

6 August 2018

## **ARGOSY CONFIRMS PRODUCTION OF 99.6% LITHIUM CARBONATE PRODUCT**

### *HIGHLIGHTS*

- ✦ Confirmation of 'battery grade' 99.6% LCE product achieved from Argosy's Rincon Lithium Project
- ✦ Arrangements made to provide product samples to a number of international potential customers for their quality confirmation and specification
- ✦ Progressing with product off-take discussions with major international groups

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to announce a significant milestone, with the confirmation of successful production of initial 'battery grade' specification LCE product from the Stage 1 plant at its Rincon Lithium Project, located in Salta Province, Argentina.

The Company confirms it has progressed plant works to the stage where it has completed efficient production of LCE product, some 30kg, that is representative of Argosy's initial 'battery grade' specification for delivery to end-user customers. The product, tested in-house, recorded a **Li<sub>2</sub>CO<sub>3</sub> content value of 99.6%**.

The LCE product will be prepared for customer samples, where Argosy has made arrangements to provide such to a number of international cathode and battery-makers for their own quality confirmation and testing – and this initial product, pending customer verification of product specification, will form the basis for the Company progressing towards finalising a preliminary off-take agreement for the Stage 1 production.



Figure 1. Rincon Lithium Project – Initial 'Battery Quality' LCE product

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Argosy Managing Director, Jerko Zuvela said *"We are delighted at this significant milestone – to achieve such a result from our Stage 1 500tpa capacity plant is a remarkable success.*

*We believe our chemical process pathway is efficient and scalable, and the success being announced today bodes well for the continued development of stages 2 and 3 at the Rincon Lithium Project."*

The Company's primary focus and principal Stage 1 milestone remains to produce consistent battery grade LCE product for on-going operations, whilst also confirming the chemical process is efficient, cost effective and scalable for all development stages.

Argosy is confident that the process test-works phase completed to date, and which has resulted in the initial 99.6% 'battery quality' LCE product being achieved, will form the basis to further improve and optimise the production process for subsequent commercial sales and substantiating the Stage 2 and Stage 3 commercial plant designs.



Figure 2. Rincon Lithium Project – Stage 1 Industrial Scale Pilot Plant with initial 'Battery Quality' LCE product

### Lithium Product Market & Pricing Update

During recent months, the Company's most relevant pricing reference – the Battery Grade  $\text{Li}_2\text{CO}_3$ , FOB South America average price is currently ~US\$15,000 per tonne (source: Benchmark Mineral Intelligence). This aligns with reports from key South American suppliers,

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who have guided toward strong pricing for the remainder of 2018, citing robust demand, particularly from cathode customers amidst a shortfall of battery grade lithium chemical products in both carbonate and hydroxide form.

As the Company has taken note, the market was expecting increasing supply during 2018 from Chinese lithium chemical conversion plants processing spodumene concentrate from Australian hard rock projects. However, the overall supply/demand balance for lithium chemicals continues to be tight as conversion plants have reported significant technical difficulties commissioning new capacity and converting new supply.

Argosy's feedback through direct discussions with end-use customers and analyst commentary indicates an increasingly tight lithium market for late-2018 and the next few years ahead, this being the window within which Argosy aims to enter full commercial production.

The Company considers it is in a much stronger and unique position for its current engagement with potential customers due to being the only new participant able to offer potentially high value, premium quality battery quality LCE product directly via the spot market or potential off-take arrangements.

**ENDS**

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% interest in the Rincon Lithium Project in Salta Province, Argentina.

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



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