

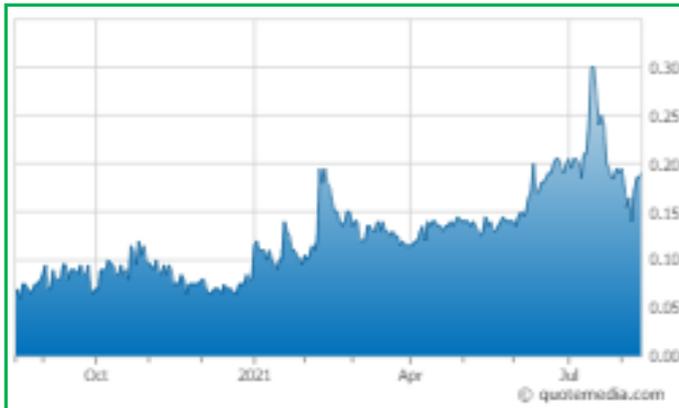
Strategic Metals & Rare Earths Letter

INTERNATIONAL

the independent information and advisory publication on investing in Strategic Metals & Rare Earths

INVESTMENT ALERT – August 16, 2021

www.argentalithium.com



Argentina Lithium & Energy Corp. (C\$ 0.185)

TSX.V : LIT
OTC : PNXLF
FSE : OAY2

H+L prices (12 months) : C\$ 0.33 – 0.06

Net issued shares : 46.0 million
Fully diluted : 69.1 million

Market capitalization : C\$ 8.5 million
(US\$ 6.8 million)

2021 price target : C\$ 0.40

INVESTMENT ALERT

► **Argentina Lithium & Energy expands its lithium exploration project at the Salar de Antofalla in Argentina**

On August 14, 2021, **Argentina Lithium & Energy** (“**Argentina Lithium**”) announced that it is expanding its lithium exploration project in the southwestern portion of the **Salar de Antofalla** in **Argentina**, which is expected to be certified as the largest in Argentina, and as its neighbour major lithium producer Albemarle.

The Company has entered into an option agreement with a group of three local vendors to earn a 100% interest in 3 granted mine concession properties totalling 5,380.5 hectares situated adjacent to the Company’s 9,000 hectares of 100% held claims.

Located in the famed **Lithium Triangle**, the geological environment at the **Salar de Antofalla** is similar to other salars in the region where lithium and potash are found, and the project is less than 20 kilometres west of Argentina’s largest producing operation at Salar de Hombre Muerto. The Salar is over 130 kilometres long and varies between 5 kilometres and 20 kilometres across, with reported basin depths of more than 500 metres.

Work by the vendors on the optioned properties include surface sampling of brines at 14 locations | 2017. Brines were sampled at depths to 4 metres over seven days and returned lithium anomalies of up to 61.1 mg/L.

Terms of the option include cash payments totalling US\$ 4.0 million over 42 months, but limited to only \$ 600,000 in the first 18 months. The option also includes annual exploration expenditure commitments of \$ 500,000 in year one, followed by \$ 1.5 million in year two, \$ 2.0 million in year 3 and \$ 3.0 million in year 4.

Argentina Lithium's Incahuasi Lithium Project located in the northwest of the **Catamarca Province** currently includes a 100% interest in over 13,372 hectares of granted mineral right properties in the **Incahuasi Salar basin**.



ARGENTINA LITHIUM & ENERGY CORP.

Exploring the Prolific Lithium Triangle

- Lithium Triangle produces ~1/2 of the world's lithium
- Hosts ~60% of known lithium reserves
- Most lithium is in salt lake ("salar") brines
- Argentina produces ~10% of the world's lithium and is a top-5 global producer (2020)
- In close proximity to rail, water, roads and power
- Argentine government is encouraging foreign investment and renewable energy initiatives



THE LITHIUM TRIANGLE

★ Argentina Lithium Properties
 △ Argentine Salar
 ■ Non-Argentine Salar

Locations on map: Uyuni, Atacama, Olaroz, Cauchari, Rincon, Salinas Grande, Pucallpa, Pucallpa, Pastos Grandes, Centenario, Ratonos, Diabillos, Hombre Muerto, Incahuasi, Salina del Fraile, Antofalla, Rio Grande, Mariana, Pozuelos, Pucallpa, Tres Quebradas, Escondida.

Investment comments:

Argentina's new government is encouraging foreign investment and renewable energy initiatives. The combination of high geological potential and a promising investment climate have set the conditions for delineating and advancing new lithium resources in Argentina.

The "Lithium Triangle", including parts of the high plateau Puna region located in north-western Argentina, produces about half of the world's lithium and hosts approximately 70% of the known lithium reserves. Argentina produces approximately 8.6% of the world's lithium, making it the fourth largest producer, next to Australia, Chile and China. The country holds the world's second-largest known resources with 17 million tonnes.

Argentina Lithium's Incahuasi Lithium Brine Project located in Catamarca, puts the Company in a prospective position to benefit from the electric vehicle revolution, which will result in a booming demand for lithium-ion batteries.

In addition, considering the Company's strategy to further expand its lithium holdings, led by the **Grosso Group** that pioneered in the mineral industry in Argentina and has operated there since 1993, in my view, **Argentina Lithium**, at a depressed market capitalization of around C\$ 8.5 million, and expected to get a boost under the current free-market reform policy, to be supported by financial help of the IMF to be announced later this year, the Company, in my view, offers a high investment leverage potential.

My 2021 price target remains C\$ 0.40.