



ABN 45 141 940 230

## **INTERIM REPORT**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

## **CONTENTS**

## **PAGE**

DIRECTORS' REPORT	4
AUDITOR'S INDEPENDENCE DECLARATION	6
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME	7
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	8
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	9
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW	10
NOTES TO THE FINANCIAL STATEMENTS	11
DIRECTORS' DECLARATION	15
INDEPENDENT AUDITOR'S REVIEW REPORT	16

## CORPORATE DIRECTORY

### DIRECTORS

Douglas Bright (Chairman)  
Eduardo Videla (Managing Director)  
Tim Kennedy (Non-Executive Director)

### COMPANY SECRETARY

John Arbuckle

### REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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Herdsman Business Park  
Osborne Park, Western Australia 6017

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Email: [info@argentinamining.com.au](mailto:info@argentinamining.com.au)  
Website: [www.argentinamining.com.au](http://www.argentinamining.com.au)

### AUDITORS

Deloitte Touche Tohmatsu  
Level 14, Woodside Plaza  
240 St Georges Terrace  
Perth WA 6000

### SHARE REGISTRY

Security Transfer Registrars  
770 Canning Hwy  
Applecross WA 6153

Telephone: +618 9315 2333  
Facsimile: +618 9315 2233  
Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)  
Website: [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

### STOCK EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange  
Home Exchange: Perth  
ASX Code: AVK  
AVKO

## DIRECTORS' REPORT

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The Directors present their report on Argentina Mining Limited and its subsidiaries for the half-year ended 31 December 2012.

### BOARD OF DIRECTORS

#### DIRECTORS

The names and details of Argentina Mining Limited ("Company") directors in office during the half-year and up to the date of this report are as follows:

Eduardo Videla  
Douglas Bright  
Timothy Kennedy

Directors were in office for the entire period unless otherwise stated. Mr Steve Shedden resigned on 12 October 2012.

### REVIEW OF OPERATIONS

During the six month period the Company recommenced the summer field season on its Andean gold and base metal projects in San Juan Province, Argentina. All field work had been suspended during the winter months but ramped up with the onset of the spring/summer season. The Company has directed most of its attention towards evaluation of the high-grade epithermal Au-Ag potential in the San Francisco and Amiches Projects.

Several reconnaissance campaigns have been undertaken at the Las Leñas Prospect at San Francisco, where a 3,700m long, 6m wide epithermal vein has been discovered and sampled. The most recent sampling of the vein complex yielded a continuous run of 12 x 3m long samples averaging **36m @ 1.23g/t Au & 4.85g/t Ag** from part of the reef complex.

In addition, an extensive porphyry zone has been discovered 2 kilometres northeast of the Las Leñas vein complex that sampling shows to be a large anomalous and probably shallow-buried hydrothermalized Au-Ag-Cu-Mo system.

Three short field trips were undertaken to reconnoitre Amiches, including one in October 2012 by directors of Argentina Mining and senior geological staff. Sampling from the most recent program yielded a bonanza result **of 2m @ 18.91g/t Au & 389.51g/t Ag** from a 10m x 3m dacitic hydrothermal breccia outcrop.

With a successful round of sampling completed at San Francisco and Amiches Projects, Argentina Mining is now moving to take maximum advantage of the summer season to undertake extended sampling programs at both properties, focusing on evaluating their potential to host large-scale, high-grade gold-silver deposits.

The two properties lie on the extensions into Argentina of the famous El Indio Belt. The belt is one of the world's richest mineral provinces estimated to contain tens of millions of ounces of precious metals gold-silver. It hosts a number of developing major resources and producing mines.

During the half year, a Sub-Option and Assignment Agreement was signed with Canadian listed New Destiny Mining Corporation (TSX: NED) relating to the Company's Tres Amigos Project. Under the terms of the agreement with NED, upon receipt of an option payment of US\$50,000 cash and 1.5 million shares in New Destiny, ERSA would transfer and assign all its rights, title and interest under its agreement with the vendor of the property to New Destiny, with ERSA retaining a 1.5% Net Smelter Royalty. New Destiny is to assume responsibility for the payment of all remaining instalment payments to the vendor of the property, totalling US\$150,000. At 31 December 2012, the Company has received the US\$50,000 option payment but has not yet received the shares whilst NED seeks regulatory approval with the TSX.

The Company also entered into a non-binding Memorandum of Understanding (MOU) with NED relating to the Cerro Blanco Project. The parties agreed that they will conduct negotiations for NED to be granted an exclusive option to purchase an undivided 60% interest in the seven exploration concessions in Argentina which comprise the Cerro Blanco Project, enclosing an area of 12,820 hectares. The Property is subject to an 8.75% interest retained by the Vendor.

## DIRECTORS' REPORT

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### REVIEW OF OPERATIONS (continued)

Under the terms of the MOU, NED has until 31 January 2013 to conduct due diligence investigations on the Property and to enter into a definitive agreement with the other parties. NED may extend the exclusivity period from 31 January 2013 until 1 March 2013 by paying Argentina Mining US\$50,000. At the date of this report NED is continuing due diligence on the project and has been granted an extension of time to make its exclusivity payments of US\$150,000.

From a corporate perspective, the Company raised A\$200,000 from a Share Purchase Plan and focused on reducing its corporate overheads. This resulted in the Managing Director reducing his salary by two thirds and the non-executive directors reducing their directors' fees by half. The cost cutting measures also involved the role of Executive Chairman being made redundant and consequently Mr Stephen Shedden agreed to resign as a director of the Company.

### RESULTS OF OPERATIONS

The operating loss after income tax of the Company for the half-year ended 31 December 2012 was \$3,856,697 (2011: \$801,728).

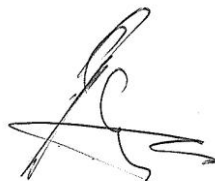
The Company's basic loss per share for the period was 6.26 cents (2011: 1.34 cents).

No dividend has been paid during or is recommended for the financial period ended 31 December 2012.

### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 immediately follows the Directors' Report.

This report has been made in accordance with a resolution of the Board of Directors.



**Douglas Bright**  
Chairman

Perth, 15 March 2013

### 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.

The Board of Directors  
Argentina Mining Limited  
Unit 6, 25 Walters Drive  
Herdsman Business Park  
Osborne Park, WA 6017

15 March 2013

Dear Board Members

### **Argentina Mining Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Argentina Mining Limited.

As lead audit partner for the audit of the financial statements of Argentina Mining Limited for the financial year ended 30 June 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



**Neil Smith**  
Partner  
Chartered Accountants  
Perth, 15 March 2013

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
COMPREHENSIVE INCOME**  
**For the Half-Year Ended 31 December 2012**

	<b>31 Dec 2012</b>	<b>31 Dec 2011</b>
	<b>\$</b>	<b>\$</b>
Finance income	10,819	74,279
Corporate expense	(93,783)	(100,777)
Employee expense	(108,735)	(382,329)
Administration expense	(328,363)	(292,880)
Foreign currency exchange losses	-	(100,239)
Impairment of exploration & evaluation expenditure	(3,305,466)	-
<b>Loss before income tax expense</b>	<b>(3,825,528)</b>	<b>(801,496)</b>
Income tax expense	-	-
<b>Loss for the half year</b>	<b>(3,825,528)</b>	<b>(801,496)</b>
	-	-
<b>Other comprehensive income</b>		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Movement in currency translation of foreign operations	(31,169)	(232)
<b>Other comprehensive income for the period, net of tax</b>	<b>(31,169)</b>	<b>(232)</b>
<b>Total comprehensive loss for the period</b>	<b>(3,856,697)</b>	<b>(801,728)</b>
Basic loss per share (cents per share)	6.3	1.3
Diluted loss per share (cents per share)	6.3	1.3

*The above income statement should be read in conjunction with the accompanying notes.*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2012**

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	Note	31 Dec 2012 \$	30 June 2012 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	320,237	954,093
Trade and other receivables		543,490	359,740
Total Current Assets		<u>863,727</u>	<u>1,313,833</u>
<b>Non-Current Assets</b>			
Property, plant and equipment		99,608	127,627
Exploration and evaluation expenditure	6	1,816,234	5,137,960
Total Non-Current Assets		<u>1,915,842</u>	<u>5,265,587</u>
<b>TOTAL ASSETS</b>		<u>2,779,569</u>	<u>6,579,420</u>
<b>Current Liabilities</b>			
Trade and other payables		136,340	320,302
Provisions		7,467	28,659
Total Current Liabilities		<u>143,807</u>	<u>348,961</u>
<b>TOTAL LIABILITIES</b>		<u>143,807</u>	<u>348,961</u>
<b>NET ASSETS</b>		<u>2,635,762</u>	<u>6,230,459</u>
<b>Equity</b>			
Contributed equity	7	8,834,783	8,572,783
Reserves		36,927	68,096
Accumulated losses		(6,235,948)	(2,410,420)
<b>TOTAL EQUITY</b>		<u>2,635,762</u>	<u>6,230,459</u>

*The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.*



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the Half-Year Ended 31 December 2012**

	Issued Capital	Accumulated losses	Foreign currency translation reserve	Share base payment reserve	Total equity
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2011</b>	<b>8,546,001</b>	<b>(1,150,655)</b>	<b>(25,534)</b>	<b>102,000</b>	<b>7,471,812</b>
Loss for the period	-	(801,728)	-	-	(801,728)
Other comprehensive loss for the period	-	-	(232)	-	(232)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(801,728)</b>	<b>(232)</b>	<b>-</b>	<b>(801,960)</b>
<b>Balance at 31 December 2011</b>	<b>8,546,001</b>	<b>(1,952,383)</b>	<b>(25,766)</b>	<b>102,000</b>	<b>6,668,852</b>
<b>Balance at 1 July 2012</b>	<b>8,572,783</b>	<b>(2,410,420)</b>	<b>(33,904)</b>	<b>102,000</b>	<b>6,230,459</b>
Loss for the period	-	(3,825,528)	-	-	(3,825,528)
Other comprehensive loss for the period	-	-	(31,169)	-	(31,169)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(3,825,528)</b>	<b>(31,169)</b>	<b>-</b>	<b>(3,856,697)</b>
Transactions with owners in their capacity as owners:					
Issue of shares	262,000	-	-	-	262,000
<b>Balance at 31 December 2012</b>	<b>8,834,783</b>	<b>(6,235,948)</b>	<b>(65,073)</b>	<b>102,000</b>	<b>2,635,762</b>

*The above statement of condensed consolidated changes in equity should be read in conjunction with the accompanying notes.*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**For the Half-Year Ended 31 December 2012**

	31 Dec 2012	31 Dec 2011
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Payments to suppliers, contractors and employees	(856,144)	(630,369)
Interest received	9,816	74,871
	<hr/>	<hr/>
Net cash used in operating activities	(846,328)	(555,498)
 <b>Cash Flows from Investing Activities</b>		
Payments for purchase of property, plant and equipment	(3,788)	(35,311)
Payments for exploration and evaluation expenditure	(30,543)	(1,285,118)
Receipt of option fee for sale of exploration assets	46,803	-
	<hr/>	<hr/>
Net cash provided by / (used in) investing activities	12,472	(1,320,429)
 <b>Cash Flows from Financing Activities</b>		
Proceeds from issue of shares	200,000	-
	<hr/>	<hr/>
Net cash flows from financing activities	200,000	-
 Net decrease in cash and cash equivalents	(633,856)	(1,875,927)
Cash and cash equivalents at the beginning of the half-year	954,093	4,309,446
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the half-year</b>	<u>320,237</u>	<u>2,433,519</u>

*The above condensed consolidated cash flow statement should be read in conjunction with the accompanying notes.*

# NOTES TO THE FINANCIAL STATEMENTS

## For The Half-Year Ended 31 December 2012

### 1. CORPORATE INFORMATION

Argentina Mining Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The financial report of Argentina Mining Limited for the half-year ended 31 December 2012 was authorised for issue in accordance with a resolution of the directors on 15 March 2013.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of Argentina Mining Limited for the year ended 30 June 2012.

It is also recommended that the half-year financial report be considered together with any public announcements made by Argentina Mining Limited and its controlled entities during the half-year ended 31 December 2012 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and the Australian Securities Exchange Listing Rules.

#### (a) Statement of Compliance

The half-year financial report is a general purpose financial report, which has been prepared in accordance with the requirement of the Corporations Act 2001, applicable Accounting Standards, including AASB 134 "Interim Financial Reporting", and other mandatory professional reporting requirements.

#### (b) Basis of Preparation

The half-year financial report has been prepared on a historical cost basis, except where stated. The accounting policies and method of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2012 annual financial report for the year ended 30 June 2012, except for the impact of the Standard and Interpretation described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

#### (c) Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Consolidated Entity has incurred losses of \$3,856,697 (31 December 2011: \$801,728), and experienced net cash outflows from operating and investing activities of \$833,856 for the half year ended 31 December 2012 (31 December 2011: \$1,875,927). As at 31 December 2012 the Consolidated Entity had cash assets of \$320,237 (30 June 2012: \$954,093) and had net current assets of \$719,920 (30 June 2012: \$964,872).

## NOTES TO THE FINANCIAL STATEMENTS

### For The Half-Year Ended 31 December 2012

During the half-year ended 31 December 2012 and for the period to the date of this report, the directors have taken steps to ensure the Consolidated Entity continues as going concern. These steps include:

- Capital raising of \$200,000 through a share purchase plan in October 2012;
- Managing advanced discussions with a third party for the sale of two projects in Argentina. The terms of sale for Tres Amigos project has been agreed upon and is subject to regulatory approval in Canada. Discussions are progressing for the sale Cerro Blanco project; and
- Ongoing management of the level of exploration and corporate expenditure in line with funds available to the Consolidated Entity.

The ability of the Consolidated Entity to continue as a going concern is principally dependent upon:

- i. Successful completion of equity raising to realise at least \$360,000 (net of costs) not later than 30 April 2013 and a further \$300,000 (net of costs) by 31 July 2013; and
- ii. Receipt of \$150,000 from the sale of the Cerro Blanco project by 30 April 2013.

The directors have reviewed the cash flow forecasts and believe the matters set out above will be achieved and therefore are satisfied that the going concern basis of preparation is appropriate.

Should the Consolidated Entity be unable to achieve successful outcomes in relation to the matters noted above, there is a material uncertainty whether the Consolidated Entity will be able to continue as going concern and therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Consolidated Entity not be able to continue as a going concern.

#### **(d) Changes in Accounting Policies and Disclosures**

The consolidated entity has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period.

New and revised standards and amendments thereof and interpretations effective for the current half year that are relevant to the Group include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of items of Other Comprehensive Income.'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior periods. However the application of AASB 2011-9 has resulted in changes to the Group's presentation of, or disclosure in, its half-year financial report.

AASB 2011-9 introduces new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other

## NOTES TO THE FINANCIAL STATEMENTS

### For The Half-Year Ended 31 December 2012

comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

#### (e) Basis of consolidation

The half-year consolidated financial statements comprise the financial statements of Argentina Mining Limited and its controlled subsidiary ('the Group').

#### 3. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements for the year ended 30 June 2012.

#### 4. SEGMENT INFORMATION

The Company operates in one business segment being mineral exploration in Argentina.

#### 5. CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalents are comprised of the following:

	31 Dec 2012	30 June 2012
	\$	\$
Cash at bank and in hand	253,427	887,283
Short term deposits	66,810	66,810
	320,237	954,093

There were no non-cash financing and investing activities during the period.

#### 6. EXPLORATION AND EVALUATION EXPENDITURE

	31 Dec 2012	30 June 2012
	\$	\$
Balance at beginning of the period	5,137,960	3,025,129
Exploration expenditure capitalised during the period	30,543	2,112,831
Deposit received for disposal of Tres Amigos Project	(46,803)	-
Exploration expenditure impaired during the period	(3,305,466)	-
Balance at end of the period	1,816,234	5,137,960

#### 7. CONTRIBUTED EQUITY

a) Issued and fully paid ordinary shares 64,213,817 (June 2012: 59,880,493)	8,834,783	8,572,783
b) Movement in issue and fully paid shares		
	<b>Number of shares</b>	<b>\$</b>
Balance at 1 July 2012	59,880,493	8,572,783
Issued during the period	4,333,324	262,000
Balance at 31 Dec 2012	64,213,817	8,834,783

## NOTES TO THE FINANCIAL STATEMENTS

### For The Half-Year Ended 31 December 2012

#### 8. COMMITMENTS

In order to maintain an interest in the exploration tenements in which the Company is involved, the Company is committed to meet the conditions under which the tenements were granted. The Company has the following contractual commitments that arise from the contracts with the underlying owners of the mining properties, in order to complete the acquisition of the rights to explore and exploit those properties.

The Company can withdraw from these agreements at any time without penalty, thus terminating those obligations. The commitments as of 31 December 2012 are as follows:

	<b>Cerro Blanco US\$</b>	<b>Amiches US\$</b>	<b>San Francisco US\$</b>	<b>Regional Exploration US\$</b>	<b>Total Commitments US\$</b>
<b>Mining Rights:</b>					
December 2013	50,000	50,000	30,000	25,000	155,000
December 2014	50,000	40,000	50,000	25,000	165,000
December 2015	-	-	-	25,000	25,000
<b>Purchase Options:</b>					
Option to purchase 100% <sup>(1)</sup>	1,000,000	-	-	-	1,000,000
Payment upon completion of feasibility study and decision to mine <sup>(2)</sup>	200,000	1,295,000	225,000	400,000	2,120,000
<b>Total US\$</b>	<b>1,300,000</b>	<b>1,385,000</b>	<b>305,000</b>	<b>475,000</b>	<b>3,465,000</b>
<b>FX Rate – 31 December 2012</b>	<b>1.0384</b>	<b>1.0384</b>	<b>1.0384</b>	<b>1.0384</b>	<b>1.0384</b>
<b>Total A\$</b>	<b>1,251,926</b>	<b>1,333,783</b>	<b>293,721</b>	<b>457,434</b>	<b>3,336,864</b>

(1) ERSA has the first right of refusal to acquire the remaining 8.75% of the tenement upon completion of option payments.

(2) Amounts payable upon completion of bankable feasibility studies and decision to mine.

(3) ERSA has the exclusive right to acquire 100% interest in the Tenements by purchasing the net profit royalty (NPR). The NPR is 10% of metal sold (after all costs are deducted) capped at US\$2,000,000, subject to the decision to mine.

(4) Such amounts are considered payments to allow ERSA the option of purchasing the NPR for US\$1,500,000.

#### 9. CONTINGENCIES

The Company does not have any contingent assets or contingent liabilities as at 31 December 2012.

#### 10. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

Since 31 December 2012, no event has arisen that would be likely to materially affect the operations of the Group, or the state of affairs of the Group not otherwise disclosed in the Group's financial report.

## DIRECTORS' DECLARATION

The Directors of the company declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



**Douglas Bright**  
**Chairman**

Perth, 15 March 2013

## Independent Auditor's Review Report to the members of Argentina Mining Limited

We have reviewed the accompanying half-year financial report of Argentina Mining Limited, which comprises the condensed statement of financial position as at 31 December 2012, and the condensed profit and loss and comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 7 to 15.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Argentina Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Argentina Mining Limited would be in the same terms if given to the directors as at the time of this auditor's review report.



## *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Argentina Mining Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

## *Material Uncertainty Regarding Continuation as a Going Concern*

Without modifying our conclusion, we draw attention to Note 2 in the financial report which indicates that the Consolidated Entity has incurred a net loss of \$3,856,697 and experienced net cash outflows from operating and investment activities of \$833,856 for the half year ended 31 December 2012. These conditions, along with other matters set forth in Note 2, indicate the existence of a material uncertainty which may cast significant doubt about the Consolidated Entity's ability to continue as a going concern and therefore the Consolidated Entity may be unable to realise its assets and extinguish its liabilities in the normal course of business.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*Neil Smith*

**Neil Smith**  
Partner  
Chartered Accountants  
Perth, 15 March 2013