


ARGENT MINERALS LIMITED
ANNUAL REPORT 2018


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

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE:
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SHARE REGISTRY
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SYDNEY NSW 2000
Phone: 1300 850 505
Fax: +61 3 9473 2500

AUDITORS
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71 Eagle Street
BRISBANE QLD 4000

HOME EXCHANGE
ASX Limited Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

SOLICITORS
Steinepreis Paganin
DLA Piper Australia

ASX Codes:
ARD (ordinary shares)
ARDO (options)

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

ABN 89 124 780 276

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FRONT COVER: Argent achieved a significant new milestone during the year for the Kempfield project - the successful separation of primary material into potentially marketable commercial grade zinc and lead concentrates also containing silver and gold.

CHAIRMAN'S LETTER

ARGENT MINERALS LIMITED

Dear Shareholders,

On behalf of the Board, I am pleased to present this report for the 2017/18 financial year (FY2018) - an exciting year of progress for Argent, with an impressive delivery of results across its asset base.

The year commenced with key announcements for the Company's maiden drilling programme at its West Wyalong copper-gold project, which is situated in a major mineral field of New South Wales. The area has produced 440,000 ounces of gold up to 1920 and, in more recent times, more than 2.7 million ounces of gold has been produced by the Cowal gold mine just 45 kilometres to the north. West Wyalong has therefore been a key focus for the company since its inception. Argent's enthusiasm for pursuing the next major gold discovery in the region is shared by the New South Wales State Government, which funded half the direct drilling costs of the programme.

The drilling results provided a very pleasing start to FY2018, with the identification of a large mineralised porphyry copper-gold-molybdenum system, and the delineation of a 2.5 by 1.5 kilometre prospective area - in which Argent's interest was increased during the year to over 78%.

This was closely followed by the Company's first drilling programme for the recently acquired Loch Lilly project south of Broken Hill, where prominent Australian scientists have identified mineral potential. The diamond holes intersected a series of porphyritic intrusives, where elevated copper and gold assays warrant further drilling. The New South Wales Government shares Argent's enthusiasm for this 1,447 square kilometre area, and funded 75% of the direct drilling costs. This exploration earned Argent its first 51% interest in the project.

Argent's flagship Kempfield project delivered impressive results this year. The Company's investment in metallurgical testwork was rewarded with the successful production of separate, commercial grade zinc and lead concentrates, also containing silver and gold – providing an immediate boost to the economics potential of the Kempfield project. The Kempfield Mineral Resource was updated to reflect the considerable improvement in zinc and lead recoveries resulting in 100 million ounces of contained silver equivalent – approximately doubling the historical assumptions, and signaling the project's new potential in precious metal terms. A contained zinc equivalent was also announced for the first time, reflecting the new prominence of the metal in the potential economics, and de-risking the project with revenue diversification, yet retaining significant leverage to take advantage of any silver price escalation.

The significant investment made by Argent in understanding the Kempfield geology also paid off in FY2018 with the development of a new 3D model, which in turn enabled the estimation and the recognition of additionalmineralisation in this JORC-compliant Exploration Target.

In our view, these combined results have opened up a new development scenario for Kempfield as a large-scale zinc-silver-lead-gold play in a NSW mining growth neighbourhood, and the magnitude of the project will increase in the future. This is a key asset of the Company and will continue to grow.

Our special thanks go to the Argent employees and contractors, whose tireless efforts have made this all happen.

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

We look forward to the 2019 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

OPERATIONS REVIEW

2018 HIGHLIGHTS

KEMPFIELD ADVANCES TO LARGE SCALE POTENTIAL

- **New development scenario potential identified**
  - Major zinc-silver-lead-gold project situated in large-scale mining growth neighbourhood.
- **Significant Mineral Resource updated to:**
  - 100 million ounces at 120 g/t Ag Eq silver equivalent contained metals – approximately doubled;
  - 520,000 tonnes Zn Eq at 2.0% Zn Eq zinc equivalent – newly reported in 2018.
- **JORC-compliant Exploration Target estimated for further significant potential mineralisation:**
  - Additional 58 to 190 million ounces Ag Eq at 80 to 130 g/t Ag Eq contained silver equivalent;
  - Additional 300,000 to 1 million tonnes Zn Eq at 1.3 - 2.1% Zn Eq contained zinc equivalent.

  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.

- **Exploration and infill drilling programme announced**
- **Metallurgical breakthroughs**
  - Successful separation of primary material into potentially marketable, commercial grade zinc and lead concentrates also containing silver and gold;
  - Substantial improvement in recoveries, including zinc up to 92% (from 50% historical assumption);
  - Potential revenues led by zinc (45%), closely followed by silver (36%), then lead and gold.
- **New 3D geology and exploration model**
  - Providing enhanced insight into potential mineralisation areas, to guide drilling target generation;
  - Copper-gold footwall and several potential feeder zones identified for drill targeting.
- **Agreement executed with Kempfield neighbours**
  - Facilitates large scale project advancement – land purchase option and 'No Challenge' provisions;
  - 2 year term extendable up to 4 years.

WEST WYALONG PORPHYRY COPPER-GOLD-MOLYBDENUM MINERALLISED SYSTEM IDENTIFIED

- Substantial porphyry copper-gold-molybdenum mineralised system confirmed by maiden diamond drilling
  - Multiple intrusives intersected over 2.5 kilometre north-south strike and 1.5 kilometre east-west extent;
  - 4 square kilometre prospective area delineated;
  - Big Cadia and Ok Tedi analogy indicated by the drilling results.
- **Argent interest increased to 78%**
  - Right to earn up to 90%.

OPERATIONS REVIEW

LOCH LILLY DRILLING YIELDS POSITIVE RESULTS REQUIRING FOLLOW UP

- **Mineralisation potential analogous to Mount Read Volcanics Western Tasmania**
  – 51% interest earned by Argent during 2018, right to earn up to 90%.
- **Maiden drill test of the Netley and Eaglehawk targets completed**
  – Both diamond holes intersected a series of porphyritic intrusives and alteration, with both assay sets yielding positive copper-gold porphyry geochemical suite results, and Netley yielding elevated copper.

ACQUISITIONS IN WORLD CLASS MOUNT READ VOLCANICS BELT WESTERN TASMANIA

- **Ringville and Queensberry**
  – Strategic footprint acquired in productive high grade Mount Read Volcanics Belt:
  – **Ringville** - strategically situated between two world class mines – the Rosebery high grade zinc-leadcopper- gold-silver mine owned by MMG Ltd, and the Renison Bell Tin Mine owned by Metals X;
  – **Queensberry** - heavily populated with old mine workings including the historic Queensberry Mine, where production yielded grades of up to 40-56% lead, and 6-7 ounces/tonne silver.

EXPLORATION – KEMPFIELD (100% ARGENT)

LARGE SCALE PROJECT POTENTIAL

Argent achieved a series of significant developments for Kempfield during the year, which we believe significantly advances the progress of the project - opening up a new potential development scenario as a large-scale zincsilver-lead-gold project in a NSW mining growth neighbourhood.

The Company announced a significant update for the Kempfield Resource estimate – an increase to 100 million ounces of contained silver equivalent (Ag Eq) - approximately double the previously reported amount. This update was a direct result of metallurgical breakthroughs achieved during the year.

Substantial additional mineralisation potential was also identified, estimated and announced as an Exploration Target, following the development of a new geological and exploration model for the project.

The following map summarises the updated Kempfield Mineral Resource and the Exploration Target, and illustrates the new potential development scale of the Kempfield project in the context of the immediate large-scale mining growth neighbourhood and the underlying highly prospective geology that hosts some of the largest mining projects in Australia.

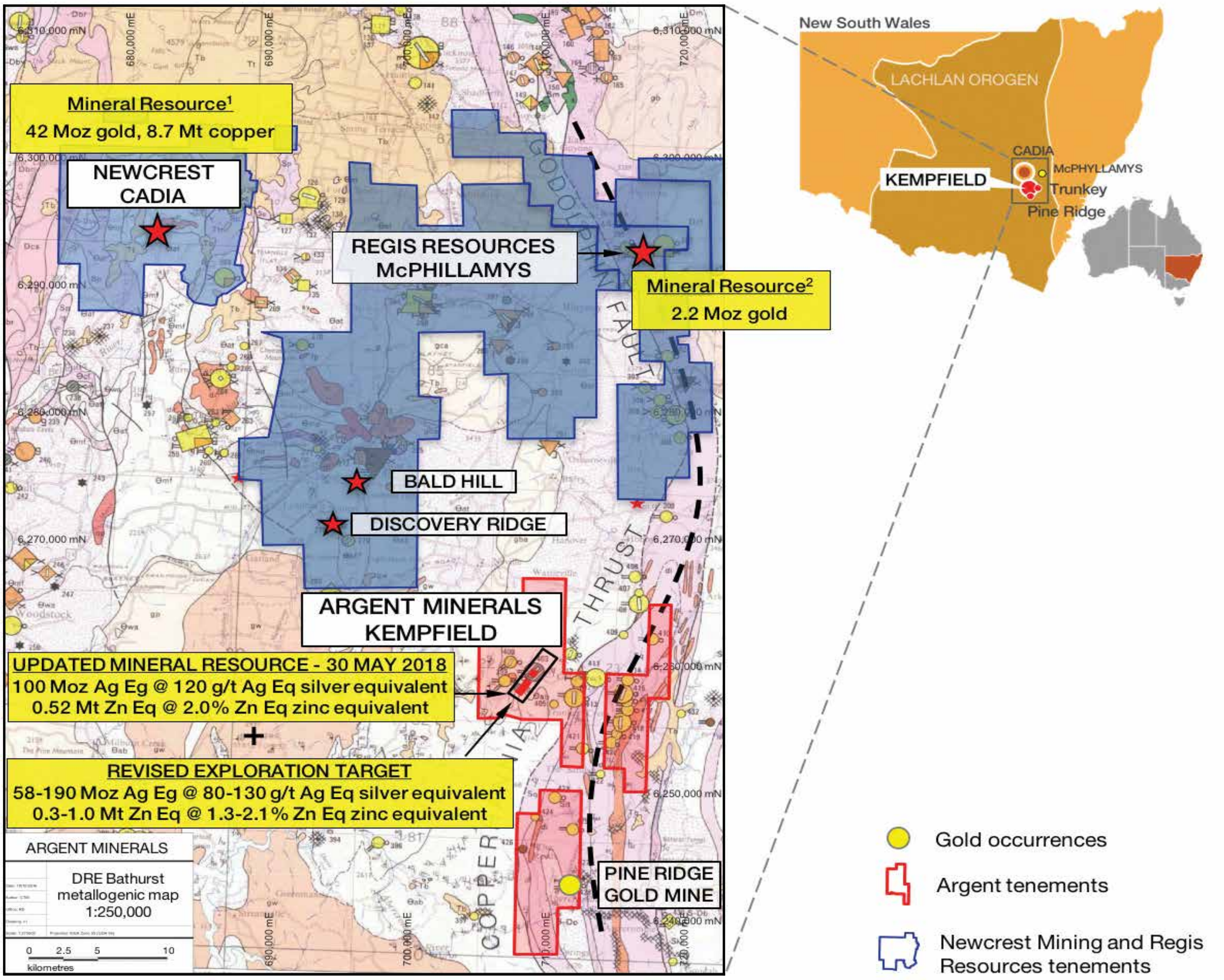


Figure 1 – New potential development scale for Kempfield in large-scale mining growth neighbourhood

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 Ore Reserves and Mineral Resources Statement 31 December 2017 3. Regis Resources Limited March 2018 Quarterly Results Presentation 14 April 2018 4. All mineral resources are illustrated as in-situ-contained metals.*

EXPLORATION AND RESOURCE INFILL DRILLING PROGRAMME

The Company plans to test the Exploration Target through the following drilling programme schedule:

- **Stage 1 – Mineralisation and genetic model verification** – comprising approximately 4,100 metres of drilling, targeting completion before the end of FY 2019*.
- **Stage 2 – Resource category drilling**. Further resource infill drilling will be conducted to a level sufficient to estimate an additional mineral resource, if any, initially to Inferred category (contingent on satisfactory results from Stage 1). Stage 2 timing is envisaged to be completed during FY 2020*.

* The indicated timings are subject to the completion of heritage surveys where applicable, the timely finalisation of land access matters, the completion of regulatory approvals and statutory notice periods, weather, as well as all and any other operational factors that could affect the ability of the Company to perform drilling.

METALLURGICAL BREAKTHROUGHS

Argent achieved a significant new milestone during the year for the Kempfield project - the successful separation of primary material into potentially marketable commercial grade zinc and lead concentrates also containing silver and gold.

The extraction of zinc and lead into separate concentrates marks a significant advance towards project development, as the Company pursues the redefinition of Kempfield as an economically viable zinc-silver-lead-gold project with multiple revenue streams at prevailing market prices.

Under the project redefinition validated by the metallurgical breakthroughs, zinc has become the major contributor to potential net smelter revenue (45%), followed by silver (36%), lead (11%) and gold (8%) - substantially boosting the economics and de-risking the project.

In addition to potentially taking advantage of favourable market conditions for zinc producers, the new metallurgical scenario retains significant upside leverage to any future silver price escalation that may occur.

Figure 2a - High grade (54-59%) zinc concentrate produced by the 2nd cleaner stage of test AF8.

Figure 2b - High grade (47-64%) lead concentrate produced by the 2nd cleaner stage of test AF8.

NEW 3D GEOLOGY AND EXPLORATION MODEL, AND EXPLORATION TARGET

The Company developed a new geological and exploration model during the year for the Kempfield project. The new 3D model provides a vastly improved level of detail for geometry of the stratigraphy and mineralisation controls for the project, identifying an immediate potential strike length of 3,000 metres, width up to 650 metres, and depth to 400 metres, remaining open in all directions including at depth.

The new 3D model enabled the significant Exploration Target to be estimated for potential mineralisation within the portion illustrated by the green arrowed dimensions in Figure 3 that is not included in the current Mineral Resource estimate:

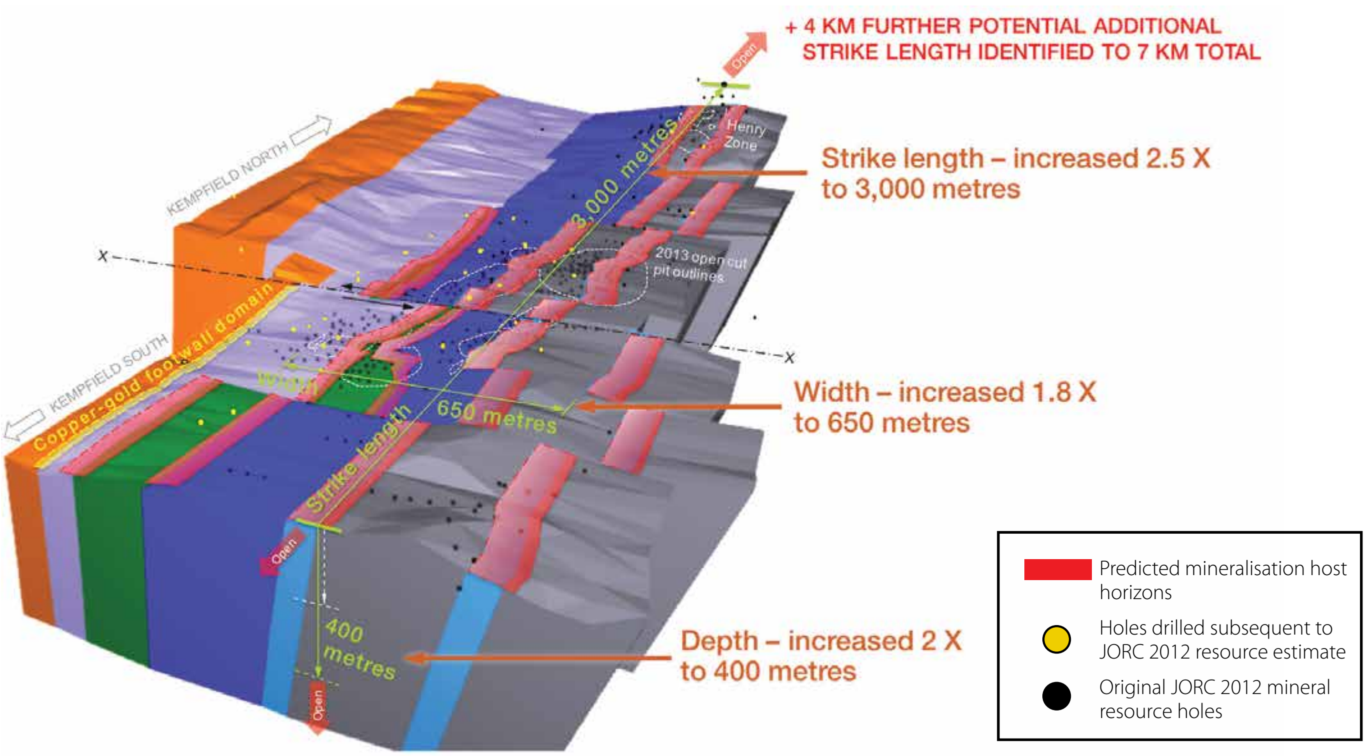


Figure 3 - Screenshot of the new Kempfield 3D model – isometric view facing North

1. Open cut pit outlines are included to enable a simplified visual comparison of the increased scale to that of the existing deposit. The pit outlines were submitted to the NSW Government as part of the Company's 2013 Environmental Impact Statement (2013 open cut pit outlines) in relation to a proposed shallow silver and gold mining operation.

The Exploration Target (summarised in Figure 2) was estimated by H&S Consultants Pty Ltd and announced as a JORC 2012-compliant estimate on 6 June 2018. For further details refer to the Exploration Target section of the Mineral Resources and Ore Reserves Statement.

Argent also identified further additional potential for mineralisation, not included in the Exploration Target estimate, through two broad scale regional mapping campaigns and petrological analyses of drill core conducted by the Company at Kempfield. The potential dimensions significantly exceed all historic expectations (illustrated by the red 'open' arrows in Figure 3):

- **Kempfield host geology continues 4 km along strike to the north.**
- **Additional 800 m strike length - to the south.**
- **Copper-gold footwall domain - to the west.**
- **Several potential feeder zone locations.**

AGREEMENT EXECUTED WITH KEMPFIELD NEIGHBOURS

A new agreement was executed with the owners of the neighbouring Box Hill property to the north of the Kempfield main project area, significantly de-risking the project.

Noise and dust studies performed in relation to the 2013 Environmental Impact Study determined that, since the Kempfield project mainly occupies Argent freehold land surrounded by hills, the main 3rd parties that would be affected by a mining operation are the owners of the Box Hill property located immediately to the north.

Under the terms of the agreement, the Box Hill owners have committed to not challenge the grant or validity of the Company's regulatory applications and permitting or ancillary titles related to mining and development approvals ('No Challenge'), as Argent also continues to advance the project through further exploration drilling.

Argent has the right (as well as the obligation before commencement of mine construction), to purchase the Box Hill property at any time up to 12 June 2020 on fixed commercial terms, extendable at the Company's sole discretion up to 12 June 2021. The agreement may be extended for a further year to 12 June 2022 on the agreement of both parties.

Exercise of the option allows Argent to significantly increase its existing freehold land at Kempfield from 115.8 to approximately 540 hectares (5.4 square kilometres), for large scale project operations.

EXPLORATION – WEST WYALONG (ARGENT 78%)

PORPHYRY COPPER-GOLD-MOLYBDENUM MINERALISED SYSTEM IDENTIFIED

During the year Argent announced significant exploration results for the West Wyalong maiden diamond drilling programme. Argent's interest in the West Wyalong project has been increased to 78.14%.

Argent's drill core visual observations and assays for the six holes revealed evidence of a near position to a porphyry copper-gold-molybdenum deposit in a fertile system, enabling the Company to delineate a prospective area of 4 square kilometres.

The diamond drill core visual observations and assay results indicated that multiple porphyritic intrusives had been intersected over a north-south strike length of 2.5 kilometres and an east-west extent of 1.5 kilometres, which are associated with elevated chalcopyrite, molybdenite and gold mineralisation, and extensive zones of sulphide mineralisation – together being signature features of porphyry copper-gold-molybdenum mineralised systems.

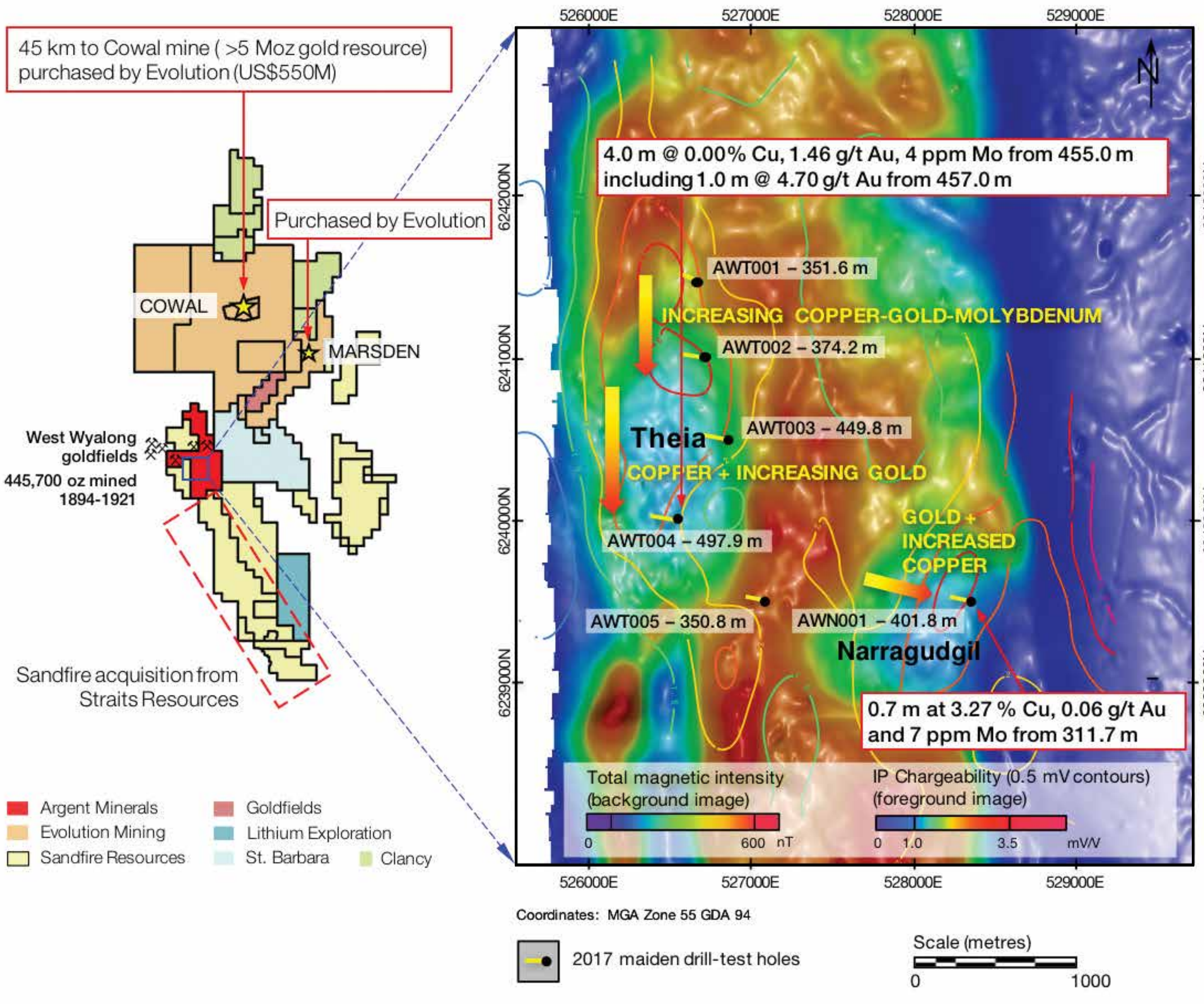


Figure 4 – Illustrating the strategic location of the project together with a plan view of the drilling programme holes and the geophysical targets they were designed to test.

Drilling highlights

The following selected drill core section photographs, intersections and visual observations illustrate highlights of the drilling programme results.

Figure 5 – Highlights of the West Wyalong drilling programme results.

Big Cadia and Ok Tedi analogy indicated

The exploration results provide evidence of the porphyry system being analogous to Ok Tedi in Papua New Guinea (PNG) and Big Cadia - where magnetite skarns are located peripheral to the main deposit. A strike length of 1.5 kilometres and east-west extent of 1.5 kilometres of magnetite skarn was visually observed within the porphyry system total 2.5 kilometre strike length, with assays confirming the presence of chromium (>0.1%) and nickel (>0.1%).

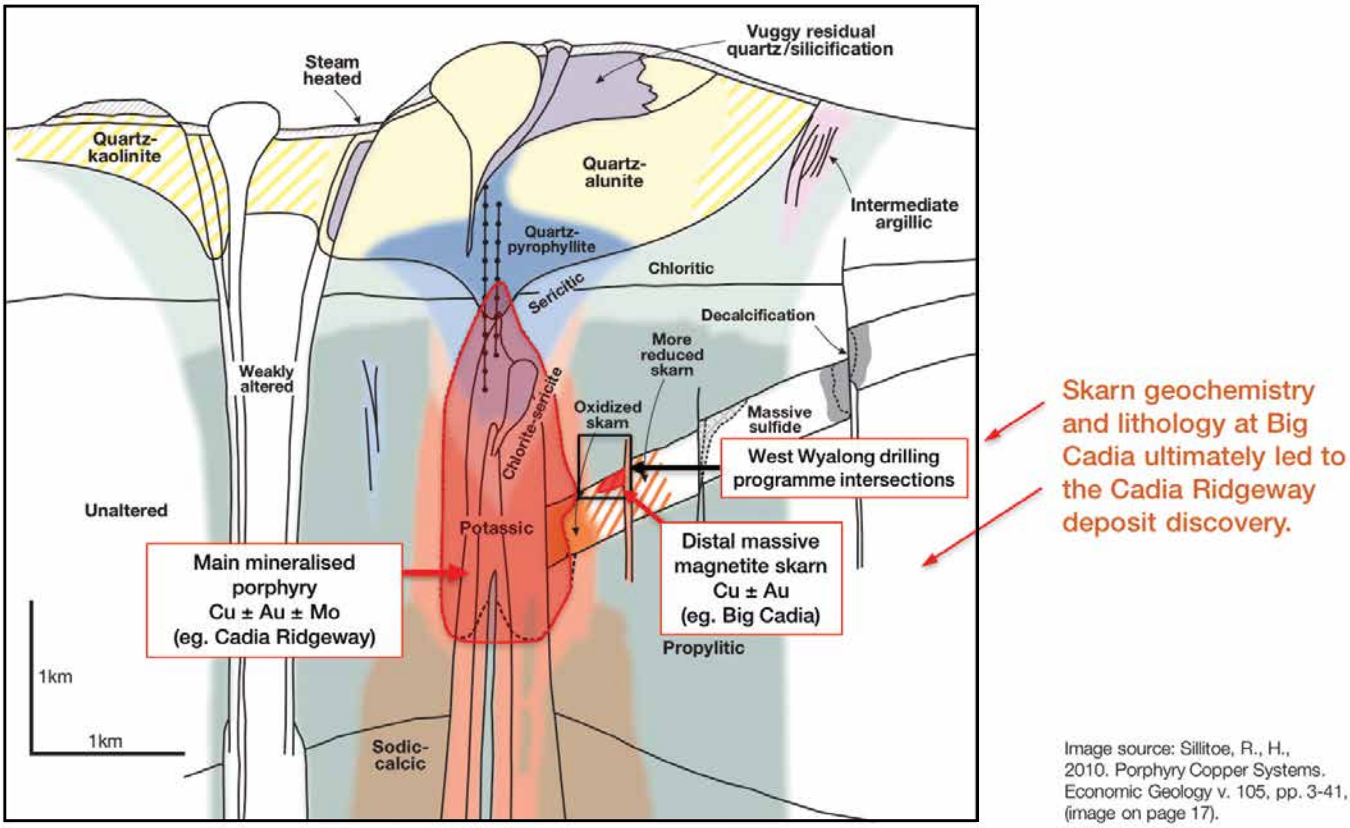


Figure 6 – Illustrating the interpreted location of West Wyalong intersections in relation to observed alteration and mineralogy in relation to a potential large scale deposit.

EXPLORATION – LOCH LILLY (ARGENT 51%)

MAIDEN DRILLING PROGRAMME YIELDS POSITIVE RESULTS REQUIRING FOLLOW UP

Mineralisation potential analogous to Mount Read Volcanics Western Tasmania

The Loch Lilly - Kars Belt, located in western NSW approximately 80 kilometres south of Broken Hill, hosts a volcanic-hosted massive sulphide (VHMS) and copper-gold porphyry potential that is analogous in age and composition to the Mount Read Volcanics of Western Tasmania. Argent hopes to unlock a new large-scale mineralisation province covered by the Company's 1,447 square kilometre tenements, through its exploration.

Maiden test of the Netley and Eaglehawk targets

Argent earned its first 51% interest in the Loch Lilly project in 2018 by completing a drill program to test two compelling geophysical targets – Netley and Eaglehawk, each by a single diamond drillhole to approximately 500 metres. The direct drilling costs were 75% funded by the NSW Government.

The Netley and Eaglehawk holes were designed by Argent with the benefit of geophysics survey work and analysis performed by Dr. Anthony Crawford and Anglo American Exploration (Australia) Pty Ltd (AngloAmerican).

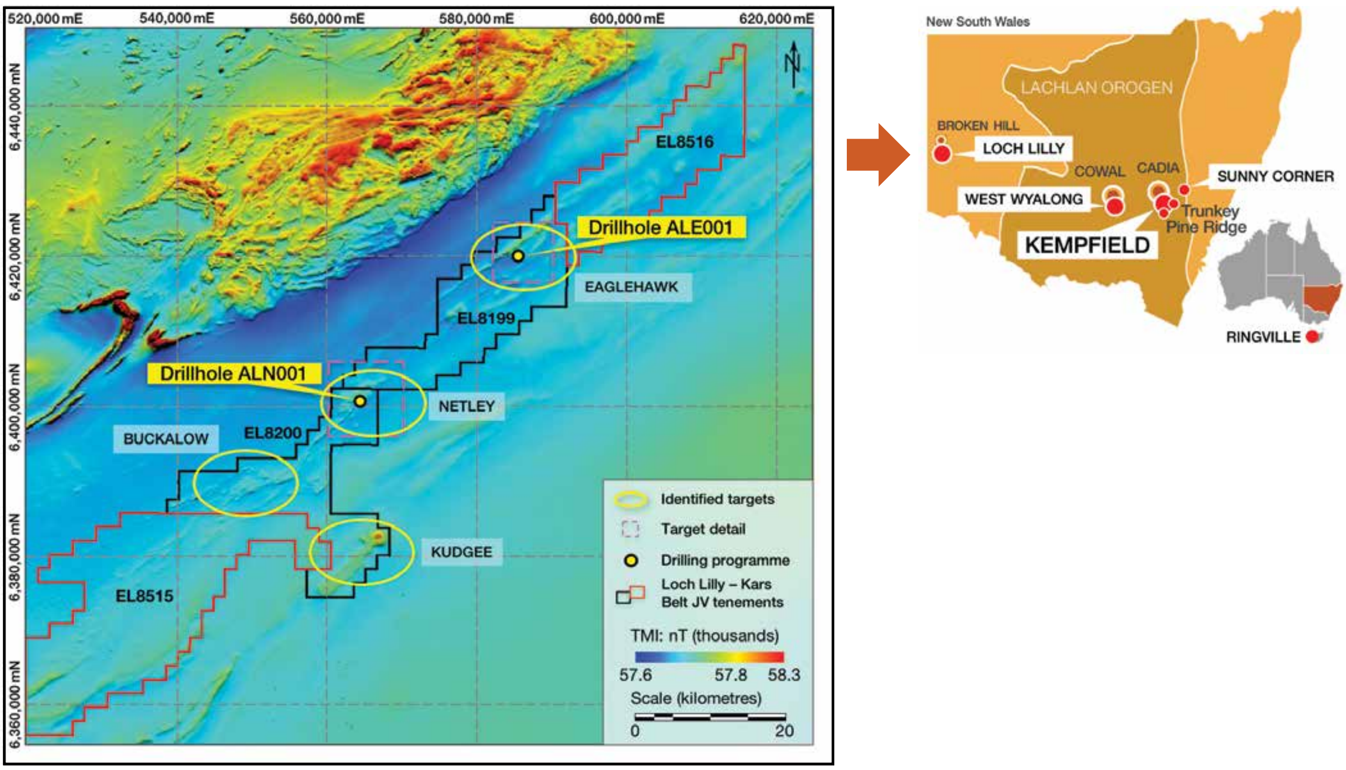


Figure 7 – Plan view illustrating the locations of the collars for drillholes ALE001 and ALN001 over a total magnetic intensity (TMI) background, together with a map showing the locations of the Argent projects.

Drilling highlights

Both drillholes intersected a series of porphyritic intrusives. The Netley hole featured propylitic to skarnoid alteration with lesser zones of potassic alteration, abundant pyrite and sparse, localised chalcopyrite. Diorite-gabbro dykes in the lower portion of the hole yielded assay ranges typically ranging up to 0.01 g/t Au, 0.11% Cu, 92 ppm Zn, 136ppm Pb, 174 ppm As, and 65 ppm Mo – potentially indicative of the outer halo of a mineralised porphyry copper system. The elevated copper and gold in the visually observed context warrants further drilling.

Figure 8 - Photo of Netley ALN001 drillcore from 392.8 to 393.0 and 393.6 to 393.8 metres with intersected copper (chaleopyrite) highlighted.

OPERATIONS REVIEW

EXPLORATION – RINGVILLE (ARGENT 100%)

ACQUISITIONS IN WORLD-CLASS MOUNT READ VOLCANICS BELT TASMANIA

Ringville - located between Renison Bell Tin Mine and the Rosebery Mine

The Ringville tenement is strategically situated between two world class mines – the Rosebery high grade zinclead-copper-gold-silver mine owned by MMG Ltd (1208:HK), and the Renison Bell Tin Mine, one of the world's largest and highest grade tin mines, considered to hold more than 85% of Australia's economic tin resources[1].

Queensberry - located near Mt Lyell Copper Mine

Queensberry is located 11 kilometres northwest of the world class Mount Lyell copper mine. Considered to be Australia's oldest continually operating mining field, Mount Lyell produced more than 1.8 million tonnes of copper, 2 million ounces of gold, and 41 million ounces of silver over approximately 120 years[4].

The 82 square kilometre Queensberry tenement area is heavily populated with old mine workings and recorded mineral occurrences. Four of these comprise the historic Queensberry Mine, which production yielded grades of up to 40-56% lead, and 6-7 ounces/tonne silver[5].

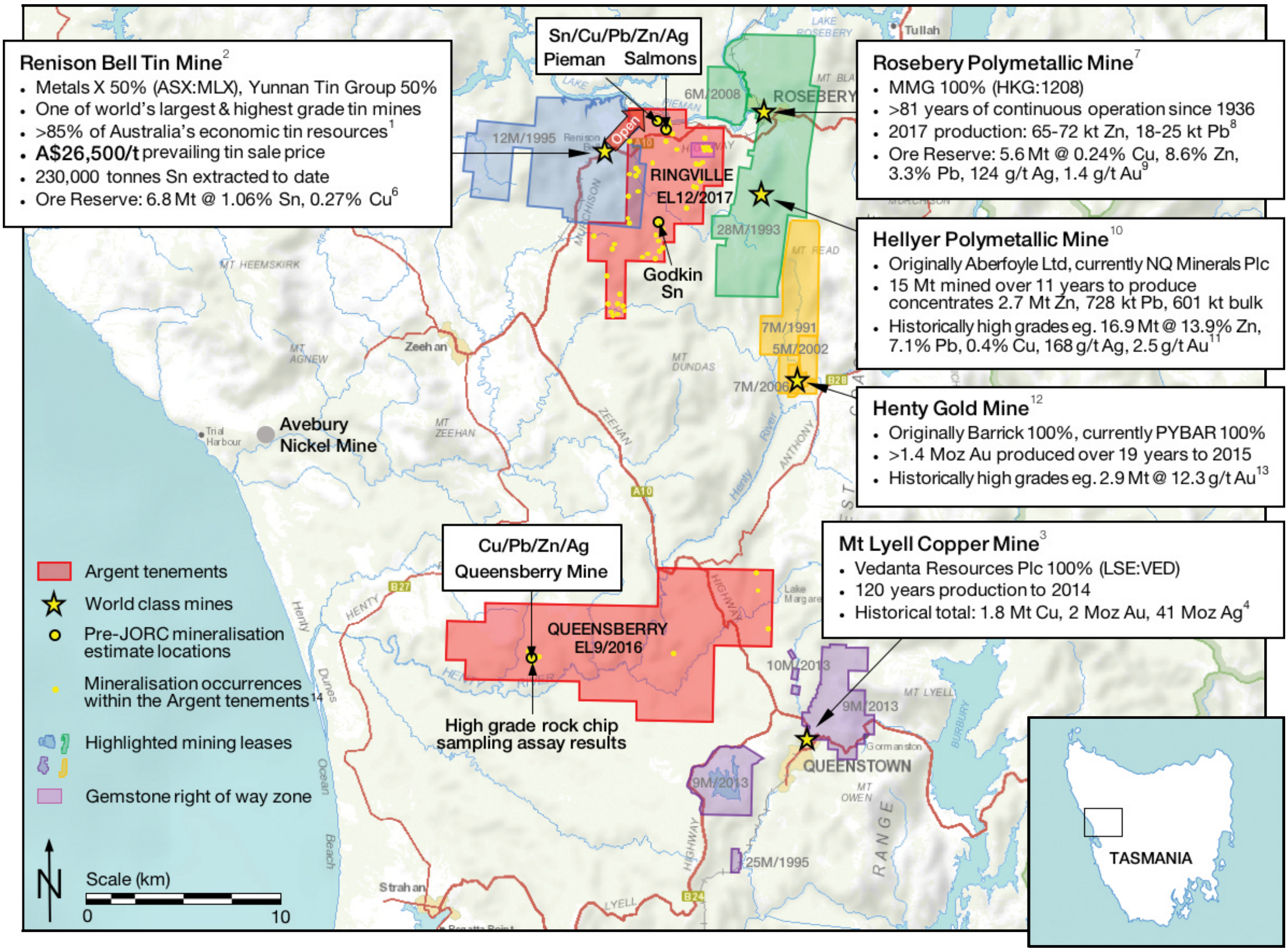


Figure 9 – Illustrating the strategic positions of Argent's Mt Read Volcanics tenements.

The new Argent tenements include pre-JORC code historical mineralisation estimates, featuring high grade tin:

Table 1 – Pre-JORC Code historical mineralisation estimates.

Pre-JORC Code Historical Mineralisation Estimates											
Deposit Name	Category	Tonnes (t)	Grade							Estimation Method	Estimate Date
			Sn (%)	Cu (%)	Au (g/t)	Pb (%)	Zn (%)	Ag (g/t)			
Pieman	Probable	433,300	1.00	0.18	-	0.06	0.32	8		Polygonal	1985
	Possible	744,900	0.30	0.18	-	0.06	0.32	8		Polygonal	1985
	Total	1,178,200	0.60	0.18	-	0.06	0.32	8		Polygonal	1985
Salmons	Probable	830,200	0.19	0.62	-	3.17	2.24	104		Polygonal	1985
	Possible	1,016,000	0.10	0.10	-	1.25	1.37	58		Polygonal	1985
	Total	1,846,200	0.14	0.33	-	2.12	1.76	79		Polygonal	1985
Godkin	Probable	299,400	0.91	-	-	-	-	-		Polygonal	1983
Queensberry Mine	Probable	28,300	-	0.3	-	11.5	8.8	52		Polygonal	1983

The estimates are historical estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code, and it is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.

CORPORATE

BOARD APPOINTMENTS AND RESIGNATIONS

On 5 December 2017 Chairman Mr. Stephen Gemell and Mr. Peter Nightingale resigned as directors of the Company.

On 6 December 2017 Mr. Klaus Eckhof was appointed as Non-Executive Chairman, Mr. Emmanuel Correia as Non-Executive Director and Joint Company Secretary, and Mr. Tim Hronsky as Non-Executive Director.

On 23 April 2018 Mr. Klaus Eckhof stepped down as Non-Executive Chairman to continue in the new role of Technical Advisor, Acquisitions, and Mr. Peter Wall was appointed as Non-Executive Chairman.

FUNDING

$1.2 million before costs was raised during the year through a private placement.

Additional funds totalling $860,219 were received as income, comprising $693,749 under the R&D Tax Incentive Scheme, receipts of $141,966 from the NSW Government under the Cooperative Drilling Round 2 grant awarded to the Company, and interest income of $24,504.

Argent concluded the 2017/18 financial year with a cash position of approximately $1.65 million.

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 :

- 3 July 2017 West Wyalong Drilling Confirms Mineralised Porphyry System[i]
- 12 July 2017 Argent Commences Loch Lilly Drilling Programme[i]
- 17 July 2nd Set of Assays – Increased Gold in West Wyalong Porphyry[i]
- 27 July Copper and Gold in West Wyalong Porphyry – Final Assays[i]
- 2 November 2017 Loch Lilly Drilling Results[i]
- 8 November 2017 Kempfield Exploration Target[ii]
- 9 November 2017 Excellent Kempfield Metallurgical Test Results[iii]
- 29 January 2018 Acquisitions in World Class Mt Read Volcanics Belt Tasmania[i]
- 12 April 2018 Separate Commercial Grade Concentrates – Kempfield Milestone[iii]
- 30 May 2018 Significant Kempfield Resource Update[iv]
- 6 June 2018 Significant Kempfield Exploration Target Revision[ii]

Competent Person:

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

The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves and historical Pre-JORC Code mineralisation estimates ('Historical Estimates'), that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company is not in possession of any new information or data relating to the Historical Estimates that materially impacts on the reliability of the Historical Estimates or the Company's ability to verify the Historical Estimates as Mineral Resources in accordance with Appendix 5A (JORC Code). 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.

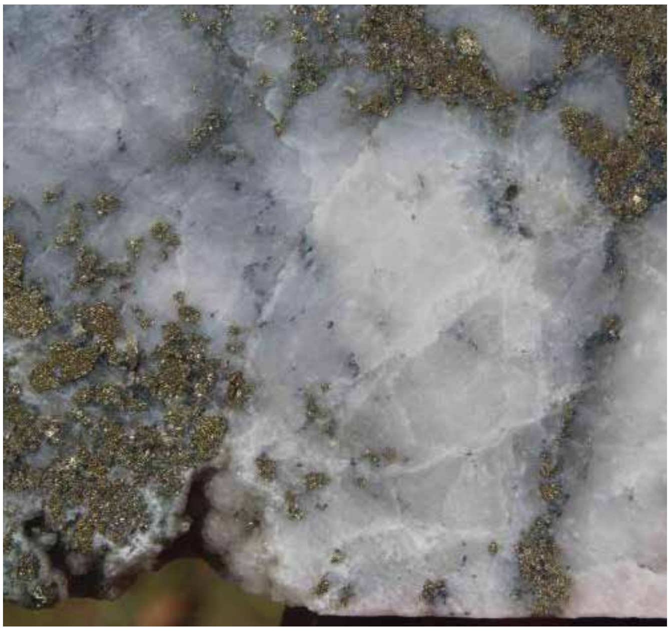
Notes for section under heading 'Exploration – Ringville (Argent 100%)

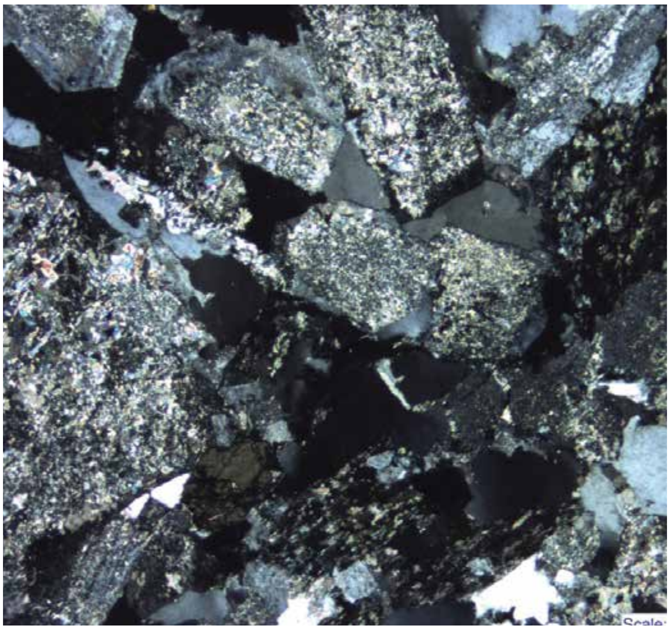
1 Source: Australian Government Geoscience Australia, http://www.australianminesatlas.gov.au/education/fact_sheets/tin.html.
2 Source: ASX, Metals X Limited AGM Presentation 22 November 2017.
3 Source: Vedanta Plc, Copper Mines of Tasmania Pty Ltd website cmt.com.au, About Us/Overview.
4 Source: Vedanta Plc, CMT Submission to DFAT re Australia - India FTA - 2011-07-18.
5 Source: Tasmanian Government, Director of Mines Preliminary Report on Queensberry Western District, 30 June 1927.
6 0.8% Sn cutoff grade.
7 Source: MMG Ltd website, 2016 Rosebery Fact Sheet.
8 Source: MMG Ltd website, 2016 Annual Results Presentation 8 March 2017, 2017 production guidance.
9 Source: MMG Ltd website, 2016 Annual Report, Mineral Resources and Ore Reserves Statement (A$166/t NSR cutoff grade).
10 Source: http://mininglink.com.au/site/hellyer
11 Source: Gemmell, JB and Fulton, R (2001) Geology, Genesis, and Exploration Implications of the Footwall and Hanging-Wall Alteration Associated with the Hellyer Volcanic-Hosted Massive Sulfide Deposit, Tasmania, Australia. Economic Geology, 96 (5). pp. 1003-1035. ISSN 0361-0128. Mineral Resource estimate quoted (cutoff grade not stated).
12 Source: Tasmanian Government, The mining and mineral processing industry in Tasmania, A guide for investors August 2016.
13 Source: Corbett, K.D, Quilty, P.G., & Calver, C.R., editors, 2014. Geological Evolution of Tasmania. Geological Society of Australia Special Publication 24, Geological Society of Australia (Tasmania Division): Mineral Resource as at 30/6/2009 (cutoff grade not stated).
14 Source: Tasmanian Government, Mineral Resources Tasmania (MRT) database.
15 For further details in relation to the Pre-JORC Code historical mineralisation estimates refer to the original announcement dated 29 January 2018, which continues to apply (see also Competent Person Statements in this 2018 Annual Report).

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 2018 corporate governance statement is dated as at 21 September 2018 and reflects the corporate governance practices throughout the 2018 financial year. The 2018 corporate governance was approved by the Board on 21 September 2018. 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/corporate-governance.





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 PhvtoTech Limited	August 2014	Not Applicable
MyFizig Ltd	May 2015	Not Applicable
Transcendence Technologies Limited	October 2015	Not Applicable
Sky & Space Global Ltd	October 2015	Not Applicable
Pursuit Minerals Limited	January 2016	Not Applicable
Bronson Group Limited	June 2017	Not Applicable
Activistic Ltd	June 2015	February 2018
Zyber Holdings Limited	January 2015	January 2018
Ookami Limited	October 2015	January 2018
Zinc of Ireland NL	April 2015	July 2016
TV2U International Limited	February 2012	February 2016
BrainChip Holdings Ltd	September 2014	August 2015

KLAUS PETER ECKHOF Dip.Geol.TU, AusIMM
Non-Executive Chairman
Appointed 6 December 2017.
Resigned 23 April 2018.

Mr Klaus Eckhof is a geologist with more than 20 years of experience identifying, exploring and developing mineral deposits around the world. Mr Eckhof worked for Mount Edon Gold Mines Ltd before it was acquired by Canadian mining company, Teck. In 1994, he founded Spinifex Gold Ltd and Lafayette Mining Ltd, both of which successfully delineated gold and base metal deposits. In 2003, Mr Eckhof founded Moto Goldmines which acquired the Moto Gold Project in the Democratic Republic of Congo. There, Mr Eckhof and his team delineated more than 20 million ounces of gold and delivered a feasibility study within four years from the commencement of exploration. Moto Goldmines was subsequently acquired by Randgold Resources, who poured first gold in September 2013.

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

Company	Date of Appointment	Date of Resignation
Amani Gold Limited	February 2012	Not Applicable
AVZ Minerals Limited	May 2014	Not Applicable
Okapi Resources Ltd	May 2017	Not Applicable
Carnavale Resources Ltd	January 2008	July 2015
Panex Resources Inc.	May 2006	July 2014

STEPHEN GEMELL B.Eng (Mining) (Hons), FAusIMM (CP) MAIME, MMICA
Non-Executive Chairman
Appointed 7 July 2010.
Resigned 5 December 2017.

Stephen Gemell has more than 38 years' experience in the Australasian and global mining industry. His experience includes operational management of underground and open pit mines with CIP/CIL, flotation and alluvial plants. He has been Principal of Gemell Mining Engineers, an independent multi-discipline consultancy, since its formation in Kalgoorlie in 1984. Since 1987, he has served as a chairman, managing director, technical director or non-executive director of more than 20 ASX-listed mining/exploration companies or private mining companies. He is currently a member of the VALMIN Committee, which overlooks the revision and implementation of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets.

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

Company	Date of Appointment	Date of Resignation
Stonewall Resources Limited	July 2016	January 2017
Eastern Iron Limited	January 2010	July 2017
Golden Cross Resources Limited	June 2012	October 2014
Dateline Resources Limited	October 2013	August 2014

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 and Orminex 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	Not Applicable

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 Executive Director of a private age 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 over 25 years of international experience in the mining and exploration industry. Tim has a strong focus on precious metals, base metals and nickel exploration. He is highly experienced in exploration targeting for precious metals, and spent 15 years with Placer Dome Inc, one of the largest gold companies in the world at that time.

Tim has extensive global consulting experience in the mining industry, providing clients with unique and value-adding solutions. He specialises in the fields of business improvement and strategy and sustainable development and has a demonstrated track record in establishing new businesses and creating value in the early phases of exploration and in Junior 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	Not Applicable

PETER J NIGHTINGALE B.Econ, CA
Non-Executive Director
Appointed 16 September 2015.
Resigned 5 December 2017.

Mr Nightingale graduated with a Bachelor of Economics degree from the University of Sydney and is a member of the Institute of Chartered Accountants in Australia. He has worked as a chartered accountant in both Australia and the USA.

As a director or company secretary Mr Nightingale has, for more than 25 years, been responsible for the financial control, administration, secretarial and in-house legal functions of a number of private and public listed companies in Australia, the USA and Europe including Bolnisi Gold N.L., Callabonna Uranium Limited, Cockatoo Coal Limited, Mogul Mining N.L., Pangea Resources Limited, Perseverance Corporation Limited, Sumatra Copper & Gold plc, Timberline Minerals, Inc. and Valdora Minerals N.L. At the date of resignation, Mr Nightingale was the director of unlisted public companies Nickel Mines Limited (currently listed) and Prospech Limited.

During the past three years he has also served as a director of the following listed companies:

Company	Date of Appointment	Date of Resignation
Collerina Cobalt Limited	November 2009	Not Applicable
Planet Gas Limited	December 2011	Not Applicable

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	-	-	-
Emmanuel Correia	-	-	-
Peter Michael	753,334	666,668	$0.10 at any time up to 30 September 2021
Tim Hronsky	180,000	-	-
Klaus Eckhof*	-	-	-
Stephen Gemell*	1,581,818	800,000	$0.10 at any time up to 27 June 2019
Peter Nightingale*	833,333	1,666,666	$0.10 at any time up to 27 June 2019

*At the date of resignation as a Director.

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.

In the prior year, 2,000,000 unlisted options with an exercise price of $0.03, 2,000,000 unlisted options with an exercise price of $0.06 and 3,000,000 unlisted options with an exercise price of $0.10 were granted to David Busch.

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
3,500,000	$0.03	30 September 2021
3,500,000	$0.06	30 September 2021
4,500,000	$0.10	30 September 2021
187,000,000	$0.10	27 June 2019

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.

DIRECTORS' REPORT

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 2018 is a comprehensive loss after income tax of $1,712,330 (2017: loss of $2,120,074).

A review of operations of the consolidated entity during the year ended 30 June 2018 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, 9 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	1	1
Emmanuel Correia	5	4
Peter Michael	9	9
Tim Hronsky	5	4
Klaus Eckhof	4	4
Stephen Gemell	4	4
Peter Nightingale	4	4

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 incentiveschemes, 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 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 2018.

Directors/Executives	Position held as at 30 June 2017 and any changes during the year
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

DETAILS OF REMUNERATION FOR THE YEAR ENDED 30 JUNE 2018 – 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 Termination Payment $	Performance Rights $	Share Based Payments - Options $	Total $	% of Remuneration as Share Payments
DIRECTORS Non-executive						
Peter Wall[1]						
2018	8,260	-	-	-	8,260	-
2017	-	-	-	-	-	-
Emmanuel Correia[2]						
2018	24,865	-	-	-	24,865	-
2017	-	-	-	-	-	-
Peter Michael						
2018	39,999	3,800	-	-	43,799	-
2017	40,000	3,800	-	-	43,800	-
Tim Hronsky[2]						
2018	24,961	-	-	-	24,961	-
2017	-	-	-	-	-	-
Klaus Eckhof[3]						
2018	16,320	-	-	-	16,320	-
2017	-	-	-	-	-	-
Stephen Gemell[4]						
2018	28,258	-	-	-	28,258	-
2017	65,700	-	-	-	65,700	-
Peter Nightingale[4]						
2018	21,900	-	-	-	21,900	-
2017	43,800	-	-	-	43,800	-
CEO						
David Busch^						
2018	266,883	25,650	39,095	5,494	337,122	11.60
2017	273,295	25,963	78,491	-	377,749	20.78

[1] Peter Wall was appointed as a Director on 23 April 2018.

[2] Emmanuel Correia, Tim Hronsky were appointed as Directors on 6 December 2017.

[3] Klaus Eckhof was appointed as a Director on 6 December 2017 and ceased to be a Director on 23 April 2018.

[4] Stephen Gemell and Peter Nightingale ceased to be directors on 5 December 2017.

REMUNERATION REPORT – AUDITED

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 2018 financial year. The number of options that vested during the year ended 30 June 2018 is 2,000,000 (2017 – 2,000,000).

OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL

- During the year ended 30 June 2018, Peter Nightingale had a controlling interest in an entity, MIS Corporate Pty Limited, which provided full administrative services, including rental accommodation, administrative staff, services and supplies, to the entity. Fees paid to MIS Corporate Pty Limited until his resignation as a Director amounted to $77,700 (2017 - $124,000). There were no outstanding amounts at 30 June 2018 (2017 - $nil).

- During the year ended 30 June 2018, 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 $1,523 (2017 - $nil). There was $1,523 outstanding at 30 June 2018.

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

Ordinary shareholdings of key management personnel

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

Directors and other key management personnel	Balance at 1 July 2016	Net other change	Balance at 30 June 2017
	(i)	(ii)	(iii)
Stephen Gemell	1,181,818	400,000	1,581,818
David Busch	2,681,818	2,600,000	5,281,818
Peter Michael	420,000	333,334	753,334
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 2018 and 30 June 2017.

Listed Options, exercisable at $0.10, holdings of key management personnel

Directors and other key management personnel	Balance at 1 July 2017	Issue 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

REMUNERATION REPORT – AUDITED

Listed Options, exercisable at $0.10, holdings of key management personnel

Directors and other key management personnel	Balance at 1 July 2016	Issue during the period	Balance at 30 June 2017
	(i)		(ii)
Stephen Gemell	-	800,000	800,000
David Busch	-	4,200,000	4,200,000
Peter Michael	-	666,668	666,668
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.

	2018	2017	2016	2015	2014
Net loss attributable to equity holders of the Company	$1,712,330	$2,120,074	$2,115,199	$1,528,384	$96,852
Dividends paid	-	-	-	-	-
Change in share price	(1.1) cents	0.2 cents	0.6 cents	(0.5) cents	0.2 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

No 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.

	2018	2017
	$	$
Statutory audit		
Audit and review of financial reports - KPMG	45,500	39,500

Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on page 29 and forms part of the Directors' Report for the year ended 30 June 2018.

This report has been signed in accordance with a resolution of the directors and is dated 24 September 2018.

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 2018 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
24 September 2018

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 $	2017 $
Continuing operations			
Other income	5	**835,715**	885,126
Administration and consultants' expenses		**(695,694)**	(639,881)
Depreciation	12	**(47,326)**	(39,261)
Employee and director expenses		**(291,756)**	(282,663)
Exploration and evaluation expenses	6	**(1,537,773)**	(2,062,759)
Operating loss before financing income		**(1,736,834)**	(2,139,438)
Interest income		**24,504**	19,364
Net financing income		**24,504**	19,364
Loss before tax		**(1,712,330)**	(2,120,074)
Income tax expense	9	**-**	-
Loss for the year		**(1,712,330)**	(2,120,074)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(1,712,330)**	(2,120,074)
Basic and diluted loss per share (cents)	7	**(0.39) cents**	(0.58) 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 2018

	Notes	2018 $	2017 $
Current assets			
Cash and cash equivalents	8	**1,649,466**	2,029,005
Trade and other receivables	10	**-**	17,610
Other assets	11	**23,265**	19,538
Total current assets		**1,672,731**	2,066,153
Non-current assets			
Other financial asset – security deposits		**83,100**	95,000
Plant and equipment	12	**398,371**	420,826
Total non-current assets		**481,471**	515,826
Total assets		**2,154,202**	2,581,979
Current liabilities			
Trade and other payables	13	**125,787**	120,685
Employee entitlements	14	**91,326**	57,225
Total current liabilities		**217,113**	177,910
Total liabilities		**217,113**	177,910
Net assets		**1,937,089**	2,404,069
Equity			
Issued capital	15	**29,274,380**	28,090,527
Reserves	15	**193,529**	143,636
Accumulated losses		**(27,530,820)**	(25,830,094)
Total equity		**1,937,089**	2,404,069

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 2018

Attributable to equity holders of the Company	Notes	Issued Capital $	Option Reserves $	Accumulated Losses $	Total $
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
Balance at 1 July 2016		24,343,436	61,796	(23,771,816)	633,416
Total comprehensive income for the year					
Loss for the year		-	-	(2,120,074)	(2,120,074)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(2,120,074)	(2,120,074)
Transactions with owners, recorded directly in equity					
Contribution by and distribution to owners					
Ordinary shares/options issued		4,107,500	-	-	4,107,500
Cost of shares issued		(360,409)	-	-	(360,409)
Share based payments – Options		-	143,636	-	143,636
Expiry of options		-	(61,796)	61,796	-
Balance at 30 June 2017	15	28,090,527	143,636	(25,830,094)	2,404,069

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 2018

	Notes	2018 $	2017 $
Cash flows from operating activities			
Cash receipts in the course of operations		**693,749**	709,248
Government Subsidy		**141,966**	175,878
Exploration and evaluation expenditure		**(1,531,308)**	(1,955,082)
Cash payments in the course of operations		**(811,332)**	(805,508)
Interest received		**24,504**	19,364
Net cash used in operating activities	16	**(1,482,421)**	(1,856,100)
Cash flows used in investing activities			
Payments for plant and equipment	12	**(24,871)**	(51,649)
Receipts/(Payments) for deposits		**11,900**	(28,000)
Net cash used in investing activities		**(12,971)**	(79,649)
Cash flows from financing activities			
Proceeds from issue of shares and options	15	**1,200,000**	3,674,479
Cost of issue of shares and options	15	**(84,147)**	(358,484)
Net cash from financing activities		**1,115,853**	3,315,995
Net increase in cash held		**(379,539)**	1,380,246
Cash and cash equivalents at 1 July		**2,029,005**	648,759
Cash and cash equivalents at 30 June	8	**1,649,466**	2,029,005

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

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

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 2018 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 24 September 2018.

(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 15 - Contingent Liability
- 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 $1,712,330 for the year ended 30 June 2018 and has accumulated losses of $27,530,820 at 30 June 2018. The Group has cash and cash equivalents of $1,649,466 at 30 June 2018 and used $1,482,421 of cash in operations, including payments for exploration and evaluation, for the year ended 30 June 2018. The Group is currently undergoing a review by AusIndustry in relation to R&D claims totalling $1,402,997. As at 30 June 2018, the Group has disclosed a congingent liability of $1,402,997 in relation to these claims, refer to note 18. Additional funding will also be required to meet the Group's projected cash outflows for a period of 12 months from the date of the directors' declaration.

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 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 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 and 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.

(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.

(c) Exploration, evaluation and development expenditure

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
Land and 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

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group 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 Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the Consolidated Statement of Financial Position when, and only when, the Group 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.

The Group classifies non-derivative financial assets into the following categories:

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.

Loans and receivables

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.

Available-for-sale financial assets

The Group's investments in equity securities are classified as available-for-sale financial assets. Available for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are

recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the cumulative gain or loss is reclassified to profit or loss.

Non-derivative financial liabilities

The Group 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 Group becomes a party to the contractual provisions of the instrument.

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

Other financial liabilities comprise 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.

(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 noncontrolling 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 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

Non-derivative financial assets

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.

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.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost and the current fair value, less any impairment loss recognised previously in profit or loss. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

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.

(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 2017, and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

AASB 9 Financial Instruments

AASB 9 published in July 2014, replaces the existing guidance in AASB 139 Financial Instruments: *Recognition and Measurement*. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group does not plan to adopt this standard early and the standard is not expected to have a significant effect on the financial statements.

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.

	2018	2017
	$	$

5 OTHER INCOME

	2018 $	2017 $
Research and development rebate	**693,749**	**709,248**
Government subsidy	**141,966**	**175,878**
	835,715	**885,126**

6 LOSS FROM OPERATING ACTIVITIES - EXPENSES

	2018	2017
	$	$
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	**45,500**	39,500
Depreciation		
- Land and Building	**24,059**	24,059
- Plant and equipment	**23,267**	15,202
Exploration and evaluation expenditure expensed as incurred	**1,537,773**	2,062,759

7 LOSS PER SHARE

The calculation of basic and diluted loss per share at 30 June 2018 was based on the loss attributable to ordinary shareholders of $1,712,330 (2017 - $2,120,074 loss) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2018 of 443,244,168 (2017 – 364,874,457), calculated as follows:

	2018	2017
Net loss for the year	**1,712,330**	2,120,074

	2018 Number	2017 Number
Weighted average number of ordinary shares (basic and diluted)		
Issued ordinary shares at 1 July	**421,414,516**	300,302,689
Weighted average number of ordinary shares at 30 June	**443,244,168**	364,874,457

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

8 CASH AND CASH EQUIVALENTS

	2018 **$**	2017 $
Cash at bank	**1,649,466**	2,029,005
Cash and cash equivalents in the statement of cash flows	**1,649,466**	2,029,005

9 INCOME TAX EXPENSE

	2018 **$**	2017 $
Current tax expense		
Current year	**(682,497)**	(795,895)
Tax losses not recognised	**682,497**	795,895
	-	-
Deferred tax expense		
Current year	**32,621**	43,720
De-recognition of temporary differences	**(32,621)**	(43,720)
	-	-
Numerical reconciliation between tax expense and pre-tax net profit		
Loss before tax - continuing operations	**(1,712,330)**	(2,120,074)
Prima facie income tax benefit at the Australian tax rate of 27.5%	**(470,891)**	(583,020)
Increase in income tax expense due to:		
- Adjustments not resulting in temporary differences	**294,554**	279,859
- Effect of tax losses not recognised	**208,958**	346,881
- Unrecognised temporary differences	**(32,621)**	(43,720)
Income tax expense current and deferred	**-**	-
Deferred tax assets have not been recognised in respect of the following items		
Deductible temporary differences (net)	**78,936**	134,698
Tax losses	**6,731,946**	6,522,988
Net	**6,810,882**	6,657,686

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.

	2018 $	2017 $

10 TRADE AND OTHER RECEIVABLES

	2018 $	2017 $
Current		
Other debtors	**-**	17,610

11 OTHER ASSETS

	2018 $	2017 $
Current prepayments	**23,265**	19,538
	23,265	19,538

12 PROPERTY PLANT AND EQUIPMENT

	2018 $	2017 $
Land and Buildings		
Land and Building - at cost	**500,278**	500,278
Accumulated depreciation	**(168,429)**	(144,370)
Total Land and Buildings – net book value	**331,849**	355,908
Plant and Equipment		
Plant and equipment - at cost	**155,259**	130,388
Accumulated depreciation	**(88,737)**	(65,470)
	66,522	64,918
Total plant and equipment - net book value	**398,371**	420,826

Reconciliations

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

	2018 $	2017 $
Land and Buildings		
Balance at 1 July	**355,908**	379,967
Depreciation	**(24,059)**	(24,059)
Carrying amount at the end of the financial year	**331,849**	355,908
Plant and equipment		
Balance at 1 July	**64,918**	28,471
Additions	**24,871**	51,649
Depreciation	**(23,267)**	(15,202)
Carrying amount at the end of the financial year	**66,522**	64,918
Total carrying amount at the end of the financial year	**398,371**	420,826

	2018	2017
	$	$

13 TRADE AND OTHER PAYABLES

Current		
Creditors	**100,787**	100,685
Accruals	**25,000**	20,000
	125,787	120,685

14 EMPLOYEE ENTITLEMENTS

Current		
Employee annual leave provision	**66,884**	57,225
Long service leave provision	**24,442**	-
	91,326	57,225
Number of employees at the end of the financial year	**6**	8

15 CAPITAL AND RESERVES

Issued and paid up capital		
463,959,479 (2017 - 421,414,516) fully paid ordinary shares	**29,274,380**	28,090,527
Fully paid ordinary shares		
Balance at the beginning of the financial year	**28,090,527**	24,343,436
Issue of shares	**1,268,000**	4,107,500
Costs of issue	**(84,147)**	(360,409)
Balance at the end of financial year	**29,274,380**	28,090,527

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 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.

During the year ended 30 June 2017 the following shares were issued:

- On 9 June 2017, the Company issued 666,666 ordinary shares for nil consideration under the Option to Purchase Box Hill farm. This 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. The total issue cost of $1,925 was recognised as a reduction in equity.
- On 27 April 2017, the Company issued 60,000,000 ordinary shares and 30,000,000 listed options for cash totalling $2,280,000. Total issue cost of $214,706 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 16 February 2017, the Company issued 645,161 ordinary shares as part consideration for consultancy services provided. This 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 $0.031 per share.
- On 24 October 2016, The Company issued 1,300,000 ordinary shares for nil consideration to Mr Clifton McGilvray as part of his employment contract. This transaction was recorded at a fair value of $32,500 at an issue price of $0.025 per share.
- On 17 August 2016, the Company issued 40,403,717 ordinary shares under Tranche 2 of the share placement offer for cash totalling $1,212,112. Total issue cost of $21,467 was recognised as a reduction in proceeds of issue of these shares.
- On 6 July 2016, the Company issued 18,096,283 ordinary shares under Tranche 1 of the share placement offer for cash totalling $542,888. Total issue cost of $122,310 was recognised as a reduction in proceeds of issue of these shares.

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.

	2018	2017
	$	**$**
Option Reserves		
At the beginning of the year	**143,636**	61,796
Options lapsed during the reporting period	**(11,604)**	(61,796)
Share Based Payments - Options	**61,497**	143,636
Balance at the end of the period	**193,529**	143,636

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 2017 Number	Options Issued Number (xv)	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

Exercise period	Exercise Price	Opening Balance 1 July 2016 Number	Options Issued Number (ii), (xii)	Options Expired/Exercised Number	Closing Balance 30 June 2017 Number
On or before 27 June 2019	$0.10	-	147,000,000	-	147,000,000

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 2017 Number	Options Issued Expired/Exercised Number (xiii) (xiv)	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

Exercise period	Exercise Price	Opening Balance 1 July 2016 Number (i)	Options Issued/ (Expired)/(Exercised) Number (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi)	Closing Balance 30 June 2016 Number
On or before 29 August 2016	$0.25	6,574,000	(6,574,000)	-
On or before 30 September 2021	$0.03	-	4,000,000	4,000,000
On or before 30 September 2021	$0.06	-	4,000,000	4,000,000
On or before 30 September 2021	$0.10	-	4,500,000	4,500,000

(i) On 29 August 2013, the Company issued 6,574,000 unlisted options as part of consideration for management services in respect to the May 2013 capital raising.

(ii) On 22 August 2016, the Company issued 117,000,000 10 cents listed options to sophisticated investors with respect to July and August 2016 capital raising.

(iii) On 29 August 2016, 6,574,000 unlisted options expired.

(iv) On 24 October 2016, the Company issued 1,500,000 3 cents unlisted options to its employees under the Employee Share Scheme.

(v) On 24 October 2016, the Company issued 1,500,000 6 cents unlisted options to its employees under the Employee Share Scheme.

(vi) On 24 October 2016, the Company issued 1,500,000 10 cents unlisted options to its employees under the Employee Share Scheme.

(vii) On 2 November 2016, the Company issued 2,000,000 3 cents unlisted options to Mr David Busch under the Employee Share Scheme.

(viii) On 2 November 2016, the Company issued 2,000,000 6 cents unlisted options to Mr David Busch under the Employee Share Scheme.

(ix) On 2 November 2016, the Company issued 3,000,000 10 cents unlisted options to Mr David Busch under the Employee Share Scheme.

(x) On 30 November 2016, the Company issued 500,000 3 cents unlisted options to its employee under the Employee Share Scheme.

(xi) On 30 November 2016, the Company issued 500,000 6 cents unlisted options to its employee under the Employee Share Scheme.

(xii) On 27 April 2017, the Company issued 30,000,000 10 cents listed options to sophisticated investors in relation to April 2017 placement.

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

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

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

16 STATEMENT OF CASH FLOWS

	2018	2017
	$	$
Reconciliation of cash flows from operating activities		
Loss for the period	**(1,712,330)**	(2,120,074)
Adjustments for:		
Depreciation of plant and equipment	**47,326**	39,2615
Share based payments	**61,497**	143,636
Changes in assets and liabilities		
Decrease/(Increase) in receivables	**17,610**	(17,610)
Decrease/ (Increase) in prepayments	**(3,727)**	(1,636)
Surplus on disposal of plant and equipment	**-**	-
(Decrease)/Increase in payables and provisions	**39,203**	29,748
Shares issued for non-cash	**68,000**	70,575
Net cash used in operating activities	**(1,482,421)**	(1,856,100)

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 2018, Peter Nightingale had a controlling interest in an entity, MIS Corporate Pty Limited, which provided full administrative services, including rental accommodation, administrative staff, services and supplies, to the entity. Fees paid to MIS Corporate Pty Limited until his resignation as a Director amounted to $77,700 (2017 - $124,000). There were no outstanding amounts at 30 June 2018 (2017 - $nil).

- During the year ended 30 June 2018, 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 $1,523 (2017 - $nil). There was $1,523 outstanding at 30 June 2018.

Key management personnel compensation

During the year ended 30 June 2017 compensation of key management personnel totalled $531,049 (2016 - $339,010), which comprised primary salary and fees of $422,795 (2016 - $385,641), superannuation of $29,763 (2016 - $32,406), and share based payments of $78,491 (2016 - $79,037). During the 2017 and 2016 financial years, no long term benefits or termination payments were paid.

18 COMMITMENTS AND CONTINGENCIES

a) Contingent Liabilities

The Group is undergoing a review by AusIndusry of the R&D claims it made for the 2016 and 2017 financial years totalling $1,402,997. As at date of this report, the claims are still under review by AusIndustry and a finding has yet to be issued on the eligibility of the R&D expenditure that was claimed. The Directors are of the view that the claims are in compliance with the legislation and that it is not probable the Group will be required to repay the R&D claims outlined above. In the event that the review is unsuccessful the Group may be required to repay up to $1,402,997 plus penalties and interest. No liability has been recorded in relation to the above matter for the year ended 30 June 2018.

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.

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

The following options were granted during the year ended 30 June 2017 and were on issue at 30 June 2017.

Grant Date	Expiry Date	Vesting Date	Exercise Price	Fair Value of Options Granted	Granted 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	1,500,000
24 October 2016	30 September 2021	31 December 2017	$0.06	$26,826	1,500,000	1,500,000
24 October 2016	30 September 2021	31 December 2018	$0.10	$24,052	1,500,000	1,500,000
2 November 2016	30 September 2021	2 November 2016	$0.03	$41,982	2,000,000	2,000,000
2 November 2016	30 September 2021	31 December 2017	$0.06	$37,417	2,000,000	2,000,000
2 November 2016	30 September 2021	31 December 2018	$0.10	$50,397	3,000,000	3,000,000
30 November 2016	30 September 2021	30 November 2016	$0.03	$7,884	500,000	500,000
30 November 2016	30 September 2021	31 December 2017	$0.06	$6,948	500,000	500,000
				$225,660	12,500,000	12,500,000

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 isadjusted to reflect the actual number of options that vest.

There were no options granted as consideration during and subsequent to the year end and 1,000,000 options lapsed during the year.

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%.

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 granted 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%.

During the year ended 30 June 2018, share based payment expense of $61,497 was recorded in the profit and loss (2017 - $143,636).

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 2018, 3,500,000 (2017- 3,500,000) share options vested and 3,000,000 yet to be vested at balance date. During the year, 1,000,000 options expired following the resignation of an employee (2017 - nil).

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

	2018		2017	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning	12,500,000	$0.065	6,574,000	$0.25
Granted	-	-	12,500,000	$0.065
Expired	1,000,000	$0.045	6,574,000	$0.25
Options outstanding at year end	11,500,000	$0.067	12,500,000	$0.065
Exercisable at year end	7,000,000	$0.045	4,000,000	$0.03

The weighted average remaining contractual life of share options outstanding at the end of 30 June 2018 was 1.12 years (2017 - 2.17 years), and the weighted average exercise price was $0.067 (2017 - $0.065).

(i) On 24 October 2016, The Company issued 1,300,000 ordinary shares for nil consideration to Mr Clifton McGilvray as part of his employment contract. This transaction was recorded at a fair value of $32,500 at an issue price of $0.025 per share.

(ii) On 16 February 2017, the Company issued 645,161 fully paid ordinary shares as consideration for consultancy services provided to the Company. This transaction was recorded at a fair value of $20,000 at an issue price at an issue price of $0.031 per share.

(iii) 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.

(iv) 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.

(v) 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	2018	2017
		$	$
Cash and cash equivalents	8	**1,649,466**	2,029,005
Trade and other receivables	10	**-**	17,610
Security deposits		**83,100**	95,000
		1,732,566	2,141,615

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 usually consists predominantly of amounts recoverable from taxation and other government authorities in Australia.

Security deposits of $83,100 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.

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 $1,649,466 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 2018					
Trade and other payables	125,787	(125,787)	(125,787)	-	-
30 June 2017					
Trade and other payables	120,685	(120,685)	(120,685)	-	-

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 1.19% (2017 - 1.34%).

At balance date, the Group had the following mix of financial assets exposed to variable interest rate risk that

	Note	2018	2017
		$	$
Financial assets			
Cash and cash equivalents	8	**1,649,466**	2,029,005
Security deposits		**35,000**	57,000
Net exposure		**1,684,466**	2,086,005

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 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.

	2018	2017
	$	$
	20,602	14,452

Currency risk

The Consolidated entity is not exposed to any foreign currency risk as at 30 June 2018 (2017 - $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	
		2018	2017
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%	-

23 PARENT COMPANY DISCLOSURE

(a) Financial Position as at 30 June 2018

	2018	2017
	$	$
Assets		
Current assets	**1,603,739**	2,046,509
Non-current assets	**20,992**	54,366
Total assets	**1,624,731**	2,100,875
Liabilities		
Current liabilities	**131,979**	135,099
Non- current liabilities	**-**	-
Total liabilities	**131,979**	135,099
Net assets	**1,492,752**	1,965,776
Equity		
Issued capital	**29,274,380**	28,090,527
Reserves	**193,529**	143,636
Transfer from Reserves	**11,604**	-
Accumulated losses	**(27,986,761)**	(26,268,387)
Total equity	**1,492,752**	1,965,776

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 2018

Loss for the year	**1,718,374**	2,178,256
Other comprehensive income	**-**	-
Total comprehensive loss	**1,718,374**	2,178,256

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).

During the prior year, under the terms of the Farm in and Joint Venture Agreement, Argent 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 2018, the joint venture partner decided to not contribute their share of exploration expenditure amounting to $36,592 (2017 - $163,458). Following this election the Company now owns 78.14% (2017 - 76.72%) of the West Wyalong Project.

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 1,400km2. 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

No 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 30 to 57, and the Remuneration Report in the Directors Report, as set out on pages 23 to 27, 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 2018 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 2018.

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 24th day of September 2018 in accordance with a resolution of the Board of Directors.

PETER WALL
Chairman

PETER MICHAEL
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 2018 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 2018;
- 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.

KPMG

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.

KPMG

Exploration and evaluation expenditure - $1,537,773	
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 68% 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/ar2.pdf. This description forms part of our Auditor's Report.

KPMG

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Argent Minerals Limited for the year ended 30 June 2018, 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 23 to 27 of the Directors' report for the year ended 30 June 2018.

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
24 September 2018

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

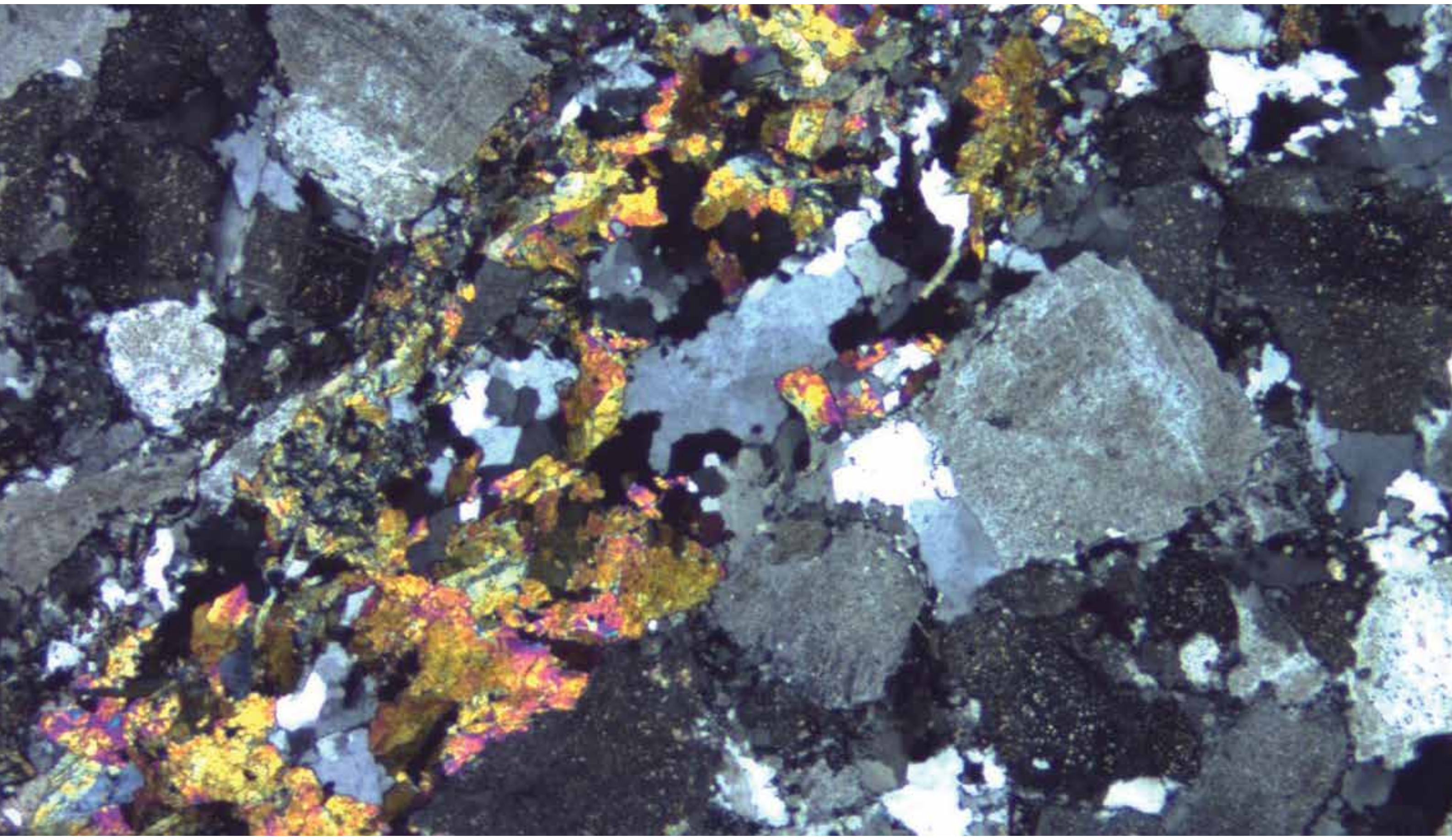
Distribution of Equity Securityholders

As at 3 September 2018, the distribution of each class of equity was as follows:

	QUOTED SECURITIES			
Range	Fully Paid Ordinary Shares Holders	Total Number of Shares	27 June 2019 $0.10 Listed Option Holders	Total Number of Listed Options
1 - 1,000	132	12,543	2	3
1,001 - 5,000	197	683,885	-	-
5,001 - 10,000	177	1,553,974	-	-
10,001 - 100,000	1,012	45,128,029	22	1,620,067
100,001 and over	519	416,581,048	146	185,379,930
	2,037	**463,959,479**	**170**	**187,000,000**

At 3 September 2018, 990 shareholders held less than a marketable parcel of shares and 48 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	3	3	3
	3	3	3



SHAREHOLDER INFORMATION

Twenty Largest Quoted Shareholders

At 3 September 2018 the twenty largest fully paid ordinary shareholders held 38.30% of fully paid ordinary as follows:

	Name	Fully Paid Ordinary Shares	%
1	Oceanic Capital Pty Ltd	33,141,574	7.14
2	Mr Marc David Harding	22,755,539	5.12
3	HSBC Custody Nominees (Australia) Limited	21,892,797	4.72
4	Redland Plains Pty Ltd <Brian Bernard Rodan S/F A/C>	11,896,791	2.56
5	Mr John Henry Matterson	10,000,000	2.16
6	St Barnabas Investments Pty Ltd <The Melvista Family A/C>	8,088,031	1.74
7	AWD Consultants Pty Ltd	7,088,889	1.53
8	Mr Danny Murphy+Mrs Susan Murphy <Danny Murphy Super Fund A/C>	6,779,107	1.46
9	Busch Custodians Pty Limited <Busch Super Fund A/C>	5,866,751	1.26
10	Mr David Ian Raymond Hall + Mrs Denise Allison Hall	5,648,485	1.22
11	Mr Shane Peter Matterson + Mrs Sharyn Alison Matterson <Shane Matterson S/F A/C>	4,930,337	1.06
12	Dixtru Pty Limited	4,920,442	1.06
13	Struven Nominees Pty Ltd <Alan Strunin Staff S/F A/C>	4,800,000	1.03
14	WGS Pty Ltd	4,500,000	0.97
15	Metugo Pty Ltd <Metugo PL Super Fund A/C>	4,300,000	0.93
16	Yarandi Investments Pty Limited <Griffith Family No 2 A/C>	4,153,253	0.90
17	Mr John Anthony Cooper + Mrs Robyn Liddell Cooper	4,147,997	0.89
18	Caves Road Investments Pty Ltd	4,000,000	0.86
19	J P Morgan Nominees Australia Limited	3,970,500	0.86
20	Rigi Investments Pty Limited <The Cape A/C>	3,838,889	0.83

There are no current on-market buy-backs.

SHAREHOLDER INFORMATION

Twenty Largest Quoted Option Holders

At 3 September 2018 the twenty largest option holders held 52.64% of listed options as follows:

Name		Quoted Options	%
1	Mr Marc David Harding	25,533,093	13.65
2	Oceanic Capital Pty Ltd	13,798,271	7.38
3	First Investment Partners Pty Ltd	6,000,000	3.21
4	Redland Plains Pty Ltd <Brian Bernard Rodan S/F A/C>	4,786,930	2.56
5	Busch Custodians Pty Limited <Busch Super Fund A/C>	4,784,933	2.56
6	Dixtru Pty Limited	4,383,334	2.34
7	Mr David Ian Raymond Hall + Mrs Denise Allison Hall	4,383,334	2.34
8	Mr Yuan-Hsiang Chung	3,883,126	2.08
9	Mr Danny Murphy + Mrs Susan Murphy <Danny Murphy Super Fund A/C>	3,662,282	1.96
10	Mr Jason Dawkins	3,333,334	1.78
11	Mr Paul Poli <The P Poli Family A/C>	3,241,666	1.73
12	Mr Stephen Klinakis <BMB A/C>	2,962,105	1.58
13	Mr Kerry Gilbert Parkin + Ms Janine Sue Prentice <Manna A/C>	2,600,000	1.39
14	Pontre Securities Pty Ltd	2,500,000	1.34
15	Mr Mark Balinski + Miss Shelley Marie Guy < Guy Balinski SMSF A/C>	2,450,000	1.31
16	Yarandi Investments Pty Limited <Griffith Family No 2 A/C>	2,250,002	1.20
17	Ileveter Pty Ltd	2,000,000	1.07
18	Mr Earl Grant Saunders + Mr Clinton James Saunders < Saunders Superfund A/C>	2,000,000	1.07
19	Mrs Lynn Porteus	2,000,000	1.07
20	Clariden Capital Pty Ltd	1,883,332	1.01

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 %
Oceanic Capital Pty Ltd	33,141,574	7.14%
Mr Marc David Harding	22,755,539	5.12%

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	78.20%[3]
Loch Lilly		
EL8199 (1992)	NSW	51%[4]
EL8200 (1992)	NSW	51%[4]
EL8515 (1992)	NSW	51%[4]
EL8516 (1992)	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.

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 equivalent1 for Primary:

Table 1 - Kempfield Mineral Resource Summary - 30 June 2018

		Silver (Ag)		Gold (Au)		Lead (Pb)		Zinc (Zn)		In-situ Contained Metal Equivalent[2] 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 %)	Grade (Zn Eq (000t)	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 2018:

		Silver (Ag)		Gold (Au)		Lead (Pb)		Zinc (Zn)		In-situ Contained Metal Equivalent[2] 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 (000t)	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

			Contained Metal Grades				In-situ Contained Metal Equivalent Grades[2]	
Lens	Zone	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 Ag Eq g/t)	
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**

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)	'000t In-situ Zinc Equivalent (Ag 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 as at 25 May 2018.

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) is reported for the time for the Kempfield deposit on the basis that zinc is estimated to be the greatest contributor to potential revenues (45%[a]).

(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) is also reported on the basis that a) whilst under current market conditions the estimated silver contribution to potential revenues follows zinc closely (36%[a]), the order of metal contributions is highly sensitive to volatile market prices, which could reverse the order for silver to become the greatest contributor followed by zinc; 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 2018.

The resulting changes since 30 June 2017 are summarised in the following table:

Table 5 – Comparison of Kempfield Mineral Resource as at 30 June 2018 versus 30 June 2017 (within brackets adjacent)

		Silver (Ag)		Gold (Au)		Lead (Pb)		Zinc (Zn)		In-situ Contained Metal Equivalent[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) (000t)	Grade (Ag Eq g/t)	Contained Ag Eq (Moz)
Oxide/ Transitional*	6.0 (6.0)	55 (55)	11 (10.7)	0.11 (0.11)	21 (21)	N/Ri (N/A)	N/Ri (N/A)	N/Ri (N/A)	N/Ri (N/A)	1.0 (ii)	62 (ii)	64 (-)	12 (11.7)
Primary**	20 (15.8)	35 (44)	23 (22.3)	0.13 (0.13)	81 (66)	0.60 (0.62)	120 (97)	1.3 (1.3)	250 (200)	2.3 (ii)	450 (ii)	140 (-)	91 (40.5)
Total***	**26** (21.8)	**40** (47)	**33** (33.0)	**0.12** (0.12)	**100** (86)	**0.46** (N/A)	**120** (97)	**1.0** (N/A)	**250** (200)	**2.0** (ii)	**520** (ii)	**120** (75)	**100** (52)

* 90% (90%) ** 76% (79%) *** 79% (82%) : % of material class tonnes in Measured or Indicated Category (see Table 4 for details). i : Not recoverable. ii : Not reported in 2017.

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 2018. 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 2018 Annual Report, are approved by Mr. Arnold van der Heyden in the form and context in which they appear.

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 2018. 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 2018

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 2017. 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 2018. 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.

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 2018

The following table sets out the Sunny Corner Mineral Resource statement as at 30 June 2018. 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 2018

Category	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 2017. Accordingly, no comparison is provided.

Note 3 - Annual Review
The Company has engaged H&SC to complete the annual review of Mineral Resources and Ore Reserves for the Sunny Cornerdeposit for reporting as at 30 June 2018. 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.

MINERAL RESOURCES AND ORE RESERVES STATEMENT

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 commenced during the year included an initial review of the drillcore and the collation of available data into the Company's database. These activities will continue into the 2018/19 financial year, and drilling will be required on suitable sections to test the integrity of historic information.

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. Work commenced during the year included an initial review of drillcore and the collation of available data into the company database. These activities will continue into the 2018/19 financial year. The Godkin prospect is a secondary target area to Salmons and Pieman and further work required to verify the Godkin Historical Estimate is intended to follow activities at the Salmons and Pieman Lodes.

Queensberry Mine deposit

Work commenced during the year included an initial review of drillcore and the collation of available data into the company database. Hyperspectral studies were conducted by Mineral Resources Tasmania **(MRT)** on drillholes LCD01 and LCD04. A site visit was also conducted during the year to assess the integrity of location information and analyse available rockchips to ensure that reported mineralisation was evident.

These activities will continue into the 2018/19 financial 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.

MINERAL RESOURCES AND ORE RESERVES STATEMENT

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.

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