AmericanPacific

BORATES LIMITED

Corporate Presentation

February 2021

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COMPETENT PERSON – FORT CADY

The information in this release that relates to Exploration Results and Mineral Resource Estimates is based on information prepared by Mr Louis Fourie, P.Geo of Terra Modelling Services. Mr Fourie is a licensed Professional Geoscientist registered with APEGS (Association of Professional Engineers and Geoscientists of Saskatchewan) in the Province of Saskatchewan, Canada and a Professional Natural Scientist (Geological Science) with SACNASP (South African Council for Natural Scientific Professions). APEGS and SACNASP are a Joint Ore Reserves Committee (JORC) Code 'Recognized Professional Organization' (RPO). An RPO is an accredited organization to which the Competent Person (CP) under JORC Code Reporting Standards must belong in order to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX. Mr Fourie has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a CP as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Fourie consents to the inclusion in this presentation of the matters based on their information in the form and context in which it appears.

The information in this release that relates to the conversion of Mineral Resources to Ore Reserves has been prepared by Tabetha A. Stirrett of RESPEC Consulting Inc. Mrs. Tabetha A. Stirrett, P. Geo of RESPEC Consulting Inc. is a member in good standing of the Association of Professional Engineers and Geoscientists of Saskatchewan (Member #10699) and a member of the American Institute of Professional Geologists (CPG) (#11581). APEGS and CPG are a Joint Ore Reserves Committee (JORC) 'Recognised Professional Organization' (RPO). Mrs. Stirrett has sufficient Experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a CP as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves. Mrs. Stirrett consents to the inclusion in the release of the matters based on their information in the form and context in which it appears.

COMPETENT PERSON – SALT WELLS

The information in this release that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information prepared by Richard Kern, Certified Professional Geologist (#11494). Richard Kern is a licensed Professional Geoscientist registered with AIPG (American Institute of Professional Geologists) in the United States. AIPGis a Joint Ore Reserves Committee (JORC) Code 'Recognized Professional Organization' (RPO). An RPO is an accredited organization to which the Competent Person (CP) under JORC Code Reporting Standards must belong in order to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX.
Richard Kern has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a CP as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Richard Kern consents to the inclusion in the release of the matters based on their information in the form and context in which it appears.

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1. Investment Highlights

American Pacific Borates Limited is an ASX listed company
focused on becoming a globally significant specialty fertiliser producer.

Exceptional Project Metrics*

Post-tax, unlevered NPV_8	US$2.02bn
Post-tax, unlevered IRR	40.6%
Annual EBITDA	US$453M

Low Upfront Capex
Phase 1A with US$50m capex fully financed

Low Technical Risk
Ore body previously mined and proven off the shelf process route

Very High Margin
Underpinned with by-product credits, logistics and high priced markets on door step

Multi Revenue Streams
Two major revenue streams reduces reliance on one product

Visible Revenues
Production targeted for CY21 with construction activities commenced

Significant Strategic Value
Very few sources of additional supply into growing markets

Multi generational
Life of mine at over 20 years with additional Resource upside

Globally Significant
Targeted annual EBITDA in full production of US$453m

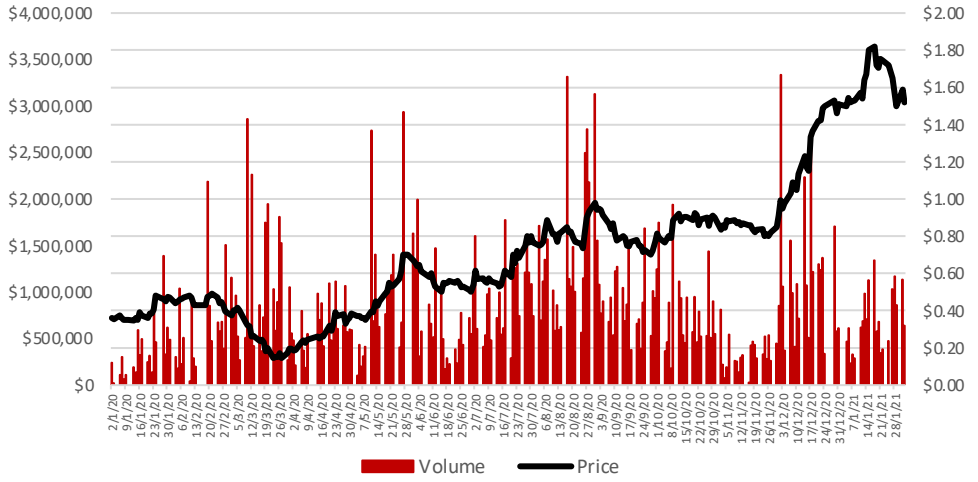
* refer ASX release of 4 February 2021

2. American Pacific Borates Limited

Corporate Information

ASX Ticker		ABR
Share Price at 3 February 2021		A$1.62
Shares on Issue		375.1m
Options (20c - $1.60 strike range)		61.1m
Fully Diluted Shares		436.2m
Undiluted Market Cap.		A$596m
Cash at Bank – 31 January 2021		A$64.3m
Major shareholders: (fully diluted)	ABR Management (total)	13%
	Virtova Capital	12%
	Atlas Precious Metals	11%

Share Price



Key Executives

David J Salisbury
Chairman, B.Sc (Electrical Engineering), MBA

David is a qualified electrical engineer with over 40 years' experience in the global mining industry. He is US based and a former Rio Tinto executive who was President and CEO of Resolution Copper Company, Kennecott Minerals Company and Rössing Uranium Limited. He has been directly responsible for the development, construction and production of four mines.

Michael X. Schlumpberger
Managing Director and CEO, BEng (Mining), MBA

Mike is a qualified mining engineer with over 30 years' experience in industrial minerals. His background includes management, operations, and maintenance in all aspects of mining, processing, reclamation, and permitting. He has held senior roles with Potash Corporation of Saskatchewan, Passport Potash, and Highfield Resources, and has worked in the United States, Canada, and Europe.

Anthony Hall
Executive Director, LLB(Hons), BBus, AGIA

Anthony is a qualified lawyer with 20 years´ commercial experience in venture capital, risk management, strategy and business development. He was Managing Director of ASX listed Highfield Resources Ltd from 2011 to 2016. During his tenure the company´s market cap grew from $10m to $500m & over $140m was raised to progress potash projects in Spain.

3. Borates

Borates are essential for everyday living

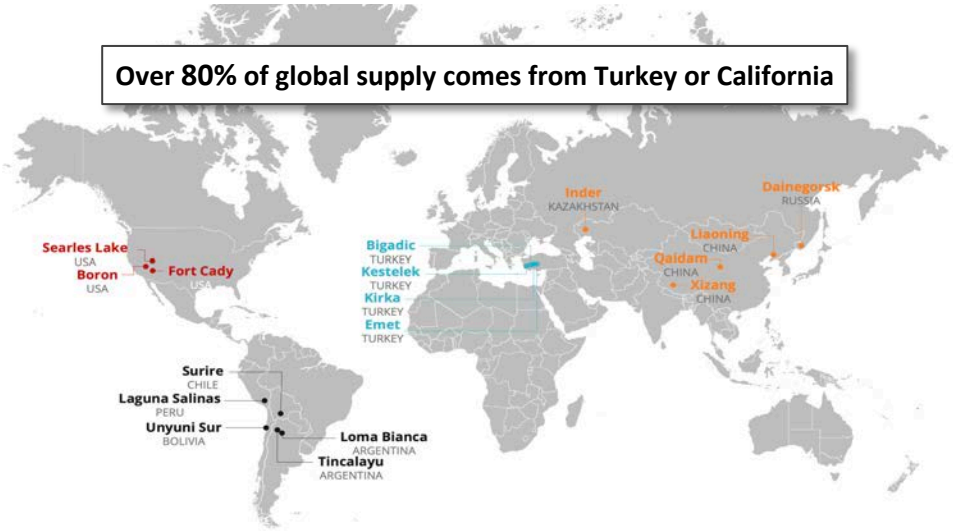
- Borates are naturally-occurring minerals containing boron, the fifth element on the Periodic Table. Boron exists all around us, plants need boron to grow. People need borates too, in our diet as well as in many products necessary as part of our daily lives.
- Boron is classed as a strategic commodity in many countries including the US.

Production of Borates

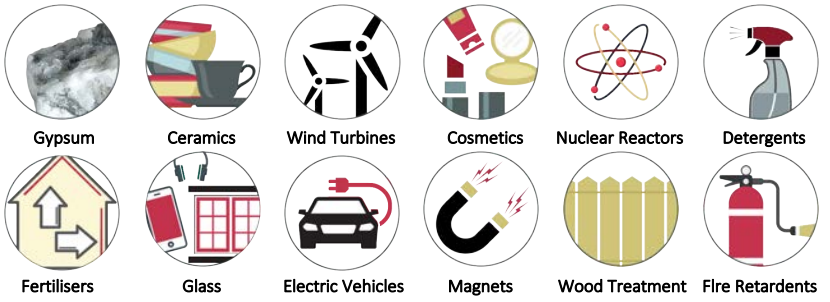
- Most global production of borates comes from mining and processing colemanite, borax or kernite ores.
- Some production comes from borate rich brines.
- **Fort Cady is a colemanite ore body.**

Sources of Boron

Over 80% of global supply comes from Turkey or California



Demand for Boron



3. Borates

Borates play into a number of new growth Thematics

FOOD SECURITY

Boron is one of the six essential micronutrients or trace elements required by plants.

Crops with boron sensitivity include: broccoli, cabbage, cauliflower, turnips, rice, beetroot, spinach, asparagus, carrots, eggplants, leeks, okra, onions, parsnips, radishes, strawberries, sweet corn, tomatoes, and potatoes

ELECTRIFICATION OF TRANSORT

Used in the permanent magnet (NdFe**B**) drivetrain in Electric Vehicles

Boron is also used in all modern cars:
Steel chassis
Airbag firing mechanism
Ceramic brake pads
Windscreen
Touchscreens
Acoustic insulation
and in Cleaning detergents

CLEAN & EFFICIENT ENERGY

Wind turbines
Solar PV modules
Nuclear reactors
Fibreglass Insulation

3. Borates

FOOD SECURITY

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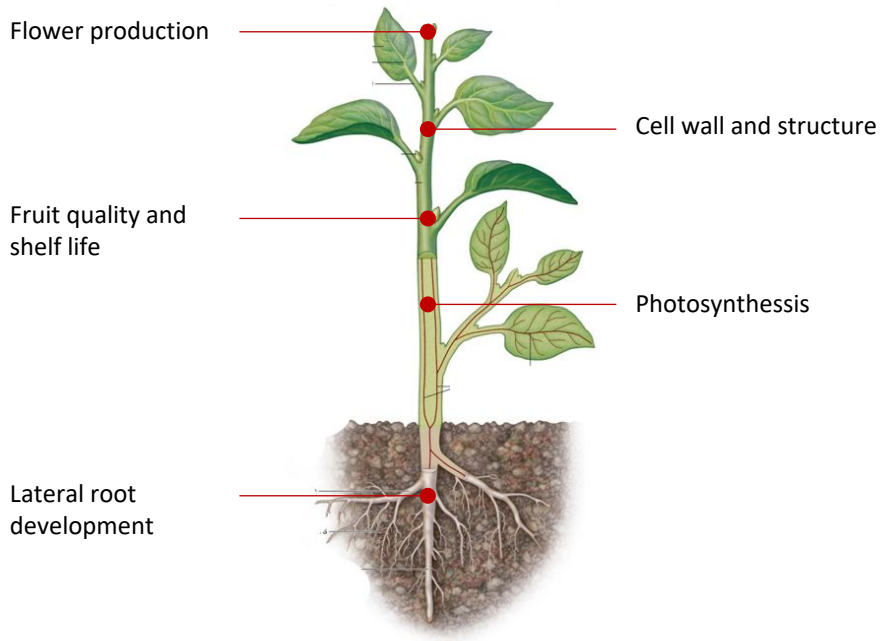
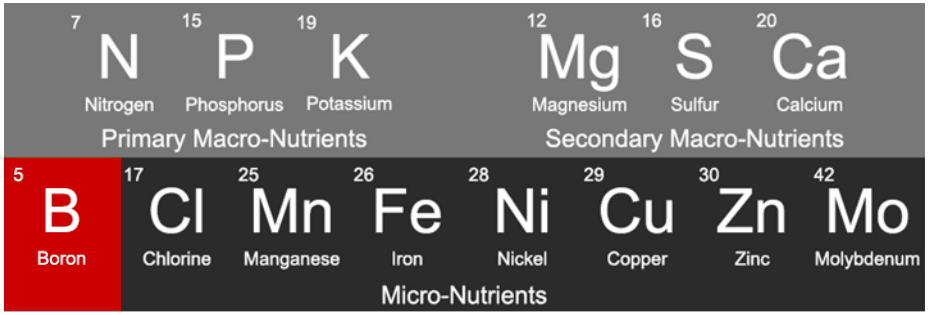
Functions of Boron in Plants





3. Borates

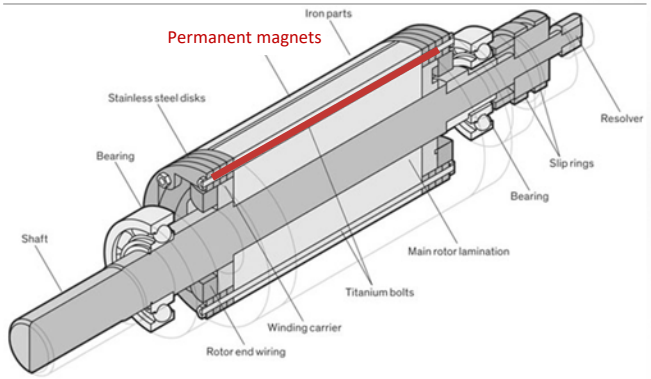
ELECTRIFICATION OF TRANSORT

Used in the permanent magnet (NdFe**B**) drivetrain in Electric Vehicles

Boron is also used in all modern cars:
Steel chassis
Airbag firing mechanism
Ceramic brake pads
Windscreen
Touchscreens
Acoustic insulation
and in Cleaning detergents

Neodymium magnets (NdFeB) were invented in the early 1980s by General Motors and Sumitomo Special Metals. The companies discovered that by combining neodymium with iron and boron, they were able to produce a powerful magnet.

Neodymium magnets are the strongest type of permanent magnet available commercially and continue to be the most widely used type of rare-earth magnet today.

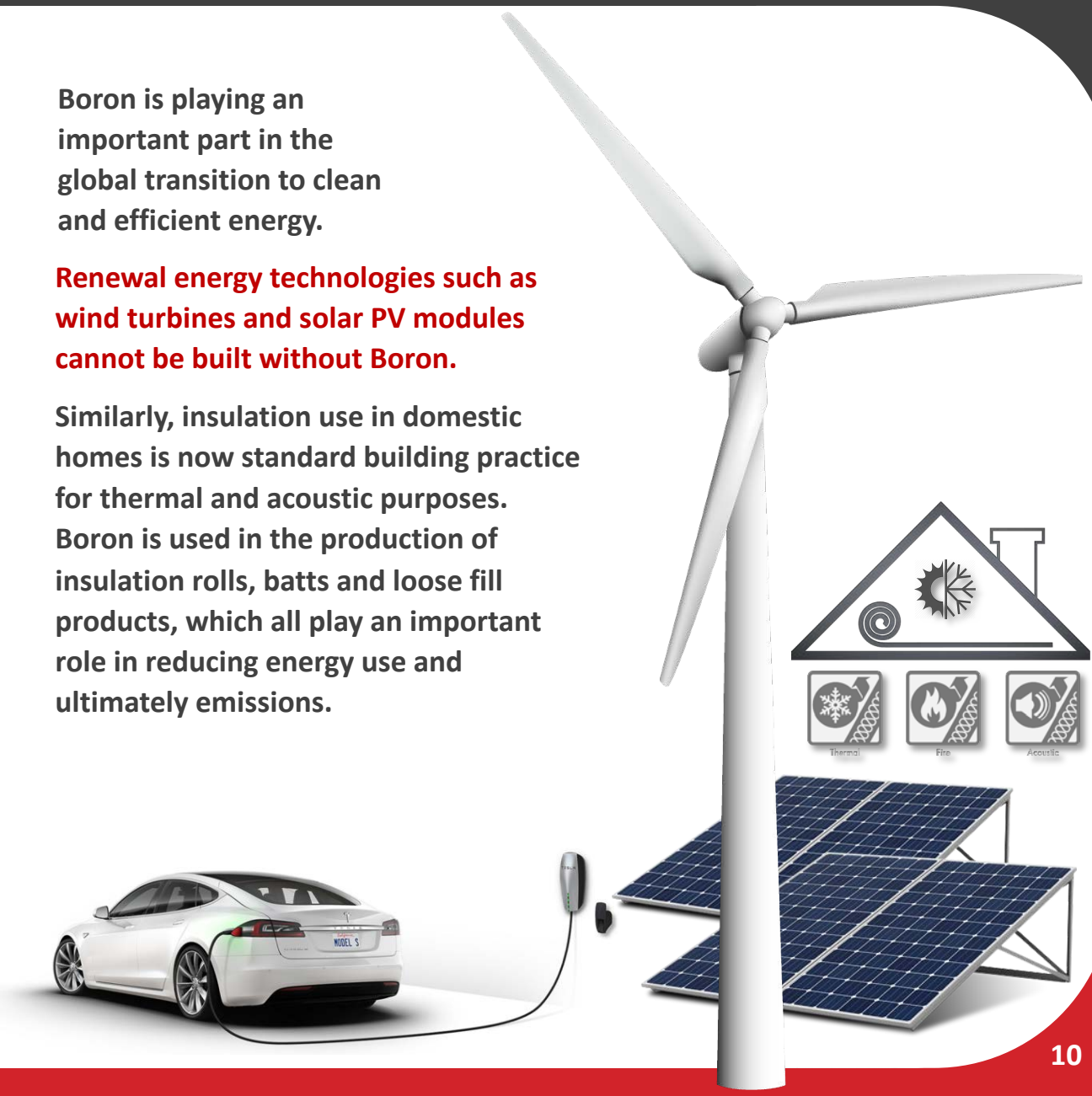


3. Borates

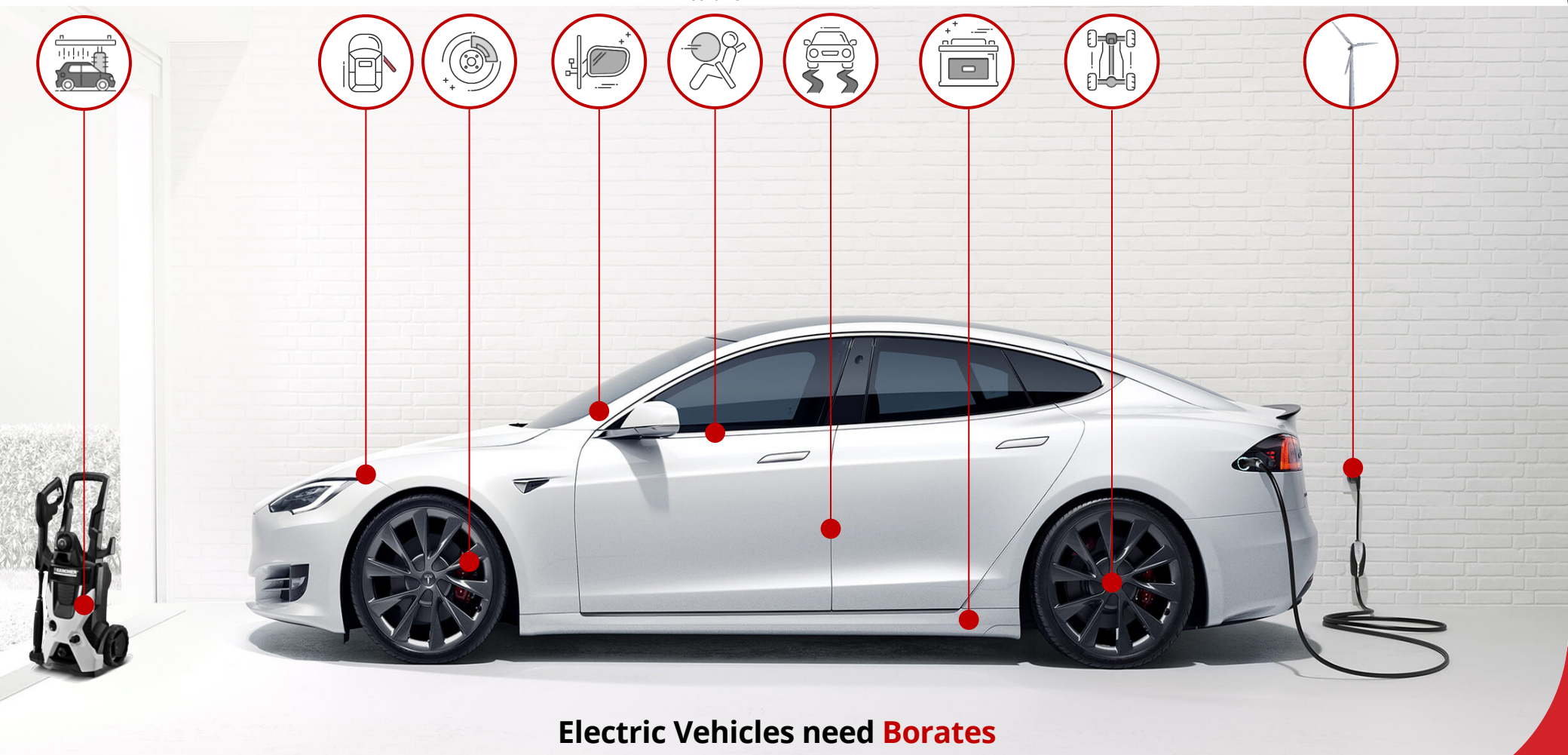
Boron is playing an important part in the global transition to clean and efficient energy.

Renewal energy technologies such as wind turbines and solar PV modules cannot be built without Boron.

Similarly, insulation use in domestic homes is now standard building practice for thermal and acoustic purposes. Boron is used in the production of insulation rolls, batts and loose fill products, which all play an important role in reducing energy use and ultimately emissions.



3. Borates



Electric Vehicles need Borates

4. SOP

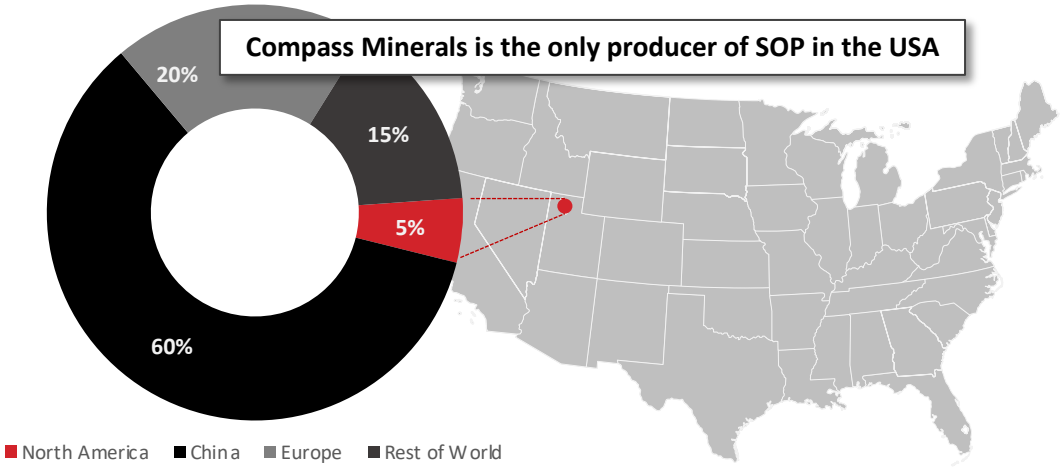
SOP is primarily used as a specialty fertiliser

- SOP, potassium sulfate or K_2SO_4 is a high value specialty fertiliser that combines both potash and sulfur.
- It is applied to crops that are either sensitive to chlorides making MOP or KCl problematic, or in areas where there is minimal rainfall and the build-up of chlorides in the soil is problematic.

Production of SOP

- SOP is generally produced from Mannheim process that converts MOP and Sulfuric Acid into SOP and HCl, or from near surface aquifer units that contain potassium salts.
- Fort Cady is using the Mannheim process as it requires the HCl for its borate processing.

Global SOP Capacity*



Demand for SOP in the USA*

Key Crops in SOP Applications

Sulfate of Potash is primarily used in and benefits crops in the following categories:

Chloride Sensitive		High Value		High Sulfur Demand	
Potatoes	Tobacco	Alfalfa	Cotton	Soybeans	Sunflower
Avocado	Berries	Pome Fruits	Stone Fruits	Peanut	Canola
Citrus	Other F&V	Coffee	Other Fruits		

* Compass Minerals 2019 Annual Report (March 2020)

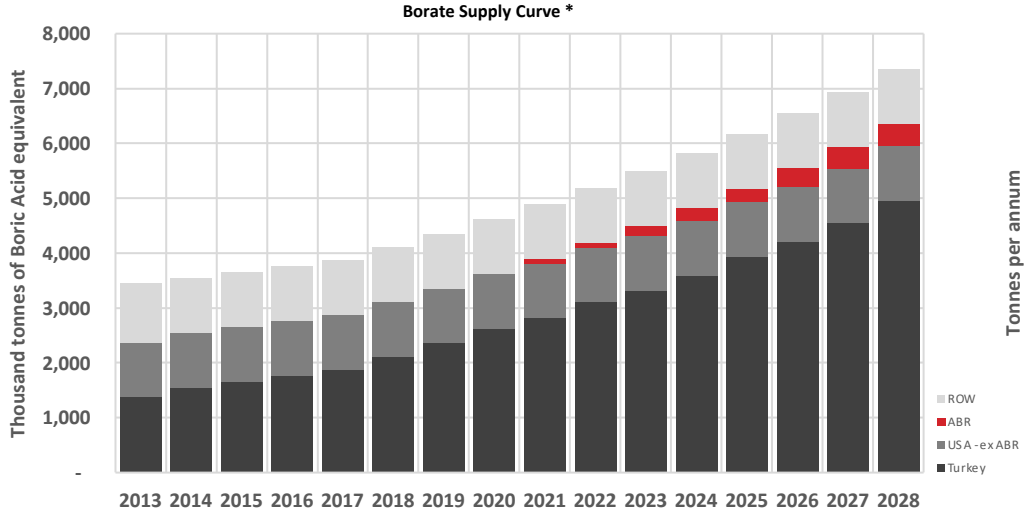
5. Customer Markets

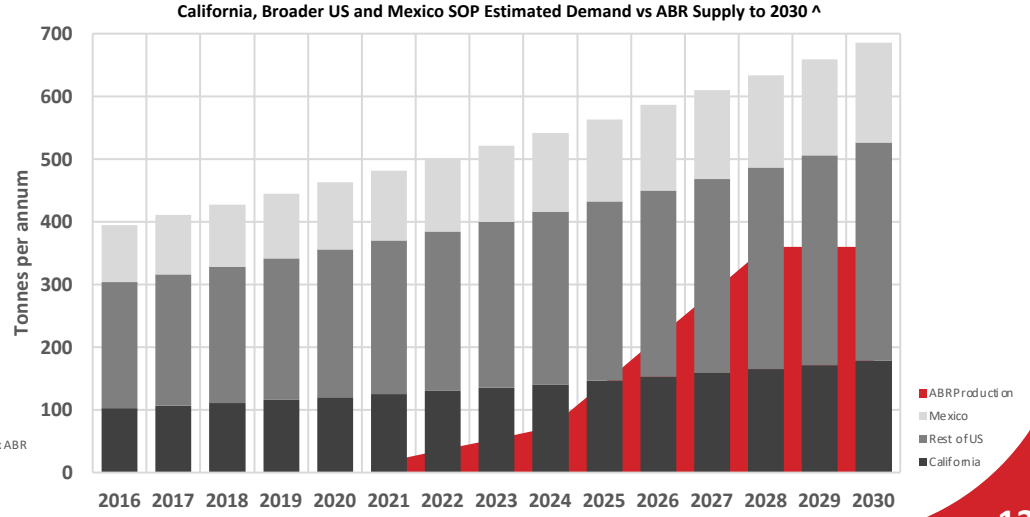
BORATES – Duopoly market with very few global sources of borates

- The global boric acid equivalent market is around 4.5m tonnes per annum. Around 20% of this market is for fertiliser application with boron being the second most consumed micro nutrient in North America by value.
- Turkish Government owned Eti Maden controls the marginal unit of supply and will continue to meet demand.
- Eti Maden appears to be the only borate producer with meaningful additional capacity capable of meeting additional supply requirements.
- Rio Tinto Borates (majority of US production) appears to be operating at full capacity with flat supply for over eight years.

SOP – Growing demand in the North America specialty fertiliser market

- The global SOP market is around 7m tonnes per annum – all of which is used in the specialty fertiliser market.
- The US is a net importer of SOP with the market growing at around 5% CAGR. The Californian market is over 120ktpa.
- Compass Minerals is the only US producer of SOP and is one of the highest cost producers in the world, with average operating costs of past five years over US$630 / tonne.
- There is sufficient increase in demand forecasted to enable ABR and Compass to jointly supply the North American market with ABR's production profile.





* ABR analysis based on Roskill, Rio Tinto and Eti Maden Presentations. ^ US Based fertiliser market consultant, Context

6. Fort Cady Borate Mine Overview

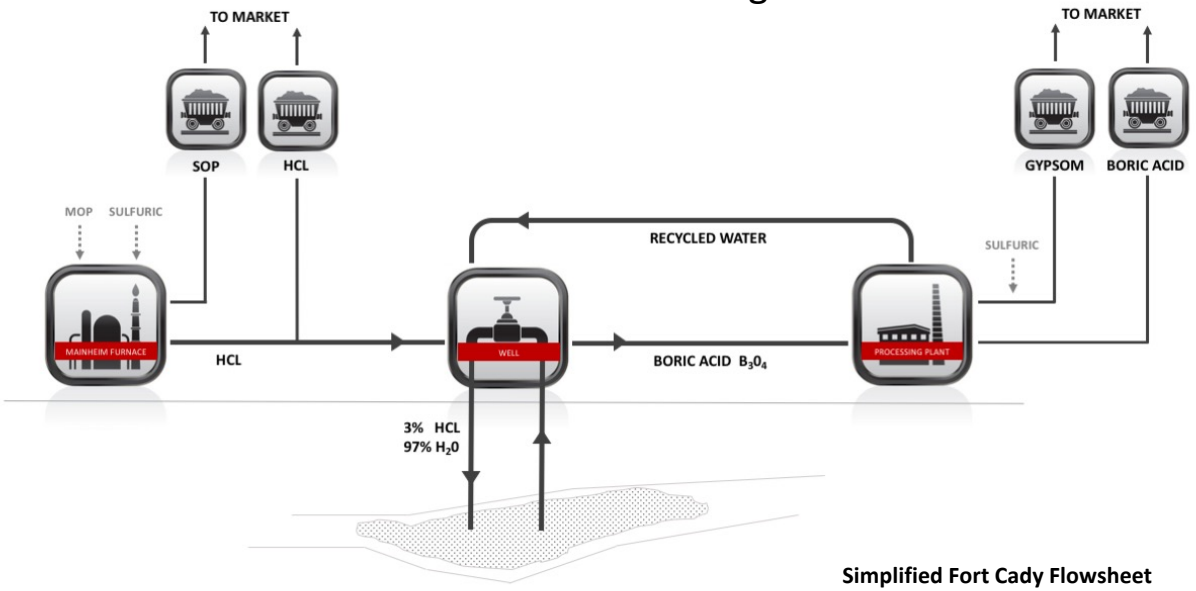
All Products Generated From Well-Established Processing Methods

Boric Acid production:

- High purity product (+99.9%).
- Standard industrial chemical processing methods including solvent extraction and crystallization.
- Zero liquid discharge circuit = no tailings.
- Process optimisation works completed January 2021.

SoP production:

- Mannheim Process (used globally in over 50% of SOP production).
- Well understood, widely used process facility.
- “Off the shelf” equipment.
- Production of hydrochloric acid for use in Boric Acid mining.



Simplified Fort Cady Flowsheet

7. Fort Cady February 2021 eDFS*

American Pacific Borates Limited released its enhanced DFS updated in February 2021, with exceptional project metrics:

Fort Cady Borate Mine (Boric Acid and SOP Production)	
Phase 1A Only	
Capex	US$54.2 million
NPV_8	US$138.5 million
IRR	24.4%
EBITDA in first full year of production	US$12.6 million
Phase 1A & 1B Only	
Capex (Phase 1B only)	US$34.6 million
NPV_8	US$597.9 million
IRR	46.1%
EBITDA in first full year of production	US$49.6 million
Phase 1A, 1B & 1C Only	
Capex (Phase 1C only)	US$122.0 million
NPV_8	US$885.2 million
IRR	36.4%
EBITDA in first full year of production	US$81.1 million
Phase 1 & 2 Only	
Capex (Phase 2 only)	US$313.0 million
NPV_8	US$1.889 billion
IRR	40.2%
EBITDA in first full year of production	US$257.3 million
Full Project (Phases 1, 2, & 3)	
Capex (Phase 3 only)	US$318.7 million
NPV_8	US$2.021 billion
IRR	40.6%
EBITDA in first full year of production	US$452.7 million

Production Targets	Enhanced DFS (updated February 2021)	
	Boric Acid (US tons)	SOP (US tons)
Phase 1A	9,000	20,000
Phase 1B	-	60,000
Phase 1C	81,000	-
Phase 2	180,000	160,000
Phase 3	180,000	160,000
Total (All 3 Phases)	**450,000**	**400,000**

ABR confirms all material assumptions underpinning the production target and corresponding financial information continue to apply and have not materially changed as per Listing Rule 5.19.2. ABR confirms all material assumptions and technical parameters underpinning the Resource Estimate and Reserve continue to apply and have not materially changed as per Listing Rule 5.23.2

* refer ASX release of 4 February 2021.

7. Fort Cady February 2021 eDFS*

Sensitivity analysis based on US peer operating costs

- Project still has a Post-tax, unlevered NPV_8 of over US$1.32bn if operating costs of US peers are used as selling price assumptions.

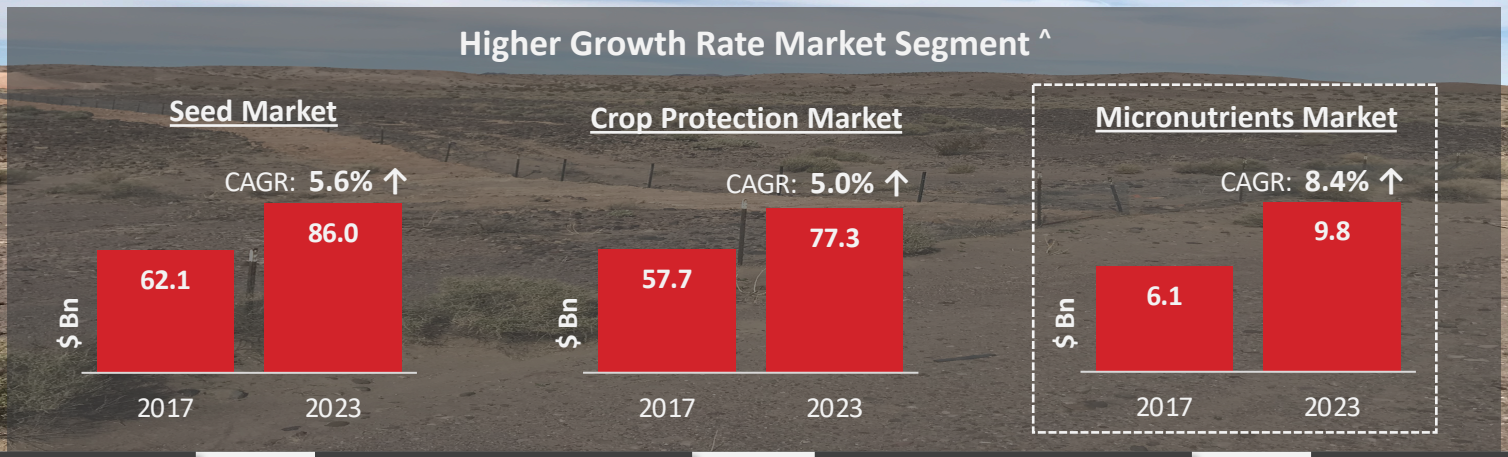
Fort Cady Borate Mine	
BA Received Price Assumption (based on Rio Tinto 5 year average operating costs)	US$569 / metric tonne
SOP Received Price Assumption (based on Compass 5 year average operating costs)	US$633 / metric tonne
Base Case enhanced DFS (updated February 2021)	
NPV_8	US$1.323 billion
IRR	31.1%

	2015	2016	2017	2018	2019	AVERAGE
	US$/tonne					
Rio Tinto Borates						
Operating Cost/tonne BA equiv	634	568	565	551	526	**569**
Annual Production/tonne BA equiv	822	886	893	884	898	**877**
(source: Rio Tinto Annual Reports)						
Compass Minerals						
Operating Cost/tonne SOP*	638	640	614	634	639	**633**
Annual Production/tonne SOP*	282	284	297	328	288	**296**
(source: Compass Annual Reports)						

* Compass Minerals reports operating costs for all North American fertilisers. The significant majority of specialty fertiliser production is SOP. As a result, it is assumed that the reported operating costs are a reasonable proxy for SOP production.

7. Fort Cady February 2021 eDFS

Additional new drivers of value to the Project



Options to bring forward production and potentially deliver additional phases concurrently.

Targeted **total cash costs in full production of negative US$83.61 per ton** of boric acid after by-product credits.

Multiple revenue streams with revenue split in full production estimated to be:

- 52.6% boric acid;
- 44.7% SOP; and
- 2.7% gypsum.

Potential **upside with focus on high value specialty fertiliser mix** of boron and SOP.

^ Compass Minerals' market growth assumptions (May 2019 Farm to Market Conference presentation)

8. Market Entry Strategy

Right sized, structured and phased project

Modest Initial BA

Initial production of boric acid only 9kstpa to be used as an enabler for larger contracts.

Phased Approach

Growth plan with a pathway to over 450kstpa of boric acid and 400kstpa of SOP.

Partners established

Globally significant partnerships established with Chinese Majors and with US markets.

Product Mix

Complementary product mix which delivers a diversified revenue stream.

8. Brand Strategy Development

Early alignment of product branding with customer markets

- Company is expecting to sell five key products
  - Boric acid for industrial use
  - Boric acid for agricultural use
  - SOP
  - “boron-enriched” SOP
  - gypsum
- Branding strategy completed, with Fort Cady California Corp created as ABR’s sales and marketing business
- Corporate presence work commenced
- Crop trials for Boron-enriched SOP delivered a doubling of yield in Broccoli
- Initial target market is the Californian speciality fertilizer market

fccc

FortCady
CaliforniaCorp

Product Sales

Customer Markets

9. Visible Initial Revenues

Phase 1A fully funded with construction underway




Organisational Capability

- Philosophy continues to be modest owners' team to manage construction managers
- Ongoing recruitment of key staff with a focus on operational readiness

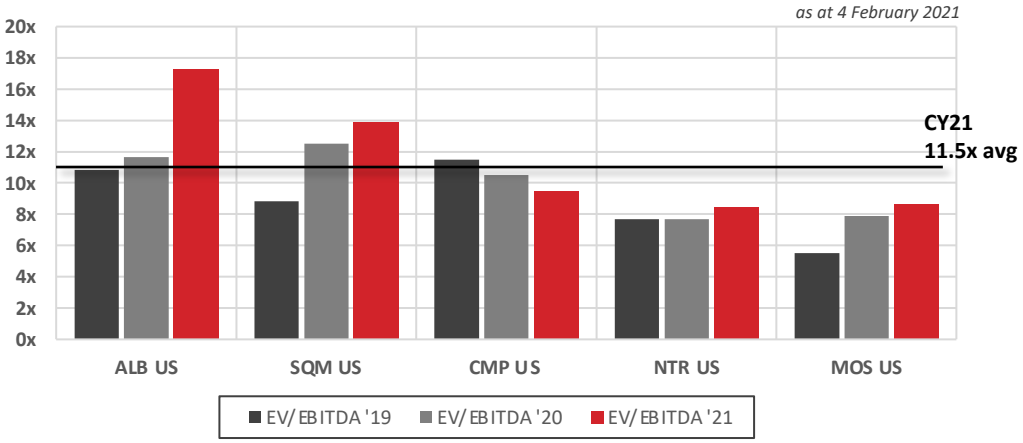
Construction Ramping Up

- First production remains on track for Q3, CY2021
- Water and energy infrastructure in place
- Equipment continues to arrive on site

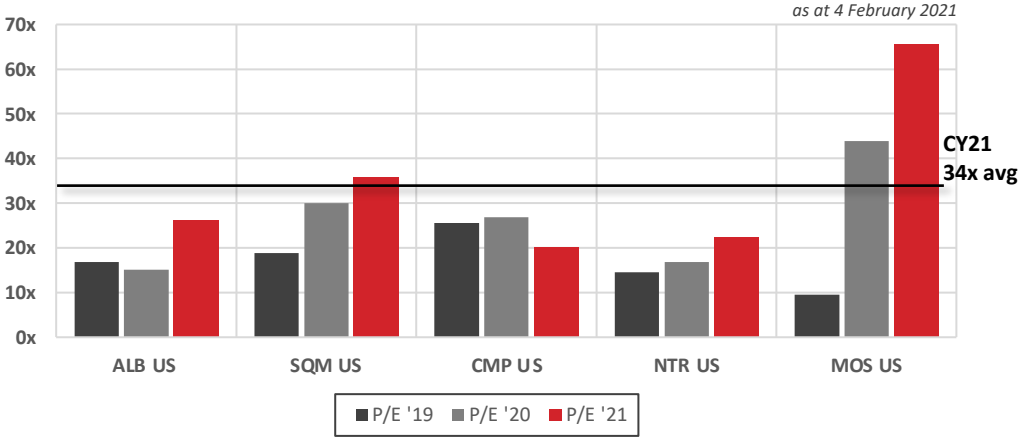
First Production targeted Q3 CY21

10. What does success look like ?

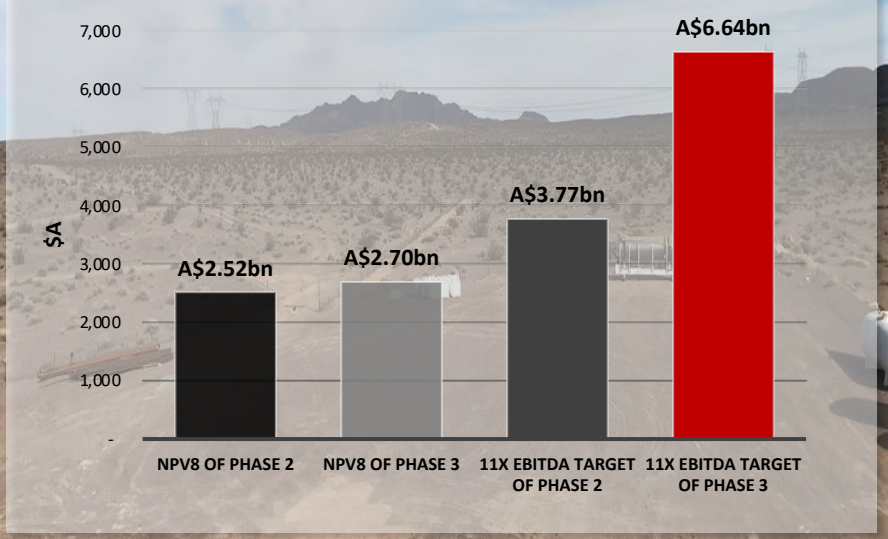
EV / EBITDA ‘19, ‘20, ’21E of US Listed Producers



PE RATIO ‘19, ‘20, ’21E of US Listed Producers



Potential Future Valuations



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Source: Capital IQ at 4 February 2021. Exchange rate of US$75c assumed.

11. Fort Cady February 2021 eDFS (Key Metrics)*

Key Financial Metrics for the Fort Cady Borate Mine by Phase

Fort Cady Borate Mine (Boric Acid and SOP Production)[1]	
Phase 1A Only	
Capex	US$54.2 million
NPV_8	US$138.5 million
IRR	24.4%
EBITDA in first full year of production	US$12.6 million
Phase 1A & 1B Only	
Capex (Phase 1B only)	US$34.6 million
NPV_8	US$597.9 million
IRR	46.1%
EBITDA in first full year of production	US$49.6 million
Phase 1A, 1B & 1C Only	
Capex (Phase 1C only)	US$122.0 million
NPV_8	US$885.2 million
IRR	36.4%
EBITDA in first full year of production	US$81.1 million
Phase 1 & 2 Only	
Capex (Phase 2 only)	US$313.0 million
NPV_8	US$1.889 billion
IRR	40.2%
EBITDA in first full year of production	US$257.3 million
Full Project (Phases 1, 2, & 3)	
Capex (Phase 3 only)	US$318.7 million
NPV_8	US$2.021 billion
IRR	40.6%
EBITDA in first full year of production	US$452.7 million

Summary of Production by Phase for the Fort Cady Borate Mine

Production Targets	Enhanced DFS (updated February 2021)	
	Boric Acid (US tons)	SOP (US tons)
Phase 1A	9,000	20,000
Phase 1B	-	60,000
Phase 1C	81,000	-
Phase 2	180,000	160,000
Phase 3	180,000	160,000
Total (3 Phases)	**450,000**	**400,000**

Operating Cost Estimates BA

Phase 3	
US$ per metric tonne of BA	
C1 Costs	
Utilities	80.76
Consumables	320.49
Labour	43.53
Maintenance	33.21
Sustaining Capex	12.00
Wellfield Development	25.00
Other	10.82
(SOP by-product credit)	- 577.78
(HCl by-product credit)	- 3.74
(Gypsum by-product credit)	- 35.30
Total C1 Costs	**- 91.01**
C2 Costs	
Licensing and Royalties	6.26
Depreciation	93.63
Total C2 Costs	99.89
C3 Costs	
G&A	8.90
Total C3 Costs	**8.90**
Total Opex	**17.78**
Cash Costs	
Total Cash Costs	**- 75.85**

Operating Cost Estimates SOP

Phase 3	
US$ per metric tonne of SOP	
C1 Costs	
Utilities	90.85
Consumables	360.55
Labour	48.97
Maintenance	37.36
Sustaining Capex	13.50
Wellfield Development	28.13
Other	12.18
(BA by-product credit)	- 765.44
(HCl by-product credit)	- 4.20
(Gypsum by-product credit)	- 39.71
Total C1 Costs	**- 217.82**
C2 Costs	
Licensing and Royalties	7.04
Depreciation	105.33
Total C2 Costs	112.37
C3 Costs	
G&A	10.01
Total C3 Costs	**10.01**
Total Opex	**- 95.44**
Cash Costs	
Total Cash Costs	**- 200.77**

[1] ABR confirms all material assumptions underpinning the production target and corresponding financial information continue to apply and have not materially changed as per ASX Listing Rule 5.19.2.

* Refer ASX Release of 4 February 2021

12. Summary

American Pacific Borates Limited is an ASX listed company
focused on becoming a globally significant specialty fertiliser producer.

Exceptional Project Metrics*

Post-tax, unlevered NPV_8	US$2.02bn
Post-tax, unlevered IRR	40.6%
Annual EBITDA	US$453M

Low Upfront Capex
Phase 1A with US$50m capex fully financed

Low Technical Risk
Ore body previously mined and proven off the shelf process route

Very High Margin
Underpinned with by-product credits, logistics and high priced markets on door step

Multi Revenue Streams
Two major revenue streams reduces reliance on one product

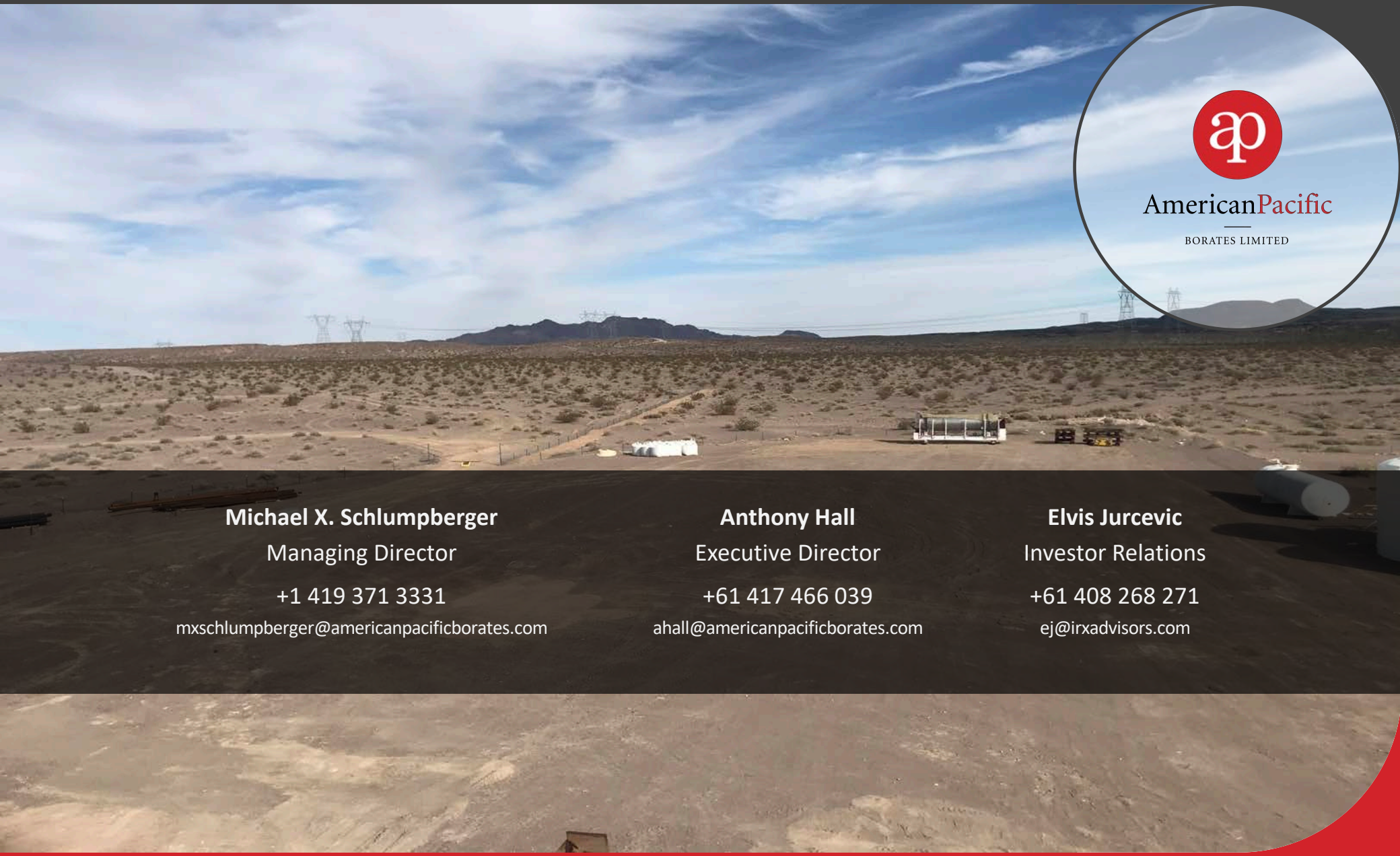
Visible Revenues
Production targeted for CY21 with construction activities commenced

Significant Strategic Value
Very few sources of additional supply into growing markets

Multi generational
Life of mine at over 20 years with additional Resource upside

Globally Significant
Targeted annual EBITDA in full production of US$453m

* refer ASX release of 4 February 2021



AmericanPacific

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