

28 April 2025

## QUARTERLY ACTIVITIES REPORT – MARCH 2025

### HIGHLIGHTS

- **Progressing 12,000tpa project development engineering and feasibility works toward achieving a construction-ready stage for the Rincon Lithium Project**
- **Hydrogeological dynamic model updated, with results indicating:**
  - **Lithium brine can be pumped for an increased period of up to 45 years to operate at up to 12,000tpa of lithium carbonate, or**
  - **Lithium brine can be pumped for an increased period of up to 23 years to operate at up to 24,000tpa of lithium carbonate**
- **Spot sales contract executed for 20 metric tonnes of battery quality >99.5% lithium carbonate product**
- **Forecast international lithium demand growth remains supportive for Argosy's Rincon Project development strategy**
- **Strong financial position with cash reserves of ~\$4.1 million at 31 March 2025 with further cost cutting measures implemented for cash preservation**

Argosy Minerals Limited ("Argosy" or the "Company") continued development works at the Rincon Lithium Project ("Rincon") in Argentina, and owns the Tonopah Lithium Project in Nevada, USA, achieving significant milestones at Rincon during the Quarter.

#### **Rincon Lithium Project – Argentina** (77.5% JV interest, earning up to 90%)

The Rincon Lithium Project is the flagship asset in Argosy's lithium development strategy, located within the Salar del Rincon in Salta Province, Argentina, with a well-defined pathway toward commercial production of battery quality lithium carbonate product.

The Company is committed to developing the 12,000tpa project at Rincon, utilising engineering services companies and consultants to conduct the engineering and feasibility works to deliver the Definitive Feasibility Study and Front-End Engineering Design, utilising the Company's validated lithium process technology and demonstration operations conducted at the project.

The Company has continued to implement further cost cutting measures by minimising direct works at the project and further reducing staff numbers during the reporting period. The Company is reducing expenditure wherever possible and also identifying revenue opportunities related to the project, including product sales, plant/equipment/asset leasing or sales where necessary to minimise net expenditure and to preserve funds.

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### 12ktpa Project Engineering & Feasibility Works

The Company is conducting the 12,000tpa project engineering and feasibility works to achieve a final investment decision (FID), support the strategic partner and funding process, and to ultimately develop and successfully commercialise the Rincon Lithium Project.

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 Company is progressing the feasibility and engineering works scope and will further engage with specialised international engineering services providers to support the upcoming phases of material works towards the 12,000tpa execution phase.

These works involve working with international consultants to review and refine the process design, optimise and enhance the process flowsheet, ensure the technical and economic assessments are thorough, and integrating these works to deliver an efficient and robust technology and production process.

The Company will conduct testing and assessment works to validate the process improvements and further optimise the process flowsheet via ongoing appraisal and analysis, to substantiate our process technology robustness to support an FID.

The works are targeted toward reducing execution and technology risk, and provide surety to stakeholders that the Rincon Project can be constructed and operated profitably.

### Updated Hydrogeological Dynamic Model

The Company updated its hydrogeological dynamic model following the recent completion of an upgraded JORC Code (2012) compliant Total Mineral Resource Estimate (MRE) for the Rincon Lithium Project.

The dynamic modelling works were conducted by AQ2 Pty Ltd to consider various brine abstraction scenarios for the MRE based on sustainable lithium brine pumping rates.

The brine abstraction scenarios have been completed and allow for limits imposed by the upgraded MRE (ie. 731,801 tonnes of lithium carbonate and 412Mm<sup>3</sup> of drainable brine at a weighted mean average lithium grade of 329 mg/L). The modelled brine abstraction scenarios suggest that:

- › lithium brine to operate at 12,000tpa of lithium carbonate can be pumped for an increased period of up to 45 years (based on an extracted total brine volume estimate of 412Mm<sup>3</sup>) with pumping from the fractured halite and black sand aquifers (this scenario is considered the "base-case").
- › Lithium brine to operate at 24,000tpa of lithium carbonate can be pumped for an increased period of up to 23 years (based on an extracted total brine volume estimate of 412Mm<sup>3</sup>) with pumping from the fractured halite and black sand aquifers. This scenario represents an expanded operation (and it is assumed the capex and opex estimates related to processing are proportionally scalable from the base case).



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The updated hydrogeological dynamic modelling works (numerical groundwater flow and transport model) have been developed to simulate production/abstraction of lithium brine from the Rincon Project. The objective was to confirm the duration for which sufficient lithium brine can be pumped to operate at 12,000tpa of lithium carbonate and assess expanded pumping operations for 24,000tpa of lithium carbonate. As saturated aquifer conditions are preserved throughout the mine life, the modelling indicates a very high proportion of the drainable brine can be recovered.

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

For reference, the upgraded MRE comprises 731,801 tonnes of lithium carbonate with a weighted mean average lithium concentration of 329mg/L and 412Mm<sup>3</sup> of potentially recoverable brine, including;

- › an Indicated MRE of 640,330 tonnes of Li<sub>2</sub>CO<sub>3</sub> with a weighted mean average lithium concentration of 327mg/L (contained in 367Mm<sup>3</sup> of potentially recoverable brine), and
- › an Inferred MRE of 91,471 tonnes of Li<sub>2</sub>CO<sub>3</sub> with a weighted mean average lithium concentration of 352mg/L (contained in 49Mm<sup>3</sup> of potentially recoverable brine).

### Lithium Carbonate Spot Sale Contract

The Company executed a Spot Sales Contract with a Hong Kong based chemical company for the sale of 20 metric tonnes of battery quality lithium carbonate product produced from the Company's Rincon Lithium Project.

The Company has received the full sales proceeds and completed its obligations regarding the product delivery terms (being FOB Buenos Aires port).

The Company will continue strategic sales of its stockpiled lithium carbonate product.

### Strategic Partner Process

Due to the current status of lithium markets and prices, the Company is working to identify the most appropriate pathway to secure a strategic group from western and non-western markets that can provide direct and/or indirect financing support for the 12ktpa project development.

The Company and selected strategic groups are progressing with due diligence works, with the aim of determining a preferred strategic pathway and financing/investment structure.

The Company continues to assess and review opportunities for strategic arrangements and funding options, including inbound interest from various lithium and technology related parties for project development and product off-take.

The Company's development status, including the de-risking of project investment by conducting the engineering and feasibility works outlined herein, and having received



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government regulatory approval for the development of a 12,000tpa project, continue to prove advantageous for the strategic process and firming interest for a finance/investment solution, despite the current lithium market malaise.

The Company notes a key factor to finalising an effective and positive outcome is the current challenging lithium markets, which is impacting finalisation of the process.

### Lithium Carbonate Demonstration Facility

The Company's demonstration facility operations remain suspended, with plant and equipment preservation works conducted during the quarter.

### **Tonopah Lithium Project – Nevada, USA** (100% interest)

The Company's highly prospective Tonopah Lithium Project is strategically located near Albemarle's Silver Peak operation in Nevada, USA. Argosy will consider its exploration strategy to determine the lithium brine potential at the project, with no exploration works conducted during the quarter.

### **Lithium Market Update**

Lithium carbonate prices remained subdued during the quarter. Despite the market pressures of 2024 and the impact of recent tariff announcements by the Trump Administration, the long-term growth outlook for the lithium market remains robust, driven by continued growth in electric vehicles (EV), advancements in energy storage systems, and supportive government policies.

The ex-China Asia region is fast becoming one of the most critical to the future of the EV market and this is reflected in EV sales – not only are volumes increasing but the region has grown market share since 2020. China continues to dominate but the influence of the success of EV's in China is now spilling out to the rest of Asia as exports grow and production hubs are established.

In addition, with demand for lithium-ion battery cells being driven by a political mandate to reduce emissions, over \$1 trillion of investment has been committed. Total lithium-ion battery cell demand is forecast to grow by 20.2% CAGR between 2024 and 2034 with more capacity set to be announced in both Europe and North America as supply chains regionalise to support established automotive industries, according to analysis by SC Insights.

A growing sector is US demand for energy storage driven by artificial intelligence, defence technologies and the energy transition are drawing investments from the world's top battery makers in US-based production capacity. US battery storage capacity jumped 66% year over year to 28.8 GW at the end of 2024, and another 4.4 GW is set to be added by the end of the first quarter of 2025, according to analysis by S&P Global Commodity Insights.

In the near term however, with fears of a global economic slowdown, hopes for battery demand recovery this year could be easily derailed by higher vehicle prices, inflationary pressures, and disrupted supply chains. This spells ongoing challenges for lithium producers

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who have been struggling with steeply declining prices throughout most of 2024, and cutting costs and production in the hope of a meaningful and sustained supply-side response.

### Corporate Social Responsibility Programme (CSR)

The Company has undertaken broad range CSR initiatives within the Salta Province and reinforced its CSR strategies with a focus on local communities in the Puna region. It remains committed to supporting local communities through jobs, training, procuring goods and services locally (where possible) as it progresses project development.

Argosy is proud of its valuable contribution through its CSR programme and will continue supporting local communities in developing a sustainable economic environment with sustaining benefits. The Company is privileged to have the support of its local communities, who strongly support the long-term sustainability of our project.

### Corporate

The Company is in a strong financial position with cash reserves of ~\$4.1 million at 31 March 2025.

The Company is implementing further cost cutting measures at the project, reducing staff numbers and overall expenditure for cash preservation requirements.

During the Quarter, expenditure of approximately \$944,000 was provided to Puna Mining to fund project costs at the Rincon Lithium Project, and an additional \$661,000 was incurred directly by the Company for on-going development works at the Rincon Lithium Project (as per ASX Listing Rule 5.3.2). The Company has budgeted much lower upcoming net expenditures.

Exploration and evaluation expenditure conducted during the Quarter was approximately \$26,000 (as per ASX Listing Rule 5.3.1).

As outlined in the attached Appendix 5B (section 6.1 and 6.2), during the Quarter, approximately \$171,000 and \$52,000 in payments were made to related parties and their associates, for director fees, consultancy fees, superannuation, accountant and company secretarial related services (as per ASX Listing Rule 5.3.5).

### Schedule of Tenements

The schedule of tenements held by the Company at the end of the Quarter is shown below. No tenements were acquired or disposed during the Quarter.

Tenement	Location	Beneficial Percentage held
File 7272 (Telita) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 14342 (Chiquita 2) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 22850 (Romulo) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 22955 (Frodo) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 1414 (Talisman) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 1904 (Nelly) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 1905 (Angelica) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 2889 (Maria) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)



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File 2890 (Irene) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 6343 (Tigre) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 6345 (Puma) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 100561 (Praga I) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 100562 (Praga II) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 100625 (Praga III) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 10626 (Praga IV) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 17902 (Reyna) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 62308 (Tincal) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 6681 (San Marcos) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 7215 (Jujuy) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
File 14970 (San Jose) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
Mining easement right (File 4128) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
Mining easement right (File 15698) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 22248 (Payo Silvana) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 20541 (Claro de Luna) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 21503 (Santa Ines III) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 21460 (Candelaria IV) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 20374 (Candelaria) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 5413 (Aguilia) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 769477 (Santa Bernardita) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 21909 (Toltul) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
# File 769785 (Demasia Mina Reyna) <sup>1</sup>	Salta, Argentina	77.5% (JV, earning up to 90%)
NMC1162672 - 1162935	Nevada, USA	100%
NMC1131801 - 1131815	Nevada, USA	100%
NMC1131817 - 1131827	Nevada, USA	100%
NMC1131830 - 1131837	Nevada, USA	100%
NMC1131842 - 1131852	Nevada, USA	100%
NMC1131856 - 1131868	Nevada, USA	100%
NMC1131871 - 1131973	Nevada, USA	100%

<sup>1</sup> Interest in mining tenement held 100% by Puna Mining S.A.

**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 X (Twitter) @ArgosyMinerals.

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**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



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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.

### 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 and upgraded on 12 November 2024 (which are 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



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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 "Updated: Rincon Lithium Project JORC Mineral Resource Upgrade & Exploration Target" dated 12 November 2024, 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 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:

13<sup>th</sup> January 2025 – Updated Dynamic Modelling Produces Outstanding Results for Rincon Lithium Project

12<sup>th</sup> November 2024 – Updated: Rincon Lithium Project JORC Mineral Resource Upgrade & Exploration Target

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.

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Appendix 1: Rincon Lithium Project Location Map



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