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Annual General Meeting Presentation

WEDNESDAY 25 NOVEMBER 2020

VIBE HOTEL, SUBIACO

15:00



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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.

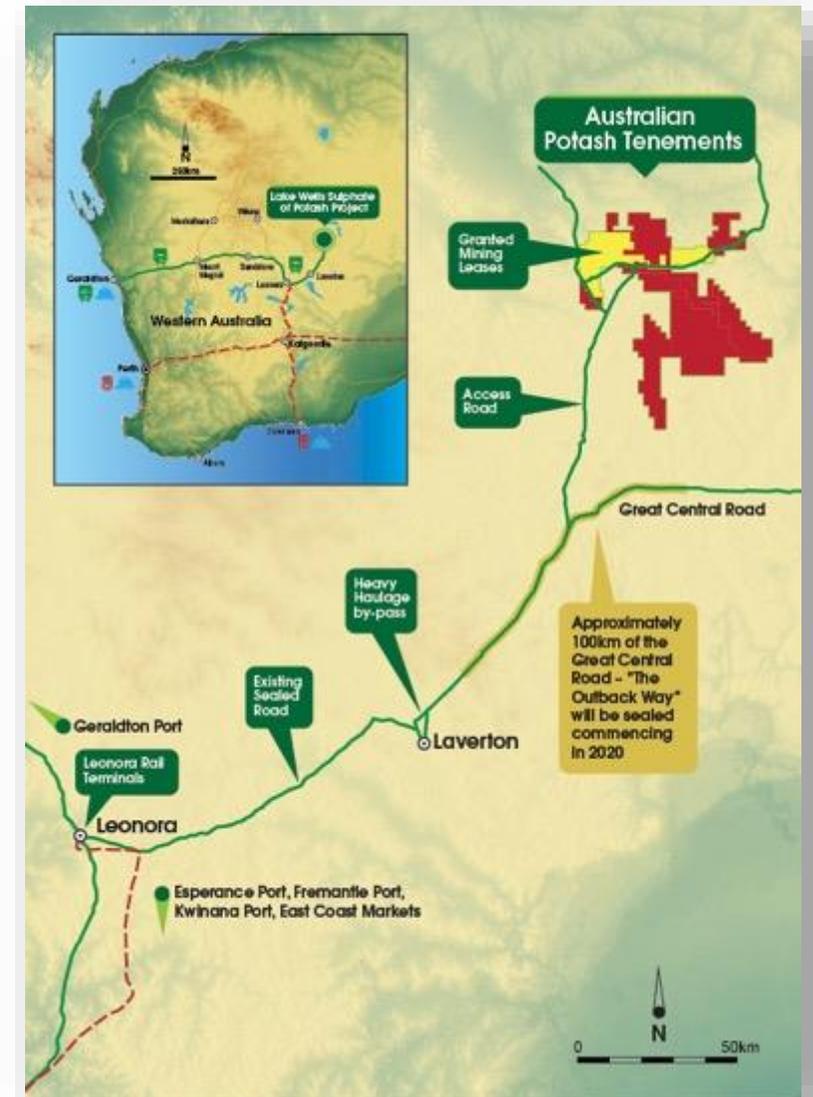
The information in this report that relates to mineral processing is based on information compiled by Mr Antoine Lefavre, a Competent Person who is a Member of the *Ordre des Ingénieurs du Québec* (Order of Engineers of Quebec). Mr Lefavre is employed by Novopro Projects Inc. and has sufficient experience 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.



2020 in Review

Pathway, Progress, People



- Approvals
- 1st offtake
- SBM JV



Q2

- Offtakes 3 & 4
- EPA Report
- STEM
- Gold update



Q4

- NAIF
- 2nd offtake
- EPA: M&PW and ERD



Q1



Q3

- EFA
- 5th offtake
-tba

2020 in Review

Progress, People, Pathway



2020 in Review

People, Pathway, Progress



Project team

- Pond modelling
- Process flow sheet
- Contracting
- Schedule
- Environmental



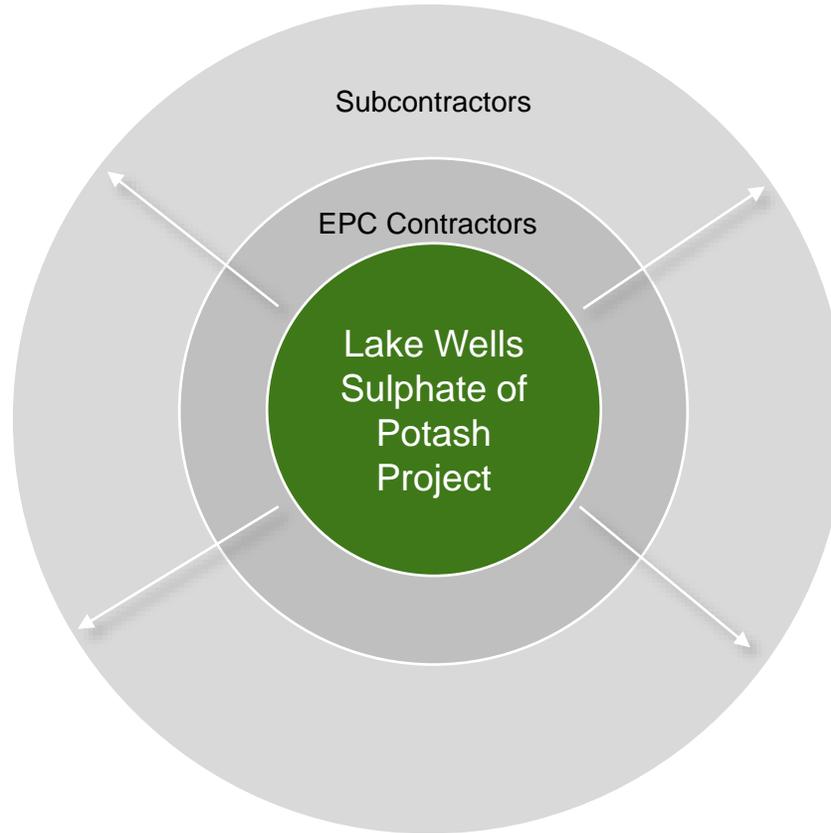
Resources team

- Resource and Reserve estimates
- Borefield design
- Field team
- Exploration & development



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2020 AGM



Corporate team

- Offtake agreements
- Financing structures
- Equity and debt
- Treasury
- Corporate affairs



Board

- Governance
- Risk
- Oversight
- Strategy



2021 in Advance

Pathway, Progress, People



01

Offtake Program

- Currently at 100% of DFS output
- FEED program optimising output

03

NAIF, EFA & Funding

- Syndicated debt structure being finalised
- Credit approval

02

Environmental Approval

- EPA Report being considered by Minister
- Minor & Preliminary Works approval in place

04

FEED Finalisation & FID

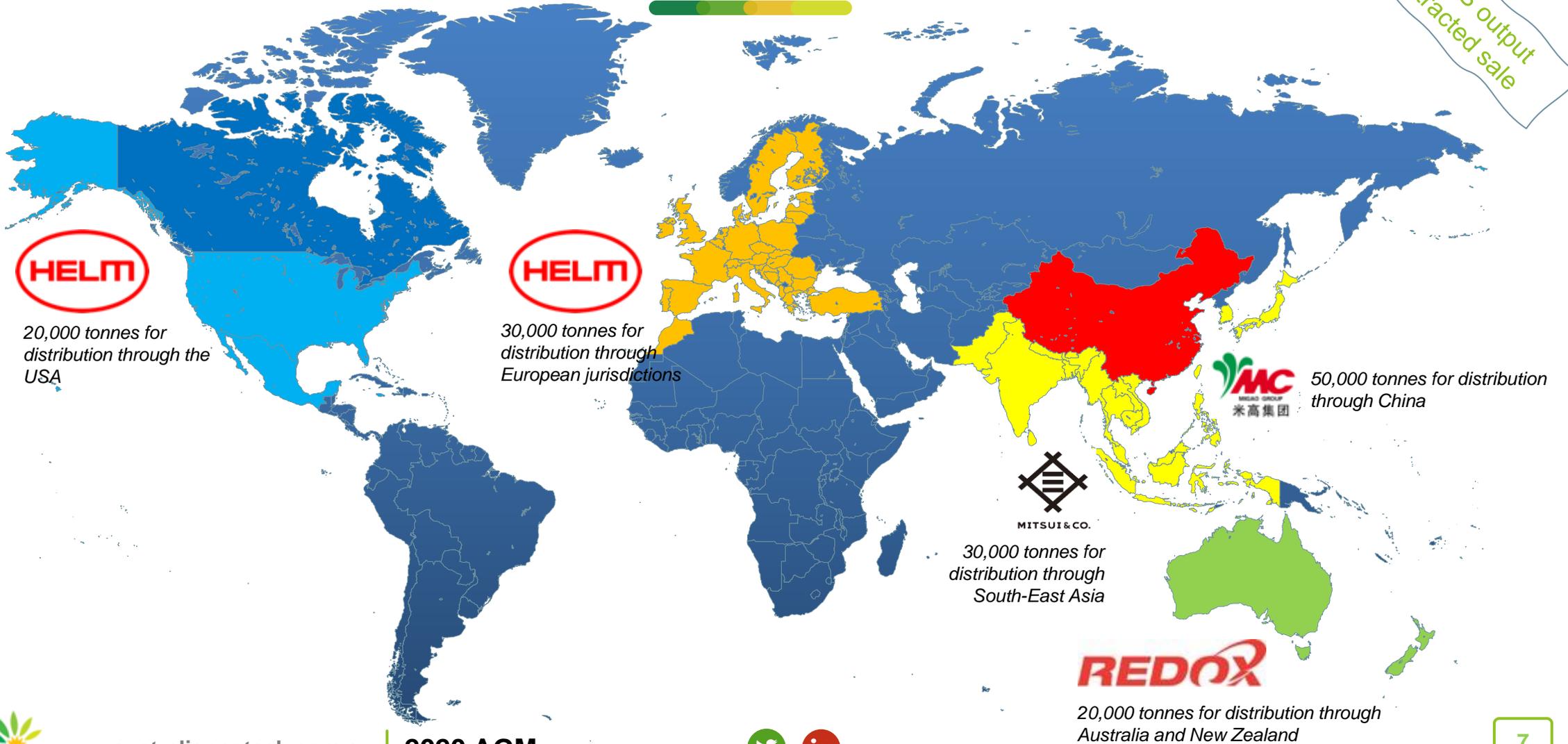
- Output optimisation
- Renewable power solution



Offtake Program

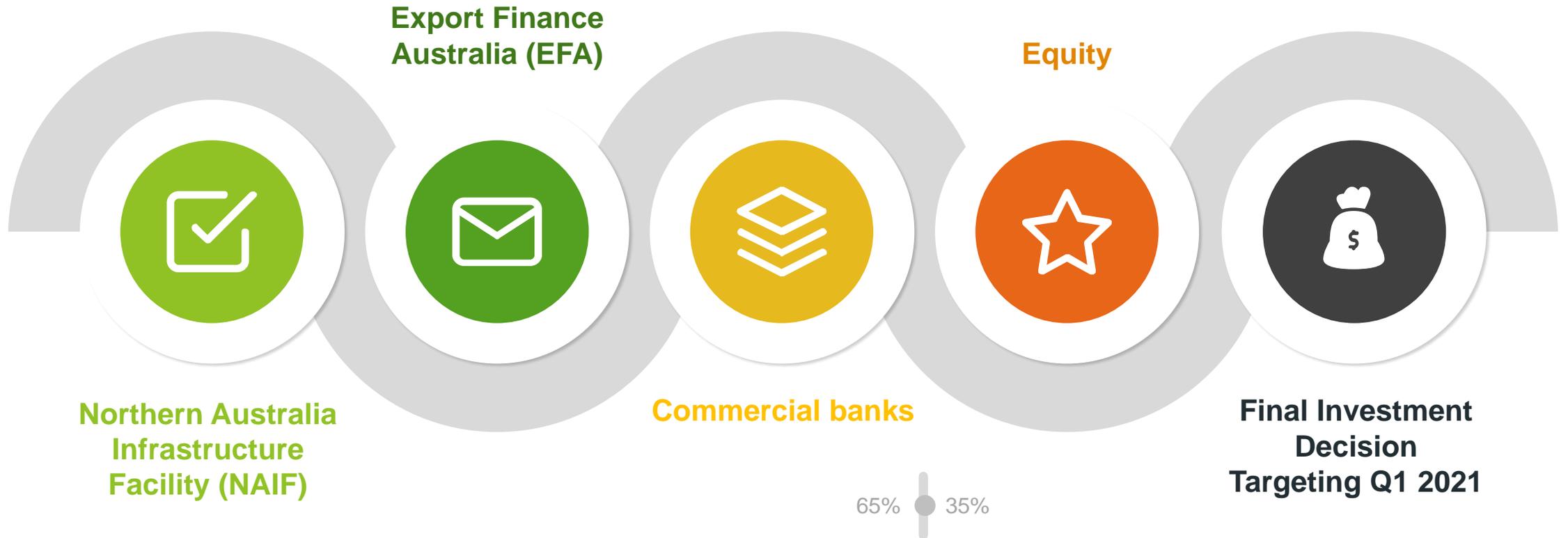
Premium project Premium fertiliser Premium partners

100% of DFS output
under contracted sale



Financing the Build

NAIF, EFA, Commercial Debt, Equity



Contracting Strategy

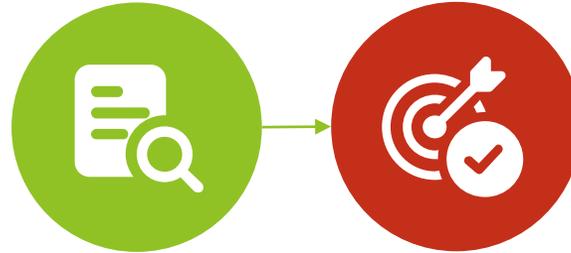
Risk Mitigation

Shareholder Protection



6 Packages EPC Contracted

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

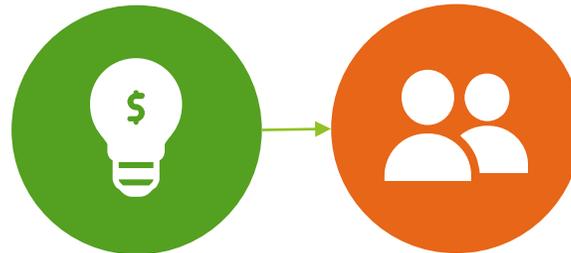


Why?

- 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



Renewable Power

Low C Footprint PLUS Renewable Power



Design & Construct

Tender documents issued for D&C pricing



Material impact on OPEX

DFS power OPEX 19.5c/kwh: 26% of total



Lowering the carbon footprint

Future proofing against fiscal penalty regime
Broadening market appeal



High penetration renewables

Design capacity averaging 60% renewable power
Wind, solar, battery storage



The Lake Wells Sulphate of Potash Project

Realistic Timeline to Development



Q1

- Finalise Offtake Program
- Finalise Debt facilities
- Finalise EPC contracts
- EPA Ministerial Statement
- FID
- Commence Development



2021

Construction

- NPI
- Process plant and load out facilities



2023



2021

- Commence construction of bore-field
- Commence construction of harvest ponds
- Accommodation village
- Civil works



2022

Commence supply into Tier 1 Partner offtake agreements across the globe



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	150ktpa – Program ongoing
Environmental approval	Ministerial Statement of Consent pending
Project syndicated debt facility indicative terms	Q4 2020 leading to finalisation Q1 2021
Enterprise Value [approximate]	\$67.2m

[^] DFS disclosure

The Company



Share Price (24 November 2020)	\$0.135
Shares on Issue ¹	549,643,709
Listed options ²	55,330,045
Unlisted options & Performance Rights ³	22,275,708
Shares on issue (million)	549.6m
Market Capitalisation (24 November 2020)	\$74.2m

1. ASX: APCOB – strike price 12c, expiring August 2021
2. Various strike prices and expiry dates
3. Pre-2020 AGM resolutions being considered by shareholders



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?

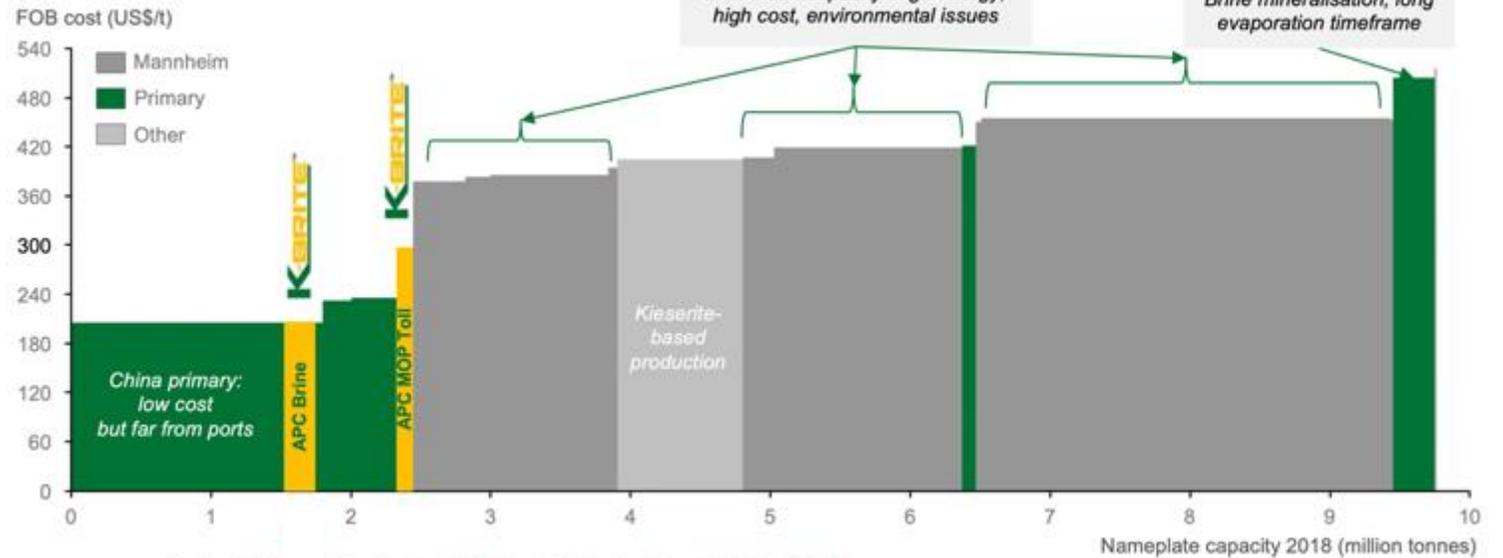
Capital efficiency: same bore-field, same ponds, same village BUT 50,000 – 100,000 tpa more SOP



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

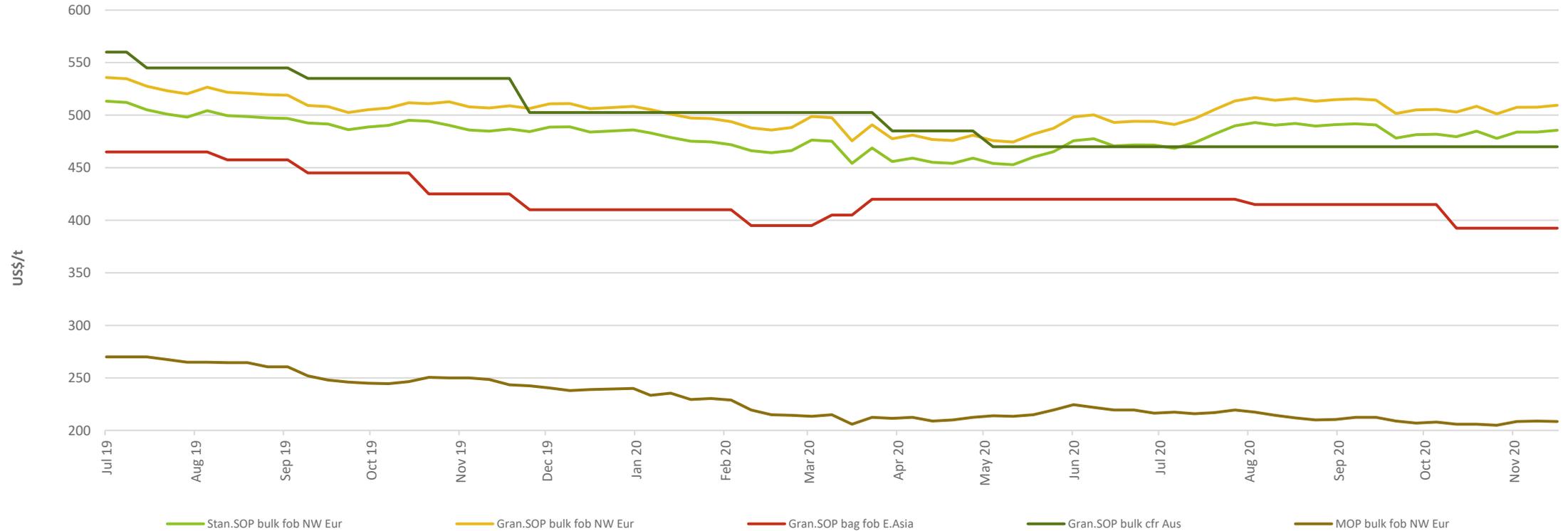
SOP Global Demand

- 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



SOP premium product to MOP

- Suitability for higher value crops
- Suitability for chloride sensitive crops
- Scarcity of primary deposits

SOP premium price to MOP

- Average cost to convert a tonne of MOP to SOP using Mannheim process
- Mannheim process = 50% global supply of SOP
- LSOP OPEX always lower than marginal producer

Source: Argus Consulting





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