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ARGOSY MINERALS LIMITED

ASX ANNOUNCEMENT

1 December 2021

RINCON 2,000TPA Li_2CO_3 OPERATIONAL UPDATE

HIGHLIGHTS

- **48% of total construction works now complete - first commercial production of battery quality Li_2CO_3 product targeted by mid-2022**
- **2,000tpa lithium carbonate process plant development works progressing on schedule and budget**

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to advise further progress at the Rincon Lithium Project, located in Salta Province, Argentina, with 48% of the total works now completed for the development of the modular 2,000tpa lithium carbonate production operation.

The Company remains on schedule to achieve first commercial production of >99.5% battery quality lithium carbonate product from mid-2022.

The 2,000tpa production operation major works comprise three main phases of works, comprising design, construction and commissioning. The design phase (and engineering layout) is effectively completed (99%), the construction phase is at 49% completion, whilst plant commissioning works (comprising raw materials acquisition and tender works) are 13% complete.

The construction phase comprises the process plant, equipment and associated installations, earthworks and site construction (including additional camp development and associated site infrastructure), and expansion of the brine system (pumping station, plant settling ponds) are progressing on budget and schedule, with;

- 99% of earthworks/land movements completed;
- 86% of site works completed (comprising site camp/accommodation, laboratory, office, and other works);
- 73% of the brine system completed (comprising pumping station and plant settling ponds works);
- 40% of the process plant completed (comprising plant equipment acquisition and plant warehouse works); and
- 37% of utilities and associated services (comprising vapour system, communication system and ancillary services works).

The Company is progressing toward successfully developing the modular 2,000tpa operation and become a commercial battery quality Li_2CO_3 producer.

Argosy Managing Director, Jerko Zuvela said "***The Company's Puna operations team continue making significant progress on construction and development works, toward commencing 2,000tpa lithium carbonate production operations at our Rincon Project.***

With lithium market sentiment and lithium carbonate prices increasing to record levels, we are excited as Argosy transforms into a battery quality lithium carbonate producer and cashflow generator, and then progressing with the next 10,000tpa project development

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expansion. We look forward to a significant near-term growth phase from the increasing development activity at our Rincon Lithium Project."



Figure 1. Rincon Lithium Project – 2,000tpa Operation Site Layout (schematic)

The construction phase remains on schedule for estimated completion during late-April 2022, and plant commissioning works, production test-works and ramp-up will follow immediately thereafter. Construction works on the industrial shed housing the 2,000tpa process plant are progressing, and other site works are continuing to increase.

Additional works will focus on advancing the brine systems works, plant equipment sourcing and building the on-site office and laboratory, with significant progress to be made over coming months.



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

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Figure 3. Rincon Lithium Project – 2,000tpa Operation Site Works (industrial plant constructions works)



Figure 4. Rincon Lithium Project – 2,000tpa Operation Site Works



Figure 5. Rincon Lithium Project – 2,000tpa Operation Site Works (industrial plant constructions works)

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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.

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

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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: AGY's Argentina Project Location Map



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