

ASX Release
3 September 2015

PROGRESS REPORT FOR THE MACKAY PROJECT

Highlights

- 22 aircore drill holes completed to date to an average depth of 25.1m, compared to 2.7m in the current Mineral Resource of 22 million tonnes of SOP
- Brine analysis underway with complete sample results expected within four weeks
- Constant rate pump tests completed with areas of exceptional flow rates identified
- Bulk brine sample in transit to the laboratory for process test work
- Geotechnical samples collected for evaporation pond and trench design parameters
- Full program results and analysis expected within six weeks

Agrimin Limited (ASX: AMN) (“Agrimin” or “the Company”) is pleased to provide an update in respect to the exploration activities at its Mackay Sulphate of Potash (“SOP”) Project.

Figure 1. Drilling in Progress at the Mackay Project



Drilling Program

The Company's drilling program remains in progress. To date, 22 aircore holes have been drilled for a total of 551.5m (**Table 1**). In addition, 26 power auger holes and 6 hand auger holes have also been completed.

Direct push drilling has been undertaken at three drill hole locations in order to obtain representative core samples from the upper lakebed stratigraphy. These samples have been dispatched to a laboratory in Perth for analysis to determine key physical property parameters including porosity, density and moisture content.

Fourteen of the aircore drill holes have had 50mm piezometers installed for water monitoring and sampling purposes. A select number of these piezometers will have hydrological data loggers installed for long term monitoring of water levels.

Furthermore, three aircore drill holes have been converted into 100mm cased wells and the Company has successfully completed two 24 hour pump tests, with sustainable yields achieved over the duration of both tests. Further details of pump testing will be provided when analysis of the pump test data is complete.

Figure 2. Map of Drill Collar and Trench Locations

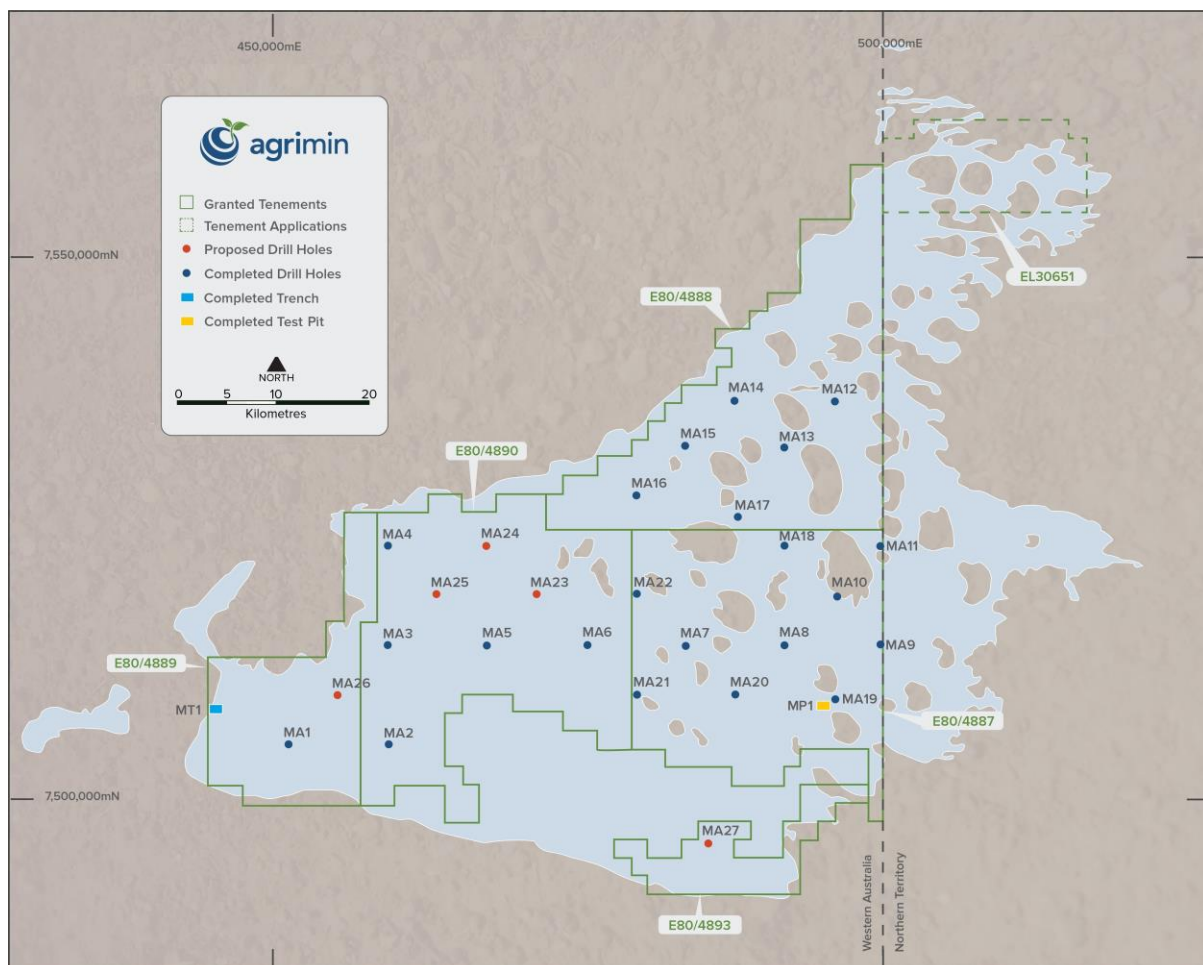


Table 1. Details of Aircore Holes Drilled to Date

Hole ID	Easting	Northing	Depth (m)
MA01	440018	7505016	24.0
MA02	450003	7504992	16.7
MA03	449969	7514950	19.0
MA04	450003	7524996	24.0
MA05	460003	7514992	18.5
MA06	470022	7515008	22.5
MA07	479996	7514981	27.0
MA08	490050	7515074	30.0
MA09	499801	7515003	30.0
MA10	495031	7519985	29.0
MA11	499807	7524974	30.0
MA12	495001	7539605	27.0
MA13	490003	7535004	27.5
MA14	485014	7539617	20.0
MA15	480001	7534993	24.0
MA16	475005	7529997	27.0
MA17	485007	7528035	30.0
MA18	489998	7525007	26.8
MA19	494995	7509521	27.0
MA20	484997	7510000	21.5
MA21	474508	7509959	22.0
MA22	474993	7519995	28.0
AVERAGE DEPTH OF CURRENT DRILLING PROGRAM			25.1
AVERAGE DEPTH OF EXISTING MINERAL RESOURCE			2.7

Notes:

1 Locations are in GDA94 Zone 52

2 All holes are drilled vertical

The Company is undertaking the final stages of sampling, analysis and QA/QC. The results from brine analyses are expected to be reported in the next four weeks.

Trenching Program

The Company excavated trench MT1 which is approximately 110m long and 2.5m deep (**Figure 3**). MT1 was constructed near the western edge of the lake given its proximity to existing access tracks. The trench has been dug into clays with interbedded sand and crystalline gypsum zones. A constant rate pump test was conducted for 19 consecutive days and has now been completed. The Company's on-site hydrogeological consultants supervised the pump test and undertook daily monitoring of flow rates and water levels in the trench. A sustainable yield was achieved over the duration of the 19 days.

Figure 3. Trench at MT1



Agrimin has also completed test pit MP1 which is approximately 23m long and 0.5m deep (**Figure 4**). The test pit has been dug into porous gypsiferous sands which occur over vast areas of the Project, extending from surface. A pump test has been completed over a 24 hour period by the Company's on-site hydrogeological consultants and exceptional yields were achieved over the duration of the test. Further details of pump testing will be provided when analyses are received from the laboratory and analysis of the pump test data is complete.

Figure 4. Test Pit at MP1



Resource Estimation

The Mackay Project currently hosts an Inferred Mineral Resource of 22 million tonnes at a SOP grade of 6.7kg/m³ of brine and an average depth of only 2.7m, based on previously determined total porosity of the host sediments (ASX Release, 10 November 2014). Agrimin's hydrogeological consultants will prepare an updated Mineral Resource Estimate shortly after all of the new exploration results are received.

The Company has previously reported an Exploration Target range of between 30 to 110 million tonnes (inclusive of the Inferred Mineral Resource) based on a SOP grade range of 6.7kg/m³ to 8.9kg/m³ of brine and a depth range of 8m to 16m, as well as allowances for changes in porosity.

Cautionary Note: The Exploration Target does not constitute a Mineral Resource Estimate and is based on a number of assumptions and limitations with the potential grade and quantity being conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource Estimate in accordance with the JORC Code and it is uncertain if future exploration will result in a Mineral Resource Estimate.

Development Studies

A significant observation has been the distinct contrast between the lakebed stratigraphy on the western and eastern sides of the lake.

Firstly, the lakebed sediments observed near surface, with high clay content, on the south west corner of the Project could potentially represent an area suitable for the construction of evaporation ponds. Secondly, the combination of higher sand content and crystalline gypsum zones in the east of the Project area appears highly favourable for recovering brines via trenching. The potential to employ trenching methods is further enhanced by the immense lateral extent of the Mackay Project area spanning approximately 2,500km².

This potential application of un-lined solar evaporation ponds and the use of shallow trenching methods to extract brines are very important features in order to minimise development costs. To that end, approximately 100kg of geotechnical samples have been collected and are in transit to laboratories for test work to determine site specific parameters relevant for the design of evaporation ponds and trenches.

A 5,000L bulk brine sample from the Mackay Project is also in transit to a laboratory for evaporation trials and process test work. This work will define details of the process flow sheet, mass balance and design parameters for a SOP process plant.

Concurrently with the above activities, various cost estimates for the Scoping Study are already underway. Agrimin continues to target the completion of a Scoping Study during the second half of 2015.

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Competent Person's Statements

The information in this statement that relates to Exploration Results for the Mackay Project is based on information compiled or reviewed by Mr Murray Brooker who is a full-time employee of Hydrominex Geoscience Pty Ltd. Mr Brooker is a geologist and hydrogeologist and is an independent consultant to Agrimmin. Mr Brooker is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). Mr Brooker consents to the inclusion of such information in this statement in the form and context in which it appears.

The information in this statement that relates to the Mineral Resource Estimate of November 2014 for the Mackay Project is based on information compiled or reviewed by Mr Simon Coxhell who is a full-time employee of CocksRocks Pty Ltd and an independent geological consultant to Agrimmin. Mr Coxhell takes overall responsibility for the Statement. Mr Coxhell is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). Mr Coxhell consents to the inclusion of such information in this statement in the form and context in which it appears. Refer to the ASX Release of 10 November 2014 titled "Mineral Resource Estimate for Mackay Project".

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

The Mackay mineralisation is contained in brine that is present in the pore spaces of lakebed sediments. It is important for the reader to understand this is not a hard rock mining project and sediment samples are not analysed. Exploration activities have been aimed at sampling the brine contained in sediments, to determine variations in concentration across the Mackay Project.

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Brine samples from aircore drilling are taken from the cyclone or outside return every 3m down hole, where flowing water is present. Water may not flow after every rod, in which case a sample is not taken. Select holes had 50mm piezometers installed for subsequent monitoring and brine sampling. Select holes had 100mm wells installed for subsequent pump testing, monitoring and brine sampling. Brine samples taken from the piezometers and wells are taken at the bottom of hole using a pump or downhole non-return sampler. Brine samples down hole are considered composite samples from surface, as brine from all levels of stratigraphic sequence can contribute to the brine sample composition. Brine samples are also collected from test pits located adjacent to drill hole collars representing the brine in the upper unconfined aquifer in the sediments. Select core samples were retrieved in 46mm diameter plastic tubes and sealed to ensure the unconsolidated sediments and entrained brine were recovered and to avoid moisture loss. Brine samples are taken in 1L bottles and allowed to settle and clear, prior to being filtered and sent for analysis.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> The program involves the use of a small, purpose built Aircore rig, transported by helicopter sling loading. Drilling is done by Aircore method using an aircore blade bit. Aircore bit size is approximately 80mm. Select direct push tube samples from surface are also acquired using a specially modified attachment for core sampling. Core is not orientated and all holes were drilled vertically.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> Samples collected and reported are brine. Aircore brine samples are recovered via air pressure forcing water up the drill

	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>rods, through the cyclone or outside return, with samples collected in buckets and transferred into 1L bottles.</p> <ul style="list-style-type: none"> Brine samples are only taken when water is free flowing after a rod change. Sediment samples are collected from the cyclone and are logged and placed in chip trays and sealed bags on 3m intervals, with increased detail in the upper 2m. Due to the wet and very sticky, plastic nature of the sediments it was not practical to weigh sample buckets for 3m intervals. Minimal core loss is evident in push tubes due to the nature of the push tube sampling and the immediate air-tight sealing of the core tube upon extraction from the drill hole. However, compaction is noted in the upper metre where material is less compact. Core container length and actual core length measurements were taken. Not all tubes were full so sediment density measurements could be non-representative of the interval sampled.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All drill holes were logged for hydrogeological characteristics, including descriptions of lithology, sediment grain size, colour, moisture content, general observations and flow rates. A qualified hydrogeologist/geologist logged all samples. Drilling snap top sample bags and chip trays were photographed as a permanent record of sample intervals. Drilling push tube sampling and recovery of 100mm diameter push tubes was discussed and implemented with advice from geotechnical specialists.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Brine samples were collected by airlifting with the drilling rig or by pumping. The brine was mixed during the sampling process. Airlifting allowed purging three well volumes of brine from holes, except for a small number of drill holes with low flows. Three well volumes of brine was purged from the piezometers and wells prior to sampling, where possible – ensuring that stagnant brine was purged and representative brine obtained for sampling.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> The samples collected were analysed for elemental assay at ALS laboratories in Perth, a reputable independent laboratory. Internal standards are in place to calibrate equipment and maintain analytical procedures. The technique of analysis used is APHA 3120 method for cations, APHA 4500 and 2320 for anions and APHA 4500 and APHA 2540 for pH, Total Dissolved Solids (TDS) and ICPMS for dissolved

		<p>metals.</p> <ul style="list-style-type: none"> • Quality control procedures were in place throughout the analyses process, including the use of blanks, duplicates and laboratory certified standards. • Quality control data indicates no discrepancies in the results.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Results have been verified by an independent consulting hydrogeologist. • Data entry was completed in the field in order to minimise transcription errors. • Brine analyses results are received from the laboratory in digital format to prevent transposition errors. • The brine body is considered to be relatively homogenous and twinning of holes was not considered necessary. Analysis of brine from pump tests on some holes provides a check on the analyses of samples taken during drilling. • Data stored in Excel format with regular backups/copies created. • The concentrated nature of the brines requires the laboratory to dilute sub-samples to allow analysis. The results are then corrected for dilution factors by the laboratory before results are reported.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Collars were located using a handheld GPS system, with accuracy of +/- 5m. • The grid system used was GDA94 in MGA Zone 52. • RLs were recorded for each collar. • The salt lake surface is generally flat lying so topographic control is not considered a critical point.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drilling was completed at an approximately 10km spacing. • The correlation of lithological and brine concentration data suggests drilling completed in the program is sufficient to estimate a resource for the project • All brine samples are considered a composite from the top of water table to the depth they are taken from i.e. a sample taken at the bottom of the hole is representative of the whole hole.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • All drill holes are drilled vertical as the geological structure (aquifer host sediments) is flat lying. • No orientation or structural information was obtained.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • All samples were clearly labelled and kept onsite prior to being transported to Perth, via secured freight, for analysis. Samples for assaying were submitted to ALS Laboratories, an independent laboratory, with a chain of custody system maintained.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • No audits or reviews were conducted.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Project is 100% owned by Agrimmin Limited. The project tenure is held under Exploration Licences - E80/4887, E80/4888, E80/4889, E80/4890 and E80/4893. The area is subject to native title determination held by the Kiwirrkurra People.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Holocene Pty Ltd conducted a Vibracore drilling program on the project area in 2009. The average depth of drilling was 2.7m. The drilling grid was roughly 10km.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The deposit type is brine-hosted potash in a salt lake/playa.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Refer to drill collar table in the release. All holes were less than 30m deep and were drilled vertical. Approximate RL of the lake is 355m.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Completed brine assay results will be released to the market when they are provided by the laboratory and QA/QC analysis is conducted.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> The brine aquifer is considered to be continuous throughout the sediment profile of the lake, which has been confirmed by analyses of depth profiles. The lake sediment units are flat lying and all holes have been drilled vertically so it is assumed that the true width of mineralisation has been intersected in each hole.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Refer to figures within the release.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Results considered relevant have been reported.
Other substantive	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be 	<ul style="list-style-type: none"> No other exploration has been carried

exploration data	<i>reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<p>out within the Project area.</p> <ul style="list-style-type: none"> • Toro Energy Ltd (ASX: TOE) and Rum Jungle Resources Ltd (ASX: RUM) have conducted potash and uranium exploration on neighboring tenure at Lake Mackay.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Refer to release. Further drilling and feasibility work is currently being undertaken and is planned to continue into 2016. This will include drilling, pump testing, process test work and geotechnical work, which is aimed at providing the necessary data required for the estimation of an updated Mineral Resource and scoping study.