

ASX ANNOUNCEMENT

11 January 2021

RINCON PROJECT JORC EXPLORATION TARGET

HIGHLIGHTS

- ✦ Existing Rincon Lithium Project JORC (2012) Indicated Mineral Resource estimate of 245,120 tonnes of contained Li_2CO_3 (with weighted mean average lithium concentration of 325mg/L) to a vertical depth of 102.5m, calculated from results of 21 drillholes
- ✦ Independently prepared JORC (2012) Exploration Target¹ estimate in addition to the overlying existing JORC Indicated Mineral Resource estimate
- ✦ Additional Exploration Target¹ of 262,000 tonnes to 479,000 tonnes of contained Li_2CO_3 based on a weighted average grade of between 315 mg/L and 327 mg/L, with depth interval between 102.5m to 300m below ground level
- ✦ Combined JORC Indicated Mineral Resource and Exploration Target¹ estimates outline potential for a range of 507,000 tonnes to 724,000 tonnes of contained Li_2CO_3 at the Rincon Lithium Project to a depth of 300m
- ✦ Brine aquifer still open at depth based on previous Argosy drilling, with potential for further expansion and increasing mine life
- ✦ Results provide further support for planned long term commercial scale development of Rincon Lithium Project
- ✦ Exploration Target¹ may materially increase Project mine life and production capacity

¹ An Exploration Target is not a Mineral Resource. The potential quantity and grade of an Exploration Target is conceptual in nature. A Mineral Resource has been identified above the Exploration Target, but there has been insufficient exploration to estimate any extension to the Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

Argosy Minerals Limited (ASX: **AGY**) ("**Argosy**" or "**Company**") is pleased to announce a JORC Code (2012) compliant Exploration Target estimate has been independently prepared by AQ2 for the Rincon Lithium Project, located in Salta Province, Argentina.

The Exploration Target estimate is 262,000 tonnes to 479,000 tonnes of lithium carbonate between the depth interval of 102.5m to 300m below ground level, and underlies the existing Indicated Mineral Resource estimate (completed in 2018).

Argosy Managing Director, Jerko Zuvela said "***We are very pleased with the Exploration Target, which provides further evidence of the substantial upside that exists below the shallow-depth existing Indicated Mineral Resource at our Rincon Lithium Project.***

This is another significant milestone, which together with Argosy's status as an international battery quality lithium carbonate producer and exporter, bodes well for progress towards full commercial scale development of our Rincon Lithium Project."

ASX ANNOUNCEMENT

The combined JORC Indicated Mineral Resource and Exploration Target¹ estimates outline the potential for a range of up to 507,000 tonnes to 724,000 tonnes of contained lithium carbonate at the Rincon Lithium Project to a depth of 300m below ground level.

Noting the potential for the brine aquifer to continue being open at depth (based on historical drilling within Salar del Rincon), the Company notes the potential for further exploration expansion and conducting further studies to increase the current mine life defined at the Project.

Argosy views the results of the Exploration Target¹ estimate of an additional 262,000 tonnes to 479,000 tonnes of lithium carbonate (in addition to the existing JORC Indicated Resource of 245,120 tonnes of Li_2CO_3) as favourable for the potential scale-up of production capacity up to ~10,000tpa (following receipt of the necessary regulatory approvals) as the immediate next step following the development of the proposed ~2,000tpa operation.

Based on the existing Indicated Mineral Resource estimate of 245,120 tonnes of Li_2CO_3 and associated works on the Preliminary Economic Assessment (completed November 2018), the Project's life-of-mine was estimated at 16.5 years at a 10,000tpa Li_2CO_3 production rate, whilst an 11 year life-of-mine was confirmed for a 15,000tpa Li_2CO_3 production rate. Confirmatory works proving the Exploration Target estimate could materially increase the mine life of the Project and/or provide scope to considerably increase the annual production capacity.

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.

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 and 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 case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement

ASX 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.

Appendix A:

The following information and tables are provided to ensure compliance with the JORC Code (2012) and ASX Listing Rule 5.8 requirements for the reporting of Exploration Results and Mineral Resources for the Rincon Lithium Project. Please also refer to JORC Table 1 below.

EXPLORATION TARGET INFORMATION

Argosy Minerals Limited (Argosy) is currently investigating the feasibility of developing the Rincon Lithium Brine Project (RLBP). The Project comprises the south-eastern margin of the Salar del Rincon in the Salta province of Argentina, some 170 km north west of Salta. Argosy aim to recover economic quantities of lithium carbonate (Li_2CO_3) from hyper-saline groundwater (brine) contained in the sediments underlying the salar. Abstracted brine will be subject to solar-evaporation and Li_2CO_3 produced from the concentrated brine. The Project has an Indicated Mineral Resource Estimate (MRE) of 245,120 tonnes of contained lithium carbonate (AQ2 2018), a Preliminary Economic Assessment (PEA) has been completed (Argosy 2018), and an industrial scale pilot plant project is in operation and producing lithium carbonate.

The Indicated MRE includes all geological units to a depth of 102.5 metres below ground level (mbgl) and the brine groundwater system is open below this depth. This report defines an Exploration Target for the interval between 102.5mbgl and 300mbgl.

The Exploration Target directly underlies the Indicated Resource and is covered by all tenements that are included in the Indicated MRE. An additional tenement (that was not part of the Indicated Resource) covers alluvial and colluvial sediments on the southern margin of the salar and this area is also included in the Exploration Target. All the RLBP tenements are registered to Puna Mining S.A.

Argosy has drilled 21 brine investigation drill holes to depths of up to 147m in the south east of the salar. The bores have been drilled at an average spacing of 950m and a total of 1662m of drilling has been completed; 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 325 mg/L, with a maximum recorded concentration of 490 mg/L. Pumping tests and laboratory analysis on core have allowed determination of the hydraulic properties of this aquifer.

The conceptual hydrogeological model for the RLBP comprises four broad hydrogeological units (S1 to S4 with 4 sub-units within S3). Aquifer potential exists within S1 and members of the S3 unit, whereas S2 and S4 have limited brine-aquifer potential. Units S1 and S2 occur at shallow depth. An Indicated Mineral Resource Estimate has previously been defined for the RLBP to a depth of 102.5mbgl.

The brine aquifer system is open at depth (i.e., below 102.5mbgl). Based on one available drill hole on RLBP tenements, the aquifer system remains open to a depth of 147mbgl and extrapolation from work reported on adjacent tenements, the brine aquifer system may extend to 300mbgl. However, the actual depth of occurrence and relative proportion of units S3 and S4, over the depth interval 102.5mbgl to 300mbgl, is uncertain and this will influence the weighted average specific yield and drainable brine resource. It is estimated that a weighted average specific yield of between 4% and 8% is a likely range.

ASX ANNOUNCEMENT

Additionally, RLBP tenements include an alluvial fan on the southern margins of the salar. Extrapolation from nearby drilling results suggests sediments enriched with brine may occur up to 150mbgl (although no drilling has occurred on this tenement itself)

The hydrogeological sequence contains hyper-saline brine which is enriched with respect to lithium. The quality of brine is broadly consistent over depth but there is a general grade decrease from north to south across the RLBP area. Lithium concentrations range between 487 mg/L to 226 mg/L. A weighted average grade has been estimated to take account of spatial variability and this has been derived only from the S3 and S4 units (that are likely to occur below 102.5mbgl). The estimated weighted average lithium grade for the RLBP, for deep sediments, is between 315 mg/L and 327 mg/L Li.

It is estimated that the hydrogeological system outlined above may contain an Exploration Target of between 262,000 T of Li_2CO_3 and 479,000 T of Li_2CO_3 (figures are rounded to the nearest 1000).

There are several key areas where the hydrogeological model remains conceptual. The Exploration Target is based on one Argosy drill hole that extends below the Indicated MRE, extrapolation of the MRE to greater depth and extrapolation of proximal deep drilling by others to infer deeper brine potential within the RLBP tenements. Drilling and testing is planned during CY2021 to address this uncertainty. The extent, if any, to which this drilling and testing will lead to conversion of the Exploration Target to a Mineral Resource Estimate is uncertain.

Future work

Future drilling may be considered to investigate the Exploration Target described above. An exploration drill-hole and testing programme has been proposed, involving;

- Diamond drilling - six drillholes to a depth of up to 300mbgl and one drillhole up to 150mbgl (on the tenement containing the alluvial fan).
- Detailed geological logging.
- Collection of cores for laboratory analysis of specific yield (using the Relative Brine Release methodology).
- Collection of disturbed geological samples for Particle Size Distribution analysis (PSD) and subsequent estimate of specific yield using a "pedogenic transfer function" method.
- Collection and analysis of brine samples from specific depth intervals using packers to isolate sampled horizons.
- Completion of selected exploration drill holes with 50mm PVC casing and slotted screen.

Drilling will focus on confirming the geology, specific yield and brine grade over the depths of interest. Once hydrogeological and Li-mineral prospectivity has been confirmed, then the requirements to determine extraction methodologies can be assessed. The programme proposed is conceptual and will be subject to progressive review during the implementation and as results become available.

ASX ANNOUNCEMENT

| Unit | Description of Predominant geology | Depth Interval | Surface Area | Exploration Target Thickness | Aquifer Volume | Effective Specific Yield | Drainable Brine Volume | Li | LiCO ₃ | Remarks |
|---|------------------------------------|----------------|--------------------|------------------------------|--------------------|--------------------------|------------------------|--------|-------------------|--|
| | | (mbgl) | (km ²) | (m) | (Mm ³) | (%) | (Mm ³) | (mg/L) | T | |
| S3 / S4 | Clastics > Halite | 102.5 - 300 | 16.4 | 198 | 3246 | 8% | 270 | 315 | 455587 | Upper estimate for S3 / S4 |
| S3 / S4 | Halite > Clastics | 102.5 - 300 | 16.4 | 198 | 3246 | 4% | 144 | 327 | 251596 | Lower estimate for S3 / S4 |
| S3D | Clastics | 0 - 130 | 1.1 | 130 | 143 | 4% | 6 | 315 | 10662 | Lower estimate for southern clastic facies |
| S3D | Clastics | 0 - 150 | 1.1 | 150 | 165 | 8% | 14 | 315 | 23156 | Upper estimate for southern clastic facies |
| Exploration Target Range T (LiCO ₃) | | | | | | | 262,000 to 479,000 | | | |

Notes:

Exploration Target tonnes are rounded to near 1000 tonnes

ET based on S3 / S4 hydrostratigraphic units only over interval 102.5 mbgl to 300 mbgl

Upper bound Sy based on proportions as observed in Argosy drilling to date (Weighted mean calc for units S3 and S4)

Lower bound Sy based on 70% of ET being hosted in unit S4 when considered to 300m

Upper and Lower Sy applied to unit S3D to reflect uncertainty in fines / coarse proportion within alluvial fan

Grade range calculated from weighted average grade from Argosy MRE (calculated for units S3 and S4 only)

Drainable brine volume represents the total volume of brine that may potentially drain during abstraction; in practice not all of this brine will be

LiCO₃ (T) is the total tonnes contained within the Sy of the brine-aquifer; calculated from Li by factor 5.347

Exploration Target is conceptual only and the extent, if any, to which a Mineral Resource will be derived from this is uncertain.

Table 1. Rincon Lithium Project – JORC Exploration Target¹

| Unit | Description | Porosity (%) | Specific Yield (%) | Average Transmissivity (m ² /d) | Hydraulic Conductivity (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% | 29 | 0.5 |
| S4 | Competent Halite | 3.0% | 1.0% | - | 0.001 |

Table 2. Rincon Lithium Project – Aquifer Parameters for Hydrostratigraphic Units

| 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 | Avg Li (mg/L) | Dip | Purpose | Stage |
|-----------------------|-------------|--------------|------------------|----------------------|--------------------|----------------------|-----------------------|---------------------|----------------------------|---------------------|---------------|-----|--------------------------|-------|
| R1 | 3400704 | 7331661 | 3721 | 102.5 | 102 | Diamond | 82 - 100 | 3 | - | 6 | 487 | -90 | Exploration / monitoring | 1 |
| R2 | 3400697 | 7330412 | 3723 | 100.6 | 102 | Diamond | 0 - 102 | 17 | - | 23 | 389 | -90 | Exploration / monitoring | 1 |
| R3 | 3400366 | 7333587 | 3723 | 102.5 | 102 | Diamond | 42 - 96 | 11 | - | 23 | 226 | -90 | Exploration / monitoring | 1 |
| R4 | 3399269 | 7335479 | 3722 | 102.5 | 102 | Diamond | 3 - 78 | 8 | - | 4 | 446 | -90 | Exploration / monitoring | 1 |
| R5 | 3401167 | 7328233 | 3724 | 102.6 | 102 | Diamond | 48 - 72 | 4 | - | 13 | 265 | -90 | Exploration / monitoring | 1 |
| R6 | 3400345 | 7325338 | 3723 | 81.5 | 81.5 | Diamond | 6 - 69.5 | 10 | - | 0 | 277 | -90 | Exploration / monitoring | 1 |
| R7 | 3399581 | 7323909 | 3722 | 102.5 | 102 | Diamond | 0 - 102.5 | 16 | - | 14 | 248 | -90 | Exploration / monitoring | 1 |
| R8 | 3397632 | 7325709 | 3722 | 101 | 99 | Diamond | 48 - 99 | 5 | - | 10 | 297 | -90 | Exploration / monitoring | 1 |
| R9 | 3400734 | 7326379 | 3734 | 100.5 | 102 | Diamond | 45-112 | 5 | - | - | 273 | -90 | Exploration / monitoring | 2 |
| R10 | 3401247 | 7329151 | 3734 | 147 | 147 | Diamond | 45-129 | 5 | - | - | 349 | -90 | Exploration / monitoring | 2 |
| R11 | 3400691 | 7332554 | 3735 | 100 | 100 | Diamond | 0-100 | 21 | - | - | 288 | -90 | Exploration / monitoring | 2 |
| R12 | 3400686 | 7330406 | 3730 | 25.5 | 25.5 | Mud rotary | 1 - 19 | 1 | 15 | - | 437 | -90 | Shallow Pumping | 2 |
| R13 | 3400705 | 7331648 | 3730 | 23 | 19.5 | Mud rotary | 1 - 13 | 1 | 13 | - | 421 | -90 | Shallow Pumping | 2 |
| R14 | 3397628 | 7325723 | 3734 | 22 | 19.5 | Mud rotary | 0.5-13 | 1 | 15 | - | 354 | -90 | Shallow Pumping | 2 |
| R15 | 3395994 | 7326707 | 3734 | 50.5 | 49.5 | Diamond / Mud rotary | 0.6-45 | 11 | 15 | - | 307 | -90 | Shallow Pumping | 2 |
| R16 | 3402020 | 7329779 | 3733 | 32 | 31 | Diamond / Mud rotary | 0.6-29 | 2 | 12 | - | 270 | -90 | Shallow Pumping | 2 |
| R17 | 3400946 | 7333011 | 3738 | 36.5 | 36.5 | Diamond / Mud rotary | 0.6 - 36 | 5 | 13 | - | 314 | -90 | Shallow Pumping | 2 |
| R18 | 3397840 | 7335884 | 3734 | 107 | 90.5 | Diamond / Mud rotary | 0.6 - 99 | 16 | - | - | 479 | -90 | Pumping | 2 |
| R19 | 3398635 | 7324295 | 3734 | 21 | 19 | Diamond / Mud rotary | 0.6 - 17 | 4 | 13 | - | 301 | -90 | Shallow Pumping | 2 |
| PRP 1 | 3400714 | 7331671 | 3722 | 100 | 100 | Mud Rotary | - | - | - | - | - | -90 | Pumping | 2 |
| PRP 2 | 3400690 | 7330414 | 3722 | 101 | 101 | Mud Rotary | - | - | - | - | - | -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

Diamond / mud rotary holes were drilled diamond and then reamed with mud-rotary drilling

Table 3. Rincon Lithium Project – Drill Hole Summary

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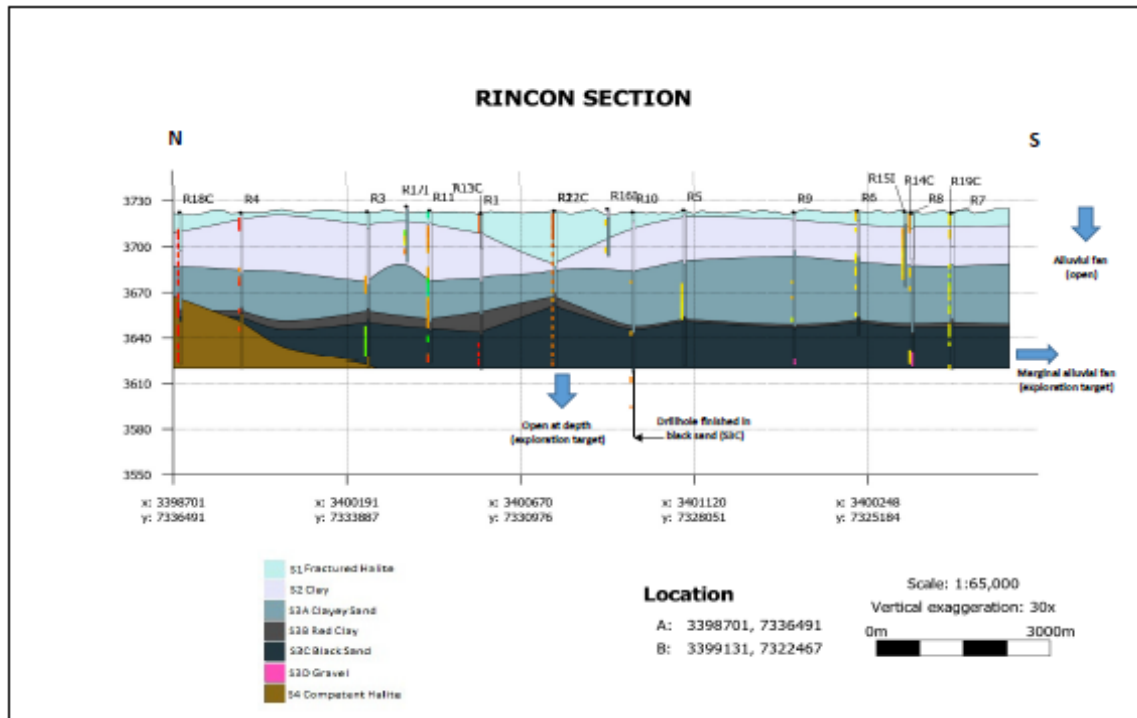
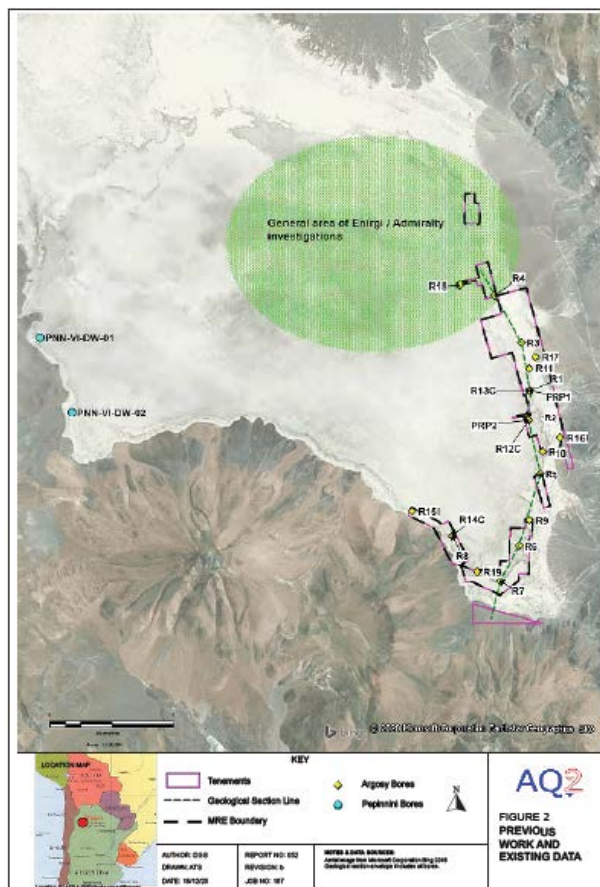


Figure 1. Rincon Lithium Project – Conceptual Cross Section



Figures 2 & 3. Rincon Lithium Project – Previous Works/Existing Data & Exploration Target¹ Proposed Drillholes

ASX ANNOUNCEMENT

JORC Table 1

Reporting of Exploration Results – JORC (2012) Requirements

Section 1: Sampling Techniques and Data

| Criteria | JORC Code Explanation | Commentary |
|----------------------------|---|--|
| Sampling techniques | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The Exploration Target is derived from extrapolation from previous drilling by Argosy, Enirgi and Pepinnini Resources. All previous drilling is reported to have followed standard industry practices, the application of which by Argosy is outlined below. 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 |

ASX ANNOUNCEMENT

| Criteria | JORC Code Explanation | Commentary |
|------------------------------|---|--|
| | | <p>however there were difficulties using this equipment and hence complete systematic sampling was not completed throughout the hole (due to a lack of brine recovery in some – typically clay dominated intervals or concerns related to collapse of sandy intervals.</p> <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • <i>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.).</i> | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i> | <ul style="list-style-type: none"> • 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 taken from inflows of the brine to the hole (and |

ASX ANNOUNCEMENT

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| Logging | <ul style="list-style-type: none"> 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. | <p>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.</p> <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> 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 and laboratory tests | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether | <ul style="list-style-type: none"> The Norlab/Alex Stuart laboratory in Jujuy, Argentina is used as the primary laboratory to |

ASX ANNOUNCEMENT

| Criteria | JORC Code Explanation | Commentary |
|--|---|--|
| | <p><i>the technique is considered partial or total.</i></p> <ul style="list-style-type: none"> 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. | <p>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.</p> <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The Exploration Target is based on extrapolation of results from Enirgi and Pepinnini Resources tenements (as shown on Figure in announcement) and Extrapolation from Argosy's overlying Indicated Mineral Resource. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> The measures taken to ensure sample security. | <ul style="list-style-type: none"> 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 secure storage at the camp on a daily basis. All brine sample bottles are marked with a unique label. |
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> Type, reference name/number, location and | <ul style="list-style-type: none"> The Rincon properties are in the south of the |

ASX ANNOUNCEMENT

| Criteria | JORC Code Explanation | Commentary |
|--|---|---|
| and land tenure status | <p>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.</p> <ul style="list-style-type: none"> 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. | <p>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.</p> <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> 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). Exploration was carried out by Pepinnini Resources in 2018 (see announcement 27 June 2018). The properties owned by the JV have been previously explored or exploited for borates. |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar 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. | <ul style="list-style-type: none"> There are no new or unreported drill holes to support the Exploration Target. All drillhole data have previously been reported in announcements by others (Enirgi and Pepinnini Resources) and previously by Argosy in relation to the Indicated Mineral Resource Estimate. |

ASX ANNOUNCEMENT

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| Data aggregation methods | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The Exploration Target has been derived by using weighted mean average grades from the overlying Indicated Mineral Resource. Lithium concentrations have been multiplied by 5.347 to calculate LCE. |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> 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'). | <ul style="list-style-type: none"> 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. However, the entire sedimentary sequence is saturated and mineralized brine exists in a continuum between sampled intervals and it is anticipated this will occur through all permeable strata. |
| Diagrams | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> 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 figure is provided in this announcement showing the location of the drill holes. |
| Balanced reporting | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The Exploration Target is based only on the extrapolation of adjacent and overlying drilling. There is uncertainty over the extent, if any, to which a mineral resource will result from this exploration target. This is clearly stated in the announcement. |
| Other substantive exploration data | <ul style="list-style-type: none"> 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 characteristics; potential deleterious or contaminating substances. | <ul style="list-style-type: none"> n/a |
| Further work | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Exploration programme comprising up to 7 diamond drill holes to depths of up to 300m is planned. Drilling and testing will cover core and brine sample recovery, laboratory assays and testing to confirm hydraulic properties Collar location are shown on the Figure in the announcement. |

Section 3: Estimation and Reporting of Mineral Resources does not apply to the Exploration Target

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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 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.

Reference to Previous ASX Releases:

This document refers to the following previous ASX releases:

13th Nov 2018 - Argosy Upgrades Lithium Rincon Lithium Project JORC Resource

28th 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: AGY's Argentina Project Location Map

