

**ARGENT MINERALS LIMITED**

**A.B.N. 89 124 780 276**

**ANNUAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2021**

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# ARGENT MINERALS LIMITED

## Operation Review

Argent Minerals Limited ('Argent' or the Company) completed drilling 5,947m of RC and diamond drilling at Kempfield, Pine Ridge and West Wyalong for the June 2020- June 2021 period.

Highlights of this year include:

### EXPLORATION

#### Kempfield

##### Extension and Infill project drilling program

- 2,624m RC drilling programme completed on the Kempfield Project (Stage 2 RC drilling) covering four strategic zones
- Drill hole AKRC 219 had intersections of 36m @ 96.05g/t Ag from 64m and 25m @ 2.59% Zn from 73m
- Geochemistry and geophysical survey compilation reports reveal the potential for four extensions to mineralised zones immediately outside the project area
- Consultant Odessa engaged for resource upgrade

#### Pine Ridge Gold Mine

##### Extension and resource drilling program continuation

- 1,917m RC drilling program completed with high grade gold intersections including 6m @ 10.52g/t Au from 62m result in August 2021)
- A further 700m of drilling remains to be completed when the program recommences in September 2021
- Additional drill targets review pending a geophysical survey report which is due in October 2021

#### West Wyalong

##### RC and diamond drilling stage 1 completed

- RC pre-collars and first diamond hole completed using a portion of the \$205,000 of NSW drilling grants funding
- 5 pre-collars for 1,103m of RC drilling
- Diamond drill hole AWN002 hole completed to 503m intersecting sulphides and quartz veining from 338.7m to 387.5m
- The diamond hole program is planned to continue in February 2022 once the summer harvesting is completed.

# ARGENT MINERALS LIMITED

## Operation Review

### Exploration

#### KEMPFIELD PROJECT

##### RESOURCE UPGRADE

The Company completed the RC drilling program in October 2020 over the Kempfield project area with infill drilling in between the known proposed pit shell design. The objective was to add resource tonnage to the current resource.

The Company has budgeted for a further 5,000m-7,500m RC extension drilling programme to add to the September 2020 program extending drilling into the identified targets with drilling to the zones immediately west, north- west, east and south of known lode structures. Mineralization remains open along strike and depth immediately outside the current resource and project areas.

The Company engaged Internode Seismic in June 2020, conducting a detailed 9-month review of all existing geophysical data, and reinterpreting data over the Kempfield fault, where rock chip sampling were taken in June 2020 (highest results 5.6% Cu, 0.96g/t Au, 156g/t Ag and 1% Pb). A review of existing geochemical surveys has identified further anomalies that have not been tested with drilling.

Core Geophysical were engaged in May 2021 to refine the extension zone targeting and use recommendations from the Internode Seismic Review.

The Core Geophysical review will identify all possible extension zones for target drilling in 2022, and identify new targets based on re modelling the geological setting with Baryte as the host for Ag-Pb-Zn extension lode targeting.

A structural geological review was also completed in April 2021 investigating the Kempfield fault and gold-copper footwall occurrence on the footwall side of the project area.

The Company has engaged Odessa Geological Resource consultants who will table a completed Kempfield geological 3D model and resource upgrade to be tabled in Q3 2022.

#### PINE RIDGE

##### RECONAIASSANCE AND RESOURCE TARGET DRILLING

The Company completed 1,917m of the total planned 2,650m RC drilling program in June 2021. The program remains incomplete due to a COVID-19 regional lockdown and poor weather conditions. The drilling contractor will be mobilizing in September 2021 with drilling due to start soon after.

Drilling has previously intersected consistent thick zones of quartz veining in hosted altered basalt. Visible free gold was intersected on RC drill hole APRC035 from 17m depth.

In December 2019, the Company received the data from an airborne magnetic and radiometric geophysical survey over the entire tenement area and the historic Pine Ridge Gold Mine (EL8213).

The Company completed a geophysical review of all available data in January 2021 by internode Seismic.

In May 2021, the Company engaged Core Geophysical to prepare a geophysical 3D inversion model for all available geophysical data including the 2019 heliborne survey. It is anticipated that the assay results from the June 2021 RC drilling program timed with the Core Geophysical report will produce stand up drill targets adding extension drill targets to the known gold mineralization.

## ARGENT MINERALS LIMITED

### Operation Review

The Pine Ridge area consists of numerous historical gold mines which operated from the 1820's until the 1940's and produced grades in excess of 250g/t Au (NSW Government reports). The recent RC 2021 and 2019 diamond drilling conducted by Argent has confirmed the position and tenor of gold mineralisation that was reported in historic drill intersections including 19m @ 3.2g/t Au from 98.4m and 1m @ 40.7 g/t Au from 106m in APDD031.

The Company looks forward to receiving further gold assay results.

#### WEST WYALONG PROJECT

##### DRILLING GRANTS - PORPHYRY GOLD COPPER MOLYBDENUM UPDATE

###### RC and diamond drilling stage 1 completed

In May 2020, the Company applied to receive up to \$205,000 funding from the NSW Government in drilling grants.

The Company applied the funding received during the year of \$140,000 and completed 5 deep RC drilling pre collars totalling 1,105m for the first 5 drill holes in March 2021, and a single 503m diamond drillhole AWN002 completed in early April 2021.

Diamond drill hole AWN002 intersected massive and disseminated sulphides including massive blebs of pyrite and chalcopyrite and quartz veining from 338.7m to 387.5m.

Assay results from Nagrom Laboratories and check assay results from SGS Laboratories will be announced in the coming quarter for the 43-multi-element report for both RC and diamond drill samples.

The remaining \$65,000 of drilling grant funds that can be applied for, will be used for the second diamond hole to the north of AWN002 which will be drilled in February 2022 once the summer harvesting is completed.

##### JOINT VENTURE HEADS OF AGREEMENT WITH SUNSHINE RECLAMATION PTY LTD

Argent entered into a Joint-Venture Heads of Agreement with Sunshine Reclamation Pty Ltd (SRP) and its wholly owned subsidiary Sunny Silver Pty Ltd in relation to the Lachlan Fold Belt exploration licence over Sunny Corner EL5964.

Argent Minerals sold the Sunny Corner Exploration Licence to Sunshine Reclamation in September 2019 under the Sunny Corner Sale Agreement on the basis that a part of the area required significant environmental rehabilitation.

SRP has completed an assessment and isolated the parts of the tenement which are the primary focus of its planned reclamation and rehabilitation work.

##### EL5964 AGREEMENT WITH MINREX RESOURCES LIMITED

Subsequent to Argent entering into a Joint-Venture Heads of Agreement with Sunshine Reclamation Pty Ltd (SRP) and its wholly owned subsidiary Sunny Silver Pty Ltd, Argent entered into an Option Agreement with MinRex Resources Limited (ASX: MRR) in relation to its Joint Venture interest in Lachlan Fold Belt exploration licence EL5964 (Sunny Corner). The option was exercised by MinRex Resources Limited.

Argent has received:

1. Reimbursement of \$100,000 (paid in MRR shares) to SRP under the Sunny Corner Joint Venture Binding Heads of Agreement.
2. 80 million fully paid ordinary shares in MRR payable, subject to MinRex shareholder approval, upon completion of the following milestones:

## ARGENT MINERALS LIMITED

### Operation Review

- a. 25 million shares on execution of the Joint Venture Agreement on terms acceptable to MRR (issued on 22 September 2021);
- b. 25 million shares upon access being granted to the Tenement for drilling including the receipt of all approvals, consents and authorisations from the Regulator and any associated landowners; and
- c. 30 million shares upon MRR (or its nominee) acquiring legal title to the Tenement and a 90% beneficial interest in the Tenement.

#### CORPORATE

- \$2.35M before costs raised through placements.
- \$2.3M raised through the conversion of options.
- Cash position \$3.75M

#### PLACEMENTS RAISE \$2.35 MILLION

During the year Argent completed one private placement which raised approximately \$2.2M before costs and directors participated in placements totalling \$0.15M.

- On 19 August 2020, Argent completed a private placement offer to sophisticated investors that raised \$2,200,000 before costs through the issue of 40,000,000 new fully paid ordinary shares were issued at \$0.055 cents per share, 20,000,000 attaching listed options (ASX: ARDOA) on a 1:2 basis.
- On 31 July 2020, Argent completed a placement offer to directors, after receiving shareholder approval, that raised \$138,000 before costs through the issue of 11,500,001 fully paid ordinary shares at \$0.012 per share.
- On 21 December 2020, Argent completed a placement offer to directors, after receiving shareholder approval, that raised \$12,000 before costs through the issue of 1,000,000 fully paid ordinary shares at \$0.012 per share.

#### BOARD CHANGES

On 3 March 2021, Mr Peter Wall and Mr Emmanuel Correia resigned from the Board of the Company.

Subsequent to the end of the year, Mr Stuart Till resigned from the Board and Mr David Greenwood was appointed to the Board as a Non-Executive Director on 23<sup>rd</sup> August 2021.

#### CONVERSION OF ARDOB OPTIONS

Argent's ARDOB \$0.025 listed options expired on 29 October 2020. Argent received conversion notices from option holders totalling 90,531,474 ARDOB options, resulting in approximately \$2.2M being received by the Company during the year.

#### CHANGE OF AUDITOR

The Company changed its auditor to BDO Audit (WA) Pty Ltd during the year.

#### CASH POSITION

Argent's cash position as at 30 June 2021 was \$3.75M.

# ARGENT MINERALS LIMITED

## Operation Review

### PREVIOUSLY RELEASED INFORMATION

This Annual Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Report can be found in the following announcements lodged on the ASX:

23/08/2021	Board Change
19/08/2021	MORE HIGH-GRADE GOLD INTERSECTIONS AT PINE RIDGE
30/07/2021	Quarterly Activities/Appendix 5B Cash Flow Report
28/07/2021	Proposed issue of securities - ARD
27/07/2021	SIGNIFICANT NEW DRILL RESULTS PINE RIDGE HISTORICAL GOLDMINE
19/07/2021	MINREX TAKES OVER ARGENTS SUNNY CORNER FARM-IN RIGHTS
19/07/2021	MinRex Exercises Sunny Corner Option opens
15/06/2021	Cleansing Statement opens
15/06/2021	Application for quotation of securities - ARD
17/05/2021	RC DRILLING COMMENCES AT PINE RIDGE GOLD MINE
29/04/2021	Quarterly Activities and Cashflow Report
25/03/2021	WEST WYALONG DRILLING INTERSECTS POTENTIAL MINERALISATION
15/03/2021	Half Yearly Report and Accounts
10/03/2021	Appendix 2A
5/03/2021	Final Director's Interest Notice - PW - EC
5/03/2021	Board Change
9/02/2021	Cleansing Statement and Appendix 2A
2/02/2021	Appendix 2A
29/01/2021	Quarterly Activities and Cashflow Report
27/01/2021	DRILL RIG ARRIVES AT WEST WYALONG COPPER-GOLD PROJECT
14/01/2021	Details of Company Address
21/12/2020	Change of Director's Interest Notice - PM - EC
21/12/2020	Cleansing Statement and Appendix 2A
18/12/2020	MRR: Strategic Co-Op with Argent, Drill Rig Secured& Appoint
18/12/2020	Strategic Co-Op Agreement with MinRex and Exploration Update
2/12/2020	Change of Auditor opens
2/12/2020	Ceasing to be a substantial holder
30/11/2020	Constitution
30/11/2020	Results of Meeting
11/11/2020	Drilling Advances Kempfield for Development Opportunity
3/11/2020	Appendix 2A opens
30/10/2020	Letter to Shareholders - Annual General Meeting
30/10/2020	Notice of Annual General Meeting/Proxy Form
29/10/2020	Quarterly Activities and Cashflow Report
28/10/2020	Appendix 2A
22/10/2020	Sunny Corner JV Option with MinRex
21/10/2020	Appendix 2A
14/10/2020	Appendix 2A
14/10/2020	Argent Secures Sunny Corner Joint-Venture Rights

## **ARGENT MINERALS LIMITED**

### **Operation Review**

6/10/2020	Appendix 2A
1/10/2020	Notification of Expiry of Options - ARDOB
30/09/2020	Date of AGM and Closing Date for Director Nominations
30/09/2020	Appendix 4G and Corporate Governance Statement
30/09/2020	Annual Report to shareholders opens
29/09/2020	Appendix 2A
24/09/2020	EXPLORATION AND DRILLING UPDATE
22/09/2020	Appendix 2A
6/09/2020	Appendix 2A
7/09/2020	Appendix 2A
1/09/2020	Appendix 2A
26/08/2020	Appendix 2A
19/08/2020	Cleansing Statement
19/08/2020	Appendix 2A
19/08/2020	Appendix 2A
12/08/2020	Proposed issue of Securities - ARD
12/08/2020	HEAVILY OVERSUBSCRIBED PLACEMENT TO FAST TRACK DRILLING
10/08/2020	Trading Halt
31/07/2020	Change of Director's Interest Notice - GK PW EC PM
31/07/2020	Cleansing Statement
31/07/2020	Appendix 2A
31/07/2020	Appendix 2A
31/07/2020	Appendix 2A
29/07/2020	June 2020 Quarterly Activities and Cash Flow Reports
24/07/2020	Results of General Meeting
22/07/2020	Exploration and Drilling Program Update
17/07/2020	Amendment - Appendix 2A

#### Competent Person:

1. Stuart Leslie Till

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



**ARGENT MINERALS LIMITED**  
**Operation Review**

**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 (4th edition) published by the ASX Corporate Governance Council.

The 2021 corporate governance statement is dated as at 29 September 2021 and reflects the corporate governance practices throughout the 2021 financial year. The 2021 corporate governance was approved by the Board on 29 September 2021. 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 <https://argentminerals.com.au/about/corporate-governance>.

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

### DIRECTORS' REPORT

The names and particulars of the directors of the Group 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

Resigned: 5 March 2021

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 Master of Applied Finance and Investment with FINSIA.

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

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

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

**GEORGE KARAGEORGE BAppSc. Geology, MAusIMM**  
**Managing Director and Chief Executive Officer**

Appointed: 21 October 2019

Mr Karageorge is a geologist and is a rare, base and precious metal exploration expert with over 25 years' experience in the mining sector. He has worked in senior technical and executive management roles for exploration and mining companies across the globe, including Western Mining Corporation, ASARCO, Anglo Gold Ashanti, Barrick Mines, Pilbara Minerals and Bluebird Battery Metals.

Mr Karageorge has had multiple management and technical roles as Project Geologist, Project Manager, and most recently President and Chief Executive Officer of TSX listed company Bluebird Battery Metals. He has extensive expertise in taking projects from exploration through to development and production stages.

Mr. Karageorge is best known for his role as the founding geologist and registered mine manager of lithium producer, Pilbara Minerals Limited (ASX: PLS). He was instrumental in the discovery of the Pilbara Minerals multi-Billion Dollar Pilgangoora Lithium and Tantalum Deposit. His role was paramount in developing the project from the first drill hole through to the first Lithium Concentrate, taking the company into production and growing it into a A\$1.5B market cap mining company in less than 4 years.

In addition to his technical and corporate leadership roles, Mr. Karageorge has occupied the position of company director for a number of private, public listed and unlisted public companies over the last 30 years.

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

He holds a Bachelor Degree, BAppSc. (Geology) and is a senior member of the Australasian Institute of Mining and Metallurgy (AUSIMM).

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

Company	Date of Appointment	Date of Resignation
MinRex Resources Limited	December 2020	Not Applicable

### **EMMANUEL CORREIA BBus, CA**

#### **Non-Executive Director and Joint Company Secretary**

Appointed: 6 December 2017

Resigned: 5 March 2021

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

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

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

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

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

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

### **PETER MICHAEL**

#### **Non-Executive Chairman**

Appointed: 16 September 2015 (appointed to Non-executive Chairman on 5 March 2021)

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

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

During the past three years he has not served on the board on any listed ASX companies.

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

### **STUART TILL BApp Sc. Geology, MAusIMM**

#### **Non-Executive Director**

Appointed: 6 March 2020

Resigned: 23 August 2021

Mr Till has more than 35 years' experience as a successful geologist in mineral exploration and mining for numerous commodities including, but not limited to, precious metals, base metals and industrial minerals.

For the last 12 years Mr Till has been a consultant and director to numerous companies. He has held roles as an Exploration Manager with Thor Mining PLC & Consultant Chief Geologist with Tennant Creek Gold, Davenport Resources, Orion Minerals, Bardoc Gold, and more recently Chief Geologist for Pilbara Minerals during the DFS resource definition of the world class Pilgangoora Lithium deposit.

During the past three years he has not served on the board on any listed ASX companies.

### **DAVID GREENWOOD**

#### **Non-Executive Director**

Appointed: 23 August 2021

Mr David Greenwood has an in-depth knowledge and more than 30 years' broad-based experience in the resources industry across a range of commodities including precious metals, base metals, industrial minerals, mineral sands, and bulk commodities. Mr Greenwood was educated in the UK and has worked internationally in the resources industry in exploration, production, marketing, business development and investment analysis. Mr Greenwood was recently CEO at Godolphin Resources Listed (ASX: GRL) and previously was Executive General Manager for Straits Resources Ltd (ASX: SRQ), where he was responsible for exploration, marketing, corporate affairs, investor relations and investments. Mr Greenwood has held board positions with a number of junior resource companies, including President (CEO) of Goldminco Corporation, a previously listed Canadian exploration company with assets in the Lachlan Fold Belt, NSW. Mr Greenwood is currently a Non-Executive Director of Askari Metals Limited. Mr Greenwood has specific expertise in resources evaluation and financing, from exploration through to mine development, in addition to business development, minerals marketing and investor relations.

### **James Bahen B.Comm, GIA**

#### **Company Secretary**

Appointed: 16 April 2020

Mr Bahen is a Chartered Secretary with over 5 years company secretary and public company experience. Mr Bahen has experience in assisting company boards with navigating ASX listing rule requirements in matters such as acquisitions/disposals and capital raisings. Mr Bahen is a member of the Governance Institute of Australia and holds a Graduate Diploma of Applied Finance and a Bachelor of Commerce degree majoring in Accounting and Finance.

## DIRECTORS INTERESTS

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

<b>Name</b>	<b>Fully Paid Ordinary Shares</b>	<b>Options</b>	<b>Option Terms (Exercise Price and Term)</b>
Peter Michael	3,297,195	333,333 4,000,000	\$0.05 at any time up to 29 October 2021 \$0.031 at any time up to 27 October 2022
George Karageorge	5,535,109	-	-
David Greenwood	-	-	-

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

### UNISSUED SHARES UNDER OPTION

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

Number of Shares	Exercise Price	Expiry Date
6,000,000	\$0.03	30 September 2021
5,000,000	\$0.06	30 September 2021
6,500,000	\$0.10	30 September 2021
97,215,893	\$0.05	29 October 2021
16,000,000	\$0.031	27 October 2022

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 two months of the date of termination of employment. Any options not exercised within this two month period will lapse. The persons entitled to exercise the options do not have, by virtue of the options, the right to participate in a share issue of the Company or any other body corporate.

### PRINCIPAL ACTIVITIES

The principal activity of the Group is mineral exploration of silver, lead, zinc, copper and gold in Australia.

### RESULTS AND REVIEW OF OPERATIONS

The results of the consolidated entity for the financial year ended 30 June 2021 is a comprehensive loss after income tax of \$2,110,006 (2020: loss of \$2,185,012).

A review of operations of the consolidated entity during the year ended 30 June 2021 is provided in the 'Operations Review'.

### LIKELY DEVELOPMENTS AND EXPECTED RESULT OF OPERATIONS

The Group's focus over the next financial year will be on its key projects, Kempfield, West Wyalong and Pine Ridge. 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 REGULATIONS

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.

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

### MEETING OF DIRECTORS

During the financial year, 7 meetings of directors were held. Attendances by each director during the year were as follows:

Director	Directors' Meetings	
	No. of Eligible Meetings to Attend	No. of Meetings Attended
Peter Wall	5	5
Emmanuel Correia	5	5
Peter Michael	7	7
Stuart Till	7	7
George Karageorge	7	5

### REMUNERATION REPORT - AUDITED

#### Remuneration Policy

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

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

- The remuneration policy and setting the terms and conditions for the executive directors and other senior staff members is developed and approved by the Board based on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice is obtained when considered necessary to confirm that executive remuneration is in line with market practice and is reasonable within Australian executive reward practices.
- Executives receive a base salary (which is based on factors such as length of service and experience) and superannuation.
- The entity is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions within the same industry. Options and performance incentives may be issued particularly as the entity moves from an exploration to a producing entity, and 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.

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

### Remuneration Report - Audited (continued)

#### DETAILS OF DIRECTORS AND EXECUTIVES

The following table provides details of the members of key management personnel of the entity as at 30 June 2021.

Directors/Executives	Position Held as at 30 June 2021
Peter Wall	Non-Executive Chairman - Resigned 5 March 2021
Emmanuel Correia	Non-Executive Director/ Joint Company Secretary - Resigned 5 March 2021
Peter Michael	Non-Executive Chairman
Stuart Till	Non-Executive Director
George Karageorge	Managing Director, CEO

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.

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## DIRECTORS' REPORT

### Remuneration Report - Audited (continued)

#### Details of remuneration for the year ended 30 June 2021 – 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 and Fees  \$	Other Benefits/Ter- mination Benefits  \$	Super -annuation  \$	Share Based Payment s – Options  \$	Other Long Term  \$	Total  \$	% of Remuneration as Share Payments
<b>Directors</b>							
Peter Wall							
<b>2021</b>	29,789	-	-	-	-	29,789	-
<b>2020</b>	43,800	-	-	40,045	-	83,845	48%
Emmanuel Correia							
<b>2021</b>	29,789	-	-	-	-	29,789	-
<b>2020</b>	45,730	-	-	40,045	-	85,775	47%
Peter Michael							
<b>2021</b>	45,000	-	4,275	-	-	49,275	-
<b>2020</b>	40,000	-	3,800	40,045	-	83,845	48%
Tim Hronsky							
<b>2021</b>	-	-	-	-	-	-	-
<b>2020</b>	29,606	-	-	40,045	-	69,651	-
Stuart Till							
<b>2021</b>	119,150	-	-	-	-	119,150	-
<b>2020</b>	89,600	-	-	-	-	89,600	-
George Karageorge							
<b>2021</b>	273,037	18,000	-	-	-	291,037	-
<b>2020</b>	184,169	-	-	-	-	184,169	-
<b>CEO</b>							
David Busch							
<b>2021</b>	-	-	-	-	-	-	-
<b>2020</b>	133,250	36,923	16,166	-	-	186,339	-



# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

### Remuneration Report - Audited (continued)

#### Options Granted as Compensation – Audited

There were no options granted as compensation during the year.

#### Other transactions and balances with Key Management Personnel

- During the year ended 30 June 2021, Peter Wall had a beneficial interest in an entity, Steinepreis Paganin Lawyers & Consultants, which provided legal consulting services. Fees paid to Steinepreis Paganin Lawyers & Consultants amounted to \$18,902 (2020 - \$45,209).
- During the year the company issued 2,040,021 shares with a fair value of \$102,001. This was to settle \$58,322 worth of outstanding director fees from the prior year, the remaining amount of \$48,450 is the finance cost component.

#### 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 a consultancy agreement with Mr George Karageorge whereby Mr Karageorge receives remuneration of \$242,000 per annum (exclusive of GST) with a car allowance of \$1,500 per month (exclusive of GST). The agreement may be terminated subject to a 3-month notice period.

The Company has entered into a consultancy agreement with Mr Stuart Till whereby Mr Till receives remuneration of \$43,800 per annum (exclusive of GST). In addition, Mr Till can receive an additional service fee of A\$1,000 per day for a maximum 150 days per annum. Any additional days over 150 days per annum requires approval from the board. The agreement may be terminated subject to a 3-month notice period.

#### Ordinary shareholdings of key management personnel

Directors and other key management personnel	Balance at 1 July 2020	Net other change	Balance at 30 June 2021
	(i)	(ii)	(iii)
Peter Wall <sup>1</sup>	1,333,333	5,230,526	6,563,859
Emmanuel Correia <sup>2</sup>	666,667	1,897,193	2,563,860
Peter Michael	1,420,001	1,877,194	3,297,195
Stuart Till	-	-	-
George Karageorge	-	5,535,109	5,535,109

<sup>1</sup> Peter Wall had resigned on 5 March 2021.

<sup>2</sup> Emmanuel Correia had resigned on 5 March 2021.

Shares issued in lieu of fees were issued for 30 June 2021 in relations to 30 June 2020 outstanding balance (refer to note 23). No options were exercised during the financial years ended 30 June 2021 and 30 June 2020.

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT

### Remuneration Report - Audited (continued)

#### Option holdings of key management personnel

Directors and other key management personnel	Balance at 1 July 2020	Issued during the period	Expired during the period	Balance at 30 June 2021 (vested and exercisable)
	(i)			(ii)
Peter Wall <sup>1</sup>	4,666,666	-	-	4,666,666
Emmanuel Correia <sup>2</sup>	4,333,333	-	-	4,333,333
Peter Michael	4,333,333	-	-	4,333,333
Stuart Till	-	-	-	-
George Karageorge	-	-	-	-

<sup>1</sup> Peter Wall had resigned on 5 March 2021.

<sup>2</sup> Emmanuel Correia had resigned on 5 March 2021.

#### 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.

	2021	2020	2019	2018	2017
Net loss attributable to equity holders of the Company	\$2,110,006	\$2,185,012	\$3,539,654	\$1,712,330	2,120,074
Dividends paid	-	-	-	-	-
Change in share price	1.9 cents	(1.4) cents	(0.9) cents	(1.1) 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.

There was no reliance on external remuneration consultants during the year.

There were no other loans to key management personnel and other transactions noted during the year.

#### VOTING AND COMMENTS MADE AT THE COMPANY'S LAST ANNUAL GENERAL MEETING

The Company received 2.27% of votes against, and no specific feedback on, its Remuneration Report at its Annual General Meeting held on 30 November 2020. The Resolution passed by a show of hands.

End of Audited 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.

# **ARGENT MINERALS LIMITED**

## **DIRECTORS' REPORT**

### **INDEMINITY AND INSURANCE OF AUDITOR**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

### **EVENTS SUBSEQUENT TO REPORTING DATE**

Subsequent to year end, Minrex Resources Limited announced that it exercised its option with Argent Minerals Limited to acquire farm-in rights to earn up to a 90% interest in the exploration area of EL5864. MinRex is required to pay an option exercise fee of \$100,000 to Argent on exercise of the option. MinRex and Argent have agreed to settle this payment via the issue of 5,000,000 MinRex shares at a deemed issue price of \$0.02.

Subsequent to year end, Stuart Till resigned on the 23<sup>rd</sup> of August 2021 as Non-Executive Director. David Greenwood was appointed as Non-Executive Director on the 23<sup>rd</sup> of August 2021.

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

### **PROCEEDINGS ON BEHALF OF THE COMPANY**

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

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

### **NON-AUDIT SERVICE**

During the year ended BDO, the Company's auditor, performed other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and, is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company to ensure they do not impact upon the impartiality and objectivity of the auditor
- the non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards

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

# ARGENT MINERALS LIMITED

## DIRECTORS' REPORT


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

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Statutory audit</b>		
Audit and review of financial reports - KPMG	-	57,000
Audit and review of financial reports – BDO (WA)	40,000	-
	<u>40,000</u>	<u>57,000</u>
<b>Other services</b>		
Taxation Compliance – BDO WA	75,487	3,090
	<u>75,487</u>	<u>3,090</u>

### Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on page 19 and forms part of the Directors' Report for the year ended 30 June 2021.

This report has been signed in accordance with a resolution of the directors and is dated 29 September 2021.



**George Karageorge**  
**Managing Director**

**DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF ARGENT MINERALS LIMITED**

As lead auditor of Argent Minerals Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Argent Minerals Limited and the entities it controlled during the period.



**Jarrad Prue**  
**Director**

**BDO Audit (WA) Pty Ltd**  
Perth, 29 September 2021

## ARGENT MINERALS LIMITED

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021	2020
		\$	\$
<b>Continuing operations</b>			
Other Income	6	623,871	11,245
Administration and consultants' expenses		(393,396)	(812,115)
Depreciation	14,15	(95,147)	(50,078)
Employee and director expenses		(387,361)	(546,741)
Exploration and evaluation expenses	7	<u>(1,828,234)</u>	<u>(794,216)</u>
<b>Operating loss before financing income/(expense)</b>		<u>(2,080,267)</u>	<u>(2,191,905)</u>
Interest income		192	7,806
Interest expense		<u>(29,931)</u>	<u>(913)</u>
<b>Net financing income /(expense)</b>		<u>(29,739)</u>	<u>6,893</u>
<b>Loss before tax</b>		<b>(2,110,006)</b>	<b>(2,185,012)</b>
Income tax expense	10	<u>-</u>	<u>-</u>
<b>Loss for the year</b>		<b>(2,110,006)</b>	<b>(2,185,012)</b>
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the year</b>		<b><u>(2,110,006)</u></b>	<b><u>(2,185,012)</u></b>
Basic and diluted loss per share (cents)	8	<u>(0.25) cents</u>	<u>(0.36) cents</u>

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

# ARGENT MINERALS LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Notes	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	9	3,747,027	1,956,724
Trade and other receivables	11	12,162	8,751
Other assets	12	11,641	10,090
<b>Current assets</b>		<b>3,770,830</b>	<b>1,975,565</b>
Asset licence held for sale	13	-	39,000
<b>Total current assets</b>		<b>3,770,830</b>	<b>2,014,565</b>
 <b>Non-current assets</b>			
Other financial asset – security deposits		129,750	96,000
Plant and equipment	14	344,264	318,477
Right of use asset	15	225,218	40,216
<b>Total non-current assets</b>		<b>699,232</b>	<b>454,693</b>
<b>Total assets</b>		<b>4,470,062</b>	<b>2,469,258</b>
 <b>Current liabilities</b>			
Trade and other payables	17	446,890	483,227
Employee entitlements	18	17,618	6,884
Lease liabilities	16	95,000	14,124
R&D claims repayable	22	645,886	1,428,050
<b>Total current liabilities</b>		<b>1,205,394</b>	<b>1,932,285</b>
 <b>Non-current liabilities</b>			
Lease liabilities	16	138,832	26,353
<b>Total non-current liabilities</b>		<b>138,832</b>	<b>26,353</b>
<b>Total liabilities</b>		<b>1,344,226</b>	<b>1,958,638</b>
<b>Net assets</b>		<b>3,125,836</b>	<b>510,620</b>
 <b>Equity</b>			
Issued capital	19	38,093,320	33,368,098
Reserves	19	249,220	249,220
Accumulated losses		(35,216,704)	(33,106,698)
<b>Total equity</b>		<b>3,125,836</b>	<b>510,620</b>

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

# ARGENT MINERALS LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

Attributable to equity holders of the Company	Notes	Issued Capital	Reserves	Accumulated Losses	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		33,368,098	249,220	(33,106,698)	510,620
<b>Total comprehensive income for the year</b>					
Loss for the year		-	-	(2,110,006)	(2,110,006)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(2,110,006)	(2,110,006)
<i>Transactions with owners, recorded directly in equity</i>					
<b>Contribution by and distribution to owners</b>					
Ordinary shares/options issued	19	4,855,699	-	-	4,855,699
Placement Costs		(130,477)	-	-	(130,477)
<b>Balance at 30 June 2021</b>		<b>38,093,320</b>	<b>249,220</b>	<b>(35,216,704)</b>	<b>3,125,836</b>
<b>Balance at 1 July 2019</b>		30,462,609	211,515	(31,051,482)	(377,358)
<b>Total comprehensive income for the year</b>					
Loss for the year		-	-	(2,185,012)	(2,185,012)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(2,185,012)	(2,185,012)
<i>Transactions with owners, recorded directly in equity</i>					
<b>Contribution by and distribution to owners</b>					
Ordinary shares/options issued	19	3,051,350	-	-	3,051,350
Cost of shares issued		(185,861)	-	-	(185,861)
Share based payments		40,000	167,501	-	207,501
Expiry of options		-	(129,796)	129,796	-
<b>Balance at 30 June 2020</b>		<b>33,368,098</b>	<b>249,220</b>	<b>(33,106,698)</b>	<b>510,620</b>

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



# ARGENT MINERALS LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021	2020
		\$	\$
<b>Cash flows used in operating activities</b>			
Government Subsidy		-	11,245
Exploration and evaluation expenditure		(2,044,342)	(616,054)
Cash payments to suppliers and employees		(532,985)	(1,119,295)
Interest received		192	7,806
<b>Net cash used in operating activities</b>	20	<b>(2,577,135)</b>	<b>(1,716,298)</b>
<b>Cash flows used in investing activities</b>			
Acquisition of Sunny Corner Asset License		-	(39,000)
Proceeds from Sunny Corner Divestment		-	130,000
Payments for plant and equipment		(76,631)	-
Payments for security deposits		(33,750)	(2,900)
<b>Net cash (used)/ from in investing activities</b>		<b>(110,381)</b>	<b>88,100</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares and options		4,648,592	3,051,350
Lease payments		(40,296)	(6,500)
Cost of issue of shares and options		(130,477)	(185,861)
<b>Net cash from financing activities</b>		<b>4,477,819</b>	<b>2,858,989</b>
<b>Net increase in cash held</b>		<b>1,790,303</b>	<b>1,230,791</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>1,956,724</b>	<b>725,933</b>
<b>Cash and cash equivalents at the end of the financial year</b>	9	<b>3,747,027</b>	<b>1,956,724</b>

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

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### 1 REPORTING ENTITY

Argent Minerals Limited (the 'Company') is a company domiciled in Australia. The address of the Company's registered office is at 25 Colin Street, West Perth, WA 6005. The consolidated financial statements of the Company as at and for the year ended 30 June 2021 comprise the Company and its subsidiaries (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 29 September 2021.

##### (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 10 - Unrecognised deferred tax asset
- Note 23 - Share based payments
- Note 22 - R&D claims payable

The Group has incorporated judgements, estimates and assumptions specific to the impact of the COVID-19 pandemic in determining the amounts recognised in the financial statements based on conditions existing at reporting date, recognising uncertainty still exists in relation to the duration of the COVID-19 pandemic-related restrictions, the anticipated government stimulus and regulatory actions.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 2 BASIS OF PREPARATION (Cont.)

#### (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 \$2,110,006 for the year ended 30 June 2021 and has accumulated losses of \$35,216,704 at 30 June 2021. The Group has cash and cash equivalents of \$3,747,027 at 30 June 2021 and used \$2,577,135 of cash in operations, including payments for exploration and evaluation, for the year ended 30 June 2021.

The directors have prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12 months period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

### 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) Finance income and finance costs

Finance income comprises interest income on funds invested, dividend income and gains on the disposal of financial assets. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, losses on disposal of 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.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

#### (b) 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.

#### (c) 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 property, plant and equipment 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 basis used for each class of depreciable assets are:

Class of fixed asset	Depreciation rates	Depreciation basis
Buildings	7.50%	Straight-Line
Plant and equipment	5% to 37.5%	Straight-Line
Motor Vehicle	20%	Straight-Line

#### (d) 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.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

#### (e) Financial instruments

##### ***Non-derivative financial assets***

###### *Recognition and initial measurement*

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

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

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

###### Classification and subsequent measurement

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

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

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

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

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 3 Significant accounting policies (Cont.)

#### (e) Financial instruments

##### **Non-derivative financial assets (Cont.)**

*Subsequent measurement and gains and losses*

<b>Financial assets at amortised cost</b>	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
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##### **Non-derivative financial liabilities**

*Financial liabilities are measured at amortised cost.*

Financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

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

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

#### (f) **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 non-controlling interests even if that results in a deficit balance.

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

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

#### *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 a 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.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

#### (i) Cash and cash equivalents

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

#### (j) Impairment

##### **Financial instruments**

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

- Financial assets measured at amortised cost;

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

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

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

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

##### ***Financial assets measured at amortised cost***

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

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

##### ***Non-financial assets***

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

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

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



# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

#### (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) Leases

##### **Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

#### Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

#### (o) Earnings per Share

##### Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Pinnacle Listed Comprehensive Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

##### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

### 4 NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPERATIONS ADOPTED

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting period beginning on or after 1 January 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on its

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

liabilities.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

### 5 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.

#### *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.

	2021	2020
	\$	\$
<b>6 OTHER INCOME</b>		
Research and development claim (refer note 22)	<b>623,871</b>	-
Government subsidy	-	11,245
	<b>623,871</b>	11,245

	2021	2020
	\$	\$
<b>7 EXPENSES</b>		
Loss from ordinary activities have been arrived after charging the following items:		
Auditors' remuneration accrued and paid during the year		
- Audit and review of financial reports – KPMG/BDO	<b>40,000</b>	57,000
Depreciation		
- Land and Building	<b>24,307</b>	24,307
- Motor Vehicle	<b>7,424</b>	-
- Plant and equipment	<b>19,112</b>	19,923
- Right of Use Asset	<b>44,304</b>	5,848
Exploration and evaluation expenditure expensed as incurred	<b>1,828,234</b>	794,216

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 8 LOSS PER SHARE

The calculation of basic and diluted loss per share at 30 June 2021 was based on the loss attributable to ordinary shareholders of \$2,110,006 (2020 - \$2,185,012) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2021 of 843,481,468 (2020 – 607,862,928).

	2021 \$	2020 \$
Net loss for the year	<u>2,110,006</u>	<u>2,185,012</u>
	2021 Number	2020 Number
<b>Weighted average number of ordinary shares (basic and diluted)</b>	<u>843,481,468</u>	<u>607,862,928</u>
Weighted average number of ordinary shares	<u>843,481,468</u>	<u>607,862,928</u>

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

	2021 \$	2020 \$
	2021 Number	2020 Number
<b>9 CASH AND CASH EQUIVALENTS</b>		
Cash at bank	<u>3,747,027</u>	<u>1,956,724</u>
Cash and cash equivalents in the statement of cash flows	<u>3,747,027</u>	<u>1,956,724</u>

Refer to the risk management section at note 24, which contains exposure analysis for cash and cash equivalents.

**ARGENT MINERALS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>10 INCOME TAX EXPENSE</b>		
<i><b>Income Tax Expense</b></i>		
Current tax expense	-	-
Deferred tax expense	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>Numerical reconciliation between tax expense and pre-tax net profit</b>		
Loss before tax - continuing operations	<u><b>(2,110,006)</b></u>	<u>(2,185,012)</u>
Prima facie income tax benefit at the Australian tax rate of 30% (2020: 27.5%)	<b>(633,002)</b>	(600,878)
Increase in income tax expense due to:		
- Adjustments not resulting in temporary differences	(114,609)	88,107
- Effect of tax losses not recognised	776,079	586,475
- Unrecognised temporary differences	<u>(28,468)</u>	<u>(73,704)</u>
Income tax expense current and deferred	<u>-</u>	<u>-</u>
<b>Deferred tax assets have not been recognised in respect of the following items</b>		
Deductible temporary differences (net)	74,049	101,330
Tax losses	<u>9,962,041</u>	<u>8,439,964</u>
Net	<u><b>10,036,090</b></u>	<u>8,541,293</u>

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.

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
<b>11 TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Other receivables	<u>12,162</u>	<u>8,751</u>

The above aging of debtors are all current and nil expected credit losses has been raised.

<b>12 OTHER ASSETS</b>		
Current prepayments - Insurance	<u>11,641</u>	<u>10,090</u>

### 13 SUNNY CORNER DIVESTMENT

During the previous year, Argent announced the sale of the historic Sunny Corner Silver Mine on Exploration Licence 5964 to Sunshine Reclamation Pty Ltd (SRP).

The Company and SRP have entered into a binding agreement where SRP would pay Argent \$540,000 in instalments by 17 October 2020 as below;

a. A non-refundable payment of \$30,000 (Initial deposit) on execution of the binding term sheet (which was received on 19 September 2019). Argent transferred the Initial Deposit to Golden Cross Operations (GCO) to dissolve the original JV between Argent and GCO and to get GCO to transfer its 30% legal and beneficial interest in Exploration Licence 5964 into Sunny Silver Pty Ltd, a wholly owned subsidiary of Argent. As at 30 June 2020 costs of \$39,000 had been capitalised to acquire GCO's interest in the licence.

b. A non-refundable payment of \$110,000 (Commitment Payment) (which the parties acknowledge includes \$10,000 (received 16 December 2019) as reimbursement of cash security with the regulator), the payment shall be the means by which SRP shall communicate its election to complete this transaction and;

c. A subsequent and non-refundable payment \$400,000 to Argent's nominated bank account (Final Payment) as a remaining obligation of SRP falling due and payable by 17 October 2020. This was not required to be paid come year end.

#### Per consolidated statement of cash flows:

	Proceeds from Sunny Corner Divestment	Acquisition of Sunny Corner Asset License
a.	\$30,000	\$30,000
b.	\$100,000	\$9,000
c.	-	-
<b>Total</b>	<b>\$130,000</b>	<b>\$39,000</b>

On 14 October 2020 Argent Minerals Limited announced it has entered into a Joint-Venture Heads of Agreement with Sunshine Reclamation Pty Ltd (SRP) and its wholly owned subsidiary Sunny Silver Pty Ltd in relation to the Lachlan Fold Belt exploration licence over Sunny Corner EL5964. The key terms of the agreement are outlined below:

Argent is granted the exclusive right to acquire a farm-in interest of 90% in EL5964 for undertaking \$1.5M worth of exploration expenditure over a period of three years, SRP is to retain a 10% free carried interest in the tenement, SRP is to receive an option fee of \$110,000 (which has been paid by Argent during the year) together with the cancellation of a sum of \$400,000 owed under the Sunny Corner Sale Agreement, SRP will be undertaking reclamation work in the area of reclamation (SRP Reclamation Area), Argent is able to undertake exploration activities in the SRP Rehabilitation Area upon payment of an access fee \$25,000, SRP is to receive a 40% free carry on exploration undertaken in the SRP Reclamation Area, acting reasonably and SRP will have the right to place a tailings storage facility or processing plant on EL5964 in support of its reclamation activities.

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 13 SUNNY CORNER DIVESTMENT (Cont).

On 22 October 2020, Argent entered into an option agreement with MinRex Resources Limited ("MinRex"). Under the agreement, MinRex has the option to review the tenement with the right to acquire Argent's farm-in rights under the Sunny Corner Joint Venture agreement noted above. If MRR exercises its option rights, Argent will receive:

1. Reimbursement of SRP Agreement cash payments of \$100,000.
2. 80 million fully paid ordinary shares in MinRex payable, subject to MinRex shareholder approval, upon completion of the following milestones:
  - a. 25 million shares on execution of the Joint Venture Agreement on terms acceptable to MRR; and
  - b. 25 million shares upon access being granted to the Tenement for drilling including the receipt of all approvals, consents and authorisations from the Regulator and any associated landowners; and
  - c. 30 million shares upon MRR (or its nominee) acquiring legal title to the Tenement and a 90% beneficial interest in the Tenement.

Subsequent to year end, Minrex Resources Limited announced that it exercised its option with Argent Minerals Limited to acquire farm-in rights to earn up to a 90% interest in the exploration area of EL5864. MinRex is required to pay an option exercise fee of \$100,000 to Argent on exercise of the option. MinRex and Argent have agreed to settle this payment via the issue of 5,000,000 MinRex shares at a deemed issue price of \$0.02.

#### 14 PROPERTY PLANT AND EQUIPMENT

	2021	2020
<b>Land and Buildings</b>	<b>\$</b>	<b>\$</b>
Land and Building - at cost	502,763	502,763
Accumulated depreciation	<u>(241,123)</u>	<u>(216,816)</u>
	<u>261,640</u>	<u>285,947</u>
<b>Plant and Equipment</b>		
Plant and equipment - at cost	170,438	157,443
Accumulated depreciation	<u>(144,026)</u>	<u>(124,913)</u>
	<u>26,412</u>	<u>32,530</u>
<b>Motor Vehicle</b>		
Motor Vehicle - at cost	63,636	-
Accumulated depreciation	<u>(7,424)</u>	<u>-</u>
	<u>56,212</u>	<u>-</u>
Total property, plant and equipment - net book value	<u><u>344,264</u></u>	<u><u>318,477</u></u>

#### Reconciliations

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

	2021	2020
	<b>\$</b>	<b>\$</b>
<b>Land and Buildings</b>		
Balance at 1 July	285,947	310,254
Additions	-	-
Depreciation	<u>(24,307)</u>	<u>(24,307)</u>
Carrying amount at the end of the financial year	<u>261,640</u>	<u>285,947</u>

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 14 PROPERTY PLANT AND EQUIPMENT (Cont).

	2021	2020
<b>Plant and equipment</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July	32,530	52,453
Additions	12,993	-
Disposals	-	-
Depreciation	<u>(19,112)</u>	<u>(19,923)</u>
Carrying amount at the end of the financial year	<u>26,412</u>	<u>32,530</u>
<b>Motor Vehicle</b>		
Balance at 1 July	-	-
Additions	63,636	-
Depreciation	<u>(7,424)</u>	<u>-</u>
Carrying amount at the end of the financial year	<u>56,212</u>	<u>-</u>
Total carrying amount at the end of the financial year	<u>344,264</u>	<u>318,477</u>

#### 15 RIGHT OF USE ASSET

##### Office Lease

Balance at 1 July	40,216	-
Disposal	(32,530)	-
Additions <sup>1</sup>	269,522	46,064
Depreciation	<u>(51,990)</u>	<u>(5,848)</u>
	<u>225,218</u>	<u>40,216</u>

<sup>1</sup>On 1<sup>st</sup> of January 2021 Argent minerals entered into an office lease with a 36 month term with an option to extend for an additional 24 months. Annual Rent is \$95,000 with a fix increase of 5% from exercising of the option. The right of use asset has been assessed at an incremental borrowing rate of 3.7%. Total cash outflow to date was \$40,296 and interest charged for the year was \$4,606 for the year. The old lease entered the previous year was terminated during the year.

#### 16 LEASE LIABILITIES

	2021	2020
<b>Office lease</b>	<b>\$</b>	<b>\$</b>
Lease Liabilities- Current	95,000	14,124
Lease Liabilities- Non- Current	<u>138,832</u>	<u>26,353</u>
	<u>233,832</u>	<u>40,477</u>

##### Office Lease Reconciliation

Balance at 1 July	40,477	-
Disposal	(32,677)	-
Additions	269,522	46,064
Interest	4,606	913
Lease Payment	<u>(48,096)</u>	<u>(6,500)</u>
Closing Balance	<u>233,832</u>	<u>40,477</u>

Refer to the risk management section at note 24, which contains exposure analysis for lease liabilities.



## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 17 TRADE AND OTHER PAYABLES

	2021	2020
<b>Current</b>	<b>\$</b>	<b>\$</b>
Creditors	142,747	239,242
Accruals – Exploration, Admin and Director fees	304,143	243,985
	<b>446,890</b>	<b>483,227</b>

Refer to the risk management section at note 24, which contains exposure analysis for trade and other payables.

#### 18 EMPLOYEE ENTITLEMENTS

##### Current

Employee annual leave provision	17,618	6,884
	<b>17,618</b>	<b>6,884</b>

Numbers of employees at the end of the financial year: 3 (2020:3)

#### 19 CAPITAL AND RESERVES

##### (a) Issued and paid-up capital

	30 June 2021	30 June 2020
	<b>\$</b>	<b>\$</b>
At the beginning of the reporting period	33,368,098	30,462,609
Shares issued for cash on 9 October 2019 @ \$0.012	-	1,238,089
Shares and attaching options issued for cash on 25 October 2019	-	663,261
Issue of Shares to Directors in Lieu of Director Fees 25 October 2019	-	40,000
Shares and attaching options issued for cash on 28 November 2019 @ \$0.015	-	1,150,000
Director placement on 17 July 2020	150,000	-
Issue of Shares to Directors in Lieu of Director Fees and box hill option agreement approved by shareholders	182,002	-
Conversion of Options on 31 July 2020 @ \$0.025	75,000	-
Conversion of Options on 19 August 2020 @ \$0.025	76,589	-
Share placement on 19 August 2020 @ 0.055	2,200,000	-
Conversion of Options on 26 August 2020 @ \$0.025	40,093	-
Conversion of Options on 1 September 2020 @ \$0.025	56,677	-
Conversion of Options on 7 September 2020 @ \$0.025	113,140	-
Conversion of Options on 7 September 2020 @ \$0.050	540	-
Conversion of Options on 16 September 2020 @ \$0.025	104,888	-
Conversion of Options on 22 September 2020 @ \$0.025	54,875	-
Conversion of Options on 29 September 2020 @ \$0.025	118,750	-
Conversion of Options on 6 October 2020 @ \$0.025	99,712	-
Conversion of Options on 14 October 2020 @ \$0.025	206,393	-
Conversion of Options on 21 October 2020 @ \$0.025	435,552	-
Conversion of Options on 28 October 2020 @ \$0.025	692,520	-
Conversion of Options on 3 November 2020 @ \$0.025	189,099	-
Conversion of Options on 2 February 2021 @ \$0.05	3,128	-

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

19 CAPITAL AND RESERVES (Cont).	30 June 2021	30 June 2020
	\$	\$
Conversion of Options on 9 February 2021 @ \$0.031	31,000	-
Conversion of Options on 10 March 2021 @ \$0.05	636	-
Issue of shares for part payment of a fee @ \$0.04	25,105	-
Share issue costs	(130,477)	(185,861)
<b>Balance at end of reporting period</b>	<b>38,093,320</b>	<b>33,368,098</b>

(b) Movement in ordinary shares	30 June 2021	30 June 2020
	Number	Number
At the beginning of the reporting period	728,463,885	539,561,347
Shares issued during the reporting period	148,385,239	188,902,538
<b>Balance at the end of the financial year</b>	<b>876,849,124</b>	<b>728,463,885</b>

#### 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.

	2021	2020
	\$	\$
<b>Option Reserves</b>		
At the beginning of the year	249,220	211,515
Options lapsed during the reporting period	-	(129,796)
Share Based Payments - Options	-	167,501
<b>Balance at the end of the year</b>	<b>249,220</b>	<b>249,220</b>

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 2020 Number	Options Issued Number (viii)	Options Expired/Exercised Number (ix) (vii)	Closing Balance 30 June 2021 Number
On or before 29 October 2021	\$0.05	77,302,004	20,000,000	(86,111)	97,215,893
On or before 29 October 2020	\$0.025	90,540,475	-	(90,540,475)	-

**ARGENT MINERALS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**19 CAPITAL AND RESERVES (Cont.)**

<b>Exercise Period</b>	<b>Exercise Price</b>	<b>Opening Balance 1 July 2019 Number</b>	<b>Options Issued Number (v)</b>	<b>Options Expired/Exercised Number</b>	<b>Closing Balance 30 June 2020 Number</b>
On or before 29 October 2021	\$0.10	54,666,885	22,635,119	-	77,302,004
On or before 29 October 2020	\$0.025	-	90,540,475	-	90,540,475

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

<b>Exercise Period</b>	<b>Exercise Price</b>	<b>Opening Balance 1 July 2020 Number</b>	<b>Options Issued/(Expired)/(Exercised) Number (vi)</b>	<b>Closing Balance 30 June 2021 Number</b>
------------------------	-----------------------	---	---	--

On or before 30 September 2021	\$0.03	4,000,000	-	4,000,000
On or before 30 September 2021	\$0.06	3,000,000	-	3,000,000
On or before 30 September 2021	\$0.10	3,500,000	-	3,500,000
On or before 27 October 2022	\$0.031	16,000,000	(1,000,000)	15,000,000

<b>Exercise Period</b>	<b>Exercise Price</b>	<b>Opening Balance 1 July 2019 Number</b>	<b>Options Issued/ (Expired)/(Exercised) Number (i)(ii)(iii)(iv)</b>	<b>Closing Balance 30 June 2020 Number</b>
On or before 30 September 2021	\$0.03	6,000,000	(2,000,000)	4,000,000
On or before 30 September 2021	\$0.06	5,000,000	(2,000,000)	3,000,000
On or before 30 September 2021	\$0.10	6,500,000	(3,000,000)	3,500,000
On or before 27 October 2022	\$0.031	-	16,000,000	16,000,000

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 19 CAPITAL AND RESERVES (Cont.)

- (i) On 9 October 2018, the Company issued 2,000,000 3 cents unlisted options to its employees under the Employee Share Scheme. These options expired on 18 February 2020, two months after termination of the employee. Remaining balance of options at the end of year was 4,000,000.
- (ii) On 9 October 2018, the Company issued 2,000,000 6 cents unlisted options to its employees under the Employee Share Scheme. These options expired on 18 February 2020, two months after termination of the employee. Remaining balance of options at the end of year was 3,000,000.
- (iii) On 9 October 2018, the Company issued 3,000,000 10 cents unlisted options to its employees under the Employee Share Scheme. These options expired on 18 February 2020, two months after termination of the employee. Remaining balance of options at the end of year was 3,500,000.
- (iv) On 22 October 2019, the Company issued 16,000,000 3.1 cents unlisted options issued under the Employee Option Plan pursuant to Resolutions 11, 12, 13 and 14 carried at the Company's 2019 Annual General Meeting held on 22 October 2019.
- (v) On 22 October 2019, the Company issued 22,635,119 5 cents listed options and 90,540,475 2.5 cent listed options offer with respect to a private placement conducted in October 2019
- (vi) On 2 February 2021, 1,000,000 unlisted options at 3.1 cents were converted to shares.
- (vii) During the year 90,531,474 listed options at 0.025 cents were exercised with the remaining amount expired.
- (viii) On 12 August 2020, the Company issued 20,000,000 5 cents listed options to sophisticated investors with respect to August 2020 capital raising.
- (ix) During the year 86,111 listed options at 0.05 cents were exercised.

	2021	2020
	\$	\$
<b>20 STATEMENT OF CASH FLOWS</b>		
<b>Reconciliation of cash flows used in operating activities</b>		
Loss for the year	<u>(2,110,006)</u>	<u>(2,185,012)</u>
<b>Adjustments for:</b>		
Depreciation of plant and equipment	95,147	50,078
Share based payments	-	207,501
Interest Expense	29,931	913
<b>Changes in assets and liabilities</b>		
Decrease in R&D claims payable	10,734	32,776
Decrease in receivables and prepayments	34,038	23,624
(Decrease)/Increase in payables and provisions	<u>(636,979)</u>	<u>153,822</u>
<b>Net cash used in operating activities</b>	<u><u>(2,577,135)</u></u>	<u><u>(1,716,298)</u></u>

#### **Non-Cash Investing and Financing Activities**

Refer to note 23 for share based payments, and notes 15 and 16 for leases in respects to non-cash financing activities.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 21 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 2021, Peter Wall had a beneficial interest in an entity, Steinepreis Paganin Lawyers & Consultants, which provided legal consulting services. Fees paid to Steinepreis Paganin Lawyers & Consultants amounted to \$18,902 (2020 - \$45,209).
- During the year the company issued 2,040,021 shares with a fair value of \$102,001. This was to settle \$58,322 worth of outstanding director fees from the prior year, the remaining amount of \$48,450 is the finance cost component.

#### Key management personnel compensation

During the year ended 30 June 2021 compensation of key management personnel totalled \$519,040 (2020 - \$783,224), which comprised primary salary, fees and other benefits of \$514,765 (2020 - \$566,155), superannuation of \$4,275 (2020 - \$19,966), share based payments of \$Nil (2020 - \$160,180) and long service leave of \$Nil (2020 - \$Nil). During the 2021 year termination benefits amounted to \$Nil (2020 - \$36,923).

The Directors included in the above amounts are Peter Wall, Emmanuel Correia, Peter Michael, Stuart Till and George Karageorge.

### 22 R&D CLAIMS REPAYABLE

	2021	2020
	\$	\$
R&D Claim repayable	<u>645,886</u>	<u>1,428,050</u>

On 23 December 2019, Argent announced that the AusIndustry Independent Internal Review issued negative findings on the R&D Claims made by the Company for the 2015/16 and 2016/17 financial years (R&D Claims). The law provides the Company with full rights to a multi-stage review and dispute resolution process, with the rights of appeal to both the Administrative Appeals Tribunal (AAT) and thereafter the Federal Court.

On 24 January 2020, the Commissioner agreed to the proposal submitted by Argent whereby the Company continues to make nominal \$5,000 monthly payments. As announced on the 22<sup>nd</sup> May 2020, Argent entered into a negotiated arrangement with the ATO around the settlement of the amounts, with a payment plan to be agreed. The Company will need to consider how payment can be made within the shortest possible timeframe whilst taking into account its financial position. Currently, the Company is still under the arrangement to make \$5,000 monthly payment.

The Company has submitted amended returns and returns up to 30 June 2020, which has resulted in a reduction of \$623,871 in the R&D payable during the current year. The Company accrued an overall General Interest Charge (GIC) from 1 July 2020 to 30 June 2021 of \$25,325.

At 30 June 2021, a provision for \$645,886 has been recognised equal to the amount repayable (including general interest charges) in relation to the R&D claim for the 2016 and 2017 financial years.

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 23 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 vesting date may be exercised within two months of the date of termination of employment. Any options not exercised within this two month period will lapse.

The following options were on issue at 30 June 2021. No options were granted during the year.

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	-	1,000,000
24 October 2016	30 September 2021	31 December 2017	\$0.06	\$26,826	-	1,000,000
24 October 2016	30 September 2021	31 December 2018	\$0.10	\$24,052	-	1,500,000
25 October 2018	30 September 2021	31 December 2018	\$0.03	\$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2019	\$0.03	\$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	\$0.03	\$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2019	\$0.06	\$3,200	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	\$0.06	\$3,200	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	\$0.10	\$3,800	-	2,000,000
28 October 2019	27 October 2022	28 October 2019	\$0.031	\$160,180	-	16,000,000
				\$268,212	-	26,500,000

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 23 SHARE BASED PAYMENT RESERVE (Cont.)

The following options were on issue at 30 June 2020. On 29 October 2019 options were granted, with their fair value highlighted below:

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	-	1,000,000
24 October 2016	30 September 2021	31 December 2017	\$0.06	\$26,826	-	1,000,000
24 October 2016	30 September 2021	31 December 2018	\$0.10	\$24,052	-	1,500,000
2 November 2016	30 September 2021	2 November 2016	\$0.03	\$41,982	(2,000,000)	-
2 November 2016	30 September 2021	31 December 2017	\$0.06	\$37,417	(2,000,000)	-
2 November 2016	30 September 2021	31 December 2018	\$0.10	\$50,397	(3,000,000)	-
25 October 2018	30 September 2021	31 December 2018	\$0.03	\$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2019	\$0.03	\$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	\$0.03	\$5,600	-	1,000,000
25 October 2018	30 September 2021	30 June 2019	\$0.06	\$3,200	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	\$0.06	\$3,200	-	1,000,000
25 October 2018	30 September 2021	30 June 2020	\$0.10	\$3,800	-	2,000,000
28 October 2019	27 October 2022	28 October 2019	\$0.031	\$160,180	-	16,000,000
				<u>\$398,008</u>	<u>(7,000,000)</u>	<u>26,500,000</u>

#### Fair value of options

The fair value of options granted is measured at grant date and recognised as an expense over the period during which the key management and the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option valuation methodology, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of options that vest.

On 28 October 2019, the Company issued 4,000,000 3.1 cent unlisted options to Peter Wall under the Executive Option Plan. The options vested immediately and expire on 27 October 2022.

On 28 October 2019, the Company issued 4,000,000 3.1 cent unlisted options to Emmanuel Correia under the Executive Option Plan. The options vested immediately and expire on 27 October 2022.

On 28 October 2019, the Company issued 4,000,000 3.1 cent unlisted options to Peter Michael under the Executive Option Plan. The options vested immediately and expire on 27 October 2022.

On 28 October 2019, the Company issued 4,000,000 3.1 cent unlisted options to Tim Hronsky under the Executive Option Plan. The options vested immediately and expire on 27 October 2022.

On 6 December 2019, the Company issued 2,528,728 ordinary shares for nil consideration to Mr. Clifton McGilvray as part of his employment contract. The transaction was recorded at a fair value of \$40,000 at an issue price of 1.5 cent per share, based on the one-month volume weighted average price immediately prior to his 2018 employment anniversary date being 14 September 2018.

The fair value of options granted on 28 October 2019 was \$160,180. The Black-Scholes formula model inputs were the Company's share price of \$0.019 at the grant date, the volatility factor of 101% based on historic share price performance, a risk free interest rate of 0.74% based on government bonds, and a dividend yield of 0%.

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 23 SHARE BASED PAYMENTS (Cont.)

During the year ended 30 June 2021, the company incurred share based payment of \$182,002 (2020 - \$207,501). This includes \$102,001 share-based payment in relation to \$58,322 director fees which were outstanding from the prior year, the remaining amount of \$48,450 is the finance cost component. \$80,001 related to the first portion of the box Hill option agreement.

Also, during the year the Company issued \$25,105 of shares related to another portion of the Box Hill option agreement.

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 2021, (2020- Nil ) Nil share options vested and Nil options were yet to be vested at reporting date. During the year, Nil options lapsed following the resignation of an employee (2020 – 7,000,000).

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

	2021		2020	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning	26,500,000	\$0.036	17,500,000	\$0.054
Granted	-	-	16,000,000	\$0.031
Expired	-	-	(7,000,000)	\$0.069
Options outstanding at year end	<b>26,500,000</b>	<b>\$0.036</b>	26,500,000	\$0.036
Exercisable at year end	<b>26,500,000</b>	<b>\$0.036</b>	26,500,000	\$0.036

The weighted average remaining contractual life of share options outstanding at the end of 30 June 2021 was 0.9 years (2020 – 1.9 years), and the weighted average exercise price was \$0.036 (2020 - \$0.036).

#### 24 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 R&D claims repayable 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.



# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 24 FINANCIAL INSTRUMENTS (Cont.)

#### Credit risk

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

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

	Note	Carrying amount	
		2021 \$	2020 \$
Cash and cash equivalents	9	3,747,027	1,956,724
Trade and other receivables	11	12,162	8,751
Security deposits		129,750	96,000
		<u>3,888,939</u>	<u>2,061,475</u>

Management have determined Expected credit loss to be immaterial at reporting date and accordingly no allowance for expected credit loss has been recognised.

#### Cash and cash equivalents

The Group mitigates credit risk on cash and cash equivalents by dealing with regulated banks in Australia. Credit rating of banks are AA- per the Standard & Poor's.

#### Trade and other receivables

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

Security deposits of \$129,750 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 reporting date, the Group has available funds of \$3,747,027 for its immediate use.

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

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 24 FINANCIAL INSTRUMENTS (Cont.)

	Carrying amount	Contractual cash flows	Less than one year	Between one and five years	Interest
	\$	\$	\$	\$	\$
<b>30 June 2021</b>					
Trade and other payables	446,890	446,890	446,890	-	-
Lease Liabilities	233,832	238,438	95,000	138,832	4,606
R&D Claims repayable	645,886	645,886	645,886	-	-
<b>30 June 2020</b>					
Trade and other payables	483,227	483,227	483,227	-	-
Lease Liabilities	40,477	43,361	15,830	27,531	2,884
R&D Claims repayable	1,428,050	1,428,050	1,428,050	-	-

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 0.42% (2020 - 0.45%).

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

	Note	2021 \$	2020 \$
<b>Financial assets</b>			
Cash and cash equivalents	9	3,747,027	1,956,724
Security deposits		129,750	96,000
Net exposure		3,876,777	2,052,724

The Group did not have any interest-bearing financial liabilities in the current or prior year other than the R&D claim payable and lease liability. The interest rate for the R&D was variable with a current rate of 6.4% and the lease liability had an interest charge of 3.7%.

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.

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 24 FINANCIAL INSTRUMENTS (Cont.)

#### Sensitivity Analysis

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

2021	2020
\$	\$
<u>36,269</u>	<u>31,705</u>

#### Currency risk

The Consolidated entity is not exposed to any foreign currency risk as at 30 June 2021 (2020 - \$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.

### 25 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.

## ARGENT MINERALS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

#### 26 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	
		2021	2020
Argent (Kempfield) Pty Ltd	Australia	100%	100%
Loch Lilly Pty Ltd	Australia	100%	100%
West Wyalong Pty Ltd	Australia	100%	100%
Sunny Silver Pty Ltd	Australia	100%	100%
Mt Read Pty Ltd	Australia	100%	100%

#### 27 PARENT COMPANY DISCLOSURE

##### (a) Financial Position as at 30 June 2021

	2021 \$	2020 \$
<b>Assets</b>		
Current assets	3,764,789	1,950,253
Non-current assets	770,438	82,788
<b>Total assets</b>	<u>4,535,227</u>	<u>2,033,041</u>
<b>Liabilities</b>		
Current liabilities	1,409,391	1,898,166
Non-current liabilities	-	26,353
<b>Total liabilities</b>	<u>1,409,391</u>	<u>1,924,519</u>
<b>Net assets</b>	<u>3,125,836</u>	<u>108,522</u>
<b>Equity</b>		
Issued capital	38,093,320	33,368,098
Reserves	249,220	249,220
Accumulated losses	(35,216,704)	(33,508,796) <sup>1</sup>
<b>Total equity</b>	<u>3,125,836</u>	<u>108,522</u>

There are no contingencies, commitments and guarantees by the Parent other than disclosed in Note 28.

<sup>1</sup> The movement in the accumulated losses included a \$129k movement in relation to lapsed options.

##### (b) Financial Performance for the year ended 30 June 2021

Loss for the year	1,707,879	2,256,441
Other comprehensive income	-	-
<b>Total comprehensive loss</b>	<u>1,707,879</u>	<u>2,256,411</u>

# ARGENT MINERALS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

### 28 CONTINGENT LIABILITIES AND COMMITMENTS

The company has no contingent liabilities as at 30 June 2021. (30 June 2020: nil).

The Company has exploration commitments of \$170,000 within 1 year and \$170,000 between 1 to 5 years (2020: \$245,000 within 1 year and \$345,00 between 1 to 5 years).

### 29 JOINT OPERATIONS

#### West Wyalong

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

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

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

As at 30 June 2021, the joint venture partner decided to not contribute their share of exploration expenditure amounting to \$Nil (2020 - \$16,900). Following this election, the Company now owns 82.49% (2020 – 79.71%) of the West Wyalong Project. There was \$Nil receivable outstanding as at 30 June 2021 (2020 – \$Nil).

#### Loch Lilly

On 12 February 2017, the Group entered into joint venture agreement to earn a 51% interest, then 70% and 90% in the Loch Lilly Project, with exploration licences and applications covering a significant area of the Loch Lilly – Kars Belt of over 1,400km<sup>2</sup>. 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 remainder of that annual period.

### 30 SUBSEQUENT EVENTS

Subsequent to year end, Minrex Resources Limited announced that it exercised its option with Argent Minerals Limited to acquire farm-in rights to earn up to a 90% interest in the exploration area of EL5864. MinRex is required to pay an option exercise fee of \$100,000 to Argent on exercise of the option. MinRex and Argent have agreed to settle this payment via the issue of 5,000,000 MinRex shares at a deemed issue price of \$0.02.

Subsequent to year end, Stuart Till resigned on the 23<sup>rd</sup> of August 2021 as Non-Executive Director. David Greenwood was appointed as Non-Executive Director on the 23<sup>rd</sup> of August 2021.

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

## ARGENT MINERALS LIMITED

### 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 19 to 51, and the Remuneration Report in the Directors Report, as set out on pages 12 to 16 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 2021 and of its performance for the financial year ended on that date; and
    - (ii) complying with Australian Accounting Standard, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
  - (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 2021.
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 Perth this 29th day of September 2021 in accordance with a resolution of the Board of Directors.



**George Karageorge**  
Managing Director

## INDEPENDENT AUDITOR'S REPORT

To the members 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) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is 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 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, 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.

## Accounting for Research and Development Claims

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group has recognised material other income during the year in relation to the amendment of Research and Development claims payable as disclosed in Note 6 to the consolidated financial statements. In addition, the Group has recognised material Research and Development claims payables as at 30 June 2021 as disclosed in Note 22.</p> <p>Given the financial significance of the balances recognised, and judgement required in determining the balances to be recognised, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Holding discussions with management to understand the nature of Research and Development balances recognised;</li> <li>• Obtaining and reviewing correspondence from tax authorities to verify the amounts recognised;</li> <li>• Assessing the reasonableness of the accounting treatment of balances recognised is in accordance with applicable accounting standards; and</li> <li>• Assessing the adequacy and completeness of the related disclosures in Note 6 and Note 22 to the financial report.</li> </ul>

### Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Other matter

The financial report of Argent Minerals Limited, for the year ended 30 June 2020 was audited by another auditor who expressed an unmodified opinion on that report on 30 September 2020.

### Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.





In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the Financial Report**

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.

#### **Report on the Remuneration Report**

##### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 12 to 16 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Argent Minerals Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

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

**BDO Audit (WA) Pty Ltd**

BDO  


**Jarrad Prue**

Director

Perth, 29 September 2021

## ARGENT MINERALS LIMITED

### SHAREHOLDER INFORMATION

#### ADDITIONAL STOCK EXCHANGE INFORMATION

##### Home Exchange

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

##### Use of Cash and Assets

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

##### Class of Shares and Voting Rights

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

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

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

##### Distribution of Equity Security holders

As at 25 September 2021, the distribution of each class of equity was as follows:

#### Quoted Securities – Fully Paid Ordinary Shares

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	162	18,398	0.00%
above 1,000 up to and including 5,000	167	566,590	0.06%
above 5,000 up to and including 10,000	244	2,131,905	0.24%
above 10,000 up to and including 100,000	1,392	59,599,204	6.80%
above 100,000	805	814,533,027	92.89%
<b>Totals</b>	<b>2,770</b>	<b>876,849,124</b>	<b>100.00%</b>

#### Quoted Securities – ARDOA Options

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	17	5,721	0.01%
above 1,000 up to and including 5,000	42	117,981	0.12%
above 5,000 up to and including 10,000	8	61,126	0.06%
above 10,000 up to and including 100,000	84	3,674,150	3.78%
above 100,000	113	93,356,915	96.03%
<b>Totals</b>	<b>264</b>	<b>97,215,893</b>	<b>100.00%</b>

## ARGENT MINERALS LIMITED

### SHAREHOLDER INFORMATION

At 25 September 2021, 766 shareholders held less than a marketable parcel of shares and 86 listed option holders held less than a marketable parcel of options.

#### Twenty Largest Quoted Shareholders

At 25 September 2021 the twenty largest fully paid ordinary shareholders held 44.50% of fully paid ordinary as follows:

Position	Holder Name	Holding	% IC
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	155,826,063	17.77%
2	OCEANIC CAPITAL PTY LTD	42,835,499	4.89%
3	CITICORP NOMINEES PTY LIMITED	26,667,803	3.04%
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	19,290,356	2.20%
5	SHIPBARK PTY LIMITED <MATTERSON FAMILY A/C>	18,457,180	2.10%
6	ELPHINSTONE HOLDINGS PTY LTD	14,285,714	1.63%
7	JRMA GROUP PTY LTD <RICHARDS FAMILY A/C>	12,988,422	1.48%
8	ST BARNABAS INVESTMENTS PTY LTD <THE MELVISTA FAMILY A/C>	12,016,021	1.37%
9	MR DANNY MURPHY & MRS SUSAN MURPHY <DANNY MURPHY SUPER FUND A/C>	10,882,631	1.24%
10	REDLAND PLAINS PTY LTD <BRIAN BERNARD RODAN S/F A/C>	9,317,890	1.06%
11	MR DAVID IAN RAYMOND HALL & MRS DENISE ALLISON HALL	9,290,130	1.06%
12	DIXTRU PTY LIMITED	8,800,000	1.00%
13	MR DANIEL HIDAJAT	7,158,888	0.82%
14	CAVES ROAD INVESTMENTS PTY LTD	6,315,000	0.72%
15	MR OWEN BARRY MERRETT & MRS JOANNE ROSS MERRETT <MERRETT SUPER FUND A/C>	6,250,000	0.71%
16	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	6,245,063	0.71%
17	MR DEAN MICHAEL MATHEWS	6,233,317	0.71%
18	METUGO PTY LTD <METUGO PL SUPER FUND A/C>	6,000,000	0.68%
19	PAYZONE PTY LTD <ST BARNABAS SUPER A/C>	5,773,213	0.66%
20	SH BERDOUKAS PTY LTD <TAMBO SUPER FUND A/C>	5,606,973	0.64%
	<b>Total</b>	<b>390,240,163</b>	<b>44.50%</b>
	<b>Total issued capital - selected security class(es)</b>	<b>876,849,124</b>	<b>100.00%</b>

There are no current on-market buy-backs.

#### Substantial Shareholders

The names of the substantial shareholders who have notified the Company in Accordance with Section 671B of the Corporations Act 2001 are:

## ARGENT MINERALS LIMITED

### SHAREHOLDER INFORMATION

Shareholder	Ordinary shares held	Percentage interest %
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	155,826,063	17.77%

#### Twenty Largest Quoted Option Holders

At 25 September 2021 the twenty largest option holders held 53.56% of listed options as follows:

Position	Holder Name	Holding	% IC
1	OCEANIC CAPITAL PTY LTD	5,755,207	5.92%
2	MR ANDREW DAVID LEIGHTON	5,183,232	5.33%
3	BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	4,076,796	4.19%
4	MR JOSHUA PHILIP PURTON	3,226,171	3.32%
5	CITICORP NOMINEES PTY LIMITED	3,115,791	3.21%
6	MR DEAN MICHAEL MATHEWS	3,115,018	3.20%
7	DIXTRU PTY LIMITED	3,105,055	3.19%
8	MR DAVID IAN RAYMOND HALL & MRS DENISE ALLISON HALL	2,651,500	2.73%
9	REDLAND PLAINS PTY LTD <BRIAN BERNARD RODAN S/F A/C>	2,582,098	2.66%
10	ST BARNABAS INVESTMENTS PTY LTD <THE MELVISTA FAMILY A/C>	2,517,548	2.59%
11	CAVES ROAD INVESTMENTS PTY LTD	1,815,000	1.87%
12	MR MOBEEN IQBAL	1,800,000	1.85%
13	ELPHINSTONE HOLDINGS PTY LTD	1,785,714	1.84%
14	MR ALAN KENNETH MORCOMBE	1,740,000	1.79%
15	MR JOHN EDMUND SAINSBURY	1,500,000	1.54%
15	MRS ANNE LINDA ROPER	1,500,000	1.54%
16	MR DANNY MURPHY & MRS SUSAN MURPHY <DANNY MURPHY SUPER FUND A/C>	1,383,441	1.42%
17	MR IAN JAMES BAYLISS & BCOT (2008) LIMITED <BAYLISS FARM A/C>	1,322,882	1.36%
18	MR THOMAS ANDREW CALVERT MURRELL	1,315,000	1.35%
19	MR STEVEN JOHN LARKINS & MRS ANN KATHLEEN LARKINS <LARKINS SUPER FUND A/C>	1,300,000	1.34%
20	PAYZONE PTY LTD <ST BARNABAS SUPER A/C>	1,279,273	1.32%
	<b>Total</b>	<b>52,069,726</b>	<b>53.56%</b>
	<b>Total issued capital - selected security class</b>	<b>97,215,893</b>	<b>100.00%</b>

# ARGENT MINERALS LIMITED

## MINERAL RESOURCES AND ORE RESERVES STATEMENT

### SCHEDULE OF MINERAL TENEMENTS

New South Wales - Australia

Tenement Identifier	Location	Current Equity Interest
<b>Kempfield</b>		
EL5645 (1992)	NSW	100% <sup>2</sup>
EL5748 (1992)	NSW	100% <sup>2</sup>
EL7134 (1992)	NSW	100% <sup>2</sup>
EL7785 (1992)	NSW	100% <sup>2</sup>
EL7968 (1992)	NSW	_6
EL8213 (1992)	NSW	100% <sup>2</sup>
PLL517 (1924)	NSW	100% <sup>2</sup>
PLL519 (1924)	NSW	100% <sup>2</sup>
PLL727 (1924)	NSW	100% <sup>2</sup>
PLL728 (1924)	NSW	100% <sup>2</sup>
<b>West Wyalong</b>		
EL8430 (1992)	NSW	82.49% <sup>3</sup>
<b>Loch Lilly</b>		
EL8199	NSW	51% <sup>4</sup>
EL8200	NSW	51% <sup>4</sup>
EL8515	NSW	51% <sup>4</sup>
EL8516	NSW	51% <sup>4</sup>
<b>Queensbury</b>		
EL9/2016	TAS	100%
<b>Ringville</b>		
EL12/2017	TAS	100%
<b>Sunny Corner</b>		
EL5964 (1992)	NSW	70% <sup>5</sup>

#### 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 Farm in 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 Farm in 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

## **ARGENT MINERALS LIMITED**

### **MINERAL RESOURCES AND ORE RESERVES STATEMENT**

the first 51% interest to be earned by completing the drill test for the Eaglehawk and Netley targets. For further details on Farm in 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.
6. EL 7968 is in the process of being replaced by ELA5864 due to an inadvertent administration oversight by an external tenement agent, that caused EL7964 to lapse. Argent is the sole application for ELA5864.

# MINERAL RESOURCES AND ORE RESERVES STATEMENT

## KEMPFIELD (NSW, AUSTRALIA - 100% ARGENT)

### RESOURCE SUMMARY

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

Table 1 - Kempfield Mineral Resource summary

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

\* 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 2020:

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

#### Exploration Target Notes:

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

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

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

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

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

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

# MINERAL RESOURCES AND ORE RESERVES STATEMENT

## RESOURCE DETAILS

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

Zone	Locality*	Resource Tonnes (Mt)	Contained Metal Grades				In-situ Contained Metal Equivalent Grades <sup>2</sup>	
			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
	<b>Zone 1 Total</b>	<b>7.1</b>	<b>46</b>	<b>0.06</b>	<b>1.2</b>	<b>0.38</b>	<b>2.1</b>	<b>130</b>
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
	<b>Zone 2 Total</b>	<b>11.1</b>	<b>30</b>	<b>0.14</b>	<b>1.3</b>	<b>0.75</b>	<b>2.3</b>	<b>140</b>
3	West McCarron	2.2	22	0.27	1.6	0.58	2.6	160
	<b>Zone 3 Total</b>	<b>2.2</b>	<b>22</b>	<b>0.27</b>	<b>1.6</b>	<b>0.58</b>	<b>2.6</b>	<b>160</b>
<b>Total</b>	<b>Zone 1 + Zone 2 + Zone 3</b>	<b>20</b>	<b>35</b>	<b>0.13</b>	<b>1.3</b>	<b>0.60</b>	<b>2.3</b>	<b>140</b>

\* 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

Category	Resource Tonnes (Mt)	Grade (g/t)		Grade (%)		In-situ Grade (Contained Zn Eq and Ag Eq) <sup>b</sup>	
		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
<b>Total Oxide/Transitional</b>	<b>6.0</b>	<b>55</b>	<b>0.11</b>	<b>-</b>	<b>-</b>	<b>1.0</b>	<b>64</b>
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
<b>Total Primary</b>	<b>20</b>	<b>35</b>	<b>0.13</b>	<b>0.60</b>	<b>1.3</b>	<b>2.3</b>	<b>140</b>
<b>Total Resource</b>	<b>26</b>	<b>40</b>	<b>0.12</b>	<b>0.46</b>	<b>1.0</b>	<b>2.0</b>	<b>120</b>



# MINERAL RESOURCES AND ORE RESERVES STATEMENT

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

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

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

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

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

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

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

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

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

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

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

$$\% \text{ Zn Eq} = \% \text{ Zn} + \% \text{ Pb} \times 0.4422 + \text{g/t Ag} \times 0.0161 + \text{g/t Au} \times 1.3017$$
- (iii) The silver equivalent (Ag Eq) continues to be reported on the basis that a) the estimated silver contribution to potential

## MINERAL RESOURCES AND ORE RESERVES STATEMENT

revenues is also material, comparable to zinc, with the relative order of zinc and silver contributions highly sensitive to volatile market prices; and b) since the Company has historically published a silver equivalent, the Company's opinion is that continuing to do so is in the interest of transparency for investors.

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

$$\text{g/t Eq Ag} = \text{g/t Ag} + \text{g/t Au} \times 80.81 + \% \text{ Pb} \times 27.46 + \% \text{ Zn} \times 62.08$$

(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 2020.

Accordingly no comparison is provided for Mineral Resource estimate statement as at 30 June 2020 versus 30 June 2019.

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

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

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

# MINERAL RESOURCES AND ORE RESERVES STATEMENT

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

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

The following table sets out the Mt. Dudley Mineral Resource statement as at 30 June 2020. 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

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 2019. Accordingly, no comparison is provided.

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

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

# MINERAL RESOURCES AND ORE RESERVES STATEMENT

## SUNNY CORNER (NSW, AUSTRALIA - 70% ARGENT)

### Background

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

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

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

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

### Sunny Corner Mineral Resource Statement

The following table sets out the Sunny Corner Mineral Resource statement as at 30 June 2020. 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

	Resource Tonnes (Mt)	Density	cbm (%)	Au (g/t)	Pb (%)	Zn (%)	Cu (%)	Ag (g/t)
<b>Inferred</b>	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 2019. Accordingly, no comparison is provided.

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

### Godkin deposit – Ringville Tenement

Historical information on which the Godkin Historical Estimate is based comprises 4 drillholes totalling 978.4 metres with full assay results not reported, only highlighted intersections for Sn, Cu, and As. Little further work has been conducted during the 2019/20 year.

### Queensberry Mine deposit

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

# MINERAL RESOURCES AND ORE RESERVES STATEMENT

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

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

## GOVERNANCE ARRANGEMENTS

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

## DISCLAIMER

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

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

Are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Argent, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,

Involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Argent disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this report are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

# ARGENT MINERALS LIMITED

## CORPORATE DIRECTORY

### CORPORATE DIRECTORY

**Directors:**

Peter Michael – Non-Executive Chairman  
David Greenwood – Non-Executive Director  
George Karageorge – Managing Director/CEO

**Company Secretary:**

James Bahen

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**Solicitors:**

Larri Legal

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