



ASX ANNOUNCEMENT

27 October 2014

QUARTERLY ACTIVITIES REPORT SEPTEMBER 2014

Argosy Minerals Limited (ASX: AGY) ("the Company") is an Australian based mineral exploration company with a 100% interest in the Erongo Graphite Project in Namibia. The Company provides the following update for the quarter ended 30 September 2014.

Erongo Graphite Project (Area 51)

The Erongo (Area 51) Graphite Project is located in Namibia, approximately 275km northwest of the capital Windhoek. The Company has previously advised it had conducted drilling, sample analysis and geophysical survey activities at the project during 2014.

During the Quarter, and following the recent corporate restructure, the Company commenced a review of all available data associated with the project to determine the best approach and strategy for any future exploration works.

Other Projects/Opportunities

The Company intends to proactively identify and review new project or asset acquisition opportunities, initially targeting additional graphite projects, to enhance its project portfolio and increase the overall value proposition of AGY. The Company will also consider other mineral commodities to ensure it is best placed to deliver value and upside potential for all its shareholders.

Corporate

During the Quarter, following the closing of the Renounceable Rights Issue Offer and subsequent Shortfall facility where the Company raised \$41,094.57 in April 2014, the Company entered into a capital raising engagement agreement with Capital and Corporate Advisors Pty Ltd (CCA) for the purposes of placing the outstanding Shortfall shares and recapitalising the Company with independent new professional and sophisticated investors being introduced on the Company's register.

The Company was pleased to advise it had successfully placed the 231,510,926 shortfall shares at an issue price of \$0.002 per share, raising \$463,021.85 in July 2014. As per the CCA engagement terms, the Company successfully raised an additional \$300,000 through convertible loan notes, with any conversion subject to shareholder approval. The Company used the convertible loan note funds to repay its major shareholder Discovery Africa Limited (ASX: DAF) \$300,000 and is currently in the process of preparing a General Meeting to seek shareholder approval to issue 50,000,000 fully paid ordinary shares at a deemed issue price





ASX ANNOUNCEMENT

of \$0.002 as full and final satisfaction of the remaining loan outstanding to DAF. The share issue to DAF will be subject to any shareholder approvals required.

As part of the recapitalisation proposal, the Company appointed Mr Ranko Matic and Mr Jerko Zuvela as new directors, whilst Mr Peter Lloyd and Mr Graham Walker resigned as directors and Ms Melanie Leydin resigned as Company Secretary. Mr Frank Knezovic remains as non-Executive Chairman and Mr Ranko Matic was appointed as Company Secretary.

The Company lodged its Interim (half-yearly) Financial Report.

The Company relocated its registered, administrative, project and accounting offices to Perth. The new address for all correspondence and contact details is as follows:-

Level 1, 12 Kings Park Road, West Perth WA 6005
PO Box 44, West Perth, WA 6872
Ph: 08 9226 4500
Fax: 08 9226 4300

Schedule of Tenements

The schedule of tenements held by the Company at the end of the quarter is shown below. There were no tenements acquired or disposed of during the quarter.

Tenement	Location	Beneficial Percentage held
EPL4079	Namibia	100%
EPL4335	Namibia	100%

KEY OBJECTIVES FOR DECEMBER 2014 QUARTER

- ◆ Continue the comprehensive review of all available data on the Erongo Graphite Project to determine project strategy;
- ◆ Continue to review and identify new project opportunities for possible acquisition to enhance AGY project portfolio.

ENDS

For further information:

Jerko Zuvela, Director
Ranko Matic, Director

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