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## **ARGOSY MINERALS LIMITED**

**ACN 073 391 189**

### **NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11.30am (Perth time)

**DATE:** 29 May 2015

**PLACE:** Level 1, 12 Kings Park Road  
West Perth, Western Australia

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9226 4500.*

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE AND TIME OF MEETING**

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The Annual General Meeting of the Shareholders of Argosy Minerals Ltd which this Notice of Annual General Meeting relates to will be held at Bentleys, Level 1, 12 Kings Park Road, West Perth on Friday, 29 May 2015 at 11:30am WST.

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**YOUR VOTE IS IMPORTANT**

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The business of the Meeting affects your shareholding and your vote is important.

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**VOTING IN PERSON**

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To vote in person, attend the Annual General Meeting on the date and at the place set out above.

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**VOTING ELIGIBILITY**

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5.00 pm WST on 27 May 2015.

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**VOTING BY PROXY**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies

should be aware of these changes to the Corporations Act, as they will apply to this Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Argosy Minerals Ltd (ACN 073 391 189) (**Company**) will be held at Bentleys, Level 1, 12 Kings Park Road, West Perth on Friday 29 May 2015 at 11:30am WST. The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00pm WST on 27 May 2015.

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered at the Meeting.

### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Financial Report of the Company for the year ended 31 December 2014 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual Financial Report for the financial year ended 31 December 2014."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

##### **Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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### 3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR RANKO MATIC

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 12.7 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Ranko Matic, a Director who was appointed on 17 July 2014, retires, and being eligible, is re-elected as a Director.”*

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### 4. RESOLUTION 3 – ELECTION OF DIRECTOR – MR JERKO ZUVELA

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 12.7 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Jerko Zuvela, a Director who was appointed on 17 July 2014, retires, and being eligible, is re-elected as a Director.”*

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### 5. RESOLUTION 4 – APPROVAL TO CONVERT UNRELATED LOAN NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the issues of up to 37,500,000 Shares to the Unrelated Noteholders (or their nominees), at an issue price of \$0.002 per Share on the conversion of the outstanding amount owed by the Company under the Unrelated Convertible Loan Note, in the manner and on the terms and conditions as set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any of the Unrelated Noteholders (or their nominees) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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### 6. RESOLUTION 5 – APPROVAL TO ISSUE SHARES IN LIEU OF INTEREST UNDER THE UNRELATED LOAN NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the issue of Shares in satisfaction of interest payable under the Unrelated Convertible Loan Notes from time to time, at an issue price of \$0.002 per Share, in the manner and on the terms and conditions as set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any of the Unrelated Noteholders (or their nominees) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 7. RESOLUTION 6 – APPROVAL TO CONVERT PETER LLOYD LOAN NOTE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, shareholders authorise and approve Peter Lloyd's Loan Note to be convertible into up to 32,500,000 Shares at a conversion price of \$0.002 per Share to be issued to Mr Peter Lloyd (or his nominee) in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Peter Lloyd (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 8. RESOLUTION 7 – APPROVAL TO ISSUE SHARES IN LIEU OF INTEREST UNDER PETER LLOYD LOAN NOTE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, Shareholders approve the issue of Shares in satisfaction of interest payable under Peter Lloyd's Loan Note from time to time, at an issue price of \$0.002 per Share, in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Peter Lloyd (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 9. RESOLUTION 8 – APPROVAL TO CONVERT GRAHAM WALKER LOAN NOTE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, shareholders authorise and approve Graham Walker's Loan Note to be convertible into up to 10,000,000 Shares at a conversion price of \$0.002 per Share to be issued to Mr Graham Walker (or his nominee) in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Graham Walker (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**10. RESOLUTION 9 – APPROVAL TO ISSUE SHARES IN LIEU OF INTEREST UNDER GRAHAM WALKER LOAN NOTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, Shareholders approve the issue of Shares in satisfaction of interest payable under Graham Walker's Loan Note from time to time, at an issue price of \$0.002 per Share, in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Graham Walker (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**11. RESOLUTION 10 – APPROVAL TO CONVERT FRANK KNEZOVIC LOAN NOTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, shareholders authorise and approve Frank Knezovic's Loan Note to be convertible into up to 10,000,000 Shares at a conversion price of \$0.002 per Share to be issued to Mr Frank Knezovic (or his nominee) in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Frank Knezovic (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**12. RESOLUTION 11 – APPROVAL TO ISSUE SHARES IN LIEU OF INTEREST UNDER FRANK KNEZOVIC LOAN NOTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, Shareholders approve the issue of Shares in satisfaction of interest payable under Frank Knezovic's Loan Note from time to time, at an issue price of \$0.002 per Share, in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Frank Knezovic (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**13. RESOLUTION 12 – APPROVAL TO CONVERT RANKO MATIC LOAN NOTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, shareholders authorise and approve Ranko Matic's Loan Note to be convertible into up to 17,500,000 Shares at a conversion price of \$0.002 per Share to be issued to Mr Ranko Matic (or his nominee) in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Ranko Matic (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**14. RESOLUTION 13 – APPROVAL TO ISSUE SHARES IN LIEU OF INTEREST UNDER RANKO MATIC LOAN NOTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, Shareholders approve the issue of Shares in satisfaction of interest payable under Ranko Matic's Loan Note from time to time, at an issue price of \$0.002 per Share, in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Ranko Matic (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**15. RESOLUTION 14 – APPROVAL TO CONVERT JERKO ZUVELA LOAN NOTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, shareholders authorise and approve Jerko Zuvella Loan Note to be convertible into up to 42,500,000 Shares at a conversion price of \$0.002 per Share to be issued to Mr Jerko Zuvella (or his nominee) in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Jerko Zuvella (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.



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**16. RESOLUTION 15 – APPROVAL TO ISSUE SHARES IN LIEU OF INTEREST UNDER JERKO ZUVELA LOAN NOTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11, section 195 of the Corporations Act, and for all other purposes, Shareholders approve the issue of Shares in satisfaction of interest payable under Jerko Zuvela's Loan Note from time to time, at an issue price of \$0.002 per Share, in the manner and on the terms and conditions as set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Jerko Zuvela (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**17. RESOLUTION 16 – APPROVAL OF 10% PLACEMENT FACILITY**

To consider and, if thought fit, to pass, with or without amendment, as a **special resolution** the following:

*"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**DATED: 17 APRIL 2015**

**BY ORDER OF THE BOARD**



**RANKO MATIĆ  
DIRECTOR & COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual Financial Report of the Company for the financial year ended 31 December 2014 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's annual Financial Report to Shareholders unless specifically requested to do so. The Company's annual Financial Report is available on its website at [www.argosyminerals.com.au](http://www.argosyminerals.com.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Company or the directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual Financial Report of the Company for a financial year.

The Chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

#### 2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a Remuneration Report resolution are voted against adoption of the Remuneration Report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### **2.3 Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### **2.4 Proxy voting restrictions**

Shareholders appointing a proxy for this Resolution should note the following:

*If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy*

*You must direct your proxy how to vote on this Resolution.* Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

*If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).*

You do not need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

*If you appoint any other person as your proxy*

You do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

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## **3. RESOLUTION 2 – ELECTION OF RANKO MATIC**

Clause 12.7 of the Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Clause 12.7 of the Constitution requires that any directors appointed by the Board during the year, holds office only until the next following general meeting and are then eligible for re-election. Mr Ranko Matic was appointed a Non-Executive Director by the Board on 17 July 2014. Mr Matic retires in accordance with the Constitution and being eligible, offers himself for re-election as a Director.

Mr Matic is a Chartered Accountant with over 25 years experience in the areas of financial and executive management, accounting, audit, business and corporate advisory. Mr Matic has considerable experience in a range of industries with particular exposure to publicly listed companies and large private enterprises.

Mr Matic is a director of a chartered accounting firm and a corporate advisory company based in West Perth, and has specialist expertise and exposure in areas of audit, corporate services, due diligence, mergers and acquisitions, and valuations.

Mr Matic has also acted as chief financial officer and company secretary for companies in the public and private sector and currently holds company secretarial roles with publically listed companies, including Aleator Energy Ltd, Celsius Coal Limited, Antilles Oil and Gas NL, Discovery Africa Ltd, East Energy Resources Ltd and Valmec Ltd. Mr Matic is also a director of East Energy Ltd, Celsius Coal Ltd and Valmec Limited.

Mr Matic will retire in accordance with clause 12.7 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

The other Directors of the Company unanimously recommend the re-election of Mr Matic.

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#### **4. RESOLUTION 3 – ELECTION OF JERKO ZUVELA**

A summary of Clause 12.7 of the Constitution is included at Resolution 2 of this Explanatory Statement.

Mr Jerko Zuvella was appointed a Non-Executive Director by the Board on 17 July 2014. Mr Zuvella retires in accordance with the Constitution and being eligible, offers himself for re-election as a Director.

Mr Zuvella is a Chartered Professional Geologist having spent over 18 years in the mining and resources industry. He has held executive management roles for private and public resources companies, with operational and corporate experience in various commodities covering exploration, project development, business development, finance, commercial and corporate activities involved with projects in Australia, Asia, Africa and South America.

Mr Zuvella has considerable experience in building junior resources companies and understands the requirements working within this sector, including fundamental parameters, strategic drivers and market requirements within the junior resources industry. He played a key role in transforming Kangaroo Resources Ltd to an ASX300 company taken over by Bayan Resources. Other executive roles have included Managing Director at Indicoal Mining Australia, Technical Director at OZ Coal, General Manager at Strike Resources and Alara Resources, and Chief Geologist at Fireside Resources.

Mr Zuvella is a member of the Australasian Institute of Mining and Metallurgy (CP) and holds a Bachelor of Science in Applied Geology from Curtin University in Western Australia.

Mr Zuvella will retire in accordance with clause 12.7 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

The other Directors of the Company unanimously recommend the re-election of Mr Zuvella.

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#### **5. BACKGROUND TO TRANSACTION**

On 4 July 2014, the Company announced that it had entered into a capital raising engagement agreement with Capital and Corporate Advisors Pty Ltd for

the purposes of recapitalising the Company with independent new professional and sophisticated investors (**CCA Engagement Agreement**).

Key elements of the CCA Engagement Agreement include:

- (a) An immediate share placement of up to 231,510,926 shortfall shares resulting from the Company's Renounceable Rights issue Offer to eligible shareholders in March 2014 at an issue price of \$0.002 per share raising \$463,021; and
- (b) Raising of \$300,000 through convertible loan notes, with any conversion subject to shareholder approval (**Loan Notes**); and
- (c) Subsequent to, and as part of, completion of the above capital raisings, the Company will repay \$300,000, followed by the issue of 50,000,000 fully paid ordinary shares at a deemed issue price of \$0.002 to Discovery Africa Ltd (ASX:DAF) (**Discovery Africa or DAF**) as full and final satisfaction of the remaining loan outstanding to DAF (**Loan Repayment Arrangement**). The share issue to DAF will be subject to shareholder approval as required.

Since October 2013, Discovery Africa has provided funding to Argosy Minerals to cover their working capital requirements, as their subsidiary.

As at 4 July 2014 the loan outstanding to Discovery Africa was \$699,270.70 and remained that way with no further interest accruing.

In order to fully repay and discharge the debt owed to Discovery Africa, the Company and DAF agreed to the following loan repayment arrangement as follows:

- (a) Repayment of \$300,000 in cash upon the successful convertible loan note fund raising by Argosy Minerals;
- (b) The issue of 50,000,000 fully paid ordinary shares at a deemed issue price of \$0.002, representing \$100,000 (subject to necessary shareholder approvals);
- (c) The remaining amount owing of \$299,270.70 to be written off as debt forgiveness.

In this regard the Company has agreed, subject to obtaining Shareholder approval, to issue 50,000,000 shares at \$0.002 to DAF (**DAF Shares**) in order to finally satisfy the debt owed to Discovery Africa. Shareholder approval for the issue of the DAF Shares will be obtained at a separate meeting at a later date.

On 6 August 2014, the Company announced that it had successfully raised \$300,000 via the convertible Loan Notes. On 13 August 2014 the Company paid \$300,000 to Discovery Africa to satisfy the first part of the loan repayment agreement transaction.

The Company is seeking shareholder approval for:

- (a) the ability to convert the Unrelated Loan Notes and any interest payable under the Unrelated Loan Notes into Shares to be issued to the Unrelated Noteholders or their nominees (Resolutions 4 and 5); and

- (b) the ability to convert the Related Party Loan Notes and any interest payable under the Related Party Loan Notes into Shares to be issued to the Related Noteholders or their nominees (Resolutions 6-16).

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## 6. RESOLUTIONS 4-16 (INCLUSIVE) – APPROVALS TO CONVERT LOAN NOTES AND ISSUES SHARES IN LIEU OF INTEREST

### 6.1 General

On 4 July 2014, the Company announced that it had entered into a capital raising engagement agreement for the purposes of recapitalising the Company with independent new professional and sophisticated investors.

Details of the capital raising and CCA Engagement Agreement are detailed in section 5 above.

A key element of the CCA Engagement Agreement was the raising of \$300,000 through convertible loan notes, with the funds raised through the convertible note issue to be applied to the payment of the loan from Discovery Africa (**Loan Notes**). The Loan Note issue was completed in August 2014, with \$300,000 paid to Discovery Africa as per the terms of the Loan Repayment Arrangement described in section 5 above.

The Loan Notes were issued to the following parties (**Noteholders**):

- (a) unrelated professional and sophisticated investors (**Unrelated Noteholders**); and
- (b) the following related parties:
  - (i) Mr Peter Lloyd (a former director of the Company);
  - (ii) Mr Graham Walker (a former director of the Company);
  - (iii) Mr Frank Knezovic (a current director of the Company);
  - (iv) Mr Ranko Matic (a current director of the Company); and
  - (v) Mr Jerko Zuvela (a current director of the Company),(collectively, the **Related Party Noteholders**).

Resolution 4 seeks Shareholder approval under Listing Rule 7.1 for the issue of up to 37,500,000 Shares upon conversion of the Unrelated Loan Notes at a conversion price of \$0.002 per Share (**Unrelated Conversion Shares**).

Resolution 5 seeks Shareholder approval to issue Shares to the Unrelated Noteholders in lieu of interest payments under the Unrelated Loan Notes (**Unrelated Interest Shares**).

Resolutions 6, 8, 10, 12 and 14 seek Shareholder approval under Listing Rule 10.11 for the issue of up to 112,500,000 Shares to Related Party Noteholders in total (the respective portions being as per each separate resolution upon conversion of the Related Party Loan Notes at a conversion price of \$0.002 per Share (**Related Party Loan Notes**)).

Resolutions 7, 9, 11, 13 and 16 seek Shareholder approval to issue Shares to the Related Party Noteholders in lieu of interest payments under the Related Party Loan Notes (**Related Party Interest Shares**).

Approval of Resolutions 4-15 (inclusive) will have the effect of being excluded from calculations of the Company's 15% share issue facility limit under Listing Rule 7.1 and additional placement capacity under Listing Rule 7.1A

## 6.2 Terms of Loan Notes

The key terms of the Loan Notes are as follows:

- (a) the Loan Notes are unsecured and repayable within two (2) years (**Repayment Date**);
- (b) the aggregate principal sum advanced under the Loan Notes is \$300,000, as follows:

Noteholder	Principal Sum	Number of Shares <sup>1</sup>
Unrelated Noteholders	\$75,000	37,500,000
Peter Lloyd	\$65,000	32,500,000
Graham Walker	\$20,000	10,000,000
Frank Knezovic	\$20,000	10,000,000
Ranko Matic	\$35,000	17,500,000
Jerko Zuvela	\$85,000	42,500,000
<b>Total</b>	<b>\$300,000</b>	<b>150,000,000</b>

<sup>1</sup> Plus any Shares issued on conversion of any Interest payable, see paragraph (h) below.

- (c) Each Convertible Note and, where applicable, any accrued interest will convert into Shares at the conversion price of \$0.002 (**Conversion Price**);
- (d) subject to Shareholder approval under this Resolutions 4-15 (inclusive), the Noteholders (or their nominees) will be entitled (but not obligated) to convert all or a portion of the Loan Notes into Shares by delivering a conversion notice to the Company at any time prior to the Repayment Date and the Company must issue the Shares on conversion within 5 business days of receipt of the conversion notice;
- (e) the Loan Notes may otherwise be repaid in cash or converted in whole or part, as agreed by the Company and the Noteholder;
- (f) the Loan Notes are transferable with the prior written consent of the Company;
- (g) interest on the principal sum advanced under the Loan Notes accrues at the rate of 12% per annum and is repayable on the Repayment Date unless converted into Shares at the election of the Company (**Interest**). If elected by the Company, the Interest is convertible into Shares at the Conversion Price. Accordingly, the number of Shares to be issued on

conversion of the Interest will be equal to the total amount of Interest payable divided by the Conversion Price;

- (h) the table below sets out the indicative number of Shares which the Noteholders may acquire in the Company (on the basis of the assumptions set out in that table) if the Loan Notes are converted into Shares and Interest payments are made by the issuing of Shares. The table below assumes that the Loan Notes are not converted or repaid prior to the Repayment Date and that the Noteholders elect to receive all Interest accruing by way of the issue of Shares (i.e the maximum amount of Interest is payable). The actual number of Shares may vary from that indicated below, based on the application of the terms of the Loan Notes and the amount of Interest payable:

<b>Noteholder</b>	<b>Maximum amount of Interest payable</b>	<b>Number of Interest Shares<sup>1</sup></b>
Unrelated Noteholders	\$18,000	9,000,000
Peter Lloyd	\$15,600	7,800,000
Graham Walker	\$4,800	2,400,000
Frank Knezovic	\$4,800	2,400,000
Ranko Matic	\$8,400	4,200,000
Jerko Zuvela	\$20,400	10,200,000
<b>Total</b>	<b>\$72,000</b>	<b>36,000,000</b>

<sup>1</sup> Which is in addition to the Shares issued on conversion of the Loan Note principal sum, see paragraph (b) above.

- (i) the Noteholder has provided a number of warranties and representations in favour of the Company which are commonly agreed in unsecured loan notes of this nature;
- (j) the Company has provided a number of warranties and representations in favour of the Noteholder which are commonly agreed in unsecured loan notes of this nature.

### 6.3 Corporations Act Requirements

The requirements of Chapter 2E of the Corporations Act are set out in section 6 above.

The issue of the Related Party Conversion Shares and Related Party Interest Shares to the Related Party Noteholders under Resolutions 6 - 15 constitutes giving a financial benefit to the Related Party Noteholders as Peter Lloyd and Graham Walker were formerly directors of the Company within in past 12 months, and Frank Knezovic, Ranko Matic and Jerko Zuvela are currently a director of the Company.

The Directors (other than each director in respect of the resolutions under which he will receive a benefit due to his material personal interest in the outcome of those resolutions) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Related Party Conversion



Shares and Related Party Interest Shares to be issued as the Related Party Conversion Shares and Related Party Interest Shares will be issued to the Related Party Noteholders on the same terms and Conversion Price as the Unrelated Conversion Shares and Unrelated Interest Shares to be issued to the Unrelated Noteholders, and as such the giving of the financial benefit is on arm's length terms.

As a majority of the Directors have a material personal interest in the issue of the Related Party Conversion Shares and Related Party Interest Shares that are the subject of Resolutions 6 - 15 the Company seeks approval under section 195 of the Corporations Act so that the Shareholders may pass a resolution to deal with this matter.

#### **6.4 Listing Rule Requirements for Resolutions 4 and 5**

ASX Listing Rule 7.1 provides that the prior approval of the Shareholders of the Company is required for an issue of equity securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

The issue of Convertible Notes and Convertible Shares outlined in Resolutions 4 and 5 does not exceed the 15% limit, however, ASX Listing Rule 7.4 provides that, where a company in a general meeting ratifies an issue of equity securities the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1 (provided that the previous issue did not breach ASX Listing Rule 7.1), thereby enabling the company to issue further equity securities without exceeding the 15% in 12 months limitation.

Shareholder approval under Resolutions 4 and 5 is sought for the future issue of the Conversion Shares so as to refresh the Company's 15% equity security placement limit pursuant to ASX Listing Rule 7.1.

#### **6.5 Listing Rule Requirements for Resolutions 6-15**

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Related Party Noteholders are related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

#### **6.6 Technical information required by ASX Listing Rules**

Pursuant to and in accordance with ASX Listing Rules 7.1 and 10.11, the following information is provided in relation to the issue of Conversion Shares and Interest Shares to the Noteholders under Resolutions 4-15:

- (a) the Loan Notes issued to the Noteholders have an aggregate total face value as set out in section 6.2 above;
- (b) the Loan Notes are convertible in whole or part into Shares at a conversion price of \$0.002 per share;

- (c) the terms of the Loan Notes are outlined in section 6.2 above and were detailed in the cleansing notice issued by the Company dated 15<sup>th</sup> August 2014 and released to the ASX on the same date. The Conversion Shares will have the same terms and rank equally in all respects with existing shares in the Company and will be quoted on the ASX.
- (d) the Loan Notes were issued to the Unrelated Noteholders, being independent professional and sophisticated investors as part of the CCA Engagement Agreement, and the Related Party Noteholders (being Directors of the Company), as set out in section 6.2 above.
- (e) if Resolutions 4-15 are approved, the Loan Notes will become equity securities. The maximum number of Conversion Shares to be issued to the Noteholders is set out in 6.2 above. Additionally, if the Company elects to convert any Interest payable to Shares, the maximum number of Interest Shares to be issued is also set out in 6.2 above;
- (f) the Loan Notes were issued on 15 August 2014 and are debt securities. If Resolutions 4-15 are passed, all of the Loan Notes will be converted into equity securities which are convertible into Shares for the purposes of the Listing Rules at the date of the approval being obtained, being the date of the Meeting. Subsequently, the Conversion Shares to be issued will be issued within 5 business days of the Company receiving a conversion notice from each Noteholder on or before the Repayment Date. As this may occur at the Noteholders' election, there may be multiple issue dates and the Company will progressively issue Conversion Shares in accordance with the conversion notices it receives;
- (g) Interest is payable under the terms of the Loan Notes accrues at the rate of 12% per annum and is repayable in one payment on the Repayment Date unless converted into Shares at the election of the Company. Accordingly, one Interest payment is due on the Repayment Date unless the Company elects to convert the Interest into Shares at the Conversion Price. The Company has applied for a waiver by ASX of Listing Rules 7.3.2 and 10.13.3 to extend the usual 3 month and 1 month respective periods in which the Interest Shares must be issued to a period ending one week after the Repayment Date, being 26 August 2016. There is no guarantee that this waiver will be granted and the Company will keep shareholders updated in this regard. If the waiver is granted and if the Company elects to convert the Interest into Shares, the Interest Shares will be issued in one allotment on or before 26 August 2016;
- (h) there will be no funds raised upon issue of the Conversion Shares or Interest Shares. The funds raised by the Loan Notes were applied to the loan outstanding to Discovery Africa Ltd as part of the total Loan Repayment Arrangement as described in section 5 above.

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## **7. RESOLUTION 16 - APPROVAL OF 10% PLACEMENT FACILITY**

### **7.1 General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Facility**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 16, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 7.2 below).

The effect of Resolution 16 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Facility during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement Facility granted under Listing Rule 7.1.

Resolution 16 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 16 for it to be passed.

## **7.2 ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

7.2.1 is not included in the S&P/ASX 300 Index; and

7.2.2 has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$378,087 based on the amount of Shares on issue and closing price of Shares on 9 April 2015.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: AGY).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

**A** is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;

- (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- (iv) less the number of Shares cancelled in the previous 12 months.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### **7.3 Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 16:

#### **7.3.1 Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 7.3.1(i), the date on which the Equity Securities are issued.

#### **7.3.2 Date of Issue**

The Equity Securities may be issued under the 10% Placement Facility commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Facility Period).**

#### **7.3.3 Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 16 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Facility, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Facility.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.0005 50% decrease in Issue Price	0.001 Issue Price	0.002 50% increase in Issue Price
378,087,315 (Current Variable A)	Shares issued – 10% voting dilution	37,808,732	37,808,732	37,808,732
	Funds raised	\$18,904	\$37,808	\$75,616
567,130,973 (50% increase in Variable A)	Shares issued – 10% voting dilution	56,713,097	56,713,097	56,713,097
	Funds raised	\$28,356	\$56,713	\$113,426
756,174,630 (100% increase in Variable A)	Shares issued – 10% voting dilution	75,617,463	75,617,463	75,617,463
	Funds raised	\$37,809	\$75,617	\$151,235

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 378,087,315 Shares on issue;
2. The issue price set out above is the closing price of the Shares on the ASX on 9 April 2015.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Facility.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

#### **7.3.4 Purpose of Issue under 10% Placement Facility**

The Company may issue Equity Securities under the 10% Placement Facility for the following purposes:

- (a) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets (funds would then be used for project, feasibility studies and ongoing project administration), general working capital; or
- (b) as non-cash consideration for the acquisition of new resources assets and investments including previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

#### **7.3.5 Allocation under the 10% Placement Facility**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Facility will be dependent on the prevailing market conditions at the time of any proposed placement(s).

The recipients of Equity Securities to be issued under the 10% Placement Facility have not been determined. However, the recipients of Equity Securities could consist of existing Shareholders or new investors (or both) none of whom are related parties of the Company.

The Company will determine the recipients at the time of issue under the 10% Placement Facility, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods of raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and

- (v) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new assets or investments, it is likely that the recipients under the 10% Placement Facility will be the vendors of the new assets or investments.

#### **7.3.6 Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 30 May 2014 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 30 May 2014, the Company otherwise issued a total of 231,510,926 Shares which represents approximately 61.23% of the total diluted number of Equity Securities on issue in the Company on 30 May 2014, which was 146,576,389.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule A.

#### **7.3.7 Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Facility, it will give to ASX:

- (a) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (b) the information required by Listing Rule 3.10.5A for release to the market.

### **7.4 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 16.

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## **8. ENQUIRIES**

Shareholders may contact the Company Secretary on (+ 61 8) 9226 4500 if they have any queries in respect of the matters set out in these documents.

## SCHEDULE A – ISSUES OF EQUITY SECURITIES SINCE 30 MAY 2014

Below is a list of all Equity Securities issued by the Company in the past 12 months:

Date	Quantity and Class of Equity Securities Issued	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
10 July 2014	231,510,926 Fully paid ordinary shares	Shares issued as part of the shortfall shares not taken up by eligible shareholders under the Company's Renounceable Rights Issue Offer in March 2014 to various sophisticated investors	\$0.002 (discount of \$0.002 to market price of \$0.004)	Consideration: Cash  Amount Raised: \$463,022  Amount Spent: \$79,022 on working capital (including administrative costs and investigations into the acquisition of new resources, assets and investments (including expenses associated with such an acquisition) and costs associated with being a public ASX listed company including audit fees, ASX fees, accounting and company secretary services fees, share registry fees, legal fees, website fees) and maintenance of exploration assets.  Amount Remaining: \$384,000  Intended use of funds for amount remaining: working capital (including administrative costs and costs associated with being a public ASX listed company including audit fees, ASX fees, accounting and company secretary services fees, share registry fees, legal fees, website fees ), maintenance of exploration assets, and investigations into the acquisition of new resources, assets and investments (including expenses associated with such an acquisition)  Current Value: \$231,511 <sup>3</sup>
15 August 2014	18 Convertible Notes  The Loan Note agreements were entered into August 2014 as debt securities, and if Resolutions 4-15 are passed, may be converted to equity securities pursuant to shareholder approval obtained at the Meeting.	Various sophisticated investors	Convertible Note contracts for different amounts totalling \$300,000	Consideration: Cash  Amount Raised: \$300,000  Amount Spent: \$300,000 on part repayment of loan provided by Discovery Africa.  Amount Remaining: Nil  Current Value: \$300,000 plus interest of \$23,375 <sup>4</sup>

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the trading day prior to the date of issue of the relevant Equity Securities.



2. Fully paid ordinary shares in the capital of the Company, ASX Code: AGY (terms are set out in the Constitution).
3. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.001) on the ASX on 8 April 2015.
4. Convertible Notes have applicable interest rate of 12% p.a. This provides accrued interest of \$23,375 to 9 April 2015

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## GLOSSARY

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**\$** means Australian dollars.

**Annual General Meeting or Meeting** means the Annual General Meeting of the Company convened by the Notice, which is to be held on 29 May 2015.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**CCA Engagement Agreement** means the capital raising engagement agreement between the Company and Capital and Corporate Advisors Pty Ltd.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; and
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

**Company or Argosy Minerals** means Argosy Minerals Limited (ACN 073 391 189).

**Constitution** means the Company's constitution.

**Conversion Shares** means the Shares to be issued upon conversion of the Loan Notes (and any Interest, if applicable).

**Corporations Act** means the Corporations Act 2001 (Cth).

**DAF or Discovery Africa** means Discovery Africa Limited (ACN 147 324 847).

**Directors** means the current directors of the Company.

**Directors' Report** means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

**Interest** means the interest payable on the Loan Notes as described in section.

**Interest Shares** means Shares to be issued to the Noteholders in lieu of interest payments under the Loan Notes.

**Loan Notes** means the convertible loan notes issued by the Company to the Noteholders with an aggregate face value of \$300,000.

**Noteholders** means the holders of the Loan Notes as described in section 6.6(d).

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Party Conversion Shares** means the Shares to be issued on conversion of the Related Party Loan Notes.

**Related Party Interest Shares** means the Shares to be issued in lieu of the Interest payable under the Related Party Loan Notes.

**Related Party Noteholders** means the Noteholders who are related parties of the Company (being Mr Peter Lloyd, Mr Graham Walker, Mr Frank Knezovic, Mr Ranko Matic and Mr Jerko Zuvella).

**Remuneration Report** means the remuneration report set out in the Directors' Report section of the Company's annual Financial Report for the year ended 31 December 2014.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Unrelated Conversion Shares** means the Shares to be issued on conversion of the Unrelated Loan Notes.

**Unrelated Interest Shares** means the Shares to be issued in lieu of the Interest payable under the Unrelated Loan Notes.

**Unrelated Loan Notes** means the loan notes issued to the Unrelated Noteholders.

**Unrelated Noteholders** means the Noteholders who are not related parties of the Company.

**WST** means Western Standard Time as observed in Perth, Western Australia.

Holder Number

**ANNUAL GENERAL MEETING**

I/We being a Shareholder entitled to attend and vote at the Meeting, hereby appoint

OR

☐

The Chair as my/our proxy

(Name of Proxy)

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11.30am (Perth time), on 29 May 2015 at Level 1, 12 Kings Park Road, West Perth, Western Australia, and at any adjournment thereof.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** The Chair of the Meeting intends to vote all available proxies in favour of Resolution 1. If the Chair of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolution 1, you will be authorising the Chair to vote in accordance with the Chair's voting intentions on Resolution 1 even if Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

**Voting on business of the Meeting**

	FOR	AGAINST	ABSTAIN
Resolution 1 – Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Approval to Elect Mr Ranko Matic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Approval to Elect Mr Jerko Zuvella	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval to convert Unrelated Loan Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval to issue Shares in lieu of interest under the Unrelated Loan Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Approval to convert Peter Lloyd Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval to issue Shares in lieu of interest under Peter Lloyd Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Approval to convert Graham Walker Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Approval to issue Shares in lieu of interest under Graham Walker Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Approval to convert Frank Knezovic Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 – Approval to issue Shares in lieu of interest under Frank Knezovic Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12 – Approval to convert Ranko Matic Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13 – Approval to issue Shares in lieu of interest under Ranko Matic Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14 – Approval to convert Jerko Zuvella Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15 – Approval to issue Shares in lieu of interest under Jerko Zuvella Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 16 – Approval of 10% placement facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Date:** \_\_\_\_\_

**Individual or Shareholder 1**

**Shareholder 2**

**Shareholder 3**

**Sole Director/Company Secretary**

**Director**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_

**Contact Ph (daytime):** \_\_\_\_\_

## INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

1. **(Voting Restrictions applying to Key Management Personnel):** If you appoint a member of the Key Management Personnel of the Company or one of their closely related parties as your proxy, that person will not be able to cast your votes on Resolution 1 unless you direct them how to vote, or the Chair of the Meeting is your proxy. "Key Management Personnel" is defined in the Explanatory Memorandum and includes each of the Directors of the Company, all those executives named in the Remuneration Report, and any other persons who are the Company's Key Management Personnel at the date of the Meeting.
2. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
3. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
4. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
5. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
6. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Argosy Minerals Limited, Level 1, 12 Kings Park Road, West Perth WA 6872; or
  - (b) facsimile to the Company on facsimile number +61 8 9226 4300; or
  - (c) email to [abetti@perth.bentleys.com.au](mailto:abetti@perth.bentleys.com.au)so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**