



ASX ANNOUNCEMENT

10 October 2017

QIANYUN PLACEMENT AND OFFTAKE AGREEMENTS UPDATE

As per Argosy Minerals Limited (ASX: AGY) ("**Argosy**" or the "**Company**") announcement to ASX dated 5 October 2017 – *\$15m Placement and Acceleration of Rincon Earn-In* – the Company confirmed that it had declined to provide Qingdao Qianyun High-tech New Material Co. Ltd. ("**Qianyun**") with an extension to the period by which it was required to satisfy certain conditions precedent to the Placement Agreement between the Company and Qianyun.

As such, Argosy has today confirmed with Qianyun the termination of the Placement Agreement with effect from today. The Company therefore confirms that the Placement Agreement is terminated and the issue of shares to Qianyun representing up to 19.9% of the issued capital of the Company at \$0.085 per share will not proceed. In accordance with the terms of the Placement Agreement, the Company will repay to Qianyun the off-take prepayment deposit of US\$750,000 within 7 days.

In addition, Argosy has received a request from Qianyun (received with effect from today and which the Company has considered with its legal advisers) to terminate the Off-Take Agreements (the Preliminary Off-Take Agreement and the Long Term Off-Take Agreement).

The Company intends to advise Qianyun that it will not accept the termination request and intends to engage in discussions with Qianyun in the near future. The Company maintains its position that, until they are validly terminated or amended, the Off-Take Agreements announced on 17 August 2017 remain in effect and are not conditional on completion of the Placement Agreement and do not confer termination rights on Qianyun without cause. The Company confirms that the Off-Take Agreements provide for customary dispute resolution and arbitration mechanisms to resolve disputes, which the Company may consider should it be unable to reach an agreement with Qianyun.

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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ABOUT ARGOSY MINERALS LIMITED

Argosy Minerals Limited (ASX: AGY) is an Australian company with an interest in the Rincon Lithium Project 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.

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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

