

3 October 2022

RINCON 2,000TPA Li₂CO₃ OPERATIONAL UPDATE

HIGHLIGHTS

- **97% of total development works complete – with plant commissioning 81% complete**
- **Current commissioning works successfully producing primary lithium product**
- **Steady-state lithium carbonate production operations scheduled during next quarter**

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 97% of the total works now completed for the development of the 2,000tpa lithium carbonate production operation.

The Company is on track to achieve first battery quality lithium carbonate product, with current commissioning works successfully producing primary lithium product.



Figure 1. Rincon Lithium Project – 2,000tpa Operation Commissioning Works

The 2,000tpa production operation major works comprise three main phases - being design, construction and commissioning.

- The design phase works are completed (100%);
- The construction phase works are 98% complete; and
- Plant commissioning works are 81% complete.

The construction phase comprises the process plant, equipment and associated installations, earthworks and site facilities (including additional camp development and associated site infrastructure), and expansion of the brine system (pumping station, plant settling ponds), with all residual works nearing effective practical completion;

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- › earthworks/land movements completed (100%);
- › 98% of site works completed (comprising site camp/accommodation, laboratory, office, and other works);
- › brine system works completed (100%) (comprising pumping station and plant settling ponds works);
- › 99% of the process plant completed (comprising plant equipment acquisition, installation and plant warehouse works); and
- › 95% of utilities and associated services (comprising vapour system, communication system and ancillary services works).

The commissioning phase works have progressed significantly with primary commissioning works well underway and advancing toward the fully integrated plant and systems commissioning process, with;

- › 93% raw materials procurement/acquisition achieved;
- › 91% operations personnel recruitment and development conducted; and
- › 77% plant and equipment commissioning tests performed.

The Company is targeting to produce battery quality lithium carbonate product whilst conducting full systems commissioning works, then complete final commissioning and production test-works, and progress to commercial scale operations, with ramp-up to 2,000tpa steady-state production operations during the next quarter.

The Company's aim is to ensure the final development and commissioning works are successfully completed to establish efficient steady-state production operations for the longer term. The Company will not compromise on the quality of any final phase works to achieve 100% effective production operations to become a successful commercial battery quality lithium carbonate producer.

Argosy Managing Director, Jerko Zuvela said ***"The Company's Puna operations team are progressing systematically with commissioning and targeting to complete this phase of works with 100% precision, as we proceed toward lithium carbonate production operations."***

The Company is very excited with our progress to date, especially with primary lithium product produced during the current commissioning phase, and with upcoming major milestones – becoming the next commercial scale lithium carbonate producer and transforming into a cashflow generator, leading to a significant near-term growth phase for the Company.

The lithium market continues its strong momentum with lithium carbonate prices forecast to continue around record highs into 2023 and beyond, resulting in very lucrative upcoming product sales revenues."

Recent project development works have progressed toward effective practical completion of construction works – with final assembly of the vacuum belt and press filters and associated parts/accessories, currently undergoing automation process setup.

Commissioning works have scaled up with key plant equipment – compressors, electric generators, screw conveyors and water treatment plant commissioned, setup and successfully completed. The product mill and magnetic drum installation works are scheduled for execution during the coming month, whilst all key reagents have been received in

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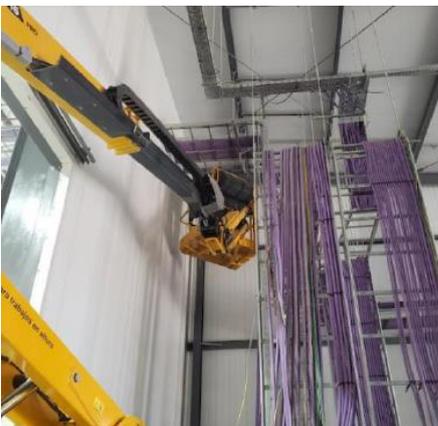
readiness for completing the full plant systems testing and commissioning works in preparation for production operations.



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



Figures 3-5. Rincon Lithium Project – 2,000tpa Operation Site Works



Figures 6-8. Rincon Lithium Project – 2,000tpa Operation Site Works

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Figures 9-10. Rincon Lithium Project – 2,000tpa Operation Site Works



Figure 11. Rincon Lithium Project – 2,000tpa Operation Site Works

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

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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

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

