

ASX ANNOUNCEMENT

ASX: APC



19 April 2021

Green Loan verification and debt finance update

- Debt issued to develop the Lake Wells Sulphate of Potash Project will be granted Green Loan verification in line with the Green Loan Principles 2021ⁱ adopted by the Loan Market Association (LMA) and the Asia Pacific Loan Market Association (APMLA)
- The Green Loan Principles build on and refer to the Green Bond Principles and can apply to new or existing Green Projects
- The Green Loan verification confirms that Lake Wells will make a positive environmental contribution to the global production of SOP, producing significantly less carbon emissions than Mannheim SOP
- Export Finance Australia has obtained conditional credit approval for a \$45 million senior debt facility with a 10-year tenor
- The debt facility is in addition to the approved \$140 million 17-year tenor Northern Australian Infrastructure Facility (NAIF) tranche announced in February 2021
- Commercial banks continue with due diligence on the final tranche of the debt funding facility

Australian Potash Limited (ASX: APC) (APC or the **Company**) is pleased to advise that it has received Green Loan verification for the debt issued to partly fund the development of the Lake Wells Sulphate of Potash Project. Export Finance Australia has also obtained conditional credit approval to provide a \$45 million senior debt facility.

Australian Potash Managing Director and CEO, Matt Shackleton, said: “APC is firmly committed to an environmentally sustainable development at Lake Wells, where we will produce high-grade SOP using a high Renewable Energy Penetration rate hybrid-power solutionⁱⁱ.”

“Green Loan verification provides assurance to our lenders and broader stakeholder group that we will honour this commitment, adopting a governance and reporting framework in line with Green Loan Principles.

“It is very satisfying to have our efforts in this regard recognised, and to be able to pass on this third party assurance to our lenders, as we move rapidly towards development of the LSOP.”

Conditional credit approval

Export Finance Australia has completed initial due diligence on providing a senior debt facility to develop Lake Wells and has obtained conditional credit approval for a \$45 million senior debt facility with a 10-year tenor. The provision of any debt facility will be subject to formal documentation and the satisfaction of conditions precedent for a facility of this nature.

Documentation of the senior debt facility (comprising the NAIF facility, the Export Finance Australia facility, and the commercial bank facility) is expected to be completed mid-2021.

This release was authorised by the Board of the Company.

For further information:

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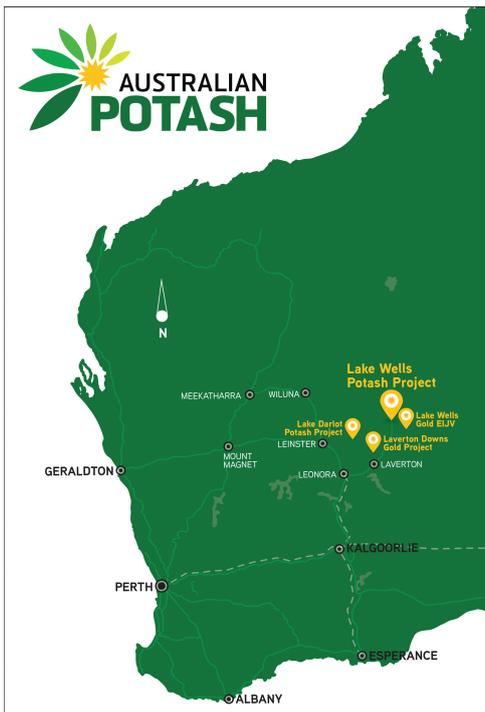
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About Australian Potash Limited

APC holds a 100% interest in the Lake Wells Sulphate of Potash, located approximately 500kms northeast of Kalgoorlie, in Western Australia's Eastern Goldfields. The Lake Wells Sulphate of Potash project will be a long life, low capital and high margin SOP producer.



K-Brite is a registered trademark brand of Australian Potash Limited (ASX: APC).

APC holds a 100% interest in the Laverton Downs Project, located 5kms north of Laverton, in Western Australia's Eastern Goldfields.

APC holds a 30% free-carried interest in the Lake Wells Gold Project, located 500kms northeast of Kalgoorlie, in Western Australia's Eastern Goldfields.

Please visit www.australianpotash.com.au for more information.

Forward Looking Statements

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 forward-looking 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.

ⁱ https://www.lma.eu.com/documents-guidelines/documents?itemid=502&search_str=green%20loan#item-502

ⁱⁱ Refer to ASX Announcement 23 September 2020 'Environmentally Sustainable SOP, High-Penetration Renewable Power Solution'. That announcement contains the relevant statements, data and consents referred to in this announcement. Apart from that which is disclosed in this document, Australian Potash Limited, its directors, officers and agents: 1. Are not aware of any new information that materially affects the information contained in the 23 September 2020 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 23 September 2020 announcement continue to apply and have not materially changed.