



ASX ANNOUNCEMENT

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ARGOSY SIGNS FARM-IN JOINT VENTURE FOR NEW QUEENSLAND COPPER-GOLD PROJECT

*Agreement with Mining International Pty Ltd for Wee MacGregor Copper-Gold Project
Argosy can acquire up to an 80% interest in 3 granted Mining Licences*

Argosy Minerals Limited (ASX: AGY) ("the Company") is pleased to announce that it has executed a Farm-in Joint Venture Agreement with Mining International Pty Ltd, a fully owned subsidiary of Cape Lambert Resources Limited, to earn up to an 80% interest in Mining International's Wee MacGregor Copper-Gold Project located in the world class Mt Isa base metals province in north-west Queensland. The acquisition is consistent with the Company's strategy of enhancing its project portfolio and increasing the overall value proposition of AGY.

The Wee MacGregor Project comprises three granted mining licences located approximately 60km southeast of Mt Isa with access via the sealed Barkly Highway.

The Mount Isa Inlier is host to numerous large and small scale deposits and is prospective for copper, gold, silver, cobalt, uranium, base metals, rock phosphate and graphite with several operating mines in the district, including some old workings from the early 1900's located within the Wee MacGregor Project. Reported production from the historical underground mining at the former Wee MacGregor Mine is 2731 tonnes of copper and 1535 ounces of gold (at 6.2% Cu & 1g/t Au, from approximately 44,411 tons of ore mined). The nearby historical Rosebud Mine produced some 7980t copper at 6.6% Cu.

Limited exploration has been carried out within the project area, with the most recent works completed in 1991. Results from the 19 drill-hole RC drilling program showed significant remnant mineralisation in the vicinity of the underground workings as well as significant untouched mineralised extensions along strike and down dip. Mineralisation exists as both oxide and sulphide ore with high grade copper minerals exposed at surface.

The Company's near-term strategy to advance the Project is:

- ▶ Delineate, define and upgrade the historic mineral inventory at the Project to be compliant with the 2012 JORC code;
- ▶ Define sufficient oxide and transition mineralisation to consider the viability of a potential small-scale mining operation; and
- ▶ To drill test the strike and depth extensions at the Project.

The Company is attracted to the Project given no recent detailed exploration has been conducted over the past 25 years, and believes the Wee MacGregor Project is a good starting point with existing granted mining licences, existing environmental authorities, and





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strong evidence of high grade residual and extensional mineralisation in close proximity to established infrastructure and service providers.

Summary Terms of the Farm-in JV Agreement

Argosy has executed the Farm-in JV Agreement with Mining International whereby Argosy will earn an 80% interest in the Wee MacGregor Project by spending \$1 million within a two (2) year period or otherwise making a "Decision to Mine" at the Project. Mining International will be free-carried until Argosy reaches a Decision to Mine stage.

Importantly there is no minimum expenditure required by Argosy and it can walk away from the Joint Venture at any time during the Farm-in period.

The key terms of the Agreement are;

- ▶ Argosy will earn a total 80% interest in the Project subject to meeting a total Project expenditure of \$1 million within 24 months or otherwise AGY making a "Decision to Mine" at the Project.
- ▶ Argosy will earn a 51% interest in the Project subject to meeting a Project expenditure of \$500,000.
- ▶ Argosy will be required to expend a minimum of \$250,000 on the Project during the initial 12 months to maintain the status of the Farm-in JV Agreement, unless the term is otherwise extended by MIPL.
- ▶ Argosy will manage all exploration, development and mining activities at the Project.
- ▶ Argosy can elect to withdraw from the Project at any time during the Farm-in period.
- ▶ Mining International shall enjoy a "Free Carry" on all costs associated with the Project up until the date a Decision to Mine is made.

Argosy believes this Farm-in arrangement to be a good first step in re-building the assets of the Company through targeted exploration on a prospective project on which early results will determine whether or not to continue with the Farm-in, without the Company incurring significant expenditure.

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

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