

10 December 2018

RINCON EVAPORATION PONDS UPDATE

HIGHLIGHTS

- Argosy has now completed a total of ~38 hectares of lithium brine evaporation ponds
- Lithium brine pumping into recently completed evaporation ponds in-progress
- Lithium brine concentrated from previously constructed ponds available for processing operations in the Stage 1 industrial scale pilot plant
- Completed lithium brine evaporation ponds now at a scale for a modular/staged commercial operation

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to announce further development progress at the Rincon Lithium Project – located in the "Lithium Triangle" in Salta Province, Argentina – where the next stage (formerly referred to as Stage 2) of evaporation pond construction works have recently been completed.

Argosy has now completed construction of a combined total of ~38 hectares of lithium brine evaporation ponds, which are operational and providing concentrated lithium brine for use in the Company's operating Stage 1 industrial scale pilot plant. The current area of evaporation ponds are now capable of generating concentrated lithium brine at a scale that can support processing operations for a plant capacity of ~1,500 – 2,000 tpa (former Stage 2 scale) of lithium carbonate product.



Figure 1. Rincon Lithium Project – Additional Stage Evaporation Ponds Constructed

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Argosy Managing Director, Jerko Zuvela said “*Argosy continues to accomplish significant development milestones as we continue our aggressive development strategy and progress toward becoming a commercial scale LCE producer in the near-term.*”

Together with the PEA outcomes recently announced and the completion of this scale of evaporation ponds, the Company is targeting developing the commercial stage of operations as quickly as possible”

The Company is continuing with lithium brine pumping operations into the new evaporation ponds – with one of the new large ponds filled with lithium brine and the other two larger ponds to be filled during this month. The remaining smaller ponds, which will be utilised for storing concentrated lithium brine from the larger ponds (in the latter stages of the ~12 month lithium brine concentration period), are planned for lining during January 2019.

These new ponds come into full effect and increase the total brine volume capacity, joining the previously constructed evaporation ponds that have been fully operational for solar evaporation and lithium concentration for the past 12 months.

This now completes pond construction development for the Stage 1 and previously referred Stage 2 works. The next phase of evaporation pond construction works will be determined based on the Company’s decision to pursue construction of a commercial scale processing plant (10,000tpa LCE) immediately (pending funding) or a modular/staged production strategy toward full commercial scale, as stated in the PEA.

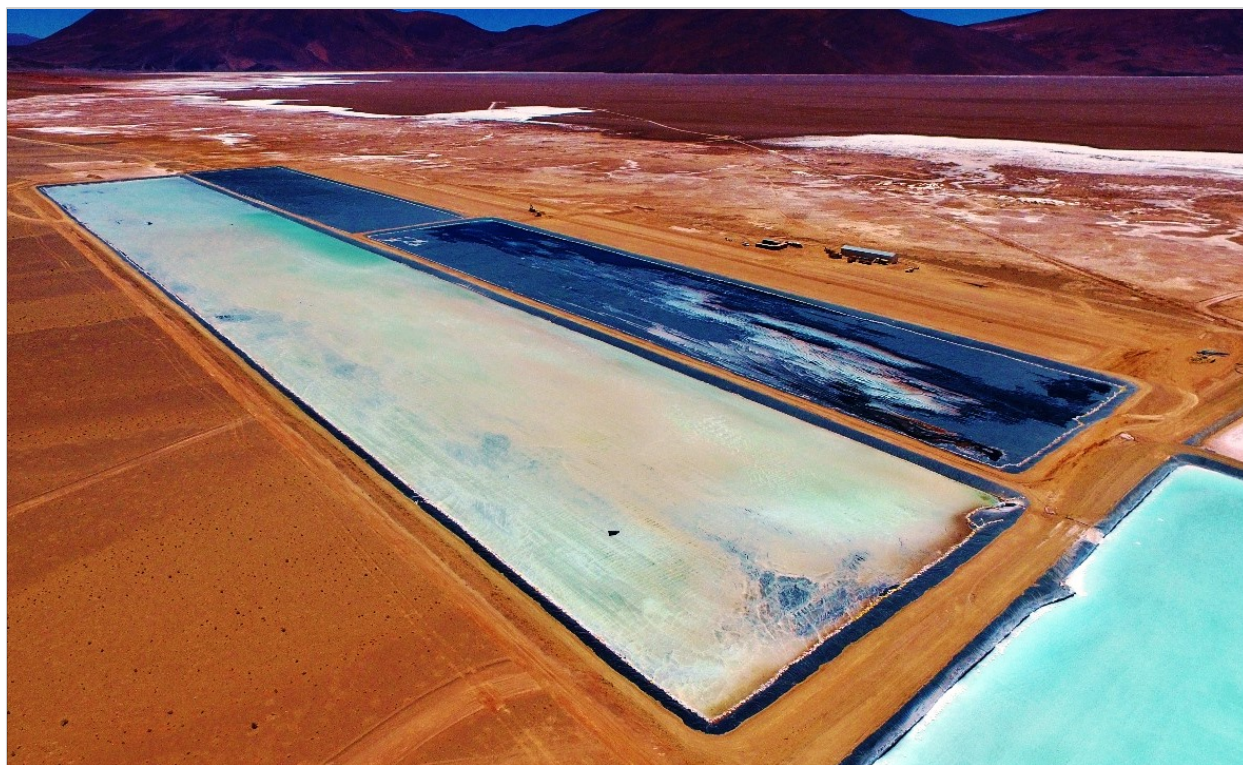


Figure 2. Rincon Lithium Project – Additional Stage Evaporation Ponds Constructed

The Company will now focus on concluding a preliminary off-take arrangement for Stage 1 product, subject to confirmation of customer(s) testing and product customisation. In addition, and with the PEA results being reviewed by potential off-take and/or strategic

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investor groups, Argosy will pursue advanced discussions with these strategic parties for potential full commercial or modular scale capex funding/investment.

Argosy will then look to make a decision on the scale of commercial development (pending funding) in the near term, to then commence development works for the selected production strategy.

Argosy's fast-track development strategy has put us in a unique position - to produce LCE product from our Stage 1 industrial scale pilot plant and together with the recent PEA announcement, to attract significant interest from leading battery and cathode industry participants.

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.

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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