

# **ARGENT MINING CORP.**

(Formerly: Argent Resources Ltd.)

## ***Management's Discussion & Analysis***

*for the period ended  
February 28, 2007*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### General

Management's discussion and analysis ("MD&A") has been prepared based on information available to Argent Mining Corp. ("Argent" or the "Company") as of March 21, 2007. MD&A provides a detailed analysis of the Company's business and compares its financial results with those of the previous year and should be read in conjunction with the Company's financial statements for the period ended February 28, 2007 and the audited financial statements for the year ended November 30, 2006. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

The Company is a development stage company focused on the exploration and development of mineral properties in British Columbia. The Company's only mineral property is the Iron Lake property in which the Company has an option to earn a 55% interest.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record, and the experience of management.

### Critical Accounting Policies

The Company's accounting policies are described in Note 3 to the audited financial statements for the year ended November 30, 2006. Management considers the following policies to be the most critical in understanding the judgments and estimates that are involved in the preparation of its consolidated financial statements.

#### *Use of Estimates*

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment of assets, and useful lives for depreciation and amortization. Financial results as determined by actual events could differ from those estimates.

#### *Accounting for Stock Options*

The fair value of stock options used to calculate compensation expense has been estimated using the Black-Scholes Option Pricing Model. Option pricing models require the input of highly subjective assumptions including the expected price volatility of the Company's shares.

#### *Resource Property Interests*

The Company's current business activity focus is on the exploration and development of mineral properties. The cost of acquiring, exploring, and developing mineral properties is capitalized. In the event that the Company elects to proceed with the development of a project, capitalized acquisition, exploration and development expenditures will be amortized against future production upon commencement of commercial production, or written off if the properties are sold or abandoned.

### Overall Performance

During the three month period ended February 28, 2007, the Company spent \$2,543 in exploration on its Iron Lake property. The Company will review new projects with the intent to acquire properties that complement the existing properties and increase the current and future development potential of the Company.

## Results of Operations

*Period ended February 28, 2007 compared with Period ended February 28, 2006*

The Company reported net loss of \$17,963 (\$0.001 per share) for the period ended February 28, 2007 as compared to net loss of \$35,794 (\$0.004 per share) for the period ended February 28, 2006. Significant changes between the 2007 and 2006 income and expense amounts that comprised net loss are discussed below.

Administrative expenses for the period ended February 28, 2007 totalled \$18,153 and was \$17,976 lower than the 2006 expenses of \$36,129. The Company reduced administrative expenses during the period by conducting its own investor relations calls, website maintenance, and preparation of marketing materials as opposed to outsourcing these activities.

### *Summary of Quarterly Results*

The summary of unaudited quarterly results has been prepared in accordance with Canadian GAAP.

	Revenue	Income (Loss)	Income (Loss) per share	Deferred Exploration
	\$	\$	\$	\$
<b>February 28, 2007</b>	-	<b>(17,963)</b>	<b>(0.001)</b>	<b>2,543</b>
November 30, 2006	-	115,720	0.009	3,155
August 31, 2006	-	(15,083)	(0.001)	39,872
May 31, 2006	-	(49,109)	(0.005)	126,896
February 28, 2006	-	(35,794)	(0.004)	100,302
November 30, 2005	-	70,474	0.008	5,060
August 31, 2005	-	(1,221,429)	(0.13)	51,132
May 31, 2005	-	(119,759)	(0.013)	286,956

Fluctuations in the Company's expenditures reflect the seasonal variations of exploration, the level of corporate activity, and the ability of the Company to raise capital for its projects. It is important to note that the net income in the quarters ending November 30, 2006 and November 30, 2005 is a result of an accounting policy that requires the Company to record a reduction in share capital for the tax effect of expenditures renounced and if available, record a recovery in recognition of previously unrecorded future income tax assets. The Company does not have income from operations.

The Company recorded stock-based compensation in the quarter ending November 30, 2005 in the amount of \$53,414.

The results in the quarters ending August 31, 2005 and November 30, 2005 reflect the write-down of properties in the amount of \$1,188,439 and \$12,480 respectively on the Timmins Offset Gold Project and the Harper Creek Claims.

### *Mineral Properties*

Deferred exploration and development costs for the period ended February 28, 2007 totalled \$2,543 and was \$97,759 lower than the 2006 expenditures of \$100,302. The expenditures in 2007 were spent on Argent's Iron Lake property.

The Company has an option agreement to acquire the following property:

- Iron Lake Claims – B.C.

The Company has an option agreement to acquire a 55% interest in the property which is located northeast of the city of 100 Mile House and 15 km north of the small community of Eagle Creek, B.C. in consideration for \$105,000 cash and 300,000 (140,000 post-consolidation) shares. The Company has paid \$65,167 and issued 300,000 shares as

per the terms of the agreement. The Company must also incur \$1,250,000 in exploration expenditures by July 2008. The optionor has credited the Company for \$600,000 in exploration costs as per the amended agreement.

### ***Exploration Update***

Previous exploration on the property conducted in the early 1970's, 1989-1991 and to a limited extent in 2001 and 2002 has established the presence of significant copper, palladium, platinum and gold anomalies in soil. These are associated with a magnetic anomaly defined by a government funded regional airborne magnetic survey flown in 1967. A helicopter borne magnetic and electromagnetic survey was completed in the summer of 2004 with an aim to define conductors over which detailed ground geophysical and geochemical surveys can then be focused to more discriminately identify targets to be trenched and/or drilled.

The company reports that during the Period, five diamond drill holes totalling 680.6 metres have been completed in the Iron Lake copper-nickel-platinum group metal prospect in South Central British Columbia. The current program, which was initiated in mid May and completed in June, was designed to follow up the successful discovery of massive sulphide mineralization in 2005. The 2005 discovery was made testing an airborne electromagnetic conductor that was subsequently refined in February 2006 with a ground based UTEM geophysical survey in which a number of conductors were detected.

The first and most successful hole of the recent program, hole IL-06-05, intersected 2.2 metres of massive sulphide followed by 2.1 metres of semi massive sulphide. This hole was an 85 metre stepout to the south from 2005-03 which has intersected a total of 6 metres of similar massive sulphide in 2005. The sulphide intersected is dominantly pyrrhotite with lesser chalcopyrite and started at 73.5 metres downhole. The intercept, from 73.5 to 75.7 metres downhole, grades 0.54% copper, 31.8% iron and is anomalous in nickel and cobalt. The intercept is interpreted to be close to a true thickness. A 0.9m intercept of semi massive pyrrhotite was obtained from the second hole of program drilled at right angles to the first hole a further 95 metres to the south.

No economically significant intercepts of gold or platinum group metals were encountered although large footages of anomalous concentrations were with many sample intervals exceeding 50 parts per million platinum and or palladium in the three more northerly holes.

One of the surprises of the current program was the high concentrations of vanadium encountered in the three most northerly holes where many samples exceed 400 parts per million vanadium and where a trench returned values to 796 parts per million vanadium. The elevated vanadium values are correlative with increased magnetite content leading to speculation that the vanadium occurs as ferrovandium. Ferrovandium, which is used in certain steel alloys, has recently experienced a dramatic increase in price with 2005 prices varying between \$20 and \$60 a pound.

The Iron Lake property is located 45 kilometres northeast of 100 Mile House BC and covers 6875 hectares. Soil sampling (1989 and 2003) defined a strong soil copper anomaly measuring 1500 metres by 1200 metres with local palladium or gold anomalies and where an accumulation of rubble was discovered in 2000 which returned analysis ranging between 0.55% and 1.15% copper, 0.40 and 1.1 g/t gold, 0.15 and 0.45 g/t palladium and 0.10 and 0.25 g/t platinum. The mineralization in the rubble consists of moderate disseminated sulphides in olivine pyroxenite accompanied by elevated nickel values. Both the massive and disseminated sulphide mineralization is believed to be magmatic in origin. The Iron Lake Ultramafic Complex appears to have a dimension of approximately 4 kilometres by 6 kilometres based on the 2004 airborne geophysical survey.

### **Liquidity**

Financing of operations is achieved primarily by issuing share capital. At February 28, 2007, the Company had \$12,072 in cash and a working capital deficiency of \$77,713.

During the period ended February 28, 2007 expenditures for operating activities were \$34,716 compared to \$8,569 in 2006. The Company reduced operating costs during the period by conducting its own investor relations calls, website maintenance, and preparation of marketing materials as opposed to outsourcing these activities. In addition, the Company reduced accounts payable during the period.

Argent's investing activities revolve around developing its mineral properties. The Company spent \$2,543 in deferred exploration during the period ended February 28, 2007 compared to \$100,302 in 2006. The expenditures in 2007 were spent on Argent's Iron Lake property.

No financing activities were completed during the period ended February 28, 2007.

The Company will need to raise additional funds to continue its planned exploration and development programs for the 2007 fiscal year.

### **Capital Resources**

The Company's primary capital assets are mineral property assets. The Company capitalizes all costs related to the mineral properties until the properties are put into commercial production and amortized or written-off when abandoned or when delays in the development process require a revaluation.

All of the Company's mineral property agreements are non-binding. To earn its interest in the properties the Company must incur certain expenditures as per the agreements. The Company must spend \$1,250,000 on the Iron Lake property by July 2008 of which \$600,000 has been credited by the optionor.

### **Transactions with Related Parties**

Pursuant to a Management Agreement with the Company dated July 1, 2006, management fees, accounting and administrative services totalling \$42,000 are paid annually to a corporation 25% owned by Eugene Beukman, a director and officer of the Company. During the period, the Company paid or accrued \$10,500.

### **Proposed Transactions**

There are no transactions that will materially affect the performance of the Company.

### **Changes in Accounting Policies including Initial Adoption**

The Company has not made any changes to its accounting policies during the period.

### **Share Data**

The authorized capital of the Company consists of an unlimited number of common shares of which 12,493,687 were issued and outstanding as of the date of this report.

Pursuant to the Company's Stock Option Plan, the number of common shares reserved for issuance under the Plan in aggregate shall not exceed 10% of the total number of issued and outstanding common shares on a non-diluted basis. Currently, there are no stock options are outstanding.

The following table sets out all the outstanding share purchase warrants (total of 1,910,978) in Argent:

<b>Number of Argent Warrants to Purchase Common Shares</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
373,252	\$0.45	June 3, 2007
606,060	\$0.21	June 20, 2008
931,666	\$0.175	July 25, 2008

Argent has no performance shares or escrow shares.

### **Risks and Uncertainties**

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

The property interests in which the Company has an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

### **Forward Looking Information**

This document contains statements which constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results and achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **Management Changes**

On March 14, 2007, the Company announced the appointment of Mr. Rene Bharti to its Board of Directors. Mr. Bharti has also been appointed President and Chief Executive Officer of the Company.

Over the past decade Rene Bharti has held senior management roles in several public and private companies, including those in the resource, technology, and entertainment sectors. Previously, Mr. Bharti also served as Vice President of Business Development for a publicly listed resource company with gold assets in the former Soviet Union. Subsequent to that, Mr. Bharti founded a highly successful entertainment company servicing TV and film clients in Canada, the U.S. and Mexico. Mr. Bharti holds a Bachelor of Commerce (Honours) degree from Queen's University.

Concurrently, the Company has accepted the resignation of Eugene Beukman as President, Chief Executive Officer and Director of the Company and wishes him success in his other endeavors.

### **Multilateral Instrument 52-109 Disclosure**

#### Evaluation of disclosure controls and procedures

We have evaluated the effectiveness of our disclosure controls and procedures and have concluded, based on our evaluation that they are sufficiently effective to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

#### Internal controls over financial reporting

The Chief Executive Officer and Chief Financial Officer, together with other members of management, after having designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reporting in accordance with the issuer's GAAP as of February 28, 2007 have not identified any changes to the Company's internal control over financial reporting which would materially affect, or is reasonably likely to materially affect the Company's internal control over financial reporting.

**Other**

Additional information relating to the Company's operations and activities can be found by visiting the Company's website as [www.argentmining.com](http://www.argentmining.com). You may also access the Company's disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).