

8 February 2022

Emerging Resources Conference Presentation

Australian Potash Limited (**ASX: APC** or the **Company**) is pleased to provide a copy of the presentation that will be given today by Managing Director & CEO Matt Shackleton at the Shaw and Partners Emerging Resources Conference.

This release was authorised by the Managing Director & CEO.

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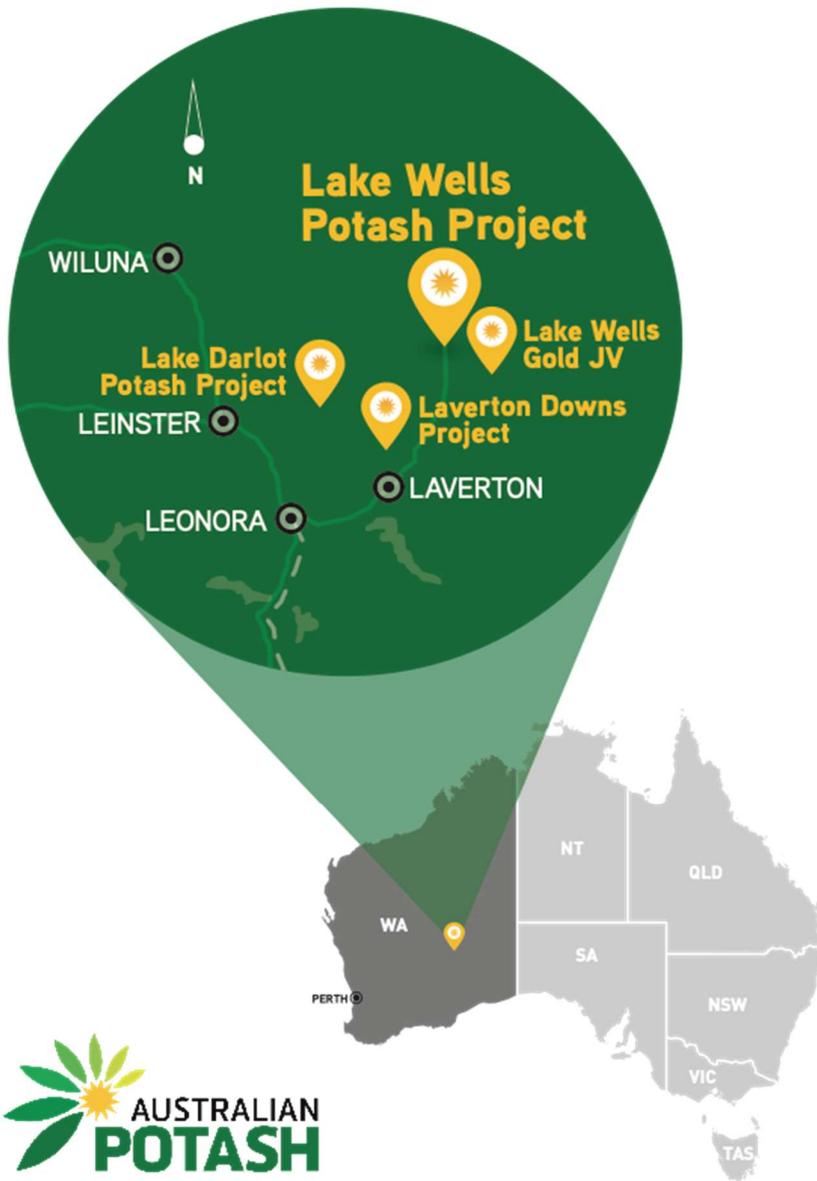
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About Australian Potash Limited



APC holds a 100% interest in the **Lake Wells Sulphate of Potash (LSOP)**, located approximately 500km northeast of Kalgoorlie, in Western Australia's Eastern Goldfields. The Company is finalising pre-development plans for commencement of construction. First production from the LSOP is scheduled for 24 to 27 months from a Final Investment Decision.

K-Brite™ is a registered trademark brand of Australian Potash Limited and the brand under which the suite of high quality, premium SOP products from the LSOP will be marketed.

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

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

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

ⁱ Refer to ASX Announcement 9 April 2021
ⁱⁱ Refer to ASX Announcement 8 April 2021



AUSTRALIAN POTASH

Low Cost, Organically Certified,
Environmentally Sustainable,
Green Sulphate of Potash

Shaw and Partners
Financial Services

www.australianpotash.com.au

Shaw & Partners
Emerging Resources
Presentation

February 2022

Disclaimer

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Competent Persons' Statement

#The information in this report that relates to the Mineral Resource is based on information announced to the ASX on 8 August 2019. APC confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the Estimate in the relevant market announcement continue to apply.

The information in the announcement that relates to Mineral Resources 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 paleochannel 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 "Australian 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 mineral processing is based on information compiled by Mr Antoine Lefavre P.Eng, 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, a consultant to the Company, 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 Front End Engineering Design Program results as released to the ASX on 20 April 2021. The Company confirms that all material assumptions underpinning the forecast financial information continue to apply and have not materially changed.

Hydrogeological Unit	Volume of aquifer (MCM)	Specific Yield (mean)	Drainable Brine Volume (MCM)	K Concent ⁿ (mg/L, weighted mean value)	SOP Grade (mg/L, weighted mean value)	SOP Resource (MT)
Loam	5,180	10%	518	4,009	8,941	4.6
Upper aquitard	10,772	7%	754	3,020	6,735	5.1
Crete	479	5%	24	2,386	5,320	0.1
Upper sand	801	17%	136	3,435	7,660	1.0
Lower aquitard	9,502	8%	760	3,367	7,509	5.7
Mixed aquifer	440	17%	75	3,645	8,129	0.6
Basal sand	503	23%	116	3,415	7,616	0.9
Total (MCM/MT)	27,678		2,383	3,343	7,455	18.1

Table 1: Measured JORC Mineral Resource Estimate for Lake Wells Sulphate of Potash Project based on modelled aquifer volume, specific yield and weighted mean K concentrations (derived from modelling)

Australia's Green SOP Project

FEED Program* positions the Lake Wells SOP K-Brite™ product as a genuinely green, premium fertiliser product for distribution into the world's most lucrative markets

A genuinely green, premium fertiliser



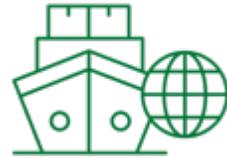
- ✓ 'SHOVEL READY': DEBT 70% COMPLETE, EQUITY FUNDING
- ✓ 100% OWNED – TIER 1 LOCATION
- ✓ FULLY PERMITTED
- ✓ AUSTRALIA'S LARGEST MEASURED SOP RESOURCE#
- ✓ HIGH GRADE, ORGANICALLY CERTIFIED PRODUCT LINES
- ✓ HIGH PENETRATION HYBRID RENEWABLE POWER STATION
- ✓ GREEN LOAN VERIFICATION

Lake Wells Sulphate of Potash Project

The essential metrics



30 YEARS OF SOP
PRODUCTION AT
170,000
TONNES
PER ANNUM



90%
OF PRODUCTION
UNDER **OFFTAKE**

PRE-TAX[^] NPV₈
A\$415M

A\$88M EBITDA[^]
(AVG ANNUAL OVER LOM)

CASH COST[^]
US\$251/t



SOP PRICE[^]
US\$550/t

CAPITAL COST¹
A\$266M
(+A\$26M
CONTINGENCY)

DEBT FUNDING²
A\$185M
(+COMMERCIAL
BANKS PENDING)

LOWEST QUARTILE CASH COST

GREEN LOAN
VERIFICATION



NAIF FUNDING
A\$140M



EFA FUNDING*
A\$45M

[^] These are Real numbers
^{*} Conditional credit approval received
1. Refer Appendix 2
2. Refer Slide 16

Australia's Emerging Potash Industry

Growing gains and
pains

The pure SOP plays are building a new, domestic potassium fertiliser industry for the first time in Australia's history

Current SOP
spot price:
US\$890/t

Peer	ASX code	Market capitlisation	Status	
Australian Potash	APC	\$49m	Development	
Agrimin	AMN	\$76m	Feasibility	
Kalium Lakes	KLL	\$129m	Development	Commissioning issues, emergency funding
Reward Minerals	RWD	\$22m	Feasibility	
Salt Lake Potash	SO4	-	Development	Administrators appointed
Trigg Mining	TMG	\$9m	Exploration	

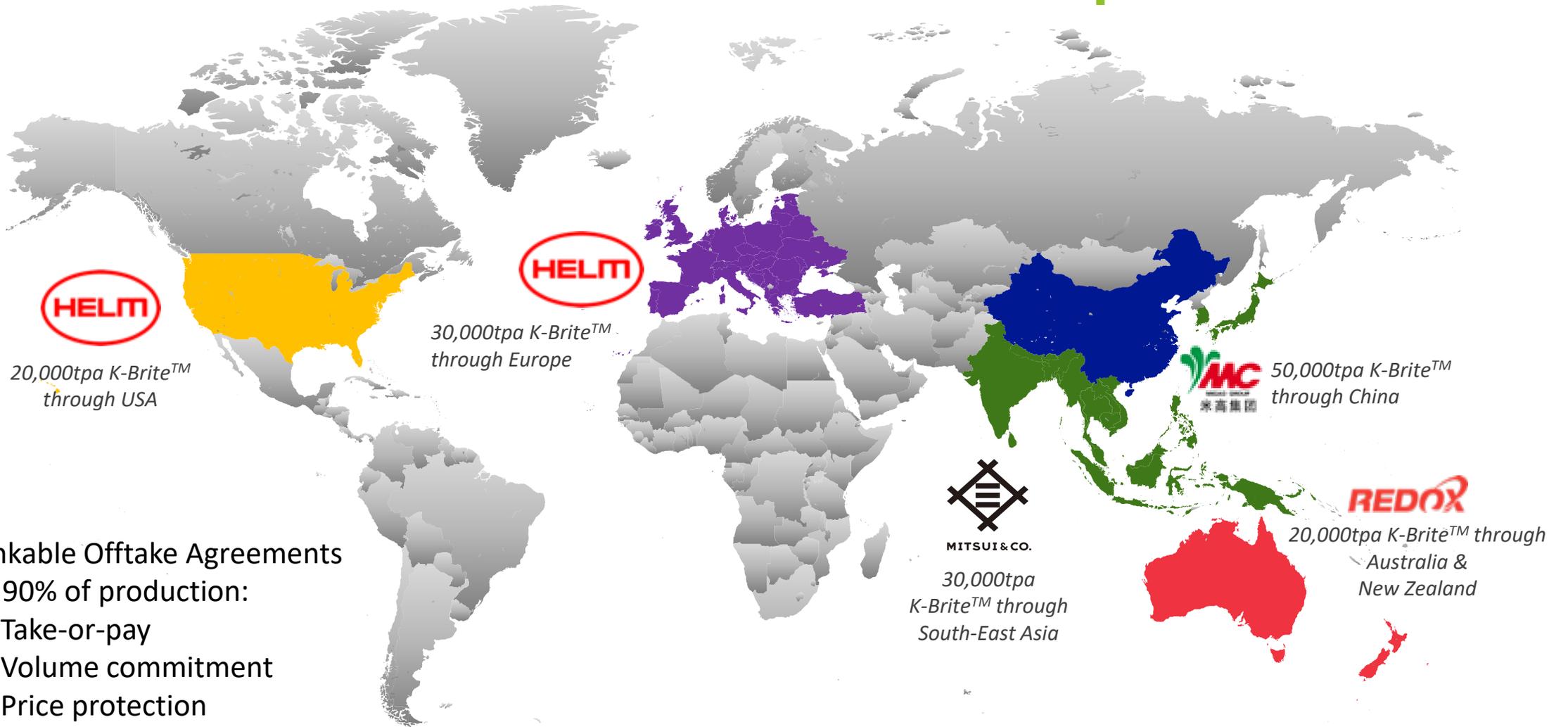
Global SOP production base: 6.6mt – 7.3mt per annum*

Global solar-salt SOP production base: 2.1mt – 2.4mt per annum*

Australia's nascent solar-salt SOP industry proposed production as a percentage of the global solar-salt SOP production base: > 70%

Bankable offtake agreements

Ship and supply



Bankable Offtake Agreements
for 90% of production:

- Take-or-pay
- Volume commitment
- Price protection

Sustainability



Multi-generational reduction in Greenhouse Gas Emissions



Lake Wells Renewable Power Station

- 63-69% Renewable fraction
- \$0.17/kwh
- 4.5MW solar
- 9MW wind (2x4.5MW turbines)
- 9MW/3MWh BESS



Greenhouse Gas Emissions (GHG)[^]

[tCO₂eq/tonneSOP, scope 1,2 & 3]

APC	Other SS	Mannheim
0.187	0.370	0.591

- 49% LESS GHG than other solar salt SOP projects
- 69% LESS GHG than Mannheim SOP operation

At what stage is the Project?

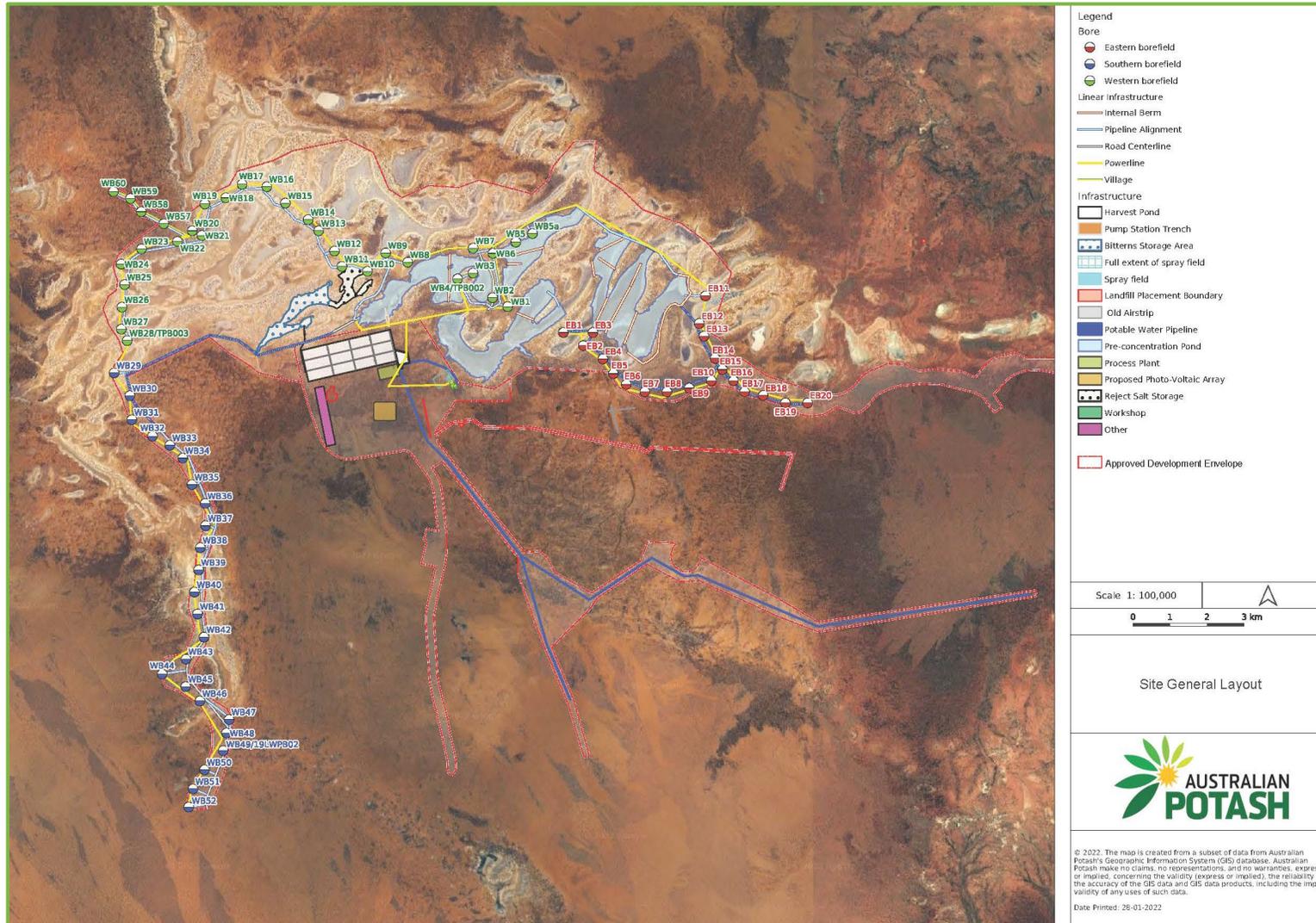
Early works
program



- Village infrastructure in place to support early works construction activities
- 20 rooms, tavern, kitchen/dining room, sewage treatment plant, potable water treatment plant all constructed
- 28 bore pads constructed and handed over to drilling contractor
- ~25km of access tracks completed



At what stage is the Project?



Early works program



20 bores drilled/18 developed out of total 79 bores across three borefields



Test pumping indicate flow rates aligned with resource model: 36% of borefield by volume developed



Brine abstraction materially de-risked with early works



At what stage is the Project?



Early works program

- ✓ On-playa evaporation pond trial program complete
- ✓ High-grade K SOP produced from pilot-evaporation program*
- ✓ Organic certification received in Europe, USA & Australia
- ✓ Operational experts engaged (Corey Milne)
- ✓ Vital two evaporation seasons to production

Financing the Build

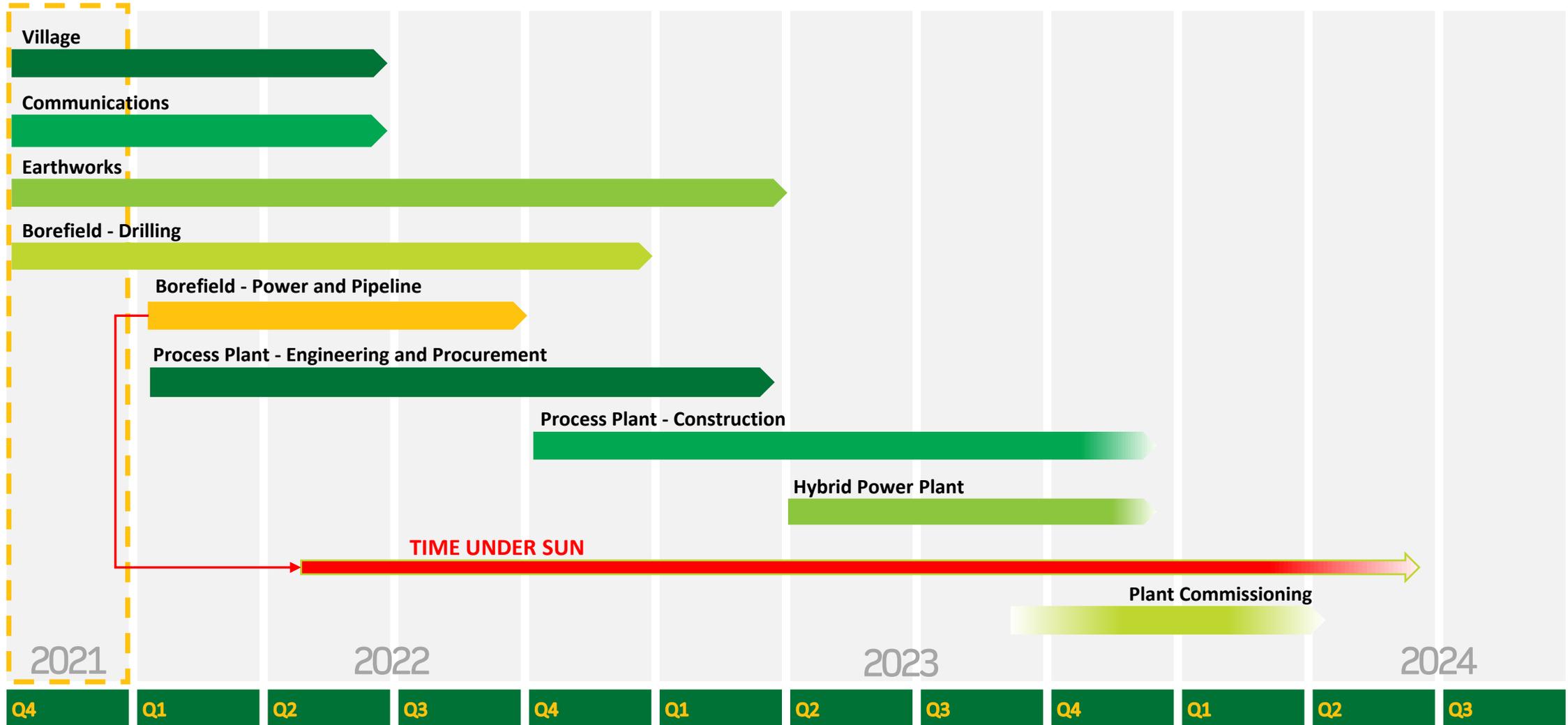
NAIF
EFA
Commercial banks
Equity



- Green Loan verification on debt issued by APC
- Capital cost of A\$266million [plus contingency of A\$26million]*

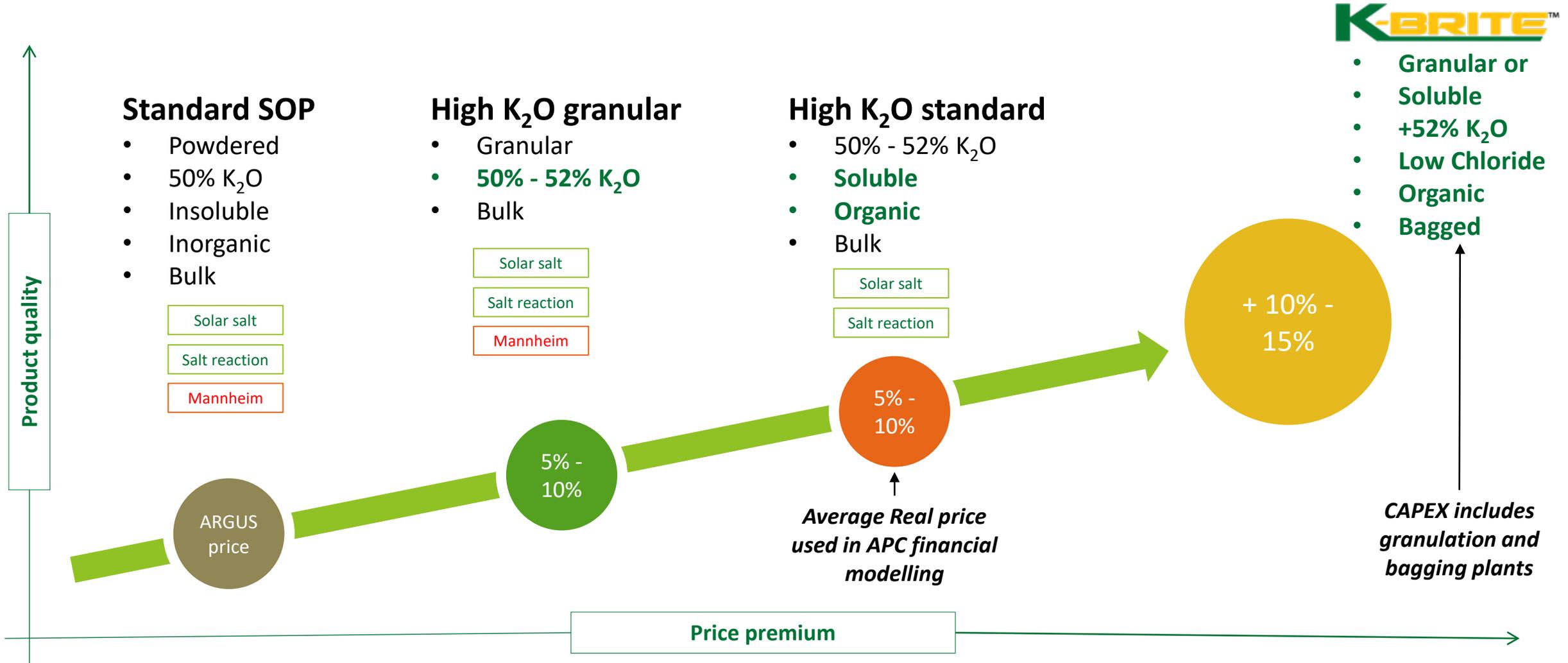
Execution Timeline to Production

Conservative schedule commitments



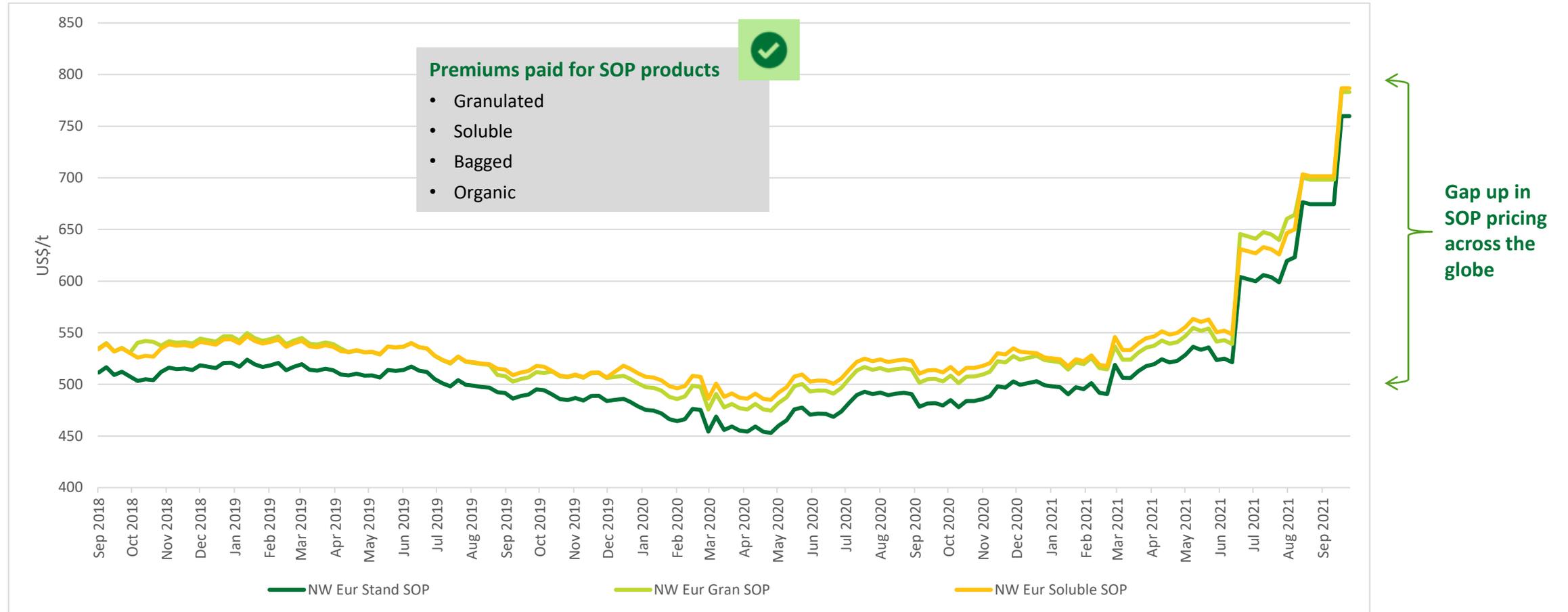
How does SOP pricing work?

Premium product commands premium pricing



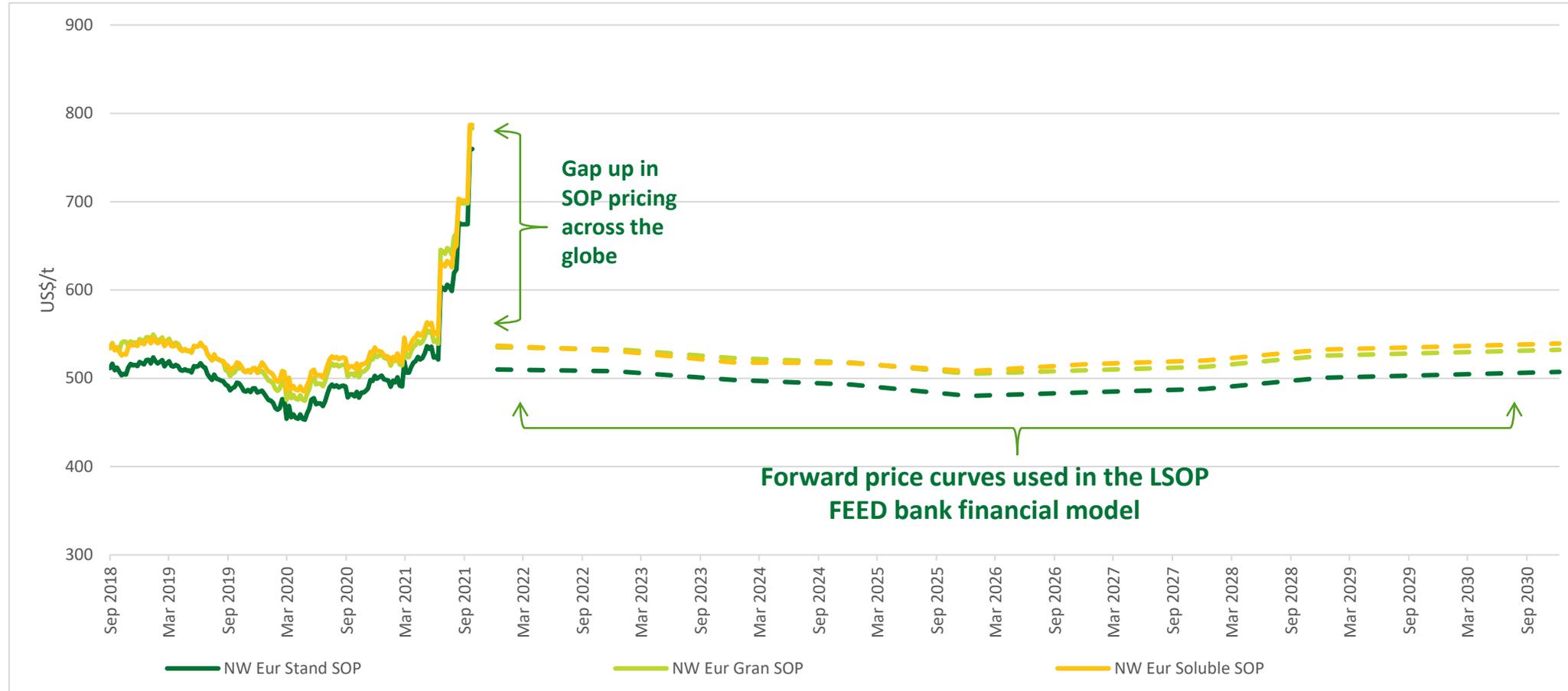
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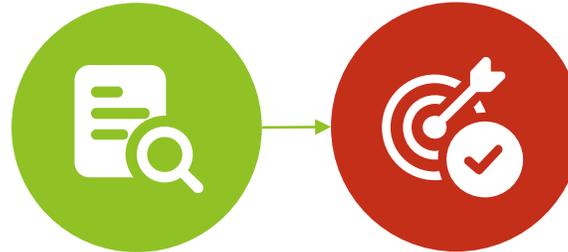
Contracting Strategy

Minimising the risk of cost overruns, schedule creep and process under-performance

+75% of construction contracts by value are EPC

6 Packages EPC Contracted

SOP process plant
Borefield fit-out & HV network
Power station
Communications & Village

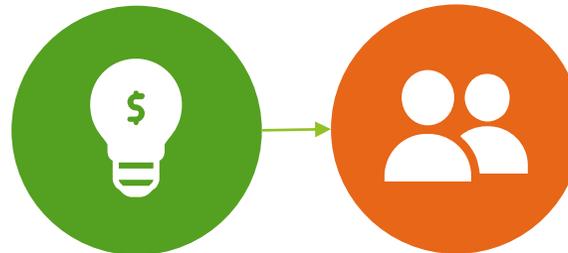


Why?

Schedule guarantee
Price guarantee (in mid-2021 \$)
Process guarantee
Local engineers & Canadian expertise

2 Packages Owner's Team

Borefield drilling
Civils (including ponds)



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

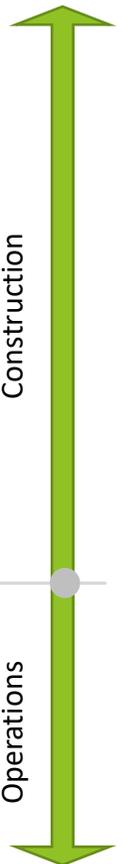
Contracted

Village
Power station
Logistics



Owner's Team

Pumping
Processing
Marketing



Key Implementation Team

Skills
Experience
Competence

Project Management



Rhett Brans
Project Director



Process Design



Ryan Duncan
Technical Manager

Corey Milne
Specialist Technical
Consultant



Borefield Development



Simon Page
Principal Hydrogeologist

Chris Shaw
Exploration Manager



Commercial



Scott Nicholas
Chief Financial Officer

Jay Hussey
Chief Commercial Officer



Deloitte.



Green Legal



Corporate

Skills
Experience
Competence



Natalia Streltsova

Chairman



Brett Lambert

Non-executive Director



Cathy Moises

Non-executive Director



Matt Shackleton

Managing Director & CEO



Rhett Brans

Project Director



Scott Nicholas

Chief Financial Officer



Michelle Blandford

Company Secretary

Share Price (27 January 2022)	\$0.061
Shares on Issue	805.9m
Unlisted Options & Performance Rights	11.9m
Market Capitalisation	\$49m
Cash (31 December 2021)	\$7.8m
Debt	Nil
Enterprise Value	\$41m



Risk Management

Skills
Governance
Commitment

- ASX Corporate Governance structures
- Deep commercial & technical experience
- Highly experienced & diversified Board

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

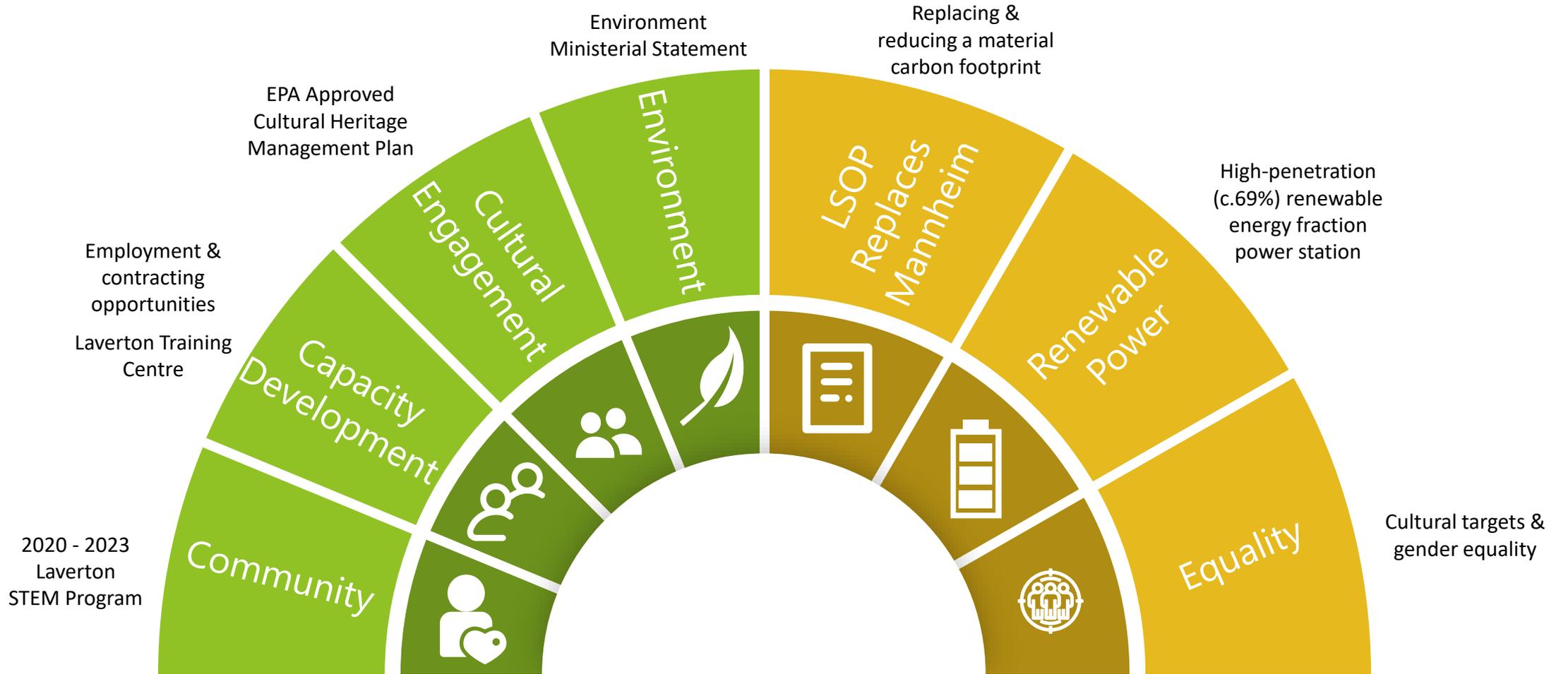


- ISO45001 Framework
- Continuous training and improvement
- 1:25 OH&S Professionals on staff
- Framework mirrored in Contractor Policy

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

Sustainability

Community
Culture
Environment



Community Engagement

A commitment to the community



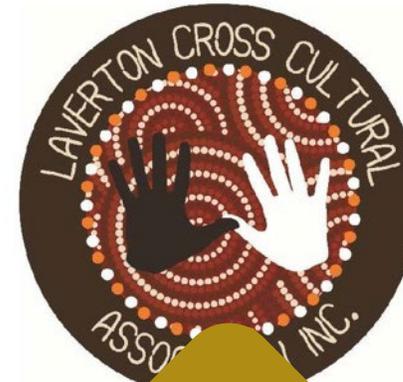
Laverton STEM

- Construction of Laverton Training Centre has commenced
- Local, state, federal & industry funding

Laverton TC



- Interdisciplinary approach promoting Science, Technology, Engineering and Maths
- 3 year investment



Laverton CCA

- Active member of the Laverton Cross Cultural Association Inc.

- Target of 15% Aboriginal participation
- Carey Mining and Central Earthmoving joint venture contracted for earthworks

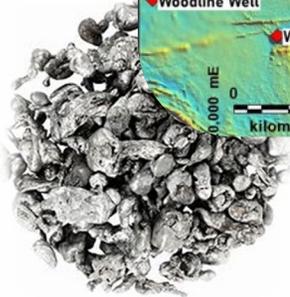
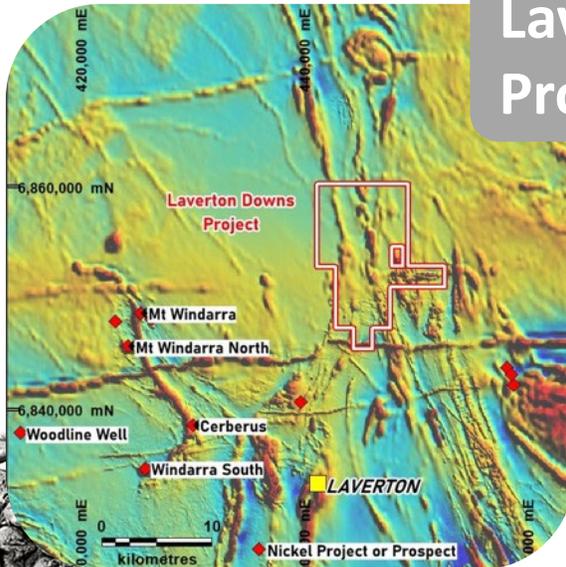
Employment



Exploration Opportunities

Regional
multi-commodity
potential

Laverton Downs Project



- Prospective for nickel sulphide and gold mineralisation
- Assays pending from diamond drilling program undertaken in June 2021 quarter and will influence future field activities

Lake Wells Gold Project



- SBM earnt in 70% during April 2021; APC 30% free-carried to bankable feasibility study for non-potash resource
- Extensive exploration program planned for 2021/22 to test mineralised corridor exceeding 9km in length



Appendix 1: Our Market

SOP 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



High Margin

Premium pricing

- 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 high-carbon emitting Mannheim industrial process
- 50% from the passive solar evaporation (low Carbon) process

Appendix 2: CAPEX Summary

Capital expenditure

The Lake Wells Sulphate of Potash Project



CAPEX*	A\$m	Delivery and Execution Risk Mitigated
Owner's Team	18	Capable & experienced owner's team
Bore drilling & development	16	Schedule guarantee, specialist contractor, productivity KPIs
Bore-field fit out, pipeline, HV	36	Lump sum, schedule & process guarantee
Earthworks & ponds	40	Schedule guarantee, specialist contractor, productivity KPIs
SOP processing plant	104	Lump sum, schedule & process guarantee
Granulation & bagging	36	Lump sum, schedule & process guarantee
NPI	16	Lump sum, schedule & process guarantee
Total (excluding contingency)	266	
Contingency	26	EPC contracting strategy for +75% of packages of work
Total (including contingency)	292	

Appendix 3: OPEX Summary

Operating expenditure

The Lake Wells Sulphate of Potash Project

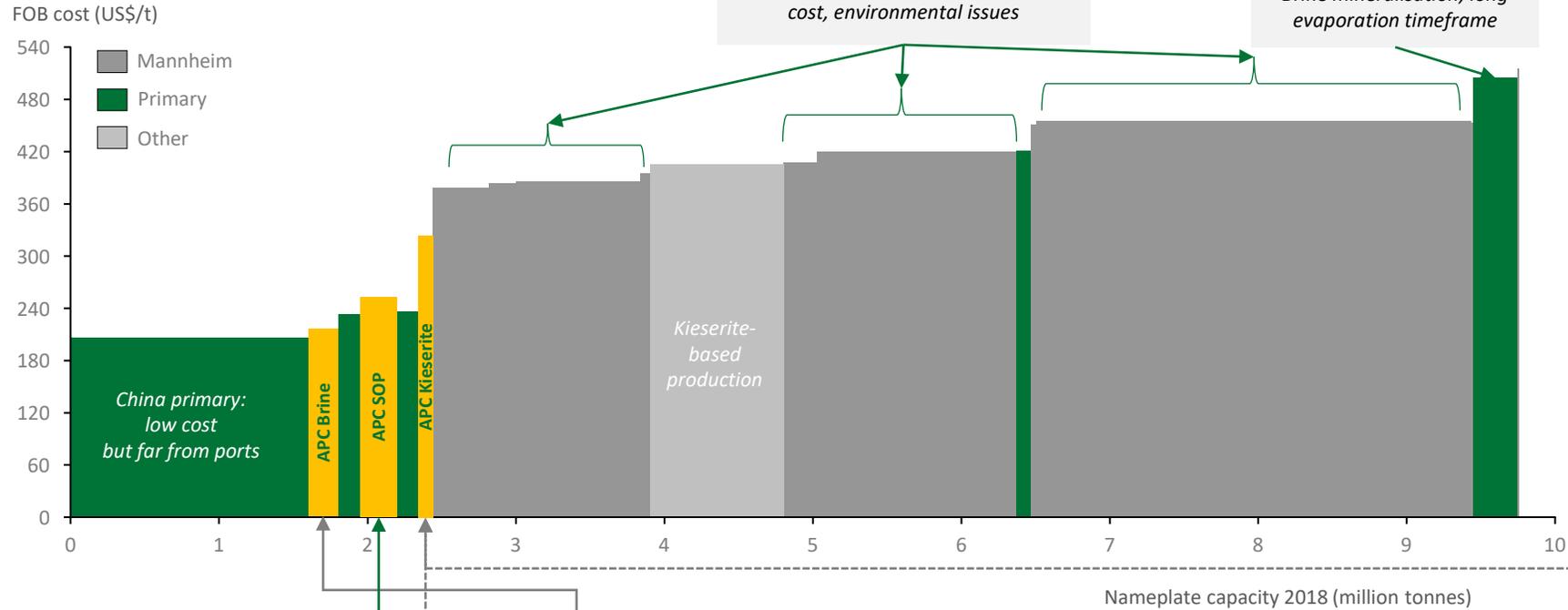


	Brine SOP	MOP conversion	Combined
Annual production	120,000 tonnes	50,000 tonnes	170,000 tonnes
Salt harvesting	13	-	9
Power	49	3	35
Reagents & consumables	12	266	85
Labour	57	-	41
Export logistics (FOB)	59	59	59
Maintenance	4	-	3
Indirects	27	-	19
Total cash costs (USD) per tonne	221	328	251

Appendix 4: Lowest Quartile on Global Cost Curve



Global FOB SOP cost curve 2018



Brine SOP average cost of production	120,000 tpa	US\$221/t
Kieserite SOP average cost of production	50,000 tpa	US\$327/t
Overall SOP average cost of production	170,000 tpa	US\$251/t

What is Kieserite SOP?
MOP + excess sulphate = SOP
1. Not Mannheim
2. Low energy
3. Minimal marginal OPEX
4. Compass Minerals, SO4

Appendix 5: FEED Summary

Financial metrics

The Lake Wells Sulphate of Potash Project



Assumptions*	Unit		
SOP price [real]	US\$/t	550	
FX rate	US\$:A\$	0.70	
Discount rate	%	8.0	
Mine life	years	30	
Production	ktpa	170	
Financial metric	Unit	Nominal	Real
Project NPV ₈ [pre-tax]	A\$m	614	415
IRR (pre-tax)	%	21	19
Annual avg EBITDA [LOM]	A\$m	124	88
Annual avg FCF [pre-tax]	A\$m	119	84

Strong Returns in All Scenarios

