

ASX ANNOUNCEMENT

5 December 2019

RINCON PROJECT UPDATE

HIGHLIGHTS

- ✦ Preliminary trial cargo of ~5 tonnes of high quality lithium carbonate product from industrial scale pilot plant planned for first shipment during early Q1, 2020 delivering into Sales Agreement executed in March 2019
- ✦ Product quality exceeding Sale Agreement specifications – up to 99.8% Li_2CO_3 content
- ✦ Regulatory approvals process for the construction of an initial ~2,000tpa commercial lithium carbonate processing plant are progressing and authorities have advised are forthcoming

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to advise that it is currently scheduling a preliminary trial cargo comprising ~5 tonnes of high quality lithium carbonate produced from its industrial scale pilot plant operations for shipment during Q1, 2020 and delivering into the Sales Agreement executed in March 2019.

The current processing operations are achieving consistent high quality lithium carbonate product, with results reaching up to 99.8% Li_2CO_3 content, with very low impurity levels, including no detected iron or other magnetic materials based on regular sample lot testing conducted to date using the Company's on-site laboratory. The to-be delivered product quality is expected to exceed the specifications/Certificate of Analysis as set out in the Sales Agreement, noting pre-shipment samples will be provided prior to full delivery for confirmation purposes.



Figures 1-2. Rincon Lithium Project – Pilot Plant Lithium Carbonate Production Operations



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The sales price for each cargo will be determined using a set formula agreed between the parties that references an industry standard benchmark index LCE product price, netting off in-country taxes, adjustments for product specifications, all associated shipping costs and commission fees.

Argosy Managing Director, Jerko Zuvela said ***"We are excited at the pending maiden shipment of high quality lithium carbonate produced from our Rincon Lithium Project and confirming our status as the first LCE producer from Salta Province in Argentina."***

It is another strong endorsement for Argosy, the Rincon Lithium Project and our fast-track development strategy toward commercial LCE production."

The Company notes that the industrial scale pilot plant operations will be suspended during the Christmas and New Year holiday period (24 December to 6 January).

The Company has been advised that the regulatory approval process for the development of the initial ~2,000tpa commercial module lithium carbonate processing plant and associated operations at the Rincon project site is progressing toward finalisation and is expected soon.

The Company also makes reference to an Argentine website news article released last month, and wishes to advise of factual inaccuracies contained within the article and Argosy did not approve such details.

ENDS

This announcement has been authorised by the Company's Managing Director and Company Secretary.

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.

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.

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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



Competent Person’s Statement

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 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.