

19 June 2019

PILOT PLANT LITHIUM PRODUCTION WORKS TO COMMENCE

HIGHLIGHTS

- Industrial scale pilot plant targeted to commence continuous lithium processing operations beginning early-July to produce LCE product for Mitsubishi RfM sales agreement
- Continuous pilot plant trial-run operations to commence next week
- Recent pilot plant visit conducted by representatives of Mitsubishi RfM Japan and Mitsubishi Argentina
- Argosy will become the next international lithium carbonate producer – fast-track development strategy in effect and progressing

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to advise further progress towards commercial development of the Rincon Lithium Project – located in the "Lithium Triangle" in Salta Province, Argentina, with the commencement of continuous industrial scale pilot plant lithium processing operations set to begin in early-July, which will produce 99.5% lithium carbonate product for the recently executed Mitsubishi RfM sales agreement. The Company will commence pilot plant trial-run operations next week to ensure the smooth transition to regular pilot plant production operations thereafter.



Figure 1. Rincon Lithium Project – Industrial Scale Pilot Plant Operational Works

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Argosy Managing Director, Jerko Zuvella said ***"We are delighted to be the only new lithium brine developer to have constructed an industrial scale pilot plant with successful proof of chemical process to produce 99.5% battery grade lithium carbonate and set for production operations shortly.***

We will continue to further de-risk the development of the Project with the commencement of continuous operations and further prove our lithium processing capabilities in delivering LCE product to Mitsubishi RfM.

This milestone puts Argosy in a strong position to reinforce key strategic relationships to assist with funding for the next stage commercial scale development of the Rincon Lithium Project."

The commencement of continuous industrial scale pilot plant operations will further demonstrate that the Company is genuinely delivering on its 'fast-track' lithium development strategy and reinforces the strong position the Company is in to establish its credentials well before many other lithium companies, given the stage of development achieved by Argosy at the Rincon Project.



Figure 2. Rincon Lithium Project – Industrial Scale Pilot Plant Operations Staff

The Company has set up its operational team with chemical engineers, plant supervisors and technicians, and laboratory staff to ensure the successful commencement of Lithium carbonate production operations. The Company has procured the necessary chemical reagents and systems for the commencement of continuous pilot plant operations.

The Company will in parallel continue progressing towards the 2,000tpa modular operation as the next step to scale-up the development of the Project.

As previously announced, Argosy executed a Sales Agreement with Mitsubishi Corporation RfM Japan Ltd for the supply of an initial 100 metric tonnes of lithium carbonate product from the Rincon Lithium Project.

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The Company notes there is flexibility in the Sales Agreement to modify the terms of the contract by mutual agreement for customised deliveries.

The Sales Agreement reinforces the relationship Argosy has established with Mitsubishi RtM following their first site visit in November 2017, and further strengthens the potential for future commercial associations.

Representatives from Mitsubishi RtM and Mitsubishi Argentina conducted another site visit last week to inspect the current status of pilot plant operations toward LCE product deliveries under the Sales Agreement, and further recognise the Companies lithium processing proficiency.

The industrial scale pilot plant was first commissioned in April 2018, with first battery grade 99.5% lithium carbonate product confirmed in August 2018.

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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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 context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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% (and ultimate 90%) 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



Competent Person's Statement

The information contained in this ASX release relating to Exploration Results has been prepared by Mr Jerko Zuvella. Mr Zuvella is a Member of the Australasian Institute of Mining and Metallurgy and 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. Mr Zuvella is the Managing Director of Argosy Minerals Ltd and 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.

Chemical Engineer's Statement: The information in this announcement that relates to lithium carbonate processing is based on information compiled and/or reviewed by Mr Pablo Alurralde. Mr Alurralde is a chemical engineer with a degree in Chemical Engineering from Salta National University in Argentina. Mr Alurralde has sufficient experience which is relevant to the lithium carbonate and lithium hydroxide processing and testing undertaken to evaluate the data presented.



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