

ASX ANNOUNCEMENT

24 July 2017

COMPANY UPDATE

HIGHLIGHTS

- **Company on schedule to produce LCE product**
- **Company in advanced discussions to finalise strategic investor process**

Argosy Minerals Limited (ASX: AGY) ("**Argosy**" or "**Company**") is pleased to provide the following update on its operations and strategic investor process.

Rincon Lithium Project

Recent works at the Project have involved progressing with obtaining regulatory permits and approvals to commence the additional pond construction and exploration drilling works. The Company has been slightly delayed with this process due to judicial holidays and the recent appointment of the new Mining Secretary of the Salta Province, however the Company expects to commence these works shortly.

Argosy executives have met with the new Mining Secretary – Mr Daniel Ricardo Blasco, who is very supportive of the Company's development strategy and progress to date.

The Company has progressed with refurbishment of the industrial warehouse site, where the Stage 1 lab-scale pilot plant will be constructed and operational to process the lithium brine concentrate, with targeted production of lithium carbonate equivalent ("**LCE**") product during Q1, 2018.

Natural solar evaporation conditions at the Project since brine pumping was completed in April have resulted in better than expected lithium brine concentration, which is very positive for the Project.

The Company is confident that the Rincon Lithium Project has a clear conceptual pathway to lithium production, with historical results and Mr Alurralde's previous operating and production experience from the Project area and over the broader Salar del Rincon justifying the fast-track approach.

Strategic Process Update

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

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



For personal use only

ASX ANNOUNCEMENT

ENDS

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

For further information:

Jerko Zuvela
Managing Director

T | +61 8 9226 4500

E | admin@argosyminerals.com.au

W | www.argosyminerals.com.au

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

ABOUT ARGOSY MINERALS LIMITED

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

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

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

Appendix 1: AGY's Argentina Project Location Map

