

ASX Release
28 April 2022

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2022

Highlights

Mackay Potash Project

- **Binding Offtake Agreements signed with Nitron Group and Gavilon Fertilizer for supply of 115,000tpa and 50,000tpa of Sulphate of Potash (“SOP”), respectively**
- **70% of planned SOP production now committed under offtakes to support project funding**
- **Australian Government’s Federal Budget allocates an additional \$400 million of funding to completely seal the Tanami Road in Western Australia**
- **Front End Engineering Design (“FEED”) works continued successfully, including completion of vendor testwork for key components of the process plant**

Corporate

- **Capital raising of approximately \$10.0 million completed**
- **Cash balance of \$9.2 million as at 31 March 2022**

Agrimin Limited (ASX: AMN) (“Agrimin” or “the Company”) is pleased to report its activities for the quarter ending 31 March 2022.

Mackay Potash Project – Western Australia (100% owned)

Agrimin’s vision is to establish the Mackay Potash Project (“the Project”) as the world’s leading seaborne supplier of 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 Project is situated on Lake Mackay in Western Australia, the largest undeveloped potash-bearing 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. Agrimin’s SOP is certified as an allowable input for use in organic production systems.

The Project is located 940km by road south of the Wyndham Port in Western Australia (**Figure 1**). It comprises nine granted Exploration Licences covering over 3,000km² in Western Australia and four Exploration Licence applications covering over 1,200km² 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 within the Kiwirrkurra determination area.

Figure 1. Project Location Map



The Project’s 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.

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 Independent Technical Review (“ITR”) of the DFS and Project was completed in April 2021 by Advisian Pty Ltd, a subsidiary of the Worley Limited group of companies. The ITR report concluded that, based upon the data described in the report, the identified project risks are not expected to impact the technical and financial viability of the Project, particularly when considering the FEED work programs and mitigations that are planned to occur prior to the Company making a Final Investment Decision (“FID”).

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 greenhouse gas 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.

The Mackay Potash Project is now rapidly advancing toward a FID. Current activities include:

- Project funding and strategic partnerships;
- FEED works, execution planning and contracting; and
- Mining tenure and environmental approvals.

Product Marketing and Project Funding

During the quarter, the Company signed a Binding Offtake Agreement with Nitron Group, LLC for the supply of 115,000tpa of SOP for sale and distribution in Latin America, Mexico, the Caribbean and Africa. Subsequent to the quarter, the Company signed a Binding Offtake Agreement with Gavilon Fertilizer, LLC for the supply of 50,000tpa of SOP for sale and distribution in the USA. These two agreements are in addition to the Binding Offtake Agreement signed in May 2021 with Sinochem Fertilizer Macao Limited for the supply of 150,000tpa of SOP for sale and distribution in China.

The Company has now committed its minimum target of 70% of planned SOP production capacity under long-term binding offtake agreements and discussions with potential project partners and financiers continue.

Front End Engineering Design

The Company’s integrated owner’s team is currently progressing the FEED phase of the Project, supported by a team of best-in-class consultants and contractors who are providing ongoing expertise across the various project disciplines.

Primero Group Limited, a subsidiary of NRW Holdings Limited, continues to advance the FEED works for the Project’s process plant and associated non-process infrastructure. During the quarter, the Company announced

the completion of the first phase of FEED testwork in relation to the process plant which was completed by two different vendors.

Royal IHC continues to advance the FEED works in relation to the automated wet harvesters for the Project. During the quarter, the Company announced the completion of the site-based testwork program, confirming key design parameters, including salt properties and cutting forces.

Coffey Services Australia Pty Ltd continues to progress the FEED works in relation to the Project's haul road. During the quarter, the Company announced the completion of geotechnical programs along the entire length of the proposed haul road alignment. The geotechnical program confirmed that the alignment has good accessibility, constructability, and presence of resources such as borrow materials. Additionally, a LiDAR topographic survey has been carried out over the alignment. Completion of the requisite field programs will now enable finalisation of the detailed engineering design.

Project Approvals

The Environmental Impact Assessment ("EIA") for the Mackay Potash Project continued during the quarter, and remains the critical path item for the commencement of full-scale 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.

All environmental surveys and studies required to support the EIA have been completed and the Company's Environmental Review Document will be released by the EPA for public comment during May 2022.

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

- Department of Mines, Industry Regulation and Safety – Miscellaneous Licences, Mining Lease, Mining Proposal and Mine Closure Plan approvals;
- Department of Water and Environmental Regulation – Works Approval and Licence; and
- Agreements with Parna Ngururrpa (Aboriginal Corporation) RNTBC and Tjurabalan Native Title Lands (Aboriginal Corporation) RNTBC for the grant of Miscellaneous Licences over the proposed haul road.

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, the Australian Government announced in the 2022-23 Federal Budget that it will allocate \$400 million of additional funding to completely seal the Tanami Road to the Western Australian border, improving safety, accessibility and flood resilience to better support communities and industries along the route.

This proposed funding is directly applicable to the section of the existing unsealed Tanami Road that Agrimin plans to utilise during trucking operations.

Main Roads Western Australia has developed plans to seal the first 20km section south of Great Northern Highway near Halls Creek in 2022. Detailed design, ground surveys and approvals are also planned or underway for the following sections.

During the quarter, Newhaul Bulk Pty Ltd (the strategic haulage joint venture between Agrimin and Newhaul Pty Ltd) continued to progress 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)

During the quarter, the Company continued its consultations with Western Desert Lands Aboriginal Corporation (Jamukurnu-Yapalikunu) RNTBC, the Native Title representative body for the Martu people.

The Lake Auld Potash Project is located approximately 640km south-east of Port Hedland, Western Australia (**Figure 1**). The Lake Auld Potash 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 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.

Corporate Activities

During the quarter, the Company provided a number of investor presentations.

Share Issues

During the quarter, the Company issued approximately 14.3 million ordinary shares under a placement that raised \$5.0 million. In addition, the Company issued approximately 14.3 million ordinary shares under an oversubscribed Share Purchase Plan that raised \$5.0 million. The capital raising details were announced on 28 January 2022.

Also during the quarter, the Company issued approximately 47.7 million ordinary shares via a bonus issue of one new fully paid ordinary share for every five fully paid ordinary shares held. This bonus issue was to benefit all shareholders in the Company based on the progress that the Company has made in advancing its Mackay Potash Project toward an FID. The bonus issue has also expanded the Company's share base and is intended to encourage greater liquidity in the trading of the Company's shares.

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.

Agrimin holds a 40% interest in Tali Resources Pty Ltd which has Exploration Licences in Western Australia that are prospective for gold and base metals mineralisation. The Exploration Licences are subject to a Farm-in and Joint Venture Agreement signed with Rio Tinto Exploration Pty Ltd. No exploration activities occurred during the quarter. An RC drilling program will commence in May 2022.

Summary of Expenditure Incurred on Activities

The Company incurred \$1,434,000 which for accounting purposes has been allocated to exploration and evaluation activities during the quarter. No expenditure was allocated to development or production activities during the quarter. Exploration and evaluation expenditure during the quarter related to on-site operating costs, FEED, 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 2022 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	57,500	57,500
Company Secretarial Fees	9,000	9,000
Total payments to related parties of the entity and their associates	149,000	149,000

Tenement Interests

Table 2. Schedule of Tenement Interests as at 31 March 2022

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%

Tenement Ref.	Project	Holder	State	Status	Interest
E80/5124	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
E80/5172	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
EL24861	Mackay Potash	Agrimin Potash Pty Ltd	N.T.	Application	100%
EL30651	Mackay Potash	Agrimin Potash Pty Ltd	N.T.	Application	100%
EL31780	Mackay Potash	Agrimin Potash Pty Ltd	N.T.	Application	100%
EL31781	Mackay Potash	Agrimin Potash Pty Ltd	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%
L80/96	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Granted	100%
L80/98	Mackay Potash	Agrimin Potash Pty Ltd	W.A.	Application	100%
L80/99	Mackay Potash	Northern Infrastructure Pty Ltd	W.A.	Application	100%
L80/100	Mackay Potash	Northern Infrastructure Pty Ltd	W.A.	Application	100%
L80/101	Mackay Potash	Northern Infrastructure Pty Ltd	W.A.	Application	100%
L80/102	Mackay Potash	Northern Infrastructure Pty Ltd	W.A.	Application	100%
L80/103	Mackay Potash	Northern Infrastructure Pty Ltd	W.A.	Application	100%
L80/104	Mackay Potash	Northern Infrastructure Pty Ltd	W.A.	Application	100%
L80/105	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.