

**ASX ANNOUNCEMENT**

14 February 2017

## RINCON POND CONSTRUCTION WORKS COMMENCE

Argosy Minerals Limited (ASX: AGY) ("Argosy" or "Company") is pleased to announce further progress on the Stage 1 development plan to produce a laboratory scale quantity (targeting up to 100 – 150 tonnes) of lithium carbonate equivalent (LCE) product at its Rincon Lithium JV Project located in the "Lithium Triangle" in Salta Province, Argentina.

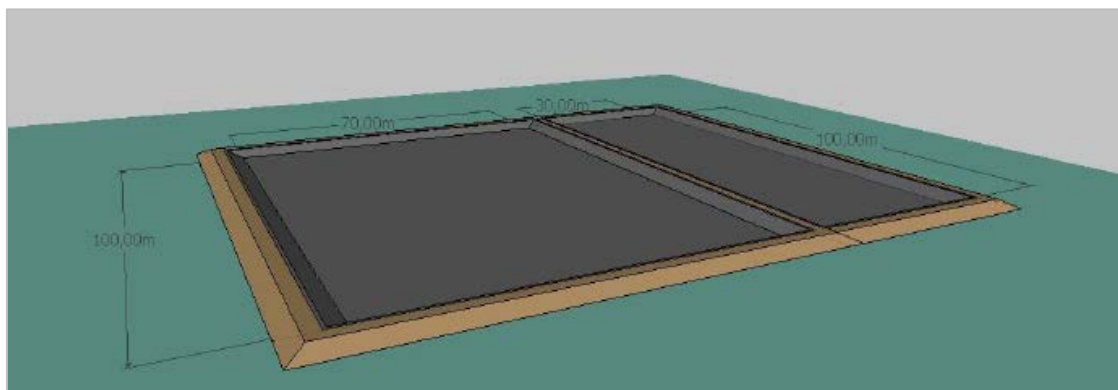
The Company recently commenced pond excavation and construction works on the first evaporation ponds for the Project.



Photo 1 & 2. Rincon Lithium Project - Pablo Alurralde supervising commencement of pond construction works

The site for the initial construction works comprising two ponds totalling one hectare will be built over a period of approximately two months. Additional ponds totalling up to an extra two hectares are currently being planned, including a works plan and equipment schedule, and budget.

Argosy Managing Director, Jerko Zuvela commented *"The successful commencement of the initial ponds construction clearly demonstrates the Company's aggressive development strategy to fast-track toward LCE product production."*



Plan 1. Rincon Lithium Project – Initial evaporation ponds design

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The evaporation ponds will be approximately 1.5m in depth, with the pond area and ramparts covered with an impermeable clay layer, compacted and levelled prior to the installation of a high density polyethylene lining material.

The targeted schedule of activities at the Rincon Lithium JV Project in order for the Company to earn the first stage 50% interest includes:

Stage 1 Works Schedule	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Environmental studies and regulatory approvals/permits						
Pond construction and associated works, including contractor tendering						
Pond lining and associated works						
Brine extraction, pumping, storage and transportation works						
Pilot plant construction and test-works, including brine processing, analysis and laboratory treatment of the lithium concentrate						
Pending success of the stage 1 development works, produce LCE product						

Pending successful laboratory scale production at Stage 1, Argosy will consider commencing Stage 2 development works with an aim to produce a pilot plant scale quantity of LCE product (targeting up to 1500 tonnes), and increase its shareholding in the JV Entity to 77.5%.

For Stage 3, pending successful pilot plant scale production at Stage 2, the Company will consider the best development pathway to ultimately target commercial production from the Project and then earn its ultimate 90% interest in the JV Entity.

The Company continues to review and assess additional mining concessions prospective for lithium for the Rincon Lithium JV Project to increase the Project landholding in preparation for potential Stage 2 and 3 development works.

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 the fast-track approach.

**ENDS**

For more information on Argosy Minerals Limited and to subscribe for regular updates, please visit our website at [www.argosyminerals.com.au](http://www.argosyminerals.com.au) or contact us via [admin@argosyminerals.com.au](mailto:admin@argosyminerals.com.au) or Twitter [@ArgosyMinerals](https://twitter.com/ArgosyMinerals).

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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 Mt Paris Lithium Project in Tasmania, the Wee MacGregor Copper-Gold (& Cobalt) Project in Queensland, and the Erongo Graphite Project in Namibia.

The Company is focused on its Argentinian lithium projects - potentially a game-changing proposition given the project locations within the world renowned "Lithium Triangle" - host to the world's largest lithium resources. Argosy is targeting a fast-track development and production strategy through expedited technical works, testing and studies.

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

