



# Advancing Towards Lithium Production in Argentina

Interview with Nikolaos Cacos,  
President and CEO,  
Argentina Lithium & Energy

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**For readers who might be unfamiliar with Argentina Lithium (TSXV: LIT), please give some background to the company and some of the milestones over the years**

We created the company to find lithium in Argentina, and there are excellent reasons for why Argentina is perhaps the best place on this planet to explore for and discover lithium. The country forms part of the Lithium Triangle, which encompasses a little bit of Southern Bolivia, a little bit of Eastern Chile, and a chunk of north-western Argentina. Now the majority of the lithium that's produced within that triangle comes from Chile, which has a more sophisticated and highly developed mining industry, including lithium production. Argentina, though, is unique. It has only very recently gotten into the exploration game and only in the last 30 years has it allowed foreign investment in its mining industry. That spells opportunity for Argentina Lithium.

In a more general sense, Argentina Lithium is managed by Grosso Group, which has over 30 years of experience in Argentina. In fact, Joe Grosso, the founder of Grosso Group, has been inducted into Argentina's Mining Hall of Fame and we were involved in helping Argentina write

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its mining regulations. So, we have deep roots throughout the entire industry, as well as with provincial, municipal, and federal governments.

**You currently have four projects in operation: Rincon West, Antofalla North, Pocitos and Incahuasi. Please tell us a bit more about each one.**

Our Rincon West and the Antofalla properties are lead flagship projects. And the other two, the Incahuasi and Pocitos, are more exploration-type targets and further down.

The reason we've put placed those into the priority status or flagship status is that there are known lithium reserves in the various salars (salt lakes). There are also big international players there with large resources. For example, at Antofalla, Albemarle has a huge land position and they have a big resource, and they've published a note stating basically that they believe they have the largest lithium resource in Argentina. They haven't stated how much that is.

And going up to Rincon West, our neighbour there is Rio Tinto. Rio Tinto, just earlier this year, paid US\$825M to acquire



its land position at this salar. So Antofalla and Rincon West are both lithium bearing salt lakes and with just under 300 to 400mg/l grades. And that's what makes them very attractive to us. The other projects are simply at an earlier stage and require a little more exploratory investment, and we think they're very prospective for making lithium discoveries as well.

**Recently at Rincon West you drilled up to 367mg/l. Can you talk a bit more about some of the results that you're finding at the property?**

When we acquired this project, we launched a transient electromagnetic geophysical survey to identify the presence of brines underneath our property. And then we launched a nine-hole drill programme. We're currently drilling hole number five right now. Holes one and two both contain significant intersections of lithium, up to about 380mg/l, which is exactly along the lines with what Rio Tinto has published. So this gives us a lot of comfort that we're on the right track. If these continue, we will likely move towards publishing a resource calculation here in the near future.

**What is it about Argentina that makes it such a great mining jurisdiction?**

In our view, Argentina is probably the best place in the world in which to be involved in mining for many reasons. Number one, like I stated at the outset, it is a vastly underexplored country and the eighth largest country by landmass in the world. It requires decades of more investment and exploration in order to find that potential. So there's lots of opportunity to make discoveries.

The second attraction is



governments in Argentina. Our 30-year experience with all the various governments in Argentina delineates a common theme when it comes to mining: steadfast support. A developing country like Argentina requires revenues and it is recognized that mining can be a significant source.

In Chile, a tremendously high proportion of their GDP comes from mining revenues.

Argentina's mining revenues are small in comparison right now, but as the industry develops, they are seeing receipts beginning to rise.

### **What makes Argentina Lithium attractive from an investment point of view?**

Many companies are trying to get into the Lithium Triangle, but they simply can't because it's all

been taken up. So the excitement right now for us is that we're at both the exploration phase and discovery phase. As we continue to define and grow these resources, I think our market capitalization is going to also reflect any new value. And that's what every shareholder looks for. So this is truly a very exciting phase for our company and for shareholders in which to be involved.



The fact that we're extremely undervalued right now, I think, is just the state of the market. But as we begin to move up the chain in terms of announcing resource calculations and so forth, I think the institutional investors will catch wind of what we're doing. And they're looking for opportunities right now. There's a lot of capital out there waiting to be deployed for the right opportunity.

**Are there any future developments you can share with us?**

We will be releasing more drilling results soon. Our objective is to, hopefully, begin working on and announce a maiden resource in Q1 of 2023. And then we're going to move our team over to the next priority project, Antofalla. This year, we're going to begin with

geophysics surveys, which have worked really well at Rincon West in helping us to define drill targets. The geophysics assists in identifying potential brine bearing aquifers that are prospective for lithium. Based on these results, we expect to begin drilling at Antofalla in the first half of 2023. So there's a lot of activity coming down the pipeline. **A**