



www.australianpotash.com.au

Q4

FEED

INVESTOR

PRESENTATION

Timeline
Offtake
Approvals
Funding



Disclaimer

Nature of this document

This presentation has been prepared by Australian Potash Limited (APC or the Company). The information is based on publicly available information, internally developed data and other sources. By receiving this presentation, you acknowledge and represent to the Company that you have read, understood and accepted the terms of this disclaimer. It is the responsibility of all recipients of this presentation to obtain all necessary approvals to receive this presentation and receipt of this presentation will be taken by the Company to constitute a representation and warranty that all relevant approvals have been obtained.

Not an offer

This presentation is for information purposes only and does not purport to be all inclusive or to contain all information about the Company or any of the assets, current or future, of the Company. This presentation does not comprise a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This presentation also does not constitute or form part of any invitation, offer for sale or subscription or any solicitation for any offer to buy or subscribe for any securities in any jurisdiction nor shall it or any part of it form the basis of or be relied upon in connection therewith or act as any inducement to enter into any contract or commitment with respect to securities. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. This presentation and its contents must not be distributed, transmitted or viewed by any person in the United States or any jurisdiction where the distribution, transmission or viewing of this document would be unlawful under the securities or other laws of that or any other jurisdiction.

Not investment advice

This presentation is not investment or financial product advice (nor tax, accounting or legal advice) and its contents are not intended to be used for the basis of making an investment decision. Recipients of this presentation should carefully consider whether the Company is an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. This presentation does not take into account the individual investment objectives, financial situation and particular needs of each investor or shareholder. You may wish to seek independent financial and taxation advice before making any decision in respect of this presentation. Neither APC nor any of its related bodies corporate is licensed to provide financial product advice in respect of the Company's securities or any other financial products.

Competent Person's Statement

The information in the announcement that relates to Mineral Resources and Ore Reserves is based on information that was compiled by Mr Duncan Gareth Storey. Mr Storey is a Director and Consulting Hydrogeologist with AQ2, a firm that provides consulting services to the Company. Neither Mr Storey nor AQ2 own either directly or indirectly any securities in the issued capital of the Company. Mr. Storey has 30 years of international experience. He is a Chartered Geologist with, and Fellow of, the Geological Society of London (a Recognised Professional Organisation under the JORC Code 2012). Mr Storey has experience in the assessment and development of palaeo channel aquifers, including the development of hypersaline brines in Western Australia. His experience and expertise are such that he qualifies as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Storey consents to the inclusion in this report of the matters based on this information in the form and context as it appears.

The information in this report that relates to Exploration Results is based on information compiled by Mr Christopher Shaw who is a member of the Australian Institute of Geoscientists (AIG). Mr Shaw is an employee of Australian Potash Ltd. Mr Shaw has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Shaw consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to mineral processing is based on information compiled by Mr Antoine Lefavre, a Competent Person who is a Member of the *Ordre des Ingénieurs du Québec* (Order of Engineers of Quebec). Mr Lefavre is employed by Novopro Projects Inc. and has sufficient experience that is relevant to the style of minerals processing and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lefavre consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Financial Forecasts

The forecast financial information stated in this presentation is based on the Company's Definitive Feasibility Study as released to the ASX on 28 August 2019. The Company confirms that all material assumptions underpinning the forecast financial information continue to apply and have not materially changed.



The Lake Wells Sulphate of Potash Project

Realistic Timeline to Development

FEED Update

Q4

- Finalise Offtake Program
- Finalise Debt facilities
- Finalise EPC contracts
- EPA Ministerial Statement
- Minor & Preliminary works



2021

Construction

- Village & NPI
- Pre-concentration ponds
- Process plant and load out facilities



2023



2020

Q1

- FID
- Commence construction of bore-field
- Commence construction of harvest ponds



2022

Ramp-up to steady state production



Q4 2020

Newsflow



01

Offtake Program

- Targeting 85% - 95% of expanded FEED output under contracted sale agreements to 'bank' LSOP offtake position

03

NAIF & Funding

- Targeting conclusion Q4

02

Environmental Approval

- EPA has made Report & Recommendations to the Minister for the Environment recommending the LSOP proceed to development

04

FEED Finalisation

- EPC tender \$ to drive outcome of FEED
- Production output, OPEX, NPV

FEED Update



The Lake Wells Sulphate of Potash Project

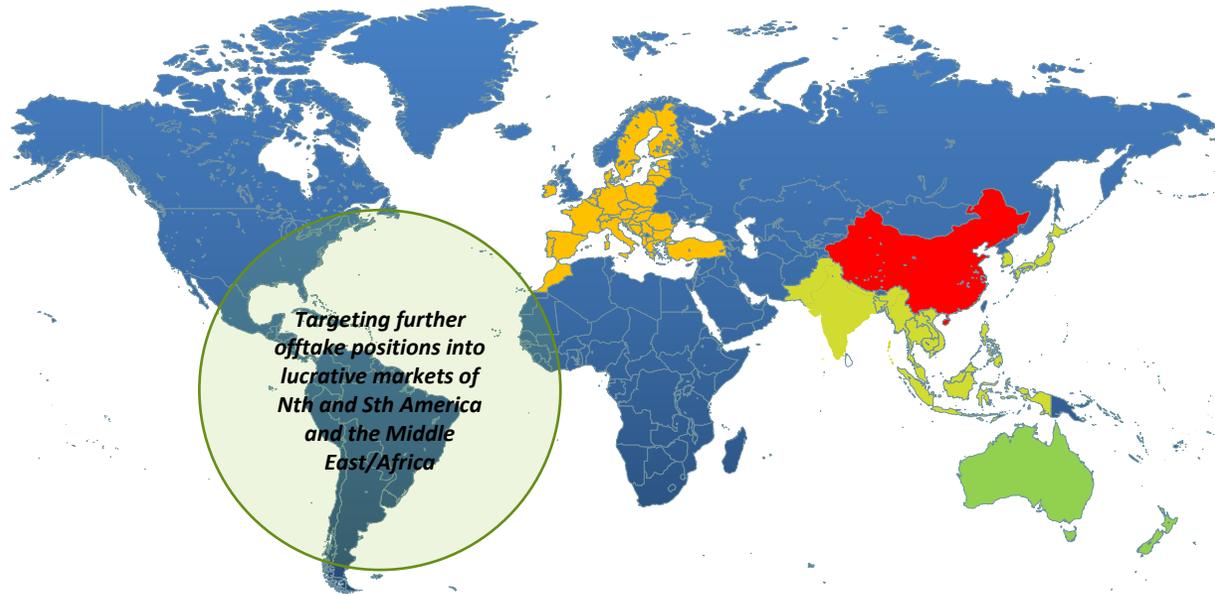
Premium project Premium fertiliser



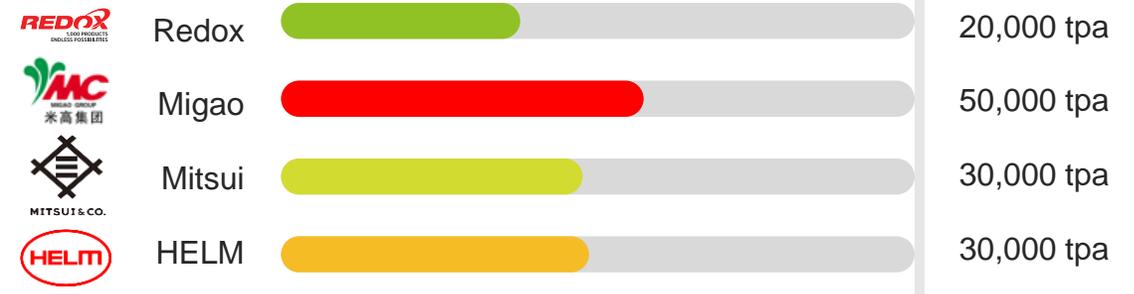
FEED Update

Offtake Program

- 130,000 tonnes per annum under binding offtake agreements
- FEED Program optimising output volume



Tier 1 Trading Partners



Approvals Pathway

Environmental Protection Authority and Other DMAs



FEED Update



Government of Western Australia
Environmental Protection Authority

Status of Active Formal Assessments - s. 38
Part IV of the Environmental Protection Act 1986

- EPA Report to the Minister for Environment RECOMMENDING APPROVAL: **MONDAY 7 SEPTEMBER 2020**
- Minor & Preliminary Works Approval already received
- Water licenses
- Mining Proposal & Mine Closure Plan: all pending Ministerial Statement of Consent



Financing the Build

NAIF, Commercial Debt, Equity



FEED Update



**Northern Australia
Infrastructure
Facility (NAIF)**

35% of total funding requirement



Commercial Debt
30% of total funding requirement



Equity
35% of total funding requirement



Contracting Strategy

Risk Mitigation

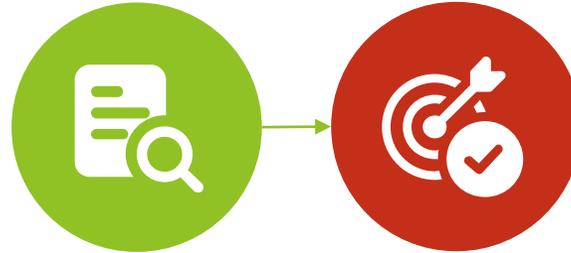
Shareholder Protection



FEED Update

6 Packages EPC Contracted

- Bids received:* SOP process plant
- Bids received:* Borefield fit-out & HV network
- Bids received:* Power station
- Bids received:* Comms & Village

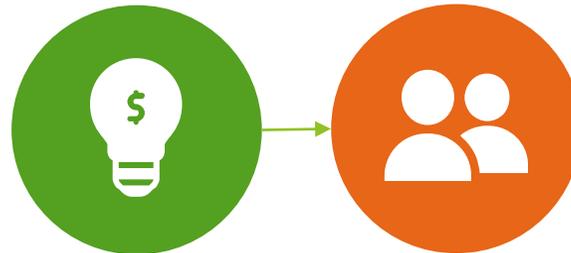


Why?

- Schedule guarantee
- Price guarantee
- Process guarantee
- Local engineers & Canadian expertise

2 Packages Owner's Team

- Schedule of rates Borefield drilling
- Schedule of rates Civils (incl. ponds)



Can we?

- Experienced owner's team
- In depth knowledge of ground conditions – no-one knows better than APC's team

Contracted

- Village
- Power station
- Logistics



Owner's Team

- Pumping
- Processing
- Marketing

Construction

Operations



Essential Metrics

Pre-FEED Results



The Lake Wells Sulphate of Potash Project



SOP Reserve (Proven & Probable)	3.6Mt
SOP Resource (100% Measured) – drainable	18.1Mt
Planned production	150ktpa [^]
CapEx	\$208m [^]
NPV ₍₈₎ (Post-tax)	\$441m [^]
Bankable Offtake secured	130ktpa – Program ongoing through Q4
Environmental approval	Ministerial Statement of Consent pending
Project syndicated debt facility indicative terms	Q4 2020 leading to finalisation Q1 2021
Shares on issue (million)	549.6m
Market Capitalisation (3 November 2020)	\$61.0m
Enterprise Value [approximate]	\$52.6m

[^] DFS disclosure



Board Composition

Skills and Governance



Jim Walker

Chairman

- Appointed Aug 2018
- 13 years MD&CEO of WesTrac
- Austin Engineering Ltd (ANG) Chairman
- Mader Group (MAD) Chairman
- Wesley College
- State Training Board
- RACWA and WA Motor Museum



Brett Lambert

Non-executive Director

- Appointed May 2017
- Mincor Resources (ASX: MIN) Chairman
- Saturn Metals (ASX: STN) NED
- Western Mining, Intrepid, Thundelarra, Bullabulling Gold
- Mining Engineer



Rhett Brans

Project Director

- Appointed NED May 2017
- PD June 2020
- +45 years Project Management and development experience
- Carnavale Resources (ASX: CAV) NED
- AVZ Minerals (ASX: AVZ) NED
- Perseus, Tiger Resources
- Civil Engineer



Matt Shackleton

Managing Director & CEO

- Appointed July 2014
- 6 years as MD of gold developer Mt Magnet South (ASX: MUM)
- Founding director of bauxite developer Canyon Resources (ASX: CAY)
- Chartered Accountant



Cathy Moises

Non-executive Director

- Appointed July 2020
- McIntosh/Merrill Lynch
- County Securities/CITI Group
- Evans & Partners (partner)
- Head of Research Patersons Securities
- Geologist



APC Management

Resources and Development Focused



Matt Shackleton

Managing Director & CEO



Stewart McCallion

Project Manager

- Extensive greenfield and brownfields mineral experience
- Project manager at Blackham Resources
- Project manager at Hancock Prospecting
- Civil Engineer



Ryan Duncan

Technical Manager

- Industrial Chemist with +12 yrs experience
- Extensive experience leading integrated operational/technical teams
- Direct salt processing experience at Dampier Salt and Parsons Brinckerhoff



Simon Page

Hydrogeologist

- Hydrogeologist with 25 years experience in the UK, Europe, and Australia
- Combination of hands on, field-based roles and leadership positions in multi-disciplinary teams
- Most recently spent 10 years as a specialist hydrogeologist with Rio Tinto



Scott Nicholas

Chief Financial Officer

- Chartered Accountant with +15 years in resources
- Previously CFO at MACH Energy involved in financing and developing +\$600m coal project
- Previously CFO at Atlantic Ltd involved in financing and developing +\$400m vanadium project



Rhett Brans

Project Director



Corporate Snapshot

Recent capital raising positions Company strongly with zero debt



Capital Structure



Share Price (Nov Placement Issue Price)	\$0.111
Shares on Issue ¹	549,643,709
Listed options ²	55,330,045
Unlisted options & Performance Rights ³	22,275,708
Market Capitalisation	\$61.0m
Cash ⁴	~\$8.4m
Debt	None
Enterprise Value	\$52.6m



1. Incorporates shares to be issued from the Nov 2020 Capital Raising (see ASX Announcement 3 Nov 2020)
2. ASX: APCOB – strike price 12c, expiring August 2021
3. Various strike prices and expiry dates
4. Includes 30 Sep 20 cash position of ~\$1.4m and cash raised from the Nov 2020 Capital Raising to settle 10 Nov 2020 (see ASX Announcement 3 Nov 2020)



ESG and Risk Management

Skills and Governance



- ASX Corporate Governance Structures (Gold Standard)
- Deep Commercial and Technical Experience
- Highly experienced and diversified Board

- ISO45001 Framework
- Continuous training and improvement
- 1:25 OH&S Professionals on staff
- Framework mirrored in Contractor Policy

- Borefield development & fit-out
- Evaporation ponds & Civils
- Processing Plant
- Power Plant
- Accommodation Village
- Communications

- EPC/M Work Packages
- Fixed cost/Lump sum components
- Schedule certainty driven by LDs
- Process Guarantees



Sustainability

Respect for Community, Environment, Indigenous Culture & Stakeholders



Understand,
Respect, Protect

Replacing a
material C footprint



Lake Wells branded SOP is a high-purity organically certifiable and soluble SOP



Brine SOP = low cost

Low cost, technically feasible bore-pumping operation to produce 17Gt of Potash brine per year



Why MOP addition?

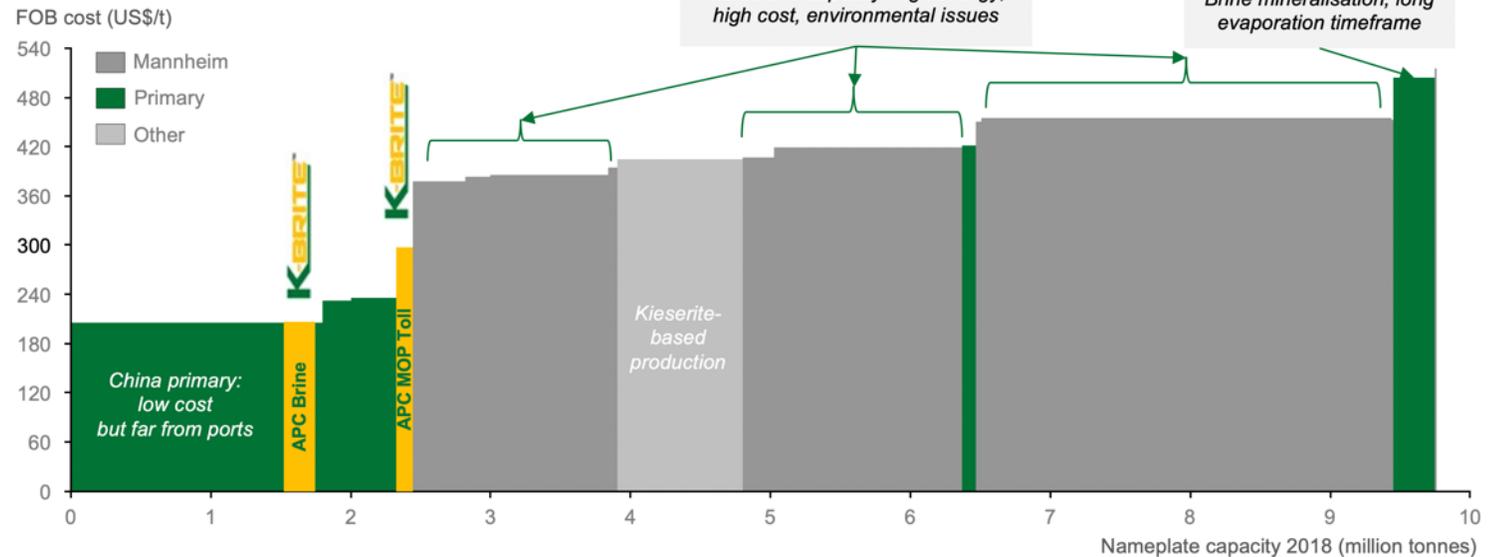
Capital efficiency: same bore-field, same ponds, same village BUT 50,000 – 100,000 tpa more SOP



Organic soluble SOP

Suitable for use in Organic agriculture: certifications being secured now
Portion of output soluble SOP
+organic +soluble = +US\$50/t sale price

Global FOB SOP cost curve 2018



Source: Argus Consulting



SOP Market

Sulphate of Potash is the premium form of an essential non-substitutable plant fertiliser



7M TONNES

Market Size

- SOP = 10% of the global demand for potassic fertilisers
- 170ktpa = 2.4% global demand



Essential

<1% Chloride/17% Sulphur

- Potassium is essential
- Potassium without chloride is essential
- SOP is essential and non-substitutable



US\$450/t

High-margin

- Solar salt = lowest quartile cost
 - 50/50 China/Rest-of-World production
- 4% - 6% CAGR profile past 2030



US\$3.5B

SOP Global Demand

- 50% of global supply from the Mannheim industrial process
- 50% from the passive solar evaporation (low Carbon) process

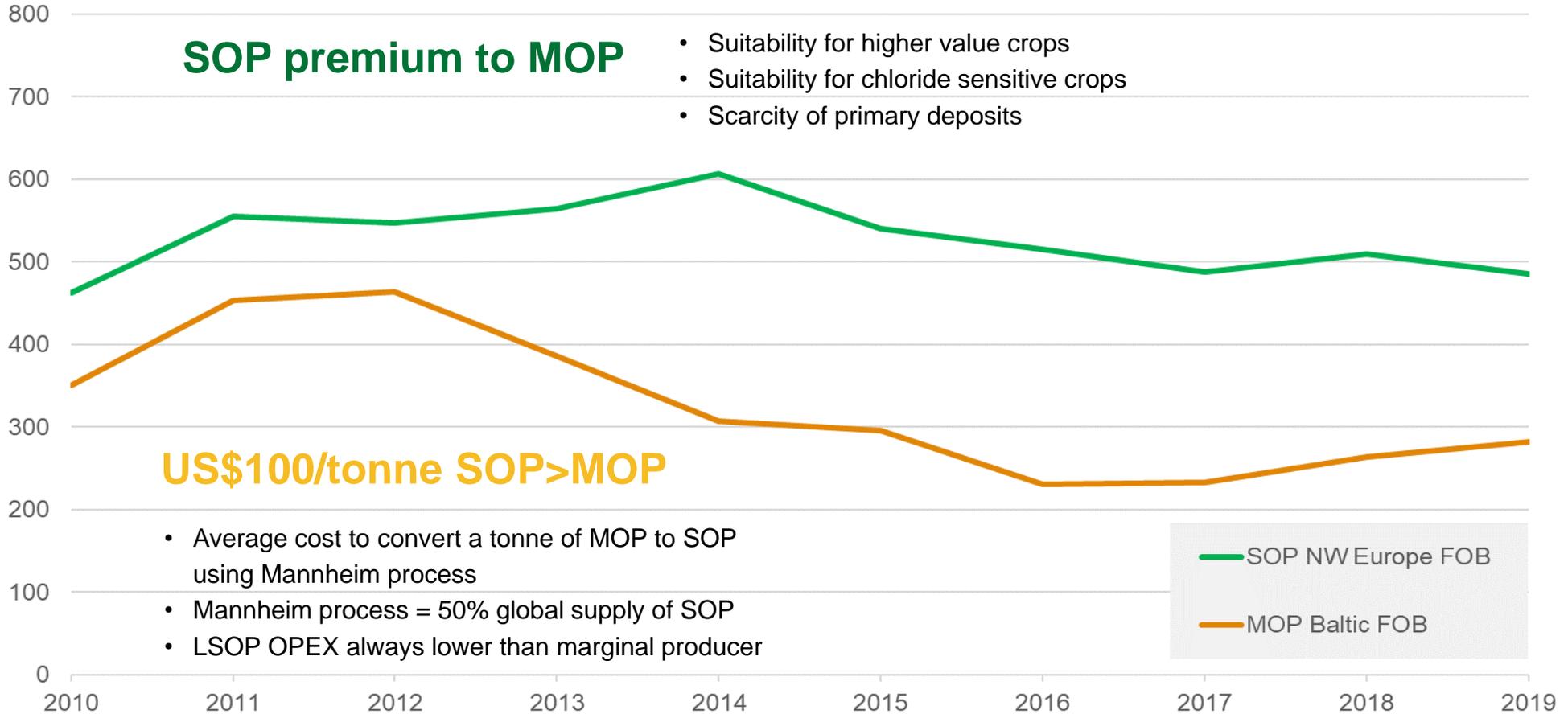


SOP Market

SOP trades at a Premium to MOP



US\$/t FOB, real





www.australianpotash.com.au



Suite 31, 22 Railway Road, Subiaco WA 6008



admin@australianpotash.com.au



+61 8 9322 1003