Mt. Dudley, a potential feedstock source located approximately 4 kilometres to the east of the Kempfield deposit. This Mineral Resource was restated in the Company's Annual Report to the shareholders for the year ended 30 June 2017.

The following table sets out the Mt. Dudley Mineral Resource statement as at 30 June 2019. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

At a cut-off grade of 0.5 g/t Au:

Table 6 - Mt Dudley Mineral Resource Estimate - 30 June 2019

Category	Resource Tonnes (Mt)	Au (g/t)	Contained Au Metal (oz)
Inferred	0.89	1.0	28,000

Note 1 - Comparison with Previous Mineral Resource Estimate

There has been no change in this Mineral Resource estimate in relation to the Mineral Resource estimate that was previously stated as at 30 June 2018. Accordingly, no comparison is provided.

Note 2 - Annual Review

The Company has engaged H&S Consultants Pty Ltd (**H&SC**) to complete the annual review of Mineral Resources and Ore Reserves for the Mt Dudley deposit for reporting as at 30 June 2019. H&SC is an independent Mineral Resources estimation consulting practice located in Sydney, New South Wales. H&SC maintains best in class industry standard governance arrangements and internal controls with respect to the estimation of Mineral Resources.

JORC 2004 MINERAL RESOURCES AND ORE RESERVES STATEMENT - COMPETENT PERSON STATEMENT

The information in the Mineral Resources and Ore Reserves Statement for the Mt Dudley deposit is based on information compiled by Mr. Arnold van der Heyden, geologist and a Director of H&S Consultants Pty Ltd (**H&SC**). The information in the Mineral Resources and Ore Reserves Statement is based on, and fairly represents, information and supporting documentation prepared by Mr. Arnold van der Heyden. Mr. Arnold van der Heyden is a Member and Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy. Mr. Arnold van der Heyden has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Resources Committee, the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Mineral Council of Australia'. The Mineral Resources and Ore Reserves Statement for the Mt Dudley Deposit as a whole is approved by Mr. Arnold van der Heyden in the form and context in which it appears.

MINERAL RESOURCES AND ORE RESERVES STATEMENT

SUNNY CORNER (NSW, AUSTRALIA - 70% ARGENT)

Background

In the 12 August 2008 announcement, the Company reported that “The GCO campaign comprised a total of 49 RC holes for a total of 4,090 metres drilled beneath and adjacent to the historical Sunny Corner mine which is reported to have produced 210,000 tons @ 13.8 ounces of silver per ton for 2.9 million ounces of silver between 1881 and 1893”.

On 12 August 2008 Argent announced a maiden Mineral Resource at Sunny Corner. The resource estimates were completed by H&S Consultants Pty Ltd (**H&SC**) and were reported using a cut-off grade of 2.5% combined base metals (copper, lead & zinc) based on data derived from Golden Cross Operations Pty Ltd’s (**GCO**) 2004 drilling campaign, and excludes results from the Company’s three hole RC drilling campaign in June 2007 for a total of 340 metres (**Three RC Holes**). The Exploration Results were compiled by Dr Vladimir David.

In April 2009 Argent announced its completion of a 5 hole HQ diamond hole drilling campaign at Sunny Corner. The vertical holes were drilled for metallurgical testwork purposes, over a 100 metre north-south strike length for a total of 279.75 metres (**Metallurgical Holes**).

In September 2013, **H&SC** was engaged by Argent to review the potential impact of the Metallurgical Holes on the Sunny Corner resource statement announced in August 2008, for reporting as at 30 June 2013. The review concluded that the data from the Metallurgical Holes were unlikely to have a material impact on the existing resource estimate.

Sunny Corner Mineral Resource Statement - 30 June 2019

The following table sets out the Sunny Corner Mineral Resource statement as at 30 June 2019. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

At a combined base metals (**cbm**) cut-off grade of 2.5%:

Table 7 - Sunny Corner Mineral Resource Estimate - 30 June 2019

	Resource Tonnes (Mt)	Density	cbm (%)	Au (g/t)	Pb (%)	Zn (%)	Cu (%)	Ag (g/t)
Inferred	1.5	2.8	6.2	0.17	2.13	3.70	0.39	24

for contained metal as:

- 55,000 tonnes of zinc;
- 32,000 tonnes of lead;
- 5,800 tonnes of copper; and
- 1.2 million ounces of silver.

Note 1 - Qualification

No account has been made for any historical production or mine development; and

The data from the Three RC Holes from within the resource and the Metallurgical Holes, have not been included in any resource estimate. However, H&SC believes that they would have a minor impact on the resource estimate figures and spatial location of grades.

Note 2 - Comparison with Previous Mineral Resource Estimate

There has been no change in this Mineral Resource estimate in relation to the Mineral Resource estimate that was previously stated as at 30 June 2018. Accordingly, no comparison is provided.

MINERAL RESOURCES AND ORE RESERVES STATEMENT

Note 3 - Annual Review

The Company has engaged H&SC to complete the annual review of Mineral Resources and Ore Reserves for the Sunny Corner deposit for reporting as at 30 June 2019. H&SC is an independent Mineral Resources estimation consulting practice located in Sydney, New South Wales. H&SC maintains best in class industry standard governance arrangements and internal controls with respect to the estimation of Mineral Resources.

JORC 2004 MINERAL RESOURCES AND ORE RESERVES STATEMENT - COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results for the Sunny Corner Deposit is based on information compiled by Dr. Vladimir David, who is a member of the Australian Institute of Geoscientists, a consultant to Argent, and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr. David consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The data in this report that relates to Mineral Resources for the Sunny Corner Deposit is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (**MAusIMM**) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "**JORC Code**"). Mr Tear is a Director of H&S Consultants Pty Ltd and he consents to the inclusion of the estimates in the report of the Mineral Resource in the form and context in which they appear.

RINGVILLE AND QUEENSBERRY (TAS, AUSTRALIA - 100% ARGENT)

Background

On 29 January 2018 Argent announced pre-JORC Code historical mineralisation estimates for the Company's newly acquired Ringville and Queensberry tenements in Tasmania (**Historical Estimates**). The following summaries are provided in accordance with ASX Listing Rule 5.14 in relation to progress made by Argent in evaluating the Historical Estimates, and the status of further evaluation and/or exploration work required to verify the Historical Estimates and report as Mineral Resources in accordance with the JORC Code 2012 Edition.

Salmons and Pieman Lodes – Ringville tenement

The Salmons and Pieman Historical Estimates (being separate veins of the same deposit) were based on the drilling results for 50 drillholes totalling 18,308.4 metres; assays were attained using atomic absorption spectroscopy (**AAS**) for Cu, Pb, Zn, Ag, As, Hg and Mn, fire assay with AAS finish for Au, and X-ray fluorescence (**XRF**) for Sn; 265 samples were used for specific gravity determination.

Work conducted during the year included selective sampling of the main mineralised lode in representative drillholes and assay of samples using the 4-acid ICPMS assay method. Assay results were comparable to historic reported assays. It is intended to confirm the location of the mineralised lodes through geological mapping and physical drilling as a next step to advance the historical estimates to JORC 2012 status. These activities will continue into the 2019/20 financial year.

Godkin deposit – Ringville Tenement

Historical information on which the Godkin Historical Estimate is based comprises 4 drillholes totalling 978.4 metres with full assay results not reported, only highlighted intersections for Sn, Cu, and As. Little further work has been conducted during the 2018/19 year due to prioritisation of the Salmons area. This is intended to remain the case for the 2019/20 year.

Queensberry Mine deposit

Hyperspectral studies were conducted by Mineral Resources Tasmania (**MRT**) on drillholes

LCD01 and LCD04 in the previous year and results were assessed during the 2018/19 year. . Further work will include regional and local mapping to locate all outcrops of mineralisation followed by a series of stream sediment and soil sampling programs to identify any further potential mineralisation in the area during the 2019/20 year

PRE-JORC CODE HISTORICAL MINERALISATION ESTIMATES - COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results and the reporting of pre-JORC Code historical mineralisation estimates is based on information compiled by Mr. Clifton Todd McGilvray who is a member of the Australasian Institute of Mining and Metallurgy, an employee of Argent Minerals, and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

Mr. McGilvray consents to the inclusion in this report of the matters based on the information in the form and context in which it appears, and confirms that the information provided in this announcement under ASX Listing Rule 5.14 is an accurate representation of the progress made by Argent in evaluating the Historical Estimates, and the status of further evaluation and/or exploration work required to verify the Historical Estimates and report as Mineral Resources in accordance with the JORC Code 2012 Edition.

GOVERNANCE ARRANGEMENTS

Argent's management and Board of Directors include individuals with many years' work experience in the mineral exploration and mining industry who monitor all exploration programmes and oversee the preparation of reports on behalf of the Company by independent consultants. The exploration data is produced by or under the direct supervision of qualified geoscientists. In the case of drill hole data half core samples are preserved for future studies and quality assurance and quality control. The Company uses only accredited laboratories for analysis of samples and records the information in electronic databases that are automatically backed up for storage and retrieval.

DISCLAIMER

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

May include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources 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 report are qualified by the foregoing cautionary statements. 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.

ARGENT MINERALS LIMITED

CORPORATE DIRECTORY

CORPORATE DIRECTORY

Directors:
Peter Wall – Non-Executive Chairman
Emmanuel Correia – Non-Executive Director
Peter Michael – Non-Executive Director
Tim Hronsky – Non-Executive Director

CEO:
David Busch

Company Secretary:
Vinod Manikandan
Emmanuel Correia

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Solicitors:
Steinepreis Paganin

Argent Minerals Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.