

14 August 2017

INITIAL STAGE 2 POND CONSTRUCTION WORKS COMMENCE AT RINCON

HIGHLIGHTS

- ✦ Stage 2 development works have commenced ahead of schedule
- ✦ Company on schedule to produce battery grade LCE product during March 2018 Quarter

Argosy Minerals Limited (ASX: AGY) ("**Argosy**" or "**Company**") is pleased to advise that it has recently commenced Stage 2 pond excavation and construction works at its Rincon Lithium Project located in the "Lithium Triangle" in Salta Province, Argentina.



Photos 1-3. Rincon Lithium Project – Stage 2 pond construction works.

Argosy is targeting the first set of these pond construction works to be completed during September. Further additional ponds are being scheduled, and pending approvals, are targeted for completion during October. This will result in a combined total of ~10 hectares of newly constructed evaporation ponds. These works are currently being fast-tracked to meet the commencement of the peak solar evaporation season, which usually begins during September (and continues until April).



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Combined with the Stage 1 evaporation ponds already constructed - which have been concentrating lithium brine since April - the Company will have over 11 hectares of evaporation ponds concentrating lithium brine during the upcoming peak solar evaporation season.

The Company has already pre-ordered lining material for the full set of evaporation ponds currently under construction, to be delivered for this timeframe. Once the ponds are fully completed, Argosy expects that pumping of lithium brine into these ponds will commence immediately afterwards, for the solar evaporation and concentration process to then commence.

Argosy Managing Director, Jerko Zuvela commented *"The successful commencement of the next stage of pond construction works, an exponential increase in scale from the original Stage 1 ponds, continues to demonstrate the Company's aggressive development strategy, proficiency and expertise to fast-track toward production of LCE product, which is a near-term prospect that I am very excited about and will see Argosy as the second ASX-listed lithium producer."*

The Company will make subsequent announcements, outlining its updated development plan, timetable, and 2018 production target of battery grade lithium carbonate equivalent ("LCE") product.

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.

Strategic Process Update

The Company continues to progress the strategic investor process with the aim to achieve an outcome whereby an MOU party will complete a binding investment agreement for the remaining Stage 2 funding for the Rincon Lithium Project. Such agreement may likely be complemented by agreements for off-take or other value-adding commercial agreements, and a high-level agreement in consideration for potential Stage 3 development of the Project.

Argosy notes that any meetings or considerations in regard to any potential transactions are incomplete and there is no certainty that any binding agreement will be reached. The Company will update shareholders upon any further developments in this regard.

ENDS

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

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

ABOUT ARGOSY MINERALS LIMITED

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

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

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

Appendix 1: AGY's Argentina Project Location Map

