ASX ANNOUNCEMENT

13 November 2018

ARGOSY UPGRADES RINCON LITHIUM PROJECT JORC RESOURCE

HIGHLIGHTS

- **Upgraded Indicated Mineral Resource estimate of 245,120 tonnes of contained Li_2CO_3 (replaces prior maiden Inferred Mineral Resource)**
- **Indicated Mineral Resource estimated to a vertical depth of 102.5m below ground level, calculated from results of 21 drill-holes. Resource and brine aquifer remain open at depth – with excellent scope for resource expansion from additional deeper drilling and continued tenement acquisitions**
- **Current Resource has increased by 18% vs. prior maiden Inferred Resource and 100% of the resource is now in the higher geological confidence Indicated category – so full resource can be utilised for life-of-mine and production modelling for PEA**
- **Weighted mean average lithium concentration of 325mg/L, with a maximum recorded concentration of 490mg/L**
- **Nine pumping tests have been completed at pumping rates ranging between 4 L/s and 28 L/s. The produced lithium concentration was consistent over the course of each pumping test and ranged between 299mg/L and 437mg/L between bores**
- **Indicated Resource estimate exceeds the Company's expectation, and forms basis for sustainable commercial production targets and long-term life of mine modelling to be outlined in upcoming PEA**

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to announce an upgraded JORC Code (2012) compliant Indicated Mineral Resource estimate for its Rincon Lithium Project, located in Salta Province, Argentina.

The Indicated Mineral Resource estimate contains 245,120 tonnes of lithium carbonate to a vertical depth of 102.5m.

Argosy Managing Director, Jerko Zuvela said "***We are very pleased to deliver an upgraded JORC Mineral Resource estimate that is not only larger than our prior maiden Resource but the Resource has moved into the higher Indicated category. The new Indicated Resource will support our Project production targets and long-term mine life estimates, to be outlined further within our upcoming Preliminary Economic Assessment.***

The Resource estimate upgrade further validates the Company's fast-track development strategy to fully develop the Rincon Lithium Project toward commercial production."

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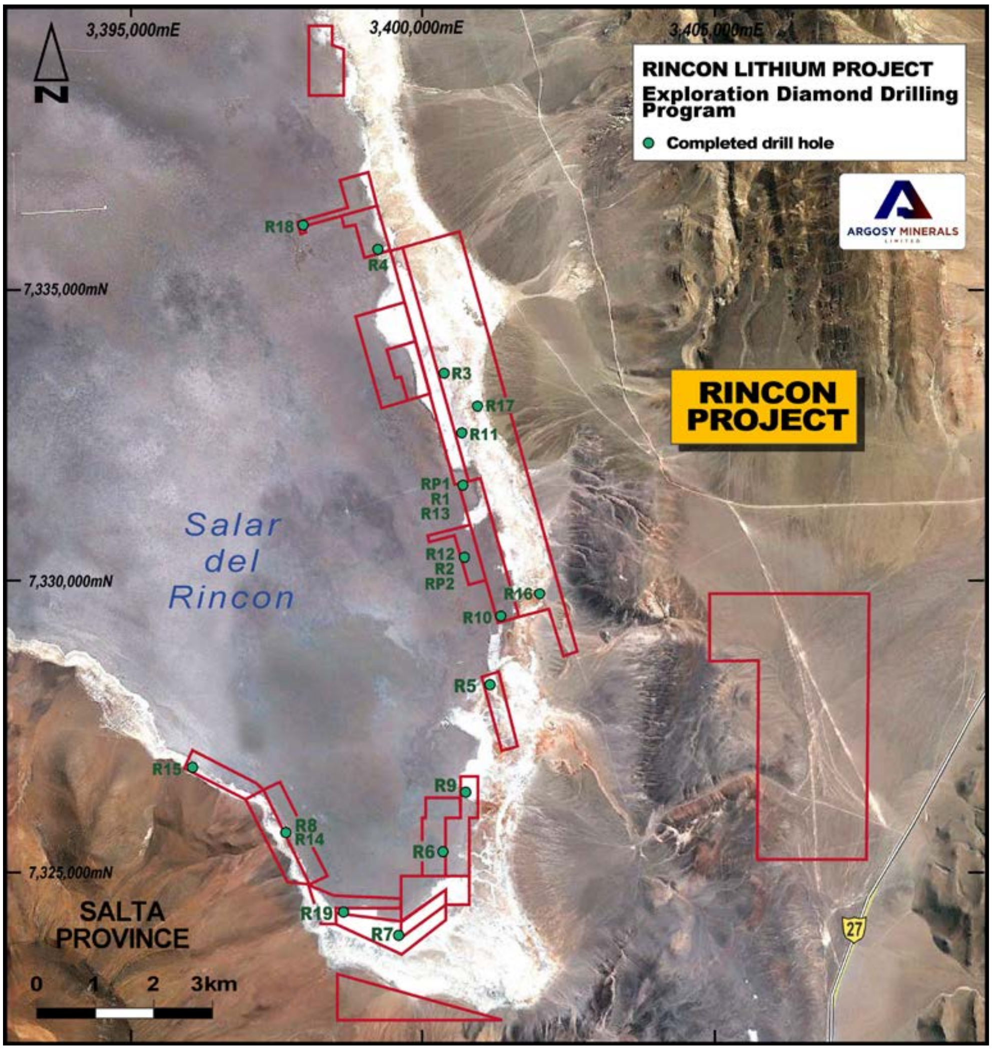

Figure 1. Rincon Lithium Project – Drilling Program Drill-hole Location Map

Summary of Mineral Resource Estimate and Reporting Criteria (for further information please refer to Appendix A)

The Company has drilled 21 brine investigation drill holes to depths of up to 147m in the south east of the Salar Del Rincon. The bores have been drilled into the brine-saturated aquifer underlying the salar, at an average spacing of 950m. A total of 1662m of drilling has been completed and drill holes comprise mineral exploration bores and test-production bores.

The bores have delineated an aquifer containing hypersaline brine with TDS ranging between 310,000mg/L and 350,000mg/L; the brine is enriched with respect to lithium. The aquifer sequence has a weighted mean average lithium concentration of 325mg/L, with a maximum recorded concentration of 490mg/L. Pumping tests and laboratory analysis on core have allowed determination of the hydraulic properties of this aquifer.

The conceptual hydrogeological model for the brine aquifer has four hydrostratigraphic units (S1 to S4), comprising an interbedded mix of sand, clay and evaporite. There is an extensive fractured halite aquifer over the surface of the salar, with an average thickness of 11m, aquifer transmissivity of 1,200m^2/d and specific yield of 10%. Within the underlying mix

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of sand and clay, there are sandy aquifers with an average cumulative thickness of 50 m, transmissivity of 30m^2/d and a specific yield between 11% and 14% (varying with clay content).

The brine aquifer is bounded by colluvial and alluvial deposits formed from the erosional detritus from the surrounding outcrop. Less-saline groundwater is likely to be associated with the alluvial deposits where rare stream flow events will occur. Brine aquifer water levels are sustained by a combination of groundwater inflow from the surrounding geology and recharge from surface water runoff; the latter is likely to be small.

It is estimated the aquifer sequence within the project tenement boundaries, to a vertical depth of 102.5mbgl, contains an Indicated Mineral Resource Estimate (MRE) of 245,120 tonnes of Li_2CO_3. The sandy-aquifers have been drilled to a depth 147m in one drill-hole and the Mineral Resource remains open at depth over much of the project area. No cut-off grade has been applied to MRE.

		Aquifer Characteristics				Mineral Resource Characteristics			
Unit	Description	Aquifer Volume (Mm^3)	Average Thickness (m)	Porosity (%)	In-Situ Brine Volume (Mm^3)	Specific Yield (%)	Drainable Brine Volume (Mm^3)	Li (mg/L)	$LiCO_3$ T
S1	Fractured Halite	161	10	21%	33	10.4%	17	333.6	29772
S2	Clay	387	24	48%	185	3.0%	12	320.3	19892
S3A	Mixed Clastics	570	35	42%	240	11.6%	66	312.8	110493
S3B	Clay	76	5	41%	32	1.0%	1	333.1	1361
S3C	Black Sand	360	22	38%	138	13.2%	48	315.6	80442
S3D	Sand and Gravel	1	0	20%	0	10.0%	0	306.6	235
S4	Competent Halite	138	8	3%	4	1.0%	1	397.8	2926
	Total	**1693**	**103**		**632**		**144**	**325**	**245120**

Table 1. Rincon Lithium Project – Indicated Mineral Resource

Nine pumping tests have been completed at pumping rates ranging between 4L/s and 28L/s, for periods of 24 to 72 hours with water level declines of less than 1 m to 9 m. Pumping tests allowed determination of aquifer transmissivity and associated potential for brine-abstraction. The produced lithium concentration was consistent over the course of each pumping test and ranged between 299mg/L and 437mg/L between bores.

It should be noted that the Indicated MRE is a static estimate; it represents an estimate of the volume of potentially recoverable brine that is contained within the defined aquifer. It does not take account of modifying factors such as the design of a pumping scheme, which will affect both the proportion of the Resource that is ultimately recovered and changes in grade associated with mixing between each aquifer unit and the surrounding geology (such as the marginal alluvial fans), that will occur once pumping starts. The Indicated Resource also takes no account of recharge to the upper-most aquifer, which is a modifying factor that may increase brine-recovery from this unit and may affect long-term grade. Pumping tests completed to date are of relatively short duration and provide data on aquifer hydraulic properties; they do not indicate the operational pumping rates that may be sustained from individual bores or the response of the brine aquifer to long-term operational pumping.

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Further drilling and testing are recommended to provide data on the response of the aquifer to operational pumping (such as long-term pumping rates and produced lithium grade). The data from this testing will support the development of a dynamic model (a numerical groundwater flow model) to optimize life-of-project brine abstraction.

Competent Person's Statement – Rincon Lithium Project

The information contained in this ASX release relating to 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.

Appendix A:

The following information and tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results and Mineral Resources for the Rincon Lithium Project. Please also refer to JORC Table 1 below.

Exploration Results - Stage 2 Drilling

Argosy completed a second stage of mineral exploration between June and October 2018. This second stage of work involved drilling mineral exploration bores, test-production bores and the completion of pumping tests on the test production bores.

The Stage 2 drilling comprised a total of 13 drill holes to depths ranging between 21m and 147m. A total of 866m was drilled during Stage 2 and ten test-production bores were installed to both shallow and deep aquifer horizons. A total of 168 brine assays were analysed, of which 96 were collected under pumping conditions.

The holes were drilled with diamond drilling methods and mud-rotary drilling methods:

- Three diamond-exploration drill holes were completed to depths of between 100m and 147m. Diamond drilling allowed core-recovery and brine-sampling from specific intervals. Brine samples were collected from specific intervals during drilling, by a combination of airlift-pumping (with a packer installed) and bailing.

- Five drill holes were drilled with diamond core (to allow brine sampling from specific horizons during drilling) and then enlarged by mud-rotary drilling to allow construction of test-production bores. These holes were drilled to depths of between 21m and 107m.

- Five test-production bores were constructed directly with mud-rotary drilling.

- Overall, the test-production bores comprised:

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- Three deep test production bores were installed to depths of between 90 m and 100m. These allowed pumping tests in the deeper sandy aquifer.

- Seven shallow test production bores were installed to depths of between 19m and 49.5m. These allowed pumping tests on the shallow fractured halite aquifer.

Pumping Tests

Two separate aquifer testing programs have been conducted at the Rincon project:

The first campaign was completed in July 2018 by Conhidro in which two deep production bores (RP1 and RP2) were tested. At each bore, pumping tests comprised a step-rate test (SRT; 3 steps of 90-minute duration), a 72-hour constant-rate test (CRT), and recovery measurements following the cessation of pumping. During both tests, measurements were taken from the pumping bore and an observation bore. Pumping rates were measured using an in-line flow meter and water levels were measured with pressure transducers.

A subsequent pumping test program was completed between August-2018 and September-2018 by Hidrotech and results are available from seven of the remaining production bores. At each bore, a 24-hour CRT pumping test was completed, followed by recovery measurements after cessation of pumping. In addition, at drill holes R12 and R14, SRT pumping tests were also completed.

Pump testing programs are summarized in Table 3.

Conceptual Hydrogeological Model

The Indicated Mineral Resource is based on the development of a conceptual hydrogeological model, summarised as follows:

- An aquifer is hosted in sediments that infill the Salar del Rincon and comprises an interbedded mix of sand, clay and evaporite.

- There is an extensive fractured halite aquifer over the surface of the salar to depths of between 1.5m and 36.6m. This aquifer is highly permeable and has an estimated hydraulic conductivity of 125m/d and an average transmissivity of 1,200m^2/d. The specific yield of the fractured halite aquifer is estimated to be 10%.

- There is a lower-productivity aquifer comprising sand interbedded with clay underlying the fractured halite to depths of over 100m in parts of the project area. The hydraulic conductivity of this aquifer is estimated to be 0.5m/d and the cumulative transmissivity across all productive units is around 30m^2/d. The specific yield is estimated to be between 11% and 14% depending on clay proportion.

- The brine aquifer is bounded by colluvial and alluvial deposits in the east and south and continuous with the broader salar to the west and north.

- Groundwater levels are essentially at the salar-surface and brine aquifer water levels are sustained by a combination of groundwater inflow from the surrounding geology and recharge from surface water runoff; the latter is likely to be small.

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- Brine mineralisation and groundwater discharge occurs through evaporation over the surface of the salar.

- The brine is hyper-saline with TDS in the order of 310,000 to 350,000mg/L. The brine is enriched with respect to lithium, with concentrations in the range 226mg/L to 487mg/L.

- Based on pumping tests and estimated aquifer parameters, the aquifer sequence has the potential to support brine-abstraction. Abstraction options can include shallow trenches and/or high yielding bores that could target the upper fractured halite aquifer and deep bores that could target the deeper sand units. Total abstraction will be mediated by a combination of direct abstraction from zones of high hydraulic conductivity and slower drainage from zones of low hydraulic conductivity.

Indicated Resource

Table 1 summarises the Indicated MRE for the Rincon Lithium Project. The Indicated MRE is 245,120 tonnes of LiCO3.

The Indicated MRE is a static estimate; it represents the volume of potentially recoverable brine that is contained within the defined aquifer. It takes no account of modifying factors such as the design of a borefield (or other pumping scheme), which will affect both the proportion of the Resource that is ultimately recovered and changes in grade associated with mixing between each aquifer unit and the surrounding geology, which will occur once pumping starts. The Indicated MRE also takes no account of recharge to the upper-most aquifer, which is a modifying factor that may increase brine-recovery from this unit and may affect long-term grade.

Next Steps

The following hydrogeological works may be considered to further refine the hydrogeological model:

- Longer duration pumping tests to determine the hydraulic properties of each hydrostratigraphic unit (including specific yield), changes in production grade over time and the optimal brine-abstraction rate;
- Borehole Magnetic Resonance logging on some of the existing drill holes to provide alternative estimates of porosity, specific yield and permeability;
- Additional investigations at the interface between the eastern edge of the brine aquifer and the adjacent alluvial and colluvial deposits; and
- Develop a dynamic model (i.e. a numerical simulation model) to simulate the long-term response of the aquifer to pumping. The model will require data from the field work noted above.

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Table 2. Exploration Drill Holes

Hole No.	Easting (m)	Northing (m)	Elevation (masl)	Drilled Depth (mbgl)	Cased Depth (mbgl)	Drilling Method	Assay Interval (mbgl)	No. of Brine Assays	No. of Pumped Brine Assays	No. of Core Samples	Azimuth	Dip	Purpose	Stage
R1	3400704	7331661	3721	102.5	102	Diamond	82 - 100	3	-	6	0	-90	Exploration / monitoring	1
R2	3400697	7330412	3723	100.6	102	Diamond	0 - 102	17	-	23	0	-90	Exploration / monitoring	1
R3	3400366	7333587	3723	102.5	102	Diamond	42 - 96	11	-	23	0	-90	Exploration / monitoring	1
R4	3399269	7335479	3722	102.5	102	Diamond	3 - 78	8	-	4	0	-90	Exploration / monitoring	1
R5	3401167	7328233	3724	102.6	102	Diamond	48 - 72	4	-	13	0	-90	Exploration / monitoring	1
R6	3400345	7325338	3723	81.5	81.5	Diamond	6 - 69.5	10	-	0	0	-90	Exploration / monitoring	1
R7	3399581	7323909	3722	102.5	102	Diamond	0 - 102.5	16	-	14	0	-90	Exploration / monitoring	1
R8	3397632	7325709	3722	101	99	Diamond	48 - 99	5	-	10	0	-90	Exploration / monitoring	1
R9	3400734	7326379	3734	100.5	102	Diamond	45-112	5	-	-	0	-90	Exploration / monitoring	2
R10	3401247	7329151	3734	147	147	Diamond	45-129	5	-	-	0	-90	Exploration / monitoring	2
R11	3400691	7332554	3735	100	100	Diamond	0-100	21	-	-	0	-90	Exploration / monitoring	2
R12	3400686	7330406	3730	25.5	25.5	Mud rotary	1 - 19	1	15	-	0	-90	Shallow Pumping	2
R13	3400705	7331648	3730	23	19.5	Mud rotary	1 - 13	1	13	-	0	-90	Shallow Pumping	2
R14	3397628	7325723	3734	22	19.5	Mud rotary	0.5-13	1	15	-	0	-90	Shallow Pumping	2
R15	3395994	7326707	3734	50.5	49.5	Diamond / Mud rotary	0.6-45	11	15	-	0	-90	Shallow Pumping	2
R16	3402020	7329779	3733	32	31	Diamond / Mud rotary	0.6-29	2	12	-	0	-90	Shallow Pumping	2
R17	3400946	7333011	3738	36.5	36.5	Diamond / Mud rotary	0.6 - 36	5	13	-	0	-90	Shallow Pumping	2
R18	3397840	7335884	3734	107	90.5	Diamond / Mud rotary	0.6 - 99	16	-	-	0	-90	Pumping	2
R19	3398635	7324295	3734	21	19	Diamond / Mud rotary	0.6 - 17	4	13	-	0	-90	Shallow Pumping	2
PRP 1	3400714	7331671	3722	100	100	Mud Rotary	-	-	-	-	0	-90	Pumping	2
PRP 2	3400690	7330414	3722	101	101	Mud Rotary	-	-	-	-	0	-90	Pumping	2
Stage 2 Totals				**866**				**72**	**96**					

Coordinates in Argentine Gauss Kruger grid system, zone 3, using the POSGAR datum
masl metres above sea level
mbgl metres below ground level
EOH final drilling depth
Number of samples excludes QA/QC duplicates and standards
Stage 1 drill holes reported previously and data provided for reference
Diamond / mud rotary holes were drilled diamond and then reamed with mud-rotary drilling

Table 3. Summary of Aquifer Testing Program

Test Bore	Date Started	Test Type	Duration		Static Water Level (mbbp)	CRT Discharge Rate (L/s)	Maximum Drawdown (m)	Observation Bores	Bore Efficiency (%)
			CRT	SRT					
PRP1	17/04/2018	Constant Rate and Step Rate	72 Hours	3 x 90 minute steps	1.16	28	2.76	PR1	90
PRP2	20/05/2018	Constant Rate and Step Rate	72 Hours	3 x 90 minute steps	0.94	27	6.32	PR2	85
PR12	10/09/2018	Constant Rate	24 Hours	4 x 90 minute steps	1.49	8.5	2.39	PR2, PRP2	20
PR14	04/08/2018	Constant Rate	24 Hours	-	1.51	8	9.39	-	-
PR15	08/08/2018	Constant Rate	24 Hours	-	1.51	20	0.90	-	-
PR16	13/09/2018	Constant Rate and Step Rate	24 Hours	3 x 60 minute steps	1.71	4	8.48	-	40
PR17	17/09/2018	Constant Rate	24 Hours	-	4.79	8.5	12.75	-	-
PR18	30/09/2018	Constant Rate	24 Hours	-	1.14	15	4.5	-	-
PR19	02/10/2018	Constant Rate	24 Hours	-	1.31	11.5	4.5	-	-

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Table 4. Summary of Pumping Test Analysis

Test HoleID	Obs HoleID	Hole Type	Dip (deg)	Max Depth (m)	SWL (mbgl)	Screened Geology	Effective T (m^2/d)		Aquifer Thickness (m)	K (m/d)	
							Drawdown	Recovery		Drawdown	Recovery
PR12		PB	90	24	1.49	Fractured Halite	1301	1735	17	77	102
	PR2	Exp. Bore	90		1.2		2602	-	17	153	-
	PRP2	PB	90	101	0.94		2602	-	17	153	-
PR16		PB	90	31	1.71	Alluvium	194	73	25	8	3
PR14		PB	90	22	1.51	Fractured Halite	1218	-	10	122	-
PR15		PB	90	49	1.51	Fractured Halite	6058	2164	8	757	270
PRP1		PB	90		1.16	Halite / Black Sand	2203	3525	100	22	35
	PR1				1.00		2938	5508	100	29	55
PRP2		PB	90	101	0.94	Halite / Black Sand	578	2477	100	6	25
	PR2				1.20		2890	3096	100	29	31
PR17		PB	90	36.5	4.79	Alluvium	89	134	37	2	4
PR18	no quantitaite analysis - constant discharge of 15 L/s maintained for 24 hours										
PR19	no quantitaite analysis - constant discharge of 11.5 L/s maintained for 24 hours										

Table 5. Aquifer Parameters for Project Hydrostratigraphic Units

Unit	Description	Porosity (%)	Specific Yield (%)	Average Transmissivity (m^2/d)	Hydraulic Cunductivity (m/d)
S1	Fractured Halite	20.7%	10.4%	1,221	125
S2	Clay	47.9%	3.0%	-	0.01
S3A	Mixed Clastics	42.1%	11.6%	17	0.5
S3B	Clay	41.3%	1.0%	-	0.001
S3C	Black Sand	38.3%	13.2%	11	0.5
S4	Competent Halite	3.0%	1.0%	-	0.001

Table 6. Brine Chemistry

Hole No	Li (mg/L)	Ca (mg/L)	Mg (mg/L)	B (mg/L)	Na (mg/L)	K (mg/L)	Ba (mg/L)	Sr (mg/L)	Fe (mg/L)	Mn (mg/L)	Cl (mg/L)	SO4 (mg/L)	CO3 (mg/L)	HCO3 (mg/L)	pH	Mg/Li	B/Li	Ca/Li	SO4/Li
R1	487	238	2,081	691	115,886	7,549	<0.2	8	9	<1	180,702	24,695	ND	917	7	4	1	0	51
R2	389	447	2,998	476	113,580	7,659	<0.2	12	5	<1	182,055	19,142	ND	461	7	8	1	1	49
R3	226	361	1,381	477	73,106	4,389	<0.2	7	3	<1	109,880	15,640	ND	1,983	7	6	2	2	69
R4	446	390	3,671	461	115,834	9,065	<0.2	13	5	<1	182,615	24,134	ND	898	7	8	1	1	54
R5	265	421	2,135	360	119,094	5,556	<0.2	11	2	<1	184,642	18,230	ND	415	7	8	1	2	69
R6	277	447	2,731	235	116,337	5,541	<0.2	11	3	<1	183,556	15,379	ND	233	7	10	1	2	56
R7	248	450	3,603	235	115,711	5,039	<0.2	13	15	<1	183,828	16,896	ND	261	7	15	1	2	68
R8	297	496	2,465	240	116,635	6,065	<0.2	13	4	<1	184,222	16,105	ND	220	7	8	1	2	54
R9	273	715	2,886	377	117,573	5,112	-	-	-	-	-	-	-	-	-	-	-	-	-
R10	349	320	2,270	469	118,946	6,549	<0.2	7	2	2	179,952	27,936	ND	351	7	7	1	1	80
R11	288	373	1,499	458	87,683	5,007	<0.2	7	1	2	132,674	19,027	ND	1,080	7	5	2	1	66
R12	437	576	3,491	458	111,425	8,003	<0.2	17	1	<1	182,499	14,219	ND	606	7	8	1	1	33
R13	421	236	1,871	786	116,453	6,776	<0.2	8	2	<1	174,131	29,618	ND	954	7	4	2	1	70
R14	354	621	3,271	210	112,499	7,214	<0.2	18	1	<1	184,842	9,924	ND	238	7	9	1	2	28
R15	307	398	2,523	253	115,379	6,226	<0.2	12	2	<1	179,322	19,264	ND	269	7	8	1	1	63
R16	270	334	1,181	358	80,878	4,408	<0.2	6	1	8	125,085	11,195	ND	527	7	4	1	1	42
R17	314	364	1,439	459	80,686	4,637	<0.2	6	1	4	121,509	17,406	ND	1,072	7	5	1	1	55
R18	479	643	4,069	324	107,677	8,444	<0.2	17	3	1	184,682	10,768	ND	414	7	9	1	1	23
R19	301	479	3,603	191	112,373	5,575	<0.2	13	2	<1	181,530	15,031	ND	263	7	12	1	2	50

Notes
Concentration is calculated as an arithmetic average for each drill hole
Partial analysis on R9 only
R1 to R8 = Stage 1 Exploration Results

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Table 7. Average Lithium Concentrations

Hole No	Total No of samples	Hydrostratigraphic Summary						Drill Hole Summary	
		S1	S2	S3A	S3B	S3C	S4	Average Concentration for Drill Hole	Average Pumped Concentration
R1	3	485	-	-	-	487	-	487	
R2	17	412	-	380	341	381	-	389	
R3	11	197	345	340		164	-	226	
R4	8	441	448	443	455	-	437	446	
R5	4	256	-	269	261	-	-	265	
R6	10	297	275	268	-	-	-	277	
R7	16	266	-	236	-	255	-	248	
R8	5	355	-	301	-	276	-	297	
R9	5	-	-	278	-	-	403	273	
R10	5	-	-	334	331	387	-	349	
R11	21	102	325	252	346	332	-	288	
R12	16	437	-	-	-	-	-	437	437
R13	14	421	-	-	-	-	-	421	414
R14	16	354	-	-	-	-	-	354	353
R15	26	351	-	303	-	-	-	307	312
R16	14	-	-	299	-	-	-	299	244
R17	18	-	-	314	-	-	-	314	347
R18	16	482	461	479		482	483	479	
R19	17	306	298					301	299
Average		*344*	*359*	*321*	*347*	*345*	*441*	340	*344*

Li concentrations (mg/L)

Averages are arithmetical averages only

Average pumped concentration is the average Li concentration over the course of each pumping test

R1 to R8 = Stage 1 Exploration Results

Table 8. Summary of Conceptual Hydrogeological Model

Unit	Lithology	Hydrogeology and Aquifer Potential	Li Grade average (min - max) (mg/L)	Transmissivity (m^2/d)	Hydraulic Conductivity (m/d)	Specific Yield (%)	Status and Extent	Remarks
S1	**Halite** - fractured halite with dissolution features.	**Aquifer** - brine storage potential with high levels of recovery due to high fracture-permeability.	344 (102 - 485)	1200	125.0	10%	Drilled. Pumping tests completed. RBRC analysis. Extensive across salar with variable thickness (1.5 m to 36.4 m).	Likely to support direct brine abstraction from shallow bores (within constraints of available drawdown). May receive (rare) periodic recharge from rainfall/runoff.
S2	**Clay** - green-grey clay with some minor fine-grained sand throughout and competent halite (interbedded) at the base of the unit.	**Aquitard** - brine storage potential with low recovery due to low specific yield and hydraulic conductivity.	359 (275 - 461)	-	0.01	3%	Drilled. RBRC analysis. Extensive across salar with variable thickness (0 m to 38.5 m) and occurs from between 2.2 and 11 mbgl.	Brine abstraction likely result from drainage into underlying units during abstraction.
S3A	**Sand and Clay** - interbedded sequence of fine-grained black sand and clay.	**Aquifer** - brine storage potential with low - moderate levels of recovery due to moderate specific yield and hydraulic conductivity.	321 (236 - 479)	17	0.5	12%	Drilled. Pumping tests completed. RBRC analysis. Extensive across salar with variable thickness (14 m to 43 m) and occurs from between 21 and 48 mbgl.	May support direct abstraction from sand beds within the unit with storage supplemented by leakage from adjacent and overlying clay units.
S3B	**Clay** – red-brown clay.	**Aquitard** - brine storage potential with low recovery due to low specific yield and hydraulic conductivity.	347 (261 - 455)	-	0.001	1%	Drilled. RBRC analysis. Extensive across salar with variable thickness (0 m to 13.4 m) and occurs from between 54.3 and 78.5 mbgl.	Brine abstraction likely result from drainage into underlying units during abstraction.
S3C	**Black Sand** – fine grained, black volcanic sand, with some interbedded red clay and competent halite.	**Aquifer** - brine storage potential with moderate levels of recovery due to moderate specific yield and hydraulic conductivity.	(163 - 487)	11	0.5	13%	Drilled.Pumping tests completed. RBRC analysis. Extensive across salar with variable thickness (0 m to 42 m) and occurs from between 60.5 and 79.9 mbgl. Absent in the north due to rising competent halite.	May support direct abstraction from sand beds within the unit with storage supplemented by leakage from adjacent and overlying clay units.
S4	**Competent Halite** - massive competent halite.	**Aquitard** - brine storage potential with low recovery due to low specific yield and hydraulic conductivity.	441 (403 - 483)	-	0.001	1%	Drilled. Believed to be extensive underlying the brine aquifer across the salar. Rises to shallow subcrop in the north	Brine abstraction likely to occur only by lateral leakage into adjacent sandy-sediments.

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JORC Table 1

Reporting of Exploration Results – JORC (2012) Requirements

Section 1: Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Drilling is conducted using HQ diameter core and 200mm diameter mud rotary. Brine is sampled from discrete horizons during diamond drilling and as pumped samples from test production bores. • HQ drill core in the holes was recovered in 1.5m length core runs directly in the core barrel, without the use of internal tubes. Consequently the cores recovered were subject to handling that contributed to some disaggregation of the core. In some holes polycarbonate tubes were used in the place of triple tubes to collect samples for laboratory testing. Cores selected for porosity laboratory sampling were sub-sampled into soft plastic tubes/bags (where not collected in polycarbonate tubes), labelled with permanent marker and wrapped extensively in transparent tape over the sample labelling, to preserve this being rubbed off during transportation. When core was collected in polycarbonate tubes 15cm lengths were cut from the bottom of the tubes and sealed with end caps and tape, to maintain sample humidity. • Drilling core was undertaken to obtain representative samples of the sediments that host brine. However, it is noted that core recoveries are relatively low in these soft sediments. • Brine samples were collected at discrete depths during the drilling. This was done using a double packer device with a sample interval of 1m between the packers in a straddle packer arrangement or by pulling back the drill rods and bailing a sample from the lower meter of drill hole (after the hole was purged of drilling fluid). In some cases a down hole bailing tube (bailer) was used to take samples, where it was not possible with the packer equipment. • A limited number of the holes were geophysically logged with simple resistivity and SP logs, to provide information on the lithology, in particular identifying units of halite (salt). • The brine samples were collected in clean plastic 500ml bottles and filled to the top to minimize air space within the bottle. Each bottle was marked with the time and re-labelled with a sample number before sending the sample to the laboratory. • Brine samples were taken using a packer device however there were difficulties using this equipment and hence complete systematic sampling was not completed

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Criteria	JORC Code Explanation	Commentary
		throughout the hole (due to a lack of brine recovery in some – typically clay dominated intervals or concerns related to collapse of sandy intervals. • Packer sampling was undertaken on a nominal 3 or 6m separation, but it must be noted that the distance between the inflated packers for sampling is only 1 m, due to restrictions with the length of the packer, available equipment and the height of the drill rig mast. Sampling was generally not possible in the clay intervals, due to the low flows and inability to purge the hole of sufficient brine to take a sample with confidence. • Disturbed geological samples are collected at 1m intervals during mud-rotary drilling, after which casing and slotted screen is installed in the bore and test pumping carried out. During pumping, samples of the discharging brine are collected at specific points in time.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• HQ Diamond core was used for 1390m (83%) of drilling. The drilling produced cores with variable and often poor core recovery, associated with unconsolidated sandy material in the holes. Recovery of these more friable sediments is more difficult with diamond drilling, as this material can be washed from the core barrel during drilling. • Mud rotary drilling with a tri-cone bit was used to construct test production bores; either to enlarge diamond holes or as the only drilling method. Mud rotary was the only drilling method for 271 (16%) of drilling. Test production bores with pvc casing and screen are installed in the mud-rotary drill holes.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond drill core was recovered in 1.5m length intervals. Appropriate additives were used for hole stability to maximize core recovery. The core recoveries were measured from the cores and compared to the length of core runs to calculate the recovery. Core recoveries are poor overall, and this creates some uncertainty with respect to the thickness of lithologies in the holes. • Brine samples were nominally collected at discrete depths every 3 or 6 meters (over a 1m interval, dictated by the length of the packer and height of the drill rig mast) during the drilling using a double packer (to isolate intervals of the sediments and obtain samples from airlifting brine from the sediments). • The brine samples are taken by purging a volume of water corresponding to at least one well volume from the drill hole, with greater brine volumes purged in the more permeable salt and sand sediment units. • As the lithium brine (mineralisation) samples are

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Criteria	JORC Code Explanation	Commentary
		taken from inflows of the brine to the hole (and not from the drill core – which has variable recovery) they are largely independent of the quality (recovery) of the core samples. However, the permeability of the lithologies where samples are taken is related to the flow rate of the sediments and potentially lithium grade of brine inflows.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Diamond holes are logged by a geologist who also supervised taking of brine samples. Samples for laboratory porosity analysis were taken by a consultant geologist. • Logging is both qualitative and quantitative in nature. The relative proportions of different lithologies which have a direct bearing on the overall porosity, contained and potentially extractable brine are noted, as are more qualitative characteristics such as the sedimentary facies and their relationships. Cores are photographed when laid out for geological logging. • Core recoveries are measured for the entire core recovered. • Samples from mud-rotary drilling are logged by a geologist on site for the proportion of sand, clay and halite in each 1m sample.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core samples are semi-systematically sub-sampled for laboratory analysis, cutting or selecting the lower 15cm of core in core runs. This sampling was semi-systematic (rather than systematic) as due to disaggregation of core during drilling and core handling, it was not possible to take samples every 3m as previously planned. • Sub-samples have been sent to an experienced porosity laboratory in the USA for testing. • The intention of systematic sampling is, to minimize any sampling bias. This is an appropriate sampling technique to obtain representative samples, although core recovery is noted to be variable, influencing the samples that could be taken from core runs. • Duplicate samples of sediments are to be prepared in the laboratory for analysis of porosity characteristics. Characteristics of porosity sub-samples are compared statistically with the sample descriptions for each sub- sample. • Brine samples were collected during drilling of the diamond holes and at multiple points in time during pumping tests. • The brine samples were collected in new unused 500ml sample bottles which were filled with brine from the packer discharge tube or pump discharge. Each bottle was marked with the drill-hole number and details of the sample. Prior to sending samples to the laboratory they were assigned unique sequential numbers.
Quality of assay data	• *The nature, quality and appropriateness of the*	• The Norlab/Alex Stuart laboratory in Jujuy,

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Criteria	JORC Code Explanation	Commentary
and laboratory tests	*assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Argentina is used as the primary laboratory to conduct the assaying of the brine samples collected as part of the drilling program. The laboratory is a commercially accredited laboratory specialized in the chemical analysis of brines and inorganic salts. • QA/QC check samples were sent to both the Norlab/Alex Stuart laboratory separately, and to the Puna Mining in-house laboratory. • The quality control and analytical procedures used at the Norlab laboratory are of high quality and the laboratory is affiliated with the Alex Stuart international group of laboratories. • Duplicates, blank and field standard samples were included. • Relative errors between samples have a mean and median error of less than 5% and 1% respectively.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Accuracy, the closeness of measurements to the “true” or accepted value, was monitored by the insertion of field standards. • Duplicate samples and blanks were included in the laboratory batch.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The hole locations provided are the field locations measured with a hand-held GPS device. Horizontal accuracy is +/- 5 m which is adequate for flat bedded expansive geology. • The location is in zone 3 of the Argentine Gauss Kruger coordinate system, using the Argentine POSGAR datum.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Lithological data was collected throughout the drilling, subject to core recovery, to build the geological model. • The mean spacing between drill holes is ~950 m. • Brine samples were collected from discrete horizons during diamond drilling. • Brine samples from pumped bores represent a composite sample from the screened aquifers. Where only aquifer is screened, then a sample collected during the first minute of pumping is considered to represent the grade throughout that specific aquifer. Where multiple aquifers are screened, then the sample has not been used in development of the static Resource model as the components of grade within each aquifer cannot be determined.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The salar deposits that host lithium- bearing brines consist of sub-horizontal beds and lenses of halite, clay and sand. The vertical holes are essentially perpendicular to these units, intersecting their true thickness. • Brine saturates the geological sequence below the water table (~ 1mbgl).
Sample security	• *The measures taken to ensure sample security.*	• Samples were transported to the laboratory for chemical analysis in sealed rigid plastic bottles with sample numbers clearly identified. • The samples were moved from the drill site to

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Criteria	JORC Code Explanation	Commentary
		secure storage at the camp on a daily basis. All brine sample bottles are marked with a unique label.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been conducted at this point in time.

Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Rincon properties are in the south of the Rincon Salar, adjacent to properties owned by the Enirgi Group Corp. The properties are mining licenses that are owned directly by Puna Mining S.A. or under purchase agreements by Argosy Minerals Ltd and Puna Mining. S.A. (with whom Argosy has a JV over these properties). The properties are in the province of Salta in northern Argentina at an elevation of approximately 3740masl. • The Project comprises up to 2,794ha of mineral properties in Salta province in Argentina, within, around and outside the southern edge of the Rincon Salar. Exploration activities have begun in the eastern properties. • The properties are believed to be in good standing, with payments made to relevant government departments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration has been carried out in adjacent properties by the Canadian company Enirgi Group Corp. who have conducted a feasibility study and defined an extensive Resource and Reserve on their adjacent properties (see announcement July 7, 2016). • The properties owned by the JV have been previously explored or exploited for borates.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The sediments within the salar consist of halite, clay and sand which have accumulated in the salar from terrestrial sedimentation and evaporation of brines within the salar. These units are interpreted to be essentially flat lying, with semi-confined aquifer conditions close to surface and confined conditions at depth. • Brines within the salar are formed by solar concentration, with mineralized brines saturating the entire sedimentary sequence from approximately 1mbgl. • The sedimentary units have varying aquifer transmissivities: fractured halite and sandy-aquifers may support direct abstraction while clay-dominant and massive halite units.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *•easting and northing of the drill hole collar* *•elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar*	• Lithological data was collected from the holes as they were drilled, and cores were retrieved. Detailed geological logging of cores has been completed and cores selected for laboratory porosity analysis. • Brine samples were collected from the packer and

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Criteria	JORC Code Explanation	Commentary
	•dip and azimuth of the hole *•down hole length and interception depth* *•hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	bailer sampling and sent for analysis to the Norlab laboratory, together with quality control/quality assurance samples. • All drill holes are vertical, (dip 90, azimuth 0 degrees). Depths ranged between 21 m (fractured halite aquifer) and 147 m (black sand aquifer). Installation of monitoring wells and test production wells in the drill holes has been completed.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Brine samples taken from the holes was averaged (arithmetic average) without weighting across the number of samples in each hole in the lithium brine zone. • Lithium concentrations have been multiplied by 5.347 to calculate LCE.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The lithium-bearing brines are interpreted to begin from surface in the holes, although samples are not available near surface in many of the holes. However, brine is encountered in pits within 1m of surface. The sediments hosting brine are interpreted to be essentially flat lying. • The lengths reported for mineralisation is from the first sample in the depth interval of 0-6m to the final sample in the depth interval to 147 m. Note that packer samples were noted as occurring over 3 m intervals in the field, however the actual sampling interval of the packer is only over the central metre of this interval. • Brine samples are representative of the width over which the sample was collected: a 3m interval from diamond drilled holes and the screened interval from production bores. However the entire sedimentary sequence is saturated and mineralized brine exists in a continuum between sampled intervals.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• A diagram is provided in the text of the announcement showing the location of the properties and drill holes. A geological cross-section is provided showing the encountered hydrostratigraphy and brine sampling intervals and grades. A table is provided in this announcement showing the location of the drill holes.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• This announcement presents representative data from drilling and sampling, such as lithological descriptions, brine concentrations and information on the thickness of mineralisation.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock*	• Nine pumping tests have been completed on test production bores targeting both the shallow and deep aquifer sequence. These tests allow determination of aquifer properties and provide brine samples under dynamic conditions.

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Criteria	JORC Code Explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Long-term pumping tests are planned to provide more data on the dynamic behaviour of the aquifer. Additional estimates of specific yield and transmissivity are planned from long term pumping tests and from in-situ BMR logging. Additional investigations are planned to confirm interaction between the mineral resource and proximal colluvial sediments under dynamic conditions.

Section 3: Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* *Data validation procedures used.*	• Dropdown menus were used for digital data capture using standardised codes in the project database. • Data is captured non-electronically by field personnel. This information is then consolidated into a spreadsheet by field personnel. This information is then subject to external review by consulting geologists and the CP and consolidated into the project database. • Drill hole data points are plotted in MAPINFO to check location. • Database extracts for resource modelling work and GIS compilation work checked for accuracy.
Site Visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	• A site visit by the CP is planned but has not been completed at this stage. • On site QA/QC has been undertaken during site visits by other experienced independent geologists consulting to Argosy and in close liaison with the CP. • Outcomes from site visits have been improved sample collection and QA/QC / review of the lithological logging.
Geological Interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* *The factors affecting continuity both of grade and geology.*	• Confidence in the geological interpretation is strong as the brine resource is contained within extensive, relatively flat lying, Quaternary age sediments infilling an intermontane basin. Drill hole spacing averages ~1km. • No alternative geological interpretations have been generated. • Geological interpretation based on the logging of the various regolith units identified in the core and published data from geologically contiguous adjacent properties, to control Mineral Resource estimation. • The interbedded nature of the deposit may result in hydrogeological compartmentalisation affecting brine recoverability between zones of high permeability and low permeability. • The interdigitation of marginal sediments with

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Criteria	JORC Code Explanation	Commentary
		different water quality may affect continuity of brine grade and mixing under pumping conditions.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Indicated Resource has been calculated for a portion of the Salar Del Rincon within tenements owned by Argosy Resources Ltd; the Resource covers an area of 1650ha. • Brine occurs 0 and 1 m below the surface of the salar and so the upper surface of the Indicated Resource is assigned as 0.5 mbgl over the tenement area. • Drilling has occurred to 100 – 107m depth in 11 drill holes and so the Indicated Resource is modelled to 102.5m depth. In some areas, a competent halite is encountered within this depth range which effectively marks a lower limit to the Indicated Resource. However, 1 drill hole has reached 147 m and was still in aquifer material so, over much of the area, the Resource remains open at this depth. • The Indicated Resource has been modelled for the entire aquifer sequence over this depth range; variations in specific yield (between 1% and 13%) are used to account for variations in recoverable brine. • The western and northern resource/hydrogeological boundary is contiguous with the broader salar and is formed by the property limit. The eastern/southern resource/hydrogeological boundary is formed by interdigitating alluvial sediments with different brine quality; these add uncertainty to long-term production grades from some areas of the Resource. The eastern and southern boundary for the Indicated Resource is defined by the edge of the salar.

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Criteria	JORC Code Explanation	Commentary
Estimation and Modelling Techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Modelling has been undertaken with ARANZ Leapfrog Geo modelling software. The model provides an estimate of the potentially drainable brine within the Rincon Lithium Brine Project (RLBP). The model is a static model and takes no account of pumping / brine recovery (other than by the application of specific yield rather than porosity). • The model comprises 4 geological units – S1 to S4; with unit S3 having 3 further subdivisions. All lithologies encountered during drilling were assigned to one of these 4 hydrogeological groups. The modelled sequence comprises a mix of interbedded clay, sand and halite. • Geological surfaces were modelled with priority given to drill-hole data. • Surfaces were modelled with a spatial resolution of 75m. Interpolations were undertaken with Leapfrog's Linear Interpolation Function. • The distribution of lithium grade through the aquifer was determined from the model by interpolating between each sample from each drill hole; samples collected after more than 1 minute of pumping or samples collected from pumping wells screened across multiple aquifers, were discounted. • The interpolation was done using Leapfrog's linear interpolation function with a 75m resolution and grade increments of 25mg/L between 250mg/L (minimum) and 450mg/L (maximum). The interpolation was done for each hydrostratigraphic unit (S1 to S4) However, as groundwater exists in a continuum, the model drew on all data (including from other hydrostratigraphic units) in guiding the interpolation. • The modelled volumes were multiplied by Specific Yield for each hydrostratigraphic unit to determine the potentially recoverable brine (Indicated Resource volume). • The effective Specific Yield was determined from the laboratory core analysis and was based on the relative proportions of clay and sand and halite in each hydrostratigraphic unit. • The combined unit volume and lithium grade distribution was used to determine and the Indicated Resource and a weighted mean average grade for each hydrostratigraphic unit. • The Resource output was validated by comparing total sediment volumes with those estimated from analytical calculations and scaling the Resource estimates produce by Enirgi for differential surface-area and depth.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Not Applicable to estimated tonnages for brine resources.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• No cut-off grades applied as it is not yet clear what the processing costs will be for brine

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Criteria	JORC Code Explanation	Commentary
		extraction nor the produced grade under dynamic (pumping) conditions.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Potential brine abstraction process is envisaged to involve pumping brine via a series of bores and/or trenches targeting the S1 - fracture halite and interbedded sands in the S3A and S3C units. • Pumping tests indicate the S1 fractured halite has a high hydraulic conductivity and will support direct brine abstraction. • Pumping tests indicate the S3A and S3C units have a lower hydraulic conductivity but will support direct brine abstraction. • It is envisaged the pumping from the S3A and S3C interbedded sands will reduce hydrostatic pressure and induce leakage from the interbedded clay and halite within units S2, S3A, S3B and S3C.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Brine processing at the RLBP pilot plant has demonstrated Lithium enrichment to 99.6% with the production of Li_2CO_3.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfield project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• Freshwater aquifers may exist on the eastern margin of the salar in interdigitating alluvial sediments. This resource may be affected by brine development, it may also form a process water supply. • The brine evaporation process will result in waste salts. • Environmental approval has not yet been granted.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Bulk density determination is not relevant for brine resource calculations as the porosity, or more applicably, the drainable porosity or specific yield, of the aquifer material is relevant for brine resource calculations. The volume of the sediments containing the brine and the specific yield combine for brine resource calculation. • The specific yield was estimated from laboratory analysis on 93 core samples covering all hydrostratigraphic units.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the*	• Exploration data with an average drill hole spacing of 950 m, brine analysis and core analysis from all hydrostratigraphic units, pumping test results confirming brine extractability and composite lithium grade under dynamic conditions, provide confidence determining an Indicated Resource for the RLBP (to a depth of 102.5 m). • Appropriate account for brine resource reporting

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Criteria	JORC Code Explanation	Commentary
	Competent Person's view of the deposit.	has been taken of all relevant factors. • The Classification result appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The modelling and the Indicated Resource estimates have been subject to internal peer review by Argosy and AQ2.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The Indicated Resource is based on weighted mean average specific yield for the major hydrogeological units and the interpolated distribution of those units and of lithium brine within those units. • The average specific yields are derived from 93 core samples and the results are broadly consistent with those published by Enirgi for the adjacent tenements. The relative proportions of clay and sand in each unit is important in determining effective specific yield and this has been affected by variable core recovery. This uncertainty affects the entire Resource. • It is not possible to quantify the accuracy or extent of the above uncertainties. • The Indicated Resource takes no account of modifying factors such as the design of any bore field (or other pumping scheme), which will affect both the proportion of the Indicated Resource that is ultimately recovered and changes in grade associated with mixing between each aquifer unit, which will occur once pumping starts. Such uncertainties are inherent in groundwater modelling where factors vary in both space and time. Given these uncertainties inherent in the ultimate concentration of produced brine, the level of confidence in the modelling to date is considered satisfactory.

ENDS

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.

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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.

Appendix 1: AGY’s Argentina Project Location Map

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