

ASX Release
14 October 2019

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 30 SEPTEMBER 2019

Highlights

Mackay Potash Project

- **Definitive Feasibility Study continued to advance**
- **Ongoing fieldwork included the long-term evaporation pond trial, targeted hydrogeological investigations, haul road heritage survey and environmental surveys**
- **Completion of water bore drilling to confirm process water supply for the Mackay Processing Plant**
- **Award of engineering design contracts for the Mackay Processing Plant and Wyndham Port Facility**
- **Option Agreement signed for the purchase of freehold property at Wyndham Port and completion of geotechnical fieldwork and topographic survey**
- **Marketing activities continued for Agrimin's portfolio of SOPM and SOP products**

Corporate

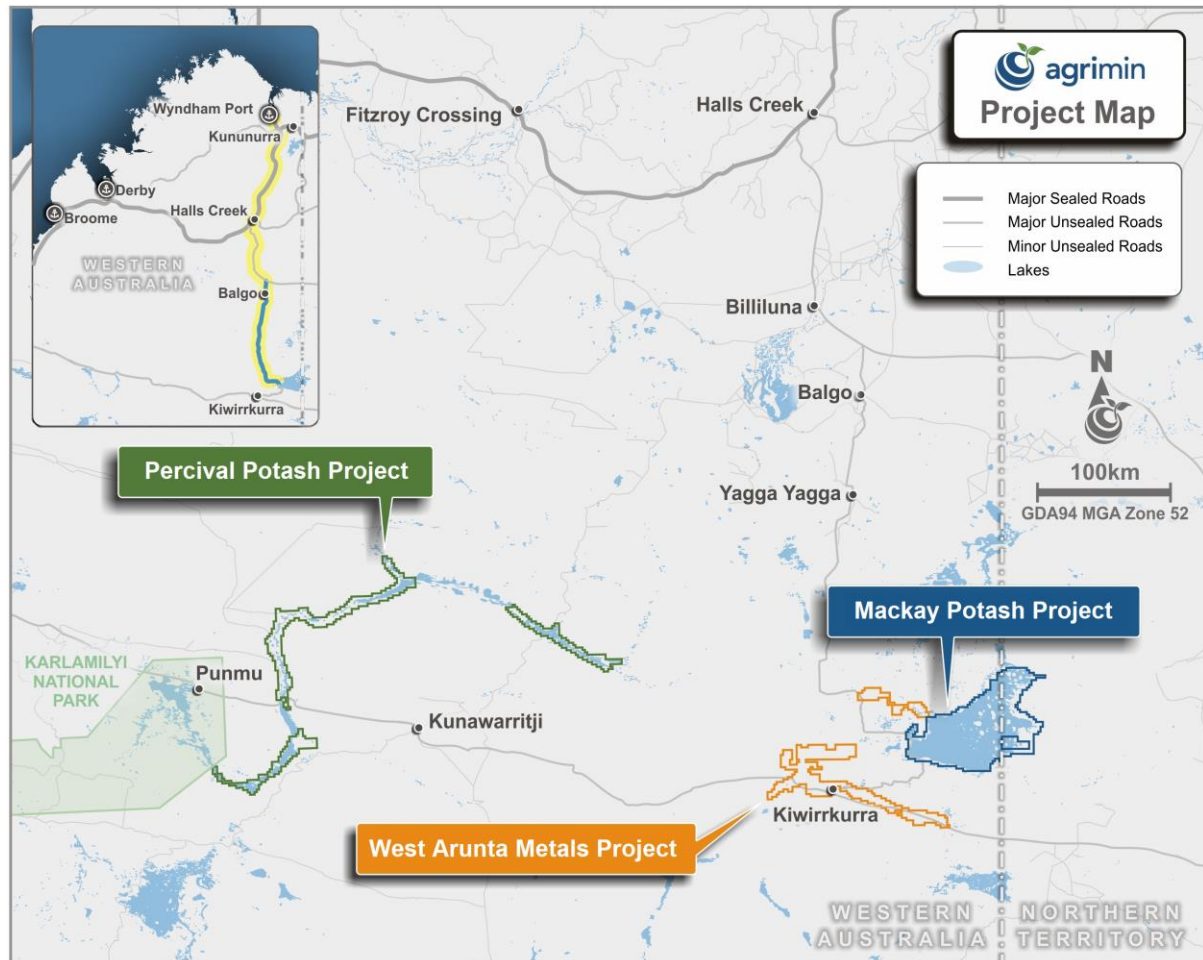
- **Completion of a placement to raise \$8.2 million (before costs)**
- **Cash balance of \$9.6 million at 30 September 2019**

Agrimin Limited (ASX: AMN) ("Agrimin" or "the Company") is pleased to report its activities for the quarter ending 30 September 2019.

Mackay Potash Project – Western Australia (100% owned)

The Mackay Potash Project is situated on Lake Mackay and located 785km south of Wyndham, Western Australia (**Figure 1**). It comprises nine granted Exploration Licences covering an area of 3,057km² in Western Australia and three Exploration Licence applications covering an area of 1,240km² in the Northern Territory.

Figure 1. Project Location Map



Lake Mackay’s hydrogeological setting and favourable brine chemistry provide important attributes that support the development of a globally significant chloride-free potash operation. Lake Mackay is the largest known potash-bearing salt lake in Australia and covers an area of approximately 3,500km². The salt lake is comparable in size to the two major sources of primary Sulphate of Potash (“SOP”) production, being the 4,400km² Great Salt Lake in the USA and the 5,500km² Lop Nur (Luobupo operation) in China.

The closest community to the project is Kiwirrkurra which is located approximately 60km south-west. The Company has a Native Title Agreement in place that provides the necessary consents for the project’s development and operations.

The Pre-Feasibility Study (“PFS”) for the Mackay Potash Project was completed in May 2018. The PFS is based on the extraction of brine-hosted potash 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 which precipitate in the ponds will be wet harvested and pumped to the processing plant. The processing plant is designed for a production capacity of 426,000tpa of SOP, with an assumed product mix of 50% granular and 50% standard. All production is planned to be shipped through Wyndham Port to world markets.

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

Definitive Feasibility Study

The Company continues to advance the Definitive Feasibility Study (“DFS”) for the project with the outcomes of the study expected to be announced in early 2020.

Long-term data acquired from the Company’s two year pump testing program across Lake Mackay is being used to construct robust and reliable hydrogeological models to simulate lake-wide groundwater flow and mass transport. The Company’s hydrogeological consultants are currently preparing an updated Mineral Resource Estimate, maiden Ore Reserve and DFS mine plan.

The pilot evaporation trial continued throughout the quarter, with salt harvesting activities ongoing in order to allow the trial to operate uninterrupted over the long-term. The trial has operated with continuous brine flows since October 2018 with brines being transferred through the ponds under a daily transfer regime. The Company’s on-site process engineering team are closely monitoring the brine chemistry and salt formation in each pond in order to capture a full annual cycle of operating data and seasonal variation. In addition, potash salts are being progressively harvested from the pilot evaporation ponds to produce product samples marketing purposes.

In addition to the pilot evaporation trial, the Class-A evaporation pans measured evaporation rates for the winter and early spring months. The rates measured were in-line with the rates applied in the DFS pond modelling for the same period.

The project’s proposed process water borefield is located south of Lake Mackay, approximately 30km from the planned Mackay Processing Plant. During the quarter, the Company completed a program of water bore drilling and pump testing at four sites within the proposed borefield area. The program successfully intersected two extensive aquifer units consisting of alluvium and unconsolidated to consolidated sands to a depth of 110m, with typical airlift yields of seven litres per second. The raw water quality ranged from fresh to brackish, averaging 2,600 milligrams per litre of total dissolved salts across the four sites. This data is being used to construct the groundwater model and design the borefield for the DFS.

The Company’s process consultants have completed the process modelling and flowsheets for the DFS. During the quarter, the Company awarded the DFS design package for the Mackay Processing Plant.

Road trains are planned to transport powdered potash production from the Mackay Processing Plant to the Wyndham Port for shipment. The DFS engineering design for the Company’s haul road was completed during the quarter.

The Company recently signed an Option Agreement to purchase Lot 701 Barytes Road at Wyndham Port. The 17 hectare site is planned to host the Company’s Wyndham Port Facility, which will comprise a truck unloading hopper, covered storage sheds, granulation equipment, workshops, offices, as well as a conveyor and jetty to support barge loading operations.

During the quarter, the Company completed geotechnical and topographic work programs across Lot 701 and awarded the DFS design package for the Wyndham Port Facility. The Company has also signed a Memorandum of Understanding in relation to barge loading services for the shipment of its potash production. The Wyndham Port Facility is being designed to provide a bulk shiploading solution that is specifically tailored to the Company’s potash fertiliser products. The proposed barge loading facility will allow the Company to export its products in a range of cargo sizes of up to Ultramax in size (62,000 DWT).

Project Permitting

During the quarter, the Company continued a range of activities to progress the project's environmental assessment which is underway with the Environmental Protection Authority and Commonwealth Department of the Environment and Energy.

The Company also progressed consultations with both the Ngururra native title holders and the Tjurabalan native title holders in relation to access agreements for the proposed haul road corridor which passes through their native title determination areas. During the quarter, the Company completed a heritage survey along corridor within the Ngururra native title determination area.

Project Financing

The Company continued discussions 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 Potash Project.

During the quarter, the Company engaged with potential customers and off-takers to ensure the DFS will incorporate the most cost effective port and shiploading operations based on the variety of cargo types and sizes that have been requested.

The Northern Australia Infrastructure Facility ("NAIF") Board has previously expressed its interest in investigating the potential for NAIF support for the project with particular reference to Agrimin's proposed infrastructure. The NAIF could potentially provide concessional longer term debt finance for the project's proposed infrastructure.

Percival Potash Project – Western Australia (100% owned)

The Percival Potash Project is located approximately 450km south-east of Broome, Western Australia (**Figure 1**). It comprises five Exploration Licence applications covering an area of 2,792km² across the majority of an extensive 450km long lake system. Historic sampling of brine within the application area has returned the highest known in-situ potassium grades from an Australian salt lake to date.

During the quarter, the Company progressed consultations with Western Desert Lands Aboriginal Corporation (Jamukurnu-Yapalikunu) RNTBC, the Native Title representative body for the Martu people, with a view to having the Exploration Licences granted in 2019.

West Arunta Metals Project – Western Australia (100% owned)

The West Arunta Metals Project is located approximately 785 kilometres south of Wyndham, Western Australia (**Figure 1**). It comprises four granted Exploration Licences covering an area of 2,057km². The Company has signed Mineral Exploration and Land Access Deed of Agreements with Tjamu Tjamu (Aboriginal Corporation) RNTBC and with Parna Ngururra (Aboriginal Corporation) RNTBC.

The West Arunta Orogen has long been recognised as a prospective area for gold and base metals mineralisation and shares many similarities with known Iron Oxide Copper-Gold ("IOCG") provinces such as the Cloncurry and

Olympic Dam districts. BHP Billiton and Western Mining Corporation established a presence in the area in the late 1990's to explore for IOCG deposits, however prohibitive land access prevented these companies conducting meaningful exploration. Since 2005, several exploration companies have undertaken small and sporadic exploration programs in the region. Since May 2017, Agrimin has systematically reviewed and consolidated a significant amount of data and information in relation to previous exploration around Lake Mackay.

During the quarter, the Company completed rock chip sampling, geological mapping, ground gravity and airborne magnetic surveys over several prospects.

Corporate Activities

Share Issues

During the quarter, the Company announced a placement of 15,000,000 shares at \$0.55 per share to raise \$8.25 million (before costs). The Company has issued 14,710,000 ordinary shares as part of the placement. It is anticipated that the remainder of 290,000 ordinary shares will be issued to directors of the Company subject to shareholder approval at the upcoming Annual General Meeting to be held in November 2019.

No other ordinary shares or other securities were issued during the quarter.

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.

Tenement Interests

Table 1. Schedule of Tenement Interests as at 30 September 2019

Tenement Ref.	Project	Holder	State	Status	Interest
Exploration Licences					
E80/4887	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4888	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4889	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4890	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4893	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/4995	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/5055	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/5124	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/5172	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
EL30651	Mackay Potash	Agrimin Limited	N.T.	Application	100%
EL31780	Mackay Potash	Agrimin Limited	N.T.	Application	100%

Tenement Ref.	Project	Holder	State	Status	Interest
EL31781	Mackay Potash	Agrimin Limited	N.T.	Application	100%
E80/5173	West Arunta Metals	Agrimin Metals Pty Ltd	W.A.	Granted	100%
E80/5175	West Arunta Metals	Agrimin Metals Pty Ltd	W.A.	Granted	100%
E80/5333	West Arunta Metals	Agrimin Metals Pty Ltd	W.A.	Application*	100%
E80/5334	West Arunta Metals	Agrimin Metals Pty Ltd	W.A.	Application*	100%
E45/5417	Percival Potash	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5418	Percival Potash	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5419	Percival Potash	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5420	Percival Potash	Agrimin Potash Pty Ltd	W.A.	Application	100%
E45/5421	Percival Potash	Agrimin Potash Pty Ltd	W.A.	Application	100%
Miscellaneous Licences					
L80/87	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
L80/88	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
L80/95	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Application	100%
L80/96	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%

* E80/5333 and E80/5334 were granted on 8 October 2019.

ENDS

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About Agrimin

Based in Perth, Agrimin Limited is a leading fertiliser development company focused on the development of its 100% owned Mackay Potash Project. The Project is situated on Lake Mackay in Western Australia, the largest undeveloped potash-bearing salt lake in the world. Agrimin is aiming to be a global supplier of specialty potash fertilisers 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.