



## ASX ANNOUNCEMENT

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20 March 2020

# COMPANY UPDATE

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Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") advises that due to 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.

First and foremost, our priority is the health, safety and wellbeing of our staff, partners and community, and as such, the Company is actively monitoring the COVID-19 situation.

Due to Argentine Government measures to limit the contact and movement of people (including general quarantine provisions), the Company has determined to suspend pilot plant operations at the Rincon Lithium Project until such time as it is deemed safe and responsible to resume.

Argosy will continue with other project works and prioritising specific works where possible (noting possible delays due to the health and safety measures implemented by respective Governments), including the currently scheduled preliminary trial cargo comprising 5 tonnes of high-quality >99.5% lithium carbonate produced from the Company's industrial scale pilot plant operations for shipment and delivering into the Sales Agreement executed with Mitsubishi Corporation RtM Japan Ltd in March 2019.

The Company is in a strong position with cash reserves of ~\$5.97 million (as at 31 December 2019), and will maintain prudent financial management that based on current budgeting, funds the Company till late-2021. Argosy will also consider further cash preservation measures as required.

The Company will focus on its core strategy to continue delivering outcomes that will enhance our value proposition, that being the ~2,000tpa modular lithium carbonate processing plant operation and associated funding solution, as the next step in the scale-up development of the Rincon Lithium Project, following the receipt of regulatory approvals for construction of this scale operation.

Argosy is progressing positively with a funding solution for the ~2,000tpa operation capital requirements. The Company is still targeting a successful funding resolution, and to commence construction and associated development works for the ~2,000tpa  $\text{Li}_2\text{CO}_3$  processing plant operation, during H1 2020. We note with current government actions for COVID-19 and associated measures, and the corresponding market volatility, this timeframe may need to be extended. Company executives continue to focus on closing the funding arrangement and remain positive for a successful outcome.

Argosy Managing Director, Jerko Zuvela said "***Given the unprecedented conditions affecting the world today, we will continue building Argosy to achieve our aim of becoming a commercial LCE producer. Our Company and project fundamentals remain strong, and when the current turmoil subsides and the lithium/EV market thematic resumes, I feel we will be strong beneficiaries given the project milestones completed to date and our stage of development and progress achieved (which not many peers can claim).***"





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The Company notes current and future lithium market dynamics, with medium to longer term fundamentals for lithium chemical demand remaining extremely strong. While uncertainty exists with respect to the duration of the current economic slowdown, lithium and EV demand is expected to resume along with economic activity, particularly in Asia and Europe (driven by adjustments beginning in 2021 to the European Union CO<sub>2</sub> emissions penalties).

The Company wishes all its stakeholders to stay safe and healthy, and we all look out for each other.

**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](http://www.argosyminerals.com.au) or contact us via [admin@argosyminerals.com.au](mailto: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.

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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.





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Appendix 1: AGY's Argentina Project Location Map

