

ASX Release
10 January 2019

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 DECEMBER 2018

Highlights

Mackay SOP Project

- **Definitive Feasibility Study continues to advance**
- **Fieldwork included trench pump testing, geophysical surveys, on-lake diamond drilling, geotechnical test pitting, cone penetration testing, LiDAR topography survey and evaporation trials**
- **The Government of Western Australia announced a proposed reduction to Mining Lease rents for minerals extracted from brine deposits**

Corporate

- **New tenement applications lodged over Percival Lakes and Lake Auld areas in Western Australia**
- **Cash balance of \$10.4 million at 31 December 2018**

Agrimin Limited (ASX: AMN) (“Agrimin” or “the Company”) is pleased to report its activities for the quarter ending 31 December 2018.

Mackay SOP Project – Western Australia (100% owned)

The Mackay Sulphate of Potash (“SOP”) Project is located on Lake Mackay in Western Australia and is 100% owned by Agrimin. The Project tenements cover an area of 4,335km² and are located 785km south of the Port of Wyndham (Figure 1).

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. Lake Mackay covers an area of approximately 3,500km² and measures approximately 80km east-west and north-south. The salt lake is comparable in size to the two major sources of primary SOP production, being the 4,400km² Great Salt Lake in the USA and the 5,500km² Lop Nur (Luobupo operation) in China.

Lake Mackay’s hydrogeological setting and significant size provide important attributes that support the development of a globally significant SOP operation.

The closest community to the Mackay SOP Project is Kiwirrkurra which is located approximately 60km southwest. The Company has executed a Native Title Agreement that provides the necessary consents for the Project’s development and operations on the Kiwirrkurra People’s lands.

Figure 1. Mackay SOP Project Location Map



A Pre-Feasibility Study (“PFS”) for the Mackay SOP Project was completed in May 2018. The PFS is based on the extraction of brine-hosted SOP from a single aquifer unit which commences approximately 40cm below ground surface. Brine is planned to be extracted solely from shallow trenches and fed into a series of solar evaporation ponds. Potassium-bearing salts will precipitate in the ponds and will be wet harvested and pumped to the process plant.

The process plant has been designed for a capacity of 426,000tpa of SOP as dry granular product, with the PFS assuming a product mix of 50% granular and 50% standard product. The PFS assumed all production is shipped through Wyndham Port via an integrated mine-to-ship logistics chain.

Details of the PFS results were provided in the Company's ASX Release on 7 May 2018.

Definitive Feasibility Study

During the quarter, the Company advanced the Definitive Feasibility Study (“DFS”) for the Mackay SOP Project with majority of the planned DFS fieldwork programs having been completed. During the quarter the Company's fieldwork included trench pump testing, diamond drilling, gravity and passive seismic surveys, geotechnical test pitting, cone penetration testing, LiDAR topography survey and evaporation trials.

The Company investigated the option of trucking LNG to the Project as an alternative to the natural gas pipeline which was contemplated in the PFS. Outcomes of this investigation indicate that LNG fuel supply could potentially remove the large up-front capital cost associated with the gas pipeline, while maintaining operating costs at a similar level as estimated in the PFS. During the quarter, the Company advanced discussions with LNG suppliers towards confirming the economics of utilising LNG.

The Company also progressed activities in relation to locating the back-end of its process plant (being all plant and equipment after the SOP conversion step) at Wyndham, rather than at Lake Mackay. A general layout for the storage shed, plant and equipment has been designed in order to facilitate discussions with stakeholders regarding the development of this new infrastructure at Wyndham Port.

Project Permitting

During the quarter, the Government of Western Australia announced its decision to reduce the rental rate for Mining Leases that relate to the extraction of minerals from brine deposits. Under the proposed amendments, the Company's Mining Lease will now be charged at a new rental rate of \$2.32 per hectare for the first five years and \$4.64 per hectare onwards. This is a substantial cost saving from the current rate of \$18.70 per hectare and indicates the State's commitment to supporting this new industry. The new rental rates are expected to come into effect in 2019, following which the Company intends to apply for a Mining Lease for the Mackay SOP Project.

The Company continued native title consultations with respect to obtaining land access agreements for its proposed 388km haul road corridor. The corridor passes through three native title determination areas, which includes Tjamu Tjamu (Aboriginal Corporation) RNTBC, Parna Ngururrpa (Aboriginal Corporation) RNTBC, and Tjurabalan Native Title Land Aboriginal Corporation RNTBC.

Project Financing

Agrimin continues to liaise with a number of potential strategic partners and traditional financiers. The Company also continues to assess a number of options in relation to off-take agreements which are aligned with the project execution strategy for the Mackay SOP Project.

Corporate Activities

Share Issues

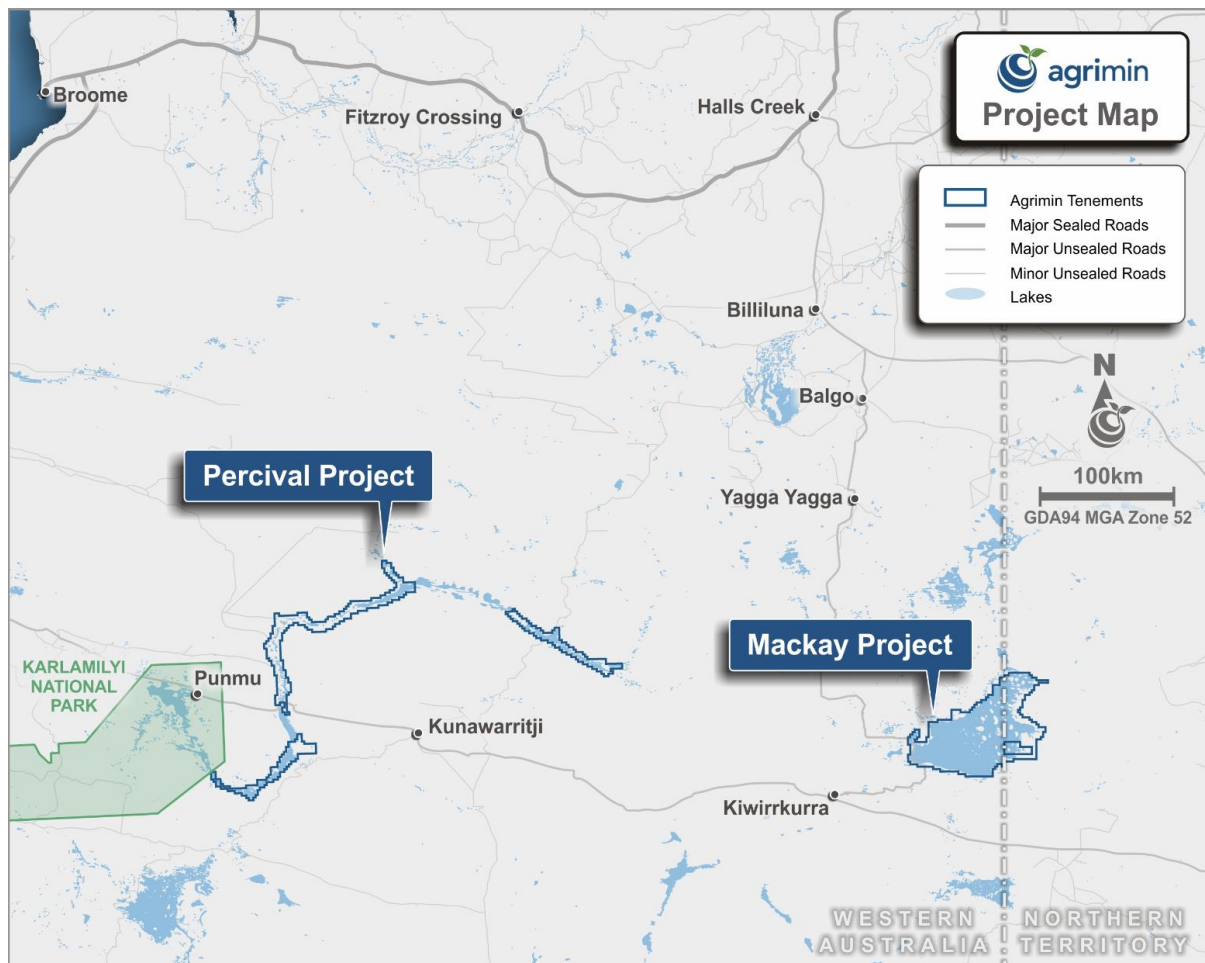
No ordinary shares or other securities were issued during the quarter. The Company has agreed to the future issue of 1,000,000 ordinary shares to Potash Global Limited for services related to the facilitation of Exploration Licence applications during the quarter. These shares will be issued upon the earlier of the granting of the applications or 12 December 2019.

Business Development

Various business development opportunities are constantly under consideration, with all opportunities being assessed in context of the Company's current strategic goals and risk profile.

During the quarter, the Company lodged five Exploration Licence applications located approximately 450km south-east of Broome, Western Australia. The applications cover an area of 2,792km² over the majority of an extensive 450km long lake system (**Figure 2**). Historic sampling of brine within the application area has returned the highest known Potassium grades from an Australian salt lake to date. The Company intends to progress native title consultations with a view to having the Exploration Licences granted in 2019.

Figure 2. Project Location Map



Tenement Interests

Table 1. Schedule of Tenement Interests as at 31 December 2018

Tenement Ref.	Project	Holder	State	Status	Interest
Exploration Licences					
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.	Granted	100%
E80/5055	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/5124	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/5172	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
EL30651	Mackay SOP	Agrimin Limited	N.T.	Application	100%
EL31780	Mackay SOP	Agrimin Limited	N.T.	Application	100%
EL31781	Mackay SOP	Agrimin Limited	N.T.	Application	100%
E80/5173	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E80/5175	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E80/5242	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E80/5243	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E80/5244	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E80/5315	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E80/5316	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E45/5417	Percival SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5418	Percival SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5419	Percival SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5420	Percival SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5421	Percival SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
Miscellaneous Licences					
L80/87	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
L80/88	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Granted	100%
L80/95	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%
L80/96	Mackay SOP	Agrimin Potash Pty Ltd	W.A.	Application	100%

ENDS

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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, 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).

Forward-Looking Statements

This ASX Release 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.

Competent Person's Statements

The information in this ASX Release that relates to Exploration Results, Mineral Resource Estimates and Pre-Feasibility Study results are extracted from the relevant ASX Releases and are available on www.asx.com.au and Company's website on 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 Resource, that all material assumptions and technical parameters underpinning the estimates in the ASX Release on 7 May 2018 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.