

## Capital Raising Completed

**Australian Potash Limited (APC or the Company) (ASX: APC)** advises that it has completed a \$2.98 million capital raising pursuant to its Prospectus dated 14 March 2024 (**Capital Raising**).

### Securities Issued

Shares under the Capital Raising were offered at an issue price of \$0.001 per Share, together with one (1) free attaching Option for every two (2) Shares issued, exercisable at \$0.0015 per Option on or before a date that is three (3) years from their date of issue.

In total, 2,980,000,000 fully paid ordinary Shares have been issued, including 1,000,000,000 Shares to the lenders of the Converting Loans.

A total of 3,664,999,976 Options have been issued as follows:

- 1,375,000,000 to Canaccord Genuity (Australia) Limited as underwriter to the Capital Raising;
- 500,000,000 to the lenders of the Converting Loans of \$1,000,000 used to fund the creditor's trust per the Deed of Company Arrangement, following the conversion of those loans to securities under the Capital Raising. The debt under the Converting Loans has been fully discharged through the issue of the Shares and Options (with consequent reduction in the converting loan debt to \$0);
- 800,000,000 to the lenders of the converting loans of \$1,000,000 used to fund the creditor's trust per the Deed of Company Arrangement, as sub-underwriter options (all of the lenders acted as sub-underwriters to the Capital Raising);
- 959,999,976 to subscribers to Shares under the capital raising; and
- 30,000,000 to Matthew Shackleton on the basis of 1 free attaching option for each 2 shares issued to Mr Shackleton in lieu of cash payment for the cash out of annual leave at \$60,000.

All Options issued are unquoted. The Company will make application for the Options to be quoted on ASX, with a separate timetable to be completed for that purpose.

### Compliance with Listing Rule 12.1

The following is a proposed detailed use of funds for the amount raised under the Capital Raising:

Activity	Amount (\$)	Percentage of Capital Raising
Initial Air-Core drilling program at the Lake Wells Gold Project	400,000	22%
Negotiation and finalisation of Heritage & Access Agreement with the Tjamu Tjamu RNTBC in respect to the West Arunta Project	150,000	8%
Expenses of the Capital Raising	375,000	19%
Administration costs	490,000	25%
Working capital/additional exploration driven by results	495,000	26%
<b>Cash received under the Capital Raising</b>	<b>1,910,000</b>	<b>100%</b>
Conversion of converting loans	1,000,000	
Cash out of annual leave (\$60,000) and forgiveness of debt (\$10,000) by M Shackleton	70,000	
<b>TOTAL amount of the Capital Raising</b>	<b>2,980,000</b>	

**The Lake Wells Gold Project (LWGP) exploration program**

A drilling contractor has been engaged to conduct up to 12,000 metres of Air-Core drilling at the LWGP. It is anticipated that the initial program of drilling will comprise up to 6,000 metres of drilling. Mobilisation of field crews and equipment is scheduled for early May 2024; however this is contingent upon weather conditions allowing travel along the Great Central and Lake Wells/Prenti Downs Roads, and the receipt of an entry permit to travel through the Cosmo Newberry (Aboriginal) Reserve.

APC and St Barbara Limited (**SBM**) entered into a joint venture for the exploration, development and mining of non-potash minerals at the Lake Wells Gold Project. Over the duration of that joint venture, SBM spent approximately \$3.5million exploring (primarily for gold) the tenements, which sit contiguous to, and south of, the Lake Wells Sulphate of Potash (**LSOP**) development envelope. The LWGP extends approximately 80km to the south of Lake Wells, where it adjoins tenure currently being explored by successful gold producer Gold Road Resources Limited (ASX: GOR).

APC has 100% ownership of the tenure comprising the LWGP.

A geological review of all previous exploration results has been conducted and recommendations developed for an aircore drill program to the most prospective ‘walk-up’ drill targets (see Figure 1). It is anticipated that drilling will commence at the LWGP during the June 2024 quarter.

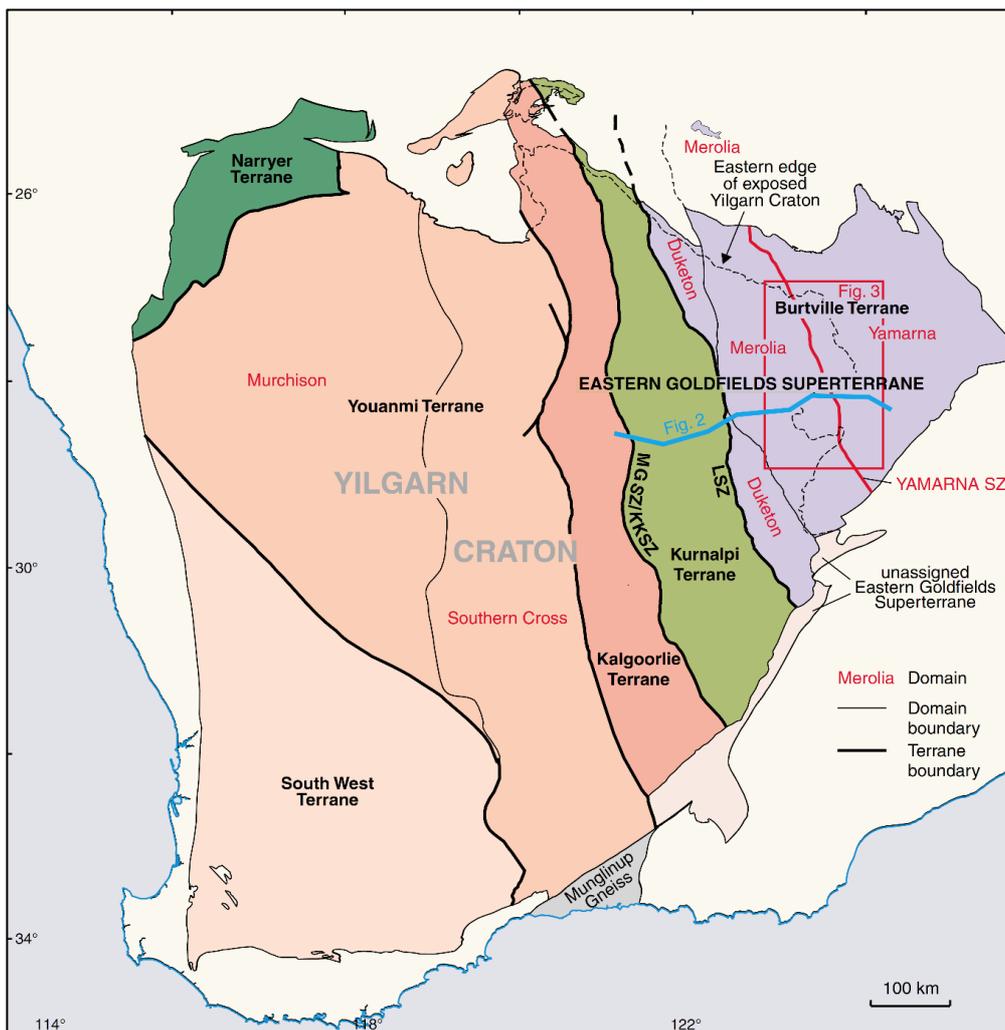


Figure 1: The LWGP sits on the edge of the Archean craton

**West target**

This target is the projected northern strike extension of the Yamarna Shear Zone (YSZ) and is prospective for Golden Highway style mineralisation (aka Gold Road Resources Ltd (ASX: GOR)).

Target consists of a +6km strike length of untested YSZ which has only a single drill line over it.

**East target**

The target is an 8 km strike extension of the Ibanez host rock package.

Magnetic data shows that this package continues north from Ibanez up through APC’s tenements for 8km and includes a prominent S shaped bend featuring a nearly 90-degree strike change which is considered a desirable structural target for gold mineralisation.

Existing drilling, mostly AC over this area only consists of 1,600-2,000m spaced drill lines which are too widely spaced to effectively test for a small footprint (600-800m strike length), high grade deposits.

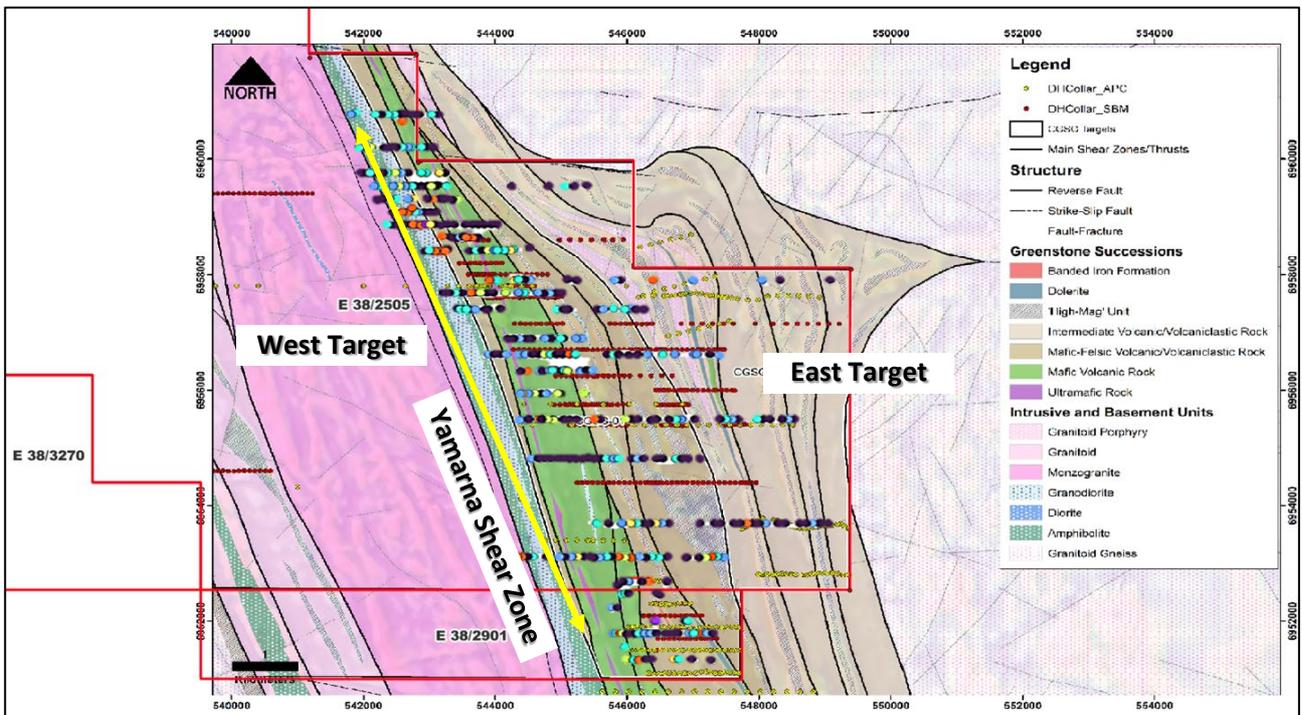


Figure 2: Two ‘walk-up drill targets’ emerged after the interpretation of the combined APC and St Barbara drill assay database

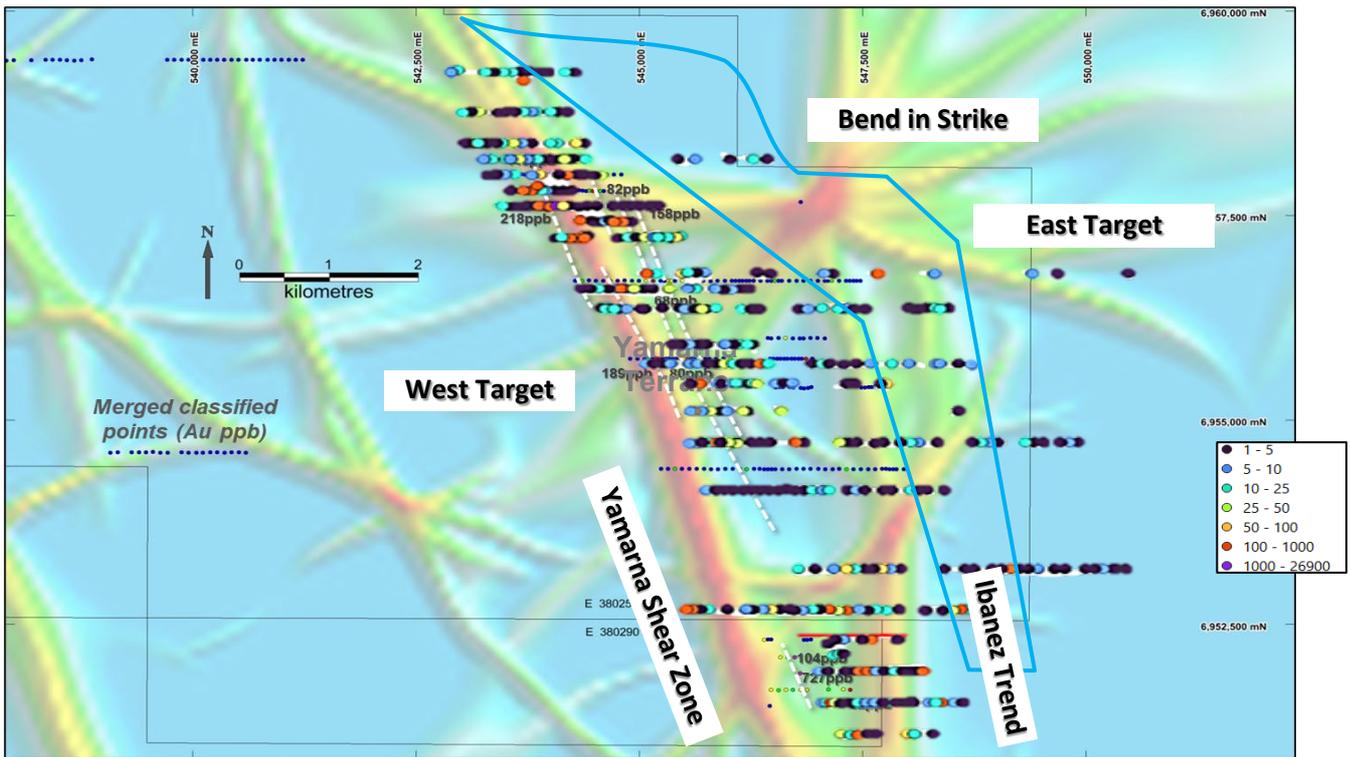


Figure 3: Bend in strike follow an extension of the Ibanez trend on GOR’s Golden Highway

**West Arunta (WAR) REE & Lithium Project (Nexus)**

During 2023 the Company engaged with the representative body for the traditional owners of the country where the Nexus project is located. The Tjambu Tjambu Registered Native Title Body Corporate now represents the exclusive possession native title holders. The area is also an Aboriginal Reserve.

The Company has re-commenced discussions with the Tjambu Tjambu and will spend the next several months finalising the Heritage and Access negotiation and agreement, prior to formalising work programs.

The Nexus Project is located in the West Arunta of Western Australia’s Kimberley region. The project comprises one granted exploration licence (E80/5917) and the Company has entered into an agreement to purchase a second, contiguous exploration licence (E80/5778).

Attention has been focused on the West Arunta region recently through the discovery of a high-grade carbonatite hosted niobium deposit by explorer WA1 Resources Limited (ASX: WA1) and ongoing lithium exploration by Independence Group (ASX: IGO), amongst others.

APC’s exploration strategy at Nexus is to expand the work conducted by previous tenement holders, by pursuing the increasing tenor of lithium and rare earth mineralisation in the lacustrine clays overlying the Bitter Springs formation to the south of the Webb Granite.

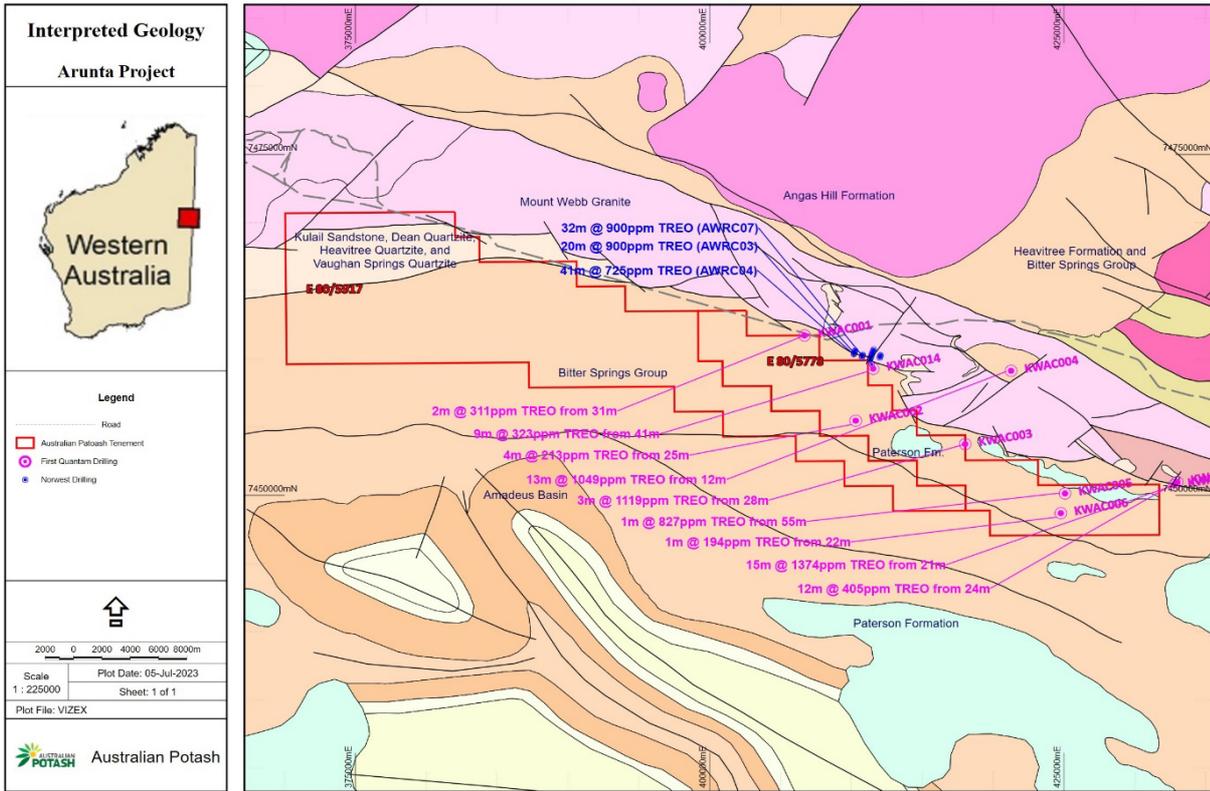


Figure 4: Encouraging historical drill assay results for REE mineralisation have been recorded at the Nexus Project

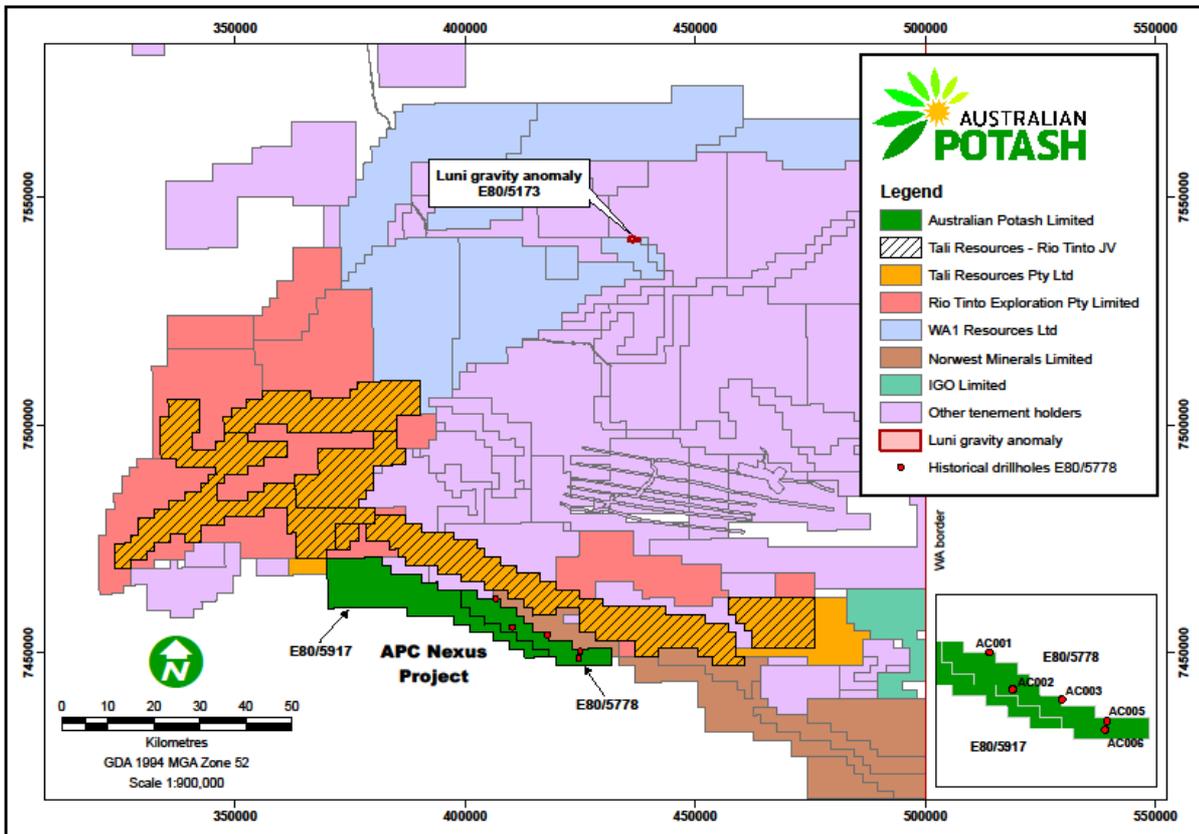


Figure 5: The West Arunta province is attracting exploraiton interest following the identification of mineralisation around and across the large Webb Granite

## Compliance with Listing Rule 12.2

The Company's pro-forma Statement of Financial Position reflecting adjustments required under the Deed of Company Arrangement and the Capital Raising is follows;

		31/12/2023	Voluntary administration adjustments	Converting loans	DOCA effectuation	Working capital FEB 24 to date of release	Capital Raising adjustments			Pro-forma 31/03/24
		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>CURRENT ASSETS</b>	<b>Notes</b>									
Cash and cash equivalents	1	546,470	(546,470)	1,000,000	(900,000)	(54,276)			1,910,000	1,955,724
Trade and other receivables	2	236,551	(236,551)							-
<b>Total current assets</b>		<b>783,021</b>								<b>1,955,724</b>
<b>Non-current assets</b>										
Plant and equipment	3	172,365	(172,365)							-
Intangibles	4	2,343	(2,343)							-
<b>Total non-current assets</b>		<b>174,708</b>								<b>-</b>
<b>Total assets</b>		<b>957,729</b>								<b>1,955,724</b>
<b>CURRENT Liabilities</b>										
Trade and other payables	5	1,513,944	(1,503,944)	1,000,000			(10,000)	(1,000,000)	351,285	351,285
Provisions – current	6	3,418,296	(3,270,791)					(83,300)	(60,000)	4,205
<b>Total current liabilities</b>		<b>4,932,240</b>								<b>355,490</b>
<b>NON-CURRENT Liabilities</b>										
Provisions – non-current	7	1,670	-					83,300		84,970
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,670</b>								<b>84,970</b>
<b>Total liabilities</b>		<b>4,933,910</b>								<b>440,460</b>
<b>Net (LIABILITIES)/ASSETS</b>		<b>(3,976,181)</b>								<b>1,515,264</b>
<b>Equity</b>										
Contributed equity	8	66,745,274						1,000,000	1,980,000	69,725,274
Reserves		1,769,888								1,769,888
Accumulated losses	9	(72,491,343)	3,817,006		(900,000)	(54,276)			(351,285)	(69,979,898)
<b>Total (DEFICIENCY)/SURPLUS</b>		<b>(3,976,181)</b>								<b>1,515,264</b>

### Notes to the Pro-forma Statement of Financial Position

- 1 Cash and cash equivalents comprises the balance of the \$1,000,000 not remitted to the Creditors' Trust under the DOCA (\$100,000) less working capital costs from 1 February 2024 to the date of this announcement (\$54,274) plus cash subscriptions under the capital raising (\$1,910,000).
- 2 Trade and other receivables were transferred to the Creditors' Trust under the DOCA.
- 3 Plant and equipment was transferred to the Creditors' Trust under the DOCA.
- 4 The value of intangibles will be written down to \$NIL at 30 June 2024.
- 5 Trade and other payables were transferred to the Creditors' Trust under the DOCA, with the value carried in the pro-forma balance sheet reflecting the costs of the Offer (Capital Raising) made under the Prospectus dated 14 March 2024. The balance of the Converting Loan (\$1,000,000) has been reduced to \$NIL on the conversion of the entire amount outstanding under the offer. The balance of the loan payable to Mr Shackleton has been reduced by \$10,000 in subscriptions for Shares under the Offer.
- 6 Balances recorded in the Provisions account were transferred to the Creditors' Trust under the DOCA with the exception of annual and long service leave accruals for Matthew Shackleton and one other employee of the Company. The balance of the annual leave provision for Matthew Shackleton has been reduced by \$60,000 to reflect the subscription for Shares under the Offer.
- 7 Mr Shackleton's accrued annual and long service leave provision balances are classified as non-current.
- 8 Contributed equity balance comprises the shares issued under the Priority and General Offer and the conversion of the Converting Loans and annual leave and loan balances for Mr Shackleton.
- 9 Accumulated losses balance has been adjusted to reflect the journal entries required to reflect the DOCA, working capital and the costs of the Offer.

The debt under the Converting Loans procured to fund the creditors' trust per the Deed of Company Arrangement has been fully discharged by the issue of Shares and Options in the Capital Raising. The Company's liability to the lenders has been reduced to zero.

The Company's working capital position as defined in Chapter 19 of the Listing Rules, is \$1.600 million as at the date of this announcement. Following completion of the Capital Raising the Company will have sufficient working capital at the time of reinstatement to the ASX trading platform to carry out its objectives as detailed above.

There are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of its proposed use of funds. The Company will update the market on its works in respect to entering into the appropriate heritage and access agreements with the relevant RNTBC in respect to the West Arunta project (Nexus).

The Company's capital structure including the issue of all securities under the Capital Raising is as follows:

Security Code	Security Name	Total Holdings
<b>APC</b>	ORDINARY FULLY PAID SHARES	4,000,189,490
<b>APCOPT</b>	OPTIONS @ \$0.0015 EXP 19/04/2027	3,664,999,976
<b>APCOPT18</b>	UNLISTED OPTIONS @ \$0.036 EXP 21/03/2025	115,408,645
<b>APCPERD</b>	PERFORMANCE RIGHTS	49,498,200
<b>APCPERE</b>	PERFORMANCE RIGHTS	49,498,200
<b>APCPERF</b>	PERFORMANCE RIGHTS	18,003,600
<b>APCPERG</b>	PERFORMANCE RIGHTS	31,500,000
<b>APCPERH</b>	PERFORMANCE RIGHTS	31,500,000

The distribution of holders of ORDINARY FULLY PAID SHARES (APC) is as follows:

Holding Ranges					
Security Code	From	To	Holders	Total Number	% of Issued Share Capital
<b>APC</b>	1	1,000	74	6,370	0.00%
	1,001	5,000	135	533,822	0.01%
	5,001	10,000	383	3,107,875	0.08%
	10,001	100,000	1,609	69,170,198	1.73%
	100,001		1,334	3,927,371,225	98.18%
<b>Total</b>			<b>3,535</b>	<b>4,000,189,490</b>	<b>100.00%</b>

The 20 largest holders of ORDINARY FULLY PAID SHARES are:

Position	Holder Name	Holding	% IC
1	FINMAN PTY LTD <THE MARK IRIKS FAMILY ACCT>	250,000,000	6.25%
2	MR EMANUEL RICHARD BRIAN DILLON <THE COMPLETE A/C>	206,511,093	5.16%
3	KASSETT PTY LTD <THE JOSEPH ZITO SUPER A/C>	145,567,426	3.64%
4	YANDAL INVESTMENTS PTY LTD	102,242,056	2.56%
5	TBG CAPITAL PTY LTD	93,527,035	2.34%
6	KASSETT PTY LTD <JR ZITO DISCRETIONARY NO 2>	91,399,914	2.28%
7	FUTURE SUPER PTY LTD <JWS SUPER FUND A/C>	85,888,423	2.15%
8	MR MATTHEW WILLIAM SHACKLETON	70,000,000	1.75%
9	JASPER HILL RESOURCES PTY LTD <T ACCOUNT>	58,000,000	1.45%
10	MULLOWAY PTY LTD <JOHN HARTLEY POYNTON FM A/C>	50,000,000	1.25%
10	ROTHERWOOD ENTERPRISES PTY LTD	50,000,000	1.25%
11	ALDERHAUS PTY LTD	45,888,423	1.15%
12	RETZOS EXECUTIVE PTY LTD <RETZOS EXECUTIVE S/FUND A/C>	45,613,211	1.14%
13	R2 CAPITAL PTY LTD	40,000,000	1.00%
14	CHEETAH HOLDINGS PTY LTD	38,832,216	0.97%
14	KAHALA HOLDINGS PTY LTD	38,832,216	0.97%
15	MR MATTEO VALENTINI	37,014,925	0.93%
16	KIMURA CAPITAL PTY LTD	34,208,955	0.86%
17	JSJA HOLDINGS PTY LTD <THE CARLTON FAMILY A/C>	32,943,793	0.82%
18	OCEAN REEF HOLDINGS PTY LTD	32,517,857	0.81%
19	RIYA INVESTMENTS PTY LTD	32,165,504	0.80%
20	PRINCE CAPITAL PTY LTD	30,000,000	0.75%
	<b>Total</b>	<b>1,611,153,047</b>	<b>40.28%</b>
	<b>Total ORDINARY FULLY PAID SHARES on issue</b>	<b>4,000,189,490</b>	<b>100.00%</b>



The Company confirms that it is in compliance with the ASX Listing Rules, and in particular, Listing Rule 3.1.

Trading on ASX is expected to re-commence presently, subject to ASX's discretion.

This announcement has been authorised for release to ASX by the Board of Directors of Australian Potash Limited.

**For further information, please contact:**

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