

23 October 2024

# ARGOSY FIRMS UP RINCON LITHIUM PROJECT DEVELOPMENT STRATEGY

## HIGHLIGHTS

- Pathway to completing 12,000tpa project development engineering and DFS works to a construction-ready stage and commercialise the Rincon Lithium Project
- Disciplined strategy designed to support strategic partner process for Rincon development
- Engineering and mechanical design improvements being implemented following learnings from demonstration facility production operations
- Engagement with international engineering services companies Lycopodium and Saxum to deliver DFS and FEED
- Engineering schedule covers concurrent works targeting FID in H2-2025
- Argosy further building value with its lithium process technology expertise and capability to produce battery quality lithium carbonate, and commitment to develop the Rincon Project

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to advise on its progress toward developing the 12,000tpa commercial stage operation at the Rincon Lithium Project.

The Company has defined a scheduled pathway to deliver the 12,000tpa project engineering and definitive feasibility study (DFS) works targeting a final investment decision (FID) during H2-2025 and to successfully commercialise the Rincon Project.

Feasibility and engineering works are currently progressing in conjunction with international engineering consulting services firms Lycopodium and Saxum. These works utilise key process and operational parameters, test data and inputs, mechanical design improvements, and learnings from the 2ktpa demonstration facility operations to support an expedited development schedule towards completing the DFS and achieving an FID. This is scheduled to support commencing early site works, procuring long-lead items, completing front-end engineering design (FEED), and commencing construction works by end-2025.

This development pathway aligns with securing a funding solution via a strategic partner, with the key milestone of regulatory approval to construct and operate the commercial scale 12,000tpa facility already achieved. The other key target being the successful completion of the DFS, which will include updated capital and operating cost estimates, and the project delivery schedule.

Argosy Managing Director, Jerko Zuvela said "**The Company's immediate commercial objective is to finalise the engineering/DFS works to accelerate the development of the Rincon Lithium Project toward production.**"

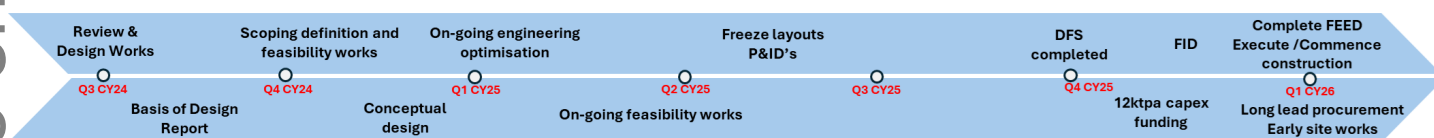
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**These works will provide the critical inputs to enable a final investment decision, consider funding options and target commencing construction works during H2-2025.**

**We are establishing the optimal strategic pathway to maximise shareholder value to become an international lithium carbonate producer.”**

The Company continues to receive in-bound interest relating to the strategic partner process and project funding options for the 12ktpa project, with formal evaluation of strategic proposals currently being reviewed.

This includes appraising current opportunities, conducting due diligence processes, and firming up commercial strategic considerations, with the aim of determining a preferred strategic partner and investment structure to realise mutual alignment and long-term sustainability for the strategic benefit of the stakeholders.



**Figure 1. Rincon Lithium Project – Planned Development Schedule**

### Engineering & Feasibility Works Scope

The engineering and feasibility works are being conducted to achieve an FID during H2-2025, support the funding process, and ultimately develop and successfully commercialise the Rincon Lithium Project.

The works scope will progress to design of the process and non-process infrastructure facilities towards the 12ktpa execution phase.

Key areas of works include:

- Feasibility works to provide updated capital and operating cost estimates, along with the project delivery/construction schedule.
- Capturing the significant intellectual property developed from the 2ktpa demonstration facility operations and implementing engineering/mechanical design improvements, including flowsheet optimisation.
- Progressing the engineering in readiness for commencing the execution phase, supporting early procurement of long-lead items and site preparation works.
- Finalise Project strategies, execution plans, baseline scope and standards to drive the procurement process and engagement of execution contractors to ensure readiness for execution.
- Identify early works opportunities for program reduction and/or minimise implementation risk.
- Updating the overall project control budget and schedule to reflect the final design to support an FID.

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- Incorporating best practice ESG measures to diversify funding options.

The works being conducted are methodically targeted toward the FEED phase to reduce execution risk and provide surety to stakeholders that the Rincon Project can be constructed and operated profitably.

### Mineral Resource Estimate, Hydrogeological & Dynamic Model Update

A Mineral Resource Estimate (MRE) upgrade is currently being prepared, based on the additional tenements acquired by the Company. The upgraded MRE forms the basis for updating the hydrogeological and dynamic model, with such works currently being completed.

The primary outcomes of the updated hydrogeological and dynamic modelling works are to confirm increased brine availability and expand brine abstraction scenarios for long-term sustainable pumping rates and varying borefield configurations.

These works aim to define a larger MRE and an extended mine-life to support lithium brine pumping operations for a 12,000tpa lithium carbonate operation and a potential expanded 24,000tpa development scenario.

The results will contribute to the engineering and DFS works, potentially improving the Project's economics through optimised borefield design, increased lithium brine abstraction efficiency, a longer mine-life and expanded operating rate scenarios.

### 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](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.

**Cautionary Statements:** 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.

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### Competent Person's Statement – Rincon Lithium Project

The information contained in this ASX release relating to Exploration Targets, 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.

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 the President of Puna Mining S.A. and consents to the inclusion in this announcement of this information in the form and context in which it appears. 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.

**Cautionary Note:** A Production Target is a projected estimate of potentially mineable mineralised material based on the application of modifying factors. The process and assumptions used to establish the Production Targets for Argosy's operations and development projects are those used to prepare the Mineral Resource Estimate announced on 15 January 2024 (which is available at [www.argosyminerals.com.au](http://www.argosyminerals.com.au) and [www.asx.com.au](http://www.asx.com.au)). Production Targets are derived from Measured, Indicated and Inferred Mineral Resource classifications. The Company has been guided by ASX Listing Rules Chapter 5.16 to 5.19 for the preparation of Production Targets.

The Company highlights the following cautionary note in relation to confidence in the estimation of Production Targets that incorporate Mineral Resources from the Inferred classification:

*There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised. The stated Production Targets are based on the Company's current expectations of future results and events and should not be solely relied upon by investors when making investment decisions.*

The estimated Mineral Resource Estimate that underpins the Production Targets have been prepared by Competent Persons in accordance with ASX Listing Rules Appendix 5A. The Inferred portion of the Production Targets is not the determining factor in each mine's viability and does not feature as a significant proportion early in the mine plan.

Argosy has independently engaged the services of AQ2 Pty Ltd to conduct the mineral resource estimation works, hydrogeological modelling and associated brine analysis works for the potential development of a lithium carbonate production operation at the Rincon Lithium Project. Argosy has previously engaged Primero Group to assess the technical and economic viability to a Preliminary Economic Assessment level with regards to producing lithium carbonate at the Project. Whilst the current modelling works have yielded robust outcomes and provided independent perspective on the opportunity to produce lithium carbonate, there is no guarantee that Argosy will choose to adopt the outcomes of the works conducted.

### ASX Listing Rules Compliance

The Mineral Resources information contained in this ASX release is extracted from the report entitled "Argosy Upgrades Lithium Rincon Lithium Project JORC resource" dated 13 November 2018, available at [www.argosyminerals.com.au](http://www.argosyminerals.com.au) and [www.asx.com](http://www.asx.com). 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



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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.

Argosy advises references to the Company's current target of producing 2,000tpa of battery quality lithium carbonate product at the Rincon Lithium Project should be read subject to and clarified by the Company's current intention that, subject to feasibility, finance, market conditions and completion of development works at the Rincon Lithium Project, the 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](http://www.argosyminerals.com.au) and [www.asx.com](http://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:

12<sup>th</sup> April 2024 – Updated: Dynamic Modelling Produces Outstanding Results for Rincon Lithium Project

15<sup>th</sup> January 2024 – JORC Resource Upgrade for Rincon Lithium Project - Substantial 180% Increase

10<sup>th</sup> Feb 2021 – Clarifying Announcement

8<sup>th</sup> Feb 2021 – \$30M Placement to Fund 2,000tpa Production

28<sup>th</sup> Nov 2018 - Argosy delivers exceptional PEA results for Rincon Project

### 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: Rincon Lithium Project Location Map

