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QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2021

Highlights

Mackay Potash Project

- SOP marketing and off-take negotiations advanced with multiple international fertiliser companies with execution of binding contracts anticipated to commence in the June 2021 quarter
- Advisian continued to advance the Independent Technical Review of the Mackay Potash Project on behalf of debt financiers which is expected to be finalised in the June 2021 quarter
- Coffey engaged to complete early-works geotechnical investigations and detailed design for the project's haul road
- Environmental Impact Assessment progressed with the completion of additional targeted environmental surveys on Lake Mackay

Corporate

- Completion of Share Purchase Plan raising approximately \$1.5 million
- Farm-in and Joint Venture Agreement signed between Tali Resources Pty Ltd (40% owned by Agrimin) and Rio Tinto Exploration Pty Ltd
- Cash balance of \$7.3 million as at 31 March 2021

Agrimin Limited (ASX: AMN) ("Agrimin" or "the Company") is pleased to report its activities for the quarter ending 31 March 2021.

Mackay Potash Project – Western Australia (100% owned)

Agrimin's vision is to establish the Mackay Potash Project as the world's leading seaborne supplier of Sulphate of Potash ("**SOP**") fertiliser, to develop the project with sustainability principles at its core and to empower local Indigenous communities throughout the project's long life.



The Mackay Potash Project is situated on Lake Mackay in Western Australia, the largest undeveloped potashbearing salt lake in the world. Lake Mackay hosts significant volumes of brine (hypersaline groundwater) containing dissolved potassium and sulphur which can produce high-grade, water-soluble SOP fertiliser. SOP has a low salt index and is virtually chloride-free, making it ideal for use on high value crops such as fruits and vegetables. Additionally, Agrimin's SOP is certified as an allowable input for use in organic production systems.

The Definitive Feasibility Study ("**DFS**") for the Mackay Potash Project was completed in July 2020. The DFS demonstrated the project's globally significant scale and that once in operation it could be the world's lowest cost source of seaborne SOP. The project also offers excellent potential to expand over time to meet the expected growth in demand for SOP.

The project is located 940km by road south of the Wyndham Port in Western Australia (**Figure 1**). It comprises nine granted Exploration Licences covering 3,057km² in Western Australia and three Exploration Licence applications covering 1,240km² in the Northern Territory.

The closest community to the project is Kiwirrkurra which is located approximately 60km south-west. A Native Title Agreement is in place and provides the necessary consents for the project's development and operation.

Figure 1. Project Location Map





The project development plan is based on the sustainable extraction of brine from Lake Mackay using a network of shallow trenches. Brine will be transferred along trenches into a series of solar evaporation ponds located on the salt lake's surface. Raw potash salts will crystallise on the floor of the ponds and be collected by wet harvesters and pumped as a slurry to the processing plant located off the edge of the salt lake. The plant will refine harvested salts into high quality finished SOP fertiliser ready for direct use by customers. SOP will be hauled by a dedicated fleet of road trains to a purpose-built storage facility at Wyndham Port. At the port, SOP will be loaded via an integrated barge loading facility for shipment to customers.

Agrimin's commitment to a sustainable and ESG-friendly development was embodied throughout the DFS and the project will deliver on a number of metrics, including:

- Strong engagement with Indigenous people and Traditional Owners, as well as support for important land management and community programs;
- Significant commitment to training and employment opportunities for Indigenous people, particularly in relation to the road haulage operation;
- High renewable energy penetration to deliver very low scope 1 and 2 emissions along with one of the lowest carbon footprints associated with any macro-nutrient fertiliser product; and
- Creation of critical new seaborne SOP supply to help developing countries achieve their food security goals, especially with respect to increasing demand for high value crops such as fruits, vegetables, tree nuts and grape-vines.

Following completion of the DFS, the Mackay Potash Project is now rapidly advancing toward a Final Investment Decision. Current activities include:

- Product marketing and off-take agreements;
- Project funding and strategic partnerships;
- Front-End Engineering Design;
- Execution planning and contracting;
- Environmental approvals; and
- Mining tenements and secondary approvals.

Product Marketing and Project Funding

In December 2020, the Company appointed Advisian, a subsidiary of Worley Limited, as Independent Technical Expert on behalf of financiers. This Independent Technical Review ("**ITR**") of the Mackay Potash Project neared completion at the end the quarter.

The ITR will be an important milestone to enable Agrimin to access significant debt finance, including from the Northern Australia Infrastructure Facility ("**NAIF**") which has continued to express its interest to provide concessional longer term debt finance for the project.

The Company is currently undertaking product marketing for its planned SOP production in conjunction with project funding. The majority of the project's production is planned to be committed under marketing and/or off-take contracts to support debt finance. The Company is also continuing discussions with some of the world's largest fertiliser companies who are interested to participate in product marketing and development of the Mackay Potash Project.



Project Permitting

During the quarter, the Environmental Impact Assessment ("EIA") for the Mackay Potash Project continued and remains the critical path item for the commencement of full-scale project construction. The project will be assessed by the Western Australian Environmental Protection Authority ("EPA") at a Public Environmental Review level with a four week public comment period. The EPA's assessment is an accredited process under a bilateral agreement with the Commonwealth Government, and therefore the project will not require a separate assessment by the Commonwealth Department of Agriculture, Water and the Environment ("DAWE").

Significant rainfall occurred in the wet season of late 2020 and early 2021, enabling the following investigations to be undertaken on Lake Mackay:

- Surface water and sediment sampling;
- Aquatic biota sampling; and
- Targeted waterbird survey.

In addition, further targeted fauna and flora investigations were conducted on Lake Mackay and surrounding areas. Groundwater level data was also downloaded from several on-lake and off-lake monitoring bores.

In parallel with the EIA process, the Company is progressing the project's other remaining approvals, licences and agreements, which include:

- Department of Mines, Industry Regulation and Safety ("**DMIRS**") Miscellaneous Licences, Mining Lease, Mining Proposal and Mine Closure Plan approvals under the Mining Act 1978;
- Department of Water and Environmental Regulation ("DWER") Works Approval and Licence under Part V of the EP Act; and
- Agreements with Parna Ngururrpa (Aboriginal Corporation) RNTBC and Tjurabalan Native Title Lands (Aboriginal Corporation) for the grant of Miscellaneous Licences over the proposed haul road alignment.

During the quarter, the Company completed a Tjamu Tjamu (Aboriginal Corporation) RNTBC heritage survey to clear the proposed disturbance envelopes for non-process infrastructure to be located within the Kiwirrkurra native title determination area.

Government and Community Engagement

The Company continues its active engagement in local communities and across all levels of Federal, State and Local Government. The Mackay Potash Project enjoys strong support in local communities, particularly given the employment opportunities and economic infrastructure that the project will create. The project is expected to create approximately 200 direct full-time jobs and support over 600 jobs through the regional supply chain over its 40 year life, generating valuable long-term opportunities for Indigenous people living in Central Desert communities, as well as people living throughout the broader Kimberley region.

During the quarter, Newhaul Bulk Pty Ltd (the strategic haulage joint venture between Agrimin and Newhaul Pty Ltd) progressed plans to establish a Driver Training Academy to maximise the number of local employees and provide further opportunities for local employment and skills training presented by the project's development. The Driver Training Academy will aim to provide inspiring pathways for young people in Central Desert, East Pilbara and Kimberley communities who are interested in pursuing a long-term career in logistics.



Lake Auld Potash Project – Western Australia (100% owned)

The Lake Auld Potash Project is located approximately 640km south-east of Port Hedland, Western Australia (**Figure 1**). The project consists of a granted Exploration Licence covering a lakebed area of 108km² across Lake Auld. Lake Auld's exceptionally high grades, favourable climatic conditions for solar evaporation and proximity to a major operating port support the potential for strong project economics.

The Lake Auld Potash Project is neighboured either side by the Company's existing Exploration Licence applications which cover the Canning Palaeovalley, including the remainder of Lake Auld and Percival Lakes. The Company's tenements cover the most prospective portion of the 450km long lake system where historic sampling of brine has returned the highest known in-situ SOP grades from an Australian salt lake.

During the quarter, the Company advanced plans for a heritage survey with Western Desert Lands Aboriginal Corporation (Jamukurnu-Yapalikunu) RNTBC, the Native Title representative body for the Martu people.

Corporate Activities

During the quarter, the Company provided a number of virtual presentations, including the Bell Potter Unearthed Conference in February 2021.

Share Issues

During the quarter, the Company completed a Share Purchase Plan ("**SPP**") which raised approximately \$1.5 million. A total of 3,287,171 ordinary shares were issued at the offer price of \$0.45 per share under the SPP. No further 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.

The Company holds a 40% interest in Tali Resources Pty Ltd (**"Tali**") which has Exploration Licences throughout Western Australia that are prospective for gold and base metals mineralisation. During the quarter, Tali signed a Farm-in and Joint Venture Agreement (**"Agreement**") with Rio Tinto Exploration Pty Ltd (**"Rio Tinto**"), pursuant to which Rio Tinto can earn up to a 75% joint venture interest in five tenements held by Tali in the West Arunta region. The Agreement does not involve any of Agrimin's tenements and does not cover any areas associated with the Company's 100% owned Mackay Potash Project.

Summary of Expenditure Incurred on Activities

The Company incurred \$1,298,362 which for accounting purposes has been allocated to on exploration and evaluation activities during the quarter. No expenditure was allocated to development or production activities during the quarter. Accordingly, exploration and evaluation expenditure during the quarter related to on-site operating costs, Front-End Engineering Design, environmental approvals, native title agreements, product marketing and project financing.



Payments to Related Parties of the Entity

A description of and explanation for payments to related parties and their associates per Section 6.1 of the Appendix 5B for the quarter ending 31 March 2021 is set out below (**Table 1**).

Table 1. Payments to Related Parties of the Entity and their Associates

| Item | Current Quarter (A\$) | Previous Quarter (A\$) |
|--|--------------------------|---------------------------|
| Directors' Remuneration | | |
| CEO Salary and Superannuation | 82,500 | 82,500 |
| Non-Executive Director Fees | 57,375 | 57,375 |
| Company Secretarial Fees | 9,000 | 9,000 |
| Total payments to related parties of the entity and their associates | 148,875 | 148,875 |

Tenement Interests

Table 2. Schedule of Tenement Interests as at 31 March 2021

| 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% | |
| EL31781 | Mackay Potash | Agrimin Limited | N.T. | Application | 100% | |
| E45/4925 | Lake Auld Potash | Agrimin Potash Pty Ltd | W.A. | Granted | 100% | |
| E45/5417 | Lake Auld Potash | Agrimin Potash Pty Ltd | W.A. | Application | 100% | |
| E45/5419 | Lake Auld Potash | Agrimin Potash Pty Ltd | W.A. | Application | 100% | |
| E45/5420 | Lake Auld Potash | Agrimin Potash Pty Ltd | W.A. | Application | 100% | |
| E45/5579 | Lake Auld Potash | Agrimin Potash Pty Ltd | W.A. | Application | 100% | |
| Other 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% | |



| Tenement Ref. | Project | Holder | State | Status | Interest |
|---------------|---------------|------------------------|-------|-------------|----------|
| L80/96 | Mackay Potash | Agrimin Potash Pty Ltd | W.A. | Granted | 100% |
| L80/98 | Mackay Potash | Agrimin Potash Pty Ltd | W.A. | Application | 100% |

ENDS

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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 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's shares are traded on the Australian Securities 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.