



Agrimin Limited | ABN 15 122 162 396
ASX Code: AMN
2C Loch Street
Nedlands, Western Australia 6009
T: +61 8 9389 5363
E: admin@agrimit.com.au | W: www.agrimin.com.au

ASX Release
28 March 2017

EQUITY RAISING AND MACKAY SOP PROJECT UPDATE

Highlights

- **Share placement and non-renounceable entitlement offer to raise approximately \$13.2 million before costs**
- **Mackay SOP Project funded for key development milestones through to completion of a DFS**
- **PFS is on track for completion in October 2017**
- **Planning and permitting are well advanced for a DFS pilot trial, consisting of long-term pumping tests and evaporation trial**

Agrimin Limited (ASX: AMN) (“Agrimin” or “the Company”) is pleased to announce it has secured commitments for a share placement to raise approximately \$7.0 million before costs (“**Placement**”). In addition, the Company will undertake a pro-rata non-renounceable entitlement offer of shares to raise approximately \$6.2 million before costs (“**Entitlement Offer**”). AustralianSuper, a large Australian institutional fund, is a cornerstone investor to the equity raising.

Proceeds from the equity raising will be applied to continue to advance the development of Agrimin’s 100% owned Mackay Sulphate of Potash (“**SOP**”) Project in Western Australia and for working capital requirements.

Following the equity raising, the Company will be funded to undertake its current planned activities in relation to the Pre-Feasibility Study (“**PFS**”), native title negotiations and environmental studies. The Company will also accelerate a Definitive Feasibility Study (“**DFS**”) pilot trial and, should the outcomes of the PFS be positive, is funded to undertake a DFS.

Mark Savich, CEO of Agrimin commented: “We are delighted to have the opportunity to fast-track the commencement of the DFS pilot trial and other items on the critical path to construction. Without pre-empting the outcomes of our ongoing PFS, the Board has made the decision to undertake a capital raising of this manner and at this time given the positive results for the Project at all levels.”

Equity Raising

The Company has secured firm commitments for a Placement of 16,666,667 shares at an issue price of \$0.42 per share to institutional and sophisticated investors to raise approximately \$7.0 million before costs. The issue of shares under the Placement will be made pursuant to the Company’s 15% annual placement capacity under

ASX Listing Rule 7.1. Settlement of the subscription proceeds and issue of shares is scheduled to occur on 30 March 2017.

In addition, the Company will offer a one for nine pro-rata non-renounceable entitlement offer of approximately 15,617,249 shares to eligible shareholders at an issue price of \$0.40 per share to raise approximately \$6.2 million before costs. The Company has an underwriting agreement for 50% of the Entitlement Offer.

An indicative timetable is set out below with the key milestones for the Entitlement Offer. The timetable is indicative and may be subject to change.

Activity	Indicative Date
Lodgement of Appendix 3B and Prospectus with ASIC and ASX	31 March 2017
Notice of Entitlement Offer sent to Eligible Shareholders	3 April 2017
Shares quoted on an "ex" basis	5 April 2017
Record Date for determining entitlements	6 April 2017
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders	11 April 2017
Entitlement Offer Opening Date	11 April 2017
Entitlement Offer Closing Date	24 April 2017
New shares quoted on a deferred settlement basis	26 April 2017
Notify ASX of shortfall	28 April 2017
Anticipated date for issue of New Shares / Deferred settlement trading ends	4 May 2017
Anticipated date for commencement of New Shares trading on a normal settlement basis	5 May 2017

Mackay SOP Project Update

Agrimin is in a strong financial position to progress its current planned activities in respect to the PFS, as well as take advantage of the opportunity to condense the timeline to construction.

Testwork Programs

An extensive laboratory testwork program has been completed, both at Australian and international laboratories, on core and brine samples collected from the infill drilling last year. Agrimin's hydrogeological consultants have now commenced the data compilation and interpretation process, with a view to updating the Mineral Resources and Hydrogeological Model. This work is designed to upgrade the Indicated and Inferred Mineral Resources included in the Project's production plan to the Measured and Indicated Mineral Resources categories.

A geotechnical testwork program has been completed on samples taken from select locations within the 59km² area which is the proposed siting for large-scale solar evaporation ponds. Agrimin's geotechnical consultants at Knight Piesold have interpreted the results and provided critical design assumptions, which will be incorporated in the PFS level engineering and design. Importantly, outcomes confirm the natural lakebed surface has favourable geotechnical conditions for the application of un-lined ponds and the previously proposed cut-to-fill construction method.

In November 2016, Agrimin commissioned the next stage of evaporation trials and process testwork. This PFS level work is being undertaken in the laboratory environment to ensure close monitoring and real-time decision making. The first phase of these trials has been completed at Independent Metallurgical Operations' facility in Perth. The second phase is currently underway at the Saskatchewan Research Council in Canada. This work will allow refinement of the pond system design and the flowsheet used in the SOP process plant, and will provide a detailed design to be subsequently piloted.

Pre-Feasibility Studies

Agrimin has made significant progress in many optimisation studies following the completion of the Scoping Study last year. This includes the recently announced agreement with Aalborg CSP A/S for the design and delivery of a solar heating system. Many other studies are ongoing and have identified value enhancing opportunities.

An Expressions of Interest process for the PFS engineering firm has been completed with submissions received from a number of highly reputable and experienced groups. The Company is currently reviewing the proposals.

Groundwater Drilling

Planning and permitting is well underway for a drilling and bore installation program to be completed on the recently granted Miscellaneous Licence L80/87 located south of Lake Mackay. The program is designed to further define and characterise off-lake aquifers to potentially supply process and potable water requirements for the Project.

Native Title

The second on-country negotiation meeting occurred in March 2017 between Agrimin and Tjamu Tjamu (Aboriginal Corporation) RNTBC, the Native Title representative body for the Kiwirrkurra people. Negotiations to enter into a Mining Agreement for the development and operation of the Mackay SOP Project remain on track.

Environmental Studies

A second phase of alternate season environmental surveys will be completed throughout April and May. These works will include Level 2 flora and vegetation surveys, Level 2 terrestrial fauna surveys, a subterranean fauna survey and a lake ecology survey. Various other environmental planning and assessment exercises also continue internally. Agrimin continues to engage extensively with key authorities and stakeholders as part of ongoing consultation and permitting processes.

DFS Pilot Trial

Planning, permitting and procurement of equipment for a DFS pilot trial are well advanced. The trial will consist of long-term pumping tests and a long-term evaporation trial. The pilot trial will be designed to further de-risk key production assumptions expected to underpin a DFS.

ENDS

For more information contact:

Mark Savich

Chief Executive Officer

T: +61 402 746 757

E: msavich@agrimin.com.au

Alec Pismiris

Director & Company Secretary

T: +61 402 212 532

E: apismiris@agrimin.com.au

Or visit our website at www.agrimin.com.au

About Agrimin

Based in Perth, Agrimin Limited is a leading fertilizer development company focused on the development of its 100% owned Mackay SOP Project. The Project is situated on Lake Mackay in Western Australia, which is the largest undeveloped SOP-bearing salt lake in the world. Agrimin is aiming to be a global supplier of high quality SOP fertilizer to both traditional and emerging value-added markets. Agrimin Limited's shares are traded on the Australian Stock Exchange (ASX: AMN).