ASX Release
3 December 2019

HAULAGE JOINT VENTURE AND STRATEGIC ALLIANCE

Highlights

- **Haulage joint venture formed with experienced WA bulk logistics operator for the transport of Agrimin's potash production from the Mackay Potash Project to Wyndham Port**

- **Strategic alliance with trucking specialist Mr Craig Mitchell brings important operational capability to Agrimin's logistics chain**

- **Joint venture company, named Newhaul Bulk, is established with the clear objective of partnering with local communities and maximising the opportunity to use local and Indigenous truck drivers**

Agrimin Limited (**ASX: AMN**) ("**Agrimin**" or "**the Company**") is pleased to announce that it has signed a Haulage Joint Venture Agreement with Newhaul Pty Ltd. Under the agreement, Agrimin and Newhaul Pty Ltd have formed a 50:50 incorporated joint venture named Newhaul Bulk Pty Ltd ("**Newhaul Bulk**") which will provide road haulage and road maintenance services for the Mackay Potash Project in Western Australia ("**WA**").

Mr Craig Mitchell has been appointed CEO of Newhaul Bulk. Mr Mitchell was the founder and former owner of Mitchell Corp which was one of the largest suppliers of trucking and bulk logistics services to WA's mining industry prior to being acquired by Toll Group in 2011 for approximately $110 million.

The joint venture arrangement will provide Agrimin with important benefits, including:

- The potential for cost savings over the project's 20 year life through the elimination of management role duplication, sharing the benefits of innovation and maximising locally sourced labour;

- De-risking product haulage by using a proven WA bulk logistics operator, while retaining control of the logistics chain;

- Greater transparency relating to a future Haulage Contract; and

- Development of driver training programs in order to maximise the opportunity to use local and Indigenous truck drivers.

The establishment of Newhaul Bulk in partnership with an experienced operator represents a significant milestone in the risk management and reduction of costs in relation to Agrimin's future product haulage. The contract terms relating to the provision of haulage services for the initial 20 year project life are to be agreed in due course and pursuant to a future Haulage Contract to be executed between Agrimin and Newhaul Bulk.

Newhaul Bulk's haulage operation is planned to include a fleet of approximately 24 road trains to transport 426,000 tonnes per annum of potash[1] from Lake Mackay to Wyndham Port, where Agrimin's proposed shiploading facility will be located. Direct employment associated with the haulage operation is expected to be more than 100 people.

Newhaul Bulk has been established with the clear objective of maximising the employment of local and Indigenous people involved with the haulage of Agrimin's potash production. A plan to achieve this includes the development of driver training centres and job readiness programs in regional communities, including Kununurra and Halls Creek.

The proposed large-scale and long-life haulage of Agrimin's potash production through northern Australia is receiving important assistance by way of Government funding initiatives.

Both the Federal and State Governments have announced an allocation of funding to the upgrade of the Tanami Road, which has been identified as a Road of Strategic Importance by Infrastructure Australia. In April 2019, the Australian Government announced it will allocate $75 million in the 2019-2020 Federal Budget to the Tanami Road. In May 2019, the Western Australian Government announced it will allocate a further $43 million to the Tanami Road in the 2019-2020 State Budget. While the Tanami Road is already certified for use of Newhaul Bulk's planned road trains, the proposed upgrade will provide safer and more efficient haulage operations along that 205km section of road (**Figure 1**).

In addition, the Northern Australian Infrastructure Facility ("**NAIF**") Board has previously expressed its interest in investigating the potential for NAIF support for the Mackay Potash Project with particular reference to Agrimin's proposed infrastructure. Agrimin submitted an application for concessional longer term debt finance from the NAIF to assist with the funding of the southern 346km section of the haul road (**Figure 1**).

Mark Savich, CEO of Agrimin said: *"Following almost a year of collaboration and stakeholder engagement, we are delighted to formally partner with Craig to establish Newhaul Bulk. It is clear that we share the same vision of working with regional communities to create local job opportunities for more than 100 people in relation to the haulage of Agrimin's potash."*
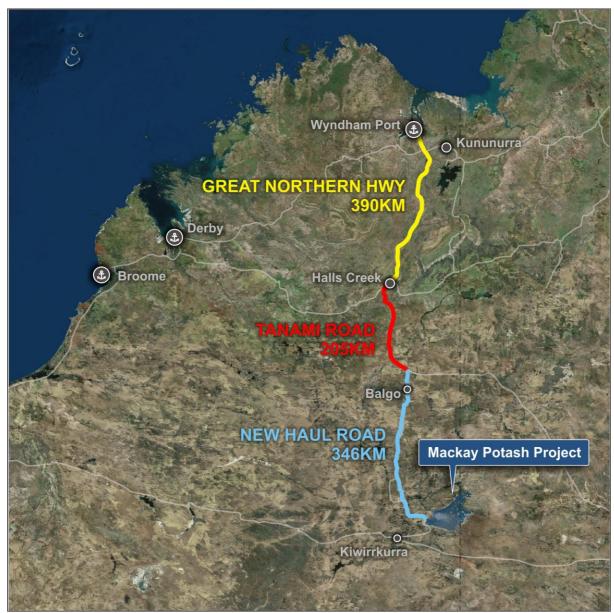
"We are confident that the joint venture arrangement can deliver significant reductions in costs and risks over the life of our project, when compared to a traditional contracting model. In addition, we believe partnering with an experienced trucking operator will ensure that our haulage will be undertaken in a safe, efficient and low-cost manner."

Craig Mitchell, CEO of Newhaul Bulk said: *"I look forward to working with the Agrimin team to establish a world-class logistics capability. Early engagement has provided a unique opportunity to maximise local training and job opportunities for the remote WA towns extending from Lake Mackay to Wyndham."*

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[1] Refer to the ASX Release on 7 May 2018 for full Pre-Feasibility Study details. All material assumptions underpinning the production target and forecast financial information derived from the production target continue to apply and have not materially changed.

Figure 1. Project Map

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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).

About Newhaul Bulk

Newhaul Bulk is an incorporated joint venture responsible for the haulage operations of Agrimin Limited, a leading fertiliser development company. Newhaul Bulk is led by Mr Craig Mitchell and has been established with the objective of maximising local and Indigenous employment for the haulage of potash fertiliser from the Mackay Potash Project, whilst delivering a lower cost for the project than traditional contracting arrangements.

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.