

17 April 2014

ASX ANNOUNCEMENT

## Capital Raising to Raise \$1.18m

- **Argentina Mining Limited to raise approximately \$1m via 1 for 2 non-renounceable rights issue at 1 cent per share with a 1 for 2 free attaching option**
- **Placement to sophisticated investors to raise additional \$160,500**
- **Proceeds to be used to further exploration activities in Tanzania and to provide working capital**

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Argentina Mining Limited (ASX: AVK) (**AVK** or the **Company**) is pleased to announce a capital raising comprised of:

- (a) a placement to institutional and sophisticated investors to raise approximately \$160,500 (before costs) (**Placement**); and
- (b) a non-renounceable rights issue to raise up to approximately \$1,025,192 (before costs) (**Rights Issue**).

The monies raised from the capital raising will be used to fund exploration activities in Tanzania as well as ongoing working capital requirements.

### Rights Issue

The Rights Issue will be offered on the basis of one (1) new fully paid ordinary share (**New Share**) for every two (2) shares held at the record date (5.00pm WST on 29 April 2014) at an issue price of 1 cent per New Share, representing an approximate 33% discount to the last closing price (1.5 cents) of the Company's shares on 16 April 2014 to be offered to shareholders with a registered address in Australia or New Zealand at the record date.

The New Shares will rank equally in all respects with the Company's existing shares.

Subscribers to the Rights Issue will also receive one (1) free attaching option (**New Option**) for every two (2) New Shares subscribed for and issued, exercisable at 5 cents on or before 24 December 2016.

The Company will apply to the ASX for quotation of the New Shares and New Options.

The Rights Issue is non-renounceable which means that the entitlements to participate in the Rights Issue are not transferable and cannot be traded on the ASX or privately transferred.

## Prospectus

The Company has lodged a prospectus with the Australian Securities and Investments Commission today (**Prospectus**) which sets out the material information relating to the Rights Issue.

The Prospectus also contains:

- (a) an offer of options to brokers who are involved in the placement of the shortfall under the Rights Issue (**Broker Offer**); and
- (b) a cleansing offer to facilitate secondary trading of shares to be issued under the Placement (**Cleansing Offer**).

The Broker Offer and Cleansing Offer are not open to the public..

A copy of the Prospectus and an Appendix 3B in respect of the Rights Issue will be released to ASX shortly. The Prospectus, together with an entitlement and acceptance form, will also be mailed to all eligible shareholders in accordance with the timetable below. The Prospectus will also be available on the Company's website [www.argentinamining.com.au](http://www.argentinamining.com.au) and the ASX website.

## Placement

The Company has secured commitments to raise \$160,500 by the issue of 16,050,000 shares at 1 cent per share under the Placement. The Company expects to issue the Placement shares prior to the record date for the Rights Issue utilising its ASX Listing Rule 7.1 15% and ASX Listing Rule 7.1A 10% placement capacity (to the extent available) in order to allow the placees to participate in the Rights Issue. The Company will seek shareholder approval for the issue of any Placement shares in excess of its available placement capacity under the ASX Listing Rules. Further details of the Placement are contained in the Prospectus.

## Timetable

The indicative timetable for the Rights Issue is as follows:

| RIGHTS ISSUE                                               | Date                   |
|------------------------------------------------------------|------------------------|
| Lodgment Date                                              | 17 April 2014          |
| "Ex" date                                                  | 24 April 2014          |
| Record date to determine Entitlements for the Rights Issue | 29 April 2014          |
| Prospectus with Entitlement and Acceptance Form dispatched | 2 May 2014             |
| Rights Issue opens for receipt of Applications             | 2 May 2014             |
| Closing date for acceptances for the Rights Offer          | 5pm WST on 13 May 2014 |

|                                                                   |             |
|-------------------------------------------------------------------|-------------|
| New Shares and New Options quoted on a deferred settlement basis  | 14 May 2014 |
| Notify ASX of under subscriptions for the Rights Issue            | 16 May 2014 |
| Allotment and issue of New Shares and New Options                 | 20 May 2014 |
| Dispatch of holding statements for New Shares and New Options     | 20 May 2014 |
| Normal trading of New Shares and New Options commences on the ASX | 21 May 2014 |

This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates, subject to the ASX Listing Rules and *Corporations Act 2001* (Cth)

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For further information, please contact:

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