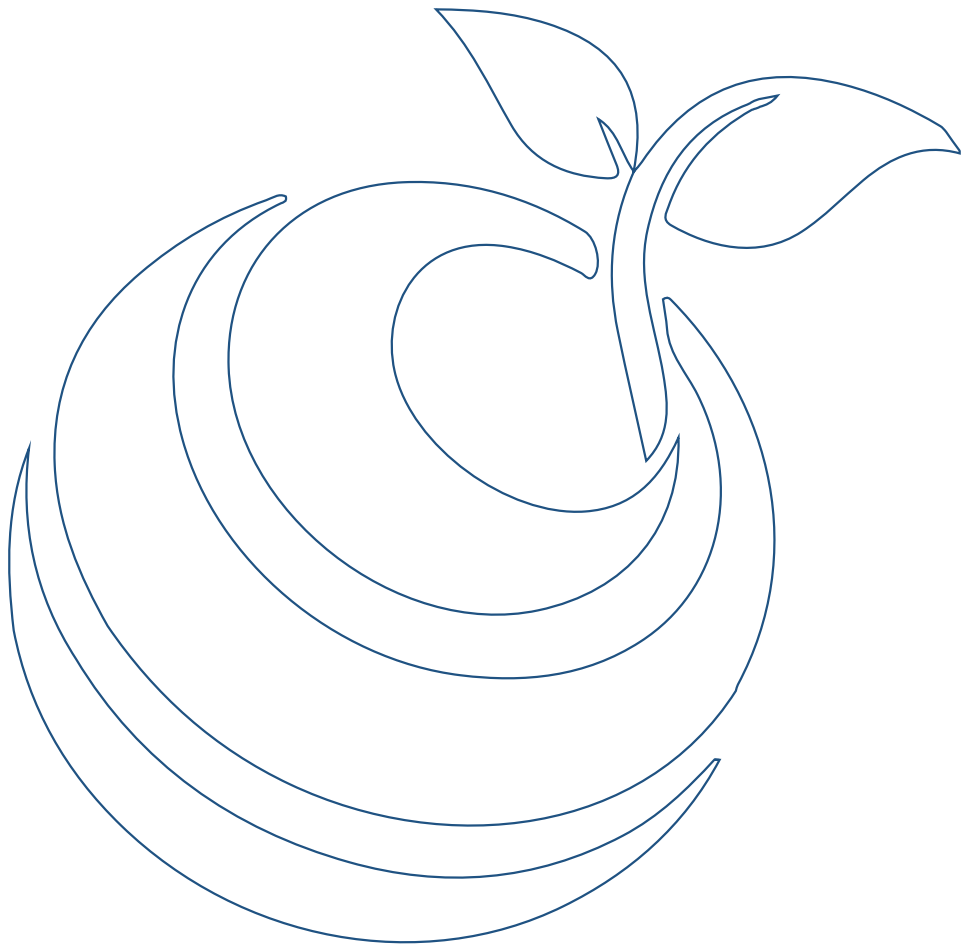


# INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED  
**31 DECEMBER 2022**





## Corporate Information

### DIRECTORS

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

### REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

2C Loch Street  
Nedlands, Western Australia, 6009  
Telephone: +61 8 9389 5363  
ABN: 15 122 162 396

### AUDITOR

RSM Australia Partners  
Level 32, Exchange Tower  
2 The Esplanade  
Perth, Western Australia, 6000  
Telephone: +61 8 9261 9100

### SHARE REGISTER

Automic Registry Services  
Level 5, 191 St Georges Terrace  
Perth, Western Australia, 6000  
Investor enquiries: 1300 288 664

### WEBSITE

[www.agrimin.com.au](http://www.agrimin.com.au)

### STOCK EXCHANGE LISTING

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

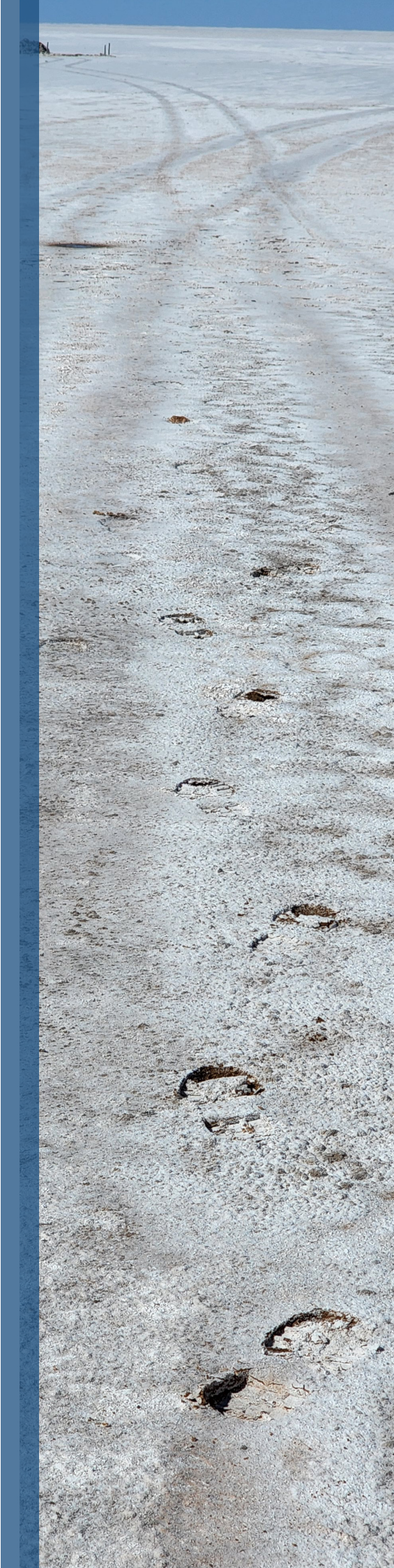
# INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED  
31 DECEMBER 2022

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# 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 interim financial statements for the Company and its controlled entities ("Group") for the half year ended 31 December 2022.

## Directors And Company Secretary

The names and details of the Company's directors and company secretary in office during the half year and until the date of this report are as follows.

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

## Principal Activities

The principal activity of the Group during the half 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 half year ended 31 December 2022.

## Review And Results Of Operations

The Company reported \$665,010 profit after income tax for the period (31 December 2021: loss of \$1,742,814). The profit after tax was primarily the result of the reversal of performance rights expensed since inception following management's assessment of meeting the performance condition. During the half year, \$3,315,851 (30 June 2022: \$6,417,335) of exploration expenditure was capitalised to exploration and evaluation assets.

## Cash Balance

At balance date the Group had \$4,228,919 (30 June 2022: \$6,814,774) of cash and cash equivalents.

## Shares On Issue

288,352,486 ordinary shares were on issue at 31 December 2022 (30 June 2022: 287,352,486).

## Review Of Operations

### Mackay Potash Project (100% Interest)

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

The Mackay Potash Project is situated on Lake Mackay in Western Australia, the largest undeveloped potash-bearing salt lake in the world. Lake Mackay hosts significant volumes of brine (hypersaline groundwater) containing dissolved potassium and sulphur which can produce high-grade, water-soluble SOP fertiliser.

SOP has a low salt index and is virtually chloride-free, making it ideal for use on high value crops such as fruits, vegetables, grape vines and tree nuts. Additionally, Agrimin's SOP is certified as an allowable input for use in organic production systems.

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

The Project is located 940 kilometres by road south of the Wyndham Port in Western Australia (Figure 1). It comprises nine granted Exploration Licences covering over 3,000 square kilometres in Western Australia and four Exploration Licence applications covering over 1,200 square kilometres in the Northern Territory.

The closest community to the Project is Kiwirrkurra which is located approximately 60 kilometres south-west. A Native Title Agreement with the Kiwirrkurra People was signed in November 2017.



Figure 1: Map of Agrimin's Projects.

### Review Of Operations (Continued)

#### Mackay Potash Project (100% Interest) (Continued)

Agrimin's commitment to the highest standards of Environmental, Social and Governance ("ESG") is embodied throughout the Project's design and delivery to date, including:

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

#### Definitive Feasibility Study

The Company completed the DFS for the Project and released the results to the ASX on 21 July 2020. The DFS was completed by an integrated owners team supported by best-in-class consultants and contractors providing expertise across the various study disciplines. The DFS was prepared to an AACE Class 3 standard and has a -15% to +20% level of accuracy.

The DFS development plan is based on the sustainable extraction of brine from Lake Mackay using a network of shallow trenches. Brine will be transferred along trenches into a series of solar evaporation ponds located on the salt lake's surface. Raw potash salts will crystallise on the floors of the ponds and will be collected by wet harvesters. Harvested salts will be pumped as a slurry to the processing plant located off the edge of the salt lake.

The processing plant will produce high quality finished SOP fertiliser ready for direct use by customers. The SOP will be hauled by a fleet of dedicated road trains to a purpose-built storage facility at Wyndham Port. At the port, SOP will be loaded via an integrated barge loading facility for shipment to customers.

The DFS returned the following key outcomes for the first stage of production, based on a flat SOP price of US\$500 per tonne FOB (Wyndham Port):

- Post-tax NPV8, real of US\$655 million and post-tax IRR of 21%;
- Production rate of 450,000 tonnes per annum;
- Initial 40 year mine life;
- Total cash cost of US\$159 per tonne FOB (Wyndham Port);
- Capital cost of US\$415 million, including contingency; and
- Annual EBITDA forecast of US\$145 million and EBITDA margin of 66%.

The Company has completed extensive pilot testing since 2017 and has produced SOP samples with high-grade product specifications of >53% K<sub>2</sub>O.

During the DFS, a long-term pilot evaporation trial was operated on Lake Mackay from October 2018 to June 2020 which involved a 3,000 square metre pond system run as a constant flow operation with brines being transferred through the ponds under a daily transfer regime. This industry-leading trial captured more than a full annual cycle of operating data and successfully validated the DFS pond model and process assumptions. This pilot trial was a major de-risking milestone for the Project.

The pilot trial included the production and harvesting of more than 50 tonnes of raw potash salt at grades of up to 12% K<sub>2</sub>O. The potash salts have undergone pilot processing tests to produce larger quantities of SOP samples within the Company's targeted product specifications and have been supplied to potential offtake parties and project partners.

The Project's development, as contemplated in the DFS, also encompasses a strategic mine-to-ship logistics chain ensuring it remains scalable and successful over its multi-decade life. This includes the development of key road and port infrastructure, along with a joint venture alliance with a proven bulk logistics operator to provide critical product haulage capability.

### Review Of Operations (Continued)

#### Definitive Feasibility Study (Continued)

The full-scale Project construction is planned to commence upon the completion of permitting and project funding. Based on the DFS delivery schedule, a program of early works is scheduled to occur in the six months prior to construction and will focus on site preparation and the procurement of time-critical equipment for construction of the brine extraction trenches and solar evaporation ponds. First SOP production is expected approximately two and half years after the commencement of construction.

The Project's strong economic returns as delivered in the DFS, together with low carbon, organic SOP product qualities, are expected to underpin the next areas of focus which currently include:

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

#### Front End Engineering Design

Following completion of the DFS, the Company advanced project funding discussions which resulted in the appointment of Advisian, a subsidiary of Worley Limited, to complete the Independent Technical Review ("ITR") which included a detailed assessment of all facets of the Project as contemplated in the DFS. The review, while critical for external financiers, was also designed to inform the Company's ongoing Front End Engineering and Design ("FEED") and other de-risking activities.

The ITR was completed in May 2021 and concluded that, based upon the data described in the report, the identified project risks are not expected to impact the technical and financial viability of the Mackay Potash Project, particularly when considering the FEED work programs and mitigations that are planned to occur prior to the Company making a Final Investment Decision.

The Company's integrated owner's team, supported by Turner & Townsend JukesTodd as project management consultant, continues to progress several key FEED work packages. The outcomes of the FEED phase will provide a greater degree of accuracy for operating and capital costs, as well as minimise the risk of material changes during the construction phase of the Project.

During the current FEED phase, the Company has worked with its proposed power contractor to refine the Project's site power station design. This has resulted in a hybrid diesel, solar, wind and battery solution with a modelled renewable energy penetration of 84%. This power station will support the processing plant, non-process infrastructure, offices and accommodation camp, as well as salt harvesting and pumping operations within the solar evaporation ponds.

#### Product Marketing And Project Funding

In May 2021, Agrimin signed a Binding Offtake Agreement with Sinochem Fertilizer Macao Limited for the supply of 150,000 tonnes per annum of SOP produced from the Mackay Potash Project for sale and distribution in China. This is the largest offtake volume for any Australian SOP project and has a 10-year term with pricing negotiated quarterly based on a Chinese SOP price index quoted by an international marketing group. Sinochem Fertilizer Macao Limited is a wholly owned subsidiary of Sinofert Holdings Limited, one of China's largest crop nutrition companies and plays a pivotal role with global potash suppliers to ensure the country's potash supply.

In January 2022, Agrimin signed a Binding Offtake Agreement with Nitron Group, LLC for the supply of 115,000 tonnes per annum of SOP produced from the Mackay Potash Project for sale and distribution in Latin America, Mexico, the Caribbean and Africa. The agreement has a 7-year term with pricing based on market prices less typical netback costs. Nitron is a global trader of fertilisers with well-established distribution networks in various markets, including leading market positions in Latin America and Africa.

In April 2022, Agrimin signed a Binding Offtake Agreement with MacroSource, LLC for the supply of 50,000 tonnes per annum of SOP produced from the Mackay Potash Project for sale and distribution in the USA. The agreement has a 7-year term with pricing based on market prices less typical netback costs. MacroSource is a leading wholesaler of NPK bulk blending grade fertilisers and has one of the largest distribution systems throughout major agricultural growing areas across the USA, including on railroads, rivers and ports.

Agrimin has committed 70% of its planned SOP production capacity under long-term binding offtakes to support the Company's ongoing project funding initiatives. The Company continues to progress discussions with the Northern Australia Infrastructure Facility ("NAIF") which has expressed its interest to provide concessional longer term debt finance for the Project.

### Review Of Operations (Continued)

#### Project Tenure And Approvals

The Environmental Impact Assessment for the Mackay Potash Project is currently in progress. The Project is being assessed by the Western Australian Environmental Protection Authority ("EPA") at a Public Environmental Review level. The EPA's assessment is an accredited process under a bilateral agreement with the Commonwealth Government, and therefore the Project will not require a separate assessment by the Commonwealth Department of Climate Change, Energy, the Environment and Water.

The EPA's assessment remains on the critical path to the Project's development and based on statutory guidelines the indicative timeline for EPA approval is mid 2023. The Company continues to work closely with the EPA to ensure their information requirements are met in the most efficient way.

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

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



## Review Of Operations (Continued)

### Ore Reserve And Mineral Resource Overview

The Mackay Potash Project has a JORC Code 2012 compliant drainable porosity resource of 123.4 million tonnes of SOP as below:

#### Mineral Resource Estimate

Classification	Aquifer Volume (Mm <sup>3</sup> )	Total Porosity		Drainable Porosity	
		K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)
Measured	4,621	3,473	16.5	3,473	3.9
Indicated	43,784	3,501	145	3,527	19.5
Measured & indicated	48,405	3,498	161.1	3,509	23.4
Inferred	304,641	3,323	934.6	3,232	99.9
<b>Total</b>	<b>353,046</b>	<b>3,349</b>	<b>1,095.7</b>	<b>3,285</b>	<b>123.3</b>

Note: Refer to the Company's Annual Report for the year ended 30 June 2022 for full Mineral Resource estimate details. All material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

Within the JORC Code 2012 compliant Mineral Resource Estimate is an Ore Reserve comprising 20 million tonnes of SOP as shown below. The Ore Reserve was first reported as part of the Mackay Potash Project DFS as released on 21 July 2020.

#### Ore Reserve

Classification	Brine Volume (GL)	K (mg/l)	SOP (Mt)
Proved	602	2,797	3.7
Probable	2,592	2,819	16.3
<b>Total</b>	<b>3,194</b>	<b>2,815</b>	<b>20.0</b>

Note: Refer to the Company's Annual Report for the year ended 30 June 2022 for full details of the Ore Reserve. All material assumptions and technical parameters underpinning the Ore Reserve continue to apply and have not materially changed.

### Lake Auld Project (100% Interest)

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

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

The Company continues its consultations with Jamukurnu Yapalikurnu Aboriginal Corporation which is the Prescribed Body Corporate that holds and manages native title for the Martu common law holders of the Martu native title determinations.

### Tali Resources Pty Ltd (40% Interest)

Agrimin holds a 40% interest in Tali Resources Pty Ltd which has Exploration Licences in Western Australia that are prospective for gold and base metals mineralisation. Tali Resources Pty Ltd has signed a Farm-in and Joint Venture Agreement with Rio Tinto Exploration Pty Ltd, pursuant to which Rio Tinto Exploration Pty Ltd can earn up to a 75% joint venture interest in the Exploration Licences. A maiden RC drilling program was completed in July 2022. Tali Resources Pty Ltd also holds a 17.8% shareholding in WA1 Resources Ltd (ASX:WA1).

### Review Of Operations (Continued)

#### Environment

Agrimin is committed to minimising the impact of its activities on the environment. Since exploration activities commenced at the Mackay Potash Project in 2015, no reportable environmental incident has occurred and it is the Company's focus to maintain this performance.

The Environmental Impact Assessment for the Mackay Potash Project is currently in progress. This is discussed above under the project tenure and approvals.

#### Community

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

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

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

#### 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. The Company is pleased to report that no recordable injuries have been reported during the year. The Company's past safety performance, along with a strong safety culture, bodes well as activity levels continue to grow.

#### Sustainability

Agrimin is committed to developing the Mackay Potash Project sustainably and in alignment with the United Nations Sustainable Development Goals. The Company's commitment is embodied throughout the DFS and has been demonstrated through over eight years of positive stakeholder engagement.

The Company believes in caring for the natural environment and aims to produce sustainable fertiliser products that minimise the environmental impacts of global agriculture. Agrimin is committed to managing its own environmental responsibilities during the production of its SOP, as well as offering an alternative to existing chemical and chloride-based potash fertilisers.

Agrimin's Board is committed to the adoption of corporate governance policies and practices consistent with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations that are appropriate for a company of Agrimin's size and nature. Agrimin's governance documents are reviewed annually and are available on the Company's website.

The Company is committed to maximising the employment and business opportunities for Indigenous people.

#### COVID-19 Pandemic

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The Company's activities during the period were not materially impacted by the COVID-19 outbreak or any related response measures.

### Review Of Operations (Continued)

#### Corporate

In December 2021, the Company announced that it will receive a grant of \$2.0 million under the Australian Federal Government's Supply Chain Resilience Initiative ("SCRI"). The SCRI provides grant funding to Australian businesses in order to address supply chain vulnerabilities for critical products or inputs identified in the Sovereign Manufacturing Capability Plan. Grant funds to be received under the SCRI will be used for FEED works for the Mackay Potash Project. In addition to the Project's award of Major Project Status by the Australian Government, the grant funding under the SCRI further underscores the domestic importance of the Project. The Company received \$1.2 million on 13 December 2022 (30 June 2022: \$0.4 million) to bring the total to \$1.6 million.

#### Competent Person Statement

The mineral resources and ore reserves statement in this Interim Report is based on, and fairly represents, information and supporting information prepared by competent persons.

The mineral resources statement in this Interim Report as a whole has been approved by Mr Derek Loveday, who is a full-time employee of Stantec Consulting Services Inc. Mr Loveday is a geologist and is an independent consultant to Agrimin Limited. Mr Loveday is a Member of the Society for Mining, Metallurgy & Exploration, a Professional Engineer of the Association of Professional Engineers and Geoscientists of Alberta, and a Professional Engineer of the South African Council for Natural Scientific Professions. Mr Loveday has provided his prior written consent to the form and context in which the mineral resources statement appears in this Interim Report.

The ore reserves statement in this Interim Report as a whole has been approved by Mr Rick Reinke, who is a full-time employee of Stantec Consulting Services Inc. Mr Reinke is a hydrogeologist and is an independent consultant to Agrimin Limited. Mr Reinke is a member, a Professional Geoscientist, and Professional Geophysicist of the Association of Professional Engineers and Geoscientists of Alberta. Mr Reinke has provided his prior written consent to the form and context in which the ore reserves statement appears in this Interim Report.

#### Forward Looking Statements

This Interim Report may contain certain forward-looking statements which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. 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. However, forward-looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. 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, refer to this Interim Report in its entirety, as well as the Company's other ASX Releases. Readers of this Interim Report should not place undue reliance on forward-looking information. No representation or warranty, express or implied, is made by the Company that the matters stated in this Interim Report will be achieved or prove to be correct. Recipients of this Interim Report must make their own investigations and inquiries regarding all assumptions, risks, uncertainties and contingencies which may affect the future operations of the Company or the Company's securities. The Company does not undertake any obligation to update or revise any forward-looking statements as a result of new information, estimates or opinions, future events or results, except as may be required under applicable securities laws.

#### Cautionary Statement

The Definitive Feasibility Study results, production target and forecast financial information referred to in this Interim Report are supported by the Definitive Feasibility Study mine plan which is based on the extraction of 93% Ore Reserve and 7% Inferred Mineral Resource. There is a low level of geological confidence associated with the Inferred Mineral Resource and there is no certainty that further exploration work and economic assessment will result in the conversion to Ore Reserve or that the production target itself will be realised. The Mineral Resource and Ore Reserve underpinning the production target in this Interim Report have been prepared by a competent person in accordance with the requirements of the JORC Code (2012).

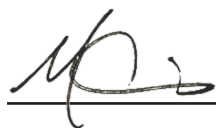
#### Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 13.

### Events Subsequent To Reporting Date

There were no events after the reporting date.

This report is made with a resolution of the directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*:



---

Mark Savich

Chief Executive Officer and Executive Director

Perth

28 February 2023

**RSM Australia Partners**

Level 32 Exchange Tower, 2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844

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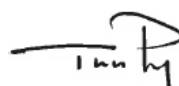
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Agrimin Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 28 February 2023

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

# Consolidated Interim Financial Statements



## Consolidated Interim Statement Of Profit or Loss and Other Comprehensive Income

For The Half Year Ended 31 December

	Note	31 Dec 2022 \$	31 Dec 2021 \$
Other income		10,530	7,727
Profit on disposal of property, plant and equipment		35,134	-
Finance income		45,895	3,227
Share of net profit of equity accounted investee		68,944	-
Share based payments	15	1,719,359	(594,956)
Finance expenses		(3,002)	(10,566)
Administrative expenses	5	(1,211,850)	(1,148,246)
Profit/(loss) before income tax		665,010	(1,742,814)
Income tax expense		-	-
Profit/(loss) for the period		665,010	(1,742,814)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the period		665,010	(1,742,814)
Profit/(loss) per share			
Basic and diluted profit/(loss) per share		0.23 cents	(0.83) cents

The above consolidated interim statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# Consolidated Interim Statement Of Financial Position

As At 31 December

	Note	31 Dec 2022 \$	30 Jun 2022 \$
Assets			
Current assets			
Cash and cash equivalents	6	4,228,919	6,814,774
Other receivables		44,423	212,043
Deposits		158,674	158,674
Prepayments		6,390	44,728
Total current assets		4,438,406	7,230,219
Non-current assets			
Exploration and evaluation assets	7	42,435,365	40,319,514
Property, plant and equipment		59,188	121,007
Right of use asset	8	377,328	60,362
Investment in associate	9	470,005	401,061
Investment in joint venture		27,500	-
Other assets	10	896,330	871,330
Total non-current assets		44,265,716	41,773,274
Total assets		48,704,122	49,003,493
Liabilities			
Current liabilities			
Trade and other payables	11	1,290,883	1,431,419
Provisions	12	231,896	244,403
Lease liabilities	13	122,368	67,031
Total current-liabilities		1,645,147	1,742,853
Non-current liabilities			
Lease liabilities	13	256,045	-
Provisions	12	1,072,444	823,377
Total non-current liabilities		1,328,489	823,377
Total liabilities		2,973,636	2,566,230
Net assets		45,730,486	46,437,263
Equity			
Share capital	14	73,724,082	73,376,510
Reserves	15	1,031,080	2,750,439
Accumulated losses		(29,024,676)	(29,689,686)
Total equity		45,730,486	46,437,263

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

## Consolidated Interim Statement Of Changes In Equity

For The Half Year Ended 31 December

	Note	Share capital \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022		73,376,510	2,750,439	(29,689,686)	46,437,263
Profit for the half year		-	-	665,010	665,010
Total comprehensive profit for the half year		-	-	665,010	665,010
Issue of ordinary shares	14	350,000	-	-	350,000
Costs from issue of ordinary shares	14	(2,428)	-	-	(2,428)
Share based payment expense	15	-	(1,719,359)	-	(1,719,359)
Balance at 31 December 2022		73,724,082	1,031,080	(29,024,676)	45,730,486
Balance at 1 July 2021		63,797,395	3,682,270	(28,318,365)	39,161,300
Loss for the half year		-	-	(1,742,814)	(1,742,814)
Total comprehensive loss for the half year		-	-	(1,742,814)	(1,742,814)
Share based payment expense	15	-	594,956	-	594,956
Balance at 31 December 2021		63,797,395	4,277,226	(30,061,179)	38,013,442

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



## Consolidated Interim Statement Of Cash Flows

For The Half Year Ended 31 December

	Note	31 Dec 2022 \$	31 Dec 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(868,533)	(1,056,337)
Interest received		45,895	3,227
Other income		10,530	7,727
Net cash used in operating activities		(812,108)	(1,045,383)
Cash flows from investing activities			
Payments for exploration and evaluation assets		(2,931,712)	(3,108,935)
Payments for exploration deposits		-	(6,026)
Payments for other assets		(25,000)	(25,000)
Investment in joint venture		(27,500)	-
Proceeds from disposal of property, plant and equipment		68,978	-
Proceeds from Supply Chain Resilience Initiative ('SCRI')		1,200,000	-
Net cash used in investing activities		(1,715,234)	(3,139,961)
Cash flows from financing activities			
Repayment of lease liability		(57,323)	(53,276)
Interest payment on lease liability		(1,190)	(4,230)
Cash flows used in financing activities		(58,513)	(57,506)
Net decrease in cash and cash equivalents		(2,585,855)	(4,242,850)
Cash and cash equivalents at 1 July		6,814,774	5,477,457
Cash and cash equivalents at 31 December	6	4,228,919	1,234,607

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

# Notes To The Consolidated Interim Financial Statements



### 1. Reporting Entity

Agrimin Limited ("Agrimin" or 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 interim 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 potash projects in Western Australia. The address of the registered office is 2C Loch Street, Nedlands, Perth, Western Australia, 6009.

### 2. Basis of Preparation

#### (a) Basis of Preparation

The consolidated interim financial statements are general purpose condensed financial statements for the six months ending 31 December 2022 prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Accounting Standard 34 Interim Financial Reporting.

The consolidated interim financial statements do not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the annual consolidated financial statements of Agrimin for the year ended 30 June 2022 and any public announcements made by Agrimin during the interim period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This consolidated interim financial statements of Agrimin for the half year ended 31 December 2022 was authorised for issue in accordance with a resolution of the Directors on 28 February 2023.

The consolidated interim financial statements have been prepared on historical cost basis and is 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 report have been consistently applied to all periods presented, unless otherwise stated.

#### (b) Adoption of new and revised accounting standards

In the half year ended 31 December 2022, the Company adopted all new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective from 1 July 2022. It has been determined that there is a no material impact from other revised standards and interpretations.

### 3. Segment Information

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 in Western Australia.

### 4. Going Concern

This consolidated interim financial report has 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.

## 5. Administrative Expenses

	31 Dec 2022	31 Dec 2021
	\$	\$
Fees, salaries and benefits	872,019	728,588
External professional fees	101,274	114,978
ASX fees	54,179	53,849
Depreciation of right of use assets	51,739	51,739
Insurance expense	38,449	31,458
Office outgoings	25,731	22,622
Subscriptions and licencing expenses	23,584	20,739
Other administrative expenses	44,875	124,273
	1,211,850	1,148,246

## 6. Cash And Cash Equivalents

	31 Dec 2022	30 Jun 2022
	\$	\$
Cash and bank balances	4,169,919	6,755,774
Short-term deposits	59,000	59,000
	4,228,919	6,814,774

## 7. Exploration And Evaluation Assets

	31 Dec 2022	30 Jun 2022
	\$	\$
Opening balance	40,319,514	34,468,634
Additions	3,315,851	6,417,335
Refundable research and development grant received	-	(166,455)
Supply Chain Resilience Initiative ('SCRI') grant received	(1,200,000)	(400,000)
	42,435,365	40,319,514

The carrying amount of the exploration and evaluation assets at 31 December 2022 relates to the exploration capitalised on the Mackay Potash Project and the Lake Auld Potash Project. At 31 December 2022, the Group assessed the carrying amount of the assets for impairment. No impairment triggers were present (30 June 2022: Nil).

## 8. Right Of Use Asset

	31 Dec 2022	30 Jun 2022
	\$	\$
Office lease		
At cost	738,400	369,695
Accumulated depreciation	(361,072)	(309,333)
	377,328	60,362
Movement in carrying amount		
Opening balance	60,362	163,839
Increase to right of use asset	368,705	-
Depreciation	(51,739)	(103,477)
	377,328	60,362

At 31 December 2022, the Group assessed the carrying amount of the right of use asset for impairment. No impairment triggers were present (30 June 2022: Nil).

A new office lease has been signed and will commence on 1 February 2023. The Company has recognised a new right of use asset which will subsequently be amortised over the life of the lease. The right of use asset will be equal to the lease liability.

## 9. Investment In Associate

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the Group are set out below:

Name	Principal Activities	Country of Incorporation	Equity Holding	
			31 Dec 2022	30 Jun 2022
			%	%
Tali Resources Pty Ltd	Mineral Exploration	Australia	40%	40%

	31 Dec 2022	30 Jun 2022
	\$	\$
Investment in associate	470,005	401,061
	470,005	401,061
Carrying value of interest in associates		
Opening balance	401,061	388,186
Share of comprehensive profit/(loss) for the period	68,944	12,875
	470,005	401,061

The Group equity accounts for its investment and the carrying amount is increased or reduced by its share of profit or loss for the period. The Group's share of profit during the period is \$68,944 (30 June 2022: \$12,875).

At 31 December 2022, the Group assessed the carrying amount of the investment for impairment. No impairment triggers were present (30 June 2022: Nil).

## 10. Other Assets

	31 Dec 2022	30 Jun 2022
	\$	\$
Pre-license expenditure	796,330	796,330
Lot 701 option payment	100,000	75,000
	896,330	871,330
Pre-license expenditure		
Opening balance	796,330	796,330
	796,330	796,330
Lot 701 option payment		
Opening balance	75,000	50,000
Additions	25,000	25,000
	100,000	75,000

The Lake Auld project comprises the broader package of Exploration Licences under application by the Group in the Lake Auld and Percival Lakes area. Expenditure will be transferred to exploration and evaluation expenditure upon granting of exploration licenses by the Department of Mines, Industry Regulation and Safety.

At 31 December 2022, the Group assessed the carrying amount of its pre-licence expenditure and option payment for impairment. No impairment triggers were present (30 June 2022: Nil).

## 11. Trade And Other Payables

	31 Dec 2022	30 Jun 2022
	\$	\$
Accrued expenses	566,610	779,207
Trade payables	539,015	595,491
Other payables	112,954	56,721
Net GST payable	72,304	-
	1,290,883	1,431,419

## 12. Provisions

	31 Dec 2022	30 Jun 2022
	\$	\$
Current		
Employee benefits	231,896	244,403
	231,896	244,403
Non-current		
Provision for rehabilitation	954,400	739,409
Employee benefits	118,044	83,968
	1,072,444	823,377
Provision for rehabilitation		
Opening balance	739,409	786,708
Adjustment made during the year	213,179	(59,970)
Unwind of discount	1,812	12,671
	954,400	739,409

### 13. Lease Liabilities

	31 Dec 2022 \$	30 Jun 2022 \$
Office lease		
Current	122,368	67,031
Non-current	256,045	-
	<b>378,413</b>	<b>67,031</b>
Movement for the year		
Opening balance	67,031	175,912
Increase to lease liability	368,705	-
Lease payments	(58,513)	(115,852)
Interest expense	1,190	6,971
	<b>378,413</b>	<b>67,031</b>

Amounts recognised in the Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income:

	31 Dec 2022 \$	30 Jun 2022 \$
Depreciation of right of use assets	51,739	103,477
Interest expense on lease liability	1,190	6,971
Expenses on short-term leases	596	1,675
	<b>53,525</b>	<b>112,123</b>

The cash outflow for leases during the period amounts to \$59,169 (30 June 2022: \$117,526).

A new office lease has been signed and will commence on 1 February 2023. The Company has recognised a new lease liability and the subsequent lease payments will be recognised over the life of the lease.

## 14. Share Capital

	31 Dec 2022	
	Number	\$
Share capital		
Fully paid ordinary shares		
Balance at 1 July 2022	287,352,486	73,376,510
Issue of fully paid ordinary shares at \$0.35 <sup>(1)</sup>	1,000,000	350,000
Less share issue costs	-	(2,428)
Balance at 31 December 2022	288,352,486	73,724,082

- (1) A Haul Road Native Title agreement with Parna Ngururrpa (Aboriginal Corporation) (PNAC) was signed on 7 October 2022 with 1,000,000 ordinary shares being issued to PNAC. In accordance with AASB 2 *Share-based Payment*, the share value of \$0.35 at measurement date, 7 October 2022 (the date of the agreement) was used to determine the share based payment of \$350,000. The shares were issued to Parna Ngururrpa (Aboriginal Corporation) (PNAC) on 20 December 2022.

	30 Jun 2022	
	Number	\$
Share capital		
Fully paid ordinary shares		
Balance at 1 July 2021	211,088,965	63,797,395
Issue of fully paid ordinary shares at \$0.35	14,285,715	5,000,000
Issue of fully paid ordinary shares at \$0.35 under share purchase plan	14,302,619	5,006,000
Issue of fully paid bonus ordinary shares	47,675,187	-
Less share issue costs	-	(426,885)
Balance at 30 June 2022	287,352,486	73,376,510

## 15. Reserves

	31 Dec 2022	30 Jun 2022
	\$	\$
Reserves	1,031,080	2,750,439
Share based payment reserve		
Opening balance	2,750,439	3,682,270
Share based payment expense	(1,719,359)	(931,831)
	1,031,080	2,750,439

## 15. Reserves (Continued)

Share based payment reserve

Performance related remuneration

Details of performance rights held by the Group during half year ended 31 December 2022 are as follows:

Financial year	Held at beginning of year	Forfeited / expired <sup>(1)</sup>	Vested and exercised	Held at the end of year	Vested at end of year
2023	13,980,000	(5,850,000)	-	8,130,000	-

(1) 5,790,000 performance rights under Milestone A lapsed as the performance condition was not met by the Company and 120,000 performance rights under Milestone A & B have been forfeited.

8,130,000 rights held at 31 December relate to Milestone B which has the following terms:

Performance condition	Number of rights granted	Expiry date
Milestone B – Commencement of production of the Mackay Potash Project	8,130,000	1 November 2025

The fair value of the performance rights under Milestone B above ranged between \$0.365 to \$0.510 per right. The probability of achieving the milestone was assessed by management and it was determined that the probability of achieving Milestone B was less likely than not and less than 50% and as a result \$1,719,359 of prior year expenses recognised was reversed (since grant date). In accordance with AASB 2 Share Based Payments the Company has recognised the fair value of the performance rights since grant date, being 15 September 2017. The Group will continue to re-assess the probability of achieving the performance condition at each reporting date.

## 16. Related Party Transactions

During the period \$48,000 of fees were paid to Lexcon Services Pty Ltd (30 June 2022: \$96,000) and \$8,000 was payable for professional services provided by Mr Pismiris as Non-Executive Director and Company Secretary (30 June 2022: \$8,000).

## 17. Financial Instruments

The fair value of financial assets and liabilities approximate their carrying amounts. The fair value of assets and liabilities are all level 2 in accordance with the fair value hierarchy (30 June 2022: 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.

## 18. Events After The Reporting Period

There were no events after the reporting date.

## 19. Dividends

No dividend has been declared or paid during the half year ended 31 December 2022. The Directors do not recommend the payment of a dividend in respect of the half year ended 31 December 2022.

## 20. Contingent Assets and Liabilities

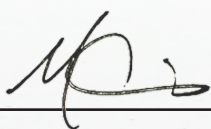
There were no contingent assets and liabilities for the half year ended 31 December 2022.

## Directors' Declaration

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

1. the interim financial statements and notes set out on pages 14 to 26 are in accordance with the *Corporations Act 2001*, including:
  - (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
  - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, other mandatory professional reporting requirements and the *Corporations Regulations 2001*;
2. there are reasonable grounds to believe that the Company will be able to pay debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.



Mark Savich

Chief Executive Officer and Executive Director

Perth

28 February 2023



# Independent Auditor's Review Report





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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF AGRIMIN LIMITED**

**Report on the Half-Year Financial Report**

*Conclusion*

We have reviewed the accompanying half-year financial report of Agrimin Limited which comprises the consolidated interim statement of financial position as at 31 December 2022, the consolidated interim statement of profit or loss and other comprehensive income, consolidated interim statement of changes in equity and consolidated interim statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Agrimin Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

*Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the consolidated entity 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 (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Agrimin Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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### *Directors' Responsibility for the Half-Year Financial Report*

The directors of Agrimin Limited are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

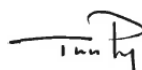
### *Auditor's Responsibility for the Review of the Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A stylized, handwritten-style signature of the letters 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature, likely of Tutu Phong, consisting of a stylized 'T' followed by 'utu' and 'Phong'.

TUTU PHONG  
Partner

Perth, WA  
Dated: 28 February 2023



**Agrimin Limited**

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