



ASX ANNOUNCEMENT

28 October 2016

RINCON LITHIUM PROJECT EXPANDED BY ADDITIONAL 460HA

HIGHLIGHTS

- ✦ **Option Agreement to acquire strategic tenement holding in Salar del Rincon**
- ✦ **Tenements to be included in development of Rincon Lithium JV Project**

Argosy Minerals Limited (ASX: AGY) ("Argosy" or "Company") is pleased to announce that it has executed a binding Option Agreement with Salonix SRL – an unrelated private Argentinian salt mining company – for an 18-month period during which time the Company has the exclusive right to purchase nine Mining Titles comprising approximately 460 hectares within the Salar del Rincon for the Rincon Lithium Project in Salta, Argentina.

Argosy will pay an upfront option fee of US\$50,000 immediately and a further US\$50,000 when the Salta Mining Court approves the incorporation of the tenements into a mining group and officially registers the discovered mineral as lithium for the tenements, in accordance with the Mining Code of Argentina.

Argosy can elect, at any time during the 18-month exclusive option period, to purchase any or all (or none) of the Mining Titles for an additional fee based on a purchase price of US\$2,414 per hectare.

The Option Agreement marks a further step towards achieving the Company's aim to develop the Rincon Lithium Project by increasing the project landholding for potential Stage 2 and 3 scale development works (pending prior stage success).

The Option Agreement also includes two additional Mining Titles (total of 120 hectares) owned by Salonix SRL that are subject to regulatory discrepancies, which if resolved within the option period, Argosy can acquire on the same terms as noted above.

Option Agreement – Key Terms

- Argosy will pay an option fee of US\$100,000 cash, comprising an upfront, non-refundable US\$50,000 payment immediately and an additional US\$50,000 upon completion of specific regulatory items.
- Argosy has the exclusive right, for an 18-month period, to purchase and acquire the 100% right, title and interest in the Salonix SRL Mining Titles – Mining Licence File Numbers 1414, 1904, 1905, 2889, 2890, 6343, 6345, 100561, 100562, 100625 and 10626, for a purchase price based on US\$2,414 per hectare.
- The Company will be entitled to conduct all exploration, development and mining activities within the Mining Titles.
- Argosy will be able to terminate the Option Agreement at any time during the option period.

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Argosy Director, Jerko Zuvela commented "The option agreement provides the Company an opportunity to acquire a strategic landholding in a prime position for our Rincon Lithium Project. In addition, the 18-month option period allows substantial development of the project prior to incurring the acquisition cost."

"This acquisition signifies our intent to not only fast-track initial development of the Rincon Lithium Project, but potentially look forward to further development of Stage 2 and 3. Our aim is to build a credible and substantial lithium development and production venture."

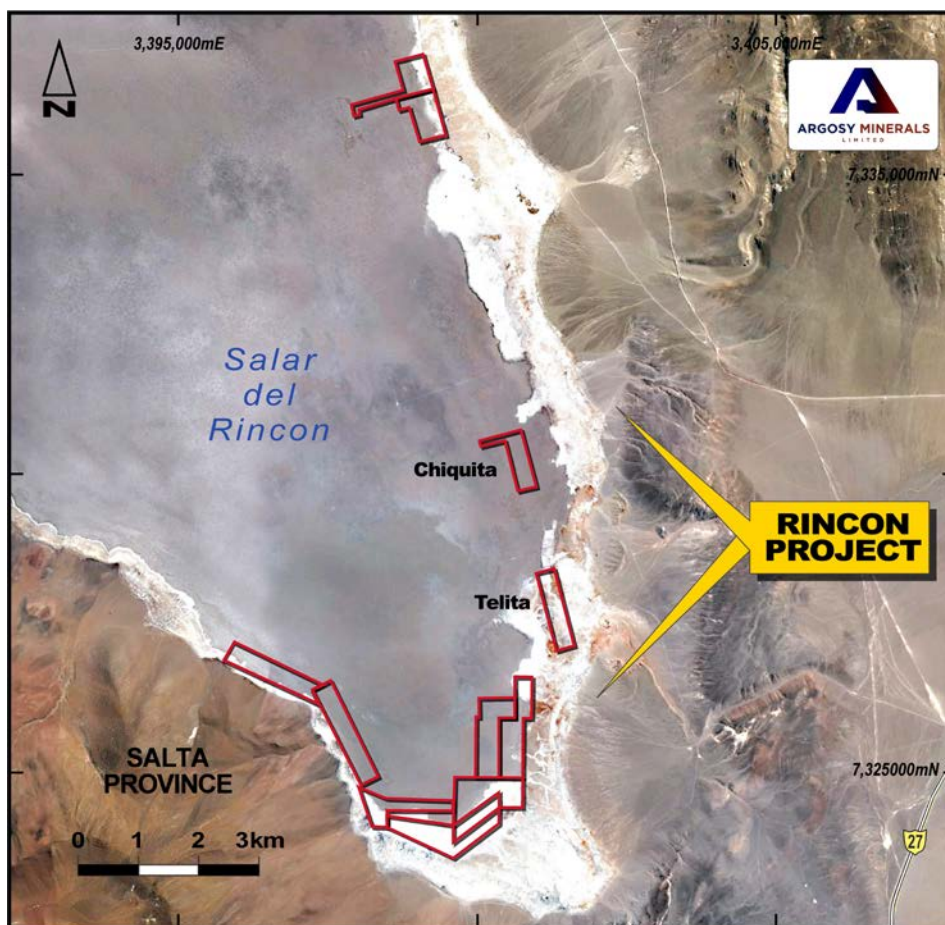


Figure 1. Rincon Lithium Project Location Map

ENDS

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

