



**A.B.N. 15 122 162 396**

**AGRIMIN LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF-YEAR ENDED 31 DECEMBER 2015**

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT FOR THE**  
**HALF-YEAR ENDED 31 DECEMBER 2015**

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**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT FOR THE**  
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**CORPORATE INFORMATION**

**DIRECTORS**

Stephen Everett (Non-Executive Chairman)

Mark Savich (Executive Director)

Alec Pismiris (Non-Executive Director)

**COMPANY SECRETARY**

Alec Pismiris

**REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE**

Level 7, BGC Centre  
28 The Esplanade  
Perth, Western Australia, 6000

Postal Address:

P.O. Box Z5108, St Georges Terrace

Perth, Western Australia, 6831

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**SHARE REGISTRY**

Automic Registry Services

Level 1, 7 Ventnor Avenue

West Perth, WA, 6005.

Investor Enquiries: (+61 8) 9324 2099

**AUDITORS**

KPMG

235 St Georges Terrace

PERTH WA 6000

**STOCK EXCHANGE LISTING**

ASX Limited (Australian Securities Exchange)

ASX Code: AMN

**WEBSITE**

[www.agrimin.com.au](http://www.agrimin.com.au)

**AGRIMIN LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF-YEAR ENDED 31 DECEMBER 2015**

**DIRECTORS' REPORT**

The directors of Agrimin Limited ("Agrimin" or "the Company") present their report together with the condensed consolidated interim financial report for the Company and the entity it controlled during the half-year ended 31 December 2015 ("Group").

**Directors**

The directors of the Company at any time during or since the end of the half-year are:

<b>Name, qualifications and independence status</b>	<b>Experience, special responsibilities and other directorships</b>
---	---

**Stephen Everett**

B. Eng (Chem), MAICD  
Chairman and Non-Executive Director  
*Appointed 6 April 2009*

Mr Everett is a chemical engineer who has more than 35 years of management and board experience in the international resources industry, including production and project management, marketing, corporate restructuring, debt/equity financing and government relations. Mr Everett's senior executive positions have included managing director and chief executive officer of private and publicly listed companies. Mr Everett is currently non-executive chairman of Metro Mining Limited.

**Mark Savich**

CA, CFA, B Comm., MAICD  
*GradDipMinExplGeoSc(Curtin).*  
Chief Executive Officer  
*Appointed 1 December 2012*

Mr Savich is a Chartered Financial Analyst with over 10 years of experience dealing with technical and corporate aspects of resource companies, from early stage exploration through to production. He is skilled in project identification, technical and economic evaluation and corporate development. Mr Savich holds a Bachelor of Commerce and a Graduate Diploma in Mineral Exploration Geoscience and is a Chartered Financial Analyst (CFA) and a Chartered Accountant (CA). Mr Savich was appointed as the Group's Chief Executive Officer on 1 March 2015.

**Alec Pismiris**

B Comm., MAICD, AGIA  
Non-Executive Director and Company Secretary  
*Appointed 3 October 2013*

Mr Pismiris is currently a director of Capital Investment Partners Pty Ltd, a company which provides corporate advisory services. Since 1990 Mr Pismiris has served as a director and company secretary for various ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and an associate of The Governance Institute of Australia. Mr Pismiris has over 25 years experience in the securities, finance and mining industries and has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities. Mr Pismiris is currently a director of the following ASX listed companies: Agui Resources Limited, Mount Magnet South Limited and Pelican Resources Limited.

**AGRIMIN LIMITED**  
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**DIRECTORS' REPORT**

**Review of operations**

Agrimin has 100% ownership of a large-scale Sulphate of Potash ("SOP") project located in Western Australia. The Company's flagship project is the Mackay Project, which is situated on Western Australia's largest salt lake.

Agrimin has a strategic focus on the exploration for and development of SOP deposits. The Company is aiming to take advantage of the strong market fundamentals which are currently supportive of new SOP production. Supply of SOP is constrained by the commodity's geological scarcity and Agrimin expects that SOP deposits throughout Western Australia will become an important source of supply to meet world demand.

***Western Australia***

**Mackay Project (100% Agrimin)**

The Mackay Sulphate of Potash Project comprises of six Exploration Licences (EL's) covering a total area of 2,457 km<sup>2</sup>. The EL's cover a significant portion of Lake Mackay, which is Western Australia's largest salt lake with a surface area of close to 3,500 km<sup>2</sup> and an estimated groundwater and surface water catchment area of 87,000km<sup>2</sup>.

The Mackay Project is situated in Western Australia approximately 540 kilometres north-west of Alice Springs, Northern Territory and accessed via well-maintained existing roads. The Adelaide to Darwin transcontinental railway connects Alice Springs to the north and south coasts of Australia where major shipping terminals are located.

During the half-year, Agrimin reported an updated Mineral Resource Estimate of 164 million tonnes of SOP at a grade of 8.25kg/m<sup>3</sup> of brine, based on total porosity (for industry comparative purposes only). An Indicated and Inferred Mineral Resource of 23.2 million tonnes of SOP based on specific yield (drainable porosity), including 9.7 million tonnes within the top six metres from surface.

The Mineral Resource Estimate for the Mackay Project was prepared by an independent consultancy and reported in accordance with the JORC Code, 2012 Edition.

Agrimin is now progressing numerous development studies to allow for the completion of a Scoping Study in the first half of 2016 calendar year.

***Queensland***

**Kennedy Highway Project (100% Agrimin)**

During the half-year, the Company finalised the relinquishment of EPM 15948.

**Croyden Project (6% Agrimin)**

In July 2013, the Company sold a 94% interest in EPMA18616 to Crater Gold Mining Limited. Agrimin retains a 6% interest and a 1% net smelter royalty.

**Financing activities**

During the half-year the Company issued a total of 5,449,620 ordinary shares on the exercise of listed options at an issue price of \$0.05.

Subsequent to 31 December 2015 the Company issued a further 7,375,267 ordinary shares on the exercise of listed options at an issue price of \$0.05. The exercise of listed options during the half-year and subsequent period generated proceeds of \$641,244 of which \$638,775 was received prior to 31 December 2015.

A total of 126,572 listed options were not exercised prior to the expiry date and lapsed.

**AGRIMIN LIMITED**  
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**DIRECTORS' REPORT**

**Subsequent Events**

On 4 January 2016 the Company issued 7,325,880 ordinary shares on the exercise of listed options at an issue price of \$0.05.

On 11 January 2016 the Company issued 49,387 ordinary shares on the exercise of listed options at an issue price of \$0.05.

On 15 January 2016, the Company issued 500,000 ordinary shares on the exercise of Performance Rights by an employee as a result of the achievement of a vesting condition related to the delineation of an Inferred Resource on the Company's Mackay Project, The vesting condition required the Inferred Resource to be determined in accordance with the provisions of the JORC Code and had to contain at least 50,000,000 tonnes of potash at an average potassium grade of not less than 2.50kg/m<sup>3</sup> of brine.

Other than the above, in the period between the end of the half-year and the date of this report there has not arisen any other item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

**Schedule of Tenement Interests as at 31 December 2015**

Tenement Reference	Project	Holder	Blocks	Status	Interest
E80/4887	Mackay	Agrimin Limited	195	Granted	100%
E80/4888	Mackay	Agrimin Limited	200	Granted	100%
E80/4889	Mackay	Agrimin Limited	86	Granted	100%
E80/4890	Mackay	Agrimin Limited	200	Granted	100%
E80/4893	Mackay	Agrimin Limited	36	Granted	100%
EL30651	Mackay	Agrimin Limited	57	Application	100%
EPM 18616	Croyden <sup>1</sup>	Agrimin Limited	30	Granted	6%

Notes: 1. Agrimin also retains a 1% net smelter royalty on any and all minerals produced from tenement.

**Competent Person's Statements**

The information in this statement that relates to the Mineral Resource Estimate and to Exploration Results for the Mackay Project is based on information compiled or reviewed by Mr Murray Brooker who is a full-time employee of Hydrominex Geoscience Pty Ltd. Mr Brooker is a geologist and hydrogeologist and is an independent consultant to Agrimin. Mr Brooker is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). Mr Brooker consents to the inclusion of such information in this statement in the form and context in which it appears.

**Forward Looking Statements**

Some of the statements contained in this report are forward looking statements. Forward looking statements include but are not limited to, statements concerning estimates of potash tonnages, expected costs, statements relating to the continued advancement of Agrimin's projects and other statements which are not historical facts. When used in this report, and on other published information of Agrimin, the words such as "aim", "could", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Agrimin believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward looking statements include the potential that Agrimin's projects may experience technical, geological, metallurgical and mechanical problems, changes in product prices and other risks not anticipated by Agrimin.

**AGRIMIN LIMITED  
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**DIRECTORS' REPORT**

**Lead auditor's independence declaration**

The lead auditor's independence declaration is set out on page 8 and forms part of the directors' report for the six months ended 31 December 2015.

Signed in accordance with a resolution of the directors

A handwritten signature in black ink, appearing to read 'Alec Pismiris', written over a faint rectangular box.

Alec Christopher Pismiris

*Director*

Dated at Perth, this 11<sup>th</sup> day of March, 2016.



***Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001***

To: the directors of Agrimin Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'Matthew Beevers', with a long horizontal line extending to the right.

Matthew Beevers  
*Partner*

Perth

11 March 2016



**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	31 Dec 2015 \$	30 Jun 2015 \$
<b>Assets</b>			
Cash and cash equivalents		1,119,772	1,056,682
Trade and other receivables		46,123	398
Other financial assets		250,000	1,031,289
Prepayments		13,880	4,137
<b>Total current assets</b>		<b>1,429,775</b>	<b>2,092,506</b>
Exploration and evaluation assets	7	2,527,525	1,441,447
Property, plant and equipment		27,900	-
<b>Total non-current assets</b>		<b>2,555,425</b>	<b>1,441,447</b>
<b>Total assets</b>		<b>3,985,200</b>	<b>3,533,953</b>
<b>Liabilities</b>			
Trade and other payables		46,415	39,293
Provisions		17,475	10,096
<b>Total current liabilities</b>		<b>63,890</b>	<b>49,389</b>
<b>Total liabilities</b>		<b>63,890</b>	<b>49,389</b>
<b>Net assets</b>		<b>3,921,310</b>	<b>3,484,564</b>
<b>Equity</b>			
Share capital	9	20,599,134	20,326,653
Reserves	10	738,333	225,331
Accumulated losses		(17,416,157)	(17,067,420)
<b>Total equity</b>		<b>3,921,310</b>	<b>3,484,564</b>

The above condensed consolidated interim statement of financial position should be read in conjunction with the accompanying notes.

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Note	31 Dec 2015 \$	31 Dec 2014 \$
Other income		7,735	34,679
Loss on sale of subsidiary		-	(64,475)
Administrative expenses		(223,001)	(320,838)
Depreciation expenses		(2,708)	-
Impairment of exploration and evaluation assets		-	(52,270)
Share based payments	10	(146,708)	-
<b>Results from operating activities</b>		<b>(364,682)</b>	<b>(402,904)</b>
Finance income		15,945	27,497
Finance expense		-	(794)
<b>Net finance income</b>		<b>15,945</b>	<b>26,703</b>
<b>Loss before income tax</b>		<b>(348,737)</b>	<b>(376,201)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(348,737)</b>	<b>(376,201)</b>
<b>Other comprehensive income for the period</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences for foreign operations		-	(7,997)
Reclassification of foreign currency translation differences on loss on sale of subsidiary		-	64,475
<b>Total comprehensive loss for the period</b>		<b>(348,737)</b>	<b>(319,723)</b>
<b>Earnings per share</b>			
Basic and diluted loss per share		(\$0.004)	(\$0.004)

The above condensed consolidated interim statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

Note	Share Capital	Translation Reserve	Equity Compensation Reserve	Prepaid Share Reserve	Option Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$	\$
<b>Half-Year Ended 31 December 2014</b>							
<b>Balance at 1 July 2014</b>	17,759,977	(681,322)	220,000	-	-	(15,880,720)	1,417,935
<i>Total comprehensive loss for the period</i>							
Loss	-	-	-	-	-	(376,201)	(376,201)
<i>Other comprehensive income</i>							
Foreign currency translation differences	-	56,478	-	-	-	-	56,478
Total other comprehensive income	-	56,478	-	-	-	-	56,478
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>56,478</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(376,201)</b>	<b>(319,723)</b>
<b>Transactions with owners recorded directly in equity</b>							
<i>Contributions by and distributions to owners</i>							
Share options expired	-	-	27,000	-	-	-	27,000
Issue of ordinary shares net of transaction costs	2,328,607	-	-	-	-	-	2,328,607
Total transactions with owners	2,328,607	-	27,000	-	-	-	2,355,607
<b>Balance at 31 December 2014</b>	<b>20,088,584</b>	<b>(624,844)</b>	<b>247,000</b>	<b>-</b>	<b>-</b>	<b>(16,256,921)</b>	<b>3,453,819</b>

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Note	Share Capital	Translation Reserve	Equity Compensation Reserve	Prepaid Share Reserve	Option Reserve	Accumulated Losses	Total Equity
		\$	\$	\$	\$	\$	\$	\$
<b>Half-Year Ended 31 December 2015</b>								
<b>Balance at 1 July 2015</b>		20,326,653	-	225,331	-	-	(17,067,420)	3,484,564
<i>Total comprehensive loss for the period</i>								
Loss		-	-	-	-	-	(348,737)	(348,737)
<i>Other comprehensive income</i>								
Foreign currency translation differences		-	-	-	-	-	-	-
Total other comprehensive income		-	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>		-	-	-	-	-	<b>(348,737)</b>	<b>(348,737)</b>
<b>Transactions with owners recorded directly in equity</b>								
<i>Contributions by and distributions to owners</i>								
Share based payment	10	-	-	146,708	-	-	-	146,708
Prepayment for shares	10	-	-	-	366,294	-	-	366,294
Issue of ordinary shares net of transaction costs	9	272,481	-	-	-	-	-	272,481
Total transactions with owners		272,481	-	146,708	366,294	-	-	785,483
<b>Balance at 31 December 2015</b>		<b>20,559,134</b>	-	<b>372,039</b>	<b>366,294</b>	-	<b>(17,416,157)</b>	<b>3,921,310</b>

The above condensed consolidated interim statement of changes in equity should be read in conjunction with the accompanying notes.

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Note	31 Dec 2015 \$	31 Dec 2014 \$
<b>Cash flows from operating activities</b>			
Cash paid to suppliers and employees		(219,471)	(406,168)
Interest received		10,165	27,497
<b>Net cash used in operating activities</b>		<b>(209,306)</b>	<b>(378,671)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation projects	7	(1,086,078)	(19,213)
Proceeds from disposal of subsidiary		-	96,380
Acquisition of property, plant and equipment		(47,880)	-
Proceeds from disposal of property, plant and equipment		17,500	-
Proceeds of other financial assets		749,999	
Refund of prepaid tenement rent		-	34,141
<b>Net cash (used in)/from investing activities</b>		<b>(366,379)</b>	<b>111,308</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital	9	272,481	885,111
Proceeds for shares to be issued		366,294	-
Payment of share issue transaction costs		-	(9,004)
<b>Net cash from financing activities</b>		<b>638,775</b>	<b>876,107</b>
<b>Net increase in cash and cash equivalents</b>		<b>63,090</b>	<b>608,744</b>
Cash and cash equivalents at 1 July		1,056,682	920,162
<b>Cash and cash equivalents at 31 December</b>		<b>1,119,772</b>	<b>1,528,906</b>

The above condensed consolidated interim statement of cash flows should be read in conjunction with the accompanying notes.

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **1. Reporting entity**

Agrimin Limited is a company domiciled in Australia. The consolidated interim financial statements of the Company as at and for the half-year ended 31 December 2015 comprise the Company and its subsidiary (together referred to as the 'Group').

The consolidated annual financial report of the Group as at and for the year ended 30 June 2015 is available upon request from the Company's registered office Level 7, BGC Centre, 28 The Esplanade, Perth, Western Australia or at [www.agrimin.com.au](http://www.agrimin.com.au).

### **2. Significant accounting policies**

#### **(a) Statement of compliance**

This consolidated interim financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of Agrimin Limited for the year ended 30 June 2015 and any public announcements made by Agrimin Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This consolidated interim financial report was approved by the Board of Directors on 11 March 2016.

#### **(b) Basis of preparation**

The consolidated interim financial report has been prepared on the basis of historical cost, except for certain financial instruments being recorded at fair value. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's annual financial report for the year ended 30 June 2015.

The Group has considered the implications of the new or amended Accounting Standards applicable to the Group for the first time in the current half-year reporting period 1 July 2015 to 31 December 2015 but determined that their application to the financial statements is either not relevant or not material.

### **3. Going Concern**

The consolidated interim financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group has no source of operating cash inflows other than interest income and funds sourced through capital raising activities. At 31 December 2015 the Group has cash and term deposits totalling \$1,369,772 (30 June 2015: \$2,087,971) and net working capital (current assets less current liabilities) of \$1,365,886 (30 June 2015: \$2,043,117).

Whilst further equity raisings are necessary to support continuing activities designed to more fully evaluate the Group's tenements and/or identify new projects, Directors believe that the Group has sufficient cash resources to allow it to meet minimum capital expenditure commitments on existing tenements for at least the next 12 months.

In the longer term, the development of economically recoverable mineral deposits found on the Group's existing exploration properties or future exploration properties depends on the ability of the Group to obtain financing through equity financing, debt financing or other means. If the Group's exploration programs are ultimately successful, additional funds will be required to develop the Group's properties and to place them into commercial production. The primary source of future funds presently available to the Group is the raising of equity capital by the Group.

The ability to arrange such funding in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Group.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**4. Estimates**

The preparation of interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant areas of judgement in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2015.

**5. Financial risk management**

The Group's financial risk management objectives and policies are materially consistent with those disclosed in the consolidated financial report as at and for the year ended 30 June 2015.

**6. Operating segments**

As a consequence of the Group's operations and tenements the Group now only operates in one reportable segment, being Australia.

**7. Exploration and evaluation assets**

	<b>\$</b>
Balance at 30 June 2015	1,441,447
Additions	1,086,078
Balance at 31 December 2015	<u>2,527,525</u>

The carrying amount of the exploration and evaluation assets at 31 December 2015 relates to expenditure capitalised on the Mackay Project of \$2,527,525. As at 31 December 2015 of the six tenements which comprise the Mackay Project, five tenements located in Western Australia were granted and one tenement located in the Northern Territory was under application.

**8. Related parties**

7,690,439 ordinary shares in Agrimin Limited are held by entities related to Mr Savich at 31 December 2015.

2,750,000 ordinary shares in Agrimin Limited are held by an entity related to Mr Pismiris at 31 December 2015.

During the period fees of \$15,000 (ex GST) were paid and as at period end fees of \$3,000 (ex GST) are payable to Lexcon Services Pty Ltd of which Mr Pismiris is a director and shareholder, for the provision of his services in his capacity as company secretary.

During the period fees of \$13,000 (ex GST) were paid and as at period end fees of \$3,000 (ex GST) are payable under normal terms and conditions to Lexcon Services Pty Ltd of which Mr Pismiris is a director and shareholder, for the provision of his services in his capacity as non-executive director.

1,875,493 ordinary shares and 483,477 listed options in Agrimin Limited are held by entities related to Mr Everett at 31 December 2015. Subsequent to the end of the period 483,477 listed options held by entities related to Mr Everett were exercised at an exercise price of \$0.05.

**9. Share capital**

**Ordinary shares**

During the half-year the Company issued a total of 5,449,620 ordinary shares on the exercise of listed options at an issue price of \$0.05.

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**10. Reserves**

**Equity compensation reserve**

*Employee share option programme*

At a General Meeting held on 31 July 2014, shareholders approved the establishment of the GRM Performance Rights Plan 2015 ("Plan"). The purpose of the Plan was to incentivise and retain existing key management personnel and other eligible employees needed to achieve the Company's business objectives. The issuance of Performance Rights under the Plan is at the discretion of the Board. Upon the prescribed performance conditions attached to the Performance Rights being met, will result in the issue of one ordinary Share in the Company for each Performance Right.

At a General Meeting held on 31 July 2014, shareholders approved the issue of 3,000,000 performance rights to directors. A further 1,000,000 performance rights were issued to an executive of the Company.

At the Company's Annual General Meeting held on 30 November 2015, shareholders approved the amendment to the performance condition which related to the Great Sandy Desert Project which was replaced with performance conditions related to the Mackay Project following the Company's decision to relinquish all tenements which comprised the Great Sandy Desert Project. The change was applicable to 3,000,000 performance rights issued to directors and 500,000 performance issued to an executive of the Company.

The original performance condition was based on the Company delineating an Inferred Resource, which is determined in accordance with the provisions of the JORC Code, containing at least 20,000,000 tonnes of potash at an average potassium grade of not less than 2.50kg/m<sup>3</sup> on the Great Sandy Desert Project. The new performance conditions approved by shareholders were linked to the Company delineating an in-situ Inferred Resource, which is determined in accordance with the provisions of the JORC Code, containing at least 50,000,000 tonnes of sulphate of potash (SOP) at an average potassium grade of not less than 2.5kg/m<sup>3</sup> of brine on the Mackay Project and completing a Scoping Study.

During the period \$146,708 was recognised as an expense as a result of the performance condition which related to the Great Sandy Desert Project being replaced with performance conditions related to the Mackay Project.

Subsequent to the 31 December 2015 a director of the Company agreed to the voluntary forfeiture of 750,000 performance rights.

*Other equity-based compensation*

The equity compensation reserve represents the fair value of options granted as remuneration to agents as determined using the Black-Scholes option pricing model and taking into account the terms and conditions on which the options were granted.

**Prepaid share reserve**

At 31 December 2015 the Company had received \$366,294 representing funds from holders of 7,325,880 listed options exercisable at \$0.05. The issue of the shares on the exercise of these listed options was completed subsequent to the balance date.

**11. Subsequent events**

On 4 January 2016 the Company issued 7,325,880 ordinary shares on the exercise of listed options at an issue price of \$0.05.

On 11 January 2016 the Company issued 49,387 ordinary shares on the exercise of listed options at an issue price of \$0.05.

On 15 January 2016, the Company issued 500,000 ordinary shares on the exercise of Performance Rights by an employee as a result of the achievement of a vesting condition related to the delineation of an Inferred Resource on the Company's Mackay Project. The vesting condition required the Inferred Resource to be determined in accordance with the provisions of the JORC Code and had to contain at least 50,000,000 tonnes of potash at an average potassium grade of not less than 2.50kg/m<sup>3</sup> of brine.

Other than the above, in the period between the end of the half-year and the date of this report there has not arisen any other item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.



**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT**  
**31 DECEMBER 2015**

**DIRECTORS' DECLARATION**

In the opinion of the directors of Agrimin Limited ('the Company'):

1. the financial statements and notes set out on pages 9 to 16 are in accordance with the *Corporations Act 2001* including:
  - a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the six month period ended on that date; and
  - b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Alec Christopher Pismiris  
*Director*

Dated at Perth, this 11<sup>th</sup> day of March, 2016.



## **Independent auditor's review report to the members of Agrimin Limited**

### **Report on the financial report**

We have reviewed the accompanying interim financial report of Agrimin Limited, which comprises the condensed consolidated interim statement of financial position as at 31 December 2015, condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the half-year ended on that date, notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

#### *Directors' responsibility for the interim financial report*

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Agrimin Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Agrimin Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'Matthew Beevers', with a long horizontal line extending to the right.

Matthew Beevers  
*Partner*

Perth

11 March 2016