

13 September 2012

ASX ANNOUNCEMENT

Share Purchase Plan and Bonus Option

HIGHLIGHTS

- Offer to shareholders of new shares at 6 cents per share to raise a maximum of \$1,077,000
- One for two Bonus Option
- Funds to be used to continue the Company's mineral exploration in San Juan Province, Argentina

Argentina Mining Limited (ASX: AVK) (Argentina Mining or the Company) is pleased to announce an invitation to shareholders to participate in the Company's Share Purchase Plan (Plan).

The Plan entitles eligible shareholders of the Company to purchase up to \$15,000 worth of fully paid ordinary shares in the Company at a subscription price of 6 cents per share to raise a maximum of approximately \$1,077,000 (before issue costs) (Offer).

The Company will apply for quotation of the new shares raised under the Plan, which will rank equally in all respects with existing Argentina Mining fully paid ordinary shares.

The subscription price of the shares to be offered under the Plan represents a 20% discount to the average closing price of the Company's shares in the 5 trading days immediately prior to the date of this announcement. The Offer has been priced attractively to provide all eligible shareholders with the opportunity to participate. The Directors of Argentina Mining have advised their intention to participate in the Offer.

The Share Purchase Plan will open on 18 September 2012 for a period of 14 days with shareholders registered as at 5:00pm (WST) on 12 September 2012 eligible to participate in the Offer.

The funds raised under the Offer will be used to advance mineral exploration on the Company's copper-gold projects in San Juan Province, Argentina and to meet ongoing working capital requirements. Planned exploration includes additional drilling at the Copper Hill porphyry copper-gold-molybdenum prospect where Argentina Mining has already outlined a large mineralised and altered system. Geological mapping and sampling of an epithermal gold-bearing vein system at the San Francisco Gold Project and further reconnaissance of the San Francisco, Amiches, Divisoria and Regional Exploration project areas is also planned for the Andean summer field season.

The Company expects the Offer to be conducted in accordance with the following timetable:

Record Date	12 September 2012
Announcement of Share Purchase Plan	13 September 2012
Offer documents mailed to eligible shareholders	18 September 2012

Opening date for acceptances	18 September 2012
Closing date for acceptances (5:00pm WST)	2 October 2012
Allotment and issue of new Shares under the Plan	5 October 2012
Quotation of new Shares on ASX	10 October 2012
Dispatch of shareholder statements	12 October 2012

The above dates are indicative only. The Company reserves the right to vary the above dates, subject to the ASX Listing Rules and Corporations Act.

Offer documents and application forms explaining how the new shares will be issued, should shareholders wish to participate in the Offer, will be despatched to eligible shareholders on 18 September 2012 and the Offer will open on that day. The offer document will also be available on the ASX website and on the Company's website www.argentinamining.com.au from 18 September 2012.

Proposed Bonus Issue of Options

The Company is also pleased to announce that it intends to undertake a bonus issue of options to shareholders who participate in the SPP (**Bonus Issue**) on the basis of one (1) free option for every two (2) new shares subscribed for under the SPP, with each option being exercisable for one fully paid ordinary share at 20 cents each and expiring 9 March 2015 (**Bonus Option**). The Bonus Option will be subject to shareholder approval.

The Company intends to apply for the Bonus Options to be listed on the ASX, as they have the same terms and conditions as the existing listed options (ASX: AVKO).

The Company will release a separate disclosure document and a notice of meeting for the Bonus Issue containing full details of the Bonus Issue, including full terms and conditions of the Bonus Options. It is anticipated that this will occur within the next 3 months.

Only shareholders who participate in the SPP will be entitled to receive Bonus Options. All new shares issued under the SPP will be issued and allocated prior to the record date for the Bonus Issue.

General

The Company is currently engaged in ongoing discussions with various parties in relation to possible joint venturing some of its tenements. No arrangements to enter into any joint ventures have been agreed and there is no guarantee that any such joint ventures will eventuate.

For further information:

Company Contacts:

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About Argentina Mining Limited

Argentina Mining Limited listed on ASX on 9 March 2011. The Company is exploring a suite of five gold and base metal projects in San Juan Province, Argentina. These projects range from the established porphyry copper-gold-molybdenum project at Cerro Blanco, epithermal vein gold and copper mineralisation at Amiches, San Francisco and Tres Amigos and regional exploration projects near Barrick Gold Corporation’s major Veladero (Reserves 12Moz Au) and Pascua-Lama (Reserves 17.8Moz) gold operations.

The Company’s first 5 diamond core-holes drilled in two phases in 2011 at the Copper Hill Prospect at Cerro Blanco intersected broad zones of porphyry copper-gold-molybdenum mineralisation which, supported by results from geophysical Ground IP-Res and Magnetics surveys, confirm the presence of a large mineralised porphyry sulphide and oxide system. The company is planning follow-up drilling through mid-late 2012.

Competent Person Statement

The information in this report relating to Exploration Results 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. Mr Bright has sufficient experience relevant to the style of mineralisation and type of deposits 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.’ Mr Bright consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.