



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

**AGRIMIN LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF-YEAR ENDED 31 DECEMBER 2016**

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT FOR THE**  
**HALF-YEAR ENDED 31 DECEMBER 2016**

**CONTENTS**

	Page
Corporate information	3
Directors' report	4
Lead auditor's independence declaration	9
Condensed consolidated interim statement of financial position	10
Condensed consolidated interim statement of profit or loss and other comprehensive income	11
Condensed consolidated interim statement of changes in equity	12
Condensed consolidated interim statement of cash flows	13
Notes to the condensed consolidated interim financial statements	14
Directors' declaration	17
Independent auditor's report on review of the condensed consolidated interim financial report	18

**AGRIMIN LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF-YEAR ENDED 31 DECEMBER 2016**

**CORPORATE INFORMATION**

**DIRECTORS**

Bradley Sampson (Non-Executive Chairman)  
Mark Savich (Executive Director)  
Alec Pismiris (Non-Executive Director)

**COMPANY SECRETARY**

Alec Pismiris

**REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE**

2C Loch Street  
Nedlands, Western Australia, 6009

Postal Address:  
2C Loch Street  
Nedlands, Western Australia, 6009  
Telephone: (+61 8) 9389 5363

**SHARE REGISTRY**

Automic Registry Services  
Level 2, 267 St Georges Terrace  
Perth, WA, 6000  
Investor Enquiries: 1300 288 664

**AUDITOR**

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 2016**

**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 2016 ("Group").

**Directors**

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

<b>Name and qualifications and independence status</b>	<b>Experience, special responsibilities and other directorships</b>
<p><b>Bradley Sampson</b> B.E. (Mining) Hons, MBA, AMP, GAICD, MAusIMM Non-Executive Chairman <i>Appointed 22 April 2016</i></p> <p>Other current directorships: Former directorships (last 3 years):</p>	<p>Mr Sampson is currently Chief Executive Officer of Tiger Resources Limited. He is an internationally experienced business leader, director and mining professional with 30 years' resources industry experience. In addition to significant project development and operating experience, he is an experienced director with listed and non-listed company and joint venture governance experience across multiple international jurisdictions. Brad has been the Managing Director of Discovery Metals Ltd and held senior management roles in resources and engineering companies including Newcrest Mining, Gold Fields Ltd, and Thiess. His experience covers the entire cycle of exploration, development, operations and closure, and includes equity and debt funding of resources projects, government relations and product marketing.</p> <p>None. Tiger Resources Limited</p>
<p><b>Mark Savich</b> CA, CFA, B Comm., MAICD <i>GradDipMinExplGeoSc (Curtin).</i> Chief Executive Officer <i>Appointed 1 December 2012</i> <i>CEO from 1 March 2015</i> Other current directorships: Former directorships (last 3 years):</p>	<p>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).</p> <p>None. Regal Resources Limited</p>
<p><b>Alec Pismiris</b> B Comm., MAICD, AGIA Non-Executive Director and Company Secretary <i>Appointed 3 October 2013</i></p> <p>Other current directorships: Former directorships (last 3 years):</p>	<p>Mr. Pismiris has over 30 years' experience in the securities, finance and mining industries and currently is a director of five ASX listed companies. 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 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: Aguiá Resources Limited, HotCopper Holdings Limited, Impression Healthcare Limited and Pelican Resources Limited.</p> <p>Cardinal Resources Limited and Papillon Resources Limited.</p>

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT FOR THE**  
**HALF-YEAR ENDED 31 DECEMBER 2016**

**DIRECTORS' REPORT**

**Review of operations**

Agrimin has 100% ownership of the Mackay Sulphate of Potash ("SOP") Project located in Western Australia.

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. Global demand of SOP currently exceeds supply and Agrimin expects that SOP deposits throughout Western Australia will become an important source of supply to meet world demand.

**Mackay SOP Project (100% Agrimin)**

The Mackay SOP Project comprises of eight Exploration Licences (EL's) covering a total area of 2,799 km<sup>2</sup> and one Miscellaneous License (ML). Five of the EL's and the ML which are located in Western Australia are granted. The remainder of the EL's are under application with two EL's located in Western Australia and one located in the Northern Territory.

The Mackay SOP 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.

Lake Mackay is the largest known SOP-bearing salt lake in Australia and is the low point of an enormous groundwater and surface water catchment area that is approximately 87,000km<sup>2</sup>. The lakebed itself covers an area of approximately 3,500km<sup>2</sup> and measures approximately 100km east-west and north-south. The lakebed is comparable to the lakebed areas at two major sources of SOP production, being the 4,400km<sup>2</sup> Great Salt Lake in the USA and the 5,500km<sup>2</sup> Lop Nur (Luobupo operation) in China.

Lake Mackay's hydrogeological setting and significant size provide important attributes that support the development of a salt lake operation. The Project currently has Indicated Mineral Resources of 4.3 million tonnes and Inferred Mineral Resources of 18.9 million tonnes of SOP based on specific yield. The Mineral Resources encompass an area of 2,201km<sup>2</sup>, within Agrimin's five granted EL's, and does not take into account any natural recharge factor which could increase the amount of extractable resources over the life of an operation.

SOP production begins with pumping brine from trenches into a series of solar evaporation ponds. The Mackay brine deposit commences just below the surface. It is planned to dry harvest the crystallised Potassium salts from the ponds and feed them into the process plant. The process route is conventional and will comprise milling, flotation, SOP crystallisation, drying and sizing.

The SOP products will be transported in bulk by road trains to a rail load-out located in Alice Springs and then railed to a port for shipment.

On 23 August 2016 the Company announced the Scoping Study compiled by Lycopodium Minerals Pty Ltd for the Mackay SOP Project. The Study outputs indicate SOP production of 370,000 tonnes per year over a 20 year life, and an average total cash cost of US\$256/t FOB (±35%).

**2016 Field Program**

An infill drilling program was completed in September 2016. A total of 57 holes were drilled to an average depth of 10.1m. The drilling program is aimed at upgrading the Indicated and Inferred Mineral Resources included in the Scoping Study's production plan to the Measured and Indicated Mineral Resources categories. Drilling density across the Project has been closed to an approximate 5km grid, with closer spaced transect drilling conducted in specific areas to assess short range variability. The Company completed six geotechnical drill holes and in addition, collected approximately 150kg of disturbed geotechnical samples.

The core and brine samples are currently undergoing analysis at the relevant laboratories with full results expected to be received and reported in the March 2017 quarter.

**Process Testwork**

During the half-year, the Company successfully produced commercial grade SOP during the process testwork which was performed by the Saskatchewan Research Council ("SRC"). The objective of the testwork was to demonstrate the production of commercial grade SOP using harvested salt samples from the Company's initial evaporation trial which used 460 litres of Mackay brine. The testwork confirmed that liberated leonite can be readily concentrated by flotation and that this concentrated leonite can be readily converted to SOP by adding heated water. The SRC testwork produced a SOP product of 53.8% K<sub>2</sub>O.

**AGRIMIN LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF-YEAR ENDED 31 DECEMBER 2016**

**DIRECTORS' REPORT**

**Process Testwork (continued)**

At full scale, Agrimin is targeting the production of a high quality 52% K<sub>2</sub>O grade and this first stage of laboratory scale testing demonstrates this is achievable. The results confirm that the general process flow diagram defined in the Scoping Study is suitable to be taken forward for assessment during the Pre-Feasibility Study (PFS).

The next stage of evaporation trials commenced during the period to test the variability of several key parameters, and generate salt samples for further flotation and SOP crystallisation testwork.

**Native Title**

During the period, Agrimin signed a Negotiation Protocol with Tjamu Tjamu (Aboriginal Corporation) RNTBC, the Native Title representative body for the Kiwirrkurra people. The protocol has been signed with a view to entering into a Mining Agreement for the development and operation of the Mackay SOP Project, whilst preserving the traditional way of life of the Kiwirrkurra people. The protocol contemplates a timeline for negotiations that is aligned with Agrimin's overall indicative development timeline. The first on-country negotiation meeting occurred in December 2016.

**Pre-Feasibility Study (PFS)**

During the half-year a number of activities commenced in-line with delivering a PFS in 2017.

Agrimin's hydrogeological consultants have been engaged to update the Mineral Resources and Hydrogeological Model upon receipt of all laboratory results from the 2016 field program. The PFS will also further define the Project's infrastructure requirements such as product transportation, power and water supply. In parallel to the PFS, Agrimin is focused on the delivery of key critical path items for the Project's development including environmental studies, Mining Agreement negotiations, long-term pumping tests and pilot evaporation trials.

**Financing activities**

During the half-year the Company issued a total of 1,200,000 ordinary shares at an issue price of \$0.15 under a placement to directors of the Company and following shareholder approval at general meeting held 26 July 2016.

**Operating results for the half-year**

The Group's consolidated operating loss after income tax for the period was \$441,298 (2015: \$348,737). This result was in line with expectations and reflected the operating costs incurred over the period and comprised largely of costs associated with the general administration of the Company and compliance expenses incurred during the half-year. There was an expense of \$142,987 (non-cash) (2015: \$146,708) recognised during the period, pursuant to the grant of options to a director.

**Liquidity and capital resources**

The consolidated cash flow statement illustrates that there was a decrease in cash and cash equivalents in the half-year ended 31 December 2016 of \$1,380,380 (2015: increase of \$63,090). Operating activities resulted in \$271,413 (2015: \$209,306) of net cash out-flows. During the period, net cash out-flow from investing activities of \$1,273,172 (2015: \$366,379) was attributable to payments relating to exploration and evaluation of the Mackay SOP Project. There was a \$164,206 net cash in-flow (2015: \$638,775) from financing activities during the half-year.

At Balance Date the Group had \$1,773,327 in cash and short term deposits to support its operations at the Mackay SOP Project.

**Subsequent Events**

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 FOR THE**  
**HALF-YEAR ENDED 31 DECEMBER 2016**

**DIRECTORS' REPORT**

**Schedule of Tenement Interests as at 31 December 2016**

Tenement Ref.	Project	Holder	State	Status	Interest
<b>Exploration Licences</b>					
E80/4887	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4888	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4889	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4890	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4893	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4995	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
E80/5055	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
EL30651	Mackay SOP	Agrimin Limited	N.T.	Application	100%
<b>Miscellaneous Licences</b>					
L80/87 <sup>1</sup>	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%

Note: 1. L80/87 was granted on 10 February 2017

**Competent Person's Statements**

The information in this report that relates to exploration results, Mineral Resources Estimates and Scoping Study results are extracted from the relevant ASX Releases and are available on [www.asx.com.au](http://www.asx.com.au) and Company's website on [www.agrimin.com.au](http://www.agrimin.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous ASX Releases and, in the case of the Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the ASX Release on 15 December 2015 continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the previous ASX Releases.

**Forward Looking Statements**

This report may contain certain "forward-looking statements" which may be based on forward-looking information that are subject to a number of known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those presented here. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. Forward-looking information includes exchange rates; the proposed production plan; projected brine concentrations and recovery rates; uncertainties and risks regarding the estimated capital and operating costs; uncertainties and risks regarding the development timeline, including the need to obtain the necessary approvals. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other ASX Releases. Readers should not place undue reliance on forward-looking information. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

**AGRIMIN LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF-YEAR ENDED 31 DECEMBER 2016**

**DIRECTORS' REPORT**

**Lead auditor's independence declaration**

The lead auditor's independence declaration is set out on page 9 and forms part of the directors' report for the six months ended 31 December 2016.

Signed in accordance with a resolution of the directors



Alec Christopher Pismiris

*Director*

Dated at Perth, this 13<sup>th</sup> day of March, 2017.





***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 2016 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 stroke extending to the right.

Matthew Beevers  
*Partner*

Perth

13 March 2017

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

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Note	31 Dec 2016 \$	30 Jun 2016 \$
<b>Assets</b>			
Cash and cash equivalents		1,773,327	3,153,707
Other financial assets		1,290	1,290
Exploration deposits		13,876	3,256
Other receivables		47,131	22,052
Prepayments		15,311	5,240
<b>Total current assets</b>		<b>1,850,935</b>	<b>3,185,545</b>
Exploration and evaluation assets	7	4,220,917	2,871,700
Property, plant and equipment		22,342	24,848
<b>Total non-current assets</b>		<b>4,243,259</b>	<b>2,896,548</b>
<b>Total assets</b>		<b>6,094,194</b>	<b>6,082,093</b>
<b>Liabilities</b>			
Trade and other payables		261,431	124,653
Provisions		33,796	26,905
<b>Total current liabilities</b>		<b>295,227</b>	<b>151,558</b>
<b>Total liabilities</b>		<b>295,227</b>	<b>151,558</b>
<b>Net assets</b>		<b>5,798,967</b>	<b>5,930,535</b>
<b>Equity</b>			
Share capital	9	23,509,105	23,342,362
Reserves	10	351,080	623,093
Accumulated losses		(18,061,218)	(18,034,920)
<b>Total equity</b>		<b>5,798,967</b>	<b>5,930,535</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 2016**

	Note	31 Dec 2016 \$	31 Dec 2015 \$
Other income		-	7,735
Administrative expenses		(324,341)	(223,001)
Depreciation expenses		(2,505)	(2,708)
Share based payments	10	(142,987)	(146,708)
<b>Results from operating activities</b>		<b>(469,833)</b>	<b>(364,682)</b>
Finance income		28,535	15,945
<b>Net finance income</b>		<b>28,535</b>	<b>15,945</b>
<b>Loss before income tax</b>		<b>(441,298)</b>	<b>(348,737)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(441,298)</b>	<b>(348,737)</b>
Other comprehensive income for the period		-	-
<b>Total comprehensive loss for the period</b>		<b>(441,298)</b>	<b>(348,737)</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 2016**

	Share Capital	Equity Remuneration Reserve	Prepaid Share Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
<b>Half-Year Ended 31 December 2016</b>					
<b>Balance at 1 July 2016</b>	23,342,362	623,093	-	(18,034,920)	5,930,535
<i>Total comprehensive loss for the period</i>					
Loss	-	-	-	(441,298)	(441,298)
<b>Total comprehensive loss for the period</b>	-	-	-	<b>(441,298)</b>	<b>(441,298)</b>
<b>Transactions with owners recorded directly in equity</b>					
<i>Contributions by and distributions to owners</i>					
Share based payments	-	142,987	-	-	142,987
Issue of ordinary shares net of transaction costs	166,743	-	-	-	166,743
Transfer of options and performance rights on exercise/expiry	-	(415,000)	-	415,000	-
Total transactions with owners	166,743	(272,013)	-	415,000	309,730
<b>Balance at 31 December 2016</b>	<b>23,509,105</b>	<b>351,080</b>	<b>-</b>	<b>(18,061,218)</b>	<b>5,798,967</b>
<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)
<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	-	146,708	-	-	146,708
Prepayment for shares	-	-	366,294	-	366,294
Issue of ordinary shares net of transaction costs	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 2016**

	Note	31 Dec 2016 \$	31 Dec 2015 \$
<b>Cash flows from operating activities</b>			
Cash paid to suppliers and employees		(293,162)	(219,471)
Payment for exploration deposits		(10,620)	-
Interest received		32,368	10,165
<b>Net cash used in operating activities</b>		<b>(271,414)</b>	<b>(209,306)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation projects		(1,273,172)	(1,086,078)
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
<b>Net cash used in investing activities</b>		<b>(1,273,172)</b>	<b>(366,379)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital	9	180,000	272,481
Proceeds for shares to be issued		-	366,294
Payment of share issue transaction costs		(15,794)	-
<b>Net cash from financing activities</b>		<b>164,206</b>	<b>638,775</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,380,380)</b>	<b>63,090</b>
Cash and cash equivalents at 1 July		3,153,707	1,056,682
<b>Cash and cash equivalents at 31 December</b>		<b>1,773,327</b>	<b>1,119,772</b>

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

**AGRIMIN LIMITED**  
**INTERIM FINANCIAL REPORT**  
**31 DECEMBER 2016**

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

**1. Reporting entity**

Agrimin Limited is a for-profit company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the half-year ended 31 December 2016 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 2016 is available upon request from the Company's registered office 2C Loch Street, Nedlands, Western Australia or at [www.agrimin.com.au](http://www.agrimin.com.au).

**2. Significant accounting policies**

(a) Statement of compliance

This condensed 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 condensed 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 2016 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 condensed consolidated interim financial report was approved by the Board of Directors on 13 March 2017.

(b) Basis of preparation

The condensed consolidated interim financial report has been prepared on the basis of historical cost. 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 2016.

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 2016 to 31 December 2016 but determined that their application to the financial statements is either not relevant or not material.

**3. Going Concern**

The condensed 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 2016 the Group has cash and cash equivalents totalling \$1,773,327 (30 June 2016: \$3,153,707) and net working capital (current assets less current liabilities) of \$1,555,708 (30 June 2016: \$3,033,987).

The Group intends to continue activities designed to more fully evaluate the Group's Mackay SOP Project. Expenditure in relation to these activities is planned but not yet committed and will require further equity raisings and/or other funding alternatives to be completed. The directors believe that the Group has sufficient cash resources to allow it to meet minimum exploration expenditure commitments on existing tenements and administration expenses for at least the next 12 months. For this reason, the directors consider the going concern basis of preparation to be appropriate.

**AGRIMIN LIMITED  
INTERIM FINANCIAL REPORT  
31 DECEMBER 2016**

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

**4. Estimates**

The preparation of condensed consolidated 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 condensed 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 2016.

**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 2016.

**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 2016	2,871,700
Additions	1,349,217
Balance at 31 December 2016	<u>4,220,917</u>

The carrying amount of the exploration and evaluation assets at 31 December 2016 relates to expenditure capitalised on the Mackay Project of \$4,220,917. As at 31 December 2016, five exploration licences located in Western Australia are granted. The remainder of the tenements are under application, with two tenements located in Western Australia and one located in the Northern Territory.

**8. Related parties**

9,490,439 ordinary shares in Agrimin Limited are held by entities related to Mr Savich at 31 December 2016.

3,800,000 ordinary shares in Agrimin Limited are held by an entity related to Mr Pismiris at 31 December 2016.

600,000 ordinary shares in Agrimin Limited are held by Mr Sampson and 1,000,000 unlisted \$0.15 options expiring 30 April 2018 are held by the spouse of Mr Sampson at 31 December 2016.

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 \$15,000 (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.

**9. Share capital**

**Ordinary shares**

During the half-year the Company issued a total of 1,200,000 ordinary at an issue price of \$0.15 under a placement to directors of the Company and following shareholder approval at general meeting held 26 July 2016.

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 26 July 2016, shareholders approved the grant of 1,000,000 unlisted options \$0.15 options expiring 30 April 2018 with a fair value of \$0.0351 per option to Mr Sampson or his nominee. The share based payment expense during the period in relation to this was \$142,987 (30 June 2016: \$208,093). The options were issued to Mr Sampson's nominee on 1 August 2016.

On 30 August 2016 following the release of the Scoping Study, 2,750,000 shares were issued on the exercise of Performance Rights by directors and the General Manager – Exploration & Development on achievement of a vesting condition related to the Company completing a scoping study and delineation of an in situ Inferred Resource, determined in accordance with the provisions of the JORC Code, containing 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 on the Company's Mackay Project.

**11. Subsequent events**

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 2016**

**DIRECTORS' DECLARATION**

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

1. the financial statements and notes set out on pages 10 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 2016 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 13<sup>th</sup> day of March, 2017.



## **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 2016, condensed consolidated interim statement of profit and 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.

#### *Responsibility of the Directors 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 for the review of the interim financial report*

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 2016 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 2016 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 stroke extending to the right.

Matthew Beevers  
Partner

Perth

13 March 2017