AGRIMIN LIMITED

ABN 15 122 162 396

Annual Report

For the year ended 30 June 2021

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

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STOCK EXCHANGE LISTING

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

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Dear Shareholders,

After what has been a challenging year for many people, I hope that this year's update finds you in good health. At the beginning of the financial year, we were concerned that the COVID-19 restrictions could cause significant delays to our project, but I am pleased to report that the impact has been limited and we have made significant progress through the year.

Over the past 7 years Agrimin has invested more than $45 million into the Mackay Potash Project and has set the industry standard for the Australian Sulphate of Potash industry. Our approach has been to progressively de-risk the project by applying agile methodologies to the traditional staged approach moving through scoping, prefeasibility and finally definitive feasibility level studies. Early in the financial year we released our Definitive Feasibility Study which was based on over two years of trench pumping, and pilot pond trials and potash salts production and set an industry benchmark for such studies. The study showed that once in production, the Mackay Potash Project could become the lowest cost seaborne supplier of Sulphate of Potash fertiliser globally.

Following completion of the DFS, we continue to apply similar methodologies to de-risk project construction and commissioning. Upon completion of the Definitive Feasibility Study in July 2020, it was clear that permitting activities at the Mackay Potash Project would continue well into 2021. This has provided us with a significant opportunity to properly consider the findings of the DFS, have a detailed Independent Technical Review of all components of the study, and embark on a detailed Front-End Engineering & Design path. Accordingly, over the past year we awarded key work packages to industry-leading companies regarding the major components of the project.

Our project received significant validation through the execution of a Binding Offtake Agreement with Sinochem Fertilizer Macao Limited for the supply of one-third of the project's planned annual production. Sinochem 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.

Agrimin has completed a large number of environmental and heritage surveys over the past year. The Company has now finalised heritage surveys across all three native title determination areas and successfully obtained heritage clearances for the proposed disturbance envelopes for the Project's haul road and associated infrastructure such as borrow pits, water bores and communication towers.

The Kiwirrkurra People, as well as the Ngururrpa People and Tjurabalan People, have provided tremendous support to Agrimin to allow us to meet our vision, to establish the Mackay Potash Project as the world's leading seaborne supplier of Sulphate of Potash fertiliser, developed with sustainability principles at its core and to empower local Indigenous communities throughout the Project's long life. On behalf of Agrimin and its shareholders I wish to thank the traditional owners of the lands on which we operate.

I would also like to thank our shareholders. It takes time to develop a world class project in a new sector and their on-going support and patience is appreciated. I would also like to thank our consultants and engineering partners. And lastly, I would like to thank our team at Agrimin, led by our CEO Mark Savich, who continue to work diligently as we near the execution of offtake, funding and construction of the world-class Mackay Potash project.

Richard Seville

Chairperson

September 2021

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 3,057 square kilometres in Western Australia and three Exploration Licence applications covering 1,240 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.

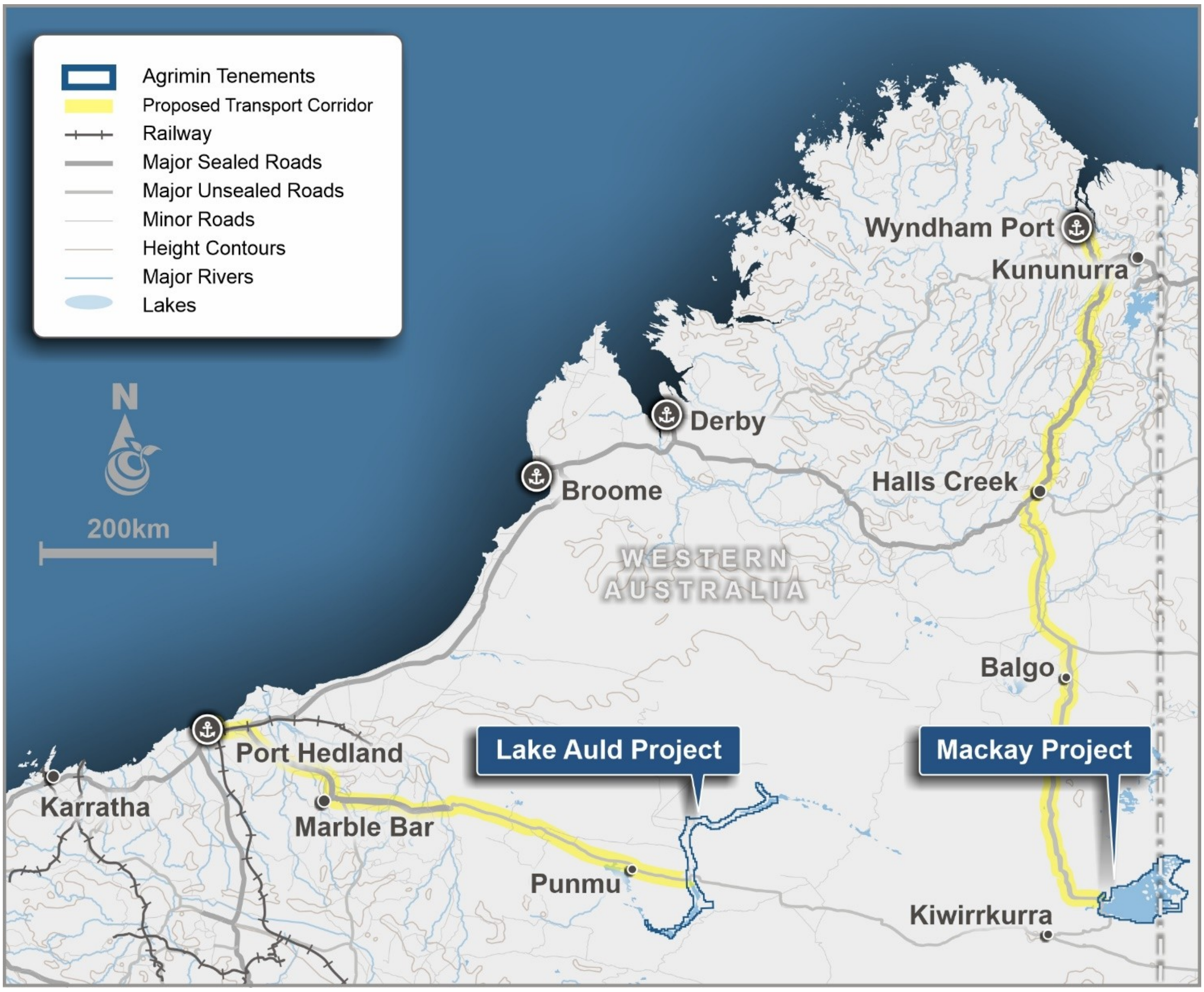

Figure 1: Map of Agrimin's Projects

DEFINITIVE FEASIBILITY STUDY

During the year, 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 be powered by a hybrid gas, solar, wind and battery solution with a renewable energy penetration of 58%. Process and potable water will be supplied from a borefield installed to the south 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 NPV_8, 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_2O.

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_2O. 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.

POST-DFS ACTIVITIES AND FRONT-END ENGINEERING & DESIGN

Following completion of the DFS, the Company continued to advance project funding discussions which resulted in the appointment of Advisian, a subsidiary of Worley Limited, as Independent Technical Expert on behalf of financiers. The Independent Technical Review ("ITR") 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 by Advisian in May 2021. The ITR report concluded that, based upon the data described in the report, the identified project risks are not expected to impact the technical and financial viability of the 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.

POST-DFS ACTIVITIES AND FRONT END ENGINEERING & DESIGN (CONTINUED)

The Company has now awarded key detailed design and FEED work packages to preferred tenderers. In November 2020, Royal IHC was awarded the FEED contract for automated wet harvesting equipment for the Project. Wet harvesting is currently used at the world's largest SOP operations and IHC is the world leader in the design and manufacture of dredging systems for wet harvesting solutions. The application of wet harvesting can provide significant operating benefits including:

- Significantly lower energy consumption to transfer raw potash salts from the evaporation ponds to the processing plant (i.e. raw potash salts will be transferred to the plant via pipeline as a slurry, thereby removing the requirement to truck dry salts);
- Reduced labour costs as wet harvesters will be automated;
- Increased overall potassium recovery with harvesting of two pre-concentration ponds to recover a portion of the potassium-bearing entrained brine; and
- Reduced pond sizes due to harvesting occurring earlier in the evaporation cycle and not having to take ponds off-line for harvesting.

In February 2021, Coffey Services Australia Pty Ltd were appointed to lead the geotechnical investigations and FEED activities required to finalise the haul road alignment, construction methodology and detailed design. The commencement of FEED activities relating to the haul road followed a range of heritage and environmental surveys which were undertaken over several years.

Following the ITR, in May 2021 Primero Group, a subsidiary of NRW Holdings Limited, was awarded the FEED contract for the process plant and associated non-process infrastructure for the Project. Primero was initially appointed in July 2019 on an Early Contractor Involvement basis to complete the DFS engineering design for the process plant, and given the successful completion of the DFS and ITR, the Company appointed Primero to commence the FEED phase.

Agrimin's commitment to the highest standards of Environmental, Social and Governance ("ESG") was embodied throughout the DFS and the Project will deliver on a number of metrics, 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.

As outlined in the DFS, full-scale Project construction is planned to commence upon the completion of permitting and project funding. 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 2.5 years after the commencement of construction.

The Project's strong economic returns and premium SOP product quality will underpin the next phase of development which includes:

- Product marketing and offtake agreements;
- Project funding and strategic partnerships;
- FEED works;
- Execution planning and contracting;
- Environmental approvals; and
- Mining tenements and secondary approvals.

OTHER ACTIVITIES

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.

Agrimin continues to advance negotiations on offtake agreements with other major fertiliser companies in different regions and intends to finalise further agreements in the near term to underpin project financing.

In October 2020, Agrimin's SOP product was certified as an allowable input for use in organic production systems. This now permits product from Lake Mackay to be marketed within Australia and all Non-Regulated Markets outside Australia as an allowable input under Australia's Export Organic Standard. As well as Lake Mackay's SOP product being certified for use in the rapidly growing organic agriculture sector, the achievement is also closely aligned with Agrimin's sustainability vision and commitment to the United Nations Sustainable Development Goals.

In addition to organic certification, ongoing green studies have identified the potential to increase the Project's renewable penetration rate to deliver low carbon SOP. In June 2021, the Company announced findings based on 12 months of Sonic Detection and Ranging ("SODAR") data collected at the proposed process plant location which provided information about daily and seasonal wind patterns. The SODAR device uses sound waves to measure wind speed and direction in the atmosphere at 10m intervals up to 200m above ground level. The average wind speed detected exceeded the assumption used in the DFS and, importantly, demonstrated that wind energy is typically stronger at night and in the morning, which will complement solar energy and greatly improve renewable energy utilisation.

Based on ongoing data collection and studies, the Company plans to optimise the mix of renewable energy generation with a review of energy storage options and process power demand during the FEED phase.

LAKE AULD POTASH PROJECT (100% INTEREST)

The Lake Auld Potash Project is located approximately 640 kilometres south-east of Port Hedland, Western Australia (Figure 1). The Lake Auld Potash Project consists of a granted Exploration Licence covering a lakebed area of 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.

During the year, the Company progressed a Concept Study and advanced plans for a heritage survey with Western Desert Lands Aboriginal Corporation (Jamukurnu-Yapalikunu) RNTBC, the Native Title representative body for the Martu People.

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. During the year, Tali Resources Pty Ltd 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. Tali Resources Pty Ltd has completed detailed ground gravity and airborne magnetic surveys, as well as ultrafine fraction soil sampling, rock chip sampling and geological mapping over several exploration target areas.

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 ("EIA") for the Mackay Potash Project continued during the year, and remains the critical path item for the commencement of full-scale construction. The Project will be assessed by the Western Australian Environmental Protection Authority ("EPA") at a Public Environmental Review level with a four week public comment period. The EPA's assessment is an accredited process under a bilateral agreement with the Commonwealth Government, and therefore the Project will not require a separate assessment by the Commonwealth Department of Agriculture, Water and the Environment ("DAWE"). During the year the Company completed a range of field surveys and studies, as well as continued to prepare its Environmental Review Document for submission to the EPA.

ENVIRONMENT (CONTINUED)

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

- Department of Mines, Industry Regulation and Safety ("DMIRS") – Miscellaneous Licences, Mining Lease, Mining Proposal and Mine Closure Plan approvals under the Mining Act 1978;
- Department of Water and Environmental Regulation ("DWER") – Works Approval and Licence under the Environmental Protection Act 1986; and
- Agreements with Parna Ngururrpa (Aboriginal Corporation) RNTBC and Tjurabalan Native Title Lands (Aboriginal Corporation) for the grant of Miscellaneous Licences over the proposed haul road.

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.

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

The Company finalised heritage surveys across all three native title determination areas through which the haul road corridor passes. The determination areas are 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. 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 recently released DFS and has been demonstrated through over six 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 outbreak and the response of Governments in dealing with the pandemic has not had a significant impact on the operations of the Company. The main impacts during the year related to the postponement of native title meetings that were planned, as well as the delay of certain heritage and environmental surveys. These activities have since re-commenced.

CORPORATE

On 1 December 2020, the Company received a government grant of $1,587,901 (2020: $1,943,682) in the form of a research and development refund for the financial year ended 30 June 2020. There were no unfulfilled conditions attached to the grant.

On 11 December 2020, the Company announced a capital raising of $5,000,000 (before costs) via a placement to institutional and sophisticated investors. The placement included 11,111,112 ordinary shares issued at a price of $0.45 per share. The shares were issued on 17 December 2020.

On 11 December 2020, the Company announced plans to undertake a non-underwritten Share Purchase Plan ("SPP") to raise up to approximately $2 million (before costs) via an issue of shares at an issue price of $0.45 per share. Following closure of the SPP, the Company issued 3,287,171 shares on 1 February 2021 to raise $1,479,227 (before costs).

ANNUAL MINERAL RESOURCES AND ORE RESERVE STATEMENT

Drainable Porosity Mineral Resource Estimate (JORC Code 2012)

Resource Zone	Aquifer Volume (Mm^3)	Measured & Indicated						Inferred		Total Mineral Resource	
		Measured		Indicated		Total					
		K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)
UZT	10,568	3,473	3.9	3,719	3.3	3,558	7.3	2,969	3.7	3,360	11
UZB	28,636	-	-	3,405	6.5	3,405	6.5	3,084	3.6	3,292	10.1
LZ1	48,127	-	-	3,542	9.7	3,542	9.7	3,428	9	3,487	18.7
LZ2	248,711	-	-	-	-	-	-	3,382	75	3,382	75
LZ3	17,003	-	-	-	-	-	-	1,910	8.7	1,910	8.7
Total	353,045	3,473	3.9	3,527	19.5	3,509	23.5	3,232	100.0	3,285	123.5

Total Porosity Mineral Resource Estimate (JORC Code 2012)

Resource Zone	Aquifer Volume (Mm^3)	Measured & Indicated						Inferred		Total Mineral Resource	
		Measured		Indicated		Total					
		K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)	K (mg/L)	SOP (Mt)
UZT	10,568	3,473	16.5	3,719	8.6	3,558	25.1	2,952	10.9	3,375	36
UZB	28,636	-	-	3,405	54.6	3,405	54.6	3,084	29.8	3,292	84.4
LZ1	48,127	-	-	3,542	81.4	3,542	81.4	3,428	75.7	3,487	157
LZ2	248,711	-	-	-	-	-	-	3,382	787.8	3,382	787.8
LZ3	17,003	-	-	-	-	-	-	1,910	30.4	1,910	30.4
Total	353,046	3,473	16.5	3,501	144.6	3,498	161.1	3,323	934.6	3,349	1,095.6

Ore Reserve

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

COMPETENT PERSON STATEMENT

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

The mineral resources statement in this Annual 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 Annual Report.

The ore reserves statement in this Annual 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 Annual Report.

FORWARD LOOKING STATEMENTS

This Annual 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 Annual Report in its entirety, as well as the Company's other ASX Releases. Readers of this Annual 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 Annual Report will be achieved or prove to be correct. Recipients of this Annual 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 Annual 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 Annual Report have been prepared by a competent person in accordance with the requirements of the JORC Code (2012).

Agrimin is committed to developing the Mackay Potash Project sustainably and in alignment with the United Nations Sustainable Development Goals, as outlined in Figure 2. The Company's commitment is embodied throughout the recently released DFS and has been demonstrated through seven years of positive stakeholder engagement.

Goal	Agrimin's Alignment
Zero Hunger	We aim to establish a globally important supply of sustainable fertiliser that can improve global agricultural productivity and assist developing countries to achieve food security.
Good Health and Well-Being	We strive to provide a safe work place for our employees and the communities in which we operate. Their health and well-being is our paramount focus.
Quality Education	We have a planned program of training and education opportunities within our local communities which are designed to improve accessibility to the jobs that will be created over the life of our operations.
Gender Equality	We aspire to provide a positive and inclusive team environment. We recognise the importance of improving gender representation in the roles we create.
Decent Work and Economic Growth	We aim to empower local communities by creating jobs and supporting training programs throughout all phases of our operations to ensure economic benefits endure locally over the long-term.
Industry, Innovation and Infrastructure	We will develop important regional infrastructure that will create economic and social opportunities through better connectivity for remote communities.
Reduced Inequalities	We seek to provide jobs and economic opportunities for Indigenous people living in our country's most isolated communities. We firmly believe our operations can be a catalyst for an improved quality of life.
Responsible Consumption and Production	We have designed a sustainable and low impact production process to ensure that our operations minimise the consumption of water, energy and other materials.
Climate Action	We aim to achieve a high penetration of renewable energy in our operations and we are proud that our fertiliser will have one of the lowest carbon footprints associated with any major macro-nutrient fertiliser.
Life on Land	We are committed to protecting the environment and minimising the impact on the biodiversity within the ecosystems we operate. Globally, we aim for our fertiliser to reduce the environmental impact of agriculture.
Peace, Justice and Strong Institutions	We are committed to acting in a transparent, accountable and responsible manner throughout all of our business dealings. We operate to high levels of corporate governance and intend to grow these with our business.

Figure 2. Alignment with the United Nations Sustainable Development Goals

ENVIRONMENT

Agrimin 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.

The Mackay Potash Project gives Agrimin an opportunity to integrate environmental and social outcomes from the very beginning. The Project has a targeted renewable energy penetration of 58% through the utilisation of a hybrid gas, solar, wind and battery solution. This has contributed to Agrimin's SOP having one of the lowest carbon footprints associated with any major macro-nutrient fertiliser.

Agrimin has worked diligently to design a project that minimises the impact on the biodiversity within the ecosystems it operates. The Company has undertaken an extensive set of environmental surveys and studies with the aim of developing a comprehensive and holistic understanding of Lake Mackay, the Lake's local and regional significance and potential impacts associated with the Project.

The Company has been operating extensive field programs on Lake Mackay since 2015 and is proud to have never recorded a single significant environmental incident or received an environmental improvement or prohibition notice.

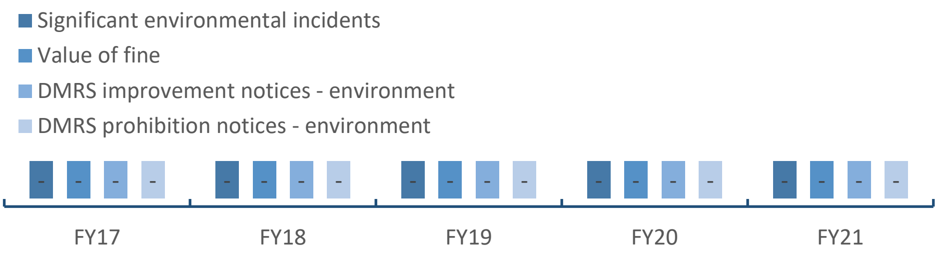

Figure 3. Environmental performance

SAFETY

The safety and wellbeing of Agrimin's people and the communities in which it operates is a paramount focus. Agrimin believes all incidents are preventable and its aim is that all people will return home after work in the same or better condition than when they arrived.

As Agrimin has grown it has retained an embedded and positive safety culture which is reflected in its safety performance. Agrimin's culture is set by its progressive and accessible leadership team, along with everyone's individual commitment to the values that drive safe behaviour.

During the year, Agrimin had no Lost Time Injuries ("LTIs") and no significant incidents were reported within the communities in which it operates.

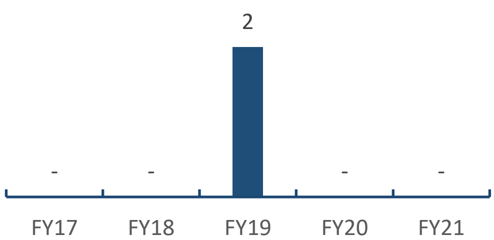

Figure 4. LTI Performance

SOCIAL

Agrimin's vision is to empower local Indigenous communities through sustainable economic development and aims to sustainably produce fertiliser products that help achieve global food security.

Agrimin believes in supporting the communities in which it operates and that it is essential to deliver significant benefits to members of local and regional communities, in particular the Traditional Owners of the lands it operates. Further, it will only truly succeed once it is accepted as an integral party of the communities in which it operates.

Agrimin has established a long-standing and respectful relationship with the Traditional Owners who are affected by the Mackay Potash Project. The Company aims to continue to build upon this mutually beneficial relationship with the Traditional Owners of the land in which it operates, providing economic and cultural-strengthening opportunities with effective engagement, consultation and communication.

The Mackay Potash Project will not only create jobs and economic opportunities for the local communities, but Agrimin will also provide training and education opportunities designed to improve their accessibility. Agrimin is particularly proud that its haulage joint venture (Newhaul Bulk) is developing a driver training program which will maximise the opportunity to recruit local and Indigenous employees.

The development of the Mackay Potash Project will present local communities with improved access to infrastructure including roads, communication networks and access to utilities. Central to the project is a proposed sealed haul road which will directly benefit local communities and other businesses in the region.

Agrimin's premium quality SOP products will play a critical role in helping to achieve global food security. SOP will improve agricultural productivity and increase sustainable food production for farmers, particularly in the developing countries of South and Southeast Asia to nourish their rapidly growing middle-class populations.

GOVERNANCE

Agrimin strives to act in a transparent, accountable and responsible manner in all of its business dealings.

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 include:

- Values Statement
- Code of Business Conduct
- Shareholder Communication Policy
- Continuous Disclosure Policy
- People and Remuneration Committee Charter
- Diversity Policy
- Environmental and Cultural Heritage Policy
- Audit and Risk Management Committee Charter
- Disclosure Policy
- Securities Trading Policy
- Whistleblower Policy
- Anti-Bribery and Corruption Policy

These documents are available on the Agrimin website.

Agrimin recognises that as the Mackay Potash Project moves to the next phase of development, contract and procurement management will become an increasingly important area of governance.

Agrimin is committed to maximising the employment and business opportunities for Indigenous people, particularly the Kiwirrkurra People. Proposals from Kiwirrkurra People or entities will be given preferential weighting when tendering for smaller packages of work.

PEOPLE

Agrimin cares about its people, they are its most important asset and the Company aspires to provide a positive, safe and inclusive team environment. Agrimin recognises the importance and improvement to business performance a diverse workforce can bring.

Agrimin is committed to measuring and developing inclusive diversity within the roles it creates at the Mackay Potash Project ensuring equal access to opportunities irrespective of gender, age, race, national or ethnic origin, cultural background, social group, marital status, religion, sexual orientation or physical ability while ensuring equal remuneration is offered for all employees, reflective of the position, candidate experience and position tenure.

Professional and personal development of its workforce is central to its business objective. Agrimin aims to create a positive team environment where its employees have the opportunity for lifelong learning and development, where it can empower its employees and local communities and leave a lasting positive legacy.

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 2021.

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. The 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 of experience in the resources sector including positions as Managing Director, Operations Director, Non-Executive Director and Chairperson of a number of ASX, TSX and AIM listed companies. Until 2019, Mr Seville was Chief Executive Officer and Managing Director of Orocobre Limited (ASX: ORE), a lithium and boron chemicals producer with operations in Argentina. Mr Seville led Orocobre for 12 years from IPO and during which time, he brought the flagship Olaroz brine project through exploration, feasibility and financing with project debt and partnering with Toyota Tsusho Corporation, into production and expansion. 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 ASX directorships include Orocobre Limited and OZ Minerals Limited.

Mr Seville was formerly a director of 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 has 18 years of experience in the resources sector in Western Australia. He began his career as an accountant in 2003 and was subsequently a resources analyst between 2006 and 2014. Mr Savich became a Non-Executive Director of Agrimin in 2012 and was appointed as an Executive Director in 2014. He holds a Bachelor of Commerce from the University of Western Australia, a Graduate Diploma in Mineral Exploration Geoscience from the WA School of Mines, is a Chartered Financial Analyst (CFA), a graduate member of the Australian Institute of Company Directors and completed the Chartered Accountants (CA) program.

Brad Sampson

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

B.E. (Hons) Mining, MBA, AMP, 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 companies and has 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's other current ASX directorships include Kore Potash Plc and Metallica Minerals Ltd.

Alec Pismiris

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

BComm, MAICD, FGIA FCG.

Mr Pismiris has over 30 years of experience in the securities, finance and mining industries. 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, Pacton Gold Inc., Sunshine Gold Limited and The Market Herald Limited.

Mr Pismiris was formerly a director of Aguia Resources Limited and Victory Mines 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	377,193	-	1,000,000
M Savich	9,910,000	-	4,000,000
B Sampson	1,600,000	-	500,000
A Pismiris	4,500,000	-	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 2021. 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
R Seville	16	16
M Savich	16	16
B Sampson	16	16
A Pismiris	16	16

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 2021.

REVIEW AND RESULTS OF OPERATIONS

The Company incurred a $5,022,249 loss after income tax for the period (2020: $1,799,067). This result was in line with expectations and reflected operating costs incurred during the period which were mainly costs associated with general administration of the Company and compliance expenses. During the year, $5,235,516 (2020: $11,109,101) of exploration expenditure was capitalised to exploration and evaluation assets.

DIVIDENDS

No dividends have been paid or recommended for the current year (2020: None).

EVENTS SUBSEQUENT TO REPORTING DATE

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 4.

INDEMNIFICATION 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 paid a premium of $32,500 (2020: $27,500) for directors' and officers' insurance.

ENVIRONMENTAL REGULATION AND PERFORMANCE

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 assisted with tax services including the preparation of the Income Tax Return and Research and Development. The Company paid $54,711 for the services provided (2020: $60,000).

CORPORATE GOVERNANCE

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 2021 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/corporate-governance/.

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 28.

REMUNERATION REPORT (AUDITED)

1. 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
M Savich	Chief Executive Officer and Executive Director
B Sampson	Non-Executive Director
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 2021 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 and development programs designed to progress 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 Incentive (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 Employee Securities Incentives Plan 2019 (ESIP). The ESIP provides for the issuance of performance securities which can include a plan share, option, performance right or other convertible security. Upon determination by the Board that the performance conditions attached to the performance securities have been met, this will result in the issue of one ordinary share in the Company for each performance security.

If a performance condition of a performance security is not achieved by the milestone date then the performance security will lapse. A performance security will also lapse if the Board determines the participant ceases to be an eligible employee for the purposes of the ESIP 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 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 INCENTIVES

The LTIs include long-service leave and share based payments ('performance securities') which are outlined below.

Performance Securities

Performance securities are issued under the ESIP (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 securities issued depends on the seniority and responsibility of the executive concerned. The performance conditions and vesting periods of the performance securities 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 the annual general meeting of shareholders held on 27 November 2019, the Company obtained approval for the adoption of the ESIP in accordance with the requirements of ASX Listing Rule 7.2, Exception 9. The ESIP has not replaced the Performance Right Plan 2014 (PRP) which was renewed in 2017. Under the PRP 7,000,000 performance rights were issued 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 performance condition attached to these rights were 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 on 15 September 2017	Six months from the date of satisfaction of the Vesting Condition.

The grant date fair value of the performance rights above ranged between \$0.51 to \$0.84 per right.

1.4 LONG-TERM INCENTIVES (continued)

Performance Securities (continued)

At the annual general meeting of shareholders held on 26 November 2020, the Company obtained approval to amend the terms of the 7,000,000 existing performance rights in accordance with the Listing Rules 6.23.3 and 6.23.4. Pursuant to the Listing Rule 10.14, approval was obtained to issue 1,000,000 performance rights to the Chairperson, Richard Seville, in accordance with Agrimin's ESIP Plan (2019).

The performance condition attached to these rights are as follows:

	Performance condition	Expiry date
Milestone A	An ASX announcement by the Company of the commencement of construction at the Mackay Potash Project. The performance rights are subject to a milestone date of 1 November 2022.	Six months from the date of satisfaction of the Vesting Condition.
Milestone B	An ASX announcement by the Company of the production of its first Sulphate of Potash (SOP) from the Mackay Potash Project as per the final feasibility study. The performance rights are subject to a milestone date of 1 November 2025.	Six months from the date of satisfaction of the Vesting Condition.

On 21 July 2020, the Company announced the results of the DFS for the Mackay Potash Project. The DFS showed the Project to be economically attractive and more than justified the Project advancing the permitting, offtake and financing stage. However, the timeframe to complete this stage and then construct the Project has resulted in the expected production date of the existing rights to be modified.

The Company considered the reasons for the delay in production date were more than justified by the rigour and quality of the DFS and the development of a more realistic understanding of the timeframe necessary to complete the permitting, offtake and financing stage to construct the project. The Company also considers that it is appropriate to incentivise the holders of the performance rights to bring the Project toward the commencement and construction and it is therefore justified, with the approval of Shareholders, to change the conditions of the existing performance rights.

At Balance Date the Company had 8,500,000 performance rights outstanding (2020: 7,000,000) relating to key management personnel. This includes a further 500,000 performance rights issued to Mr Lyons under the ESIP on 31 December 2020.

Holder Milestone date	Milestone A Commencement of Construction 1 November 2022	Milestone B Commencement of Production 1 November 2025	Total
R Seville	-	1,000,000	1,000,000
A Pismiris	-	500,000	500,000
B Sampson	-	500,000	500,000
M Savich	2,000,000	2,000,000	4,000,000
T Lyons	1,250,000	1,250,000	2,500,000
Total	3,250,000	5,250,000	8,500,000

The grant date fair value of the performance rights above ranged between $0.455 to $0.51 per right. The probability of achieving the milestones was assessed by management and it was determined that it is more likely than not that these milestones will be met. The minimum and maximum value of the performance rights yet to be granted is $0 and $4,272,500. A share-based payment expense of $2,164,643 was recognised (2020: Nil). This includes $2,061,090 of costs associated with amended performance conditions of 7,000,000 existing rights granted on 17 September 2017 under the PRP (2014). Following the change in performance conditions, the probability of achieving the milestones was assessed in accordance with AASB 2 *Share Based Payments* and it was determined that it is more likely than not that these milestones will be met. Therefore, in accordance with AASB 2 *Share Based Payments* the Company has recognised the fair value of the performance rights since grant date. If a performance condition of a performance security is not achieved by the milestone date then the performance security will lapse. A performance security will also lapse if the Board determines the participant ceases to be an eligible employee for the purposes of the ESIP for any reason (other than as a result of retirement, disability, bona fide redundancy or death).

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.

	2021	2020	2019	2018	2017	2016
Net loss after tax ($000's)	(5,022)	(1,799)	(1,795)	(1,193)	(903)	(967)
Dividends paid	Nil	Nil	Nil	Nil	Nil	Nil
Share price at year end ($'s)	$0.495	$0.435	$0.505	$0.940	$0.465	$0.410

Source of share prices quoted: CommSec

Prior year comparatives above have not been adjusted for any impact of adopting AASB 16 Leases in FY20; and AASB 15 Revenue from Contracts with Customers and AASB 9 Financial Instruments in FY19.

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 enhancement of share price and capital raising opportunities (as relevant), achievement of project development milestones, conducting operations in line with Company values and maximising value of the Group's potash projects.

2. 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:

	Short-term employee benefits				Post-employment superannuation benefits	Other long term		Share based payments(2)	Total
	Salary & fees	STI	Consulting fees	Total		Annual leave	Long service leave		
2021	$	$	$	$	$	$	$	$	$
Directors									
R Seville	100,000	-	-	100,000	9,500	-	-	61,166	170,666
M Savich	284,739	-	-	284,739	25,000	23,836	36,099	1,217,123	1,586,797
B Sampson	54,795	-	-	54,795	5,205	-	-	117,703	177,703
A Pismiris(1)	60,000	-	36,000	96,000	-	-	-	117,703	213,703
Total Directors	499,534	-	36,000	535,534	39,705	23,836	36,099	1,513,695	2,148,869
Key management personnel									
T Lyons	207,930	64,800	-	272,730	26,034	18,461	33,283	650,948	1,001,456
Total key management personnel	207,930	64,800	-	272,730	26,034	18,461	33,283	650,948	1,001,456
Total	707,464	64,800	36,000	808,264	65,738	42,297	69,382	2,164,643	3,150,325
2020									
Directors									
R Seville	90,731	-	-	90,731	8,619	-	-	-	99,350
M Savich	300,339	-	-	300,339	20,127	23,836	-	-	344,302
B Sampson	61,096	-	-	61,096	5,804	-	-	-	66,900
A Pismiris(1)	54,000	-	36,000	90,000	-	-	-	-	90,000
Total Directors	506,166	-	36,000	542,166	34,550	23,836	-	-	600,552
Key management personnel									
T Lyons	196,705	57,330	-	254,035	24,133	16,154	-	-	294,322
Total key management personnel	196,705	57,330	-	254,035	24,133	16,154	-	-	294,322
Total	702,871	57,330	36,000	796,201	58,683	39,990	-	-	894,874

(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) Share based payments include $2,061,090 of costs associated with amended performance conditions of 7,000,000 existing rights granted on 15 September 2017 under the PRP (2014). Following the change in performance conditions, the probability of achieving the milestones was assessed in accordance with AASB 2 *Share Based Payments* and it was determined that it is more likely than not that these milestones will be met. Therefore, in accordance with AASB 2 *Share Based Payments* the Company has recognised the fair value of the performance rights since grant date.

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: $330,000 per annum inclusive of superannuation
- Termination for cause: no notice period
- Termination without cause: three-month notice period

Mr Savich's remuneration is in line with market and is inclusive of the potential STI for the year.

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: $240,000 per annum (2020: $210,000 per annum) exclusive of superannuation (revised 1 February 2021).
- Annual bonus of up to 30% 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 currently no other service contracts with any director and there are no other key management personnel in the Company.

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 the maximum total aggregate amount of fees payable to Non-Executive Directors from $147,000 per annum to $250,000 per annum. At the annual general meeting held on 27 November 2019 the Company obtained shareholder approval to increase the maximum total aggregate amount of fees payable to Non-Executive Directors from $250,000 per annum to $350,000 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 $100,000 per annum exclusive of superannuation and base fees for Non-Executive Directors is $60,000 per annum including superannuation. 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 Tom Lyons was entitled to receive a cash bonus for the year ended 30 June 2021 as approved by the directors as determined against KPI measures set by the Board, which included performance of:

- Positive management of health, safety, heritage and environmental;
- Progression of project approvals and licences; and
- Delivery of work programs on time and within budgets.

The performance conditions selected were to incentivise executives to advance the Mackay Potash Project. As COVID-19 had limited impact on the Group, there was no adjustment to proposed STI's awarded to Group's executives.

Mr Lyons was entitled to receive up to a maximum of 30% of his individual total fixed remuneration. Mr Lyons was awarded 90% of the maximum entitlement and he received $64,800 for the year ended 30 June 2021 (2020: $57,330).

The cash bonus was paid after the year end.

2.4 LONG-TERM INCENTIVES

Performance Securities

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

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

Modification of 7,000,000 performance rights

Holder	Number of rights granted			% forfeited / cancelled in year	Expiry date
	Milestone A(1)	Milestone B(2)	Total		
Grant Date	15 Sep 2017	15 Sep 2017			
Directors					
A Pismiris	-	500,000	500,000	-	6 months from vesting
B Sampson	-	500,000	500,000	-	6 months from vesting
M Savich	2,000,000	2,000,000	4,000,000	-	6 months from vesting
Total Directors	2,000,000	3,000,000	5,000,000	-	-
Key management personnel					
T Lyons	1,000,000	1,000,000	2,000,000	-	6 months from vesting
Total key management personnel	1,000,000	1,000,000	2,000,000	-	-
Total	3,000,000	4,000,000	7,000,000	-	-

(1) An ASX announcement by the Company of the commencement of construction at the Mackay Potash Project.
(2) 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 fair value of the rights at grant date was $0.505. The probability of achieving the milestones was assessed by management and it was determined that it is more likely than not that these milestones will be met. The minimum and maximum value of the performance rights yet to be granted is $0 and $3,535,000. A share-based payment expense of $2,061,090 has been recognised. 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.

Issuance of new rights

Holder	Number of rights granted				% forfeited / cancelled in year	Expiry date
	Milestone A(1)	Milestone B(2)		Total		
	2nd Issue	1st Issue	2nd Issue			
Grant Date	31 Dec 2020	26 Nov 2020	31 Dec 2020			
Directors						
R Seville	-	1,000,000	-	1,000,000	-	6 months from vesting
Total Directors	-	1,000,000	-	1,000,000	-	-
Key management personnel						
T Lyons	250,000	-	250,000	500,000	-	6 months from vesting
Total key management personnel	250,000	-	250,000	500,000	-	-
Total	250,000	1,000,000	250,000	1,500,000	-	-

(1) An ASX announcement by the Company of the commencement of construction at the Mackay Potash Project.
(2) 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 grant date fair value of the performance rights above ranged between $0.455 to $0.510 per right. The probability of achieving the milestones was assessed by management and it was determined that it is more likely than not that these milestones will be met. The minimum and maximum value of the performance rights yet to be granted is $0 and $737,500. A share-based payment expense of $103,553 was recognised (2020: Nil).

2.4 LONG-TERM INCENTIVES (CONTINUED)

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

2021	Held at beginning of year (1)	Granted as compensation	Forfeited/ expired	Vested and exercised	Held at the end of year	Vested at end of year
Directors						
R Seville	-	1,000,000	-	-	1,000,000	-
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	500,000	-	-	2,500,000	-
Total	7,000,000	1,500,000	-	-	8,500,000	-

(1) At the annual general meeting of shareholders on 26 November 2020, the Company obtained shareholder approval to modify the existing 7,000,000 performance rights. The performance conditions have been outlined in 1.4 Long Term Incentives

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:

2021	Held at beginning of year	Purchases / other acquisitions	Sales / other disposals	Held at the end of year
Directors				
R Seville	310,527	66,666	-	377,193
M Savich	9,910,000	-	-	9,910,000
B Sampson	1,600,000	-	-	1,600,000
A Pismiris	4,500,000	-	-	4,500,000
Key Management Personnel				
T Lyons	1,931,045	100,000	-	2,031,045
Total	18,251,572	166,666	-	18,418,238

2.6 TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

During the period $96,000 of fees were paid to Lexcon Services Pty Ltd (2020: $82,000) and $8,000 was payable for professional services provided by Mr Pismiris as Non-Executive Director and Company Secretary (2020: $8,000).

There were no other related party transactions with other key management personnel of the Group for the year ended 30 June 2021 (2020: Nil).

-END OF REMUNERATION REPORT-

This report is made with a resolution of the directors:

Mark Savich

Chief Executive Officer and Executive Director

Perth

28 September 2021

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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 2021, 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
28 September 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE

	Note	2021	2020
		$	$
Other income		84,235	159,420
Finance income		14,819	53,230
Finance expenses		(30,765)	(30,488)
Loss on deconsolidation of subsidiary	10	(130,647)	-
Share based payments	16	(2,651,190)	-
Administrative expenses	3	(2,308,701)	(1,981,229)
Loss before income tax		(5,022,249)	(1,799,067)
Income tax expense	4	-	-
Loss for the year		(5,022,249)	(1,799,067)
Other comprehensive income		-	-
Total comprehensive loss for the year		(5,022,249)	(1,799,067)
Comprehensive loss attributable to:			
Owners of the Group		(5,014,101)	(1,794,277)
Non-controlling interest		(8,148)	(4,790)
Total comprehensive loss for the year		(5,022,249)	(1,799,067)
Loss per share			
Basic and diluted loss per share	19	(2.46) cents	(1.00) 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	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	5	5,477,457	5,168,894
Other receivables	6	161,237	328,432
Exploration deposits		91,688	172,540
Prepayments		32,211	85,571
Total current assets		5,762,593	5,755,437
Non-current assets			
Exploration and evaluation assets	7	34,468,634	31,707,281
Property, plant and equipment	8	203,526	86,754
Right of use asset	9	163,839	267,316
Investment in associate	10	388,186	-
Other assets	11	846,330	812,521
Total non-current assets		36,070,515	32,873,872
Total assets		41,833,108	38,629,309
Liabilities			
Current liabilities			
Trade and other payables	12	1,393,703	1,235,601
Provisions	13	246,102	231,479
Lease liabilities	14	108,881	101,133
Total current-liabilities		1,748,686	1,568,213
Non-current liabilities			
Provisions	13	856,091	956,435
Lease liabilities	14	67,031	175,911
Total non-current liabilities		923,122	1,132,346
Total liabilities		2,671,808	2,700,559
Net assets		39,161,300	35,928,750
Equity			
Share capital	15	63,797,395	57,606,724
Reserves	16	3,682,270	947,517
Accumulated losses		(28,318,365)	(23,304,264)
Total equity interest of the Group		39,161,300	35,249,977
Non-controlling interest	17	-	678,773
Total equity		39,161,300	35,928,750

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

	Note	Share capital $	Share based payment reserve $	Other equity reserve $	Accumulated losses $	Total attributable to the owners of the Parent $	Non-controlling interest $	Total equity $
Balance at 1 July 2020		57,606,724	1,031,080	(83,563)	(23,304,264)	35,249,977	678,773	35,928,750
Loss for the year		-	-	-	(5,014,101)	(5,014,101)	(8,148)	(5,022,249)
Total comprehensive loss for the year		-	-	-	(5,014,101)	(5,014,101)	(8,148)	(5,022,249)
Issue of ordinary shares	15	6,479,250	-	-	-	6,479,250		6,479,250
Costs from issue of ordinary shares	15	(288,579)	-	-	-	(288,579)		(288,579)
Share based payment expense	16	-	2,651,190	-	-	2,651,190		2,651,190
Deconsolidation of non-controlling interest	17	-		83,563	-	83,563	(670,625)	(587,062)
Balance at 30 June 2021		63,797,395	3,682,270	-	(28,318,365)	39,161,300	-	39,161,300
Balance at 1 July 2019		46,945,885	1,031,080	-	(21,509,987)	26,466,978	-	26,466,978
Loss for the year		-	-	-	(1,794,277)	(1,794,277)	(4,790)	(1,799,067)
Total comprehensive loss for the year		-	-	-	(1,794,277)	(1,794,277)	(4,790)	(1,799,067)
Issue of ordinary shares	15	11,315,521	-	-	-	11,315,521	-	11,315,521
Costs from issue of ordinary shares	15	(654,682)	-	-	-	(654,682)	-	(654,682)
Transfer to other reserve/Issue of shares to the non-controlling interest		-	-	(83,563)	-	(83,563)	683,563	600,000
Balance at 30 June 2020		57,606,724	1,031,080	(83,563)	(23,304,264)	35,249,977	678,773	35,928,750

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

FOR THE YEAR ENDED

	Note	2021 $	2020 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,875,049)	(2,193,007)
Interest received		14,868	70,469
Other income		178,805	64,850
Net cash used in operating activities	18	(1,681,376)	(2,057,688)
Cash flows from investing activities			
Payments for exploration and evaluation assets		(5,265,113)	(11,323,271)
Net payments for exploration deposits		-	(51,974)
Payments for property, plant and equipment		(187,632)	(45,847)
Payments for pre-license expenditure		(8,809)	(38,881)
Payments for other assets		(25,000)	(25,000)
Deconsolidation of subsidiary's cash		(171,969)	-
Proceeds from research and development grant		1,587,901	1,943,682
Net cash used in investing activities		(4,070,622)	(9,541,291)
Cash flows from financing activities			
Proceeds from issue of share capital		6,479,250	11,196,771
Proceeds received from subsidiary's fundraising		-	600,000
Payment of share issue transaction costs		(304,995)	(638,266)
Repayment of lease liability		(100,968)	(83,231)
Interest payment on lease liability		(12,726)	(17,861)
Cash flows from financing activities		6,060,561	11,057,413
Net increase/(decrease) in cash and cash equivalents		308,563	(541,566)
Cash and cash equivalents at 1 July		5,168,894	5,710,460
Cash and cash equivalents at 30 June 2021	5	5,477,457	5,168,894

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

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 potash projects 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 28 September 2021.

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 2021 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 report 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 2021, the Company adopted all new and revised Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective from 1 July 2020. It has been determined that there is a no material impact from the adoption of new and revised Accounting Standards and Interpretations.

(c) Going concern

This consolidated 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.

The Group has incurred a loss after tax of $5,022,249 (2020: $1,799,067) and had net cash outflows from operations and investing of $5,751,998 (2020: $11,598,979). The Group has no source of operating cash inflows other than interest income and funds sourced through capital raising activities. At 30 June 2021, the Group has cash and cash equivalents totalling $5,477,457 (2020: $5,168,894) and net working capital (current assets less current liabilities) of $4,013,907 (2020: $4,187,224).

The Group continued to actively manage its operating and overhead expenditure by successfully completing a capital raising of $5,000,000 (before costs) via a placement to institutional and sophisticated investors in December 2020 and $1,479,250 (before costs) from a non-underwritten SPP in February 2021.

The Group's cashflow forecast for the period ending 30 September 2022 reflects that the Group will be required to raise additional working capital during the 12-month period. The Directors consider that the Group is a going concern and recognises that additional funding is required to ensure that it can continue to fund its operations during the twelve-month period from the date of this report. The Directors believe that such additional funding, as the Group has successfully accessed previously, can be derived from raising additional capital to fund the Group's ongoing operational and working capital requirements, as and when required.

Accordingly, the Directors believe that the Group will be able to obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis in the preparation of the financial report.

2. BASIS OF PREPARATION (CONTINUED)

(c) Going concern (continued)

In the longer term, the development of economically recoverable mineral deposits found on the Group's existing exploration properties or future exploration properties depends on the ability of the Group to obtain financing through equity financing, debt financing or other means. If the Group's exploration programs are ultimately successful, additional funds will be required to develop the Group's properties 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 results. The global economic outlook is facing uncertainty due to COVID-19 pandemic, which has created volatility in capital markets and share prices. This may adversely affect the Group's ability to arrange additional funding in the future.

Should the Group be unable to obtain sufficient funding as outlined above, there is a material uncertainty that may cast significant doubt whether it will be able to continue as going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the consolidated financial statements. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classifications of liabilities that might be necessary should the Group not continue as a going concern.

(d) Principles of consolidation

(i) Subsidiaries

A subsidiary is an entity 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 of 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.

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.

The acquisition method of accounting is used to account for business combinations by the Group.

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Change of the Groups' interest in subsidiary that do not result in loss of control are accounted for as equity transactions.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(ii) Investments in equity accounted investees

An associate is an entity over which the Group has significant influence but not control or joint control. This is generally the case where the Group has significant voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at fair value and adjusted thereafter to recognise the Group's share of the post-acquisition profit or losses of the investee in the consolidated statement of comprehensive income.

The financial statements of the associate are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. An impairment loss is measured by comparing the recoverable amount of its investment to the carrying amount. An impairment loss is recognised in the consolidated statement of comprehensive income and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

2. BASIS OF PREPARATION (CONTINUED)

(e) 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 in Western Australia.

(f) Estimates and judgements

The preparation of these financial statements requires 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.

(iii) Lease

In determining whether the Group's contracts contain, or are, leases, management must use judgment in assessing whether the contract provides the customer with the right to substantially all of the economic benefits from the use of the asset during the lease term and whether the customer obtains the right to direct the use of the asset during the lease term. For those agreements considered to contain, or be, leases, further judgment is required to determine the lease term by assessing whether termination or extension options are reasonably certain to be exercised. That is, the Group considers all relevant factors that create economic incentive for it to exercise the renewal.

(iv) Share based payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instrument at the date at which they are granted. The fair value was determined to be the market value of the Group's shares at grant date. The accounting estimates and assumptions relating to the equity-settled share based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

2. BASIS OF PREPARATION (CONTINUED)

(f) Estimates and assumptions (continued)

(v) Employee benefit provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(vi) Equity accounted investee

On 1 October 2020, the Group determined that it had ceased control over its 40% owned subsidiary Tali Resources Pty Ltd ('Tali') due to a change in voting rights and as a result and the entity was deconsolidated. The Group determined that it exercised significant influence over Tali following its deconsolidation and the investment in this equity accounted investee was initially recognised at fair value. The determination that the Group exercised significant influence over its investment in Tali was based on the fact that AASB 128 Investments in Associates and Joint Ventures stipulates that an entity has significant influence over its investee where its shareholding in the investee is greater than 20%, unless it can be clearly demonstrated that this is not the case. The Group's significant influence is mainly due to the Group having representation on the investee's board of directors.

(g) 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 best economic 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.

(h) Finance income

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.

(i) Finance costs

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.

2. BASIS OF PREPARATION (CONTINUED)

(j) Income Tax

(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) Impairment of non-financial assets

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

(l) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(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 three 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 if for any reason the tenements do not get granted.

Exploration deposits are classified as current assets.

2. BASIS OF PREPARATION (CONTINUED)

(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) Depreciation and amortisation

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.

2. BASIS OF PREPARATION (CONTINUED)

(p) Property, plant and equipment (continued)

(i) Depreciation and amortisation (continued)

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

Major depreciation and amortisation periods are:	
Plant and equipment	5 years
Motor vehicles	4 years
Software	2 years
Office furniture and equipment	3 - 5 years

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

(q) Right of use asset

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised assets are depreciated on a straight-line basis over the shorter of its estimated useful life and lease term. Right of use assets are assessed for impairment.

(r) Other assets

Pre-license exploration expenditure relates to the purchase of exploration data 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 Group can control.

(s) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. They are recognised initially at fair value net of directly attributable transaction costs. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid withing 30 days of recognition.

(t) Employee benefits

Employee benefits are expensed in the profit or loss and provisions are made for benefits accumulated as a result of employees 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.

Other long term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value, and expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash flows.

2. BASIS OF PREPARATION (CONTINUED)

(u) Equity settled transactions

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 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) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term except for short-term leases and leases of low-value assets. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the in-substance fixed lease payments.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

(w) 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 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.

(x) Issued capital

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

2. BASIS OF PREPARATION (CONTINUED)

(y) 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.

(z) 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.

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 statement of comprehensive income.

(aa) 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.

(bb) Financial assets

Financial assets are classified in four categories:

- Financial assets at amortised cost;
- 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.

(i) Financial assets at amortised cost

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.

(ii) 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.

2. BASIS OF PREPARATION (CONTINUED)

(bb) Financial assets (continued)

(iii) Impairment of financial assets

Financial assets carried at amortised cost requires an expected credit loss model to be applied. 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. Due to the short-term nature of the receivables, the Group measures the loss allowance based on lifetime expected credit loss (ECL). 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 asset's original effective interest rate.

3. ADMINISTRATIVE EXPENSES

	2021 $	2020 $
Fees, salaries and benefits	1,352,032	1,200,373
External professional fees	390,910	163,532
Travel and accommodation expense	44,952	90,554
Subscriptions and licencing expenses	74,463	85,779
Insurance expense	61,806	61,008
ASX fees	52,688	56,630
Office outgoings	35,515	39,584
Depreciation of right of use assets	103,477	102,379
Other administrative expenses	192,858	181,390
	2,308,701	1,981,229

4. INCOME TAX

	2021 $	2020 $
Reconciliation between tax expense and pre-tax accounting loss		
Loss for the year	(5,022,249)	(1,799,067)
Income tax using the Company's domestic tax rate 30% (2020: 30%)	(1,506,675)	(539,720)
Changes in unrecognised temporary difference	(1,506,675)	(539,720)
Income tax expense	-	-
Unrecognised deferred tax asset		
Deferred tax asset calculated at 30% (2020: 30%) have not been recognised in respect to the following items:		
Deductible temporary differences	632,253	706,703
Tax losses carried forward	10,282,458	10,016,526
Tax losses and temporary differences brought to account to reduce the provision for deferred tax liabilities	(9,660,478)	(9,532,620)
	1,254,233	1,190,609

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax asset 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.

	2021 $	2020 $
Provision for deferred tax liability		
Deferred tax liability comprises the estimated expense at the applicable rate of 30% (2020: 30%) on the following items:		
Exploration and evaluation assets	9,446,815	9,302,934
Other assets	204,000	204,000
Prepayments and accrued income	9,663	25,686
Deferred tax asset attributable to tax losses and temporary differences brought to account to reduce the provision for deferred income tax	(9,660,478)	(9,532,620)
	-	-

5. CASH AND CASH EQUIVALENTS

	2021 $	2020 $
Cash and bank balances	5,418,457	5,109,894
Short-term deposits	59,000	59,000
	5,477,457	5,168,894

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 three months, refer to note 22.

6. OTHER RECEIVABLES

	2021 $	2020 $
Net tax receivable (GST)	137,108	157,867
Other receivables	1,182	147,618
Security deposit	22,947	22,947
	161,237	328,432

7. EXPLORATION AND EVALUATION ASSETS

	2021 $	2020 $
Opening balance	31,707,281	22,541,862
Additions	5,235,516	11,109,101
Refundable research and development grant received	(1,587,902)	(1,943,682)
Disposal of subsidiary's exploration and evaluation	(886,261)	-
	34,468,634	31,707,281

The carrying amount of the exploration and evaluation assets at 30 June 2021 relates to the exploration capitalised on the Mackay Potash Project and the Lake Auld Potash Project.

At 30 June 2021, the Group assessed the carrying amount of the assets for impairment. No impairment triggers were present (2020: Nil).

8. PROPERTY, PLANT AND EQUIPMENT

	2021 $	2020 $
Plant and equipment		
At cost	344,507	156,875
Accumulated depreciation	(140,981)	(70,121)
	203,526	86,754
Movement in carrying amounts		
Opening balance	86,754	75,749
Additions	187,632	45,847
Depreciation	(70,860)	(34,842)
Closing balance	203,526	86,754

9. RIGHT OF USE ASSET

	2021 $	2020 $
Office lease		
At cost	369,695	369,695
Accumulated depreciation	(205,856)	(102,379)
	163,839	267,316
Movement in carrying amount		
Opening balance / Initial adoption of AASB 16	267,316	362,924
Increase to right of use asset	-	6,771
Depreciation	(103,477)	(102,379)
	163,839	267,316

At 30 June 2021, the Group assessed the carrying amount of the right of use asset for impairment. No impairment triggers were present (2020: Nil).

10. 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 2021 %	2020 %
Tali Resources Pty Ltd	Mineral Exploration	Australia	40%	-

	2021 $	2020 $
Investment in associate	388,186	-
	388,186	-
Carrying value of interest in associates		
Fair value at initial recognition	400,000	-
Share of comprehensive loss for the period	(11,814)	-
	388,186	-

On 1 October 2020, the Group ceased to control its 40% subsidiary Tali Resources Pty Ltd due to a change in voting rights and as a result, the entity was deconsolidated. An investment in equity accounted investee was initially recognised at fair value. The Group had recognised a loss on deconsolidation of the subsidiary of $130,647 (2020: Nil).

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.

At 30 June 2021 the Group assessed the carrying amount of the investment for impairment. No impairment triggers were present.

11. OTHER ASSETS

	2021 $	2020 $
Opening balance	812,521	748,640
Additions	33,809	63,881
	846,330	812,521

The carrying amount of other assets at 30 June 2021 relates to the pre-licence expenditure for the Lake Auld Potash Project. This 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 30 June 2021, the Group assessed the carrying amount of its pre-licence expenditure for impairment. No impairment triggers were present (2020: Nil).

12. TRADE AND OTHER PAYABLES

	2021 $	2020 $
Trade payables	873,645	772,807
Accrued expenses	406,208	389,965
Other payables	113,850	72,829
	1,393,703	1,235,601

13. PROVISIONS

	2021 $	2020 $
Current		
Employee benefits	246,102	231,479
	246,102	231,479
Non-current		
Provision for rehabilitation	786,709	956,435
Employee benefits	69,382	-
	856,091	956,435
Provision for rehabilitation		
Opening balance	956,435	882,980
Adjustment made during the year	(187,765)	60,828
Unwind of discount	18,038	12,627
	786,708	956,435

Employee benefits relate to the balance of annual leave and long service leave accrued by the Group's employees. Recognition and measurement criteria have been disclosed in note 2.

During the period, the Group assessed its legal and constructive obligation relating to the rehabilitation provision to restore the operating location to its original condition. The estimated costs of rehabilitation have decreased by $169,727 to $786,708 (2020: $956,435).

14. LEASE LIABILITIES

	2021 $	2020 $
Current		
Office lease	108,881	101,133
	108,881	101,133
Non-current		
Office lease	67,031	175,911
	67,031	175,911
Movement for the year		
Opening balance / initial adoption of AASB 16	277,044	362,924
Increase to lease liability	-	7,131
Lease payments	(113,859)	(110,872)
Interest expense	12,727	17,861
	175,912	277,044

Amounts recognised in the Consolidated Statement of Comprehensive Income:

	2021 $	2020 $
Depreciation of right of use assets	103,447	102,379
Interest expense on lease liability	12,727	17,861
Expenses on short-term leases	1,835	1,835
	118,009	122,075

The cash outflow for leases during the period amounts to $115,529 (2020: $139,875).

15. SHARE CAPITAL

	2021	
	Number	$
Share capital		
Fully paid ordinary shares		
Balance at 1 July 2020	196,690,682	57,606,724
Issue of fully paid ordinary shares at $0.45	11,111,112	5,000,000
Issue of fully paid ordinary shares at $0.45 under share purchase plan	3,287,171	1,479,250
Less share issue costs	-	(288,579)
Balance at 30 June 2021 attributable to the owners of the Group	211,088,965	63,797,395

15. SHARE CAPITAL (CONTINUED)

	2020	
	Number	$
Share capital		
Fully paid ordinary shares		
Balance at 1 July 2019	170,618,112	46,945,885
Issue of fully paid ordinary shares at $0.55	15,000,000	8,250,000
Issue of fully paid ordinary shares at $0.55	1,000,000	-
Issue of fully paid ordinary shares at $0.30	9,822,570	2,946,771
Issue of fully paid ordinary shares at $0.475	250,000	118,750
Less share issue costs	-	(654,682)
Balance at 30 June 2020 attributable to the owners of the Group	196,690,682	57,606,724

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.

16. RESERVES

	2021	2020
	$	$
Reserves	3,682,270	947,517
Share based payment reserve		
Opening balance	1,031,080	1,031,080
Share based payment expense	2,651,190	-
	3,682,270	1,031,080
Other equity reserves		
Transfer to non-controlling interest	83,563	(83,563)
	-	(83,563)

Share based payment reserve

Performance related remuneration

Details of performance rights held by the Group during the financial year are as follows:

Financial year	Held at beginning of year(1)	Granted as compensation on 26 Nov 2020	Granted as compensation on 31 Dec 2020	Forfeited/ expired	Vested and exercised	Held at the end of year	Vested at end of year
2021	8,000,000	1,000,000	2,650,000	-	-	11,650,000	-

(1) At the annual general meeting ("AGM") of shareholders on 26 November 2020, the Company obtained shareholder approval to modify the existing 8,000,000 performance rights. The performance conditions has been outlined in Remuneration Report 1.4 Long Term Incentives.

16. RESERVES (CONTINUED)

Share based payment reserve (continued)

Modified performance rights

Performance condition	Number of rights granted	Grant date	Expiry date
Milestone A – Commencement of construction of the Mackay Potash Project	3,500,000	15 September 2017	1 November 2022
Milestone B – Commencement of production of the Mackay Potash Project	4,500,000	15 September 2017	1 November 2025

The variation to the performance conditions and expiry date of the performance rights granted are as follows:

The performance conditions outlined above are required to be met any time prior to the expiry date.

The fair value of the performance rights at grant date was $0.505 per right. The probability of achieving the milestones was assessed by management and it was determined that it is more likely than not that these milestones will be met, therefore the share-based payment expense of $4,040,000 will be recognised over the vesting period. At 30 June 2021, $2,365,370 has been recognised (2020: Nil). 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 following performance conditions and expiry date prior to the variation were as follows:

Performance condition	Number of rights granted	Grant date	Expiry date
An ASX announcement by the Company of the production of its first Sulphate of Potash (SOP) from the Mackay Potash Project as per the final feasibility study. The performance rights are subject to a milestone date being five years from the date of grant.	8,000,000	15 September 2017	6 months from vesting

Issuance of performance rights

Shareholders also approved the grant of 1,000,000 Performance Rights, pursuant to and in accordance with Listing Rule 10.14 to the Chairperson at the AGM held on 26 November 2020.

Performance condition	Number of rights granted	Grant date	Expiry date
Milestone A – Commencement of construction of the Mackay Potash Project	Nil	N/A	N/A
Milestone B – Commencement of production of the Mackay Potash Project	1,000,000	26 November 2020	1 November 2025

The fair value of the performance rights at grant date was $0.510 per right. The probability of achieving the milestones was assessed by management and it was determined that it is more likely than not that these milestones will be met, therefore the share-based payment expense of $510,000 will be recognised over the vesting period. At 30 June 2021, $61,166 has been recognised (2020: Nil).

On 31 December 2020 a further 2,650,000 rights were issued to employees under the Company's ESIP as outlined in the table below:

Performance condition	Number of rights granted	Grant date	Expiry date
Milestone A – Commencement of construction of the Mackay Potash Project	1,325,000	31 December 2020	1 November 2022
Milestone B – Commencement of production of the Mackay Potash Project	1,325,000	31 December 2020	1 November 2025

The performance conditions outlined above are required to be met any time prior to the expiry date.

The fair value of the performance rights at grant date was $0.455 per right The probability of achieving the milestones was assessed by management and it was determined that it is more likely than not that these milestones will be met, therefore the share-based payment expense of $1,205,750 will be recognised over the vesting period. At 30 June 2021, $224,655 has been recognised (2020: Nil).

16. RESERVES (CONTINUED)

Share based payment reserve (continued)

Issuance of performance rights (continued)

The Group will re-assess the probability of achieving the performance condition at each reporting date. If the probability falls below 50% the Group will determine whether the previous expense recognised shall be reversed. Performance securities are granted under a service condition whereby the grantee must be employed by the Group at the time the performance securities vest. If an employee leaves prior to the vesting date, the share-based payment previously recognised will be reversed on the date employment is terminated.

Other equity reserve

Deconsolidation of Tali Resources Pty Ltd

On 1 October 2020, the Group ceased to control its 40% subsidiary Tail Resources Pty Ltd and the entity was deconsolidated from the Group. Any amounts previously recognised in the other equity reserve were derecognised.

17. NON-CONTROLLING INTEREST

	2021 $	2020 $
Non-controlling interest	-	678,773
	-	678,773
Breakdown		
Opening balance/issue of shares to the non-controlling interest	678,773	600,000
Transfers (to)/from reserves	(83,563)	83,563
Share of loss for the year	(8,148)	(4,790)
Deconsolidation of non-controlling interest	(587,062)	-
	-	678,773

On 1 October 2020, the Group ceased to control its 40% subsidiary Tail Resources Pty Ltd and the entity was deconsolidated from the Group. Any amounts previously recognised in the other equity reserve were derecognised.

18. STATEMENT OF CASH FLOWS

	2021 $	2020 $
(a) Reconciliation of cash flows from operating activities		
Loss for the year	(5,022,249)	(1,799,067)
Non-cash items:		
Finance expenses	30,765	30,488
Depreciation of right of use assets	103,477	102,379
Share of loss of equity accounted investee	11,814	-
Loss on deconsolidation of subsidiary	130,647	-
Share based payments	2,651,190	-
Employee entitlements	69,382	-
Change in operating assets and liabilities:		
Decrease / (increase) in other receivables	112,183	(106,464)
Decrease / (increase) in prepayments	53,360	(39,720)
Increase / (decrease) in trade and other payables	159,464	(317,598)
Increase in provisions	18,591	72,294
	(1,681,376)	(2,057,688)

(b) Non-cash financing and investing activities

There were no non-cash investing activities for the year ended 30 June 2021 (2020: $118,750).

19. LOSS PER SHARE

(a) Reconciliation of loss

	2021 $	2020 $
Loss attributable to the owners of the Company used to calculate basic and diluted loss per share	5,022,249	1,799,067

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

	2021 $	2020 $
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	203,968,642	183,631,431

There were no unlisted options outstanding at balance date (2020: Nil). There were 11,650,000 performance rights (2020: 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 loss per share is equal to the basic loss per share.

20. 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:

	2021 $	2020 $
Exploration commitment		
Less than one year	762,226	1,282,989
Between one and five years	3,392,601	5,723,550
	4,154,827	7,006,539

The Group has no expenditure commitments on mining tenements which have not been granted (2020: Nil).

21. CONTINGENCIES

The Group had no contingent assets or liabilities at reporting date (2020: Nil).

22. 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 (excludes net GST receivables and fuel tax credits), exploration deposits, payables and lease liabilities.

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 of $5,477,457 (2020: $5,168,894) is subject to interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments at the reporting date was:

	2021 $	2020 $
Fixed rate instrument		
Term deposits (cash and cash equivalents)	59,000	59,000
	59,000	59,000
Variable rate instrument		
Cash and cash equivalents	5,418,457	5,109,894
	5,418,457	5,109,894

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk – Interest rate risk (continued)

Sensitivity analysis

At 30 June 2021, if the interest rates had changed by +/- 80 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 $43,348 higher/lower (2020: $40,879) 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 is 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 and lease liabilities. Trade and other payables are non-interest bearing and are due within 12 months of the reporting date. Lease liabilities are interest bearing and are payable within 1 to 2 years.

(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:

	2021 $	2020 $
Cash and cash equivalents	5,477,457	5,168,894
Other receivables[(i)]	24,129	75,996
Exploration deposits	91,688	172,540
	5,593,274	5,417,430

(i) Excludes net GST receivable and fuel tax credits

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 DMIRS a reputable government institution.

(d) Fair values

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

(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.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

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

23. RELATED PARTY TRANSACTIONS

(a) Key management personnel compensation

	2021	2020
	$	$
Short-term benefits	808,264	796,201
Post-employment superannuation benefit	71,438	58,683
Other long-term benefits	111,680	39,990
Share based payments	2,164,643	-
	3,156,025	894,874

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

During the period $96,000 of fees were paid to Lexcon Services Pty Ltd (2020: $82,000) and $8,000 was payable for professional services provided by Mr Pismiris as Non-Executive Director and Company Secretary (2020: $8,000).

24. SUBSIDIARIES

Interest in subsidiaries

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

Name	Principal Activities	Country of Incorporation	Equity Holding 2021 %	Equity Holding 2020 %
Agrimin Potash Pty Ltd	Mineral Exploration	Australia	100%	100%
Tali Resources Pty Ltd	Mineral Exploration	Australia	-	40%

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

25. 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.

	2021 $	2020 $
Current assets	5,665,403	5,232,642
Non-current assets	553,025	668,316
Total assets	6,218,428	5,900,958
Current liabilities	1,654,453	1,441,156
Non-current liabilities	136,413	175,911
Total liabilities	1,790,866	1,617,067
Share capital	63,103,305	56,647,974
Reserves	3,002,270	351,080
Accumulated losses	(61,678,013)	(52,715,164)
Total equity	4,427,562	4,283,890
Loss for the year	(8,698,190)	(10,332,684)
Total comprehensive loss for the year	(8,698,190)	(10,332,684)

The carrying amount of all financial instruments is approximate to their fair values at 30 June 2021 and 2020.

26. REMUNERATION OF AUDITORS

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

		2021 $	2020 $
Category 1 - fees to the group auditor for:			
(i)	Auditing the statutory financial report of the parent covering the group	40,000	38,000
(ii)	Auditing the statutory financial report of any controlled entities	-	-
		40,000	38,000
Category 4 - Fees for other services		54,711	2,500
		54,711	2,500

27. EVENTS AFTER THE REPORTING PERIOD

There were no events after the reporting date.

DIRECTORS' DECLARATION

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

1. the financial statements and notes set out on pages 29 to 56 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 2021 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 issued by the International Accounting Standards Board disclosed in note 2;

3. subject to the matters set out in note 2(c), 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 Chief Commercial Officer 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

28 September 2021

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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 subsidiary (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, 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 2021 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 (including Independence Standards)* (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.

Material uncertainty related to going concern

We draw attention to Note 2(c) in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Building a better working world

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be a key audit matter to be communicated in our report. For the 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 this matter. 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 matter below, provide the basis for our audit opinion on the accompanying financial report.

1. Carrying value of capitalised exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
At 30 June 2021, the Group held capitalised exploration and evaluation assets of $34.47 million, representing 82% 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 judgements, 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 Group did not identify any impairment indicators as at 30 June 2021. 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 rights to explore were 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 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 existed 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.

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 2021 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 accordingly we do 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:

- 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, actions taken to eliminate threats or safeguards applied.

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.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Agrimin Limited for the year ended 30 June 2021, 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

Ernst & Young

Pierre Dreyer
Partner
Perth
28 September 2021

ASX ADDITIONAL INFORMATION

a) DISTRIBUTION OF MEMBER HOLDINGS

The distribution schedule of the number of holders in each class of equity security as at 24 August 2021:

Number of shares	Holders	Securities	%
1 - 1,000	188	106,029	0.05%
1,001 - 5,000	405	1,117,651	0.53%
5,001 - 10,000	241	1,914,393	0.91%
10,001 - 100,000	477	16,070,888	7.61%
100,001 and over	174	191,880,004	90.90%
	1,485	211,088,965	100.00%

There are 188 shareholders holding less than a marketable parcel of shares.

b) TWENTY LARGEST SHAREHOLDERS

Party	Listed Ordinary Shares	
	No. of Ordinary Shares	Percentage of issued capital
JP Morgan Nominees Australia Pty Limited	31,698,824	15.02%
Walloon Securities Pty Ltd	10,046,000	4.76%
Perth Investment Corporation Ltd	9,262,000	4.39%
Hillboi Nominees Pty Ltd	8,565,475	4.06%
Gugalanna Holdings Pty Ltd	7,900,000	3.74%
Invia Custodian Pty Ltd	6,654,538	3.15%
BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd	5,660,434	2.68%
Spar Nominees Pty Ltd	5,291,615	2.51%
Goldfire Enterprises Pty Ltd	4,930,544	2.34%
Deering Nominees Pty Ltd	4,594,998	2.18%
Eugob Nominees Pty Ltd	3,950,000	1.87%
Mr Timothy Guy Lyons	3,502,778	1.66%
ACP Investments Pty Ltd	3,400,000	1.61%
Exxten Pty Ltd	2,436,797	1.15%
Mr Timothy Guy Lyons & Mrs Heather Mary Lyons	2,410,499	1.14%
Mrs Heather Mary Lyons	2,382,222	1.13%
Goldtrain Holdings Pty Ltd	2,220,000	1.05%
Gugalanna Pty Ltd	2,010,000	0.95%
Kakuzi Nominees Pty Ltd	2,000,000	0.95%
Zero Nominees Pty Ltd	1,986,300	0.94%
	120,903,024	57.28%

Shares on issue as at 24 August 2021 is: 211,088,965.

ASX ADDITIONAL INFORMATION (CONTINUED)

c) SUBSTANTIAL SHAREHOLDERS

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

Party	Number of ordinary shares held	Percentage of issued capital
Australian Super Pty Ltd	31,147,824	14.76%
Hillboi Nominees Pty Ltd & associated entities	26,122,974	12.38%

d) VOTING RIGHTS

All shares carry one vote per share without restriction.