



ARGOSY MINERALS
LIMITED

27 December 2017

The Manager
ASX Market Announcements
Australian Securities Exchange Limited

Dear Sir/Madam

Appendix 3B

The Company encloses an Appendix 3B in respect of the issue of 1,000,000 Share Appreciation Rights and 4,500,000 Options.

The terms of the securities are attached to this announcement. All Share Appreciation Rights and Options are issued within the Company's existing placement capacity under Listing Rule 7.1.

Yours faithfully

Andrea Betti
Company Secretary

Argosy Minerals Limited

ACN 073 391 189

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

ARGOSY MINERALS LIMITED

ABN

27 073 391 189

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | 1. Share Appreciation Rights (SARs)
2. Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 1,000,000
2. 4,500,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Share Appreciation Rights (SARs) are issued under the terms of the Company's Employee Equity Incentive Plan. SARs issued with an exercise price of \$0.225 and expiring 22 December 2020. Terms and Conditions as per attached
2. Unlisted Options are issued under the terms of the Company's Employee Equity Incentive Plan. Option issued with an exercise price of \$0.225 and expiring 22 December 2020. Terms and Conditions as per attached. |

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New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<ol style="list-style-type: none"> 1. No, this is a new class of unquoted Share Appreciation Rights (SARs) 2. No, this is a new class of unquoted Options
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. Issued for nil consideration 2. Issued for nil consideration
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. Issued to employees/contractors under the Company's Employee Equity Incentive Plan. 2. Issued to employees/contractors under the Company's Employee Equity Incentive Plan.
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>26 May 2017</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<ol style="list-style-type: none"> 1. 1,000,000 SARs 2. 4,500,000 Options
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

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6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil							
6f	Number of +securities issued under an exception in rule 7.2	Nil							
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A							
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A							
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Rule 7.1</td> <td style="text-align: right; padding: 2px;">19,913,418</td> </tr> <tr> <td style="padding: 2px;">Rule 7.1A</td> <td style="text-align: right; padding: 2px;">79,905,216</td> </tr> <tr> <td style="padding: 2px;">Total</td> <td style="text-align: right; padding: 2px;">99,818,634</td> </tr> </table>		Rule 7.1	19,913,418	Rule 7.1A	79,905,216	Total	99,818,634
Rule 7.1	19,913,418								
Rule 7.1A	79,905,216								
Total	99,818,634								
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	22 December 2017							
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">893,496,575</td> <td style="padding: 2px;">Ordinary Fully Paid Shares</td> </tr> </tbody> </table>		Number	+Class	893,496,575	Ordinary Fully Paid Shares		
Number	+Class								
893,496,575	Ordinary Fully Paid Shares								

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	10,000,000	Options exercisable at \$0.045 and expiring 6/04/2020
	10,000,000	Options exercisable at \$0.045 and expiring 15/9/2020
	5,000,000	Options exercisable at \$0.045 and expiring 31/12/2019
	10,000,000	Performance Rights
	1,000,000	Share Appreciation Rights (SARs) exercisable at \$0.225 and expiring 22 December 2020
	4,500,000	Options exercisable at \$0.225 and expiring 22/12/2020
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	

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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	

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- 29 Date rights trading will end (if applicable)
- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)
- (a) +Securities described in Part 1
- (b) All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over

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37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

		Number	+Class
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 27 December 2017
(Company secretary)

Print name: Andrea Betti

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	744,750,788
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>5,000,000 (App 3B issued 15/02/17 – approved 24/1/17)</p> <p>5,000,000 (App 3B issued 6/04/17 – LR 7.2 exception)</p> <p>30,602,750 (App 3B issued 19/6/17 – LR 7.2 exception)</p> <p>13,698,630 (App 3B issued 31/5/2017 and then ratified by shareholders on 6/11/2017)</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	799,052,168

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	119,857,825
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>83,333,333 shares (issued 13/10/17)</p> <p>11,111,074 shares (issued 30/10/2017)</p> <p>1,000,000 Share Appreciation Rights (this issue)</p> <p>4,500,000 Options (this issue)</p>
“C”	99,944,407
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	119,857,825
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	99,944,407
Total [“A” x 0.15] – “C”	19,913,418 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	799,052,168
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	79,905,216
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	0

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	79,905,216
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	0
Total ["A" x 0.10] – "E"	79,905,216 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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ARGOSY MINERALS LIMITED

TERMS AND CONDITIONS OF SHARE APPRECIATION RIGHTS(SARS)

Share Appreciation Rights (SARs) are entitlements to receive a number of Shares which can be exercised at the Exercise Price before they expire.

1. The exercise of SARs will occur on a cashless basis so there will be no actual payment of the Exercise Price, but it will be taken into account in calculating the number of Shares allocated upon exercise.
2. SARs do not carry a right to vote or to dividends or, in general, a right to participate in other corporate actions such as bonus issues.
3. No monies will be payable for the issue of the SARs.
4. A Certificate will be issued for the SARs.
5. The Exercise Price of each SAR will be AUD\$0.225.
6. Unless they lapse earlier in accordance with these terms, the SARs shall expire 22 December 2020.
7. For each SAR that is validly exercised, you will be allocated Shares based on the formula below (rounded up to the nearest whole Share):
$$\text{Shares to Receive} = \text{SARs being exercised} \times (A-B)/A$$

Where:
A = Volume weighted average price (VWAP) of a Share for the five trading days before the date of exercise
B = Exercise Price (\$0.225)
8. The Board has discretion to settle exercised SARS in cash.
9. The SARs will vest upon issue.
10. SARs are subject to the following terms:
 - (a) SARs shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the SARs holder to exercise all or a specified number of SARs held by him accompanied by an SARs certificate and a cheque made payable to the Company or an electronic funds transfer for the subscription monies for the Shares; and
 - (b) an exercise of only some SARs shall not affect the rights of the SARs holder to the balance of the SARs held by the holder.
11. The SARs may be exercised in whole or in part, and if exercised in part, multiples of 100 must be exercised on each occasion.
12. The Company shall allot the resultant Shares within ten (10) Business Days of the exercise of the SARs.
13. Shares allotted pursuant to an exercise of SARs shall rank, from the date of allotment, equally with existing fully paid ordinary shares of the Company in all respects.
14. The SARs are not transferable, without the prior approval of the Company.

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15. The Company will not apply for quotation of the SARs on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of SARs on ASX within 10 Business Days after the date of allotment of those Shares.
16. In the event of any reorganisation of capital of the Company, all rights of the SARs holder will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
17. There are no participating rights or entitlements inherent in the SARs and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the SARs.
18. An SARs do not confer the right to a change in exercise price or a change in the number of underlying securities over which the SARs can be exercised.
19. The SARs will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant SARs.

ARGOSY MINERALS LIMITED

TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for a fully paid ordinary Share in the capital of the Company ("Share") on the following terms and conditions:

1. No monies will be payable for the issue of the Options.
2. A Certificate will be issued for the Options.
3. The exercise price of each Option will be AUD\$0.225.
4. Unless they lapse earlier in accordance with these terms, the Options shall expire 22 December 2020.
5. When exercised, an Option entitles the holder to be issued one (1) Share.
- 6) The Options will vest in two tranches upon the achievement of the following milestones:
 - (a) Tranche 1
50% of the options issued will vest upon production of battery grade LCE product from the Stage 1 pilot plant, as verified and approved by the board of Argosy Minerals, from the Rincon Project in Argentina.
 - (b) Tranche 2
50% of the options issued will vest upon production of battery grade LCE product from the Stage 2 pilot plant, as verified and approved by the board of Argosy Minerals, from the Rincon Project in Argentina.
6. Subject to these terms:
 - (a) Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option holder to exercise all or a specified number of Options held by him accompanied by an Option certificate and a cheque made payable to the Company or an electronic funds transfer for the subscription monies for the Shares; and
 - (b) an exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by the holder.
7. Unless otherwise agreed by the Company, all Options will immediately lapse if, the holder ceases to be an employee or contractor of, or to render services to, the Company or one of its related bodies corporate for any reason whatsoever (including without limitation resignation or termination for cause).
8. The Options may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
9. The Company shall allot the resultant Shares within ten (10) Business Days of the exercise of the Option subject to receipt of cleared subscription monies.
10. Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing fully paid ordinary shares of the Company in all respects.
11. The Options are not transferable, without the prior approval of the Company.

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12. The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
13. In the event of any reorganisation of capital of the Company, all rights of the Option holder will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
14. There are no participating rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
15. An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
16. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.