
ARGOSY MINERALS LIMITED

ACN 073 391 189

NOTICE OF GENERAL MEETING

TIME: 11:00am (WST)

DATE: Tuesday 24 January 2017

PLACE: London House,
Level 3, 216 St Georges Terrace,
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.

CONTENTS

Business of the Meeting (setting out the proposed Resolutions)	4
Explanatory Statement (explaining the proposed Resolutions)	6
Schedule 1 - Terms and Conditions of Options	11
Schedule 2 - Terms and Conditions of Performance Rights	13
Schedule 3 – Valuation of Options	15
Schedule 4 – Valuation of Performance Rights	16
Glossary	17

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 11.00am (WST) on 24 January 2017 at London House, Level 3, 216 St Georges Terrace, Perth.

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11am (WST) on 22 January 2017.

Voting in person

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

Voting by proxy

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, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder 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.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 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 are 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 (ie 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 (ie 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 (ie 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; or
 - 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.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – ISSUE OF SECURITIES TO A RELATED PARTY

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

“That for the purposes of Section 195(4) and 208 of the Corporations Act, ASX Listing Rules 10.11 and for all other purposes, approval is given for the Directors to issue to Mr Alexander Molyneux (or his nominee) the following securities as part of his executive services agreement with the Company:

(a) 5,000,000 Options exercisable at \$0.03 each;

(b) 15,000,000 Performance Rights

on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Alex Molyneux (or his nominee) and any of his 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

(a) the proxy is either:

(i) a member of the Key Management Personnel; or

(ii) a Closely Related Party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

(c) the proxy is the Chair of the Meeting; and

(d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – ASX LISTING RULE 7.1A

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 7.4 and for all other purposes, Shareholders ratify the issue of 100,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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.

Dated: 15 December 2016

By order of the Board

A handwritten signature in black ink, appearing to read 'A. Betti'.

ANDREA BETTI
NON-EXECUTIVE DIRECTOR & COMPANY SECRETARY

EXPLANATORY STATEMENT

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.

1. RESOLUTION 1 – ISSUE OF SECURITIES TO A RELATED PARTY

1.1 Background

As announced on 28 October 2016, the Company has finalised the appointment of Mr Alexander Molyneux to act as "Non-Executive Chairman" of the Company (**Agreement**).

The Company has agreed, subject to shareholder approval, to issue Mr Molyneux (or his nominee) the following securities as part of his equity package pursuant to the Agreement:

- (a) 5,000,000 Options exercisable at \$0.03 each on or before 31 December 2018;
- (b) 5,000,000 Performance Rights which shall convert to fully paid ordinary Shares in the Company if, at any time between 1 January 2017 and 30 June 2017
 - i. Mr Molyneux holds (directly or through an entity controlled by him) not less than 5,000,000 Shares; and
 - ii. Mr Molyneux remains a Director of the Company at the time (i) is satisfied;
- (c) 5,000,000 Performance Rights which convert to Shares if, at any time between 1 January 2018 and lapse on 30 June 2018:
 - i. Mr Molyneux holds (directly or through an entity controlled by him) not less than 10,000,000 Shares; and
 - ii. Mr Molyneux remains a Director of the Company at the time (i) is satisfied; and
- (d) 5,000,000 Performance Rights which shall convert to Shares if, at any time between 30 June 2018 and 31 December 2018:
 - i. Mr Molyneux holds (directly or through an entity controlled by him) not less than 20,000,000 Shares; and
 - ii. Mr Molyneux remains a Director of the Company at the time (i) is satisfied."

(Equity Package).

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (d) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (e) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the securities pursuant to the Equity Package constitutes giving a financial benefit and Mr Molyneux is a related party of the Company by virtue of being a Director.

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.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the Options to the Related Parties.

2.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Chapter 2E of the Corporations Act, and in particular, section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided to Shareholders to enable them to assess the Equity Package proposed to be provided to Mr Molyneux:

- (a) the financial benefit is to be provided to Mr Alexander Molyneux (or his nominee), the Company's Non-Executive Chairman, who under section 228(2) is considered to be a related party of the Company;
- (b) the nature of the financial benefit to be given to Mr Molyneux is the issue of up to a maximum of:
 - (i) 5,000,000 Options exercisable at \$0.03 each;
 - (ii) 15,000,000 Performance Rightsin the Company;
- (c) the Options and Performance Rights will be issued to Mr Molyneux no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Options and Performance Rights will be issued on one date;
- (d) the Options and Performance Rights will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Options are set out in Schedule 1;
- (f) the terms and conditions of the Performance Rights are set out in Schedule 2;
- (g) the value of the Options and the pricing methodology is set out in Schedule 3;
- (h) the value of the Performance Rights and the pricing methodology is set out in Schedule 4;
- (i) the relevant interest of Mr Molyneux in securities of the Company is 1,500,000 Ordinary Shares;
- (j) the remuneration and emoluments from the Company to Mr Molyneux for the previous financial year was nil and the proposed remuneration and emoluments for the current financial is also nil;

- (k) upon achievement of the vesting criteria, the Performance Rights will automatically convert into fully paid ordinary Shares in the Company;
- (l) If all the Options and Performance Rights granted to Mr Molyneux are exercised, a total of 20,000,000 Shares would be allotted and issued. This would increase the number of Shares on issue from 744,750,788 to 764,750,788 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by 2.6%.

The market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company;

- (m) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.046	1 June 2016
Lowest	\$0.001	5 January 2016
Last	\$0.029	14 December 2016

- (n) the primary purpose of the grant of the Options and Performance Rights to Mr Molyneux to provide a performance linked incentive component in the remuneration package for Mr Molyneux to motivate and reward his performance in his role as Chairman;
- (o) Mr Alexander Molyneux declines to make a recommendation to Shareholders in relation to Resolution 1 due to his material personal interest in the outcome of the Resolution on the basis that he (or his nominee) is to be granted Options and Performance Rights in the Company should Resolution 1 be passed. However, Mr Jerko Zuvela (Managing Director), Mr Ranko Matic (None-Executive Director) and Ms Andrea Betti (Non-Executive Director), who have no interest in the outcome of the Resolution, all recommend that Shareholders vote in favour of Resolution 1 for the following reasons:
- (i) The grant of the Equity Package will align the interests of the Related Party with those of the Shareholders;
 - (ii) the grant of the Equity Package is a reasonable and appropriate method to provide cost effective remuneration as it will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Party; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Options upon the terms proposed;
- (p) in forming their recommendations, each Director considered the experience of Mr Molyneux, the current market price of Shares, the current market practices when determining the number of Options and Performance Rights to be granted as well as the exercise price, vesting conditions and expiry date of the Options and Performance Rights; and

- (q) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Options and Performance Rights to Mr Molyneux pursuant to the Equity Package as approval is being obtained under ASX Listing Rules 10.11. Accordingly, the grant of Options and Performance Rights to Mr Molyneux (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – ASX LISTING RULE 7.1 AND 7.1A

2.3 General

On 20 October 2016, the Company issued 100,000,000 Shares at an issue price of \$0.03 each to sophisticated and professional investors to raise \$3,000,000 (**Placement**).

The Company undertook the Placement from within the 15% capacity available under ASX Listing Rule 7.1 and the 10% additional capacity under ASX Listing Rule 7.1A.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.1A provides that an eligible Company may seek the approval of the Company's holders of its ordinary securities by special resolution passed at an annual general meeting to have an additional capacity of 10%. This approval was sought and obtained by the Company at the 2016 annual general meeting on 31 May 2016.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 and 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (d) 100,000,000 Shares were issued;
- (e) the Shares were issued at an issue price of \$0.03 each;
- (f) the Shares issued were all fully paid ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Shares were issued to sophisticated and professional investors to raise \$3,000,000. None of these subscribers were related parties of the Company; and

- (h) the funds raised are to be used for the development and exploration of activities and working capital.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for a fully paid ordinary Share in the capital of the Company ("Share") on the following terms and conditions:

1. No monies will be payable for the issue of the Options.
2. A Certificate will be issued for the Options.
3. The exercise price of each Option will be AUD\$0.03.
4. Unless they lapse earlier in accordance with these terms, the Options shall expire 31 December 2018.
5. When exercised, an Option entitles the holder to be issued one (1) Share.
6. Subject to these terms:
 - (a) Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option holder to exercise all or a specified number of Options held by him accompanied by an Option certificate and a cheque made payable to the Company or an electronic funds transfer for the subscription monies for the Shares; and
 - (b) an exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by the holder.
7. Unless otherwise agreed by the Company, all Options will immediately lapse if, within 12 months from the date of issue of the Options, Alexander Molyneux ceases to be an employee or Director of, or to render services to, the Company or one of its related bodies corporate for any reason whatsoever (including without limitation resignation or termination for cause).
8. The Options may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
9. The Company shall allot the resultant Shares within ten (10) Business Days of the exercise of the Option subject to receipt of cleared subscription monies.
10. Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing fully paid ordinary shares of the Company in all respects.
11. The Options are not transferable, without the prior approval of the Company.
12. The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
13. In the event of any reorganisation of capital of the Company, all rights of the Option holder will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
14. There are no participating rights or entitlements inherent in the Options and the Executive will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
15. An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
16. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.

SCHEDULE 2 - TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

1. Terms of Performance Rights

- (a) **(Performance Rights):** Each Performance Right gives the holder (**Holder**) a right to one share in the capital of Company.
- (b) **(General Meetings):** The Performance Rights shall confer on the Holder the right to receive notices of general meetings and financial reports and accounts of Company that are circulated to Company Shareholders. Holders have the right to attend general meetings of Company Shareholders.
- (c) **(No Voting Rights):** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Company Shareholders, subject to any voting rights under the Corporations Act 2001 (Cth) or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (d) **(No Dividend Rights):** The Performance Rights do not entitle the Holder to any dividends.
- (e) **(Transfer of Performance Rights):** The Performance Rights are not transferable.
- (f) **(Reorganisation of Capital):** In the event that the issued capital of Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated.
- (g) **(Application to ASX):** The Performance Rights will not be quoted on ASX. Upon conversion of the Performance Rights into Company Shares in accordance with these terms, the Company must within seven (7) days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.
- (h) **(Participation in Entitlements and Bonus Issues):** Subject always to the rights under item (f) (Reorganisation of Capital), holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Company Shares such as bonus issues and entitlement issues.
- (i) **(Amendments required by ASX):** The terms of the Performance Rights may be amended as necessary by the Company in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the ASX Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.
- (j) **(No Other Rights):** The Performance Rights give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

2. Conversion of the Performance Rights

- (a) 5,000,000 Performance Rights which shall convert to fully paid ordinary Shares in the Company (Shares) if, at any time between 1 January 2017 and 30 June 2017:
 - (i) Mr Molyneux holds (directly or through an entity controlled by him) not less than 5,000,000 Shares; and

- (ii) Mr Molyneux remains a Director of the Company at the time (i) is satisfied;
- (b) 5,000,000 Performance Rights which convert to Shares if, at any time between 1 January 2018 and lapse on 30 June 2018:
 - (i) Mr Molyneux holds (directly or through an entity controlled by him) not less than 10,000,000 Shares; and
 - (ii) Mr Molyneux remains a Director of the Company at the time (i) is satisfied; and
- (c) 5,000,000 Performance Rights which shall convert to Shares if, at any time between 30 June 2018 and 31 December 2018:
 - (i) Mr Molyneux holds (directly or through an entity controlled by him) not less than 20,000,000 Shares; and
 - (ii) Mr Molyneux remains a Director of the Company at the time (i) is satisfied.
- (d) **(Conversion of Performance Rights):** In the event a condition is satisfied, the corresponding Performance Rights held by the Holder will convert into an equal number of Company Shares, unless otherwise agreed by the Company and Holder.
- (e) **(No Conversion if Milestone not Achieved)** Any Performance Right not converted into a Company Share from the date of issue to 31 December 2018 will lapse.
- (f) **(Ceases to be a director):** In the event Mr Molyneux ceases to be a Director of the Company before any relevant class of Performance Rights converts to Shares, those Performance Rights will immediately lapse.
- (g) **(After Conversion)** The Company Shares issued on conversion of the Performance Rights will, as and from 5.00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Company Shares then on issue and application will be made by Company to ASX for official quotation of the Company Shares issued upon conversion.
- (h) **(Conversion Procedure)** The Company will issue the Holder with a new holding statement for the Company Shares as soon as practicable following the conversion of the Performance Rights into Company Shares.

SCHEDULE 3 – VALUATION OF OPTIONS

The Options to be issued to the Mr Molyneux pursuant to Resolution 1 have been valued by internal management.

Using the Black & Scholes option model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

Assumptions:	Options
Valuation date	25/11/2016
Market price of Shares	\$0.027
Exercise price	\$0.030
Expiry date (length of time from issue)	1.93 years
Risk free interest rate	1.79%
Volatility (discount)	173.55
Indicative value per Related Party Option	\$0.021
Total Value of Related Party Options	\$105,000

Note: The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.

SCHEDULE 4 – VALUATION OF PERFORMANCE RIGHTS

The Performance Rights to be issued to the Related Parties pursuant to Resolution 1 have been valued by internal management.

Using the principles of option valuation models and based on the assumptions set out below, the Performance Rights were ascribed the following value:

Assumptions:	Performance Rights (a)	Performance Rights (b)	Performance Rights (c)
Valuation date	25/11/2016	25/11/2016	25/11/2016
Market price of Shares	\$0.027	\$0.027	\$0.027
Exercise price	nil	nil	nil
Expiry date (length of time from issue)	0.43 years	1.43 year	1.93 year
Risk free interest rate	1.79%	1.79%	1.79%
Volatility (discount)	173.55	173.55	173.55
Indicative value per Related Party Option	\$0.027	\$0.027	\$0.027
Total Value of Related Party Options	\$135,000	\$135,000	\$135,000

The valuation above took into account the following matters:

- Performance Rights with non-market based vesting conditions can only be exercised following the satisfaction of these exercise conditions.
- The valuation of Performance Rights assumes that the exercise of a right does not affect the value of the underlying asset.
- The vesting conditions determine the number of Performance Rights to be issued; they do not have an affect on the value of each Performance Right. If the vesting conditions relate to the vesting of the Performance Rights, rather than the number to be issued, only then would it have to be considered in the valuation of the Performance Rights.
- Given that the Performance Rights are to be issued for no consideration, the value of the Performance Rights is reflected in the underlying Share price at the valuation date. Variable inputs used in traditional option valuation models such as implied share price volatility, the risk free interest rate and life of the right have no impact on the value of the Performance Rights so long as the underlying asset does not pay a dividend.
- The exercise price is the price at which the underlying ordinary Shares will be issued. No consideration is to be paid upon exercising the Performance Rights.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

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.

Chair means the chair of the Meeting.

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

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

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

Options means an option which enables the holder to subscribe for one Share.

Performance Rights means a right to acquire a Share on the terms set out in this notice of general meeting.

Proxy Form means the proxy form accompanying the Notice.

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 registered holder of a Share.

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

Appointment of Proxy

Holder Number:

STEP 1: Please appoint a Proxy

Appoint a proxy:

I/We being a Shareholder entitled to attend and vote at the General Meeting of the Company, to be held at **11.00 am (WST) on Tuesday, 24 January 2017 at London House, Level 3, 216 St Georges Terrace, Perth, Western Australia** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your 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 and at any adjournment thereof.

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

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2: Voting Direction

Resolutions

1 Issue of Securities to a Related Party

For Against Abstain

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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2 Ratification of Prior Issue of Shares – ASX Listing Rule 7.1a

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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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.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / /

Email Address

HOW TO COMPLETE THIS PROXY VOTING FORM

LODGING YOUR PROXY VOTE

This Proxy Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11.00am (WST) on Sunday, 22 January 2017**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Meeting.

Voting Forms can be lodged:

BY MAIL

Argosy Minerals Limited
P.O. Box 7775
Cloisters Square Perth, WA 6850

BY FACSIMILE

+61 8 9220 2288

EMAIL

abetti@perth.bentleys.com.au

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services on 1300 288 664 or you may copy this form.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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 lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting 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.