agrimin

ANNUAL REPORT 2019

CORPORATE DIRECTORY

DIRECTORS

Richard Seville	Non-Executive Chairperson
Mark Savich	Chief Executive Officer (CEO) and Executive Director
Brad Sampson	Non-Executive Director
Alec Pismiris	Non-Executive Director and Company Secretary

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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SHARE REGISTER

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WEBSITE

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STOCK EXCHANGE LISTING

Agrimin Limited shares are listed on the Australian Securities Exchange (ASX: AMN)

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REVIEW OF OPERATIONS

MACKAY POTASH PROJECT (100% INTEREST)

The Mackay Potash Project is situated in Western Australia, approximately 785 kilometres south of the Wyndham Port. The Project comprises twelve Exploration Licences covering a total area of 4,335 square kilometres spanning Lake Mackay, which is the world's largest undeveloped Sulphate of Potash (SOP) bearing salt lake.

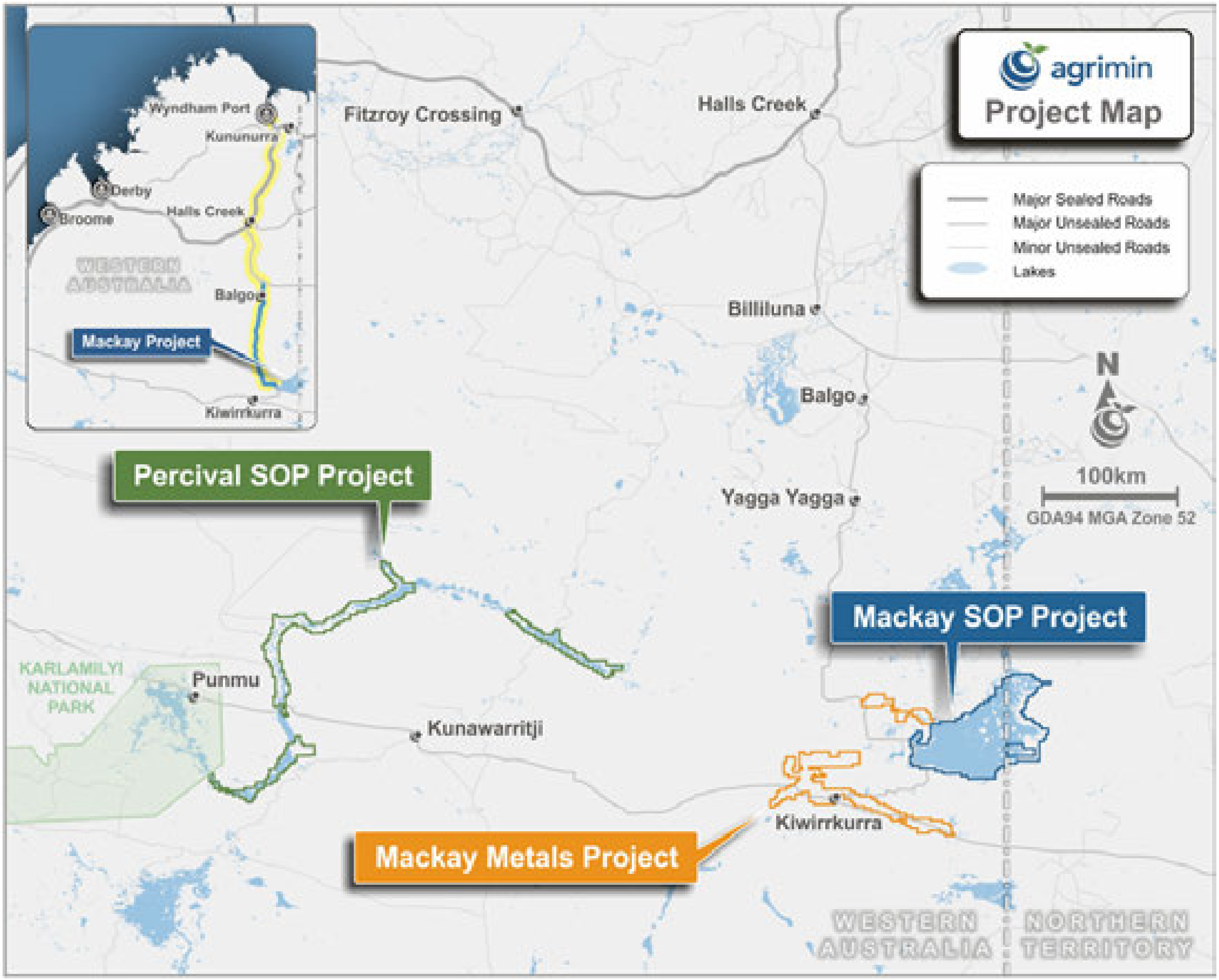

Figure 1: Map of Mackay SOP Project

The closest community is Kiwirrkurra which is located approximately 60 kilometres southwest of the Project. The Company has executed a Native Title Agreement with Tjamu Tjamu (Aboriginal Corporation) RNTBC, the native title registered body corporate for the Kiwirrkurra people. The agreement provides the necessary consents for the Project's development and operations within the Kiwirrkurra determination area.

The Company completed a Pre-Feasibility Study for the Project in 2018. This study was designed for a production rate of 426,000 tonnes per annum of SOP with an assumed a product mix of 50% granular and 50% standard product with all production being shipped through Wyndham Port in Western Australia.

DEFINITIVE FEASIBILITY STUDY

During the financial year, the Company commenced a Definitive Feasibility Study (DFS) for the Project which is being designed for the production of a range of low-chloride potash fertiliser products.

The majority of the DFS fieldwork programs are complete. During the past year, this has included ongoing trench pump testing, targeted hydrogeological investigations, gravity and passive seismic surveys, deep diamond drilling, LiDAR topography surveys, geotechnical test pitting, cone penetration testing and pilot evaporation trials.

The Company has received strong interest from fertiliser customers who would benefit from a completely water-soluble potassium fertiliser that contains magnesium and sulphur. Accordingly, over the past year the Company has completed extensive processing studies and has successfully developed a process to produce a high-quality Sulphate of Potash Magnesia (SOPM) product.

Agrimin's SOPM product is a low-chloride potash fertiliser with a high content of potassium, sulphur and magnesium. SOPM has a low salt index and is essentially chloride-free. It is fully soluble and pH neutral and is therefore highly suitable for soil application. The DFS product mix of SOP and SOPM will be based on projected customer demand and this will determine the Project's overall production tonnages.

Significant progress has been achieved towards the establishment of a new transport corridor between the Mackay Potash Project and Wyndham Port. The Company has completed a range of technical, heritage and environmental activities in relation to the development of its planned road and port infrastructure to support the Project.

The DFS development plan will locate the back-end of the Project's process plant at Wyndham Port. The Company continues to engage with several potential fertiliser customers to ensure the Project will incorporate the most cost-effective port and shiploading operations based on the variety of cargo types and sizes that have been requested.

FUNDING

Agrimin continues to liaise 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 for its SOP and SOPM product range.

During the year, the Federal Government announced an allocation of $75 million in the Federal Budget to the Western Australian section of the Alice Springs to Halls Creek Corridor (Tanami Road). This funding is anticipated to occur under the Australian Government's Roads of Strategic Importance (ROSI) initiative. In addition, the Western Australian Government announced an allocation of $43 million to the Tanami Road in the State Budget.

The Company has received an expression of interest by Northern Australia Infrastructure Facility (NAIF) to investigate potential NAIF support for the Project with particular reference to Agrimin's proposed infrastructure. NAIF is a corporate Commonwealth entity that can provide long-term concessional loans to encourage and complement investment in infrastructure that benefits northern Australia. This is separate to any funding provided under the Federal and State Budgets.

REVIEW OF OPERATIONS

ENVIRONMENT

Agrimin is committed to minimising the impact of its activities on the environment. Since exploration activities commenced at the Project in 2015, no reportable environmental incident has occurred and it is the Company's focus to maintain this performance as the Project advances. The Company has completed baseline environmental surveys in order to obtain data across the Project area and immediate surroundings. Several environmental studies will be required to support the environmental impact assessment and to facilitate the approvals process.

During the year, the Company referred the Project to the Environmental Protection Authority (EPA) for assessment under Section 38 of the Environmental Protection Act 1986 (WA). The EPA determined the level of assessment to be a Public Environmental Review. Concurrently, the Company referred the Project to the Commonwealth Department of the Environment and Energy (DoEE) for assessment under the Environment Protection and Biodiversity Conservation Act 1999. The DoEE has determined the Project is a controlled action and will be assessed by accredited assessment under the Environmental Protection Act 1986 (WA).

COMMUNITY

The Project is located within the Kiwirrkurra native title determination area. The Company values its relationship with the Kiwirrkurra people and is committed to maintaining an enduring partnership to ensure the Project can bring many benefits to the local community.

The Company's consultations with local members of the Kiwirrkurra community indicate strong support for a potash operation at the Project and there is a high degree of interest in the range of opportunities the operation would create. The Project has the potential to be one of the largest employers in the area and to provide substantial long-term benefits.

During the year, the Company also progressed native title consultations with respect to obtaining land access agreements for a proposed haul road corridor which passes through three native title determination areas, including Tjamu Tjamu (Aboriginal Corporation) RNTBC, Parna Ngururrpa (Aboriginal Corporation) RNTBC and Tjurabalan Native Title Land Aboriginal Corporation RNTBC.

SAFETY

The Company is firmly committed to ensuring all work activities are carried out safely with all practical measures taken to remove risks to the health, safety and welfare of workers, contractors, authorised visitors and anyone else who may be affected by the Company's activities.

Although the Company has increased activities at the Project over the last year, it is pleased to report that no serious injuries have been reported. This safety performance, along with a strong safety culture, bodes well as the Company continues to increase its activity levels.

PERCIVAL POTASH PROJECT (100% INTEREST)

The Percival Potash Project is situated in Western Australia, approximately 450 kilometres south-east of Broome.

During the year, the Company announced it had lodged five Exploration Licence applications covering an area of 2,792 square kilometres over an extensive 450-kilometre-long lake system. The applications cover areas across both Percival Lakes and Lake Auld where reconnaissance potash exploration activity has historically occurred. Historic sampling of brine within the Percival Lakes application area has returned the highest known potash grade sampled from an Australian salt lake.The Company has commenced native title consultations with a view to having the Exploration Licences granted.

MACKAY METALS PROJECT (100% INTEREST)

The Mackay Metals Project is situated in Western Australia, approximately 785 kilometres south of the Wyndham Port. It comprises four Exploration Licences, of which two have been granted. During the year, the Company signed Mineral Exploration and Land Access Deed of Agreements in relation to its granted tenements with Tjamu Tjamu (Aboriginal Corporation) RNTBC and with the Parna Ngururrpa (Aboriginal Corporation) RNTBC.

The Company has been systematically reviewing and consolidating a significant amount of data and information in relation to previous exploration on and around its tenements. 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 attempted to explore the region for IOCG and other deposit types, but a combination of access and logistical issues have previously proven difficult to overcome.

CORPORATE

The Company successfully completed a capital raising of $10,000,000 (before costs) via a placement to institutional and sophisticated investors in July 2018. The placement was conducted at an issue price of $0.80 per share, resulting in the issue of 12,500,000 ordinary shares.

On 25 September 2018, the Company issued 1,000,000 ordinary shares to Tjamu Tjamu (Aboriginal Corporation) RNTBC, the native title registered body corporate for the Kiwirrkurra people, pursuant to the terms of the Native Title Agreement signed by the parties on 8 November 2017. These shares are subject to a voluntary escrow period expiring on 29 June 2021.

On 18 December 2018, the Company announced that it agreed to the future issue of 1,000,000 ordinary shares to Potash Global Limited for services related to the facilitation of Exploration Licence applications covering areas across Percival Lakes and Lake Auld within Western Australia. The shares will be issued upon the earlier of the granting of the applications or 12 December 2019. The applications were still outstanding at 30 June 2019.

On February 2019 the Company received a government grant of $2,008,829 (2018: $707,182) in the form of a refundable research and development offset for the financial year ended 30 June 2018. There were no unfulfilled conditions attached to the grant.

On 26 June 2019, the Company announced the appointment of Mr Richard Seville to the Board of Directors as Non-Executive Chairperson effective 5 August 2019, replacing Mr Brad Sampson who continues to serve on the Board as a Non-Executive Director.

DIRECTORS' REPORT

DIRECTORS' REPORT

Your Directors are pleased to provide their report on Agrimin Limited (ASX: AMN) (Agrimin or the Company) together with the consolidated financial statements for the Company and its controlled entities (Group) for the year ended 30 June 2019.

DIRECTORS' AND COMPANY SECRETARY

The names and details of the Company's directors and company secretary in office during the financial year and until the date of this report are as follows. Directors and company secretary were in office for the entire period unless otherwise stated.

NAMES, QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES

Richard Seville

Non-Executive Chairperson, appointed 5 August 2019.

BSc (Hons) Mining Geology, MEngSc Rock Engineering, MAusIMM, ARSM.

Mr Seville has over 35 years' experience in the resources sector including positions as Managing Director, Operations Director, Non-Executive Director and Chairperson. Mr Seville recently retired from his position as Chief Executive Officer and Managing Director of Orocobre Limited (ASX: ORE), a lithium and boron chemicals producer with operations in Argentina. He led Orocobre Limited for 12 years where he took the flagship Olaroz brine project through exploration, feasibility, financing with project debt and partnering with Toyota Tsusho Corporation and into production. Mr Seville holds a BSc in Mining Geology from Imperial College, London and a Masters in Engineering Science from James Cook University.

Mr Seville's other current directorships include Orocobre Limited and Advantage Lithium Corp.

Mark Savich

CEO and Executive Director, appointed 1 December 2012 and Chief Executive Officer from 1 March 2015.

BComm, CFA, GradDipMinExplGeoSc,GAICD.

Mr Savich is a Chartered Financial Analyst with over 15 years' experience dealing with technical and corporate aspects of resource companies, from early stage exploration through to production. He is skilled in project identification, technical and economic evaluation and corporate development. Mr Savich holds a Bachelor of Commerce from the University of Western Australia, a Graduate Diploma in Mineral Exploration Geoscience for WA School of Mines, is a Chartered Financial Analyst and a graduate member of the Australian Institute of Company Directors.

Brad Sampson

Non-Executive Director, appointed 22 April 2016 (formerly Non-Executive Chairperson until 5 August 2019).

B.E. (Hons) Mining, MBA, AMP, GAICD, MAusIMM.

Mr Sampson is an internationally experienced business leader, director and mining professional with 30 years' resources industry experience. In addition to significant project development and operating experience, he is an experienced director with listed and non-listed company and joint venture governance experience across multiple international jurisdictions. Mr Sampson currently serves as Chief Executive Officer and Director of Kore Potash Plc. He has been the Managing Director of Discovery Metals Ltd and held senior management roles in resources and engineering companies including Newcrest Mining, Gold Fields Ltd, and Thiess. His experience covers the entire cycle of exploration, development, operations and closure, and includes equity and debt funding of resources projects, government relations and product marketing.

Mr Sampson was formerly a director of Tiger Resources Limited.

Alec Pismiris

Non-Executive Director and Company Secretary, appointed 3 October 2013.

BComm, MAICD, FGIA FCIS.

Mr Pismiris has over 30 years' experience in the securities, finance and mining industries and currently is a director of several ASX listed companies. He is currently engaged as Interim President and Chief Executive Officer of Pacton Gold Inc listed on the TSX Venture Exchange. Since 1990, Mr Pismiris has served as a director and company secretary for various ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and a fellow of The Governance Institute of Australia. Mr Pismiris has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities.

Mr Pismiris' other current directorships include Frontier Resources Limited, HotCopper Holdings Limited, Pacton Gold Inc., Pelican Resources Limited and Victory Mines Limited.

Mr Pismiris was formerly a director of Aguia Resources Limited and Impression Healthcare Limited.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report the relevant interests of each Director in the shares and options of the Group are:

Director	Ordinary	Options	Performance Rights
R Seville	-	-	-
M Savich	9,800,000	-	4,000,000
B Sampson	1,600,000	-	500,000
A Pismiris	4,210,000	-	500,000

DIRECTORS' MEETINGS

An audit committee was originally established in July 2007. However, due to the current composition of the Board of Directors and scale of activities of the Company, this committee was not utilised during the year ended 30 June 2019. All matters that would normally have been reviewed by this committee were reviewed by the full Board of Directors.

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year were:

Director	Board Meetings	
	Held	Attended
M Savich	6	6
B Sampson	6	6
A Pismiris	6	6

PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was advancing the Mackay Potash Project in Western Australia. There was no significant change in the nature of the Group's activities during the financial year ended 30 June 2019.

REVIEW OF OPERATIONS AND RESULTS

Details of the operations of Group are set out in the Review of Operations on page 3.

The Group incurred an after-tax operating loss of $1,794,598 (2018: $1,192,684).

DIVIDENDS

No dividends have been paid or recommended for the current year (2018: None).

EVENTS SUBSEQUENT TO REPORTING DATE

The Company successfully completed a capital raising of $8,250,000 (before costs) via a placement to institutional and sophisticated investors in September 2019. The placement included 15,000,000 ordinary shares to be issued at a price of $0.55 per share. On 20 September 2019, the Company issued 14,710,000 of these ordinary shares. The remainder of 290,000 ordinary shares are to be issued to two directors subject to shareholder approval to be sought at the Company's Annual General Meeting.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group are set out in the Review of Operations on page 3.

IDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount).

No payment has been made to indemnify Ernst & Young during or since the financial year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

INDEMNIFICATION

The Company has agreed to indemnify the directors of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

INSURANCE PREMIUMS

The Company has arranged directors and officers' liability insurance, for past, present or future directors, secretaries and executive officers. The insurance cover relates to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The Group's paid a premium of $24,000 (2018: $13,000) for directors and officer's insurance.

ENVIRONMENTAL REGULATION

The Group is subject to environmental regulation in respect to its exploration activities and aims to ensure that the highest standard of environmental care is achieved, and it complies with all relevant environmental legislation. There have been no material breaches during the period covered by this report.

NON-AUDIT SERVICES

The Board has considered the non-audit services provided during the financial year by the auditor and is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor's independence requirements of the Corporations Act 2001. The non-audit services were reviewed by the Board to ensure:

- they do not impact the integrity and objectivity of the auditor; and
- they do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

During the period, Ernst & Young the Company's auditors performed the following services in addition to their statutory duties:

	2019 $
Preparation of Research and Development (R&D) Tax Services for the year ended 30 June 2019	10,000

During the period, Ernst & Young had also assisted with the preparation of the Income Tax Return and Research and Development Tax Services for the year ended 30 June 2018. The Company paid $50,000 for the service provided.

CORPORATE GOVERNANCE

The Company's corporate governance statement can be found on page 22.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 21.

REMUNERATION REPORT (AUDITED)

1.0 PRINCIPLES OF REMUNERATION

Key management personnel have the authority and responsibility for planning, directing and controlling the activities of the Group.

The Key Management Personnel of Agrimin Limited and the Group are:

Directors

R Seville	Non-Executive Chairperson (appointed 5 August 2019)
M Savich	Chief Executive Officer (CEO) and Executive Director
B Sampson	Non-Executive Director (formerly Non-Executive Chairperson until 5 August 2019)
A Pismiris	Non-Executive Director and Company Secretary

Named Key Management Personnel

T Lyons	General Manager

All the above persons were key management personnel during the financial year to 30 June 2019 unless otherwise stated. The information provided in this remuneration report has been audited as required by section 308 (3C) of the Corporations Act 2001.

Key elements of Key Management Personnel remuneration strategy

The following principles of remuneration have been agreed by the Board and formed the basis of the principles of remuneration during the relevant periods of employment and will remain relevant to future employment arrangements.

Remuneration levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives and as relevant to the circumstances of the Company from time to time. The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The remuneration structures consider the capability and experience of the key management personnel and the Group's performance including:

- the successful implementation of exploration programs designed to confirm and establish resources for development into operations;
- the Group's earnings, when and if appropriate;
- the growth in share price and delivering enhancement of shareholder value;
- the relevant prevailing employment market conditions; and
- the amount of incentives within each key management person's remuneration.

Remuneration packages include a mix of fixed and variable remuneration and short and long-term performance-based incentives.

1.1 FIXED REMUNERATION

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any fringe benefits tax charges related to employee benefits) as well as employer contributions to superannuation funds, as required by law. Remuneration levels are reviewed annually by the Chief Executive Officer and the Board through a process that considers individual performance, employment market conditions and overall performance of the Group.

1.2 PERFORMANCE LINKED REMUNERATION

Performance linked remuneration includes short-term and long-term incentives and is designed both to reward key management personnel for meeting or exceeding their financial and personal objectives and to keep the Group competitive in the marketplace. The Short-term Incentives (STI) is an at-risk bonus provided in the form of cash and based on agreed key performance indicators (KPIs) for each position. A Long-term Incentive (LTI) has been provided as performance rights to ordinary shares of the Company under the rules of the Agrimin Limited Performance Rights Plan 2017 (PRP). The PRP provides for the issuance of performance rights which, upon determination by the Board that the performance conditions attached to the performance rights have been met, will result in the issue of one ordinary share in the Company for each performance right.

If a performance condition of a performance right is not achieved by the milestone date then the performance right will lapse. A performance right will also lapse if the Board determines the participant ceases to be an eligible employee for the purposes of the PRP for any reason (other than as a result of retirement, disability, bona fide redundancy or death).

1.3 SHORT-TERM INCENTIVE BONUS

Each year the Board of Directors sets the KPIs for the Chief Executive Officer, other key management personnel and senior management. The KPIs will generally include measures relating to the Group, and to the individual, and include financial, people, strategy, and risk measures. The measures are chosen as they directly align the individual's reward to the KPIs of the Group and to its strategy and performance. The full Board reviews and confirms the cash incentive to be paid to each individual. This method of assessment was chosen as it provides the Board with an objective assessment of the individual's performance.

1.4 LONG-TERM INCENTIVE

Performance rights are issued under the PRP (made in accordance with thresholds set in plans that have been initially approved by the Board) and it provides for key management personnel to receive varying numbers of performance rights for no consideration. The actual number of performance rights issued depends on the seniority and responsibility of the executive concerned. The performance conditions and vesting periods of the performance rights are set so as to provide a realistic incentive to each executive and to reflect the executive's contribution to the Group and enhancement of value for all shareholders.

At a general meeting of shareholders held on 15 September 2017, the Company obtained approval for (i) the renewal of the Agrimin Limited Performance Rights Plan in accordance with the requirements of ASX Listing Rule 7.2, Exception 9; and (ii) the issue of 7,000,000 performance rights to the following directors and other key management personnel:

Director	Number issued
M Savich	4,000,000
B Sampson	500,000
A Pismiris	500,000
Other key management personnel	
T Lyons	2,000,000

The current performance condition and expiry date of the performance rights issued are as follows:

Performance condition	Expiry date
An ASX announcement by the Company of the production of its first Sulphate of Potash (SOP) from the Mackay SOP Project as per the final feasibility study. The performance rights are subject to a milestone date being five years from the date of grant.	Six months from the date of satisfaction of the Vesting Condition.

At Balance Date the Company had 7,000,000 performance rights outstanding (2018: 7,000,000) relating to key management personnel.

The grant date fair value of the performance rights ranges between $0.51 to $0.84 per right. Due to the effect of the above non-market performance condition, no share-based payment expense has been recognised at 30 June 2019 (2018: Nil).

The Board considers that the incentive to the directors and other key management personnel represented by the grant of these performance rights, are a cost effective and efficient reward for the Company to make to appropriately incentivise the continued performance of the directors and are consistent with the strategic goals and targets of the Company.

1.5 CONSEQUENCES OF PERFORMANCE ON SHAREHOLDER WEALTH

The Board considers that the most effective way to increase shareholder wealth is through the successful exploration and development of the Group's exploration tenements. The Board considers that the Group's LTI schemes incentivise key management personnel to successfully explore the Group's tenements by providing rewards that are directly correlated to delivering value to shareholders through share price appreciation.

The factors that are considered relevant to affect total shareholder returns as required to be disclosed by the Corporations Act 2001 are summarised in the following table. The table excludes return on capital employed as a relevant measure given the exploration basis of activity and operations of the Company.

	2019	2018	2017	2016	2015	2014
Net loss after tax ($000's)	(1,795)	(1,193)	(903)	(967)	(505)	(369)
Dividends paid	Nil	Nil	Nil	Nil	Nil	Nil
Share price at year end ($'s)	$0.505	$0.940	$0.465	$0.410	$0.200	$0.140

Source of share prices quoted: CommSec.

The Company also notes that as an exploration and development company operating revenue and profits are not KPIs in reviewing key management personnel STIs or LTIs. When establishing guidelines for any STIs, the Company looks to other measures such as raising market awareness, enhancement of share price and capital raising opportunities (as relevant), operational and achievement of goals and objectives in terms of establishment and milestones in attracting new and enhancing the Group's existing project.

2.0 REMUNERATION OF KEY MANAGEMENT PERSONNEL

Details of the nature and amount of each major element of remuneration of each director and key management person of the Group are as follows.

2019	Short-term employee benefits				Post-employment	Other long term	Total
	Salary & fees	STI cash	Consulting fees	Total	Superannuation benefits		
	$	$	$	$	$	$	$
Directors							
M Savich	150,000	51,300	-	201,300	19,124	11,538	231,962
B Sampson	80,000	-	-	80,000	7,600	-	87,600
A Pismiris(1)	36,000	-	44,000	80,000	-	-	80,000
Total Directors	266,000	51,300	44,000	361,300	26,724	11,538	399,562
Key management personnel							
T Lyons	190,000	60,800	-	250,800	23,826	14,615	289,241
Total key management personnel	190,000	60,800	-	250,800	23,826	14,615	289,241
Total	456,000	112,100	44,000	612,100	50,550	26,153	688,803
2018							
Directors							
M Savich	150,000	68,400	-	218,400	20,748	8,654	247,802
B Sampson	80,000	-	-	80,000	7,600	-	87,600
A Pismiris(1)	36,000	-	60,000	96,000	-	-	96,000
Total Directors	266,000	68,400	60,000	394,400	28,348	8,654	431,402
Key management personnel							
T Lyons	164,384	65,754	-	230,138	21,863	10,111	262,112
Total key management personnel	164,384	65,754	-	230,138	21,863	10,111	262,112
Total	430,384	134,154	60,000	624,538	50,211	18,765	693,514

(1) Mr Pismiris acted as company secretary during the year. Consulting fees represent amounts paid to Mr Pismiris for the performance of these services.

2.1 SERVICE CONTRACTS

Remuneration and other terms of employment for key management personnel are formalised in service agreements.

The Company has entered into an employment agreement with Chief Executive Officer, Mr Mark Savich. The material terms of the agreement are set out as follows:

- Commencement date: 1 March 2015
- Term: Ongoing and reviewed annually at the sole discretion of the Board
- Fixed remuneration: $150,000 per annum exclusive of superannuation
- Annual bonus of up to 60% of remuneration based upon KPIs set by the Board and reviewed annually
- Termination for cause: no notice period
- Termination without cause: three month notice period

The Company has entered into an employment agreement with General Manager, Mr Thomas Lyons. The material terms of the agreement are set out as follows:

- Commencement date: 24 March 2014 (revised contract 1 July 2018)
- Term: Ongoing and reviewed annually at the sole discretion of the Board
- Fixed remuneration: $190,000 per annum exclusive of superannuation
- Annual bonus of up to 40% of remuneration based upon KPIs set by the Board and reviewed annually
- Termination for cause: no notice period
- Termination without cause: three month notice period

There are no other service contracts with any director and there are no other key management personnel in the Company currently.

2.2 NON-EXECUTIVE DIRECTORS REMUNERATION

Total fees for all Non-Executive Directors was originally set by the Board on 22 June 2007 to not exceed $147,000. The levels of fees set were based on a review involving reference to fees paid to other Non-Executive Directors of comparable companies at the time. At a general meeting held on 15 September 2017 the Company obtained shareholder approval to increase of the maximum total aggregate amount of fees payable to Non-Executive Directors from $147,000 per annum to $250,000 per annum.

Directors' fees are paid monthly in arrears. Members of the Board of Directors are entitled to performance related remuneration, subject to obtaining the appropriate shareholder approvals. The chairperson base fee is $80,000 per annum exclusive of superannuation and base fees for the Non-Executive Director is $36,000 per annum. Directors' fees cover all main board activities. Additional services provided outside of board duties attract a separate daily rate agreed by the full Board. There is no board retirement scheme and there is currently no intention to establish such a scheme.

2.3 SHORT TERM INCENTIVES

Mr Mark Savich and Mr Tom Lyons were entitled to receive a cash bonus for the year ended 30 June 2019 as approved by the directors as determined against KPI measures set by the Board, which included performance of:

- Health, safety and environmental management;
- Progression of feasibility studies;
- Progression of project approvals; and
- Progression of project funding initiatives.

Mr Savich was entitled to receive up to a maximum of 60% of his individual total fixed remuneration. Mr Savich was awarded 57% of the maximum entitlement and received $51,300 for the year ended 30 June 2019 (2018: $68,400).

Mr Lyons was entitled to receive up to a maximum of 40% of his individual total fixed remuneration. Mr Lyons was awarded 80% of the maximum entitlement and he received $60,800 for the year ended 30 June 2019 (2018: $65,754).

STI's were paid subsequent to the year end.

2.4 PERFORMANCE RELATED REMUNERATION

The Group's policy in relation to the proportion of remuneration that is performance related is discussed under the section titled 'Performance linked remuneration'.

Performance rights are granted under a service condition whereby the grantee must be employed by the Group at the time the performance rights vest. If the performance rights are unvested at termination of the grantee's engagement by the Group, the performance rights expire on termination of the grantee's engagement. Upon performance rights vesting, the recipient is required to provide the Company with a Notice of Exercise. The Company must within 10 business days issue to the recipient the number of Shares in respect of which the performance rights have been exercised. Otherwise, performance rights expire on their expiry date. Performance rights issued under the Company's Performance Rights Plan have been provided at no cost to the recipient.

Details of vesting profiles of the Performance Rights granted as remuneration to each key management person of the Group are detailed below.

	Number of rights granted	Grant date	% forfeited / cancelled in year	Financial year in which grant is expected to vest	Expiry date
Directors					
M Savich	4,000,000 [(1)]	15 September 2017	-	30 June 2023	6 months from vesting
B Sampson	500,000 [(1)]	15 September 2017	-	30 June 2023	6 months from vesting
A Pismiris	500,000 [(1)]	15 September 2017	-	30 June 2023	6 months from vesting
Key management personnel					
T Lyons	2,000,000 [(1)]	15 September 2017	-	30 June 2023	6 months from vesting

Notes: (1) includes performance conditions relating to an ASX announcement by the Company of the production of its first Sulphate of Potash from the Mackay Potash Project as per the final feasibility study.

The maximum and minimum total value of the performance rights yet to be granted is $3,570,000 and nil at 30 June 2019.

Details of performance rights held by key management personnel of the Group during the financial year are as follows.

2019	Held at beginning of period	Granted as compensation	Forfeited/ expired	Vested and exercised	Held at end of the period	Vested at end of period
Directors						
M Savich	4,000,000	-	-	-	4,000,000	-
B Sampson	500,000	-	-	-	500,000	-
A Pismiris	500,000	-	-	-	500,000	-
Key management personnel						
T Lyons	2,000,000	-	-	-	2,000,000	-
Total	7,000,000	-	-	-	7,000,000	-

2.5 SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL

Shares held, directly, indirectly or beneficially, by key management personnel, including their related parties during the financial year were as follows.

2019	Held at beginning of period	Purchases / other acquisitions	Sales / other disposals	Net change other	Held at the end of the period
Directors					
M Savich	9,800,000	-	-	-	9,800,000
B Sampson	1,600,000	-	-	-	1,600,000
A Pismiris	4,210,000	-	-	-	4,210,000
Key Management Personnel					
T Lyons	1,931,045	-	-	-	1,931,045
Total	17,541,045	-	-	-	17,541,045

2.6 TRANSACTIONS AND BALANCES WITH KMP AND THEIR RELATED PARTIES

During the period $74,000 of fees were paid to Lexcon Services Pty Ltd (2018: $96,000) and $6,000 was payable for professional services provided by Mr Pismiris as Non-Executive Director and Company Secretary (2018: Nil). Services provided by Lexcon Services Pty Ltd were at terms equivalent to those that prevail in arm's length transactions.

There were no other related party transactions with other key management personnel of the Group for the year ended 30 June 2019.

-END OF REMUNERATION REPORT-

This report is made with a resolution of the directors:

Mark Savich

Chief Executive Officer and Executive Director

Perth

25 September 2019

Ernst & Young
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Building a better working world

Auditor's independence declaration to the directors of Agrimin Limited

As lead auditor for the audit of the financial report of Agrimin Limited for the financial year ended 30 June 2019, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Agrimin Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Pierre Dreyer
Partner
25 September 2019

PD:KG:AGRIMIN:007

CORPORATE GOVERNANCE STATEMENT

This statement outlines the main corporate governance practices adopted by the Board of Agrimin which comply with the ASX Corporate Governance Council recommendations unless otherwise stated.

The Board and management of Agrimin recognise their duties and obligations to shareholders and other stakeholders to implement and maintain a proper system of corporate governance. The Company believes that good corporate governance adds value to stakeholders and enhances investor confidence.

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the recommendations of the ASX Corporate Governance Council (Recommendations) in the reporting period. The Recommendations are guidelines designed to improve the efficiency, quality and integrity of the Company. They are not prescriptive and if a company considers a recommendation to be inappropriate having regard to its own circumstances, it has the flexibility not to follow it. Where a company has not followed all the Recommendations, it must identify which Recommendations have not been followed and give reasons for not following them.

This Corporate Governance Statement (Statement) sets out a description of the Company's main corporate practices and provides details of the Company's compliance with the Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation.

This Statement is current as at 30 June 2019 and has been approved by the Board of Directors of Agrimin. It is available on the Company's website at http://www.agrimin.com.au/category/corporate-governance/.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation	Requirement	Comply Yes/No
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes
1.2	A listed entity should: a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director, and b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes
1.5	A listed entity should: a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; b) disclose the policy or a summary of it; and c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either. 1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes): or 2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Act.	Yes
1.6	A listed entity should: a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors: and b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes

Recommendation	Requirement	Comply Yes/No
1.7	A listed entity should: a) have and disclose a process for periodically evaluating the performance of its senior executives; and b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes

The Company seeks a Board comprising directors with an appropriate variety of skill, experience and expertise who are competent in dealing with current and emerging issues of the business and who can effectively review and challenge the performance of management and exercise independent judgement. The Board has procedures for the selection and appointment of new directors and the re-election of incumbent directors, which are set out in the Corporate Governance Policies which are available on the Agrimin website.

Non-executive Directors have written agreement with the Company setting out the terms of their appointment as directors, the executive director has an employment contract.

The Board meets on a regular basis. The agenda for these meetings is prepared by the Company Secretary who is also a Non-Executive Director, in conjunction with the Chairperson. Relevant information is circulated to directors in advance of the Board meetings. The Company Secretary is accountable directly to the Board on matters to do with the proper functioning of the Board.

The Board have established a diversity policy however due to the size of the Company meeting the objectives of the policy is often difficult to achieve. The principal criterion for the appointment of new directors and employees is their ability to add value to the Group and its business.

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation is as follows:

Gender	Total	Senior Management	Board
Female	-	-	-
Male	6	3	3
% Female	-	-	-

The evaluation of the performance of the Board and individual directors is undertaken annually and in accordance with the terms of their employment contract. Performance reviews were undertaken in the reporting period.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Recommendation	Requirement	Comply Yes/No
2.1	The board of a listed entity should: a) have a nomination committee which: 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	No

Recommendation	Requirement	Comply Yes/No
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	No
2.3	A listed entity should disclose: a) the names of the directors considered by the board to be independent directors; b) if a director has an interest, position, association or relationship of the type describe in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and c) the length of service of each director.	Yes
2.4	A majority of the board of a listed entity should be independent directors.	Yes
2.5	The Chair of the board of a listed entity should be independent director and, should not be the same person as the CEO/Managing Director of the entity.	Yes
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes

The Company does not have a Nomination Committee. If any vacancies arise on the Board, the Board and all directors are involved in the search and recruitment for a replacement.

The Board strives to ensure that it is comprised of directors with a blend of skills, experience and attributes appropriate to the Company and its business. The principal criterion for the appointment of new directors is their ability to add value to the Company and its business and it has not been deemed necessary to create a formal document setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

The Board considers the current Board composition to be suitable in the present circumstances, with an appropriate range of qualifications and expertise, and directors who can understand and competently deal with current and emerging business issues as well as effectively review and challenge the performance of management. Furthermore, each individual member of the Board is satisfied that all directors bring an independent judgement to bear on board decisions.

New directors are provided with copies of all relevant documents and policies governing the Company's business, operations and management at the time of joining the Board. The Company is able to provide appropriate professional development opportunities for directors to assist in their roles. Directors are also encouraged to personally undertake appropriate training and refresher courses conducted by the Australian Institute of Company Directors.

PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

Recommendation	Requirement	Comply Yes/No
3.1	A listed entity should: a) have a code of conduct for its directors, senior executives and employees; and b) disclose that code or a summary of it.	Yes

As part of the Board's commitment to maintaining a proper system of corporate governance, the Company has adopted a Code of Conduct to guide directors and officers in carrying out their duties and responsibilities. The Code embraces the values of honesty, integrity, enterprise, excellence, accountability, justice, independence and equality of stakeholder opportunity. The Code of Conduct is available on the Agrimin website.

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation	Requirement	Comply Yes/No
4.1	The board of a listed entity should: a) have an audit committee which: 1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 2) is chaired by an independent director, who is not the chair of the board, and disclose: 3) the charter of the committee; 4) the relevant qualifications and experience of the members of the committee; and 5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) If it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	No
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true an fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes

An audit committee was originally established in July 2007. However, due to the current composition of the Board of Directors and scale of activities of the Company, this committee was not utilised during the year ended 30 June 2019. The Board as a whole is responsible for the integrity of the Company's financial reporting, reviews and oversees the planning process for external audits, the conduct of the external audit process and the independence of all parties to the process as well as reviewing the performance of external auditors, the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

Prior to the approval of the Company's annual financial statements, the Board obtains a declaration from its Chief Executive Officer and the Company Secretary that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company's external auditor attends every Annual General Meeting as required by the Corporations Act 2001, and members are allowed a reasonable opportunity at the meeting to ask the auditor questions relevant to the audit, their report and independence, and the accounting policies adopted by the Company.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation	Requirement	Comply Yes/No
5.1	A listed entity should: a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and b) disclose that code or a summary of it.	Yes

The Disclosure Policy sets out the key obligations of directors and employees in relation to continuous disclosure as well as the Company's obligation under the ASX Listing Rules and the Corporations Act 2001. The Policy also provides procedures for internal notification and external disclosure, as well as procedures for promoting understanding of compliance with disclosure requirements. The policy is available on the Company's website.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation	Requirement	Comply Yes/No
6.1	A listed entity should provide information about itself and its governance to investors via a website.	Yes
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meeting so security holders.	Yes
6.4	A listed entity should give security holders to option to receive communications from and send communications to, the entity and its security registry electronically.	Yes

The Board is committed to open and accessible communications with holders of the Company's shares. In accordance with continuous disclosure obligations under the ASX Listing Rules, all disclosures are made in a time manner and posted on the Company's website.

Shareholders are forwarded the Company's Annual Report, if requested and documents relating to each General Meeting, being the Notice of Meeting, any Explanatory Memorandum and a Proxy Form, and shareholders are invited to attend these meetings. Shareholders may elect to receive communications electronically. The Company's external auditors are also required to be present at annual shareholder meetings to answer any queries shareholders may have with regard to the audit, preparation and content of the Audit Report.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Recommendation	Requirement	Comply Yes/No
7.1	The board of a listed entity should: a) have a committee or committees to oversee risk, each of which; 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by and independent director and disclose; 3) the charter of the committee 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	No
7.2	The board or a committee of the board should; a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and b) disclose, in relation to each reporting period, whether such review has taken place.	Yes
7.3	A listed entity should disclose: a) if it has an internal audit function, how the function is structured and what role it performs; or b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	No
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes

The Company does not have a Risk Committee. The Board is ultimately responsible for establishing and reviewing the Company's policies on risk profile, oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control in accordance with the Company's Corporate Governance Policies.

The Company's risk management program is implemented under the direction of the Chief Executive Officer to ensure matters affecting goals, objectives and performance of the Company and the safety of its stakeholders are identified and assessed by an operational risk management framework in accordance with industry accepted standards.

The Company's risk management framework is reviewed annually. A review was undertaken in the current reporting period.

The Board believes that the Company is not of a size to justify having an internal audit function for efficiency purposes. The Company evaluates its risk management and internal control processes in consultation with its external auditor with a view to continually improving its effectiveness.

The Board does not believe the Company has any material exposure to economic, environmental and social sustainability risks at the present time.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation	Requirement	Comply Yes/No
8.1	The board of a listed entity should: (a) have a remuneration committee which; 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	No
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes
8.3	A listed entity which has an equity-based remuneration scheme should: a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and b) disclose that policy or a summary of it.	No

The Company does not have a Remuneration Committee. The Company's remuneration policy is structured for the purpose of motivating executive directors and senior management to pursue the long-term growth and success of the Company. The Board sets the level and structure of remuneration to executive directors and senior executives for the purpose of balancing the Company's competing interest of attracting and retaining executive directors and senior management and not paying excessive remuneration.

The Company has an equity-based remuneration scheme in place in the form or a performance rights plan. The Company does not permit the use of derivatives to limit the economic exposure of this plan. At the date of the corporate governance statement, Agrimin was not aware of any derivatives or other financial instruments that could be used for such a purpose.

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PREMIUM BANANAS

FINANCIAL REPORT

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE

	Note	2019 $	2018 $
Other income		5,459	15,359
Finance income		239,433	178,881
Administrative expenses	3	(2,039,490)	(1,386,924)
Loss before income tax		(1,794,598)	(1,192,684)
Income tax expense	4	-	-
Loss for the year		(1,794,598)	(1,192,684)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,794,598)	(1,192,684)
Loss per share			
Basic and diluted loss per share	16	(1.06 cents)	(0.76 cents)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE

	Note	2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	5	5,710,460	5,931,474
Other receivables	6	221,968	142,617
Exploration deposits		173,878	148,607
Prepayments		45,851	56,193
Total current assets		6,152,157	6,278,891
Non-current assets			
Exploration and evaluation assets	7	22,541,862	12,248,323
Property, plant and equipment	8	75,749	13,756
Other assets	9	748,640	700,000
Total non-current assets		23,366,251	12,962,079
Total assets		29,518,408	19,240,970
Liabilities			
Current liabilities			
Trade and other payables	10	2,023,610	1,111,008
Provisions		144,840	93,542
Total current liabilities		2,168,450	1,204,550
Non-current liabilities			
Provisions	11	882,980	784,243
Total non-current liabilities		882,980	784,243
Total liabilities		3,051,430	1,988,793
Net assets		26,466,978	17,252,177
Equity			
Share capital	12	46,945,885	36,616,486
Reserves	13	1,031,080	351,080
Accumulated losses		(21,509,987)	(19,715,389)
Total equity		26,466,978	17,252,177

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE

	Note	Share capital	Equity remuneration reserve/Share based payment reserve	Accumulated losses	Total equity
		$	$	$	$
Balance at 1 July 2018		36,616,486	351,080	(19,715,389)	17,252,177
Loss for the period		-	-	(1,794,598)	(1,794,598)
Total comprehensive loss for the period		-	-	(1,794,598)	(1,794,598)
Transactions with owners directly recorded in equity					
Contributions by and distributions to owners					
Issue of ordinary shares	12	10,840,000	-	-	10,840,000
Share based payment	13	-	680,000	-	680,000
Costs from issue of ordinary shares	12	(510,601)	-	-	(510,601)
Total transactions with owners		10,329,399	680,000	-	11,009,399
Balance at 30 June 2019		46,945,885	1,031,080	(21,509,987)	26,466,978
Balance at 1 July 2017		36,469,022	351,080	(18,522,705)	18,297,397
Loss for the period		-	-	(1,192,684)	(1,192,684)
Total comprehensive loss for the period		-	-	(1,192,684)	(1,192,684)
Contributions by and distributions to owners					
Issue of ordinary shares	12	150,000	-	-	150,000
Costs from issue of ordinary shares	12	(2,536)	-	-	(2,536)
Total transactions with owners		147,464	-	-	147,464
Balance at 30 June 2018		36,616,486	351,080	(19,715,389)	17,252,177

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE

	Note	2019 $	2018 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,841,014)	(1,222,082)
Interest received		233,657	213,027
Other income		5,459	11,469
Net cash used in operating activities	15	(1,601,898)	(997,586)
Cash flows from investing activities			
Payments for exploration and evaluation assets		(9,887,000)	(6,537,870)
Payments for exploration deposits		(81,283)	(89,923)
Payments for property, plant and equipment		(80,421)	-
Payments for pre-license expenditure		(68,640)	-
Payments for exploration data		-	(700,000)
Proceeds from research and development grant		2,008,829	707,182
Proceeds from other financial assets		-	5,020,000
Net cash used in investing activities		(8,108,515)	(1,600,611)
Cash flows from financing activities			
Proceeds from issue of share capital		10,000,000	150,000
Payment of share issue transaction costs		(510,601)	(2,153)
Cash flows from financing activities		9,489,399	147,847
Net increase/(decrease) in cash and cash equivalents		(221,014)	(2,450,350)
Cash and cash equivalents at 1 July		5,931,474	8,381,824
Cash and cash equivalents at 30 June	5	5,710,460	5,931,474

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. REPORTING ENTITY

Agrimin Limited (the 'Company') is a for profit company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange ('ASX'). The consolidated financial report comprises the Company and its wholly owned subsidiaries (referred to as the Group and individually as 'Group Entities'). Agrimin Limited is primarily involved in the mineral exploration and development of its Mackay Potash Project in Western Australia. The address of the registered office is 2C Loch Street, Nedlands, Perth, WA, 6009.

The consolidated financial statements were authorised for issue by the Board of Directors on 25 September 2019.

2. BASIS OF PREPARATION

(a) Basis of preparation

The consolidated financial statements of the Group are general purpose financial statements for the year ended 30 June 2019 prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

The consolidated financial statements of Agrimin Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ('IASB').

The consolidated financial statements have been prepared on historical cost basis and are presented in Australian dollars which is the functional currency of all entities in the Group.

The accounting policies adopted in the preparation of this consolidated financial statements have been consistently applied to all periods presented, unless otherwise stated.

(b) Adoption of new and revised accounting standards

In the year ended 30 June 2019, the Group adopted all the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective from 1 July 2018. It has been determined that there is no material impact, or otherwise as a result of the newly adopted standards and interpretations. These standards are discussed below.

AASB 15 Revenue from Contracts with Customers (AASB 15)

The Group adopted AASB 15 with the date of initial recognition being 1 July 2018. The transitional provisions in AASB 15 have been applied in its adoption. The Group had elected to adopt this standard using the modified retrospective approach with the cumulative effect recognised at the date of initial application.

AASB 15 supersedes AASB 118 Revenue, AASB 111 Construction Contracts and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in scope with other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

At 1 July 2018 it was determined that the adoption of AASB 15 had no impact on the Group as it is not revenue generating.

AASB 9 Financial Instruments (AASB 9) applied post 1 July 2018

The Group adopted AASB 9 with the date of initial recognition being 1 July 2018 on a retrospective basis. In accordance with the transitional provisions in AASB 9, comparative figures have not been restated and they continue to be reported under AASB 139. AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement (AASB 139), bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment and hedge accounting.

(i) Classification and measurement

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria; the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the SPPI criterion). The SPPI test is applied to the entire financial asset, even if it contains an embedded derivative.

At the date of initial application, existing financial assets and liabilities of the Group were assessed in terms of the requirements of AASB 9. The assessment was conducted on instruments that had not been derecognised as at 1 July 2018. In this regard, the Group has determined that the adoption of AASB 9 has impacted the classification of financial instruments at 1 July 2018 as follows:

Class of financial instrument presented in the statement of financial position	Original measurement category under AASB 139 (prior to 1 July 2018)	New measurement category under AASB 9 (from 1 July 2018)
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost
Other receivables	Loans and receivables	Financial assets at amortised cost
Exploration deposits	Loans and receivables	Financial assets at amortised cost
Trade and other payables	Financial liability at amortised cost	Financial liabilities at amortised cost

The change in classification of financial instruments has not resulted in any re-measurement adjustments at 1 July 2018.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit and loss.

(a) Financial Assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of finance income in comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

(b) Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for amortised cost are measured at fair value through profit and loss.

(iii) Impairment of financial assets

In relation to the financial assets carried at amortised cost, AASB 9 requires an expected credit loss model to be applied as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial asset. AASB 9 requires the Group to measure the loss allowance at the amount equal to lifetime expected credit loss (ECL) if the credit risk on the instrument has increased significantly since initial recognition. On the other hand, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to the portion of the lifetime ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date. ECL's are based on the difference between contractual cashflows due in accordance with the contract and all the Group expects to receive. The shortfall is then discounted at an approximation to the assets original effective interest rate.

As at 1 July 2018, the directors of the Company reviewed and assessed the Group's existing financial assets for impairment using reasonable and supporting information. In accordance with AASB 9, the Group recognised lifetime ECL. The results of the assessment is as follows:

Items existing as at 1 July 2018 that were subject to the impairment provisions of AASB 9	Credit Risk Attributes	Cumulative additional loss allowance recognised on 1 July 2018 $
Cash and cash equivalents	All bank balances assessed have low credit risk as they are held with reputable financial institutions with high credit ratings.	-
Other receivables	Other receivables consist of interest receivable and a security deposit which are short term and have low credit risk. The expected credit loss is negligible.	-
Exploration deposits	Exploration deposits are held by the Western Australian Department of Mines Industry Regulations and Safety (DMIRS) a reputable government institution. The expected credit loss is negligible.	-

(iv) Hedge Accounting

The Group has not applied hedge accounting.

Financial instruments (policy applied pre 1 July 2018)

Financial assets and liabilities recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to the profit or loss immediately,

(a) Derecognition

Financial assets are derecognised when the right to receive cash flows from the financial assets have been expired or been transferred. Financial liabilities are derecognised when the related obligations are either transferred, discharged or expire. The difference between the carrying value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(b) Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Financial assets are categorised as either financial assets at fair value through profit or loss, loans and receivables, held to maturity investments or available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

- Loans and receivables – are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gain or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.
- Financial liabilities – non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest method.

(c) *Impairment*

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a ‘loss event’) having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as of the terms have not been renegotiated so that the loss events that have occurred are duly considered.

(c) New accounting standards and interpretations not yet effective

Australian Accounting Standards that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting year ended 30 June 2019 that are relevant to the Group's operations are listed below. Except for AASB 16 as disclosed below, the potential effect of these standards is not expected to have a material impact to the Group's financial statements.

Pronouncement	Title	Summary	Application date of standard	Application date for group
AASB 16	Leases	AASB 16 removes the lease classification test for lessees and requires all leases to be brought onto the statement of financial position. There is new guidance on when an arrangement would meet the definition of a lease. Key features of AASB 16 include: Lessee accounting: • Lessees are required to recognise right-to-use assets and lease liabilities for all leases except where the entity has elected to apply the exemptions to leases with a term of less than 12 months, or leases where the underlying asset is of low value. • Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments) and includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. • The standard provides for two approaches to transition; modified retrospective or full retrospective. Lessor accounting: • AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases and to account for those two types of leases differently. • AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk.	1 January 2019	1 July 2019

Pronouncement	Title	Summary	Application date of standard	Application date for group
AASB 16	Leases	The Group plans to adopt the standard using the modified retrospective approach from 1 July 2019 with cumulative effect of initially applying AASB 16 recognised as an adjustment to the opening balance of retained earnings at the date of the initial application. The comparatives will not be restated. The Group will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low-value. As at 30 June 2019, the Group continued to progress its detailed impact assessment and implementation project of AASB 16. Work completed by the Group to date indicates the new leases standard is expected to have a material effect on the Group's financial statements as it will significantly increase the Group's recognised assets and liabilities. Changes to the standard will have a material impact on the way the Group accounts for its office lease. Management has estimated that the lease liability will fall between $350,000 and $400,000. The Group intends to utilise the transitional relief in the standard whereby the right-of-use asset will be equal the lease liability at the date of initial adoption. The Group has elected to apply the practical expedients and have chosen not to apply the standard to leases with a term less than 12 months or where the underlying asset is of low value. The actual impact of applying AASB 16 on the financial statements in the period of initial application will depend on the composition of the Group's lease portfolio, the extent to which the Group chooses to use practical expedients and recognition exemptions, final discount rates used in calculating the lease liability, final determination of reasonably certain renewal options and the new accounting policies which are subject to change until the Group presents its financial statements that include the date of initial application.		
AASB Interpretation 23	Uncertainty over Income Tax Treatments	The Interpretation clarifies the application of the recognition and measurement criteria in AASB 112 Income Taxes when there is uncertainty over income tax treatments. The Interpretation specifically addresses the following: • Whether an entity considers uncertain tax treatments separately. • The assumptions an entity makes about the examination of tax treatments by taxation authorities. • How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. • How an entity considers changes in facts and circumstances.	1 January 2019	1 July 2019

Pronouncement	Title	Summary	Application date of standard	Application date for group
AASB 2017-7	Amendments to Australian Accounting Standards: Long-term Interests in Associates and Joint Ventures	This Standard amends AASB 128 Investments in Associates and Joint Ventures to clarify that an entity is required to account for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture but to which the equity method is not applied, using AASB 9 Financial Instruments before applying the loss allocation and impairment requirements in AASB 128.	1 January 2019	1 July 2019
AASB 2018-1	Australian Amendments to Australian Accounting Standards – Annual Improvements 2015 – 2017 Cycle	The amendments clarify certain requirements in: • AASB 3 Business Combinations and AASB 11 Joint Arrangements - previously held interest in a joint operation. • AASB 112 Income Taxes - income tax consequences of payments on financial instruments classified as equity. AASB 123 Borrowing Costs - borrowing costs eligible for capitalisation.	1 January 2019	1 July 2019
AASB 2017-6	Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation	This Standard amends AASB 9 Financial Instruments to permit entities to measure at amortised cost or fair value through other comprehensive income particular financial assets that would otherwise have contractual cash flows that are solely payments of principal and interest but do not meet that condition only as a result of a prepayment feature. This is subject to meeting other conditions, such as the nature of the business model relevant to the financial asset. Otherwise, the financial assets would be measured at fair value through profit or loss. The Standard also clarifies in the Basis for Conclusion that, under AASB 9, gains and losses arising on modifications of financial liabilities that do not result in derecognition should be recognised in profit or loss		
AASB 2018-6	Definition of a business – Amendments to AASB 3	The Standard also clarifies in the Basis for Conclusion that, under AASB 9, gains and losses arising on modifications of financial liabilities that do not result in derecognition should be recognised in profit or loss. The amendment proposes the clarification of the definition of a business: • To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together can contribute to the creation of outputs. This means that it would not be necessary for all the inputs and processes needed to create outputs to be acquired for the set of activities and assets to be a business • Removing the statement that a set of activities and assets is a business if market participants can replace the missing elements and continue to produce outputs. • Revising the definition of 'outputs' to focus on goods and services provided to customers and removing the reference to the ability to reduce costs. The acquisition does not constitute a 'business' if, at the transaction date, substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.	1 January 2020	1 July 2020

Pronouncement	Title	Summary	Application date of standard	Application date for group
AASB 2018-7	Definition of Material (Amendments to AASB 101 and AASB 108)	This Standard amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The amendments clarify that materiality will depend on the nature or magnitude of information. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.	1 January 2020	1 July 2020
Conceptual Framework AASB 2019-1	Conceptual Framework for Financial Reporting and relevant amending standards	The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. Amendments to References to the Conceptual Framework in IFRS Standards has also been issued, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. The changes to the Conceptual Framework may affect the application of IFRS in situations where no standard applies to a particular transaction or event. In addition, relief has been provided in applying IFRS 3 and developing accounting policies for regulatory account balances using IAS 8, such that entities must continue to apply the definitions of an asset and a liability (and supporting concepts) in the 2010 Conceptual Framework, and not the definitions in the revised Conceptual Framework.	1 January 2020	1 July 2020

(d) Going concern

This consolidated financial statements have been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Directors believe that the Group has sufficient cash resources to allow it to meet its minimum exploration expenditure commitments on existing tenements and continue its activities designed to advance the 100% owned Mackay Potash Project of the Group and operate corporately for at least the next 12 months. For this reason, these consolidated financial statements are prepared on a going concern basis.

In the longer term, the development of economically recoverable mineral deposits found on the Group's existing exploration licences or future exploration licences depends on the ability of the Group to obtain financing through equity financing, debt financing or other means. If the Group's exploration and evaluation activities are ultimately successful, additional funds will be required to develop the Group's mineral deposits and place them into commercial production. The main source of future funds presently available to the Group is the raising of equity capital by the Group. The ability to arrange such funding in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Group and its exploration and evaluation results.

The Group has no source of operating cash inflows other than interest income and funds sourced through capital raising activities. At 30 June 2019, the Group has cash and cash equivalents totalling $5,710,460 (2018: $5,931,474) and net working capital (current assets less current liabilities) of $3,983,707 (2018: $5,074,341).

The Company successfully completed a capital raising of $8,250,000 (before costs) via a placement to institutional and sophisticated investors in September 2019. The placement included 15,000,000 ordinary shares to be issued at a price of $0.55 per share. On 20 September 2019, the Company issued 14,710,000 of these ordinary shares. The remainder of 290,000 ordinary shares are to be issued to two directors subject to shareholder approval to be sought at the Company's Annual General Meeting. Refer to note 24.

(e) Principles of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities if the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(f) Segment reporting

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker, which has been identified by the Group as the Chief Executive Officer and other members of the Board of Directors. The Group operates only in one reportable segment being predominantly in the area of mineral exploration and evaluation in Western Australia.

(g) Estimates and assumptions

The preparation of these financial statements require the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

(i) Recoverability of capitalised exploration and evaluation expenditure and pre-license exploration expenditure

The future recoverability of capitalised exploration expenditure and pre-license exploration expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset and pre-license exploration expenditure through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure and pre-license exploration expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

(ii) Provision for rehabilitation

The Group records the present value of estimated costs of legal and constructive obligations to restore operating locations in the period in which the obligation is incurred. The nature of restoration activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas.

In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred and timing of these expected future costs. The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other similar mine-sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates. Changes to any of the estimates are applied prospectively by recognising an adjustment to the rehabilitation liability.

(h) Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. When measuring fair value of an asset or liability, the Group uses market observable data as far as possible.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in the highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) market price in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(i) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the gross carrying amount of the financial asset.

Finance costs comprise of interest expense on lease liabilities and the unwinding of the discount on provisions.

(j) Income Tax

Income tax expense comprises current and deferred tax. Current and deferred taxes are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity, or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(i) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. All members of the tax-consolidated group are taxed as a single entity. The head company within the tax-consolidated group is Agrimin Limited.

(k) Leases

Leases where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is accounted for in accordance with the accounting policy applicable to these assets.

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

(l) Impairment of non-financial assets

Assets are reviewed for impairment at each reporting date to determine if events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are consolidated at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets (cash-generating units).

Non-financial assets other than goodwill that have been impaired are reviewed for possible reversal of the impairment at each reporting date.

(m) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of six months or less.

(n) Exploration deposits

Exploration deposits represent annual tenement rents paid to the Western Australian Department of Mines Industry Regulations and Safety (DMIRS) in advance when application for tenements was made during the year. These amounts are held in trust by the DMIRS pending the grant of the tenements and are refundable of for any reason the tenements do not get granted.

(o) Exploration and evaluation assets

Exploration and evaluation costs are capitalised as exploration and evaluation assets on an area of interest basis. Such costs comprise net direct costs, research and development expenditure and an appropriate portion of related overhead expenditure, but do not include general overheads or administrative expenditure not having a specific connection with a particular area of interest. Costs incurred before the Group has obtained the legal right to explore an area of interest are recognised in profit or loss.

An exploration and evaluation asset is only recognised if the right to the area of interest is current and either:

- the expenditure is expected to be recouped through successful development and exploitation of an area of interest, or by its sale; or
- activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in or in relation to the area of interest are continuing.

Accumulated costs in respect of areas of interest are recognised in profit or loss when the above criteria do not apply or when the directors assess that the carrying value may exceed the recoverable amount.

Once a development decision has been taken, all past and future exploration and evaluation expenditure in respect of the area of interest is aggregated within costs of development. The aggregated cost is first tested for impairment and then reclassified from exploration and evaluation assets to mining property and development assets within property, plant and equipment. The costs of a productive area are amortised over the life of the area of interest to which such costs relate on the production output basis.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount of the asset exceeds the recoverable amount. Such indicators of impairment include the following:

- the right to explore has expired during the period or will expire in the near future and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration and evaluation in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or
- sufficient data exists to indicate that the carrying amount of the asset is unlikely to be recovered in full from successful development or by sale even if development in the specific area is likely to proceed.

For the purpose of impairment testing, exploration and evaluation assets are allocated to cash-generating units consistent with exploration activity. The cash generating units are not larger than the areas of interest.

(p) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within other income/other expenses in profit or loss.

(i) Property, plant and equipment – Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives for the current and prior period are as follows:

- plant and equipment 5 – 10 years
- office furniture and equipment 3 – 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(q) Other assets

Pre-license exploration expenditure, which includes the purchase of exploration data or analysis from third parties where the related exploration license is yet to be granted, is brought to account as an asset at its cost of acquisition if it gives rise to proprietary information that the entity can control.

(r) Employee benefits

Employee benefits are expensed in the profit or loss and provisions are made for benefits accumulated as a result of employee rendering services up to the reporting date. These benefits include wages and salaries, annual leave, long service leave and related on costs such as superannuation, worker's compensation and payroll tax. The Group's superannuation is a defined contribution plan under which fixed contributions are made to a superannuation fund with no further legal or constructive obligation to pay.

A liability is recognised for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Liabilities expected to be settled within twelve months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. All other employee benefits are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date, discounted using market yield at the reporting date based on high quality Australian corporate bonds with terms to maturity and currencies that match as close as possible to the estimated future cash outflows.

(i) Share-based payment transactions

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market vesting conditions at the vesting date.

(s) Rehabilitation provision

The Group records the present value of estimated costs of legal and constructive obligations to restore operating locations in the period in which the obligation is incurred as a result of past events. The nature of restoration activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas. When the liability is initially recognised, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of profit or loss and other comprehensive income as a finance cost. Additional disturbances or changes in rehabilitation costs are recognised as additions or charges to the corresponding asset and rehabilitation liability when they occur.

(t) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown as equity as a reduction of the share proceeds received.

(u) Share based payments

The Group provides benefits to employees (including Directors) and other non-employees of the Group in the form of share-based payment transactions, whereby employees and consultants render services in exchange for shares or rights over shares (equity-settled transactions). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- the extent to which the vesting period has expired; and
- the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award; and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

(v) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options and performance rights granted to employees and agents of the Group.

(w) Research and development

The Group undertakes expenditure on activities that are categorised as eligible expenditure under the Research & Development Tax Concession which is dependent upon certain criteria and may be subject to a tax offset. Such government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Under AASB 120, where a tax offset has been received or receivable in cash, the Group accounts for the tax offset as follows:

- Where a grant is received or receivable in relation to research and development costs which have been capitalised, the tax offset shall be deducted from the carrying value of the asset. All other grants received or receivable are recognised as income in the profit and loss.

(x) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

3. ADMINISTRATIVE EXPENSES

	2019 $	2018 $
Fees, salaries and benefits	899,572	594,610
External professional fees	352,113	143,856
Travel and accommodation expenses	349,468	213,634
Office rent and outgoings	98,327	59,865
ASX fees	53,994	45,473
Subscriptions and licencing expenses	40,017	97,205
Insurance expenses	33,318	23,172
Depreciation expenses	18,428	6,122
Other administrative expenses	194,253	202,987
	2,039,490	1,386,924

4. INCOME TAX

	2019 $	2018 $
Reconciliation between tax expense and pre-tax accounting loss		
Loss for the year	(1,794,598)	(1,192,684)
Income tax using the Company's domestic tax rate 30% (2018: 30%)	(538,379)	(327,988)
Non-deductible expenses	-	-
Changes in unrecognised temporary difference	(538,379)	(327,988)
Income tax expense	-	-

	2019 $	2018 $
Unrecognised deferred tax asset		
Deferred tax asset calculated at 30% (2018: 30%) have not been recognised in respect to the following items:		
Deductible temporary differences	475,867	215,944
Tax losses carried forward	7,373,908	4,198,153
Tax losses and temporary differences brought to account to reduce the provision for deferred tax liabilities	(6,679,889)	(3,152,470)
	1,169,886	1,261,627

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits there from.

4. INCOME TAX (CONTINUED)

	2019 $	2018 $
Provision for deferred tax liability		
Deferred tax liability comprises the estimated expense at the applicable rate of 30% (2018: 30%) on the following items:		
Exploration and evaluation assets	6,456,947	3,133,851
Other assets	204,000	-
Prepayments and accrued income	18,942	18,619
Deferred tax asset attributable to tax losses and temporary differences brought to account to reduce the provision for deferred income tax	(6,679,889)	(3,152,470)
	-	-

5. CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash and bank balances	806,460	879,474
Short term deposits	4,904,000	5,052,000
	5,710,460	5,931,474

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short term deposits are made for varying periods of between one day to six months.

6. OTHER RECEIVABLES

	2019 $	2018 $
Net tax receivable (GST)	179,233	121,146
Accrued interest	17,288	11,512
Security deposit	22,947	9,959
Other receivables	2,500	-
	221,968	142,617

7. EXPLORATION AND EVALUATION ASSETS

	2019 $	2018 $
Opening balance	12,248,323	5,319,269
Additions	12,302,368	7,636,236
Refundable research and development grant	(2,008,829)	(707,182)
	22,541,862	12,248,323

The carrying amount of the exploration and evaluation assets at 30 June 2019 relates to the exploration capitalised on the Mackay Potash Project. This includes $840,000 (2018: Nil) attributable to the issue of 1,000,000 shares to Tjamu Tjamu (Aboriginal Corporation). The shares were valued at 10 August 2018, the date contractual terms were satisfied using the Group's share price of $0.84 per share which differs to issue date of 25 September 2018.

During the period, the Group reclassified $700,000 to exploration and evaluation assets for exploration data acquired in the financial year ended 30 June 2018 which was previously treated as other non-current asset in accordance with the Group's pre-license exploration accounting policy. This reclassification resulted from the granting of tenements in July 2018.

At 30 June 2019, the Group assessed the carry amount of the assets for impairment. No impairment triggers were present (2018: Nil).

8. PROPERTY, PLANT AND EQUIPMENT

	2019 $	2018 $
At cost	111,028	30,608
Accumulated depreciation	(35,279)	(16,852)
	75,749	13,756
Movement in carrying amounts		
Opening balance	13,756	19,878
Additions	80,421	-
Depreciation	(18,428)	(6,122)
	75,749	13,756

9. OTHER ASSETS

On 18 December 2018, the Company announced that it agreed to the future issue of 1,000,000 ordinary shares to Potash Global Limited for services related to the facilitation of Exploration Licence applications covering areas across Percival Lakes and Lake Auld within Western Australia. The shares have been valued at 12 December 2018, being the date which the agreement was reached between the parties using the Group's share price of $0.68 per share. The shares will be issued upon the earlier of the granting of the applications or 12 December 2019. The fair value of the future issue in shares will be transferred into the exploration and evaluation asset upon allocation of the shares. The applications were still outstanding at 30 June 2019.

10. TRADE AND OTHER PAYABLES

	2019 $	2018 $
Trade payables	1,324,306	739,057
Accrued expenses	580,744	260,583
Other payables	118,560	111,368
	2,023,610	1,111,008

11. NON-CURRENT PROVISIONS

	2019 $	2018 $
Provision for rehabilitation		
Opening balance	784,243	-
Provisions made during the period	98,737	784,243
	882,980	784,243

During the period, the Group assessed its legal and constructive obligation to restore the operating location to its original condition and as a result the estimated costs of rehabilitation has increased by $98,737 to $882,980 (2018: $784,243).

12. SHARE CAPITAL

	2019	
	Number	$
Share Capital		
Fully paid ordinary shares		
Balance at 1 July 2018	157,118,112	36,616,486
Issue of fully paid ordinary shares at $0.80	12,500,000	10,000,000
Issue of fully paid ordinary shares at $0.84	1,000,000	840,000
Less share issue costs	-	(510,601)
Balance at 30 June 2019	170,618,112	46,945,885

	2018	
	Number	$
Issued Capital		
Balance at 1 July 2017	156,118,112	36,469,022
Issued on exercise of options	1,000,000	150,000
Less share issue costs	-	(2,536)
Balance at 30 June 2018	157,118,112	36,616,486

Ordinary Shares

All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

13. RESERVES

	2019 $	2018 $
Opening balance	351,080	351,080
Future issue of 1,000,000 shares to Potash Global Limited	680,000	-
	1,031,080	351,080

On 18 December 2018, the Company announced that it agreed to the future issue of 1,000,000 ordinary shares to Potash Global Limited for services related to the facilitation of Exploration Licence applications covering areas across Percival Lakes and Lake Auld within Western Australia. The shares have been valued at 12 December 2018, being the date which the agreement was reached between the parties using the Group's share price of $0.68 per share. The shares will be issued upon the earlier of the granting of the applications or 12 December 2019. The applications were still outstanding at 30 June 2019.

14. SHARE BASED PAYMENTS

Performance Rights Plan

At a general meeting held on 31 July 2014, shareholders approved the establishment of the Agrimin Limited Performance Rights Plan 2014 (Plan). At a general meeting held on 15 September 2017, the Company obtained approval for the renewal of the Plan in accordance with the requirements of ASX Listing Rules. The purpose of the Plan was to incentivise and retain existing key management personnel and other eligible employees needed to achieve the Company's business objectives. The issuance of Performance Rights under the Plan is at the discretion of the Board. Upon the prescribed performance conditions attached to the Performance Rights being met, will result in the issue of one ordinary Share in the Company for each Performance Right.

At balance date the Group had 8,000,000 performance rights outstanding (2018: 8,000,000).

The grant date fair value of the performance rights ranges between $0.51 to $0.84 per right. Due to the effect of the above non-market condition, no share based payment expense has been recognised at 30 June 2019 (2018: Nil).

Other Share Based Payments

Other share based payments consist of the future issue of 1,000,000 ordinary shares to Potash Global Limied. Refer to note 13.

15. STATEMENT OF CASH FLOWS

	2019 $	2018 $
(a) Reconciliation of cash flows from operating activities		
Loss for the year	(1,794,598)	(1,192,684)
Non-cash items:		
Deprecation	18,428	6,122
Change in operating assets and liabilities		
Decrease/(increase) in other receivables	(79,351)	(10,828)
Decrease/(increase) in prepayments	(31,533)	(3,039)
Increase/(decrease) in trade and other payables	262,734	190,165
Increase/(decrease) in provisions	22,422	12,678
	(1,601,898)	(997,586)

(b) Non-cash financing and investing activities

There was $680,000 (2018: Nil) of non-cash investing activities for the year ended 30 June 2019. Refer to note 9.

16. EARNINGS PER SHARE

(a) Reconciliation of loss

	2019 $	2018 $
Loss attributable to the owners of the Company used to calculate basic and diluted loss per share	1,794,598	1,192,684

(b) Weighted average number of ordinary shares used as the denominator

	2019	2018
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	170,037,290	156,244,139

There were no unlisted options outstanding at balance date (2018: Nil). There were 8,000,000 performance rights (2018: 8,000,000) as at balance date. These have been excluded from the weighted average number of ordinary shares calculation as their effect would have been anti-dilutive. As a result, the diluted EPS is equal to the basic EPS.

17. COMMITMENTS

(a) Exploration commitments

As a condition of retaining right to explore its mining tenements, the Group is required to pay an annual rental and incur a minimum level of expenditure for each tenement.

Outstanding exploration commitments are as follows:

	2019 $	2018 $
Exploration Commitment		
Less than one year	2,086,183	1,427,172
Between one and five years	10,464,778	6,640,803
	12,550,961	8,067,975

The Group has no expenditure commitments on mining tenements which have not been granted.

(b) Lease commitments

	2019 $	2018 $
Lease commitments: Group as Lessee		
Operating leases (non-cancellable):		
Less than one year	111,335	46,706
Between one and five years	294,794	27,521
	406,129	74,227

The Group has operating leases for office accommodation and office equipment. The Group's office accommodation rental has increased resulting from the change in sub-tenant arrangement and revision of lease term.

18. CONTINGENCIES

The Group had no contingent assets or liabilities at reporting date (2018: Nil).

19. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market, liquidity and credit risks arising from its financial instruments.

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to meet all its financial commitments and maintain the capacity to fund its exploration and evaluation activities, which primarily relate to the Mackay Potash Project. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of risk.

Market (including interest rate risk), liquidity and credit risks arise in the normal course of business. These risks are managed under Board approved treasury processes and transactions.

The principal financial instruments as at reporting date include cash, other receivables, exploration deposits and payables.

This note presents information about exposures to the above risks, the objectives, policies and processes for measuring and managing risk, and the management of capital.

(a) Market risk – Interest rate risk

The Group is exposed to movements in market interest rates on cash. The Group's policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between liquidity of cash assets and the interest rate return. The entire cash balance for the Group $5,710,460 (2018: $5,931,474) is subject to interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments at the reporting date was:

	2019 $	2018 $
Fixed rate instrument		
Term deposits (cash and cash equivalents)	4,904,000	5,052,000
Security deposits (other receivables)	22,947	9,959
	4,926,947	5,061,959
Variable rate instrument		
Cash and cash equivalents	806,460	879,474
	806,460	879,474

Sensitivity Analysis

At 30 June 2019, if the interest rates had changed by -/+ 100 basis points from the weighted average rate for the period with all other variables held constant, post tax loss for the Group would have been $8,065 higher/lower (2018: $8,794) as a result of the lower/higher interest income from cash and cash equivalents. The sensitivity analysis performed was based on rates available to the Group which management have assessed as being reasonable.

(b) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration and evaluation, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings.

The Board of Directors constantly monitors the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables which are non-interest bearing and due within 12 months of the reporting date.

(c) Credit risk

Exposure to credit risk

The carrying amount of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2019 $	2018 $
Cash and cash equivalents	5,710,460	5,931,474
Other receivables[(i)]	42,735	21,471
Exploration deposits	173,878	148,607
	5,927,073	6,101,552

(i) Excludes net GST receivable.

The Group's significant concentration of credit risk is cash, which is held with major Australian Banks with Aa3 credit rating and accordingly the credit risk exposure is minimal. Exploration deposits are held by the Western Australian Department of Mines Industry Regulations and Safety (DMIRS) a reputable government institution.

(d) Fair values

Set out below is an overview of financial instruments, other than cash and cash equivalents, held by the group at 30 June 2019 and 2018:

	2019 Carrying amount / Fair Value $	2018 Carrying amount / Fair Value $
Financial Assets		
Other receivables	221,968	142,617
Exploration deposits	173,878	148,607
	395,846	291,224
Financial Liabilities		
Trade and other payables	2,023,610	1,111,008
	2,023,610	1,111,008

The current term deposits, receivables and payables carrying values approximate their fair values due to the short-term maturities of these instruments.

The fair value of the assets and liabilities included in the table above are a level 2 in accordance with the fair value hierarchy (2018: Level 2). There were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 fair value measurements. The Level 2 assets are measured at discounted cashflows.

(e) Capital management

The Board's policy is to preserve a strong capital base and maintain investor and equity market confidence in order to sustain the Group's exploration and evaluation activities and supporting functions.

There were no changes in the Group's approach to capital management during the year.

20. RELATED PARTY TRANSACTIONS

(a) Key management personnel compensation

	2019 $	2018 $
Short-term benefits	612,100	624,538
Post-employment superannuation benefit	50,550	50,211
Other long term benefits	26,153	18,765
	688,803	693,514

(b) Transactions with directors, director related entities and other related parties

During the period $74,000 of fees were paid to Lexcon Services Pty Ltd (2018: $96,000) and $6,000 was payable for professional services provided by Mr Pismiris as Non-Executive Director and Company Secretary (2018: Nil). Services provided by Lexcon Services Pty Ltd were at terms equivalent to those that prevail in arm's length transactions.

21. SUBSIDIARIES

Interest in subsidiaries

The consolidated financial statements incorporate the assets and liabilities and results of the following subsidiaries in accordance with accounting policy:

			Equity Holding	
			2019	2018
Name	Principal Activities	Country of Incorporation	%	%
Agrimin Potash Pty Ltd	Mineral Exploration	Australia	100%	100%
Agrimin Metals Pty Ltd	Mineral Exploration	Australia	100%	100%

The proportion of ownership interest is equal to the proportion of voting power held.

22. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Agrimin Limited. The information presented here has been prepared using accounting policies consistent with those presented in note 2.

	2019	2018
	$	$
Current assets	5,968,063	6,070,328
Non-current assets	77,749	12,386,399
Total Assets	6,045,812	18,456,727
Current liabilities	1,971,327	1,204,550
Non-current liabilities	-	-
Total liabilities	1,971,327	1,204,550
Share capital	46,105,885	36,616,486
Reserves	351,080	351,080
Accumulated losses	(42,382,480)	(19,715,389)
Total Equity	4,074,485	17,252,177
Loss for the year	(22,723,329)	(1,192,684)
Total comprehensive loss for the year	(22,723,329)	(1,192,684)

The carrying amount of all financial instruments is approximate to their fair values at 30 June 2019 and 2018.

23. REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable provided by the auditor of the Company, its related practices and non-related audit firms:

	2019 $	2018 $
(a) Audit services		
Ernst and Young	34,500	-
KPMG	-	40,000
	34,500	40,000
(b) Non-audit services		
Ernst and Young – taxation services	10,000	-
Ernst and Young – research and development taxation services	50,000	-
KPMG – taxation services	-	8,900
	60,000	8,900

24. EVENTS AFTER BALANCE DATE

The Company successfully completed a capital raising of $8,250,000 (before costs) via a placement to institutional and sophisticated investors in September 2019. The placement included 15,000,000 ordinary shares to be issued at a price of $0.55 per share. On 20 September 2019, the Company issued 14,710,000 of these ordinary shares. The remainder of 290,000 ordinary shares are to be issued to two directors subject to shareholder approval to be sought at the Company's Annual General Meeting.

In the opinion of the directors of Agrimin Limited ('the Company'):

1. the financial statements and notes set out on pages 32 to 60 are in accordance with the *Corporations Act 2001,* including:

   (a) complying with Accounting Standards and the *Corporations Regulations 2001*; and

   (b) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the year ended on that date;

2. the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2;

3. there are reasonable grounds to believe that the Company will be able to pay debts as and when they become due and payable; and

The directors have been given the declarations by the Chief Executive Officer and Company Secretary required by section 295A of the *Corporations Act 2001.*

Signed in accordance with a resolution of the directors.

Mark Savich

Chief Executive Officer and Executive Director

Perth

25 September 2019

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Independent auditor's report to the members of Agrimin Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Agrimin Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2019 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

PD:KG:AGRIMIN:006

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1. Carrying value of capitalised exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
At 30 June 2019 the Group held capitalised exploration and evaluation assets of $22.5 million, representing 77% of the Group's total assets. The carrying value of capitalised exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that this capitalised expenditure may exceed its recoverable amount. The determination as to whether there are any indicators to require capitalised exploration and evaluation assets to be assessed for impairment, involves a number of judgments including whether the Group has tenure, will be able to perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. The directors did not identify any impairment indicators as at 30 June 2019. Refer to Note 7 in the financial report for capitalised exploration and evaluation asset balances and related disclosures.	In performing our procedures, we: ▸ Considered whether the Group's right to explore was current, which included obtaining and assessing supporting documentation such as license agreements; ▸ Considered the Group's intention to carry out significant ongoing exploration and evaluation activities in the relevant areas of interest which included reviewing the Group's Board approved cash-flow forecast and enquiring of senior management and the directors as to their intentions and the strategy of the Group; ▸ Assessed whether exploration and evaluation data exist to indicate that the carrying value of capitalised exploration and evaluation is unlikely to be recovered through development or sale; and ▸ Assessed the adequacy of the disclosures in Note 7 of the financial report.

2. Going concern assessment

Why significant	How our audit addressed the key audit matter
The Group is not yet generating mining revenue and is still in the exploration and evaluation stage. Accordingly, the testing of the availability of sufficient funding for the Group to meet its obligations is considered to be a key part of our going concern assessment and therefore a significant aspect of our audit. This assessment is largely based on the expectations of, and the estimates made, by the Group. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows. Estimates are based on assumptions, including expectations regarding future developments in the economy and the market. The Group's financial report is prepared on a going concern basis. The Group's assessment in respect of going concern is set out Note 2(d) to the financial report.	We performed the following procedures: ▸ Analysed the Group's cash flow forecast and enquired with the Group to gain an understanding of the inputs and process underpinning the cash flow forecast prepared for the purpose of the going concern assessment; ▸ Assessed whether the cash flow forecast accurately reflected the budget that was approved by the Board; ▸ Assessed the external inputs and assumptions within the cash flow forecast by comparing them to assumptions and estimates used elsewhere in the preparation of the financial report. We also compared them against our understanding and knowledge of the Group's operations; ▸ Assessed the sensitivity analysis that the Group performed on the cash flow forecast; ▸ Assessed the possible mitigating actions identified by the Group in the event that actual cash flows are below cash flow forecast; and ▸ Assessed the adequacy of the disclosure included in Note 2(d) of the financial report.

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Information other than the financial report and auditor’s report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company’s 2019 Annual Report, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Building a better working world

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 20 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Agrimin Limited for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Pierre Dreyer
Partner
Perth
25 September 2019

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Ltd Listing Rules and are not disclosed elsewhere in the report is as follows. The information is current as at 20 September 2019.

a) DISTRIBUTION OF MEMBER HOLDINGS

	Holders	Securities	%
1-1,000	188	120,112	0.06%
1,001 – 5,000	315	897,761	0.48%
5,001 – 10,000	154	1,197,351	0.65%
10,001 – 100,000	265	9,843,792	5.32%
100,001 and over	140	173,269,096	93.49%
	1,062	185,328,112	100.00%

There are 95 shareholders holding less than a marketable parcel of shares.

b) TWENTY LARGEST SHAREHOLDERS

	Listed Ordinary Shares	
	No. of Ordinary Shares	Percentage of issued capital
JP Morgan Nominees Australia Pty Ltd	27,398,262	14.78%
Walloon Securities Pty Ltd	10,452,241	5.64%
Gugalanna Holdings Pty Ltd <Gugalanna Investments A/C>	7,900,000	4.26%
Hillboi Nominees Pty Ltd	7,667,333	4.14%
Perth Investment Corporation Ltd	7,389,282	3.99%
UBS Nominees Pty Ltd	7,350,000	3.97%
BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd Drp	5,714,565	3.08%
Spar Nominees Pty Ltd	5,027,034	2.71%
Zero Nominees Pty Ltd	4,265,390	2.30%
Invia Custodian Pty Ltd <B & D Family A/c>	3,911,811	2.11%
Goldfire Enterprises Pty Ltd	3,870,516	2.09%
Mr Timothy Guy Lyons	3,502,778	1.89%
ACP Investments Pty Ltd	3,380,000	1.82%
Eugob Nominees Pty Ltd	3,032,000	1.64%
Deering Nominees Pty Ltd	2,865,000	1.55%
Mr Timothy Guy Lyons & Mrs Heather Mary Lyons <Gnowellen Superfund A/c>	2,410,499	1.30%
Mrs Heather Mary Lyons	2,382,222	1.29%
Gugalanna Pty Ltd <Gugalanna Capital S/F A/c>	1,900,000	1.03%
Building on the Rock Limited	1,815,476	0.98%
Mr Thomas Lyons	1,700,000	0.92%
	113,934,409	61.48%

Shares on issue at 20 September 2019 is: 185,328,112

SHAREHOLDER'S INFORMATION

c) SUBSTANTIAL SHAREHOLDERS

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of ordinary shares held	Percentage of issued capital
AustralianSuper Pty Ltd	27,368,087	14.77%
Hillboi Nominees Pty Ltd & associated entities	23,927,478	12.91%
Walloon Securities Pty Ltd	10,452,241	5.64%
Mark Savich & associated entities	9,800,000	5.29%

d) VOTING RIGHTS

All shares carry one vote per share without restriction.

TENEMENTS

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%
E80/5173	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Granted	100%
E80/5175	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Granted	100%
E80/5333	Mackay Metals	Agrimin Metals Pty Ltd	W.A.	Application	100%
E80/5334	Mackay 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%

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Agrimin Limited

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