

5 June 2017

ARGOSY MOVES TO COMPLETE OPTION PURCHASE

HIGHLIGHTS

- Due Diligence completed on Mina Reyna tenement for Rincon Lithium JV Project
- 18 month option period to purchase Mina Reyna Mining Title - to be included in development of the Rincon Project
- Mina Reyna adds 635Ha tenement area within Salar del Rincon for Stage 2 & 3 development works

Argosy Minerals Limited (ASX: AGY) ("**Argosy**" or "**Company**") is pleased to advise, following its announcement on 4 May 2017 – "[Rincon Landholding Increased by 97%](#)", that it has completed satisfactory due diligence on the Mina Reyna Mining Title, granting the Company the exclusive right to purchase this strategic tenement during an 18-month period via the executed binding Option Agreements with tenement vendors – Colorado S.A., Reina Adela Calpanchay/Cesar Augusto Cruz, and Martin Viveros. Argosy has resolved to pay the combined US\$500,000 option fee to the vendors.

Assuming the purchase option is exercised at any time during the exclusive 18-month option period, via an additional final payment of US\$1.07 million to the vendors, Argosy's Rincon Lithium JV Project land area would increase by up to 97% from the existing ~654 hectares, to a total of up to 1,289 hectares.

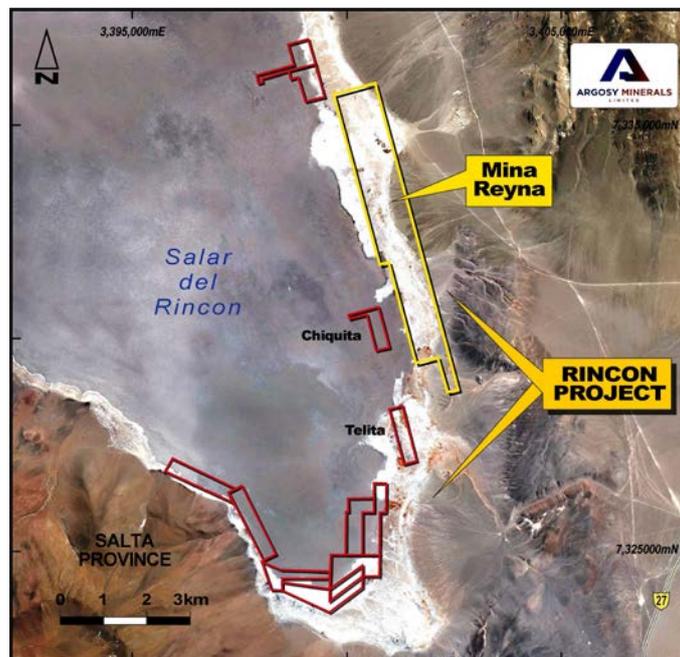


Figure 1. Rincon Lithium Project Location Map.

The option to acquire Mina Reyna within the Salar del Rincon for the Rincon Lithium JV Project marks a further step towards achieving the Company's aim to become a lithium developer and producer.

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Argosy Managing Director, Jerko Zuvela, commented: *"This acquisition supports Argosy's intent, determination, and potential scale to continue its aggressive development strategy to fast-track toward production of LCE product. The increased nature of our Project appeals to potential interested strategic parties. We are committed to building a sustainable lithium production Company."*

The Rincon Lithium Project now comprises up to 1,289 hectares of significant lithium landholding for potential Stage 2 and 3 development and production operations. The consolidated position and current scale of the Project allows for fast-track commencement of initial Stage 2 development works, including continued construction of additional evaporation ponds, and drilling operations is to delineate a JORC Code-compliant resource within the Rincon Project and conduct brine test-works.

Argosy expects to receive all necessary regulatory permits and approvals to commence the development works during June.

The Company expects fast-tracking development works to shorten the overall timeline between obtaining the results of Stage 1 lithium carbonate equivalent ("LCE") production and being able to move toward Stage 2 volumes.

The Company continues to review and assess additional mining concessions at the Rincon Project for Stage 2 and 3 development works.

The current 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					■	■

Argosy is commencing initial Stage 2 development works with an aim to produce a larger quantity of LCE product (targeting up to 1000 - 1500 tpa), and increase its shareholding in the JV Entity to 77.5%.

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

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 or contact us via admin@argosyminerals.com.au or Twitter @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, and the Erongo Project in Namibia.

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

