



ARGOSY MINERALS
L I M I T E D

ACN | 073 391 189

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2015

	Page
Corporate directory	1
Directors' report	2
Auditors' independence declaration	4
Independent review report	5
Directors' declarations	6
Consolidated statement of comprehensive income	7
Consolidated statement of financial position	8
Consolidated statement of changes in equity	9
Consolidated statement of cash flows	10
Notes to the financial statements	11

CORPORATE DIRECTORY

Directors

Mr Frank Knezovic – Non-Executive Chairman
Mr Ranko Matic – Non-Executive Director
Mr Jerko Zuvela – Non-Executive Director

Secretary

Mr Ranko Matic

Registered Offices

Level 1
12 Kings Park Road
West Perth WA 6005
Australia
Telephone: +61 8 9226 4500
Facsimile: +61 8 9226 4300
Website: www.argosyminerals.com.au
Email: admin@argosyminerals.com.au

Share Registry

Automatic Registry Services
Suite 1A
Level 1, 7 Ventnor Avenue
West Perth WA 6005

Telephone: +61 8 9324 2099

Auditors

Rothsay Chartered Accountants
Level 1, Lincoln Building
4 Ventnor Avenue
West Perth WA 6005

Solicitors

Nova Legal
Ground Floor, 10 Ord Street
West Perth WA 6005
Australia
Ph: +61 8 9486 3177
Fax: +61 8 9200 5697

Home Exchange

Australian Securities Exchange Limited
Home Branch: Perth

ASX Code: AGY

DIRECTORS' REPORT

The Directors of Argosy Minerals Limited present their report on the consolidated entity (the "Group") consisting of Argosy Minerals Limited and the entities it controlled at the end of, or during, the half-year ended 30 June 2015.

Directors

The names of the Group's directors in office at any time during the financial period or since the end of the financial period are:

Frank Knezovic
Ranko Matic
Jerko Zuvela

Unless otherwise stated each director held their office from 1 January 2015 until the date of this report.

Review of operations

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.

Consolidated Results

	Half-Year Ended 30 June 2015	Half-Year Ended 30 June 2014
	\$	\$
Consolidated loss before income tax expense	(254,003)	(152,428)
Income tax benefit / (expense)	-	-
Net loss	(254,003)	(152,428)

Dividends Paid or Recommended

No dividends have been declared, provided for or paid in respect of the half-year (30 June 2014: Nil).

Corporate

The Company held its Annual General Meeting on 29th May 2015 where it obtained shareholder approval to issue ordinary shares upon conversion of Unrelated and Related Party Loan Notes including issuing ordinary shares in lieu of interest payments under the Loan Notes. This is part of the capital raising engagement agreement for the recapitalisation process that the Company announced on 4th July 2014. As at the reporting date the issue of ordinary shares for the Loan Notes had not been processed. Subsequent to the reporting date, final settlement of any monies owed to Discovery Africa Limited was completed, which was a step in the recapitalisation process.

DIRECTORS' REPORT

Exploration

The Company has a 100% interest in the Erongo (Area 51) Graphite Project in Namibia, located approximately 275km northwest of the capital Windhoek.

The Company conducted drilling, sample analysis and geophysical survey activities at the project during the previous reporting period. The Company's current reporting period workings were based on conducting a comprehensive review of all available data on the Erongo Graphite Project to determine its strategy with the project. The company has not made any final decision on progressing the project further pending further analysis and funding opportunities.

The Company has assessed several other business opportunities during the Reporting Period, including due diligence of an African resources project, however these were considered not acceptable. The Company is proactively 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.

Events after Balance Sheet date

On the 14th August 2015 the Company announced that it had closed out the \$100,000 loan owing to Discovery Africa Limited by the issue of 50,000,000 ordinary fully paid shares and represents full and final settlement of any monies owed to Discovery Africa Limited.

Other than the above, no matters or circumstances have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Auditor's Independence Declaration

The Auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is included on page 5 of the half-year financial report.

Signed in accordance with a resolution of the directors, and on behalf of the Board by



Ranko Matic
Non-Executive Director
Perth, Western Australia

11 September 2015



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 review of the 30 June 2015 interim financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.

Graham R Swan (Lead auditor)

Rothsay Chartered Accountants

Dated 11 September 2015



Chartered Accountants



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

Independent Review Report to the Members of Argosy Minerals Limited

The financial report and directors' responsibility

The interim consolidated financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Argosy Minerals Limited for the half-year ended 30 June 2015.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* 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.

Review approach

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim consolidated financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated financial position as at 30 June 2015 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Argosy Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Independence

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim consolidated financial report of Argosy Minerals Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position as at 30 June 2015 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Rothsay

Rothsay

Graham R Swan
Partner

Dated 11 September 2015



Chartered Accountants

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and accompanying notes set out on pages 7 to 12, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Ranko Matic
Non-Executive Director
Perth, Western Australia

11 September 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2015

	Note	Consolidated	
		30 June 2015	30 June 2014
		\$	\$
Revenue from continuing operations	4	3,420	377
Compliance costs		(8,631)	(21,304)
Bank charges		(241)	(90)
Rental expenses		-	(1,502)
Directors fees		-	(45,000)
Office expenses		-	(2,916)
Exploration and project assessment expenses		(35,136)	-
Impairment expense		(180,224)	-
Professional fees		(15,339)	(40,626)
Interest Expense		(17,852)	(40,780)
Other expenses		-	(587)
Loss before income tax		(254,003)	(152,428)
Income tax benefit / (expense)		-	-
Loss attributable to Owners of Argosy Minerals Limited		(254,003)	(152,428)
Other comprehensive loss		-	-
Total comprehensive loss for the period attributable to owners of Argosy Minerals Limited		(254,003)	(152,428)
Loss per share for loss attributable to ordinary equity holders of the group:			
Basic and diluted loss per share (cents per share)		(0.07)	(0.12)

The above consolidated Statement of Comprehensive Income should be read in conjunction with the Notes of the Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Note	Consolidated	
		30 June 2015	31 December 2014
		\$	\$
Current assets			
Cash and cash equivalents		330,116	396,604
Trade and other receivables		4,469	1,012
Other			-
Total current assets		334,585	397,616
Non-current assets			
Exploration and evaluation		148,611	328,172
Total non-current assets		148,611	328,172
Total assets		483,196	725,788
Current liabilities			
Trade and other payables		16,283	22,724
Loans Payable		100,000	100,000
Total current liabilities		116,283	122,724
Non-current liabilities			
Borrowings		332,449	314,597
Total non-current liabilities		332,449	314,597
Total liabilities		448,732	437,321
Net assets		34,464	288,467
Equity			
Contributed equity	6	53,449,636	53,449,636
Reserves		3,612,406	3,612,406
Accumulated losses		(57,027,578)	(56,773,575)
Total equity		34,464	288,467

The above consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2015

	Consolidated				
	Share Capital	Share Based Payment Reserve	Option Issue Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2014	52,948,890	425,000	3,187,406	(56,840,845)	(279,549)
Other comprehensive income					
Movements in reserves	-	-	-	-	-
Share based payments	-	-	-	-	-
Loss for the period	-	-	-	(152,428)	(152,428)
Total comprehensive loss for the period	-	-	-	(152,428)	(152,428)
Transactions with owners in their capacity as owners					
Shares and options issued during the period, net of transaction costs	41,095	-	-	-	41,095
Total contributions by owners	41,095	-	-	-	-
Balance as at 30 June 2014	52,989,985	425,000	3,187,406	(56,993,273)	(390,882)
Balance at 1 January 2015	53,449,636	425,000	3,187,406	(56,773,575)	288,467
Other comprehensive income					
Movement in reserves	-	-	-	-	-
Share based payments	-	-	-	-	-
Loss for the period	-	-	-	(254,003)	(254,003)
Total comprehensive loss for the period	-	-	-	(254,003)	(254,003)
Transactions with owners in their capacity as owners					
Shares and options issued during the period, net of transaction costs	-	-	-	-	-
Total contributions by owners	-	-	-	-	-
Balance as at 30 June 2015	53,449,636	425,000	3,187,406	(57,027,578)	34,464

The above consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2015

	Consolidated	
	30 June 2015	30 June 2014
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(34,109)	(67,974)
Payments for exploration expenditure	(35,799)	(143,645)
Interest received	3,420	377
Net cash (outflow) from operating activities	(66,488)	(211,242)
Cash flows from financing activities		
Proceeds from issues of shares	-	41,095
Proceeds from loan from Discovery Africa	-	208,810
Net cash inflow from financing activities	-	249,905
Net increase / (decrease) in cash and cash equivalents	(66,488)	38,663
Cash and cash equivalents at the beginning of the financial period	396,604	4,727
Cash and cash equivalents at the end of the financial period	330,116	43,390

The above consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015

1. Basis of Preparation

The financial report consists of consolidated financial statements for Argosy Minerals Limited and its subsidiaries ("Group").

a) *Basis of Preparation*

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 'Interim Financial Reporting' and other mandatory professional reporting requirements including International Financial Reporting Standards. The interim financial statements were approved by the Board of Directors on 11 September 2015. The accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in its financial report for the year ended 31 December 2014.

The half year financial report does not include all the notes of the type normally included in annual financial statements. Accordingly, this financial report should be read in conjunction with the most recent annual financial report for the year ended 31 December 2014 and any public announcements made by the Group during the half year in accordance with the disclosure requirements of the *Corporations Act 2001*.

New accounting standards and interpretations

In the half-year ended 30 June 2015, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2015.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

2. Segment information

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 included 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 in the face of the financial statements is what is used by the Board to make strategic decisions.

3. Dividends

No dividend has been paid or is proposed in respect of the half year ended 30 June 2015 (2014: None).

4. Revenue

Revenue for the half-year includes the following items, which are significant because of their nature, size or incidence:

	Consolidated	
	30 June 2015	30 June 2014
	\$	\$
Income		
<i>Revenue from continuing operations</i>		
Interest	3,420	377

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2015

5. Share Based Payments

During the half year ended 30 June 2015 there were no share based payments.

6. Contributed equity

Movements in share capital during the current and prior financial period are as follows:

	Date	Number of Securities	Issue Price	\$
Period ended 30 June 2014				
Balance at 31 December 2013		126,029,105		52,918,140
Shares issued during the period		20,547,284		41,095
Balance at 30 June 2014		146,576,389		52,959,235
Period ended 30 June 2015				
Balance at 31 December 2014		378,087,316		53,449,636
Shares issued during the period		-		-
Balance at 30 June 2015		378,087,316		53,449,636

7. Commitments

There was no expenditure or capital commitments contracted for at the reporting date but not recognised as a liability.

Exploration

There have been no significant changes to the Group's commitment since 31 December 2014.

As at 30 June 2015 the group has no outstanding exploration commitments for expenditure not reflected in the financial statements (2014: nil).

8. Contingencies

The Consolidated Entity has no material contingent assets or liabilities as at reporting date.

9. Events after Balance Sheet date

On the 14th August 2015 the Company announced that it had closed out the \$100,000 loan owing to Discovery Africa Limited by the issue of 50,000,000 ordinary fully paid shares and represents full and final settlement of any monies owed to Discovery Africa Limited.

Other than the above no matters or circumstances have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.