



Argosy Minerals Limited

ACN 073 391 189

Level 4, 100 Albert Road,
South Melbourne, VIC 3205

Phone: (03) 9692 7222 Fax: (03) 9077 9233

28 October 2013

September 2013 Quarterly Activities Report

Board of Directors

Mr Philip Thick
(Chairman/Director)

Mr Danie Van Den Bergh
(Director)

Mr Kevin Nichol
(Director)

Company Secretary

Melanie Leydin

Securities on Issue:

AGY: 126,029,105 ordinary
shares

Argosy Minerals Limited (ASX: AGY) ("the Company") provides the following update on the review of operations for the quarter ended 30 September 2013:

- On 2 July 2013 the Company entered into an Takeover Bid Implementation Deed with Baru Resources Limited (ASX: BAC) ('Baru' or 'BAC') where it was proposed that Baru will acquire all of the issued shares of the Company in a share based transaction by way of an off-market takeover offer ('Offer').
 - o Under the Offer, Argosy shareholders were offered one (1) new BAC share for every one (1) AGY share held. BAC had 49,796,009 shares on issue prior to the off-market takeover offer.
 - o The AGY Board at the time unanimously recommended that shareholders accept the Offer in the absence of a superior proposal.
- On 28 August 2013 the Company received the Bidder's Statement from BAC in relation to the Offer to AGY shareholders with the Offer dated 2 September 2013.
- On 6 September 2013 the Company announced its Target Statement and provided the Director's formal response and recommendations to the Offer made by BAC.
- On 17 September 2013 the Company received notice from BAC that the off-market takeover offer was declared unconditional.
- On 26 September 2013 the Company received notice from BAC of the status of the defeating conditions to the off-market takeover offer

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Funding of the Company

As at 24 October 2013, Baru currently holds 84.86% of AGY and has entered into a funding arrangement to fund all outgoing expenditure commitments of the Company.

Subsequent to the end of the quarter

On 1 October 2013 the Company received a notice of variation of the Offer made by BAC, extending the closing date of the Offer to 5.00pm (Perth time) on 31 October 2013.

On 3 October 2013 it was announced that as part of the off-market takeover offer being declared unconditional by BAC, Mr Peter Lloyd has resigned as Executive Director of the Company and Mr Kevin Nichol has been appointed as Non-executive Director. Mr Nichol is currently the Managing Director of BAC.

It was further noted that Mr Alan Thomas has resigned as Company Secretary and Ms Melanie Leydin appointed.

On 3 October 2013 the Company received a Supplementary Bidder's Statement from BAC which was provided to shareholders in respect of the Offers made by BAC.

On 22 October 2013 the Company announced that its registered office had changed as per the above details.

For further details, please contact:**Kevin Nichol**
Director

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

ARGOSY MINERALS LIMITED

ABN

27 073 391 189

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(35)	(324)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	1	8
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – Net GST (paid)/refunded	-	1
Net Operating Cash Flows	(351)	(895)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other		
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(351)	(895)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(351)	(895)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other – Capital raising costs		
	Other – Security deposits		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(351)	(895)
1.20	Cash at beginning of quarter/year to date	410	950
1.21	Exchange rate adjustments to item 1.20	-	4
1.22	Cash at end of quarter	59	59

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	71
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payments include directors fees, management fees (including reimbursement of salaries for personnel in Australia) and consulting fees paid to Directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	195
4.2 Development	
4.3 Production	
4.4 Administration	50
Total	245*

*: Cash outflow funded through a funding arrangement with Baru Resources Limited (a 84.86% shareholder at 24 October 2013)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	59	63
5.2 Deposits at call		347
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	59	410

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	126,029,105	126,029,105		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	<i>Unlisted Options</i> 12,500,000		<i>Exercise price</i> \$0.09	<i>Expiry date</i> 13/06/2017
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 5\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 28 October 2013

Print name: Melanie Leydin

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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