

ASX ANNOUNCEMENT

4 June 2021

RINCON 2,000TPA Li₂CO₃ PROJECT UPDATE

HIGHLIGHTS

- 2,000tpa lithium carbonate process plant development works progressing on schedule and budget
- 24% of scheduled total construction works now complete
- First commercial production of battery quality Li₂CO₃ product targeted by mid-2022
- Positive lithium sector fundamentals to leverage attractive off-take agreements to support the 2,000tpa operation and 10,000tpa project development
- Strategic investment discussions on-going for 10,000tpa capex funding solution

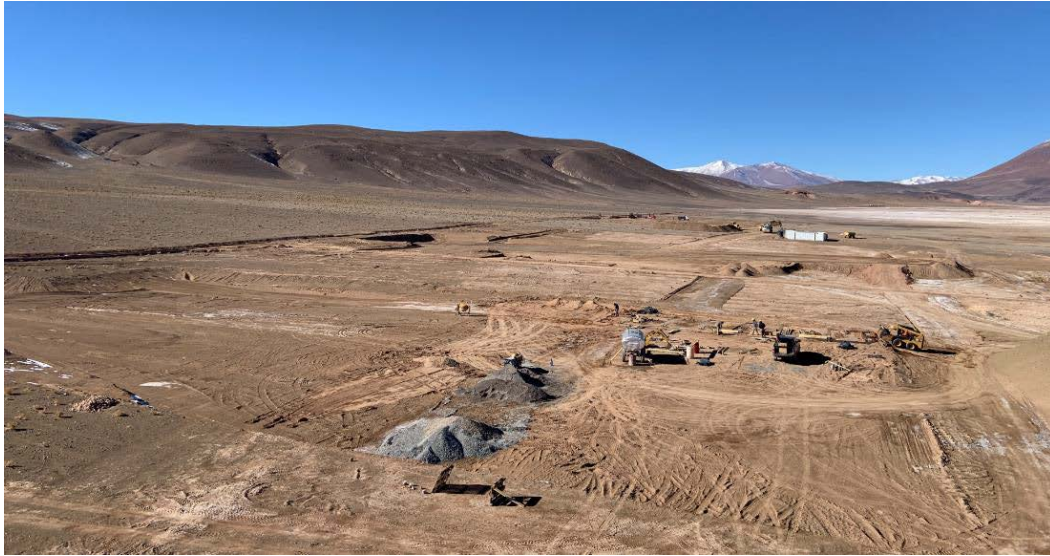
Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to advise further progress at the Rincon Lithium Project, located in Salta Province, Argentina, with 24% of the total works now completed for the development of the modular 2,000tpa lithium carbonate production operation.

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 the construction of 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) have progressed well since commencement, with;

- 74% of earthworks/land movements completed;
- 31% of site works completed (comprising site camp/accommodation, laboratory, office, and other works);
- 65% of the brine system completed (comprising pumping station and plant settling ponds works);
- 25% of the process plant completed (comprising plant equipment acquisition and plant warehouse works);
- 13% of utilities and associated services (comprising vapour system, communication system and ancillary services works); and
- 2% plant commissioning works completed (comprising raw materials acquisition and team development works).

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Figures 1-2. Rincon Lithium Project – 2,000tpa Operation Site Works in Progress



Argosy Managing Director, Jerko Zuvela said *"The Company's Puna operations team have continued their strong progress with construction and development works, toward commencing 2,000tpa lithium carbonate production operations at our Rincon Lithium Project.*

We are excited as we continue our works to transform Argosy into a battery quality lithium carbonate producer and cashflow generator, and to further progress the 10,000tpa project development expansion. We look forward to a significant near-term growth phase from increasing development activity at the Rincon Lithium Project"

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Figure 3. Rincon Lithium Project – 2,000tpa Operation Site Works in Progress

The Company is continuing discussions with several strategic groups on various product off-take propositions and related strategic investment options for the 10,000tpa capex funding solution.

With the current strong lithium price and tightening market supply/demand conditions, Argosy considers that terms and conditions for potential off-take arrangements will continue to improve, in the lead up to commencing the targeted 2,000tpa production operations. As such, with the 2,000tpa operation fully funded and the Company having nil debt, Argosy has the financial flexibility to consider varying off-take and strategic investment proposals to ensure a favourable strategic outcome for our future project expansion.

The Company reconfirms the growing recognition within the entire lithium industry of Argosy's ability and expertise to successfully develop the modular 2,000tpa operation and 10,000tpa project expansion and become a commercial lithium carbonate producer.



Figures 4-5. Rincon Lithium Project – 2,000tpa Operation Site Works in Progress



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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

