



31 December 2013

ASX ANNOUNCEMENT

ARGENTINA MINING LTD COMPLETES MERGER WITH SIMBA MINERALS LTD

Project portfolio expands into Tanzania near major gold producers

HIGHLIGHTS

- **Argentina Mining completes Merger with Simba Minerals Ltd and \$225,000 capital raising**
- **All Conditions Precedent met by both companies**
- **Independence Group NL participates in \$100,000 Placement**
- **John Stockley and Allen Lafferty join the board of Argentina Mining**

Argentina Mining Limited (**Argentina Mining** or the **Company**) (**ASX: AVK**) is pleased to announce that pursuant to the Heads of Agreement announced to ASX on 17 October 2013, it has completed the merger with Simba Minerals Limited (**Simba**).

The Company is excited by the opportunities created by the merger. It increases the Company's shareholder base, expands overall market appeal, spreads sovereign risk, provides greater development potential within existing exploration assets in two of the most prospective terrains in the world, East Africa and the Andean Cordillera, and offers greater opportunity for portfolio expansion within both spheres of influence.

Importantly, the merger combines experienced and country-specific management and opens up a pipeline of new potentially high-grade gold projects currently being developed in Tanzania near existing major producers and which appear capable of being fast-tracked towards resource definition and production.

Cornerstone Investor Support

The Board of AVK gratefully acknowledges the continued support of cornerstone investor Independence Group NL (**IGO**) who has accepted 5 million options (expiring 24 December 2016) in consideration of waivers of certain rights in respect of the East African tenement portfolio. The Board is also pleased that IGO has shown its support for the future direction of the Company and its willingness to maintain a greater than 10% equity position in the Company by contributing \$75,000 towards a \$100,000 additional placement.

Board Appointees

Argentina Mining is pleased to welcome current Simba directors, Mr John Stockley and Mr Allen Lafferty, to the Board. Mr Stockley is an experienced geologist with a track record of gold discoveries in Africa, while Mr Lafferty is an experienced commercial accountant with successful business interests in Western Australia.

Immediate Future Activities

Exploration

With their experienced low-cost Tanzanian exploration management team and excellent local connections, Simba has already undertaken extensive and detailed exploration within their projects, successfully defining a number of gold targets which warrant immediate further drilling.

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Simba is also currently finalizing the acquisition of a 99.95% interest in a gold deposit at Mabale Hills where high-grade gold results have been obtained in drilling. The Directors believe that further drilling at Mabale Hills and Mimbili has a high-potential to define JORC-compliant resources of a minimum of 250,000oz gold in Tanzania by end December 2014 and advancing at least one of the Argentine projects.

Capital Raising

In accordance with the resolution passed by shareholders at the Annual General Meeting conducted on 16 December 2013, the Company has raised \$225,000 at \$0.01 per shares. Due to the initial placement being over subscribed, the Board determined to raise an additional \$100,000 at \$0.01 per shares utilising the Company's 15% placement capacity that was recently refreshed at the AGM. The Board was pleased that IGO indicated its support to the future direction of the Company by applying for \$75,000 of the additional placement monies.

BACKGROUND

On 17 October 2013, Argentina Mining Limited, a public company listed on the Australian Securities Exchange (ASX: **AVK**) announced to ASX that it had signed a binding Heads of Agreement (**HoA**) on 16 October with unlisted Australian public company Simba Minerals Ltd (**Simba**), to acquire 100% of the issued shares in Simba (**Merger**), including its Tanzanian subsidiary Kudu Resources (TZ) Ltd (**Kudu**).

Further details of the Merger, including information on Simba and the Conditions Precedent, are provided in the previous ASX announcement on the subject, dated 17 October 2013.

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For further information, please contact:

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Competent Persons Statement

The information in this report relating to Exploration Results and Inferred Resources is based on information compiled by Mr Doug Bright, a Member of the Australasian Institute of Mining and Metallurgy and a Director of and geological consultant to Argentina Mining Limited; and Mr John Stockley, a Fellow of the Australasian Institute of Mining and Metallurgy, and a Director of Argentina Mining Limited.

Mr Bright and Mr Stockley have sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Bright and Mr Stockley consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.