Argosy Minerals Limited

ABN 27 073 391 189

Annual Report - 31 December 2014

Argosy Minerals Limited
Corporate Directory
31 December 2014

Directors	Frank Knezovic	Non-Executive Chairman
	Ranko Matic	Non-Executive Director
	Jerko Zuvela	Non-Executive Director
Company Secretary	Ranko Matic	
Registered Office	Level 1, 12 Kings Park Road 12 Kings Park Road West Perth WA 6005	
Contacts	Ph: 08 9226 4500 Fx: 08 9226 4300 www.argosyminerals.com.au	
Solicitors	Nova Legal Ground Floor 10 Ord Street West Perth WA 6005	
Auditors	Rothsay Chartered Accountants Level l, Lincoln Building 4 Ventnor Avenue WEST PERTH WA 6005	
Share Registry	Automic Registry Services Suite 1A, Level 1 7 Ventnor Avenue West Perth WA 6005 08 9324 2099	
ASX Listing	ASX:AGY	

Argosy Minerals Limited
Directors' Report
31 December 2014

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Argosy Minerals Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the year ended 31 December 2014.

Directors
The following persons were directors of Argosy Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Frank Knezovic (appointed 24 April 2014)
Mr Ranko Matic (appointed 17 July 2014)
Mr Jerko Zuvela (appointed 17 July 2014)
Mr Peter Lloyd (appointed 24 April 2014 and resigned 17 July 2014)
Mr Graham Walker (appointed 24 April 2014 and resigned 17 July 2014)
Mr Philip Thick (resigned 24 April 2014)
Mr Kevin Nichol (resigned 24 April 2014)
Mr Danie Van Den Bergh (resigned 24 April 2014)

Principal activities
The principal activity of the Group during the period was the development of exploration projects for graphite, base metals and other mineral commodities. No significant change in the nature of this activity occurred during the financial period.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The net profit for the consolidated entity after providing for income tax amounted to $67,270 (31 December 2013: $1,645,529 loss).

CORPORATE

Capital Raisings
During the year ended 31 December 2014 Argosy Minerals Limited (ASX: AGY) ("the Company") announced on 14 March 2014 that it would be undertaking a 2 for 1 pro rata renounceable entitlement offer of fully paid shares in the Company at an issued price of $0.0025. On 17 March 2014, the Company announced that it had amended the Rights Issued and had revised the issue price of the shares to $0.002 per share. On 14th April 2014 the Company advised that it had completed the issue and allotment of entitlement shares and additional shares under the shortfall facility of the pro-rata renounceable rights issue. A total of 20,547,284 shares were issued at a price of $0.002 raising a total of $41,094.57.

Under the terms of the document, the Directors reserved the right to place any shortfall shares at their discretion with persons interested in subscribing for shares in the Company, within 3 months of closure of the offer. On 4th July 2014, the Company announced that it had entered into a capital raising engagement agreement with Capital and Corporate Advisors Pty Ltd for the purpose of recapitalising the Company with independent new professional and sophisticated investors. The recapitalisation included a share placement of the remaining 231,510,926 shortfall shares from the rights issue and the raising of $300,000 in convertible notes.

On 10th July 2014, the Company advised it had completed its capital raising with 231,510,926 shares issued at $0.002, providing funds to the Company of $463,021. The Company then announced on 6th August 2014 that it had completed the convertible notes issue, raising a further $300,000. The conversion of the Convertible Notes would be subject to shareholder approval. The Company advised that it would use the funds raised to repay its major shareholder Discovery Africa Limited (ASX:DAF) $300,000 and issue 50,000,000 fully paid ordinary shares at a deemed issue price of $0.002 as full and final satisfaction of the remaining loan outstanding to Discovery Africa Ltd. The shares to be issued to Discovery Africa Ltd will be subject to any shareholder approvals required.

Board Changes
On 24th April 2014, the Company accepted resignations from directors Kevin Nichol, Danie Van Den Bergh and Philip Thick. On this date the Company also appointed three new directors in Frank Knezovic, Peter Lloyd and Graham Walker. The Company then undertook a further board restructure on 17 July where Mr Peter Lloyd and Mr Graham Walker resigned and Mr Ranko Matic and Mr Jerko Zuvela were appointed as Non-Executive Directors. At this time, Mr Ranko Matic was also appointed as Company Secretary, replacing Melanie Leydin who resigned at this time. The Company also relocated its registered, administrative, project and accounting offices to Perth.

EXPLORATION

During the annual reporting period, ending 31st December 2014, Argosy Minerals Limited conducted exploration works at its 100% owned Erongo (Area 51) Project in Namibia, located approximately 275km northwest of the capital Windhoek.

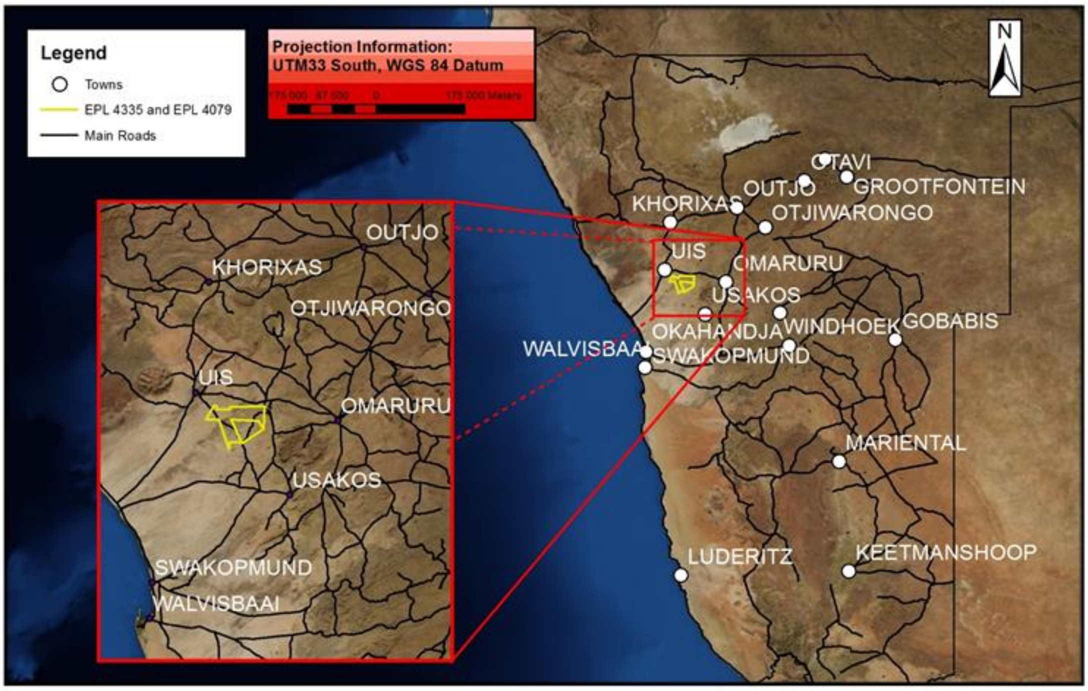

Figure 1: Location Map of the Erongo (Area 51) Project in Namibia

Highlights during the reporting period;

On 28 March 2014, the Company provided an update on the Erongo Project in relation to the drilling program conducted in February within the Area A prospect. This included:

- Three drillholes completed over high priority (most anomalous) geophysical induced polarisation (“IP”) survey data and geological mapping results previously carried out;
- Downhole interpretation of the drill core;
- 15 samples were submitted and analytical results received from SGS Laboratories;
- Interpretation of the data and results concluded that the graphitic carbon content of Area “A” is sparsely concentrated and dispersed.

The Company also advised at this time that it would further study the geophysical IP data over the Area C prospect at the Project before deciding on future exploration works.

On 3 April 2014, the Company provided additional details of the drilling program completed in February.

Following the corporate restructure, the Company conducted a comprehensive review of all available data on the Erongo Project to determine project strategy.

The Company also intends to proactively identify and review new project or asset acquisition opportunities, to enhance its project portfolio and increase the overall value proposition of AGY. The Company will also consider other mineral commodities to ensure it is best placed to deliver value and upside potential for all its shareholders.

The schedule of tenements held by the Company at the end of the reporting period is shown below. There were no tenements acquired or disposed of during this period.

Tenement	Location	Beneficial Percentage held
EPL4079	Namibia	100%
EPL4335	Namibia	100%

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation
The consolidated entity holds participating interests in a number of mining and exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agency during the year ended 31 December 2014.

Information on directors

Name:	Frank Knezovic
Title:	Non-Executive Chairman
Qualifications:	LLB, BA
Experience and Expertise:	Mr Frank Knezovic is a lawyer and co-founding director of legal firm Nova Legal. Mr Knezovic has for more than 15 years advised public and private companies, directors, corporate advisors, broking firms, insolvency practitioners and financial services providers on a broad range of corporate and commercial matters. Mr Knezovic has extensive experience in advising on capital raisings (both IPO and post-IPO) asset acquisitions and disposals, takeovers, mergers and acquisitions, corporate reconstructions and insolvency, directors' duties, general corporate and commercial advice, and regulatory and strategic advice. Mr Knezovic has advised many companies and advisers (local, national and international) on a number of significant M&A, cross border acquisitions/divestments and capital raising transactions. Mr. Knezovic is a member of the Australian Institute of Company Directors and the Association of Mining and Exploration Companies.
Other current directorships:	None
Former Directorships (in last 3 years)	Discovery Africa Ltd (ASX:DAF) appointed 10/04/2014 and resigned 24/11/2014
Special Responsibilities:	None
Interests in Shares:	None

Name:	Ranko Matic
Title:	Non-Executive Director
Qualifications:	B. Bus, CA
Experience and Expertise:	Mr Matic is a Chartered Accountant with over 25 years experience in the areas of financial and executive management, accounting, audit, business and corporate advisory. Mr Matic is a director of a chartered accounting firm and a corporate advisory company based in West Perth, and has specialist expertise and exposure in areas of audit, corporate services, due diligence, mergers and acquisitions, and valuations. Mr Matic is currently a director of several ASX listed companies and has also acted as Chief Financial Officer and Company Secretary for companies in the private and public sector. Mr Matic currently holds company secretarial roles with publicly listed companies including Antilles Oil and Gas NL, Celsius Coal Limited, Aleator Energy Ltd, Valmec Ltd, East Energy Resources Ltd and Discovery Africa Limited.
Other current directorships:	Valmec Ltd (ASX:VMX) appointed 6/2/2012 Celsius Coal (ASX:CLA) appointed 23/12/12 East Energy Resources Ltd (ASX:EER) appointed 13/7/2007
Former Directorships (in last 3 years)	Antilles Oil and Gas NL (ASX:AVD) appointed 11/4/14, resigned 15/8/14
Special Responsibilities:	None
Interests in Shares:	17,170,310 Ordinary Shares

Name:	Jerko Zuvela
Title:	Non-Executive Director
Qualifications:	B.Sc (App Geo)
Experience and Expertise:	Mr Jerko Zuvela has over 18 years experience in Australia and internationally, during which time he has held senior executive positions in public listed and unlisted companies including for Kangaroo Resources Limited as Chief Geologist, Strike Resources Limited as General Manager Operations and Fireside Resources Limited as Chief Geologist. Mr Zuvela is a Chartered Professional (Geology) Member of the Australian Institute of Mining and Metallurgy.
Other current directorships:	Discovery Africa Limited (ASX:DAF) appointed 24/11/2014
Former Directorships (in last 3 years)	Dromana Estate Limited (ASX:DMY) appointed 15/11/2011, resigned 14/01/2015.
Special Responsibilities:	None
Interests in Shares:	14,670,305 Ordinary Shares

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2014, and the number of meetings attended by each director were:

Director	Meetings Eligible to Attend	Meetings Attended
Frank Knezovic	2	2
Ranko Matic	0	0
Jerko Zuvela	0	0
Peter Lloyd	2	2
Graham Walker	2	2
Phil Thick	2	2
Kevin Nichol	2	2
Danie van den Burg	2	2

Remuneration report (audited)

The remuneration policy of Argosy Minerals Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long term incentives based on key performance areas affecting the Group’s financial results. The board of Argosy Minerals Limited believes the remuneration policy is appropriate and effective in its ability to attract and retain high calibre executives and directors to run and manage the Group

The remuneration report is set out under the following main headings:
● Principles used to determine the nature and amount of remuneration
● Details of remuneration
● Service agreements
● Share-based compensation
● Additional information

Principles used to determine the nature and amount of remuneration

Non-executive directors’ remuneration

The Group's policy is to remunerate non-executive directors at a fixed fee for time, commitment and responsibilities. Remuneration for non-executive directors is not linked to individual performance. From time to time the Group may grant options to non-executive directors. The grant of options is designed to recognise and reward efforts as well as to provide non-executive directors with additional incentive to continue those efforts for the benefit of the Group. The maximum aggregate amount of fees (including superannuation payments) that can be paid to non-executive directors is subject to approval by shareholders at a General Meeting.

Executive remuneration
Executive pay and reward consists of a base salary and performance incentives. Long term performance incentives may include options granted at the discretion of the Board and subject to obtaining the relevant approvals. The grant of options is designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of performance hurdles.

Consolidated entity performance and link to remuneration
The remuneration policy has been tailored to increase goal congruence between shareholders and directors and executives. Currently, this is facilitated through the issue of options to executives to encourage the alignment of personal and shareholder interests. The Group believes this policy will be effective in increasing shareholder wealth. For details of directors and executives interests in options at year end. No market based performance remuneration has been paid in the current year.

Group performance, shareholder wealth and directors' and executives' remuneration
The remuneration policy has been tailored to increase the direct positive relationship between shareholders investment objectives and directors and executives' performance. Currently, this is facilitated through the issue of options to executives to encourage the alignment of personal and shareholder interests. No market based performance remuneration has been paid in the current year.

Voting and comments made at the company's 2014 Annual General Meeting ('AGM')
At the 2014 AGM, 99.99% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2013. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration
Amounts of remuneration
Details of the remuneration of the key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			**Post-emp benefits**	**Long-term benefits**	**Share-based payments**	
	Cash salary and fees	**Termination**	**Non-Monetary**	**Super-annuation**	**Long Service Leave**	**Equity-settled**	**Total**
2014	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-Exec Directors							
Frank Knezovic	-	-	-	-	-	-	-
Ranko Matic	-	-	-	-	-	-	-
Jerko Zuvela	-	-	-	-	-	-	-
Peter Lloyd**	-	-	-	-	-	-	-
Graham Walker**	-	-	-	-	-	-	-
Philip Thick *	15,000	-	-	-	-	-	15,000
Executive Directors							
Kevin Nichol*	15,000	-	-	-	-	-	25,000
Danie Van Den Bergh*	25,000	-	-	-	-	-	15,000
	55,000	-	-	-	-	-	55,000

* Mr Phil Thick, Mr Danie van den Burgh and Mr Kevin Nichol all resigned on 24 April 2014
** Mr Peter Lloyd and Mr Graham Walker resigned on 17 July 2014.

	Short-term benefits			**Post-employment benefits**	**Long-term benefits**	**Share-based payments**	
	Cash salary and fees	**Termination**	**Non-Monetary**	**Super-annuation**	**Long-Service Leave**	**Equity-settled**	**Total**
2013	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-Exec Directors							
Philip Thick	37,500	-	-	-	-	34,000	71,500
Kevin Nichol	7,500	-	-	-	-	-	7,500
Executive Directors							
Danie Van Den Bergh	30,000	-	-	-	-	136,000	166,000
Peter Lloyd	110,227	196,000	-	35,000	-	255,000	596,227
	185,227	196,000	-	35,000	-	425,000	841,227

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2014	2013	2014	2013	2014	2013
Non-Executive Directors:						
Frank Knezovic	0%	-	0%	-	0%	-
Ranko Matic	0%	-	0%	-	0%	-
Jerko Zuvela	0%	-	0%	-	0%	-
Peter Lloyd	0%	-	0%	-	0%	-
Graham Walker	0%	-	0%	-	0%	-
Philip Thick	100%	100%	0%	0%	0%	0%
Executive Directors:						
Kevin Nichol	100%	100%	0%	0%	0%	0%
Danie Van Den Bergh	100%	100%	0%	0%	0%	0%
Peter Lloyd	100%	100%	0%	0%	0%	0%

Service agreements
Currently there are no formalised service agreements for key management personnel.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2014.

Options
There were no options issued to directors and other key management personnel as part of compensation during the year ended 31 December 2014.

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 31 December 2014 are set out below:

Name	No. of options granted 2014	No. of options granted 2014	No. of options vested 2014	No. of options vested 2013
Philip Thick	-	1,000,000	-	1,000,000
Danie Van Den Bergh	-	4,000,000	-	4,000,000
Peter Lloyd	-	7,500,000	-	7,500,000

There were no options over ordinary shares granted, exercised or lapsed for directors and other key management personnel as part of compensation during the year ended 31 December 2014.

Additional information
The earnings of the consolidated entity for the five years to 31 December 2014 are summarised below:

	2014	2013	2012	2011	2010
	$	$	$	$	$
Profit/Loss after income tax	67,269	(1,645,529)	(941,378)	(1,241,747)	(1,064,592)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2014	2013	2012	2011	2010
Share price at financial year end ($)	0.001	0.02	0.09	0.12	0.04
Basic earnings per share (cents per share)	0.03	(1.31)	(0.78)	(1.06)	(0.01)

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Argosy Minerals Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
30 May 2013	13 June 2017	$0.09	12,500,000

Shares issued on the exercise of options
There were no ordinary shares of Argosy Minerals Limited issued on the exercise of options during the year ended 31 December 2014 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former audit partners of Rothsay Chartered Accountants
There are no officers of the company who are former audit partners of Rothsay Chartered Accountants.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the next page.

Auditor
Rothsay Chartered Accountants continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Ranko Matic
Non-Executive Director
31 March 2015
Perth

ROTHSAY
Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
Argosy Minerals Limited
Level 1
12 Kings Park Road
West Perth WA 6005

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 31 December 2014 financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the review.

GRSwan

Graham R Swan (Lead auditor)

Rothsay Chartered Accountants

Dated 31st March 2015

Chartered Accountants

APPROACH TO CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Argosy Minerals Ltd (Argosy), support and adhere to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council, and considers that the Company is in compliance with those guidelines, to the extent possible, which are of importance to the commercial operation of a junior resource company.

The board of directors of Argosy is responsible for the Corporate Governance of the Company. The board guides and monitors the business and the affairs of the Company on behalf of the shareholders, by whom they were elected and to whom they are responsible.

In accordance with the Council's recommendations, the Company has followed the guidelines during this period. Where a recommendation is not followed, that fact must be disclosed, together with the reason for the departure.

The table below summarises the Company's compliance with the Corporate Governance Council's Recommendations:

Principles and Recommendations		**Compliance**	**Comply**
Principle 1 – Lay solid foundations for management and oversight			
1.1	Establish the functions reserved to the Board of directors ("Board") of Argosy ("the Company") and those delegated to Senior executives and disclose those functions.	The Board is responsible for the overall corporate governance of the Company. The Board has adopted a Board charter that formalises its roles and responsibilities and defines the matters that are reserved for the Board and specific matters that are delegated to management. On appointment of a director, the Company issues a letter of appointment setting out the terms and conditions of the appointment to the Board.	Complies
1.2	Disclose the process for evaluating the performance of senior executives	Currently the board has no executive employees. Should the Board appoint any executives in the future, the Board is aware that they are responsible for reviewing the performance of the senior executives, however currently does not have a formal procedure in place.	Not Applicable
1.3	Provides the information indicated in Guide to reporting on Principle 1.	A summary of the Board's functions and responsibilities is summarised in this Corporate Governance Statement. The Boards charter is also available on request.	Complies
Principle 2 – Structure the board to add value			
2.1	A majority of the Board should be independent directors	An Argosy director is considered independent when he or she is independent of management (that is, non-executive), and free from any business or other relationship that could materially interfere with, or could be reasonably perceived to materially interfere with, the exercise of his or her unfettered and independent judgement. Materiality is considered on a case by case basis by reference to the director's individual circumstances rather than general materiality thresholds. The Argosy Board has made its own assessment to determine the independence of each director on the board. In essence a non-executive director is deemed independent, if the director does not fail any of the following materiality thresholds: • less than 10% of the Company shares are held by the director and any entity or individual directly or indirectly associated with the director; • no sales are made to or purchases made from any entity or individual director or indirectly associated with the director; and • none of the directors' income of an individual or entity directly or indirectly associated with the director is received from a contract with any	Does not comply

		member of the economic entity other than income which is derived as a director of the entity. Currently, Argosy has one non-executive position on the board of the total three positions.	
2.2	The chair should be an independent director.	The chair is a non-executive position.	Complies
2.3	The roles of the chair and chief executive officer should not be exercised by the same individual	The Non-executive Chairman is separate to the CEO as currently there is no appointed CEO.	Complies
2.4	The Board should establish a nominations committee	The Board has not established a nomination committee. Given the present size of the Company, the Board has decided that a nomination committee is not appropriate. The functions of the nomination committee are carried out by the full Board.	Does not comply
2.5	Disclose the process for evaluating the performance of the Board, its committees and individual directors.	The Company did not conduct a formal performance evaluation of the board and has not adopted a performance evaluation policy.	Does not comply. Refer to 1.2 above.
2.6	Provide the information indicated in the Guide to reporting Principle 2.	This information has been disclosed (where applicable) in the Directors report attached to the Corporate Governance statement. The Board carries out the functions of the nominations committee. In accordance with the information suggested in the Guide to reporting on Principle 2, the Company has disclosed full details of its directors in the Directors report attached to the Corporate Governance Statement. Other disclosure material as suggested in the Guide to reporting Principle 2 is available upon request.	Does not comply.
Principle 3 – Promote ethical and responsible decision making.			
3.1	Establish a code of conduct and disclose the code or a summary of the code as to: • the practice necessary to maintain confidence in the Company's integrity; • the practice necessary to take into account their legal obligations and the reasonable expectations of the shareholders; • the responsibility and accountability of the individuals for reporting and investigating reports of unethical practices.	As part of the board's commitment to the high standards of conduct, the Company has established operating protocols to deal with various issues including: • conflicts of interest; • employment practices; • fair trading; • health and safety; and • relations with customers and suppliers. These are designed to: • clarify the standards of ethical behaviour required of the board, senior managers and employees and encourage compliance with those standards; and • assist the company to comply with its legal obligations and have regard to the reasonable expectations of shareholders.	Complies
3.2	Establish a policy concerning the diversity and the policy or a summary of the policy. The policy should include requirements of the board to establish measurable objectives for achieving gender diversity for the board and to assess annually both the objectives and progress in achieving them.	At this stage, the Board does not consider it relevant to establish a diversity policy as the Company has only one direct employee, but instead has administrative and technical services provided to it by consultants	Does not comply.

3.3	Disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	The Company does not have a diversity policy and, consequently, did not disclose any measurable objectives for achieving gender diversity.	Does not comply.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	There are currently no permanent employees at Argosy. There are three non-executive directors. None of these positions are held by women.	Complies
3.5	Provide the information indicated in the Guide to reporting Principle 3.	The Board Charter containing the Code of Conduct is available on request. The Securities trading policy is summarised in this Corporate Governance Statement and is available on request	Complies
Principle 4 – Safeguard integrity in financial reporting			
4.1	The board should establish an audit committee	Currently the Board does not have a separate audit and risk committee. The responsibilities of the audit and risk committee is assumed by the full Board.	Does Not Comply
4.2	The audit committee should be structured so that it consists of only non-executive directors, a majority of independent directors, is chaired by an independent chair person who is not chairperson of the board and the committee shall have at least 3 members.	Currently the Board does not have a separate audit and risk committee. The responsibilities of the audit and risk committee is assumed by the full Board.	Does Not Comply
4.3	The audit committee should have a formal charter.	There is a formal charter for an audit and risk committee which the Board follows when assuming the responsibilities for an audit and risk committee.	Complies
4.4	Provide the information indicated in the Guide to reporting Principle 4.	The Audit and Risk Committee Charter is available on request.	Complies
Principle 5 – Make timely and balanced disclosure			
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance and disclose those policies or a summary of those policies.	The company secretary has been nominated as the person responsible for communication with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirement in the ASX listing rules and overseeing and co-ordinating information disclosure to the ASX and the public. The company secretary and/or the chairman jointly ensure that any proposed announcement is drafted in a timely manner, is factual, expressed in a clear and consistent manner and does not omit material information. Except for standard secretarial and procedural matters, all material announcements to the ASX are authorised by the board.	The recommendation to establish and publish written policies regarding compliance with ASX Listing Rule disclosure requirements has not been adopted in view of the nature and extent of company operations.
5.2	Provide the information indicated in the Guide to reporting Principle 5.	The Company's continuous disclosure policy is available on request.	Complies.
Principle 6 – Respect the rights of the Shareholders			
6.1	Design a communications policy for promoting effective	The Company has an effective communication and promotion activity and welcomes discussion with its	The recommendation to establish and

	communication with shareholders and encouraging their participation at general meetings and disclose the policy or a summary of that policy.	shareholders and encourages participation in general meeting.	publish written policies regarding compliance with ASX Listing Rule disclosure requirements has not been adopted in view of the nature and extent of company operations.
6.2	Provide the information indicated in the Guide to reporting on Principle 6. .	The Company aims to keep shareholders informed of its performance and all major developments in an ongoing manner. Information disclosed to the ASX is available by a link on the Company's website. Additionally, information is communicated to shareholders through: • the annual report which is distributed to all shareholders; • the half year report which is distributed to all shareholders in an abbreviated form; and • other correspondence regarding matters impacting on shareholders as required.	Complies. Any departure from Recommendations 6.1 and 6.2 is explained under Recommendation 6.1
Principle 7 – Recognise and manage risk			
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Contained within the Audit and Risk Committee Charter.	Complies
7.2	The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. Disclose that management has reported to the board as to the effectiveness of the company's management of its material business risks.	Contained within the Audit and Risk Committee Charter.	Complies
7.3	Disclose whether the board has received assurance from the chief executive (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	The board has received the declaration in accordance with section 295A of the Corporations Act and has had an opportunity to question whether the declaration is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Complies
7.4	Provide the information indicated in the Guide to reporting on Principle 7.	The Audit and Risk Committee Charter is available upon request.	Complies
Principle 8 – Remunerate fairly and responsibly			

8.1	The board should establish a remunerations committee.	The board has not established a remunerations committee and has not adopted a remunerations charter.	Does not comply. Due to the size of the Board, all the directors have determined that they will participate in and execute the functions of the remunerations committee and that a separate remunerations committee is not necessary.
8.2	The remunerations committee should be structured such that; • consists of a majority of independent directors; • is chaired by an independent chair; • have at least 3 members	The board has not established a remunerations committee.	Does not comply
8.3	Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	The Company's remuneration policy for senior managers and non-executive directors is set out in the Remuneration Report.	Complies
8.4	Provide the information indicated in Guide to Reporting on Principle 9.	The information required has been reported as per above.	Complies

Argosy Minerals Limited
Consolidated Statement of profit or loss and other comprehensive income
For the year ended 31 December 2014

	Note	Consolidated 2014 $	Consolidated 2013 $
Revenue	5	304,533	8,080
Expenses			
Compliance costs		(91,960)	(87,033)
Bank charges		(200)	(1,021)
Rental expenses		(1,502)	(78,182)
Directors fees	6	(45,000)	(604,000)
Legal fees		(2,405)	(39,279)
Depreciation and amortisation expense		-	(2,257)
Loss on disposal of assets		-	(7,322)
Exploration and project assessment expenditure		-	(202,505)
Audit Fee	21	(19,000)	(16,488)
Office expenses		(566)	(10,080)
Professional fees		-	(52,541)
Management fees		-	(511,385)
Other expenses		(21,253)	(29,795)
Finance costs		(55,377)	(11,721)
Profit/(Loss) before income tax expense		67,270	(1,645,529)
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of Argosy Minerals Limited	17	67,270	(1,645,529)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Argosy Minerals Limited		67,270	(1,645,529)
		Cents	**Cents**
Basic earnings per share	30	0.03	(1.31)
Diluted earnings per share	30	0.03	(1.31)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Argosy Minerals Limited
Consolidated Statement of financial position
As at 31 December 2014

	Note	Consolidated 2014 $	Consolidated 2013 $
Assets			
Current assets			
Cash and cash equivalents	8	396,604	4,727
Trade and other receivables	9	1,012	6,364
Other	10	-	8,935
Total current assets		397,616	20,026
Non-current assets			
Exploration and evaluation	11	328,172	184,635
Total non-current assets		328,172	184,635
Total assets		725,788	204,661
Liabilities			
Current liabilities			
Trade and other payables	12	22,724	34,486
Loans Payable	13	100,000	-
Total current liabilities		122,724	34,486
Non-current liabilities			
Borrowings	14	314,597	449,724
Total non-current liabilities		314,597	449,724
Total liabilities		437,321	484,210
Net assets/(liabilities)		288,467	(279,549)
Equity			
Issued capital	15	53,449,636	52,948,890
Reserves	16	3,612,406	3,612,406
Accumulated losses	17	(56,773,575)	(56,840,845)
Total equity/(deficiency)		288,467	(279,549)

The above statement of financial position should be read in conjunction with the accompanying notes

Argosy Minerals Limited
Consolidated Statement of changes in equity
For the year ended 31 December 2014

Consolidated	**Issued capital $**	**Accumulated losses $**	**Reserves $**	**Total equity $**
Balance at 1 January 2013	52,918,140	(55,195,316)	3,187,406	910,230
Loss after income tax expense for the year	-	(1,645,529)	-	(1,645,529)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	(1,645,529)	-	(1,645,529)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 17)	-	-	425,000	425,000
	30,750	-	-	30,750
Balance at 31 December 2013	52,948,890	(56,840,845)	3,612,406	(279,549)

Consolidated	**Issued capital $**	**Accumulate d losses $**	**Reserves $**	**Total Equity $**
Balance at 1 January 2014	52,948,890	(56,840,845)	3,612,406	(279,549)
Loss after income tax expense for the year	-	67,270	-	67,270
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	67,270	-	67,270
Transactions with owners in their capacity as owners:				
Share issues	504,117	-	-	504,117
Share issue costs	(3,371)	-	-	(3,371)
Balance at 31 December 2014	53,449,636	(56,773,575)	3,612,406	288,467

The above statement of changes in equity should be read in conjunction with the accompanying notes

Argosy Minerals Limited
Consolidated Statement of cash flows
For the year ended 31 December 2014

	Note	Consolidated 2014 $	2013 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(179,361)	(1,034,967)
Interest received		5,325	8,079
Net cash used in operating activities	28	(174,036)	(1,026,888)
Cash flows from investing activities			
Payments for exploration and evaluation	11	(143,537)	(356,389)
Net cash used in investing activities		(143,537)	(356,389)
Cash flows from financing activities			
Proceeds from borrowings		508,704	-
Loan Repayments		(300,000)	-
Proceeds from issue of shares	15	504,117	438,003
Share issue transaction costs		(3,371)	-
Net cash from financing activities		709,450	438,003
Net decrease in cash and cash equivalents		391,877	(945,274)
Cash and cash equivalents at the beginning of the financial year		4,727	950,001
Cash and cash equivalents at the end of the financial year	8	396,604	4,727

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial report covers Argosy Minerals Limited as a consolidated entity consisting of Argosy Minerals Limited and the entities it controlled. The financial report is presented in Australian dollars, which is Argosy Minerals Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Argosy Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 1
12 Kings Park Road
West Perth WA 6005

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 31 March 2015. The directors have the power to amend and reissue the financial report.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of new accounting standards applicable to the Group for the first time in 2014 has not had a material on the financial statements. The Group has chosen not to early-adopt any accounting standards that have been issued, but are not yet effective. The impact of accounting standards that have been issued, but are not yet effective, is not material to these financial statements.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

Note 2. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Argosy Minerals Limited ('company' or 'parent entity') as at 31 December 2014 and the results of all subsidiaries for the year then ended. Argosy Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Note 2. Significant accounting policies (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciable amount of fixed assets are depreciated on a diminishing value basis over their useful lives to the Group, commencing from the time the assets are held ready for use. The depreciation rates used for each class of depreciable assets are:

Property, plant and equipment:	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Intangible assets
Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-

Note 2. Significant accounting policies (continued)

generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including:

- interest on short-term and long-term borrowings

Employee benefits
Wages and salaries and annual leave
Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave
The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 2. Significant accounting policies (continued)

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Argosy Minerals Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 4. Operating segments

Identification of reportable operating segments
Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information. The Group does not have any customers, and all the group's assets and liabilities, as recorded in the Statement of Financial Position, are located within Australia.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the statement of comprehensive income, statement of financial position and statement of cash flows. As a result no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

The information reported to the CODM is on at least a monthly basis.

Note 5. Revenue

	Consolidated	
	2014	**2013**
	$	**$**
Debt Forgiveness	299,208	
Interest	5,325	8,080
	304,533	8,080

Note 6. Expenses

	Consolidated	
	2014	**2013**
	$	**$**
Loss before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	-	2,257
Directors' fees		
Directors' fees	45,000	52,500

Note 6. Expenses (continued)

Share based payments	-	425,000
Termination payments	-	126,500
Total Directors payments	45,000	604,000
Superannuation expense		
Defined contribution superannuation expense	-	45,747
Write off of assets		
Plant and equipment	-	7,322

Note 7. Income tax expense

	Consolidated	
	2014	2013
	$	$
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(Loss) before income tax expense	67,270	(1,645,529)
Tax at the statutory tax rate of 30%	20,181	(493,659)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Project assessment expenses not deductible	(94,654)	60,752
	(432,907)	(432,907)
Current year tax losses not recognised	70,273	437,193
Current year temporary differences not recognised	4,200	(4,286)
Income tax expense	-	-

	Consolidated	
	2014	2013
	$	$
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	671,926	437,683

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 8. Current assets - cash and cash equivalents

	Consolidated	
	2014	2013
	$	$
Cash at bank	396,604	4,727

Deposits at calls are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group. Information about the Group’s exposure to interest rate risk is disclosure in Note 16.

Note 9. Current assets - trade and other receivables

	Consolidated	
	2014	**2013**
	$	**$**
Other receivables	-	2,442
BAS receivable	1,012	3,922
	1,012	6,364

Impairment of receivables
As at 31 December 2014, trade receivables that were past due or impaired were nil (2013: nil).

Refer to Note 19 for details of credit risk and fair value.

Note 10. Current assets - other

	Consolidated	
	2014	**2013**
	$	**$**
Prepayments	-	8,935

Note 11. Non-current assets - exploration and evaluation

	Consolidated	
	2014	**2013**
	$	**$**
Exploration and evaluation	328,172	184,635

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration & Evaluation $	Total $
Balance at 1 January 2013	103,250	103,250
Expenditure during the year	283,890	283,890
Write off of assets	(202,505)	(202,505)
Balance at 31 December 2013	184,635	184,635
Expenditure during the year	143,537	143.538
Balance at 31 December 2014	328,172	328,172

The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

Note 12. Current liabilities - trade and other payables

	Consolidated	
	2014	**2013**
	$	**$**
Trade payables	8,724	20,486
Other payables	14,000	14,000
	22,724	34,486

Note 13. Current liabilities – Loans Payable

	Consolidated	
	2014	**2013**
	$	**$**
Loans Payable	100,000	-

During the year the Company completed the convertible notes issue, raising $300,000 with the funds used to repay its major shareholder Discovery Africa Limited (ASX:DAF) $300,000 and then issue 50,000,000 fully paid ordinary shares at a deemed issue price of $0.002 (total of $100,000) as full and final satisfaction of the remaining loan outstanding to Discovery Africa Ltd. The shares to be issued to Discovery Africa Ltd will be subject to any shareholder approvals required. The amount in Note 13 reflects the remaining $100,000 to be paid to Discovery Africa through the issue of shares.

Note 14. Non-current liabilities - borrowings

	Consolidated	
	2014	**2013**
	$	**$**
Convertible notes and accrued interest	314,597	449,724

The amount in Note 14 reflects the Convertible Note issue of $300,000 plus accrued interest of $14,597. The Convertible Notes were issued on 13 August 2014 with a term of 24 months from the issue date, or at any such date as agreed in writing between the noteholder and the Company. The interest rate applicable to the notes is 12% p.a. The convertible notes plus any interest accrued will convert into fully paid ordinary shares based on the conversion price of $0.002. Notes may be converted by the noteholder any time after the Company receives shareholder approval to convert the notes. The Company may convert the notes at the repayment date. The convertible notes are unsecured.

Refer to note 19 for further information on financial instruments.

Note 15. Equity - issued capital

	Consolidated			
	2014	**2013**	**2014**	**2013**
	Shares	**Shares**	**$**	**$**
Ordinary shares - fully paid	378,087,316	126,029,105	53,449,636	52,948,890

Movements in ordinary share capital

Details	**Date**	**No of shares**	**Issue price**	**$**
Balance	1 January 2014	126,029,105		52,948,890
Rights Issue placement	14 April 2014	20,547,285	$0.002	41,095
Rights Issue shortfall shares	10 July 2014	231,510,926	$0.002	463,022
Share issue costs				(3,371)
Balance	31 December 2014	378,087,316		53,449,636

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Note 15. Equity – issued capital (continued)

Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2013 Annual Report.

Note 16. Equity - reserves

	Consolidated	
	2014	**2013**
	$	**$**
Options reserve	3,612,406	3,612,406

Options reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Option $	Total $
Balance at 1 January 2013	3,187,406	3,187,406
Shares based payment	425,000	425,000
Balance at 31 December 2013	3,612,406	3,612,406
Balance at 31 December 2014	3,612,406	3,612,406

Note 17. Equity - accumulated losses

	Consolidated	
	2014	**2013**
	$	**$**
Accumulated losses at the beginning of the financial year	(56,840,845)	(55,195,316)
Profit/(Loss) after income tax expense for the year	67,270	(1,645,529)
Accumulated losses at the end of the financial year	(56,773,575)	(56,840,845)

Note 18. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 19. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity manages risk using a variety of methods, dependent upon the nature of the risk and the options available to the consolidated entity.

Risk management is carried out by the Board of Directors ('the Board') using policies that include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The consolidated entity does not currently hold any financial assets in foreign currencies, and its only foreign currency liabilities are trade payables arising from expenditure incurred in Namibia on exploration and evaluation assets. These expenses are settled within 30 days, minimising the risk of foreign exchange losses.

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

Exposure arises predominantly from assets and liabilities bearing variable interest rates as the consolidated entity only holds fixed rate liabilities. Financial assets held are cash at bank balances and do not give rise to significant interest income. Interest rate risk is not considered to be material.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2014	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	22,724	-	-	-	22,724
Loans Payable	100,000	-	-	-	100,000
Interest bearing					
Convertible Notes	-	314,597	-	-	314,597
Total non-derivatives	122,724	314,597	-	-	437,321

Note 19. Financial Instruments (continued)

Consolidated - 2013	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	34,486	-	-	-	34,486
Interest bearing					
Borrowings	-	449,724	-	-	449,724
Total non-derivatives	34,486	449,724	-	-	484,210

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 20. Key management personnel disclosures

Directors
The following persons were directors of Argosy Minerals Limited during the financial year:
Mr Frank Knezovic (appointed 24 April 2014)
Mr Ranko Matic (appointed 17 July 2014)
Mr Jerko Zuvela (appointed 17 July 2014)
Mr Peter Lloyd (appointed 24 April 2014 and resigned 17 July 2014)
Mr Graham Walker (appointed 24 April 2014 and resigned 17 July 2014)
Mr Philip Thick (resigned 24 April 2014)
Mr Kevin Nichol (resigned 24 April 2014)
Mr Danie Van Den Bergh (resigned 24 April 2014)

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2014 $	Consolidated 2013 $
Short-term employee benefits	55,000	256,810
Post employment benefits	-	35,000
Termination benefits	-	196,200
Share-based payments	-	425,000
	55,000	913,010

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2014	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Ranko Matic*	-	-	17,170,310	-	17,170,310
Jerko Zuvela*	-	-	14,670,305	-	14,670,305
	-	-	31,840,615	-	31,840,615

*These shares acquired at share issue on 10 July 2014 before the directors were appointed

Note 20. Key Management Disclosures (continued)

2013	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Philip Thick	2,690,000	-	-	(2,690,000)	-
Peter Lloyd	17,951,161	-	-	(17,951,161)	-
	20,641,161	-	-	(20,641,161)	-

Option holding
There were no options over ordinary shares in the company held during the financial year by any director or other members of key management personnel of the consolidated entity, including their personally related parties.

Note 21. Remuneration of auditors
During the financial year the following fees were paid or payable for services provided by Rothsay Chartered Accountants, the auditor of the company:

	Consolidated	
	2014	**2013**
	$	**$**
Audit services - Rothsay Chartered Accountants		
Audit or review of the financial statements	19,000	16,488

Note 22. Contingent liabilities
There are no material contingent liabilities or contingent assets of the Group at reporting date

Note 23. Commitments
There are currently no commitments for the Group.

Note 24. Related party transactions

Parent entity
Argosy Minerals Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 26.

Key management personnel
Disclosures relating to key management personnel are set out in note 20 and the remuneration report in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2014	**2013**
	$	**$**
Payment for goods and services:		
Payments to Peninsular Services Limited	-	167,021
Payments to Capital and Corporate Advisors Pty Ltd	14,586	-
Payments to Nova Legal	2,405	-
Payment for other expenses:		
Interest charged by Associate (Discovery Africa)	-	11,721

Peninsular Services Limited provided office facilities, consultancy services and personnel. Peninsular Services Limited is a related entity of Peter Lloyd. The services were reimbursed at cost.
Capital and Corporate Advisors Pty Ltd provided accounting, company secretarial and corporate advisory services. Capital and Corporate Advisory is a related party of Ranko Matic.
Nova Legal provided legal services. Nova Legal is a related entity party of Frank Knezovic.

Note 25. Parent Entity Information (continued)

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2014	**2013**
	$	**$**
Current payables:		
Capital and Corporate Advisors Pty Ltd	3,300	-

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2014	**2013**
	$	**$**
Current borrowings:		
Loan from Associate	100,000	449,724
Non-current borrowings		
Ranko Matic – Convertible Note	15,000	-
Jerko Zuvela – Convertible Note	67,500	-
Frank Knezovic – Convertible Note	20,000	-

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 25. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2014	**2013**
Profit/(Loss) after income tax	67,270	(1,645,529)
Total comprehensive income/(loss)	67,270	(1,645,529)

Statement of financial position

	Parent	
	2014	**2013**
	$	**$**
Total current assets	397,616	20,026
Total non-current assets	328,172	
Total assets	725,788	204,661
Total current liabilities	122,724	34,486
Total non-current liabilities	314,597	
Total liabilities	437,321	484,210
Equity		
Issued capital	53,449,636	52,948,890
Options reserve	3,612,406	3,612,406
Accumulated losses	(56,773,575)	(56,840,845)
Total equity/(deficiency)	288,467	(279,549)

Note 25. Parent Entity Information (continued)
Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2014 and 2013.

Contingent liabilities
The parent entity had no contingent liabilities as at 31 December 2014 and 2013.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment at as 31 December 2014 and 2013.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:
● Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
● Investments in associates are accounted for at cost, less any impairment, in the parent entity.
● Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 26. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**2014 %**	**2013 %**
Andover Resources NL	Australia	100.00%	100.00%
Argosy Energy Zambia Ltd	Zambia	100.00%	100.00%
Argosy Minerals (S.L.) Ltd	Sierra Leone	100.00%	100.00%
Yucca Investment Sixty Three Corporation	Namibia	100.00%	100.00%
Rhino Mining and Exploration Close Company	Namibia	100.00%	100.00%
Hallie Investments Number Three Thousand One Hundred and Seven Pty Ltd	Australia	100.00%	100.00%
Manmar Investments One Hundred and Five Pty Ltd	Australia	100.00%	100.00%

All subsidiaries incorporated overseas are currently dormant.

Note 27. Events after the reporting period
No matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 28. Reconciliation of profit/(loss) after income tax to net cash used in operating activities

	Consolidated	
	2014 $	**2013 $**
Loss after income tax expense for the year	67,270	(1,645,529)
Adjustments for:		
Depreciation and amortisation	-	2,257
Debt forgiveness	(299,208)	
Interest Payable	55,377	
Write off of property, plant and equipment	-	7,322
Share-based payments	-	425,000
Write off of exploration and evaluation expenditure	-	202,505
Interest on ultimate parent entity loan	-	11,721

Note 28. Reconciliation of profit/(loss) after income tax to net cash used in operating activities (continued)

Change in operating assets and liabilities:		
Decrease in trade and other receivables	14,287	607
Increase in prepayments	-	(3,727)
Decrease in trade and other payables	(11,762)	(17,037)
Decrease in employee benefits	-	(10,007)
Net cash used in operating activities	(174,036)	(1,026,888)

Note 29. Non-cash investing and financing activities

	Consolidated	
	2014	2013
	$	$
Acquisition of exploration and evaluation assets	-	30,750

Note 30. Earnings per share

	Consolidated	
	2014	2013
	$	$
Loss after income tax attributable to the owners of Argosy Minerals Limited	67,269	(1,645,529)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	241,290,790	126,029,105
Weighted average number of ordinary shares used in calculating diluted earnings per share	241,290,790	126,029,105
	Cents	**Cents**
Basic earnings per share	0.03	(1.31)
Diluted earnings per share	0.03	(1.31)

Argosy Minerals Limited
Directors' declaration
31 December 2014

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Ranko Matic
Non-Executive Director
31 March 2015
Perth

ROTHSAY

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ARGOSY MINERALS LTD

Report on the financial report

We have audited the accompanying financial report of Argosy Minerals Ltd (the Company") which comprises the balance sheet as at 31 December 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flow state for the period ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the period's end or from time to time during the period.

Directors Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used in and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.

Audit opinion

In our opinion the financial report of Argosy Minerals Ltd is in accordance with the *Corporations Act 2001*, including:

a) (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of their performance for the period ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

b) the consolidated financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the period ended 31 December 2014. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Audit opinion

In our opinion the remuneration report of Argosy Minerals Ltd for the period ended 31 December 2014 complies with section 300A of the *Corporations Act 2001*.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Argosy Minerals Ltd for the year ended 31 December 2014 included on Argosy Minerals Ltd's website. The company's directors are responsible for the integrity of the website. We have not been engaged to report on the integrity of the website. This auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Rothsay

Rothsay

GR Swan

Graham R Swan
Partner

Dated 31st March 2015

Argosy Minerals Limited
Shareholder information
31 December 2014

The shareholder information set out below was applicable as at 24 March 2015.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

Range	Number of holders of ordinary shares	Number of holders of options over ordinary shares
1 to 1000	342	-
1001 to 5000	283	-
5001 to 10,000	120	-
10,001 to 100,000	172	-
100,001 and over	109	1
Total	1,026	1
Holding less than a marketable parcel	958	0

Equity security holders
Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary Shares	
	Number held	% of total shares issued
DISCOVERY AFRICA LIMITED	111,713,689	28.60
STEVEN MARIN ZUVELA <TAEZ DISCRETIONARY A/C>	20,000,000	5.12
DIHNA NADA ZUVELA <DNZ DISCRETIONARY A/C>	20,000,000	5.12
STEVSAND HOLDINGS PTY LTD	15,000,000	3.84
JERKO ZUVELA <JAKKZ DISCRETIONARY A/C>	14,670,305	3.76
CAVALIER RESOURCES PTY LTD <THE CAVALIER A/C>	13,170,310	3.37
J & TW DEKKER PTY LTD <J & TW DEKKER FAMILY A/C>	10,000,000	2.56
EMMERSON HOLDINGS PTY LTD <P & J LLOYD FAMILY A/C>	7,500,000	1.92
CARISSA MATIC	7,500,000	1.92
TANIKA MATIC	7,500,000	1.92
MICALE CONSULTING PTY LTD <THE MICALE FAMILY A/C>	6,250,000	1.60
ROBERT LUNDIE & JUDITH LUNDIE <PAROUSIA SUPER FUND A/C>	6,250,000	1.60
MR CARLO PUCA	5,000,000	1.28
ERINELLA PTY LTD <KILLIGREW SUPER FUND A/C>	5,000,000	1.28
HARMIT PTY LTD <THE HARMIT FAMILY A/C>	5,000,000	1.28
JANT NOMINEES PTY LTD <GLEN IRIS SUPER FUND A/C>	5,000,000	1.28
GRAZIAN PTY LTD <THE I B MURIE A/C>	5,000,000	1.28
STEVEN CAMARDA <THE SC A/C>	5,000,000	1.28
RODNEY CHATFIELD	5,000,000	1.28
MR ALAN EDWARD THOMAS & MRS KYLIE THOMAS <JH & VA LEE SUPER FUND A/C>	5,000,000	1.28
	279,554,304	71.57

Options
There are no listed options. There are 12,500,000 unlisted options over unissued shares on issue.

Argosy Minerals Limited
Shareholder information
31 December 2014

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	**% of total shares Issued**
DISCOVERY AFRICA LIMITED	111,713,689	28.60
STEVEN MARIN ZUVELA <TAEZ DISCRETIONARY A/C>	20,000,000	5.12
DIHNA NADA ZUVELA <DNZ DISCRETIONARY A/C>	20,000,000	5.12

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.