

31 July 2015

## JUNE 2015 QUARTERLY ACTIVITIES AND CASH FLOW REPORT

### HIGHLIGHTS:

- **Diamond hole results validate the deposit model developed by Argent for the project, and increase the potential 'size of the prize' for Kempfield high grade base and precious metal mineralisation**
- **Extended reach deep announced for Kempfield deep diamond drilling program - seven deep diamond holes to be drilled for a total of 3,200 metres, testing for depth and strike extensions to existing mineralised lenses, as well as potential new lenses**
- **Private placement capital raising completed for approximately \$525,000 before costs**
- **Share Purchase Program (SPP) offered to qualifying shareholders on the same pricing terms as the private placement to sophisticated investors for up to an additional \$1.17 million**
- **Shareholder meeting date set and agenda announced for 7 August 2015 for SPP completion**
- **Argent spurred on by market responses to Mallee Bull zinc/lead intersections, and Evolution's purchase of Lake Cowal 37 km north of West Wyalong**

### A STRONG QUARTER FOR ARGENT MINERALS

Argent Minerals Limited (ASX: ARD, Argent, Argent Minerals or the Company) is pleased to report a strong quarter of progress and positive news flow in relation to its top two projects, as the Company prepares for drill testing the significant 'size of the prize' potential identified at the Kempfield Polymetallic Project, and the sizeable porphyry copper gold target at West Wyalong.

Historically considered as a silver project, Argent's exploration efforts have placed Kempfield on the Australian map as a potentially significant volcanogenic massive sulphide (VMS) polymetallic project with base metals featuring the potential for high grade lead and zinc in addition to high grade precious metals silver and gold.

The intersections of high grade lead and zinc of up to 5 m @ 17.9% from 88 metres, and gold of up to 5 m @ 4 g/t from 353 metres, both immediately to the west of the known deposit (see Figure 2), together with a range of scientific evidence uncovered by the Company, have resulted in a paradigm shift in expectations as to what potentially awaits discovery at Kempfield, a site located close to rail and road infrastructure in the world class Lachlan Orogen neighbourhood in New South Wales.

During the quarter Argent announced that recent diamond drilling results have validated its genesis model for the project, which predicts the potential for significant depth extensions to mineralised lenses below the known deposit, as well as the potential for high grade base and precious metals. The validated model implies that the lengths of the steeply dipping lenses could extend to substantial depths.

With the majority of the historical drilling at Kempfield having been relatively shallow to only 120 metres for most of the deposit, and only 80 metres for the southern section of mineralisation Lens 1, and leaving the majority of the deposit open at depth, Argent is preparing to drill test the genesis model and the extended lens potential.

On 29 April 2015 Argent announced an extended reach deep diamond drilling program for the Kempfield Polymetallic Project, comprising a total of seven holes for 3,200 metres, which includes extensions to two holes partially funded by the NSW Government. This next phase of drilling has been designed to test for depth and strike extensions to existing mineralised lenses, as well as new lenses, with the primary focus being the discovery of high grade zinc, lead, and precious metals, including the potential for high grade gold in addition to silver.

During the quarter the Company commenced a capital raising program to fund the drilling program and a geophysics survey at its West Wyalong project. The capital raising comprises a private placement to investors

qualifying as sophisticated investors under Section 708 of the Corporations Acts (2001), and a Share Purchase Program offered to qualifying Argent shareholders on the same pricing terms and conditions (**Private Placement**).

A total of \$525,500 before costs was successfully raised by the Private Placement, and was followed by the commencement of the Share Purchase Program (**SPP**) on 30 June 2015, which is scheduled to close on Monday 10 August 2015.

Under the terms of the SPP, qualifying shareholders are able to participate on a first come first served basis, to purchase a maximum of \$15,000 of Argent shares at 2.2 cents per share for a total maximum of approximately \$1.17 million, each share with a free attaching option (**Options**), subject to a shareholder meeting scheduled for Friday 7 August 2015. The Options will be listed together with all the currently ASX-listed Argent options, which each have a strike of 17.5 cents for exercise on or before and of 31 March 2016. The purpose of the ASX listing of the Options is to facilitate trading at market value prior to exercise date.

**Argent spurred on by Mallee Bull zinc/lead intersections**

On 10 June 2015 Argent Minerals announced that it was strongly encouraged by Peel Mining Limited’s (**Peel Mining, ASX:PEX**) 9 June 2015 announcement of ‘spectacular’ zinc/lead/silver/gold intersections at the Mallee Bull project in the Lachlan Orogen geological terrain in New South Wales, and the impact on Peel Mining’s share price and market capitalisation, as Argent prepares to conduct the major deep diamond drilling program at its Kempfield Polymetallic Project, targeting high grade base and precious metals.

Also located in the Lachlan Orogen terrain, Argent’s Kempfield project is strategically situated in a historically fertile neighbourhood which has produced world class mines such as the Cadia Valley Operations just 40 kilometres to the Northwest featuring the largest hard rock underground mine in Australia, and one of the largest in the world with Ore Reserves of 1.8 billion tonnes containing 28 million ounces of gold and 4.9 million tonnes of copper<sup>i</sup>.

Kempfield has been identified as a volcanogenic massive sulphide (**VMS**) deposit in the Eastern Australian Palaeozoic VMS peer group which extends from Red River Resources’ Thalanga polymetallic project in Queensland, and southward through the Hill End Trough basin margin deposits in New South Wales which also includes the Company’s polymetallic project at Sunny Corner (where grades were so high at one point to that the mined material was direct shipped to London), through to Tasmania where high grade VMS deposits such as Rosebery, Hellyer and Que River are hosted<sup>ii</sup>.

On inspection of drill core and rock outcrops during a site visit at Kempfield, Professor Ross Large of the Centre of Excellence in Ore Deposits (**CODES**) identified similarities in the style of mineralisation at Kempfield to that of the historically high grade Que River deposit in Tasmania<sup>iii</sup>.

To illustrate the potential for a junior mining company to generate shareholder wealth, Argent provided the following table comparison of market capitalisations for Peel Mining at market close before and after the Mallee Bull exploration results announcement, and for Argent Minerals at the time.

**Table 1 – Share price and market capitalisation comparisons**

Company	Project ownership	Total number of shares	Date	Share price at market close	Market capitalisation
Argent Minerals	Kempfield 100% West Wyalong 51% Sunny Corner 70%	177,563,702 <sup>iv</sup>	9 June 2015	\$A0.025	\$A4,439,093
Peel Mining	Mallee Bull – JOGMEC farmin to 40% (Stage 1), then 50% (Stage 2) <sup>vi</sup> plus other projects	132,485,969 <sup>v</sup>	10 March 2015	\$A0.050	\$A6,624,298
			9 June 2015	<b>\$A0.220</b>	<b>\$A29,416,913</b>



### **Argent Strategic Update – West Wyalong Project**

On 1 June 2015 Argent Minerals announced that the Company was strongly encouraged by the announcement of a tangible transaction in the precious metals mining space, which could serve as a guide to the value potential for a fully developed asset at the Company's West Wyalong Project located in a fertile production neighbourhood within the Lachlan Orogen terrain in New South Wales.

On Monday 25 May Evolution Mining Limited (**Evolution, ASX:EVN**) announced that it had executed a share purchase agreement with Barrick Cowal (Pty) Limited (**Barrick**) for its transformational acquisition of the Cowal Gold Mine (**Cowal**) for \$US550 million (\$A694 million).

Cowal is located approximately 37 km to the north of the West Wyalong Project, and according to Evolution's ASX announcement on 25 May 2015, is one of Australia's most attractive gold assets with combined annual production of 230-260,000 ounces of gold, and all-in sustaining costs (**AISC**) of \$A850-900 per ounce.

The Cowal transaction confirms the Board's view that it should continue to pursue delineation and testing of the large porphyry copper gold target established by Argent at West Wyalong.

Located only 7 kilometres from the West Wyalong gold fields that produced yielded 445,700 ounces of gold from 374,111 tonnes of material between 1894 and 1921, Argent's project is situated in the Macquarie Arc of the Lachlan Orogen, in a geological setting of Ordovician age volcanics which hosts world-class porphyry copper-gold mines such as Newcrest's Cadia, China Molybdenum's Northparkes, and the Cowal Gold Mine.

In terms of the specific geological setting, the Argent project is strategically located on the Narragudgil Volcanics, in between the Gilmore Suture, a major crustal structure, and the Yiddah Formation. Copper-gold porphyry deposits commonly occur in orogenic belts at convergent plate boundaries and are often associated with oceanic volcanic island arcs overlying oceanic crust such as the Macquarie Arc.

Ordovician age Narragudgil Volcanics are prospective for porphyry copper-gold deposits. Porphyry copper gold deposits are typically medium to large tonnage (30 to >300 Mt) with grades ranging from 0.4 to 2.5 g/t gold and 0.2 to 1.5% copper.

Argent noted in the 1 June 2015 announcement that it has determined that the porphyry copper gold target at West Wyalong is to be tested as a priority.

Prior to drill testing of this target, the area will be surveyed with a high resolution deeply penetrating induced polarisation (**IP**) survey, to complement the high resolution magnetic survey performed in 2014, and serve as an aid for precision drillhole planning.

### **About the validated deposit model and the extended reach Kempfield deep diamond drilling program**

The relevant diagrams for the Kempfield extended reach deep diamond drilling program are reproduced for the convenience of investors in Figures 1 to 4 inclusive. For details please refer to the relevant ASX announcements listed on page 10 of this quarterly activities and cash flow report.

The additional holes have been designed to test the recently validated Volcanogenic Massive Sulphide deposit model which predicts the potential for significant depth extensions to mineralised lenses below the known deposit. Most of the historical drilling at Kempfield has been relatively shallow to only 120 metres for most of the deposit, and only 80 metres for the southern section of Lens 1, with the intersected mineralisation leaving the majority of the deposit open at depth.

Figure 1 – The validated Kempfield deposit model showing significant potential at depth (West-East section)

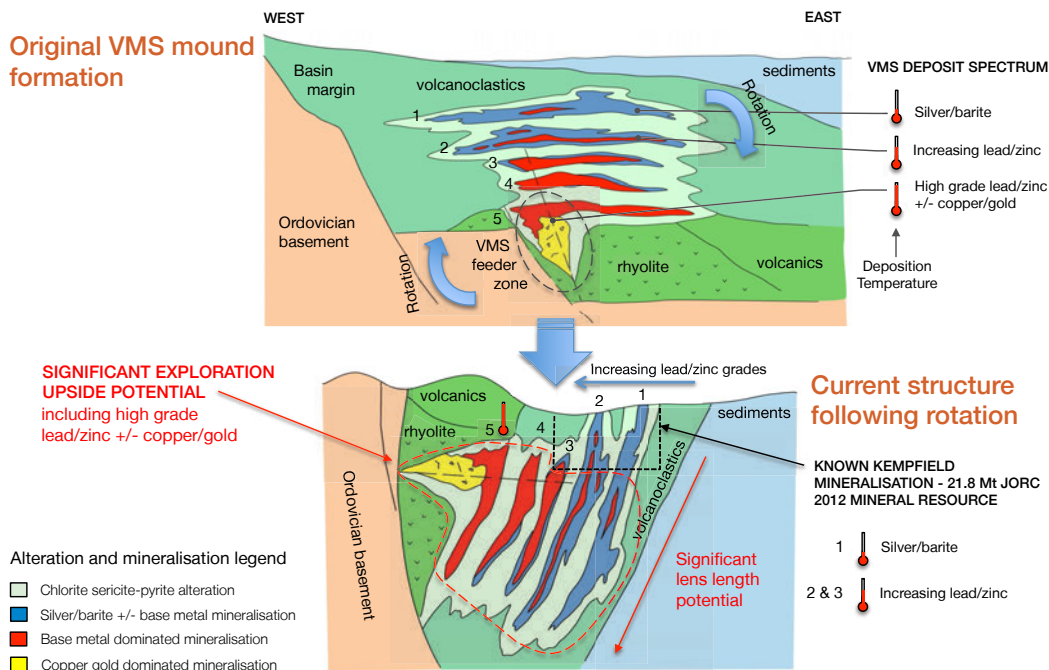


Figure 2 shows the conceptual high grade lead/zinc target zonation in relation to the high grade base metal and gold intersected by previous diamond drilling.

Figure 2 – High grade lead/zinc target zonation within the Kempfield VMS deposit

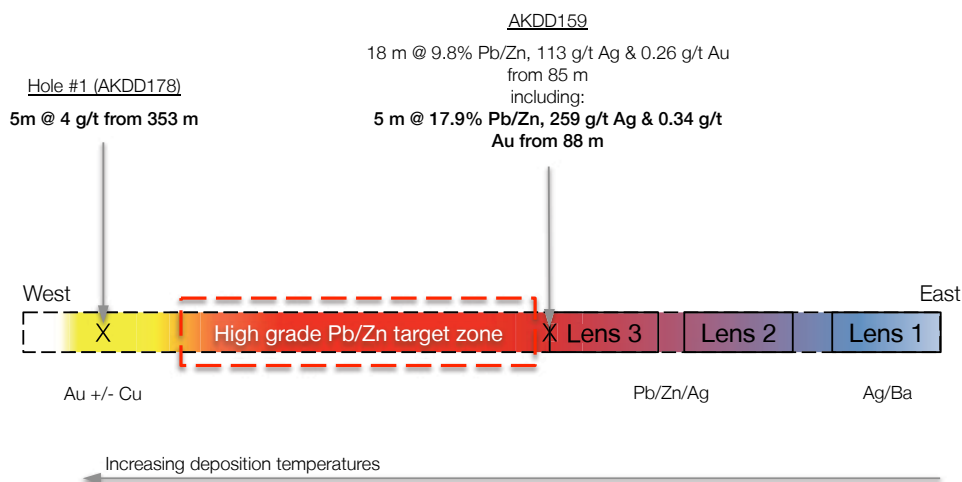
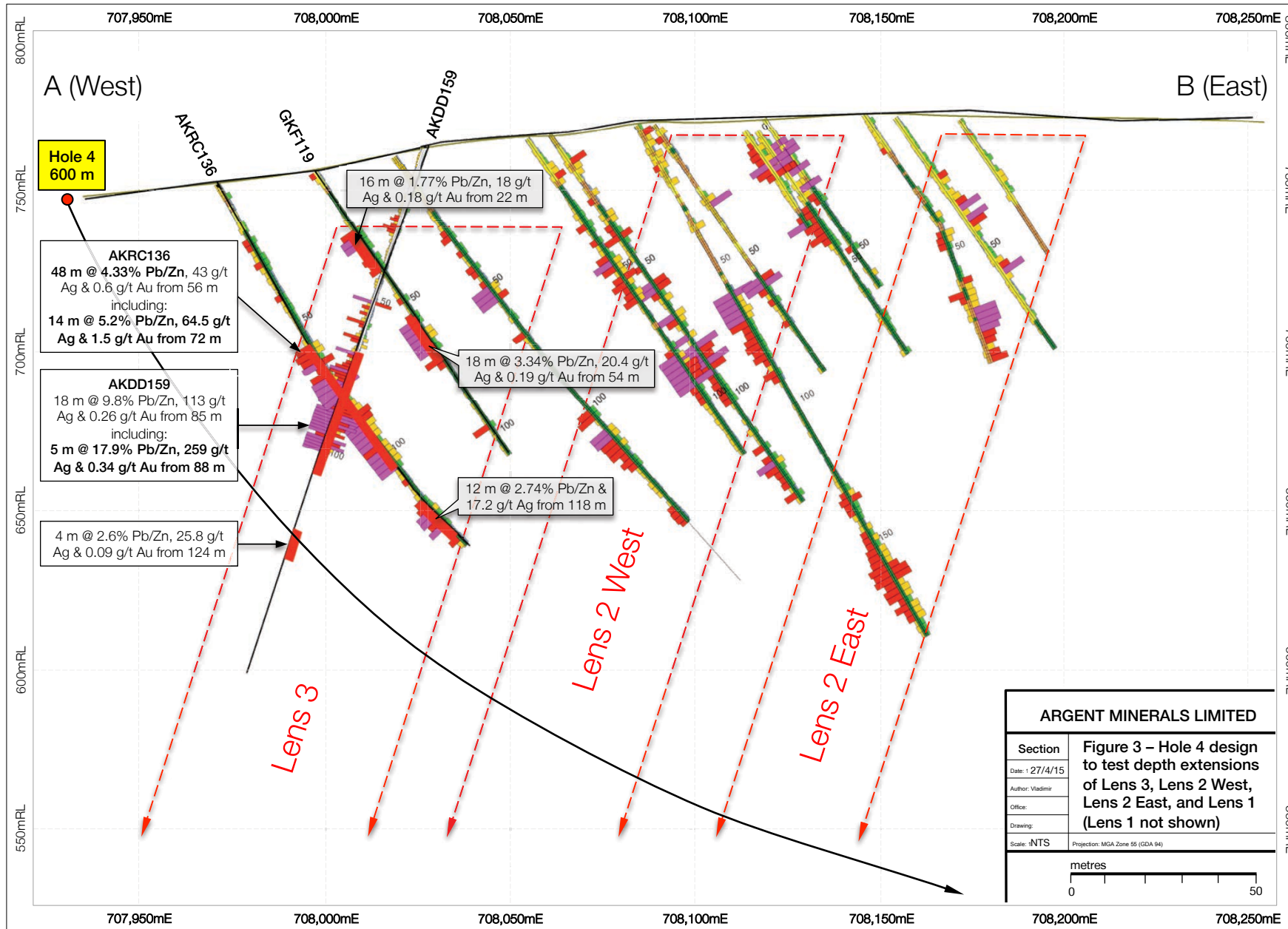


Figure 3 shows an example planned drill hole in relation to previous high grade lead/zinc intersections, and Figure 4 shows a plan view of the drilling program.



HISTOGRAM LEGEND

**Base metals grade (Pb/Zn)**

Histograms on left hand side of drillholes

**Combined Pb/Zn grade (ppm)**

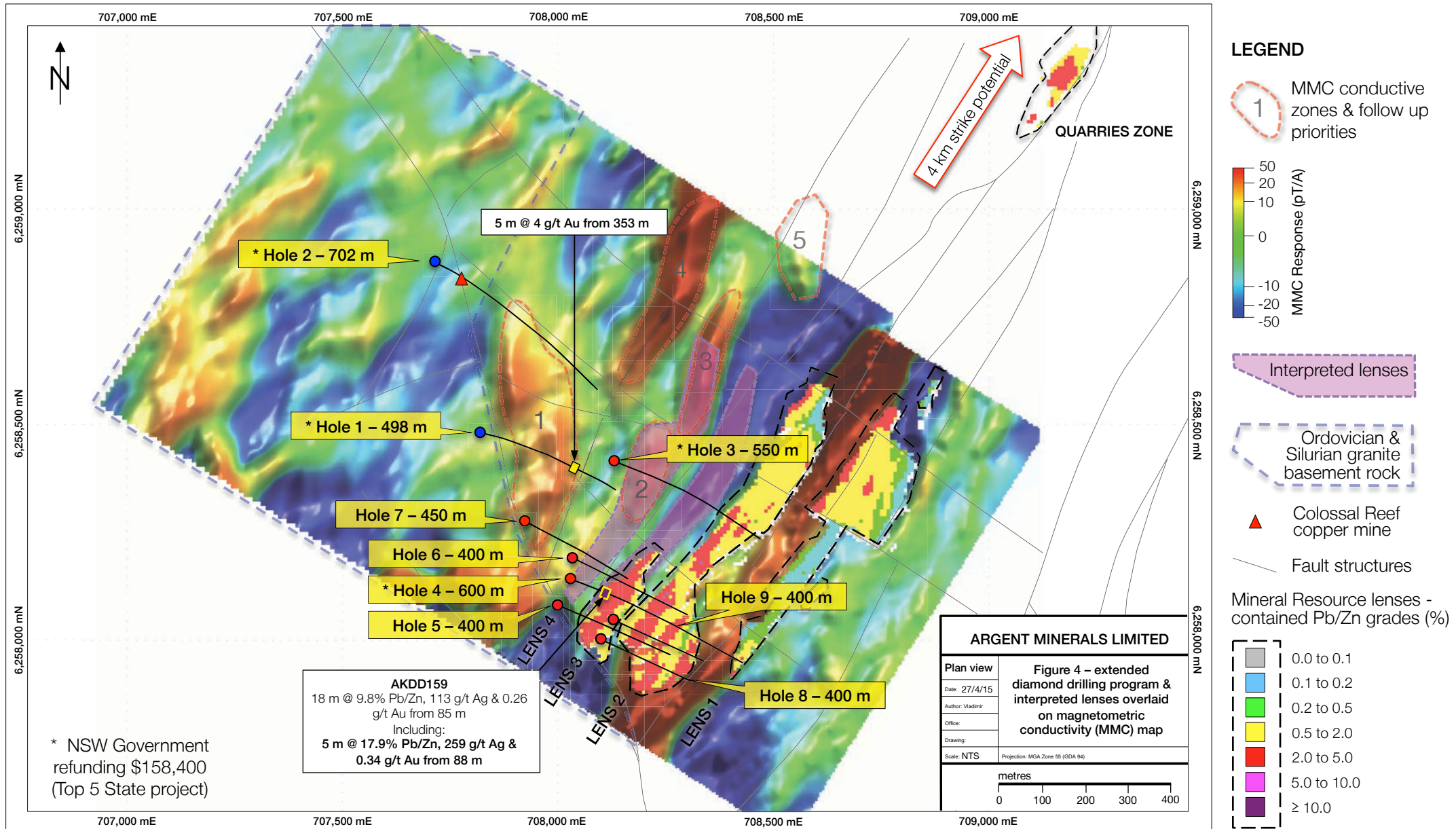
- 0 - 1,000
- 1,000 - 5,000
- 5,000 - 20,000
- 20,000 - 100,000

**Precious metals grade (Ag)**

Histograms on right hand side of drillholes

**Ag Grade (ppm)**

- 0 - 10
- 10 - 25
- 25 - 50
- 50 - 90
- 90 - 10,000



**Farewell Marcus Michael**

On 15 June 2015 it was with deep regret and sadness that Argent reported that Marcus Michael, a founder and non-executive Director of Argent Minerals, had passed away suddenly and unexpectedly.

Marcus had been fighting an illness with the same vigour that he applied to each business that he was involved in, and everything that he put his hand to in life. Whilst Marcus had completed the medical treatments and was expected by all to recover fully, he passed away suddenly and unexpectedly in Perth, Australia, with his wife at his side.

The Board, staff and colleagues of Argent Minerals will remember Marcus as a highly talented, energetic, enthusiastic, and inspirational business colleague and confidante, who invested significant time and energy in all his business relationships, whilst also ensuring time with his family as a top priority. He will be sorely missed.

Marcus was a founder of Argent Minerals, accountancy firm Marshall Michael, several ASX listed companies, and was also involved in the management of a hospital in Perth. He made a significant contribution to Argent Minerals and the junior minerals exploration industry in Australia.

The Board, staff and broader Argent Minerals family continue to extend their sincere condolences to Marcus' family and friends.

**Director appointment – Sarah Shipway**

On 15 June 2015 Argent Minerals advised that Sarah Shipway had been appointed as Non-executive Director of the Company, following the untimely passing away of Non-executive Director Marcus Michael.

Having served Argent Minerals Company Secretary since 22 November 2013, Sarah has a detailed working knowledge of all regulatory, corporate governance, and financial accounting matters of the Company, for a smooth transition. Ms Shipway has a Bachelor of Commerce from Murdoch University, Western Australia, and is a member of the Institute of Chartered Accountants in Australia.

**Cash position and funding activities**

The available cash position for Argent Minerals as at 30 June 2015 was approximately \$606,000.

Under the terms of the SPP the Company is able to raise up to a further \$1.17 million on a first come first served basis to qualifying shareholders.

Under the ASX Listing Rules the Company is also able to place any shortfall with sophisticated investors on the same terms and conditions as the SPP pricing, in the event that any shortfall is available for separate placement by Argent.

Following full take up of the SPP the Company anticipates being in strong cash position will be fully funded for the Kempfield extended reach deep diamond drilling program, the West Wyalong high resolution geophysics survey, working capital, and strong associated news flow.

The Company also intends to continue lodging Research & Development (R&D) claims to the Federal Government, as specifically approved and supervised by AusIndustry for the Kempfield Polymetallic Project.

The next R&D claim will be submitted in the second half of calendar year 2015 for the R&D related activities conducted during the financial year ending 30 June 2015.

Appendix A of this report provides details of Argent Minerals exploration tenements according to ASX Listing Rule 5.3.3 requirements, and is followed by Appendix 5B.

For further information please contact:

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Footnotes

<sup>i</sup> Newcrest Mining Limited Annual Mineral Resources and Ore Reserves Statement – 31 December 2014

<sup>ii</sup> 13 May 2015 Argent Presentation – Sydney RIU Conference, p. 8

<sup>iii</sup> For further information see AGSO Journal of Australian Geology & Geophysics. 17(4), 129-137, 'Palaeozoic volcanic-hosted massive sulphide deposits', J. Bruce Gemmell, Ross R. Large & Khin Zaw, Commonwealth of Australia 1998

<sup>iv</sup> Prior to completion of Private Placement and SPP announced 9 June 2015

<sup>v</sup> Peel Mining Investor Presentation 27 February 2015

<sup>vi</sup> Half-Year Consolidated Financial Report 31 December 2014, p. 10



## APPENDIX A

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

**Table 2 – Mining Tenement<sup>1</sup> Interest Activities for the Quarter Ending 30 June 2015**

Tenement Identifier	Location	Interest Acquired During Quarter	Interest Divested During Quarter	Interest Held at End of Quarter
<b>Kempfield</b>				
EL5645 (1992)	NSW	-	-	100%
EL5748 (1992)	NSW	-	-	100%
EL7134 (1992)	NSW	-	-	100%
EL7785 (1992)	NSW	-	-	100%
EL7968 (1992)	NSW	-	-	100%
EL8213 (1992)	NSW	-	-	100%
PLL517 (1924)	NSW	-	-	100%
PLL519 (1924)	NSW	-	-	100%
PLL727 (1924)	NSW	-	-	100%
PLL728 (1924)	NSW	-	-	100%
<b>West Wyalong</b>				
EL5915 (1992)	NSW	-	-	51% <sup>2</sup>
EL8001 (1992)	NSW	-	-	51% <sup>2</sup>
<b>Sunny Corner</b>				
EL5964 (1992)	NSW	-	-	70% <sup>3</sup>

### Notes for table 2

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. Under the West Wyalong Joint Venture and Farmin Agreement dated 8 June 2007 between Golden Cross Operations Pty Ltd and Argent Minerals Limited (JVA), Argent Minerals has the right to earn 51%, then 70%. The tenement holder is Golden Cross Operations Pty Ltd.
3. The tenement holder is Golden Cross Operations Pty Ltd.
4. For all Kempfield tenements the tenement holder is Argent (Kempfield) Pty Ltd, a wholly owned subsidiary of Argent Minerals Limited.

## COMPETENT PERSON STATEMENTS

### Previously Released Information

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

- 10 March 2014 Assays Confirm Third VMS Lens Group at Kempfield – Revised
- 30 September 2014 Annual Report to Shareholders;
- 16 October 2014 Base and precious metal grade zonation in Kempfield Resource;
- 29 October 2014 Kempfield Deep Diamond Drilling Program;
- 25 February 2015 Hole 1 intersects significant gold grades at Kempfield;
- 21 April 2015 Hole 2 increases potential size of the prize at Kempfield; and
- 29 April 2015 Extended reach for Kempfield deep diamond drilling program.

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

### DISCLAIMER

This ASX announcement (**Announcement**) has been prepared by Argent Minerals Limited (ABN: 89 124 780 276) (**Argent Minerals, Argent** or the **Company**). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Argent Minerals, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Argent Minerals.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Argent Minerals securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Argent Minerals and of a general nature which may affect the future operating and financial performance of Argent Minerals and the value of an investment in Argent Minerals including but not limited to economic conditions, stock market fluctuations, silver, lead, zinc, copper and gold price movements, regional infrastructure constraints, securing drilling rigs, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

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

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral resources and mineral reserves and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;

- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Argent Minerals, 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 Minerals disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. In particular, the corporate mission and strategy of the Company set forth in this Announcement represents aspirational long-term goals based on current expectations. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Argent Minerals Limited

ABN

89 124 780 276

Quarter ended ("current quarter")

30 June 2015

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(200)	(1,123)
(b) development	-	-
(c) production	-	-
(d) administration	(97)	(535)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	14
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	173
1.7 Other – GST	15	9
– NSW Government Grant	-	65
<b>Net Operating Cash Flows</b>	<b>(281)</b>	<b>(1,397)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(22)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	20
<b>Net investing cash flows</b>	<b>-</b>	<b>(2)</b>

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(281)	(1,399)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	525	1,173
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	(19)	(61)
	<b>Net financing cash flows</b>	<b>506</b>	<b>1,112</b>
	<b>Net increase (decrease) in cash held</b>	<b>225</b>	<b>(287)</b>
1.20	Cash at beginning of quarter/year to date	381	893
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>606</b>	<b>606</b>

### Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	109
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	\$'000
Directors fees and remuneration	96
Accounting, corporate, bookkeeping and secretarial services	13

### Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A
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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200*
4.2 Development	-
4.3 Production	-
4.4 Administration	115
<b>Total</b>	<b>315</b>

\*Does not include Kempfield drilling costs associated with the announcement made on 29 April 2015.

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	224	224
5.2 Deposits at call	382	157
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>606</b>	<b>381</b>

+ See chapter 19 for defined terms.

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A	N/A	N/A
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Performance Rights</b>			
	Tranche 1 Performance Rights	1,500,000	-	-
	Tranche 2 Performance Rights	1,000,000	-	-
7.2	Changes during quarter			
	(a) Increases through issues			
	Tranche 1 Performance Rights	-	-	-
	Tranche 2 Performance Rights	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-
7.3	<b>*Ordinary securities</b>	201,450,066	201,450,066	N/A
7.4	Changes during quarter			
	(a) Increases through issues	23,886,364	23,886,364	\$0.022
	(b) Decreases through returns of capital, buy-backs	4	4	\$0.175
		-	-	-
7.5	<b>*Convertible debt securities (description)</b>			

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	<b>Options</b> ( <i>description and conversion factor</i> )	108,013,237 6,574,000	108,013,237 -	<i>Exercise price</i> \$0.175 \$0.25	<i>Expiry date</i> 31 March 2016 29 August 2016
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	(4)	(4)	-	-
7.10	Expired during quarter	-	-	-	-
7.11	<b>Debentures</b> ( <i>totals only</i> )	-	-		
7.12	<b>Unsecured notes</b> ( <i>totals only</i> )	-	-		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Sarah Shipway  
Company Secretary

Date: 31 July 2015

Print name: Sarah Shipway

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining

+ See chapter 19 for defined terms.



**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

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tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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