



ARGOSY MINERALS
LIMITED

ABN | 27 073 391 189

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2021

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CORPORATE DIRECTORY

Directors

Mr Alex Molyneux – Non-Executive Chairman
Mr Jerko Zuvela – Managing Director
Mr Malcolm Randall – Non-Executive Director

Secretary

Ms Andrea Betti

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Auditors

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Solicitors

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Home Exchange

Australian Securities Exchange Limited
Home Branch: Perth

ASX Code: AGY

DIRECTORS' REPORT

The Directors of Argosy Minerals Limited present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "Group") consisting of Argosy Minerals Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2021.

Directors

The following persons were directors of Argosy Minerals Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Jerko Zuvela
Alexander Molyneux
Malcolm Randall
Ranko Matic (resigned 3 September 2021)

Principal Activities

The principal activity of the Group during the period was the development of the Rincon Lithium Project and exploration of the Tonopah Lithium Project. No significant change in the nature of this activity occurred during the financial period.

Consolidated Results

	Half-Year Ended 30 June 2021	Half-Year Ended 30 June 2020
	\$	\$
Consolidated profit/(loss) before income tax expense	86,151	(1,386,499)
Income tax benefit/(expense)	-	-
Net profit/(loss)	<u>86,151</u>	<u>(1,386,499)</u>

Dividends Paid or Recommended

No dividends have been declared, provided for or paid in respect of the half-year (30 June 2020: Nil).

Corporate

The Company held its Annual General Meeting on 27 April 2021.

Review of Operations

Argosy has a current 77.5% (and ultimate 90%) interest in the Rincon Lithium Project. The Rincon Lithium Project is the flagship asset in Argosy's lithium development strategy, and is located in Salta Province, Argentina. The Company also has a 100% interest in the Tonopah Lithium Project in Nevada, USA.

The milestones achieved during this Reporting Period establish that Argosy is genuinely delivering on its 'fast-track' lithium development strategy and remains confident of achieving key upcoming milestones. Argosy is committed to building a sustainable lithium production company, highly leveraged to the forecast growth in the lithium-ion battery sector.

DIRECTORS' REPORT



Argosy Minerals Limited – Rincon Lithium Project Location Map

Rincon Lithium Project

The Rincon Lithium Project is the flagship asset in Argosy's lithium development strategy, and is located within the Salar del Rincon in Salta Province, Argentina, in the world renowned "lithium triangle". The Project comprises up to 2,794 hectares of mining concessions and mining easement right landholdings, and is a JV partnership with pre-eminent lithium processing expert Pablo Alurralde. The Company has established a well-defined pathway to target commercial production of LCE product.

During the reporting period and to date, the Company made substantial progress at the Project, with the major project milestones accomplished being:

- ✓ \$30 million capital raising completed to fully fund the construction of the 2,000tpa lithium carbonate process plant and through to lithium carbonate production and cash-flow generation;
- ✓ The 2,000tpa lithium carbonate process plant construction works currently progressing, with first commercial production of battery quality Li_2CO_3 product targeted from mid-2022;
- ✓ 2,000tpa plant designed and being constructed in modular process to accommodate planned expansion to an additional 10,000tpa operation;
- ✓ Strategic investment discussions and financing initiatives progressing for additional 10,000tpa capex funding solution;
- ✓ Delineated a JORC Exploration Target¹ of 262,000 tonnes to 479,000 tonnes of contained Li_2CO_3 based on a weighted average grade of between 315 mg/L and 327 mg/L, with depth interval between 102.5m to 300m below ground level.
- ✓ Sustained validation of the Company's exclusive and proprietary successful environmentally clean and conventional chemical process technology to produce high purity battery quality lithium carbonate product acceptable for high-specification international markets;
- ✓ The chemical process technology specially developed for the Rincon Lithium Project will enable a low emissions operation with a small carbon footprint, low energy and raw water usage requirements, and will deliver exceptional product quality results for the ~2,000tpa and ~10,000tpa operations;
- ✓ CSR program initiatives continued at Rincon (and adapted to suit Covid-19 conditions);
- ✓ Environmental Impact Assessment report for the commercial scale 10,000tpa operation and project development submitted to the department of the Salta Province Secretary of Mining and progressing toward approval.

Argosy remains confident that key upcoming milestones and achievements will prove successful to demonstrate the long-term sustainability and progress toward commercial scale development at the Rincon Lithium Project.

DIRECTORS' REPORT

Key objectives for Argosy during the remainder of 2021 at the Rincon Lithium Project include continuing construction works for the 2,000tpa high purity battery quality Li₂CO₃ processing plant and associated operations, receiving the regulatory approval for development of an additional 10,000tpa commercial scale operation, progress strategic investment arrangements around battery quality Li₂CO₃ product off-take and 10,000tpa capex funding solutions, and conduct the resource expansion drilling works.

With the continuation of the Covid-19 pandemic, the Company is taking appropriate safety measures and actions to protect our staff and business operations, including precautions advised and regulated by the Australian and Argentine Governments. As a result, the objectives noted above may be delayed or extended.

¹ An Exploration Target is not a Mineral Resource. The potential quantity and grade of an Exploration Target is conceptual in nature. A Mineral Resource has been identified above the Exploration Target, but there has been insufficient exploration to estimate any extension to the Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

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.

Cautionary Statements: 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

The Mineral Resources information contained in this ASX release is extracted from the report entitled "Argosy Upgrades Lithium Rincon Lithium Project JORC resource" dated 13 November 2018 and the Exploration Target information contained in this ASX release is extracted from the report entitled "Rincon Project JORC Exploration Target" dated 11 January 2021, are 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 original market announcements and, in the case of Exploration Targets, Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements 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.

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 – Rincon Lithium Project

The information contained in this ASX release relating to Exploration Targets, Exploration Results and Mineral Resource Estimates has been prepared by Mr Duncan Storey. Mr Storey is a Hydrogeologist, a Chartered Geologist and Fellow of the Geological Society of London (an RPO under JORC 2012). Mr Storey 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.

Duncan Storey is an employee of AQ2 Pty Ltd and an independent consultant to Argosy Minerals Ltd. Mr Storey 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 is based on information compiled and/or reviewed by Mr Pablo Alurralde. Mr Alurralde is the President of Puna Mining S.A. and consents to the inclusion in this announcement of this information in the form and context in which it appears. 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 and lithium hydroxide processing and testing undertaken to evaluate the data presented.

DIRECTORS' REPORT

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.

Reference to Previous ASX Releases:

This document refers to the following previous ASX releases:

- 13th Nov 2018 - Argosy Upgrades Lithium Rincon Lithium Project JORC Resource
- 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

Tonopah Lithium Project

The Company has a 100% interest in the tenements comprising the Tonopah Lithium Project (Tonopah), located in Nevada, USA, and is strategically located near Albemarle's Silver Peak operation in Nevada, USA.

Tonopah is located in one of the world's most favourable and stable mining jurisdictions and home to the USA's burgeoning electric vehicle industry, with well-developed infrastructure and a skilled local workforce.

The Project has the following key characteristics:

- ✦ Located within the Big Smokey Valley region in Nevada, USA, and comprises 425 claims covering an area of ~34.25km².
- ✦ Directly analogous to the neighbouring Silver Peak Lithium Mine deposit model, both geologically and structurally.
- ✦ SRK completed a technical review of the Project and provided positive validation of the lithium brine resource potential.
- ✦ Geophysical survey data available over the Project area, identifying lithium brine targets areas.
- ✦ The lithium brine deposit model has the following key geological features:
 - Closed basin structures, with lithium bearing host rocks in an area of high evaporation;
 - Basin fill that includes clay, sand and ash horizons that can act as traps and lithium-brine reservoirs;
 - Expected presence of key stratigraphic marker horizons, including the Bishop Tuff, which is the key lithium brine-hosting horizon at Silver Peak Mine;
 - Known active and paleo geothermal activity and recent faulting;
 - Anomalous lithium in the surface sediments and near-surface waters;
 - Little to no drilling has penetrated the key buried, paleo brine targets; and
 - The commercial viability of the in-situ lithium mineralisation is established by continuous production at the Silver Peak Mine.
- ✦ There is considerable data on the geology, hydrology and structural controls on the mineralisation of the Silver Peak Mine, as a result of its long history.
- ✦ High quality regional and site infrastructure will facilitate project development. The Project is within a 40 minute drive from the regional mining centre of Tonopah - located 336km from Las Vegas and 380km from Reno, Nevada.

Argosy contracted a Nevada-based geophysical contractor to carry out a magnetotelluric (MT) resistivity survey at Tonopah, which covered forty-one (41) MT sites acquired on a 500 meter nominal station spacing along three profile lines totalling ~20 linear kilometres.

Following this, a Perth-based MT specialist geophysical consultant was contracted to process the MT survey data for analysis and interpretation works, and produce preliminary electrical resistivity models, with the primary aims being to:

- Define depth to resistive Tertiary/Palaeozoic geological basement;
- Delineate low resistivity anomalies, which may be prospective targets for lithium brines;
- Identify geologic structures in the target area;
- Provide electrical data to complement existing geological models and potential field data to improve interpretations; and
- Locate potential lithium brine trap targets and delineate priority drill target sites.

The preliminary modelling works appeared to define three conductive targets that may define a closed basin (interpreted as potential aquifer), and have the potential for lithium brine accumulation. The preliminary modelling also identified the basin faults, which are significant for defining basin depressions within the overall basin geometry, and are important targets for lithium brine accumulation.

Upon completion of the data processing, analysis and interpretation works, Argosy can then consider potential drilling works to test the lithium brine prospectivity within the project area.

DIRECTORS' REPORT



Argosy Minerals Limited – Tonopah Lithium Project Location Map

Argosy considers the opportunity to develop our highly prospective Tonopah Lithium Project – strategically located near Albemarle’s Silver Peak lithium operation – in a jurisdiction supportive of the commercial development of lithium, as a strategic position to further develop Argosy into a world-class lithium producer.

Competent Person’s Statement – Tonopah Lithium Project

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 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.

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.

Reference to Previous ASX Release:

This document refers to the following previous ASX release:
8th Sept 2021 - Tonopah Lithium Project Update

DIRECTORS' REPORT

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

Events after Reporting Date

The impact of the Covid-19 pandemic is ongoing with the Company establishing relevant protocols and is continuing to monitor the Covid-19 situation and potential impacts on operations. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is continually developing and is dependent on measures imposed by the Australian and Argentine Governments, and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other 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

A copy of the auditor's independence declaration as required by section 307C of the Corporations Act 2001 is set out immediately after this Directors' Report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Jerko Zuvela
Managing Director
Perth, Western Australia

10 September 2021

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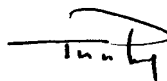
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Argosy Minerals Limited for the half-year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 10 September 2021



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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
ARGOSY MINERALS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Argosy Minerals Limited, which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the 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 a half-year 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.

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RSM Australia Partners ABN 36 965 185 036

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Argosy Minerals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

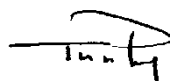
Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 10 September 2021

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, *Australian Accounting Standard AASB 134 'Interim Financial Reporting'*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Jerko Zuvela
Managing Director
Perth, Western Australia

10 September 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2021

	Note	Consolidated	
		30 June 2021 \$	30 June 2020 \$
Other income	4	54,452	57,578
Accounting and corporate secretarial		(60,000)	(60,000)
ASX/ASIC fees		(47,902)	(14,398)
AGM/GM fees		(12,247)	(21,519)
Audit fees		(16,000)	(15,000)
Bank charges		(1,917)	(3,009)
Depreciation		(17,604)	(19,356)
Directors' fees		(210,676)	(210,675)
Exploration and project assessments		(23,883)	(108,220)
Insurance		(19,766)	(16,103)
Finance costs		(5,483)	(7,469)
Office costs and rental expenses		(32,606)	(21,450)
Professional fees		(190,257)	(230,161)
Share registry costs		(19,661)	(4,451)
Share based payments		(3,962)	(29,579)
Foreign exchange gain		240,077	130,461
Other expenses		(5,600)	(20,477)
Share of profit/(loss) of joint venture accounted for using the equity method	8	459,186	(792,671)
Profit/(Loss) before income tax		86,151	(1,386,499)
Income tax expense		-	-
Profit/(Loss) attributable to Owners of Argosy Minerals Limited		86,151	(1,386,499)
Other comprehensive income/(loss) for the half-year			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Foreign currency translation		948,590	(113,501)
Total comprehensive gain/(loss) for the half-year attributable to owners of Argosy Minerals Limited		1,034,741	(1,500,000)
Earnings/(Loss) per share for loss attributable to ordinary equity holders of the Group:			
Basic and diluted earnings/(loss) per share (cents per share)	10	0.01	(0.14)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	Consolidated	
		30 June 2021	31 December 2020
		\$	\$
Current assets			
Cash and cash equivalents		27,843,174	2,892,293
Trade and other receivables		25,035	162,443
Other assets		3,961	22,993
Total current assets		27,872,170	3,077,729
Non-current assets			
Plant and equipment		1,348	1,633
Right-of-use assets		55,324	72,643
Exploration and evaluation		2,579,717	2,374,982
Advance to Puna Mining S.A.		10,180,570	7,502,925
Investment accounted for using the equity method - Puna Mining S.A.	8	9,154,181	7,753,331
Total non-current assets		21,971,140	17,705,514
Total assets		49,843,310	20,783,243
Current liabilities			
Trade and other payables		126,275	188,615
Lease liabilities		53,203	49,032
Total current liabilities		179,478	237,647
Non-current liabilities			
Lease liabilities		29,514	57,038
Total non-current liabilities		29,514	57,038
Total liabilities		208,992	294,685
Net assets		49,634,318	20,488,558
Equity			
Issued capital	5	117,130,321	89,023,264
Reserves		3,029,575	2,077,023
Accumulated losses		(70,525,578)	(70,611,729)
Total equity		49,634,318	20,488,558

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 2021

	Consolidated				Total \$
	Issued capital \$	Share Based Payment and Option Reserves \$	Foreign Currency Reserve \$	Accumulated Losses \$	
Balance at 1 January 2020	89,023,264	5,030,410	(859,452)	(68,484,225)	24,709,997
Loss for the half-year	-	-	-	(1,386,499)	(1,386,499)
Other comprehensive income	-	-	(113,501)	-	(113,501)
Total comprehensive loss for the half-year	-	-	(113,501)	(1,386,499)	(1,500,000)
Transactions with owners in their capacity as owners					
Share based payments	-	29,580	-	-	29,580
Total contributions by owners	-	29,580	-	-	29,580
Balance as at 30 June 2020	89,023,264	5,059,990	(972,953)	(69,870,724)	23,239,577
Balance at 1 January 2021	89,023,264	4,069,753	(1,992,730)	(70,611,729)	20,488,558
Profit for the half-year	-	-	-	86,151	86,151
Other comprehensive income	-	-	948,590	-	948,590
Total comprehensive income for the half-year	-	-	948,590	86,151	1,034,741
Transactions with owners in their capacity as owners					
Share issue	30,000,000	-	-	-	30,000,000
Share issue costs	(1,893,010)	-	-	-	(1,893,010)
Conversion of options	67	-	-	-	67
Share based payments	-	3,962	-	-	3,962
Total contributions by owners	28,107,057	3,962	-	-	28,111,019
Balance as at 30 June 2021	117,130,321	4,073,715	(1,044,140)	(70,525,578)	49,634,318

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 2021

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(672,082)	(712,029)
Payments for exploration and development expenditure	(206,384)	(195,915)
Interest received	16,944	37,302
Interest paid	(5,483)	(7,469)
Other receipts	39,249	24,591
Net cash used in operating activities	(827,756)	(853,520)
Cash flows from investing activities		
Advance to Puna Mining S.A.	(2,298,577)	(715,665)
Net cash used in investing activities	(2,298,577)	(715,665)
Cash flows from financing activities		
Proceeds from issues of shares and options	30,000,067	-
Transaction costs relating to issue of shares	(1,893,010)	(1,922)
Repayment of lease liabilities	(27,959)	(7,219)
Net cash provided by / (used in) financing activities	28,079,098	(9,141)
Net increase / (decrease) in cash and cash equivalents	24,952,765	(1,578,326)
Effect of foreign exchange on cash and cash equivalents	(1,883)	13,772
Cash and cash equivalents at the beginning of the financial half-year	2,892,292	5,967,398
Cash and cash equivalents at the end of the financial half-year	27,843,174	4,402,844

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 2021

1. Basis of Preparation

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

These general purpose financial statements for the interim half-year reporting period ended 30 June 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2020 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

It has been determined by the Group that there was no impact, material or otherwise, of the new or amended Accounting Standards and Interpretations on its business and, therefore, no change was 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 Group 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, Argentina and USA.

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 2021 (2020: None).

4. Other Income

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

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Other Income		
Interest	19,409	31,990
Other income	35,043	25,588
Total other income	54,452	57,578

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

5. Issued Capital

As at 30 June 2021, there were 1,250,271,704 shares on issue (30 June 2020: 1,019,502,141).

	Consolidated			
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	1,250,271,704	1,019,502,141	117,130,321	89,023,264

Movements in ordinary share capital

Details	Date	No of shares	Issue price	\$
Balance	1 January 2021	1,019,502,141		89,023,264
Exercise of Options	3 February 2021	333	\$0.200	67
Share issue	16 February 2021	230,769,230	\$0.130	30,000,000
Share issue costs				(1,893,010)
Balance	30 June 2021	1,250,271,704		117,130,321

6. Commitments

There have been no material changes to the Group's capital or other expenditure commitments since 31 December 2020.

7. Contingencies

There are no material contingent liabilities or contingent assets of the Group at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

8. Joint Venture accounted for using the Equity Method

The Company has a 77.5% interest in Puna Mining S.A. - the entity that owns the Rincon Lithium Project located in the "Lithium Triangle" in Salta Province, Argentina.

The Company has joint control over this investment, which as a joint venture is accounted for using the equity method.

The carrying amount of the investment in Puna Mining S.A. has changed as follows in the six months to June 2021:

Name	Reporting entity's percentage holdings	
	30 June 2021	31 December 2020
Puna Mining S.A.	77.5 %	77.5%
Consolidated		
\$		
For the Half-Year Ended 30 June 2021		
\$		
Opening balance – 1 January 2021		7,753,331
Share of profits of joint venture		459,186
Foreign exchange translation differences		941,664
Closing balance – 30 June 2021		9,154,181

The Company has the right to ultimately earn a 90% interest in Puna Mining S.A, subject to terms and conditions outlined in the Second Earn-In Joint Venture Agreement.

9. Events after Reporting Date

The impact of the Covid-19 pandemic is ongoing with the Company establishing relevant protocols and is continuing to monitor the Covid-19 situation and potential impacts on operations. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is continually developing and is dependent on measures imposed by the Australian and Argentine Governments, and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other 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.

10. Earnings Per Share

	30 June 2021 \$	30 June 2020 \$
Profit/(Loss) after income tax	86,151	(1,386,499)
Profit/(Loss) after income tax attributable to the owners of Argosy Minerals Limited	86,151	(1,386,499)
	Cents	Cents
Basic and diluted earnings/(loss) per share	0.01	(0.14)
	Number	Number
<i>Weighted average number of ordinary shares</i>		
Weighted average number of ordinary shares used in calculating basic and diluted earnings/(loss) per share	1,191,623,110	1,019,502,141