

23 September 2022

RESOURCE EXPANSION & PRODUCTION WELL DRILLING PROGRESSING AT RINCON

HIGHLIGHTS

- **Production well PRP-03 drilled to 350m depth, whilst PRP-04 currently at 253m depth**
- **Lithium brine pumping test works currently in-progress at PRP-03**
- **Production well drilling works and associated results will facilitate preparation of an updated brine Ore Reserve estimate and upgraded Feasibility Study**
- **Diamond drillhole PROB-2 currently at 270m depth, whilst PROB drilled to 151m depth**
- **Resource expansion exploration diamond drilling works in progress to delineate potential for materially expanding current JORC Indicated Mineral Resource, increasing project mine-life and future annual production capacity**

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to advise of production well rotary drilling and resource expansion exploration diamond drilling works progress at the Rincon Lithium Project, located in Salta Province, Argentina.

The current production well rotary drilling program is progressing better than scheduled, with production well PRP-03 completed and drilled to a depth of 350m. Production well PRP-04 is in progress at a current depth of 253m.

The Company's production well drilling program was designed to complete two production wells with target depth of 300m and conduct pump testing and associated works to facilitate the preparation of a brine Ore Reserve estimate and subsequent completion of an upgraded feasibility study.

The Company is encouraged with the extended depths of the production well drilling and lithium brine pumping test works conducted to date, which may enhance the outcomes and provide scope for improved results for the next stage estimation and feasibility works.



Figures 1-2. Rincon Lithium Project – Production Well Rotary Drilling Works

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The resource expansion exploration diamond drilling program's key aim is to increase the current JORC Indicated Mineral Resource estimate at the project. The drill program design comprised up to six exploration diamond drill-holes, targeting depths to 300m and deeper.

The current exploration diamond drilling program is progressing well, with borehole PROB-2 in progress and at a current depth of 270m. Borehole PROB was terminated at 151m depth due to drill rig issues.

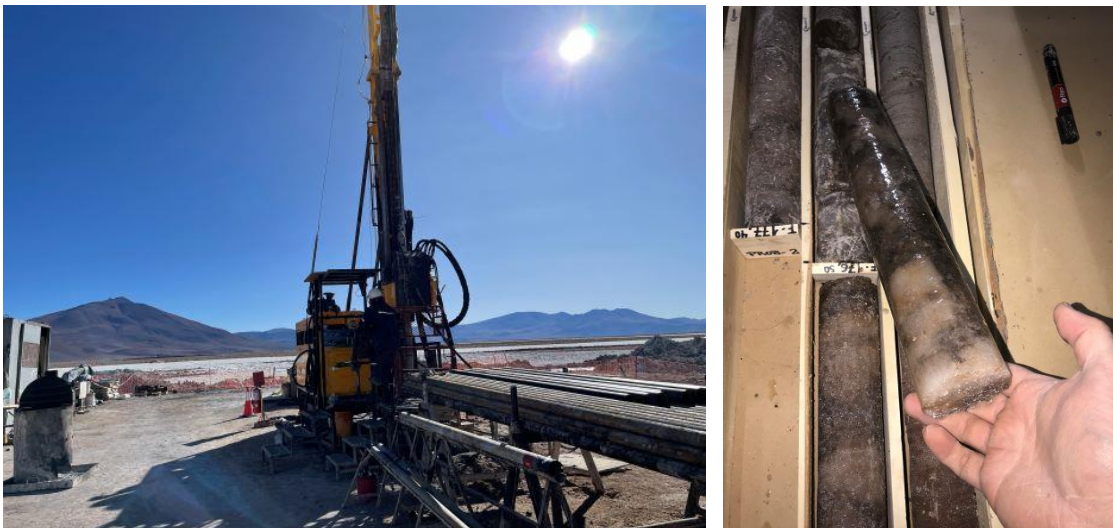
Argosy Managing Director, Jerko Zuvella said ***"We are pleased with the current progress of drilling works at our Rincon Lithium Project. This has indicated the increased depth extension prospectivity that may lead to considerably increasing the current shallow-depth JORC Indicated Mineral Resource estimate, deliver a brine Ore Reserve estimate, expand our current annual production target and mine-life estimates, and prepare a feasibility study for larger scale operations – all enhancing the long-term viability and status of our project."***

The exploration diamond drilling program was designed to realise and potentially expand the current defined Exploration Target¹, estimated as 262,000t to 479,000t of lithium carbonate, between the depth interval of 102.5m to 300m below ground level, underlying the existing Indicated Mineral Resource estimate completed in 2018.

The combined JORC Indicated Mineral Resource and Exploration Target¹ estimates outline the potential for a range of up to 507,000 tonnes to 724,000 tonnes of contained lithium carbonate to a depth of 300m.

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.

The planned resource expansion works proving (and/or increasing) the Exploration Target¹ estimate may materially increase the current resource estimate, project mine-life and/or provide scope to considerably increase the annual production capacity currently defined at the Project - based on the current Preliminary Economic Assessment confirming the Project's life-of-mine estimate of 16.5 years at a 10,000tpa Li₂CO₃ production rate, or an 11 year life-of-mine at a 15,000tpa Li₂CO₃ production rate.



Figures 3-4. Rincon Lithium Project – Exploration Diamond Drilling 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.

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.

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).



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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

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

