

ASX ANNOUNCEMENT

4 September 2023

RINCON LITHIUM PROJECT UPDATE

HIGHLIGHTS

- ✦ **2,000tpa operation commissioning and ramp up works progressing;**
 - **10 tonnes of battery quality lithium carbonate product produced during August**
 - **Process improvement initiatives identified and being implemented as part of production ramp up**
- ✦ **Resource expansion exploration diamond drilling works recently completed, results awaited**
- ✦ **Argosy progressing to become the 2nd ASX-listed battery quality lithium carbonate producer**

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to provide the following update on key developments at our Rincon Lithium Project.

2,000tpa Lithium Carbonate Operations

The Company is progressing commissioning and ramp up works on the 2,000tpa lithium carbonate facility, targeting to achieve continuous production operations, and produced 10 tonnes of battery quality lithium carbonate product during August.

Current commissioning works have focussed on increasing operational performance and implementing mechanical improvements to enable increased product throughput and plant efficiency, including optimising the primary solids filtration circuit, following filtration equipment issues constraining the operations ramp up to date. Equipment performance initiatives have been identified and are being rectified, whilst production performance testing and addressing operational bottlenecks are being effected to facilitate the ramp up of production operations.

The Company is prioritising works to complete the commissioning and ramp up phase of the 2,000tpa operations facility.

All chemical process technology validation and verification works have been successfully completed, confirming the Company's capability to produce battery quality lithium carbonate product at commercial scale.

Rincon Resource Expansion & Production Well Drilling

The Company has conducted production well rotary drilling and resource expansion exploration diamond drilling works.

The exploration diamond drilling program comprising six drill sites was recently completed. Current core and brine samples have been sent for laboratory analysis, with results awaited. These results will facilitate the preparation of an upgraded brine Mineral Resource estimate targeted by late-2023.

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The production well rotary drilling program was completed, with two production wells drilled to depths of 350m. Pump testing and brine sampling works were completed for both wells. These works will facilitate the preparation of a brine Ore Reserve estimate and subsequent completion of an upgraded feasibility study.

10,000tpa Environmental Impact Assessment Process

The Company continued engagement with key Salta government officials and regulatory authorities to expedite the 10,000tpa operation EIA regulatory approval process. The Company is awaiting notification on the hydrogeological observations provided in relation to the EIA submission, with a view to finalising and obtaining formal approval notice from the Mining Secretary as a matter of priority.

10,000tpa Operation Pre-Development Works

The Company is progressing applicable pre-development works for the 10,000tpa operation, including planning and scheduling, engineering and design, procurement, contractor process, recruitment, renewable energy/power sourcing arrangements, and industrial water drilling operations, to ensure the 10,000tpa facility construction works can commence immediately following receipt of the EIA regulatory approval.

Strategic Partner Process

The Company is progressing the strategic partner process - to secure funding via prepayment (or similar) investment associated with long-term off-take arrangements for the 10,000tpa expansion operation from a tier-1 counterparty in the EV supply chain.

The Company's key strategic considerations to finalising are ensuring constructive arrangements for the formal agreements, mutual alignment and long-term sustainability for the strategic benefit of the parties, with targeted timing to meet the 10,000tpa EIA regulatory approval (or near this time).

The Company will maintain lithium carbonate product produced from the 2,000tpa operation for consideration of the strategic partner off-take arrangements.



Figure 1. Rincon Lithium Project – 2,000tpa Operation Commissioning Works

Argosy Managing Director, Jerko Zuvela said ***"The Company's Puna operations team are successfully progressing the 2,000tpa operation commissioning works and produced 10 tonnes of battery quality lithium carbonate product during August."***

The Company is looking forward to finalising upcoming significant milestones that will support Argosy's ambitions and near-term growth phase to fully develop the Rincon Lithium Project."



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ENDS

This announcement has been authorised by Jerko Zuvela, the Company's Managing Director

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.

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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.

Argosy confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Argosy confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ASX Listing Rules Compliance

Argosy advises references to the Company's current target of producing 2,000tpa of high purity battery quality lithium carbonate product at the Rincon Lithium Project should be read subject to and clarified by the Company's current intention that the 2,000tpa production target does not extend beyond a two-year period from the Clarifying Announcement (lodged 10th February 2021, available at www.argosyminerals.com.au and www.asx.com).

At the conclusion of the two-year period, it is the Company's current intention that, subject to feasibility, finance, market conditions and completion of development works at the Rincon Lithium Project, the Company's 10,000tpa production target will apply. The current 2,000tpa production target is intended to form a modular part of the 10,000tpa operation from its commencement.

Argosy further advises that references in this ASX release in relation to the 10,000tpa production target are extracted from the report entitled "Argosy delivers exceptional PEA results for Rincon Project" dated 28 November 2018, available at www.argosyminerals.com.au and www.asx.com. Argosy confirms that it is not aware of any new information or data that materially affects the information included in the Announcement and, in the case of the Production Target, Mineral Resources or Ore Reserves contained in the Announcement, that all material assumptions and technical parameters underpinning the estimates in the PEA announcement continue to apply and have not materially changed. Argosy confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the PEA announcement.

Competent Person's Statement

The information contained in this ASX release relating to Exploration Results has been prepared by Mr Jerko Zuvela. Mr Zuvela is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Zuvela is the Managing



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Director of Argosy Minerals Ltd and consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from exploration at the Rincon Lithium Project.

Chemical Engineer's Statement: The information in this announcement that relates to lithium carbonate processing and testworks is based on information compiled and/or reviewed by Mr Pablo Alurralde. Mr Alurralde is a chemical engineer with a degree in Chemical Engineering from Salta National University in Argentina. Mr Alurralde has sufficient experience which is relevant to the lithium carbonate processing and testing undertaken to evaluate the data presented.

Reference to Previous ASX Releases:

This document refers to the following previous ASX releases:

28th Nov 2018 - Argosy delivers exceptional PEA results for Rincon Project

11th Jan 2021 - Rincon Project JORC Exploration Target

8th Feb 2021 - \$30M Placement to Fund 2,000tpa Production

10th Feb 2021 - Clarifying Announcement

ABOUT ARGOSY MINERALS LIMITED

Argosy Minerals Limited (ASX: AGY) is an Australian company with a current 77.5% (and ultimate 90%) interest in the Rincon Lithium Project in Salta Province, Argentina and a 100% interest in the Tonopah Lithium Project in Nevada, USA.

The Company is focused on its flagship Rincon Lithium Project – 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: Rincon Lithium Project Location Map

