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ARGENT MINERALS LIMITED

Level 2, 66 Hunter Street,

Sydney, NSW 2000

Australia

EXPLORATION LICENCE 9/2016
QUEENSBURY, TAS

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Report by:

Clifton McGilvray

Matthew Robertson

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Author(s): Clifton McGilvray and Matthew Robertson

Contact Details: Argent Minerals Limited
Level 2, 66 Hunter Street, Sydney, NSW 2000, Australia
Phone: (02) 9300 3390
Email: Clifton.mcgilvray@argentminerals.com.au
Email: matthew.robertson@argentminerals.com.au

Verification Signatures:



[Clifton McGilvray]



[Matthew Robertson]

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EXECUTIVE SUMMARY

The Queensbury Exploration Licence (EL) 9/2016 (1995) is located 15km northeast of Queenstown, Tasmania.

The exploration strategy applied by Argent Minerals Limited at EL 9/2016 is primarily focused on the targeting of volcanic hosted massive sulphide (VHMS) mineral systems within the Mount Read Volcanics (MRV) belt of western Tasmania.

During the reporting period 17 January 2017 to 16 January 2018, Argent Minerals Limited conducted several exploration activities totaling \$19,208.66, which included:

- Review of existing data collected
- Community consultation
- Preliminary field work
- Local Geological mapping
- Rock chip sampling and analysis
- Diamond drill core analysis via Hylogger spectral scanner

Soil and stream sampling due to scheduling conflicts and unfavourable weather conditions has been deferred until 2018.

Results have proven promising and The Company commits for the future 2018 reporting period:

- Detailed 1:10,000 geological and structural field mapping
- Commencement of deferred stream sampling campaign and analysis.
- Commencement of deferred soil sampling campaign and analysis.

1 BACKGROUND

1.1 Location and access

The Queensbury Project is located approximately 15km northeast of Queenstown, Western Tasmania and positioned within the Mt Dundas Regional Reserve which is open to exploration under the Mineral Resources Development Act 1995.

Main access on to the EL9/2016 tenement is via the Zeehan-Strahan link, Henty Road (B27), highlighted in figure 1. There is a 9km long gated track (Queensbury Mine Track) which finishes at the historic Queensbury Mine workings in the approximate centre of the tenement. The gate key is held by Parks and Wildlife Ulverstone Office and the track is characterised by a steep rise onto the Professor Plateau with deeply incised gutters, well-constructed gravel roads across the open buttongrass plains, and variable soft marshy to hard gravel sections through the temperate rainforest descents/ascents into Queensberry site.

Datum used in this report is GDA 94.

1.2 Regional Geology

The geological history of Tasmania has had four major economic mineralisation episodes; Iron and magnesium during the Proterozoic ("Wichham" Orogeny); Basemetals/gold/PGE during the Cambrian (Tyennan Orogeny); Gold/base metal during the Devonian (Tabberabberan Orogeny) (McNeil, 2012) and; Triassic/Tertiary coal (Seymour, Green and Calver, 2006). The VHMS Cambrian and Devonian mineralisation episodes which are the focus of Argent Minerals exploration activities and will be summarised in more detail below in Section 1.3.

In brief, Western Tasmania's geological basement is made up of Precambrian low-grade (up to greenschist

facies) meta-sediments and a high-grade (up to eclogite facies) of mafic meta-igneous metamorphic assemblages. These basement units are overlain by volcanic and sedimentary rocks of the early Cambrian Crimson creek formation and late Cambrian Mt Read Volcanics.

Structurally, the Cambrian period's Tyennan Orogeny is comprised of three dominate phases; an Early Cambrian Syn-collision convergence; a Mid Cambrian MRV N-S compression, E-W extension and graben formation; and Late Cambrian E-W compression and basin inversion (McNeil 2012).

1.3 Local Geology

Structurally, Queensbury region and tenement is subject to a dominant Firewood Siding Fault (FSF) system which is estimated to extend from Queenstown to Trial Harbour. The FSF typically trends E-W and is offset by several NW and NNE faults (McNeil 2002). In reference to the FSF, EL 9/2016 can be separated into three lithological domains; Devonian Bell Shale, an Ordovician sedimentary sequence correlated to the Denison Group and the Cambrian Tyndall Group (McNeil 2002).

South of the FSF: The Devonian Bell Shale shelf-facies shale unit consist of interbedded quartz sandstone and mudstones, with minor limestone (Seymour, Green and Calver, 2006).

North of the FSF: Ordovician fossils have been found within the marine sedimentary sequences of quartzose conglomerate-sandstone-siltstones and have been shown to have an age that correlates with the Denison Group (ASUD 2017, McNeil 2002).

East of the FSF: The Tyndall Group lithologies comprises typically of volcanoclastic breccia, conglomerates and sandstones with minor andesitic lavas and intrusions (White & McPhie, 1996). This dominantly submarine, volcano-sedimentary sequence occurs in the upper part of the Mt Read Volcanics (MRV) and is the most important metallogenic event in Tasmania (Seymour, Green and Calver, 2006) and as such highly prospective for VHMS deposits. The Tyndall Group is divided into two formations; the underlying Comstock Formation encompassing resedimented crystal-rich volcanoclastic sandstone and breccia, rhyolite lava dome complexes and related pyroclastics; and the covering Zig Zag Hill Formation containing polymict volcanoclastic conglomerates, graded-bedded sandstone and infrequent laminated mudstones (ASUD 2017). These MRV rocks are highly mineralised and host major polymetallic VHMS deposits such as Hellyer and Rosebery, and volcanogenic copper-gold deposits such as Mt Lyell, and the structurally controlled high-grade Henty gold mine.

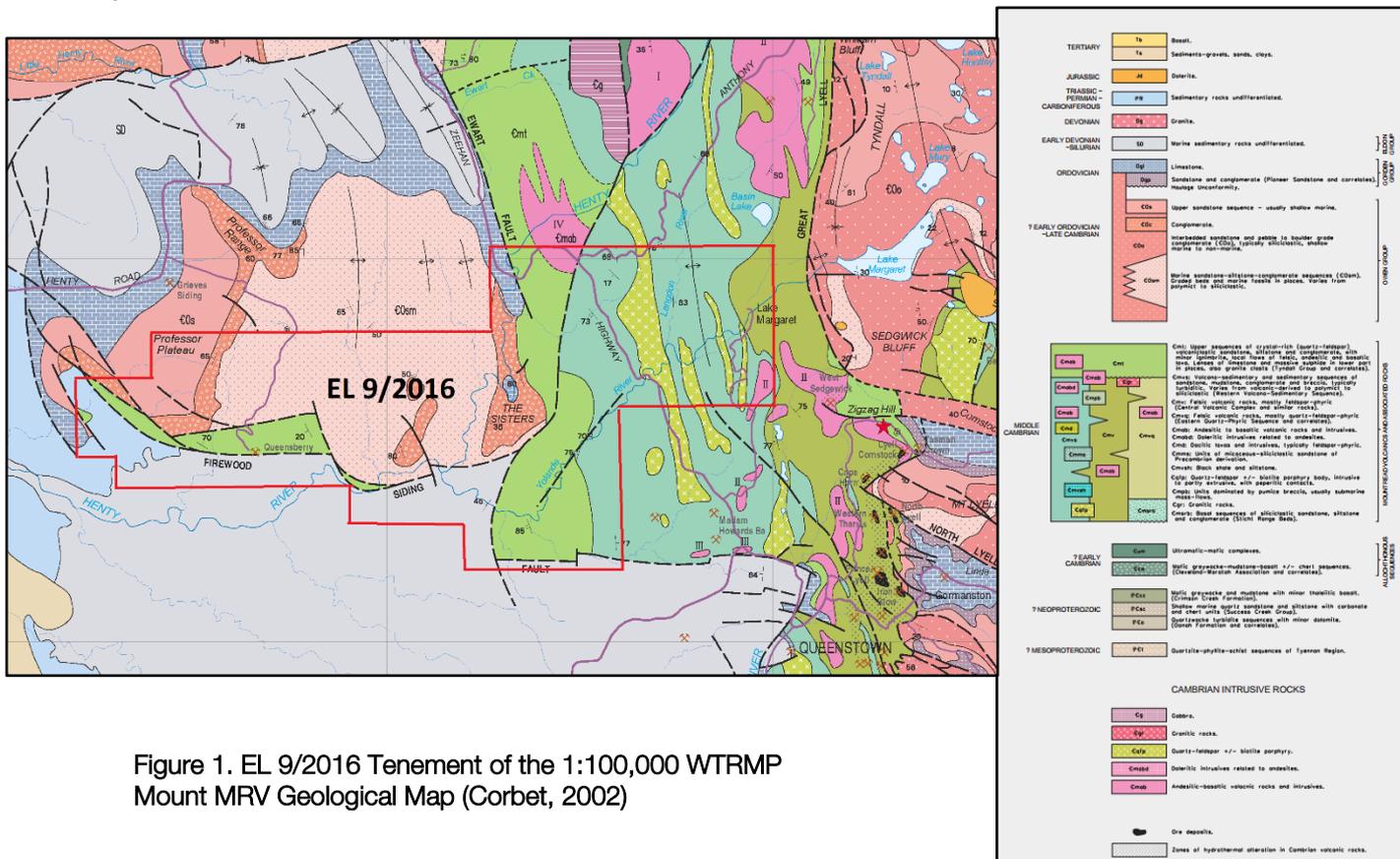


Figure 1. EL 9/2016 Tenement of the 1:100,000 WTRMP Mount MRV Geological Map (Corbet, 2002)

1.4 Authority history and previous exploration

EL9/2016 was granted to Argent Minerals on 16 January 2016, for a period of six years with a minimum expenditure of \$20,000 over the first two years.

The Queensbury Mine lodes were discovered during the early years of exploration of the Western Division, and extracted via shallow adits by R. McKimmie et al from 1891. The deposit consisted of 4 lodes with an additional lode located further east and all typically contained pyrite, arsenopyrite, sphalerite, chalcopyrite, galena, tetrahedrite and bournonite in a quartz-siderite gangue (McNeil 2002).

The authority history and previous exploration for EL9/2016 is summarised in Table 1.

Company	Licence No.	Period	Exploration activities completed
New Consolidated Gold Fields (a'sia) Pty. Ltd	ML 11/12M66	1968	Line cutting, mapping, rock-chip and soil + stream sediment sampling
New Consolidated Gold Fields (a'sia) Pty. Ltd	ML 11/12M66	1970	Trenching and side cutting, mapping, soil samples, drilling and met work
New Consolidated Gold Fields (a'sia) Pty. Ltd	ML 11/12M66	1981-82	Mapping, drilling, resource estimation
Amoco Minerals Australi	EL 4/78	1983-84	Stream sediment sampling and Aeromagnetic survey
Oceania Tasmania Pty. Ltd.	EL 10/85	1985-86	Mapping and track cutting
Amoco Minerals Australia Company, Electrolytic Zinc Company of Australasia Ltd	EL 4/78	1987-88	Data review and sampling
CRA Exploration Pty. Ltd & Allegiance Mining N.L	EL 34/88	1989-90	Gradient IP survey
Pasminco/Zinifex	EL 11/01	2001-05	Data review, Pb-Isotope analysis, gridding, mapping, soil and rock chip sampling
McDermott Mining Group	EL 4/07	2007-09	Soil and rock chip sampling
Australian Hualong Pty Ltd	EL 19/10	2010-13	aeromagnetic survey, drilling

Table 1. Summary of authority history and previous exploration

1.5 Exploration rationale

The MRV is host to several major VHMS deposits (>1 million tonnes) such as Mt Lyell (Cu-Au) and Rosebery (Zn-Pb-Cu) as well as more than thirty sub-million ton VHMS prospects (Large, 1992).

EL 9/2016 Queensbury has the potential to host both Devonian Pb-Zn vein and Zn-Pb-Cu-Au VHMS mineralisation within the MRV. Queensbury will be explored using the blind VHMS concept model based on Pb dating data obtained from McNeill and Skirka (2006) achieving a near Cambrian type signature. Based on prior knowledge of Zeehan mineral field's Oceana Pb-Zn-Ag mine's Pb dating, a concept of exhalative mineralisation or VHMS type mineralisation will be test the area.

Proposed exploration for both the 2017 and 2018 reporting periods are a selection of non-invasive geological activities:

1. Review of historical data and previous exploration
2. Preliminary field reconnaissance
3. Local geology mapping
4. Stream and soil sampling

1.6 Exploration philosophy and objectives

Argent Minerals Limited is an ASX listed Company focused on creating shareholder wealth through the discovery, extraction and marketing of precious and base metal products within the highly productive Eastern Australian Palaeozoic VHMS geologic terrane (Large et al, 1998).

Argent's strategy to achieve this goal comprises of three key elements; exploration, capital efficiency and production, with exploration featuring as the key immediate driver of growth. The exploration strategy of Argent Minerals at EL 9/2016 is primarily focused on the targeting of VHMS Ag-Pb-Zn-Cu and Au mineraliation similar to what has been previously discovered at the historic Queensbury Mine.

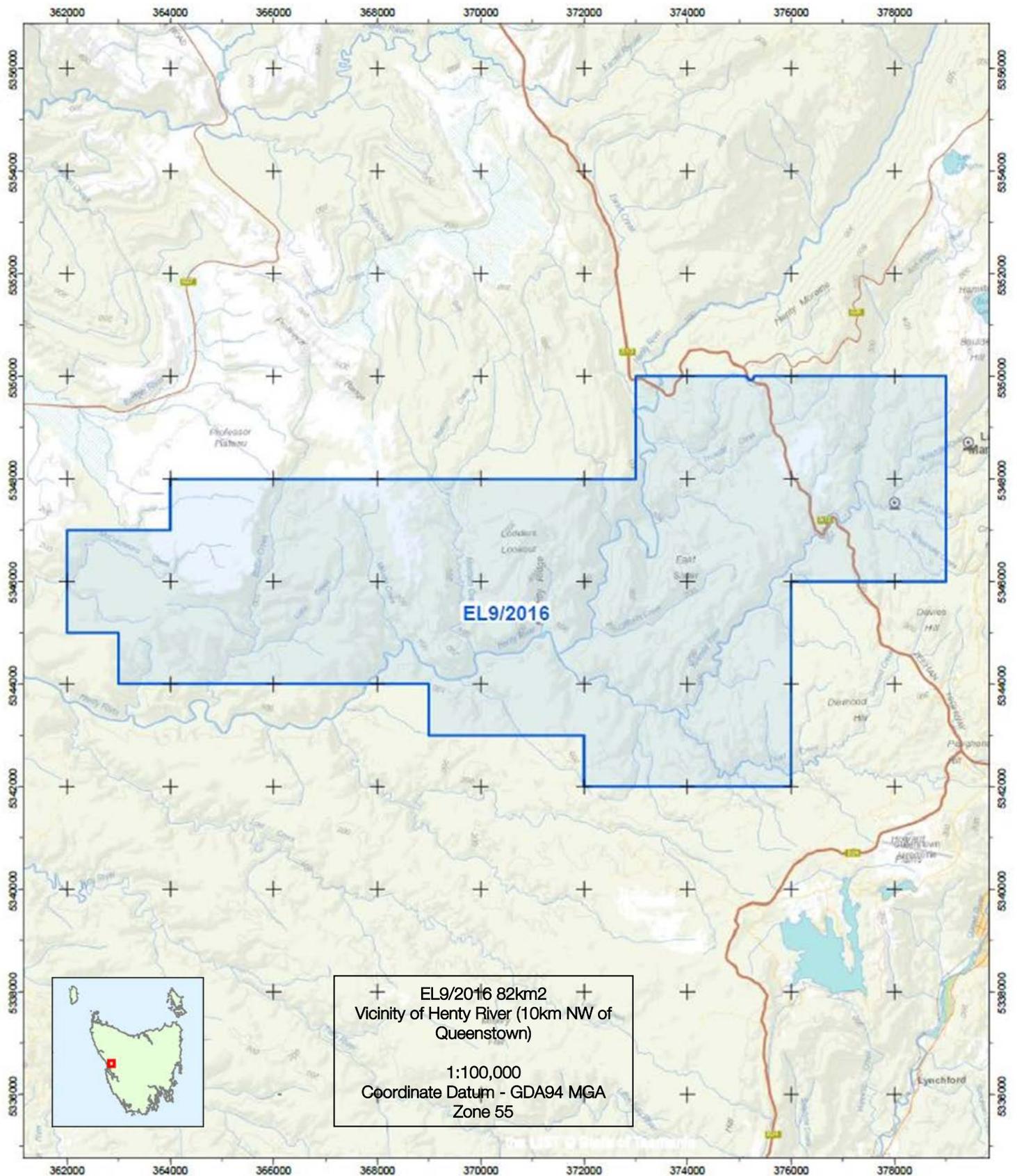


Figure 2. EL9/2016 tenement location / areas of activity on the NW coast of Tasmania

2 EXPLORATION COMPLETED IN REPORTING PERIOD

During the reporting period 17 January 2017 to 16 January 2018, Argent Minerals conducted the following exploration activities (figure 2):

1. Review of existing data collected and work conducted by previous Exploration companies.
2. Community and council consultation
3. Preliminary field reconnaissance
4. Local geological mapping.
5. Rock chip sampling and analysis
6. Diamond drill core analysis via Hylogger spectral scanner

Proposed exploration not yet completed:

7. Soil and stream sampling.

2.1 Review of existing data

The titles previous exploration and mining efforts date back up until 1890's where mining of the historic Queensbury mine took place. More recent and better documented exploration activity has occurred from the 1960's onwards which has now been reviewed.

2.2 Community and council consultation

Parks and Wildlife Service Tasmania Ulverstone Office was consulted regarding area access.

2.3 Preliminary field reconnaissance

The Company has completed a walk-in site visit and assessed the accessibility and condition of the tenement area (bridges, fallen trees, degraded trails, etc).

2.4 Local geological mapping

A fieldwork campaign to geologically map outcrops was completed around the historic Queensbury Mine, it's surrounding area and access track. Mapping was completed to determine the quality and accuracy of historic maps and data.

2.5 Rock chip sampling and analysis

Rock chip sampling was completed around the historic Queensbury Mine, surrounding area and access track. The objective was to take representative samples of known and available mineralisation. Five samples were collected (4 from mullock piles and 1 in-situ from Lode 4) and sent to ALS Burnie to undergo four acid digest ICP-MS and fire assay (figure 3a, 3b).

2.6 Diamond drill core analysis via Hylogger spectral scanning

Both of Australian Hualong Pty Ltd's non-assayed diamond drill holes have been sent to MRT for analysis by Hylogger spectral scanning. Wavelengths analysed were VNIR, TIR and SWIR.

2.7 Stream and soil sampling

Due to scheduling conflicts and unfavourable weather conditions, soil sampling has been postponed until 2018.

2.8 Activities environmental impact

All activities undertaken by The Company are designed with minimal environmental disturbance in mind and all disturbances that occur are rectified with a high standard of rehabilitation as quickly as possible.

2.9 Expenditure during the reporting period

In accordance with s.26 of the Mineral Resources Development Act 1995, the minimum expenditure for the first two years of the licence has been determined to be \$20,000.

For current expenditures and expenditure breakdown, please see the Annual Rental Return (Appendix 1).

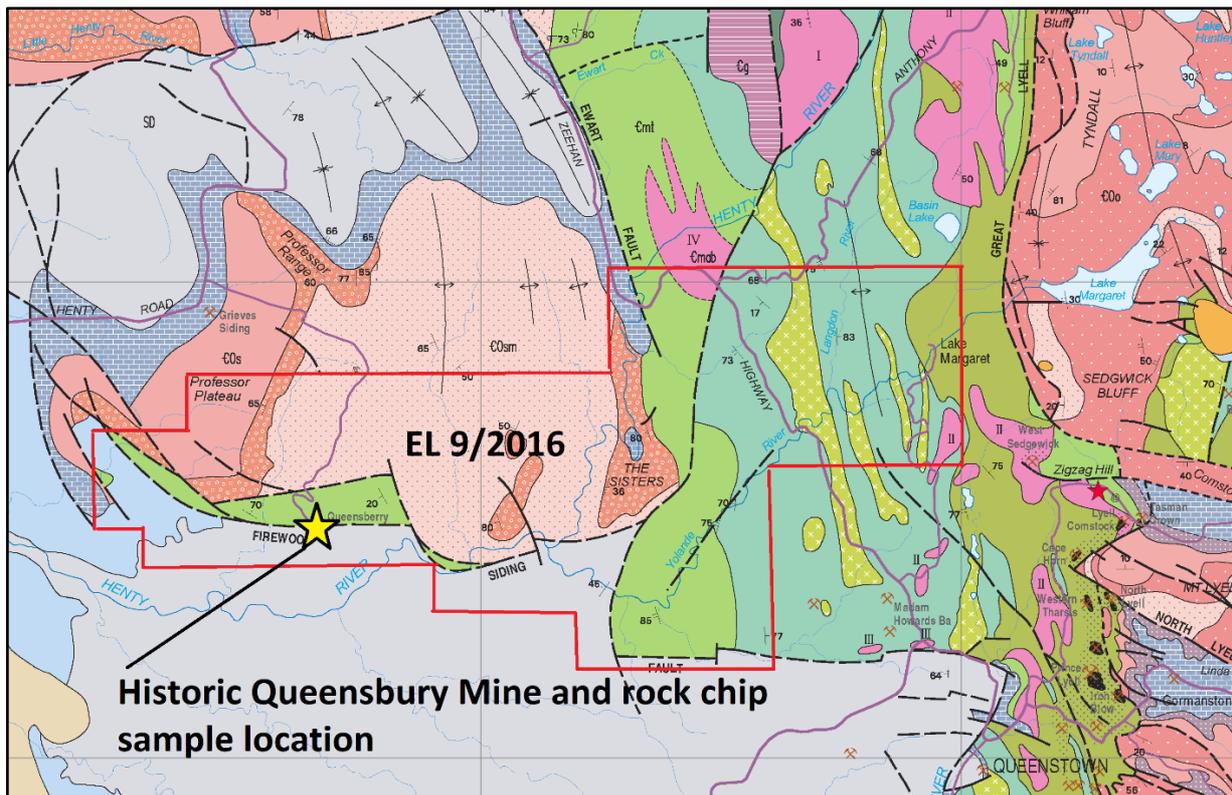


Figure 3a. Exploration activities summary map undertaken during the current period.

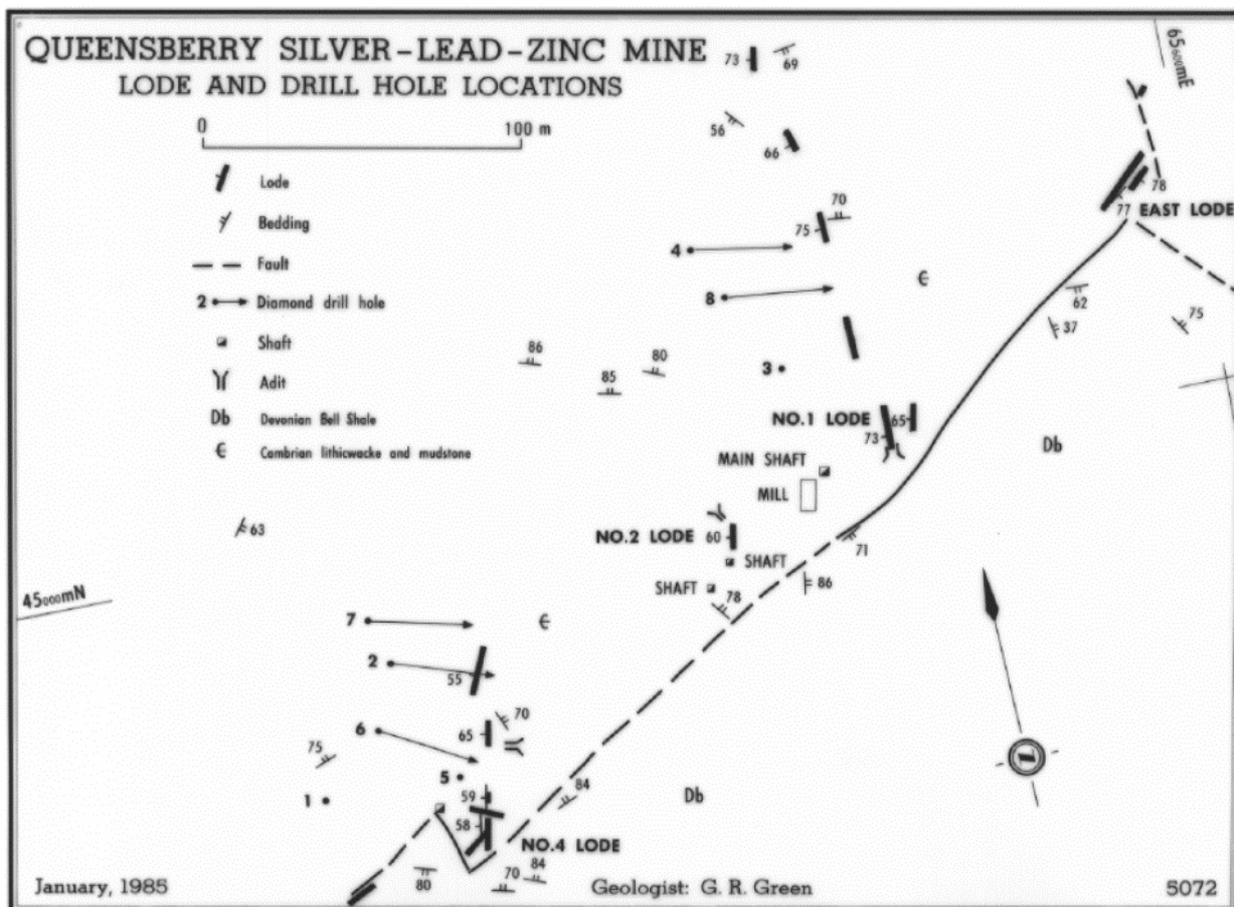


Figure 3b. Magnified map of the Historic Queensbury Mine where exploration activities occurred

3 RESULTS AND DISCUSSION

3.1 Review of existing data

The Company has reviewed all available existing data to maximise The Company's budget and the potential for discovery. Much of the past exploration activities were non-invasive geological activities such as mapping, soil sampling and geophysical surveys. During the 1980's several drillholes were completed and more recently 2 diamond drillholes by Australian Hualong Pty Ltd. The 2 diamond drillholes completed by Australian Hualong Pty Ltd were never assayed despite visual sulphides in the core.

3.2 Community consultation

Parks and Wildlife Services Tasmania (Ulverstone Office) were consulted regarding area access and gate entry to the Queensbury Mine Track. The Company will remain in contact and continue to update Parks and Wildlife with anything of relevance.

3.3 Preliminary field reconnaissance

The condition of the tenement was found to be in reasonable condition. Typically access tracks were overgrown with minor fallen trees (figure 4). The Queensbury Mine Track is characterised by a steep rise onto the Professor Plateau with deeply incised gutters, well-constructed gravel road across the open buttongrass plains, and variable soft marshy to hard gravel sections through the rainforest undulating descents and ascents into the Queensberry site. Vegetation off trail was dense with minimal accessible outcropping rocks available.

Queensbury Mine historic workings has had no rehabilitation and is now significantly overgrown with rainforest flora and/or reed grasses. The site contains derelict infrastructure such as a long-standing battery (figure 6), mullock rock piles and other associated mine workings.

3.4 Local geological mapping

The geological field mapping campaign was impeded by an expected dense vegetation, minimal exposed outcrops and unfavourable weather all leading to a difficult and slow mapping process.

Chlorite altered volcanoclastic tuffs and volcanoclastic sandstones make up the dominant geology of the area. Lodes 1, 2 and 4 were observed during the field trip, Lode 3 is uncertain in origin or location, and the documented eastern lode was too difficult to access.

3.5 Rock chip sampling and analysis

The five sulphide samples collected have been analysed and all present with significant mineralisation. Significant grades have been listed in Table 2 below. Figure 5 shows the sample location of ARD05.

Rock chip sample	Pb (%)	Zn (%)	Cu (%)	Ag (g/t)	Au (g/t)
ARDQ01	16.6	1.8	0.6	55.3	0.0
ARDQ02	21.5	16.1	1.0	126.0	0.0
ARDQ03	25.2	26.3	1.2	82.6	0.0
ARDQ04	38.7	0.2	1.6	74.0	0.0
ARDQ05	11.3	16.2	0.3	110.0	0.1

Table 2. Significant assay grades

3.6 Diamond drill core analysis via Hylogger spectral scanner

Laboratory results of the non-assay Australian Hualong Pty Ltd core are pending and will be released in the next reporting period.

3.7 Stream and soil sampling

To commence in 2018 a stream sampling campaign will take place. Once all results have been analysed and reviewed a scheduled soil sampling campaign will commence based on newly interpreted data.

3.8 Activities environmental impact

All work undertaken during the reporting period by Argent Minerals was non-invasive and therefore little to no impact on the environment. However, it was noted during the field work campaign that remnant mining activities in the area have left an on-going environmental hazard of acid mine drainage (figure 7).

2.9 Expenditure during the reporting period

During the current reporting period of 17/01/2017 to 11/01/2018 (date of report generated) Argent Minerals had a total exploration expenditure of \$19,208.66. This tenements spending is on target to meet the 2-year minimum expenditure requirements of \$20,000.00. It should be noted that costs associated with the Hylogger analysis have not been included as the analysis is underway and will be reported in the next period.



Figure 4. Typical condition of the Queensbury Mine Track.



Figure 5. Lode 4 outline of sulphides hosted by massive carbonate in greywacke & ARDQ05 location.



Figure 6. Historic Mine site with derelict Infrastructure.



Figure 7. Acid Mine drainage at the Adit and shaft of No. 4 Lode.

4 RECOMMENDATIONS AND FUTURE EXPLORATION WORK

EL 8213 has known mineral deposits and limited exploration justifying further exploration by The Company in 2018. Planned exploration work will encompass:

- Assessment of the results from the two diamond drillholes that underwent Hylogger analysis.
- Detailed 1:10,000 geological and structural field mapping to confirm previous authors observations and improve our understanding of the region.
- Commencement of the deferred stream sampling campaign and analysis.
- Commencement of the deferred soil sampling campaign and analysis.

5 ENVIROMENTAL MANAGEMENT

All exploration activities completed during the reporting period were of low disturbance with no notable environmental impact and therefore subsequently did not require rehabilitation. None-the-less, Argent Minerals endeavours to leave any tenement in its possession in the same condition or better.

6 REFERENCES

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