

ASX Release  
12 March 2021

## TALI AND RIO TINTO FARM-IN AGREEMENT FOR METALS EXPLORATION

### Highlights

- **Farm-in and Joint Venture Agreement (“Agreement”) has been signed between Tali Resources Pty Ltd (40% owned by Agrimin) (“Tali”) and Rio Tinto Exploration Pty Ltd (“Rio Tinto”)**
- **Rio Tinto can earn up to a 75% interest through the staged funding of exploration on five tenements held by Tali that are prospective for iron oxide copper-gold (“IOCG”) mineralisation**
- **The Agreement sees a major global mining group enter the West Arunta region and demonstrates the region’s potential to host significant exploration and development activities**

Agrimin Limited (ASX: AMN) (“Agrimin” or “the Company”) is pleased to advise of a Farm-in and Joint Venture Agreement executed between Tali and Rio Tinto. Tali is a private company which is 40% owned by Agrimin and is focused on exploring for precious and base metal deposits in the West Arunta and Madura regions of Western Australia.

Pursuant to the Agreement, Rio Tinto can earn a joint venture interest in five tenements held by Tali (**Figure 1**). The Agreement with Rio Tinto does not involve any of Agrimin’s tenements and does not cover any areas associated with the Company’s world-class Mackay Potash Project.

Since the late 1990’s, the West Arunta Orogen has been recognised as highly prospective for IOCG mineral systems with many similarities to the Olympic Dam and Cloncurry mineral districts. Over the past two decades, several exploration companies have undertaken small and sporadic exploration programs in the region. Despite hosting belt-scale base and precious metal prospectivity, the West Arunta Orogen remains one of the most under-explored regions in Australia.

During 2019 and 2020, Tali completed detailed ground gravity and airborne magnetic surveys, as well as ultrafine fraction soil sampling, rock chip sampling and geological mapping over several IOCG targets. The 2021 exploration plan will be finalised by Tali and Rio Tinto in the coming weeks.

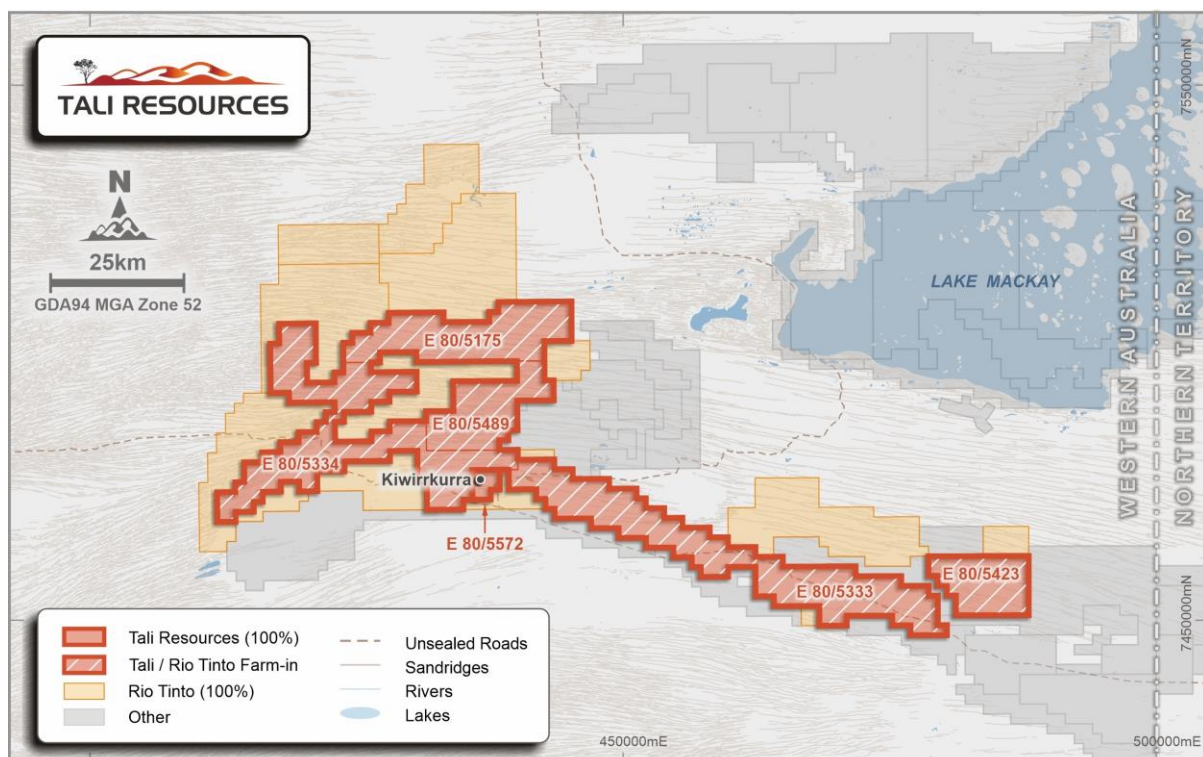
**Mark Savich, CEO of Agrimin said:** *“It is pleasing to see a major mining company such as Rio Tinto commit to exploring on Kiwirrkurra lands within the West Arunta region through its farm-in agreement with Tali. We look forward to the commencement of their exploration as well as the prospect of new opportunities being created for the Kiwirrkurra community.”*

Key terms of the Agreement are as follows:

- Stage 1: Rio Tinto can earn an initial 51% joint venture interest in the tenements by sole funding exploration expenditure of \$3.0 million and completing a minimum of 3,000m of diamond and/or RC drilling within the first three years (including a minimum expenditure commitment of \$0.7 million);
- Stage 2: If Rio Tinto satisfies Stage 1, it can earn an additional 14% joint venture interest in the tenements by sole funding exploration expenditure of a further \$5.5 million and completing a total of 7,000m of diamond and/or RC drilling (including the Stage 1 drilling) within the next four years;
- Stage 3: If Tali does not elect to contribute to exploration expenditure in proportion to its joint venture interest after Stage 2, Rio Tinto can earn an additional 10% joint venture interest by further sole funding joint venture expenditure to the earlier of: (i) the definition of a Measured and Indicated Mineral Resource with an in-situ value of at least \$2 billion; or (ii) the completion of an Order of Magnitude Study including the definition of a Mineral Resource with an in-situ value of at least \$500 million; or (iii) exploration expenditure of a further \$50 million; and
- After the joint venture is formed and Rio Tinto is no longer sole funding, if a party does not contribute in proportion to its joint venture interest, its interest will dilute in accordance with an industry standard dilution formula. If a party dilutes below a 15% joint venture interest, its interest will automatically convert into a 1% net smelter return royalty on commercial production for the first 12 years.

Native title consent to the Agreement has not yet been provided. Rio Tinto may terminate the Agreement if native title consent is not received within 60 days of the execution date of the Agreement or the timeframe for obtaining such consent is not otherwise extended by Rio Tinto.

**Figure 1. Map of Tenements Subject to the Agreement**



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This ASX Release is authorised for market release by Agrimin's Board.

**About Agrimin**

Based in Perth, Agrimin Limited is a leading fertiliser development company focused on the development of its 100% owned potash projects in Western Australia. Agrimin is aiming to be a global supplier of specialty potash fertilisers to both traditional and emerging value-added markets. Agrimin's shares are traded on the Australian Securities Exchange (ASX: AMN).