

ASX Release
27 April 2020

ENTITLEMENT OFFER TO STRENGTHEN BALANCE SHEET

Highlights

- Entitlement offer to raise up to approximately \$3.0 million, of which \$2.2 million is committed
- AustralianSuper to take 100% of its pro-rata entitlement and provide additional funds via sub-underwriting which could increase its shareholding up to 18%
- Eligible shareholders have the ability to apply for additional shares in excess of their pro-rata entitlement via a dedicated top-up offer to take advantage of current pricing levels
- Proceeds will strengthen Agrimin's cash position to \$7.5 million¹ and ensure Agrimin is well-funded to advance the world-class Mackay Potash Project through final approvals and funding

Agrimin Limited (ASX: AMN) ("Agrimin" or "the Company") announces a pro-rata non-renounceable entitlement offer of shares to raise up to approximately \$3.0 million of which approximately \$2.2 million has been committed ("Entitlement Offer").

The Entitlement Offer will be undertaken on the basis of 1 new share for every 19 shares held at an issue price of \$0.30 per share. Eligible shareholders have the ability to apply for additional shares in excess of their pro-rata entitlement via a dedicated top-up offer, allowing eligible shareholders to take advantage of current pricing levels. Argonaut Capital Limited is underwriter of the Entitlement Offer.

The Company is pleased to advise its largest shareholder, AustralianSuper Pty Ltd, has committed to take 100% of its pro-rata entitlement and provide additional funds via sub-underwriting the Entitlement Offer, which in total represents 75% of the shares offered under the Entitlement Offer.

Proceeds from the Entitlement Offer will be principally applied towards the Mackay Potash Project in particular on the permitting process and further project studies, together with financing and marketing activities. In addition, some funding will be used on the initial exploration activities at its newly acquired and complementary Lake Auld Potash Project and general working capital requirements.

Details of the Company's development progress at the Mackay Potash Project and initiatives to advance the Lake Auld Potash Project along with the indicative timetable for the Entitlement Offer follows.

¹ Pro-forma cash position of up to approximately \$7.5 million is based on the Company's reported cash balance as at 31 March 2020 and assumes the maximum amount offered under the Entitlement Offer is raised.

Mackay Potash Project

Definitive Feasibility Study

The Definitive Feasibility Study (“DFS”) for the Mackay Potash Project, Australia’s largest potash development, is progressing very well and is in the final stages of cost estimation, financial modelling, internal reviews and reporting. This DFS will set a new industry standard and is on track for completion by the end of June 2020.

Long-Term Pilot Pond Trial

The pilot evaporation trial at Lake Mackay continues to operate as planned, having successfully produced over 50 tonnes of raw potash salts at target grades of up to 12% K₂O. The Company’s management team have implemented a range of protocols and measures in response to COVID-19 in order to maintain the health and safety of the workforce and community. The pilot evaporation trial is believed to be the most extensive study of its kind undertaken globally and has now operating continually for more than 18 months. The results to date have successfully validated the DFS pond model and process assumptions, a major de-risking milestone for the project. The trial is in its final stages and is scheduled for completion in June 2020.

Environmental Approvals

The environmental impact assessment for the project is well advanced with all planned field surveys having now been completed. The Company is currently progressing relevant documentation for submission to the Environmental Protection Authority. Environmental approvals for Mackay Potash Project remain on track and are anticipated to be received in Q2 2021.

Haul Road Access Agreements

Planned negotiation meetings in relation to native title access agreements for the Company’s proposed haul road have been temporarily placed on hold due to community access restrictions in relation to COVID-19. Negotiations will re-commence as soon as it is possible and access agreements are expected to be finalised in Q2 2021. The Company’s haul road will connect the project to the Wyndham Port and will significantly improve access for the local communities.

Agrimin has established an alliance with trucking specialist Mr Craig Mitchell, named Newhaul Bulk, to provide critical haulage capability into the project’s integrated logistics chain. The haulage operation will include 24 road trains and 100 employees and, in combination with the proposed barge shiploading facility, will provide Agrimin with full control of its logistics chain.

Financing and Offtake

Project funding and off-take for the Mackay Potash Project has attracted significant interest from some of the world’s largest fertiliser companies. The imminent completion of the DFS will be a major milestone to allow project funding and off-take. The Company’s Sulphate of Potash (“SOP”) and Sulphate of Potash Magnesia (“SOPM”) samples continue to be distributed to potential customers and strategic partners, with confirmation that Agrimin’s product specifications exceed most existing products in the market.

In addition to discussions with potential strategic partners and traditional financiers, the Northern Australia Infrastructure Facility has previously expressed its interest to support the project.

Lake Auld Potash Project

The Company's planned native title consultations and exploration activities at the Lake Auld Potash Project have been temporarily placed on hold due to COVID-19 restrictions. The Company is continuously reviewing the situation and looks forward to commencing exploration at this exceptionally prospective project as soon as it is considered appropriate and safe to do so.

Entitlement Offer

The Prospectus includes further details of the Entitlement Offer, the terms and conditions of the partial underwriting, the effect of the Entitlement Offer on the Company, and a statement of the risks associated with investing in the Company. Shareholders are encouraged to read the Prospectus in its entirety.

The indicative timetable for the Entitlement Offer is below.

Activity	Indicative Date
Lodgement of Appendix 3B and Prospectus with ASIC and ASX	27 April 2020
Shares quoted on an "ex" basis	29 April 2020
Record Date for determining entitlements	30 April 2020
Prospectus and Entitlement & Acceptance Form despatched to eligible shareholders	5 May 2020
Entitlement offer opening date	5 May 2020
Entitlement offer closing date ¹	21 May 2020
New shares quoted on a deferred settlement basis	22 May 2020
Notify ASX of shortfall	26 May 2020
Issue of new shares / deferred settlement trading ends	29 May 2020
Commencement of new shares trading on a normal settlement basis	29 May 2020

¹ The Directors may extend the closing date by giving at least 3 business days' notice to ASX prior to the closing date. As such the date the shares issued under the Entitlement Offer are expected to be issued and commence trading on ASX may vary.

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This ASX Release is authorised for market release by Agrimin's CEO and Executive Director, Mark Savich.

About Agrimin

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

Forward-Looking Statements

This ASX Release may contain certain "forward-looking statements" which may be based on forward-looking information that are subject to a number of known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those presented here. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. Forward-looking information includes exchange rates; the proposed production plan; projected brine concentrations and recovery rates; uncertainties and risks regarding the estimated capital and operating costs; uncertainties and risks regarding the development timeline, including the need to obtain the necessary approvals. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other ASX Releases. Readers should not place undue reliance on forward-looking information. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.