



ASX ANNOUNCEMENT

1 September 2017

LAPSE OF EKEKO OPTION

Argosy Minerals Limited (ASX: AGY) ("**Argosy**" or "**Company**") advises that its Option Agreement with Ekeko S.A. to purchase the Mina Teresa and Pocitos Project properties ("the Projects") will not be exercised prior to its expiry.

Argosy engaged a reputable independent third-party hydrogeological consultant with significant lithium brine expertise in Argentina and within both Project areas to carry out a thorough review of the Projects, utilising both public available and privately purchased recent historical exploration data and reports from previous operators within the area of the Projects.

The reports prepared by Argosy's expert consultant highlighted various issues with both Projects associated with grade, lithology, potential brine volumes and production capacity, scale, brine extraction, and consideration of potential to blend the brines with Argosy's Rincon Lithium Project process plant. In addition, the delays encountered with the regulatory approvals process in Jujuy Province proved problematic. As a result, the Company has determined that it is not in the best interests of its stakeholders to pursue the acquisition and future development of either of the Projects at this time.

Whilst Argosy is still open to acquisition of high-quality assets to enhance its project portfolio, for now it has committed the main force of its attention and resources on fast-track development and near-term production of battery grade LCE at the Rincon Lithium Project.

The Company continues to review and assess additional mining concessions for the Rincon Lithium Project.

The Company is confident that the Rincon Lithium Project has a clear conceptual pathway to lithium production, with historical results and Mr Alurralde's previous operating and production experience from the Project area and over the broader Salar del Rincon justifying our fast-track strategy.

ENDS

For more information on Argosy Minerals Limited and to subscribe for regular updates, please visit our website at www.argosyminerals.com.au or contact us via admin@argosyminerals.com.au or Twitter @ArgosyMinerals.

For further information:

Jerko Zuvela
Managing Director

T | +61 8 9226 4500

E | admin@argosyminerals.com.au

W | www.argosyminerals.com.au

Forward Looking Statements: Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

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ABOUT ARGOSY MINERALS LIMITED

Argosy Minerals Limited (ASX: AGY) is an Australian company with interests in the Rincon, Mina Teresa and Pocitos Lithium Projects in Argentina.

The Company is focused on its flagship Rincon Lithium Project in Argentina – potentially a game-changing proposition given its location within the world renowned “Lithium Triangle” – host to the world’s largest lithium resources, and its fast-track development strategy toward production of LCE product.

Argosy is committed to building a sustainable lithium production company, highly leveraged to the forecast growth in the lithium-ion battery sector.

Appendix 1: AGY’s Argentina Project Location Map

