Investor Presentation

Australia’s Premier Sulphate of Potash Project

29 AUGUST 2017

Cautionary Statement & Disclaimer

Scoping study – cautionary statement

The Study referred to in this announcement is a preliminary technical and economic investigation of the potential viability of the Lake Wells Potash Project. It is based on low accuracy technical and economic assessments, (+/- 35% accuracy) and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Study will be realised.

Approximately 86% of the existing Mineral Resource is in the Indicated category, with the remainder in the Inferred category. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated or Measured Mineral Resources. Furthermore, there is no certainty that further exploration work will result in the conversion of Indicated and Measured Mineral Resources to Ore Reserves, or that the production target itself will be realised.

The Scoping Study is based on the material assumptions outlined below. These include assumptions about the availability of funding. While Australian Potash Limited considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be accurate or that outcomes indicated by the Study will be achieved.

To achieve the outcomes indicated in this Study, initial funding in the order of A$175m/US$135m will likely be required. Investors should note that there is no certainty that Australian Potash Limited will be able to raise funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Australian Potash Limited's existing shares.

It is also possible that Australian Potash Limited could pursue other value realisation strategies such as sale, partial sale, or joint venture of the Project. If it does this could materially reduce Australian Potash Limited's proportionate ownership of the Project.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of this Scoping Study.

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.

Competent Persons Statement

The information in the announcement that relates to Exploration Targets and Mineral Resources is based on information that was compiled by Mr Jeffery Lennox Jolly. Mr Jolly is a principal hydrogeologist with AQ2, a firm that provides consulting services to the Company. Neither Mr Jolly nor AQ2 own either directly or indirectly any securities in the issued capital of the Company. Mr Jolly has over 30 years of international experience. He is a member of the Australian Institute of Geoscientists (AIG) and the International Association of Hydrogeologists (IAH). Mr Jolly has experience in the assessment and development of palaeochannel groundwater resources, including the development of water supplies in hypersaline palaeochannels in Western Australia. His experience and expertise is 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 Jolly consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Hydrogeological information in this report has been prepared by Carsten Kraut, who is a member of the Australasian Institute of Geoscientists (AIG), and International Association of Hydrogeologists (IAH). Carsten Kraut is contracted to the Company through Flux Groundwater Pty Ltd. Carsten Kraut has experience in the assessment and development of palaeochannel groundwater resources, including the development of water supplies in hypersaline palaeochannels in Western Australia. His experience and expertise is 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 Kraut consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Footnotes to Disclosures

1. Refer to ASX announcement 27 July 2017 'Yamarna Gold Assets Review and Exploration Plans'. 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 27 July 2017 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 27 July 2017 announcement continue to apply and have not materially changed.
2. Gold Road Resources Limited, ASX announcement 27 June 2017, 'Yamarna Exploration Update: Significant Intersections Returned Across Tenement Package'.
3. www.goldfields.com.au
4. Refer to ASX announcement 23 March 2017 'Scoping Study Confirms Exceptional Economics of APC's 100% Owned Lake Wells Potash Project In WA'. 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 March 2017 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 23 March 2017 announcement continue to apply and have not materially changed.

Corporate Information

Financial information

Share price (25-Aug-17)	A$0.105
Number of shares	251M
Market Capitalisation	**A$26M**
Cash & receivables[1]	A$4M
SPP & Option Plan (not included in cash & receivables balance)	A$2.8M
Debt	NIL
Enterprise Value	**A$22M**

30m unlisted options on issue
(exercise prices A$0.10 – A$0.25; expiry dates to 21 September 2021)

Board of Directors

Matt Shackleton	Executive Chairman
Rhett Brans	Non-executive Director
Brett Lambert	Non-executive Director

Research

Hartleys	March 2017
Independent Investment Research	July 2017
The Sophisticated Investor	August 2017

Extensive experience at director & management level to execute strategy

1. Receivables balance is represented by the R&D Incentive Claim

Lake Wells Sulphate of Potash (SOP) Project

Western Australia, 100% owned

Rapidly Advancing Australia's Premier SOP Project

- **100% ownership** of +2,000km^2 Lake Wells SOP project
  - low risk mining jurisdiction
  - no Native Title
- **Long life**, **lowest cost** quartile SOP operation
  - large easily extractable resource
  - highly efficient capital expenditure
  - superior logistical advantage to market
- **Low upfront capital** hurdle through two stage development strategy to 300ktpa SOP
- **Definitive feasibility study on target for completion** 1H 2018, ongoing programs of work:
  - Brine bore installation and test pumping
  - fresh water test-pumping results
  - reserve estimation
  - pilot evaporation pond first fill
  - production of SOP test-samples
  - test-ponds/constructability tests
  - approvals being finalised

Premium jurisdiction, premier location

Sulphate of Potash (SOP)

Global potash market c. US$60 billion per annum SOP is forecast to grow from current 10% to 20% by 2025

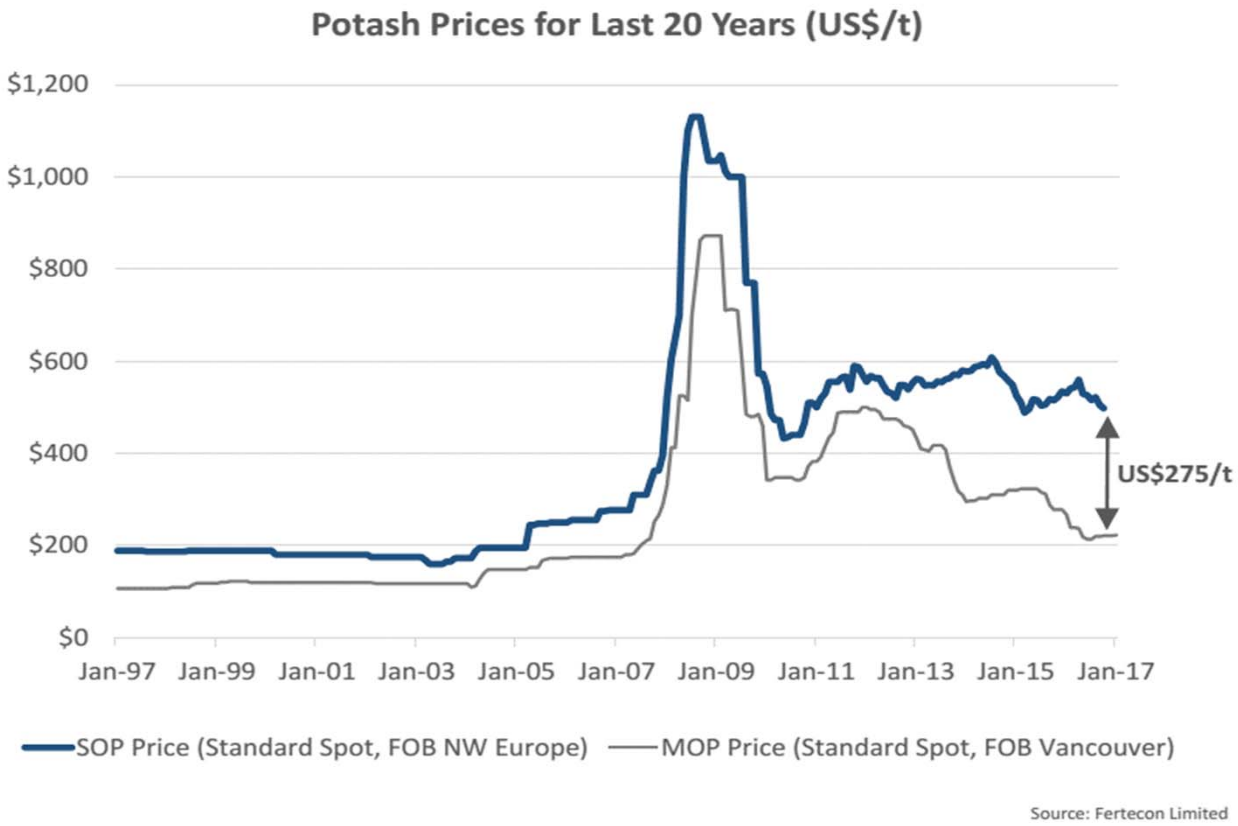
SOP, or Potassium Sulphate (K_2O_4), is a premium quality nutrient for the growth of high-value crops

- chloride-free and highly concentrated
- contains c. 50% potassium and 18% sulphur
- can be used in every application that dominant Muriate of Potash can be used
- is preferred as it enhances yield and quality, extends shelf life of produce and improves taste
- limited availability of SOP globally due to scarcity of primary deposits

Australian total potash demand estimated at 345ktpa, of which ~72ktpa is SOP

- Potential for substitution of MOP with SOP with increasing availability and product awareness

Sulphate of Potash (SOP)



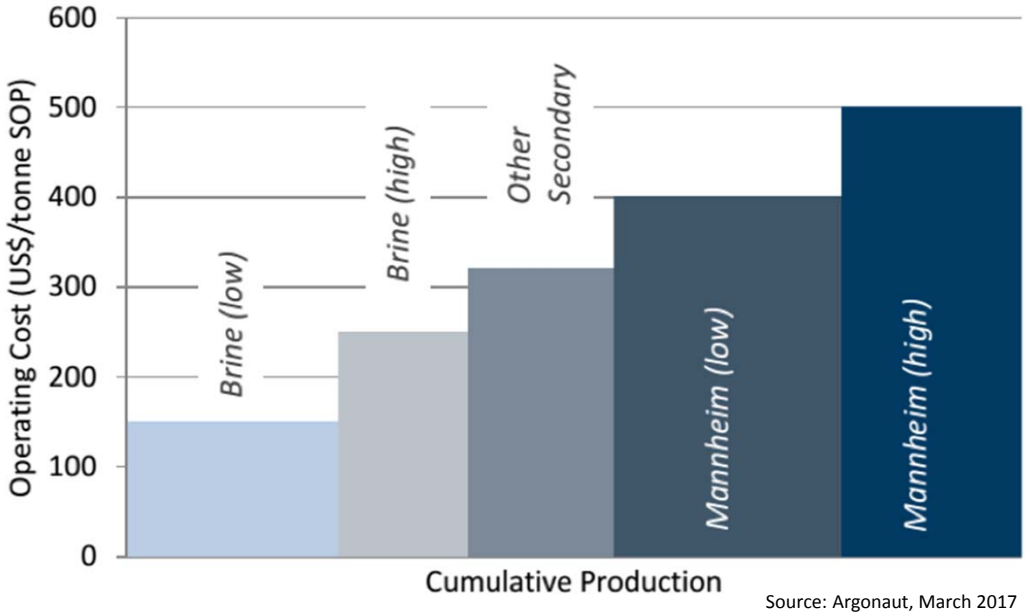
Demand fundamentals driven by

- Reduction in arable land and chase for higher yields
- Rising global population and income growth in key emerging markets
- Changing dietary preferences towards high value crops
- Improved produce storage and shelf life
- Enhanced ‘quality’ characteristics including; appearance, tastes, texture and higher nutrient value

Sulphate of Potash (SOP)

Scoping study results position Lake Wells in the bottom quartile of the cost curve

SOP industry cost of production curve



Source: Argonaut, March 2017

SOP industry cost curve incentivising primary production brine assets, such as Lake Wells

- high cost secondary Mannheim production represents ~60% of global supply
- Mannheim process = conversion of MOP using sulphuric acid & high temperatures (~550 degrees) with hydrochloric acid waste product

MOP pricing dynamics and outlook set the base for Mannheim production costs

Fly-Through

The Lake Wells SOP Project

www.australianpotash.com.au/#howitworks

Activities Rapidly Advancing Lake Wells

Resource

- Currently installing # 5 of 7 test-production bores
- Long-term test-pumping Q3/4 2017
- Resource extension Q3 2017
- Reserve estimation Q4 2017/Q1 2017

Fresh water

- Drilling complete
- Test-pumping results released Q3 2017

Evaporation

Pilot evaporation pond network complete

- First fill Q3 2017
- Targetting test-salts for SOP production Q4 2017

Permeability test work

- Test-ponds to be developed Q3 2017
- Constructability trials conducted Q3 2017

Environmental & Regulatory

- Level 2 flora and fauna base-line studies completed
- DER, DMP, DOW approvals and clearances obtained
- **Development proposal being referred to EPA**
- Project area not subject to Native Title

Accurate Reserve estimation is driven by data
Low permeability sub-surface clay layers allow on-lake pond development

Marketing

100,000 tonnes SOP per annum MOUs signed with:

- SinoAgri and
- Hubei Agri
- For 100,000 tonnes SOP per annum each

On-going relationship development with East-Asia SOP importers and producers

Continuing dialogue with Australian fertiliser distribution companies

Part 1: Brine - Extraction

High-flow rates from installed production bore

Borefield brine abstraction is a developed technology APC will use bores to extract the brine

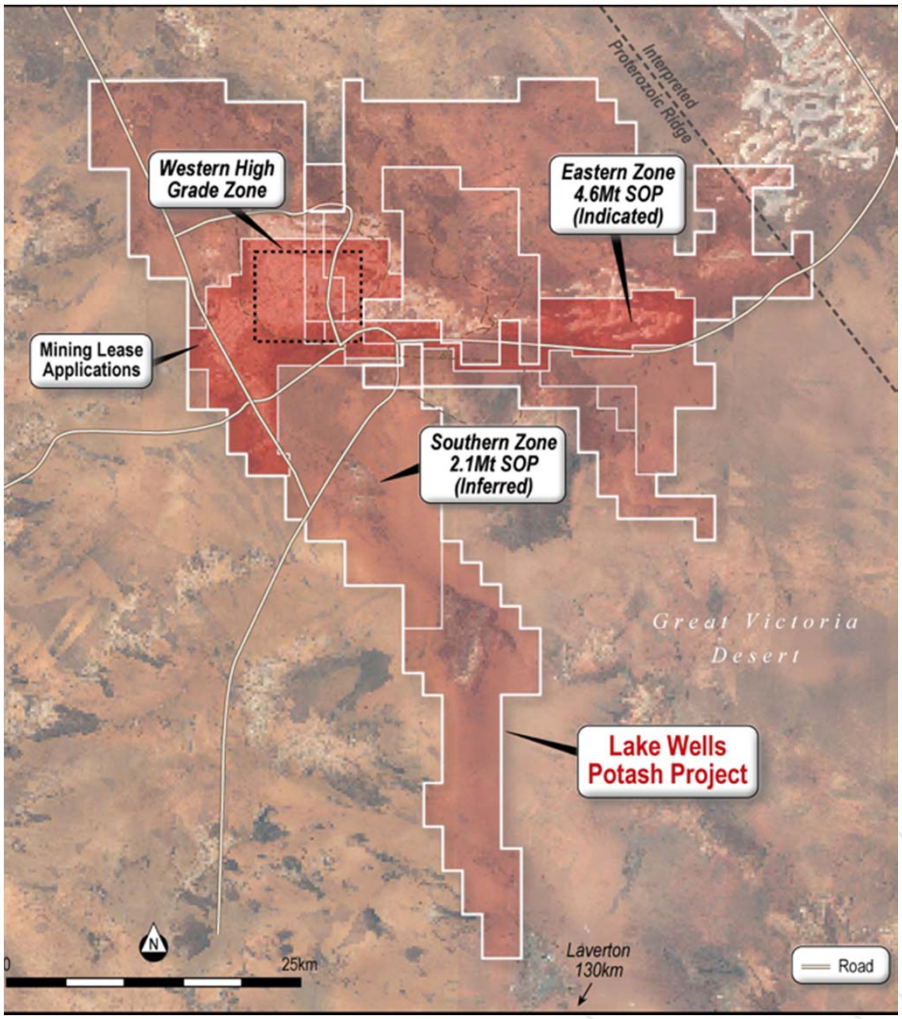
- Currently Australia's largest indicated SOP resource estimated using specific yield, indicating significant de-risking of resource
- To convert resources to reserves **essential** to have long term test pumping data
  - **Development of 20% of Stage 1** bore field currently being finalised to support Reserve estimate
  - **12 week test-pumping program** to be conducted Q3/Q4 2017
  - Targetting flow rates of +15 litres per second
  - 2016/2017 flow rates on existing bores up to 34l/s

Part 1: Brine - Large Robust Resource Estimate

Massive aquifer of **+20 billion tonnes SOP brine** Highly permeable sands in upper & basal production aquifers 15m – 35m wide

	Indicated	Inferred	Total
Mt SOP	**12.7**	2.0	14.7
SOP grade mg/l	**8,267**	5,963	7,896
Aquifer volume (Mm^3)	**17,050**	3,279	20,329
Drainable resource (Mm^3)	**1,521**	340	1,861

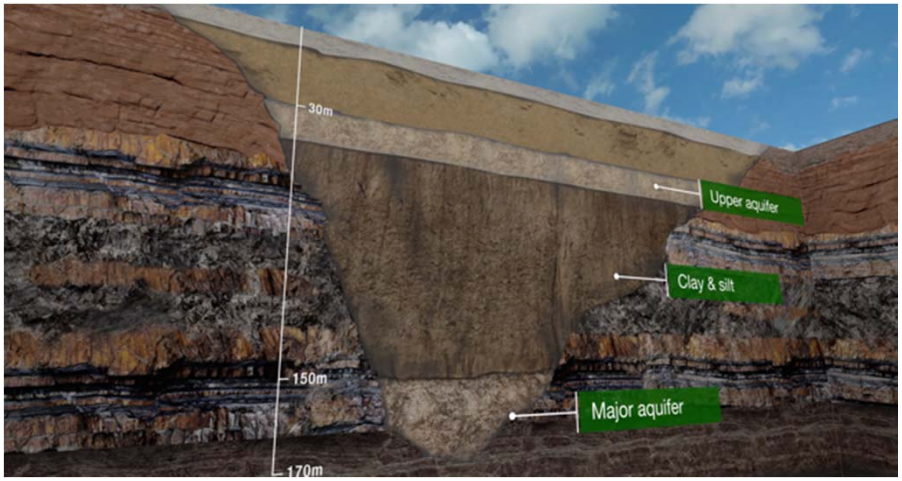
Please refer to full JORC Resource Estimate at slide 24



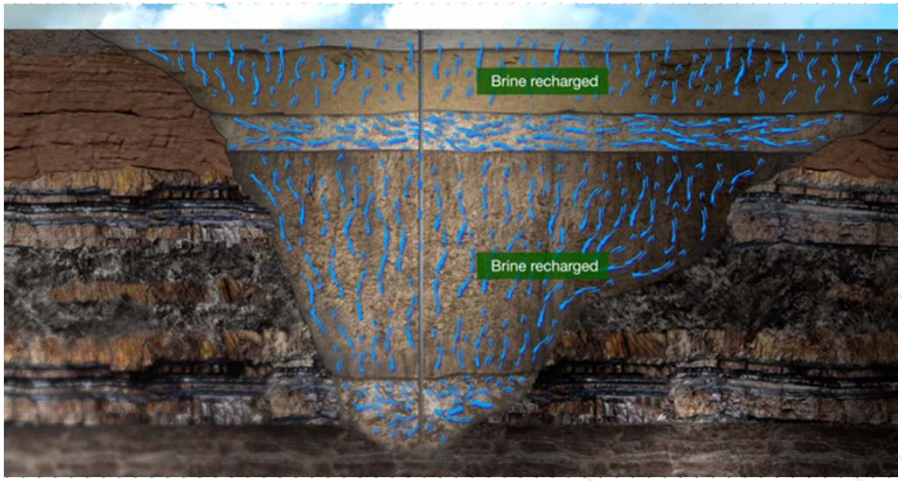
The Lake Wells SOP Project covers >2,000kms^2

Part 1: Extracting the Brine
Palaeochannel Borefield Development

- Brine borefield developed into the +55km palaeochannel hosting SOP resource
  - Stage 1 c. 35 bores
  - Stage 2 c. 72 bores
- Recharge through millions of tonnes of brine above depressurised production aquifer
- On-going test pumping program verifying production bore flow rates of **c. 16 – 34 litres per second**
- Hydrogeology model comprises four units:
  - Surficial aquifer
  - Upper sand
  - Middle clay aquitard
  - Basal sand aquifer
- Drainable porosity > for coarser sediments:
  - Upper sand 40m - 58m below surface
  - Basal sand 139m - 175m below surface



Lake Wells palaeochannel lithology



Brine will flow down through sediments to fill depressurised aquifers

Part 2: Evaporation

- **SOP trial-production ponds program Q4 2017/Q1 2018**
  - Pilot pond network completed with first fills to be complete September 2017
  - Aiming to produce feeder salts for spec. SOP products
  - Highly impermeable sub-surface clay layers are a distinct advantage as they permit on-lake concentration ponds
- **Additional trial ponds Q4**
  - Test constructability techniques for large scale pond development
  - Replicate test-work data confirming **highly impermeable** clay layer across entire playa system
  - Laboratory test-work indicates leakage rates as low as 0.05mm per day

Pilot evaporation ponds prior to final commissioning

Lake Wells playa demonstrating natural 'bund' for concentration pond development

Part 2: Evaporation
Capital Efficient On-lake Concentration Ponds

Unlined on-playa evaporation ponds are used in the world's largest brine SOP operations

APC plans to build concentration ponds on the lake surface

Table demonstrating additional CAPEX required for projects developing lined concentration ponds off the lake surface

Pond construction	Lined	Unlined
Leakage rate (mm/day)	0.0	**0.05**
Indicative pond area (Ha)	710	**710**
CAPEX to line with HDPE @ $8/m^{2*}	**$50m - $70m**	**$NIL**
OPEX to relocate NaCl to playa	**$+++**	**$NIL**

- **Unlined on-lake concentration pond construction saves significant CAPEX of between $50m and $70m**
- In addition to the CAPEX of **$50m - $70m** in the above example, the additional OPEX of relocating NaCl from the off-playa ponds to the playa is significant

*Additional CAPEX costs may be incurred for site preparation & civil engineering

Part 2: Evaporation
On-lake Concentration Ponds, Off-lake Harvest Ponds

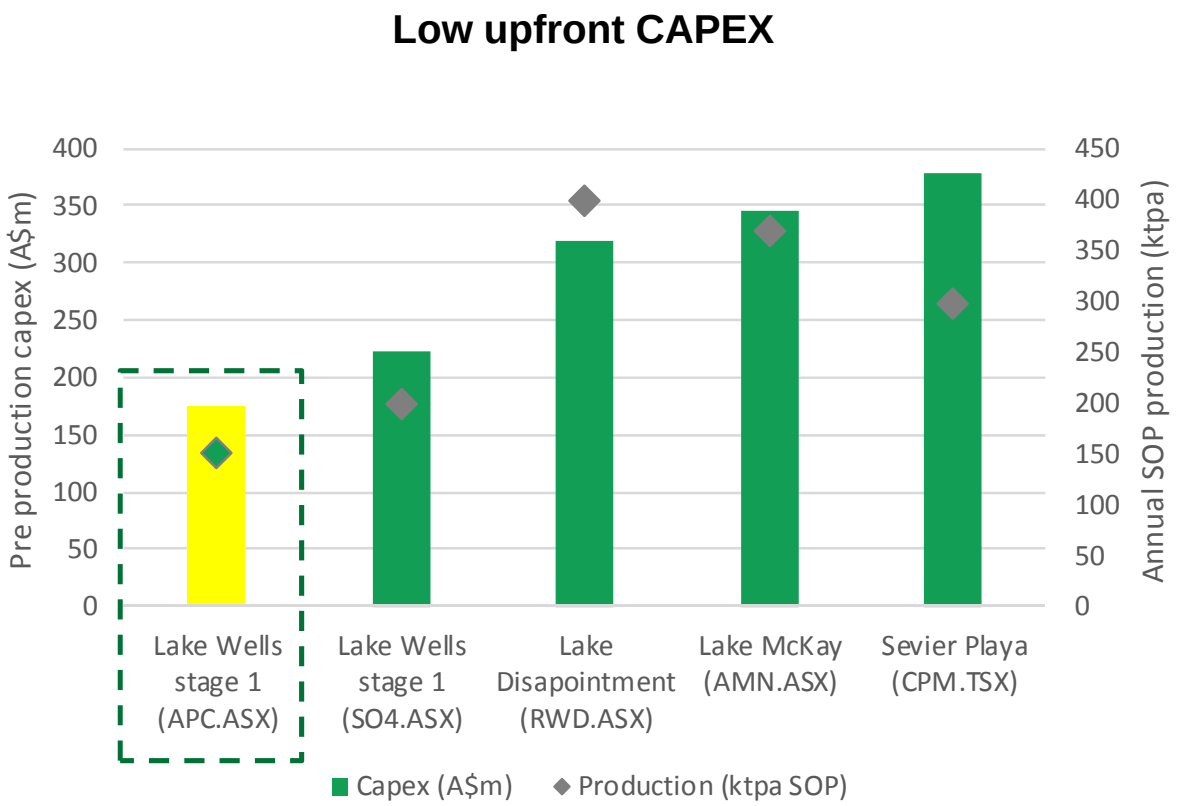
The Lake Wells SOP Project concentration ponds will be built on-lake to take advantage of topographic features and highly-impermeable sub-surface clay layers

- On-playa evaporation ponds taking advantage of the natural topographic and lake surface structures
  - Geotechnical test-work sub-surface impermeable clay layer c.1 X 10^{-8} mm per day leakage
  - Stage 1 concentration pond area ~10.4km^2
  - Stage 2 concentration pond area ~20.9km^2
- Off-playa harvest ponds sealed to ensure maximum recovery of potassium
  - Stage 1 harvest pond area ~2.3km^2
  - Stage 2 harvest pond area ~4.5km^2
- Evaporation rate c.3,400mm per annum
  - Average annual rainfall 240mm per annum

Part 3: Processing - Low CAPEX Development

Capital efficient 2 stage development strategy
First mover advantage

SCOPING STUDY CAPEX [4]	Stage 1	Stage 2
Production SOP (tonnes)	**150,000**	**300,000**
	$AUD	$AUD
Total direct capital	**115.7**	**115.5**
Indirect costs	34.8	24.3
Contingency	24.4	23.1
Total capital costs	**174.9**	**162.9**



Source: Company data, exchange releases, May 2017

Experienced Lead Engineers:

NOVOPRO Project Development & Management

- Crystal Peak Minerals' Sevier Lake SOP
- Yara's Dallol Potash Project
- IC Potash' Ochoa SOP polyhalite project
- Encanto Potash's Muskowekwan project
- Kouilou Potash Plant, DRC

Part 3: Processing – Lowest Quartile OPEX

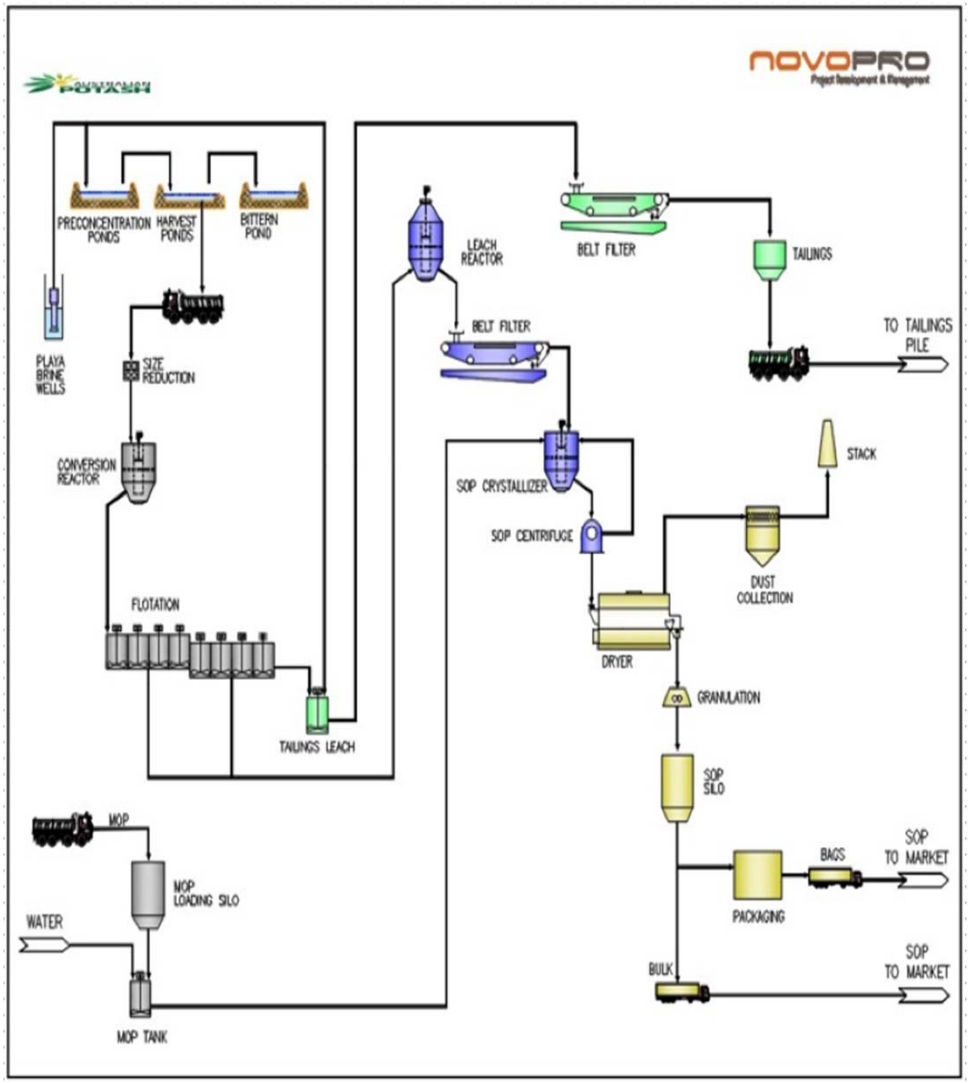
Feasibility study H1 2018
Significant OPEX optimisation

SCOPING STUDY OPEX [4]	Stage 1	Stage 2
COST AREA	**$AUD**	**$AUD**
Reagents/consumable	**127**	**126**
Labour	**48**	**29**
Power	98	97
Maintenance	9	7
G & A	**17**	**11**
Freight	**69**	**69**
FOT Operating costs	**368**	**339**

Scope to optimise the cost base through feasibility study

- Pond permeability (smaller ponds = less brine pumping)
- Alternative power supply sources including solar and alternative fuels
- Increased utilisation of power station waste heat in the process plant
- Refining the logistics solution through larger payloads on continuous cycle delivery to Leonora

Part 3: Processing



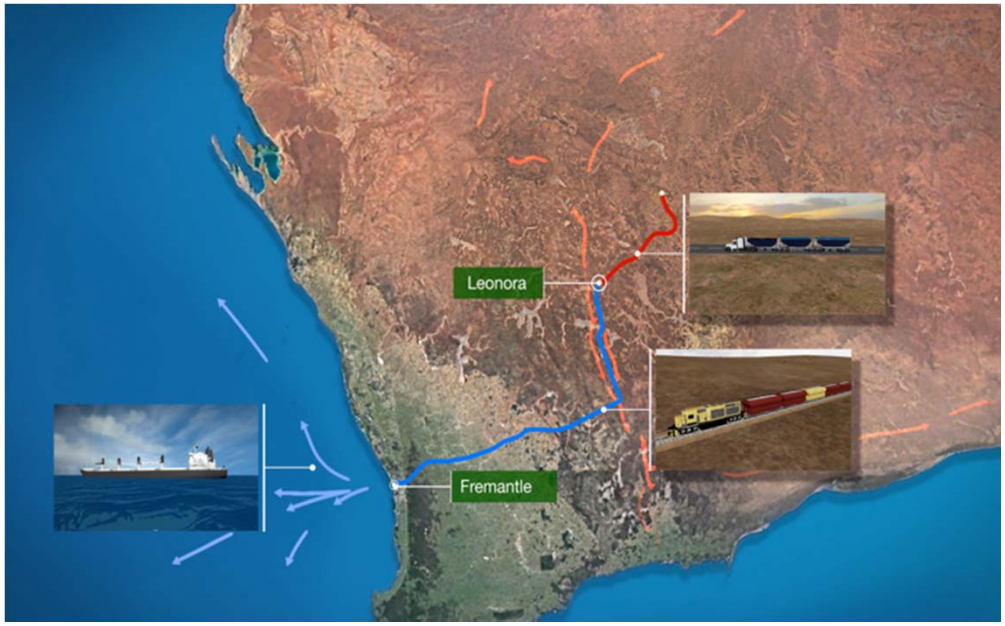
Lake Wells SOP processing plant design including MOP to SOP conversion circuit

Capital efficient 2 stage development
Managing market penetration

- Granulation plant
  - Design can produce 100% premium grade granulated SOP or standard SOP to meet the market
  - Ultra-premium soluble SOP product line being modelled = meeting customer's 2020 demands
- Potential to expand product suite to include ancillary products (SOPM, MgSO4, MgCl) increasing revenue

Logistics – APC Will Use the Existing Rail

Extensive existing infrastructure
Bulk minerals rail terminals c.300kms



Lake Wells is ideally positioned to exploit existing logistics infrastructure

Leg	Mode	Km	$A/t
Lake Wells - Leonora	Road	300	14
Leonora - Fremantle	Rail	800	55
Lake Wells – Fremantle			**69**
For comparison, if RAIL was not an option:			
Lake Wells - Fremantle	Road	1100	145
SAVINGS in OPEX due to having access to rail			**76**

- The Lake Wells SOP project enjoys considerable logistical advantages over peer projects using 100% road freight
- **Minimisation of logistics OPEX will be key to the ultimate profitability of SOP operations**

Schedule to Deliver Over the Next 12 Months

	CY2017		CY2018	
	Q3	Q4	H1	H2
Final commissioning of pilot evaporation ponds	✓			
Finalisation of test-pumping program		✓		
Completion of geotechnical field work		✓		
JORC Reserve estimate			✓	
Reporting of Feasibility Study results			✓	
Environment Protection Authority assessment				✓
Ministerial decision				✓
Early works				✓
FEED				✓
Project execution				✓

Why Australian Potash' Lake Wells Project?

Australia's Premier Sulphate of Potash Project

Rapid time-line to project execution

Largest Indicated JORC Resource estimate: resource has been significantly de-risked

- +7,000m of drilling into palaeochannel, extensive test-pumping
- reserve estimate based on large volume of data being prepared

Key essential infrastructure, including rail access, already in place

- Logistics OPEX savings considerable against 100% road option projects

Brine bore-field extraction process

- All-weather extraction method de-risks year round operations

On-lake concentration pond development saves significant CAPEX

- Off-playa concentration pond lining projects will incur additional $50m - $60m CAPEX

No Native Title claims over project area

Clean ownership and capital structure

End-user relationships established and advancing (MOUs)

JORC Mineral Resource Estimate

Hydrogeological Unit	Volume of Aquifer	Specific Yield	Drainable Brine Volume	K Concentration (mg/L)	SOP Grade (mg/L)	SOP Resource
	MCM	Mean	MCM	Weighted Mean Value	Weighted Mean Value	MT
Indicated Resources						
Western High Grade Zone						
Surficial Aquifer	5,496	10%	549	3,738	8,336	4.6
Upper Sand	37	25%	9	4,017	8,958	0.1
Clay Aquitard	4,758	6%	308	4,068	9,071	2.8
Basal Sand Aquifer	214	29%	63	4,520	10,080	0.6
Sub Total (MCM / MT)	***10,505***		***919***	***3,904***	***8,706***	***8.1***
Eastern Zone						
Surficial Aquifer	3,596	10%	359	3,416	7,617	2.7
Upper Sand	22	25%	5	3,345	7,459	0.04
Clay Aquitard	2,689	6%	174	3,362	7,497	1.3
Basal Sand Aquifer	237	29%	69	3,352	7,475	0.5
Sub Total (MCM / MT)	***6,545***		***602***	***3,391***	***7,563***	***4.6***
Total Indicated						
Surficial Aquifer	9,092	10%	907	3,610	8,051	7.3
Upper Sand	59	25%	15	3,769	8,404	0.1
Clay Aquitard	7,447	6%	482	3,813	8,503	4.1
Basal Sand Aquifer	452	29%	132	3,906	8,711	1.1
Indicated Resource (MCM / MT)	***17,050***		***1,521***	***3,707***	***8,267***	***12.7***
Inferred Resources						
Southern Zone						
Surficial Aquifer	1,296	16%	207	2,742	6,115	1.3
Clay Aquitard	1,901	6%	114	2,620	5,842	0.7
Basal Sand Aquifer	82	23%	19	2,871	6,401	0.1
Inferred Resources (MCM / MT)	***3,279***		***340***	***2,674***	***5,963***	***2.1***

Indicated Resource based modelled aquifer volume, mean specific yield and weighted mean K concentrations (derived from modelling)

Summary					
Indicated Resources	17,050	1,521	3,707	8,267	12.7
Inferred Resources	3,279	340	2,674	5,963	2.1
Total Resources	**20,329**	**1,861**	**3,541**	**7,896**	**14.7**

Resources do not include exploration target at Lake Wells South (tenement areas south of Southern Zone)

AUSTRALIAN POTASH

Yamarna Gold Project

Western Australia, 100% owned

Yamarna Greenstone Belt

The last under-explored belt in the Eastern Goldfields +6m ounces gold discovered to date

Gruyere Gold Project JV: Gold Road Resources/Gold Fields Ltd

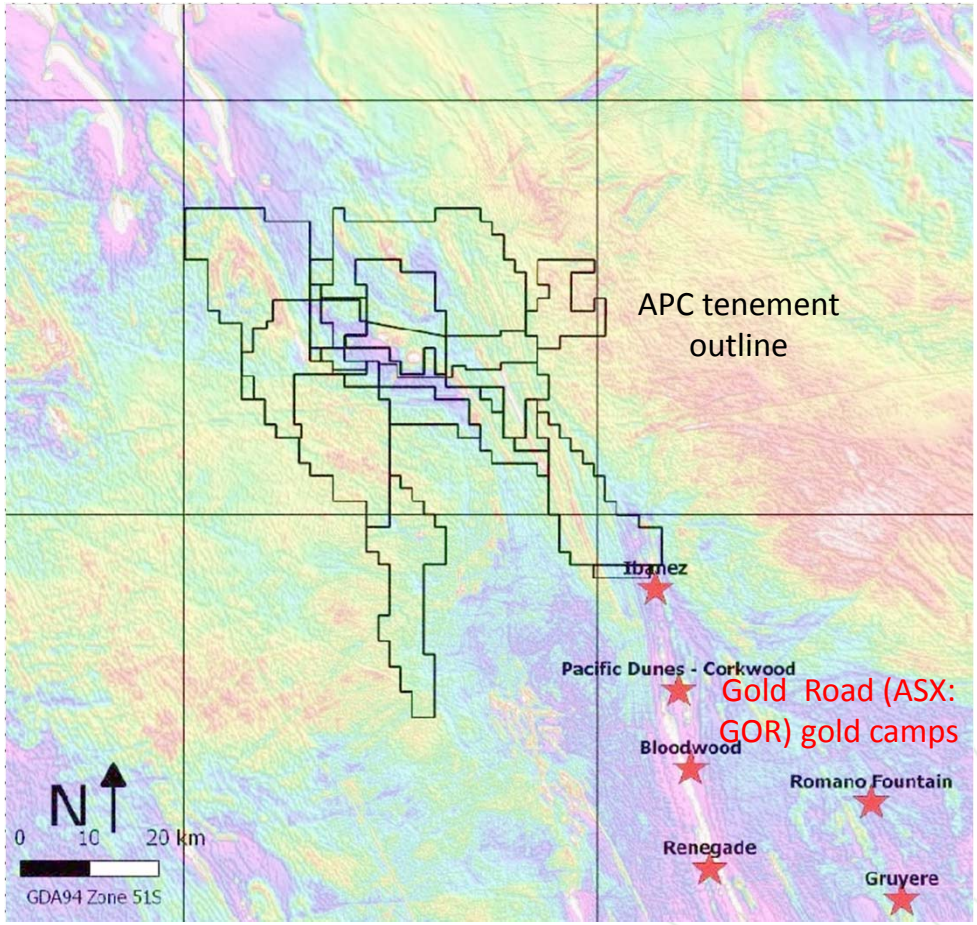
- 148mt @ 1.3g/t for 6.2M ounces gold
- Gold Fields' 50% buy-in A$350m
- 7.5Mtpa plant producing 270,000 ounces Au for 13 years

Central Bore

- 180,000 ounces @ 9.0g/t including
- Imperial Shoot's 112,000 ounces @ 22.7g/t Au

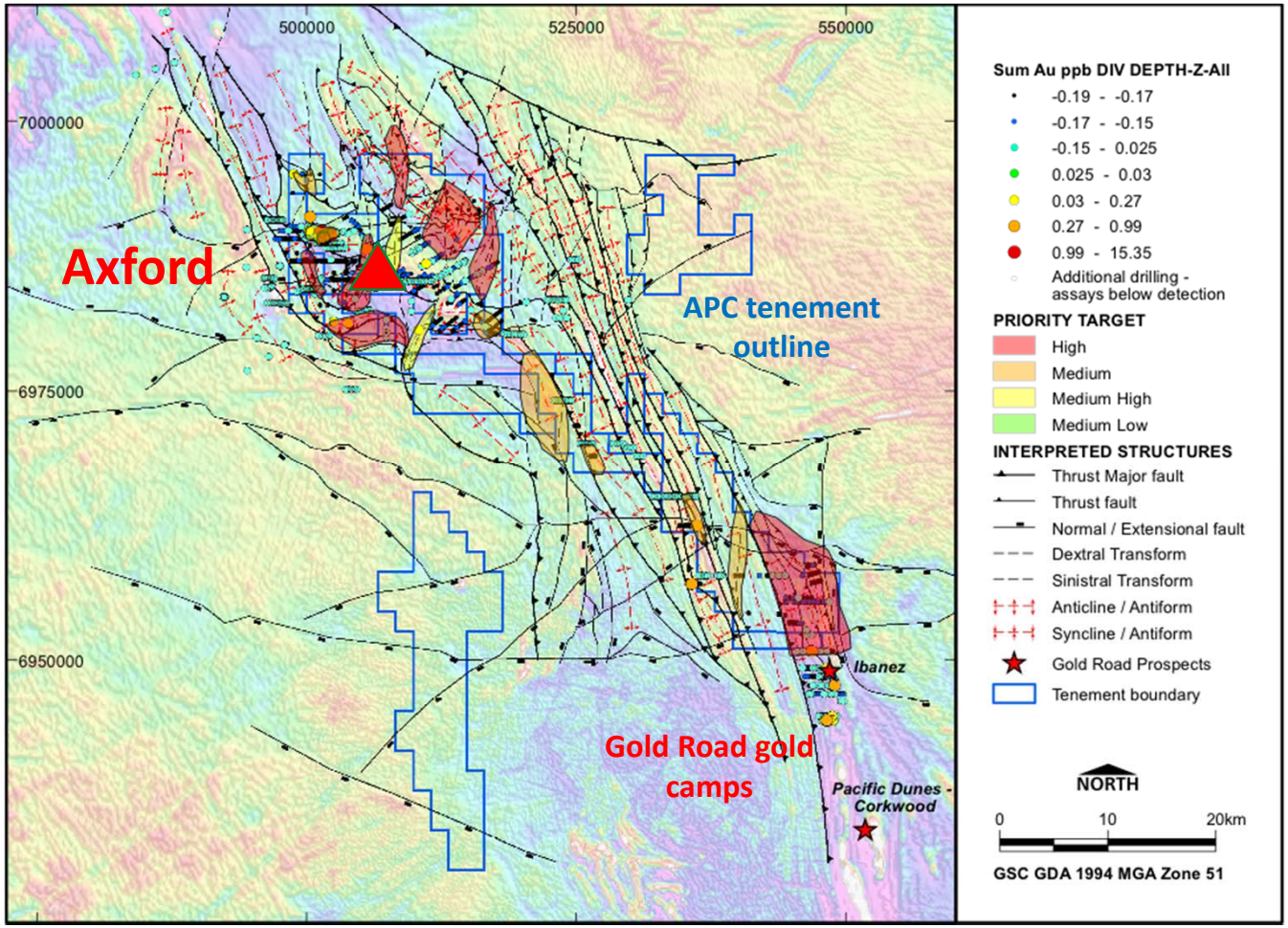
Attila Trend

- 270,000 ounces @ 1.59g/t including



APC tenement outline at the Yamarna Gold Project

Yamarna Shear - Dilationary Zone



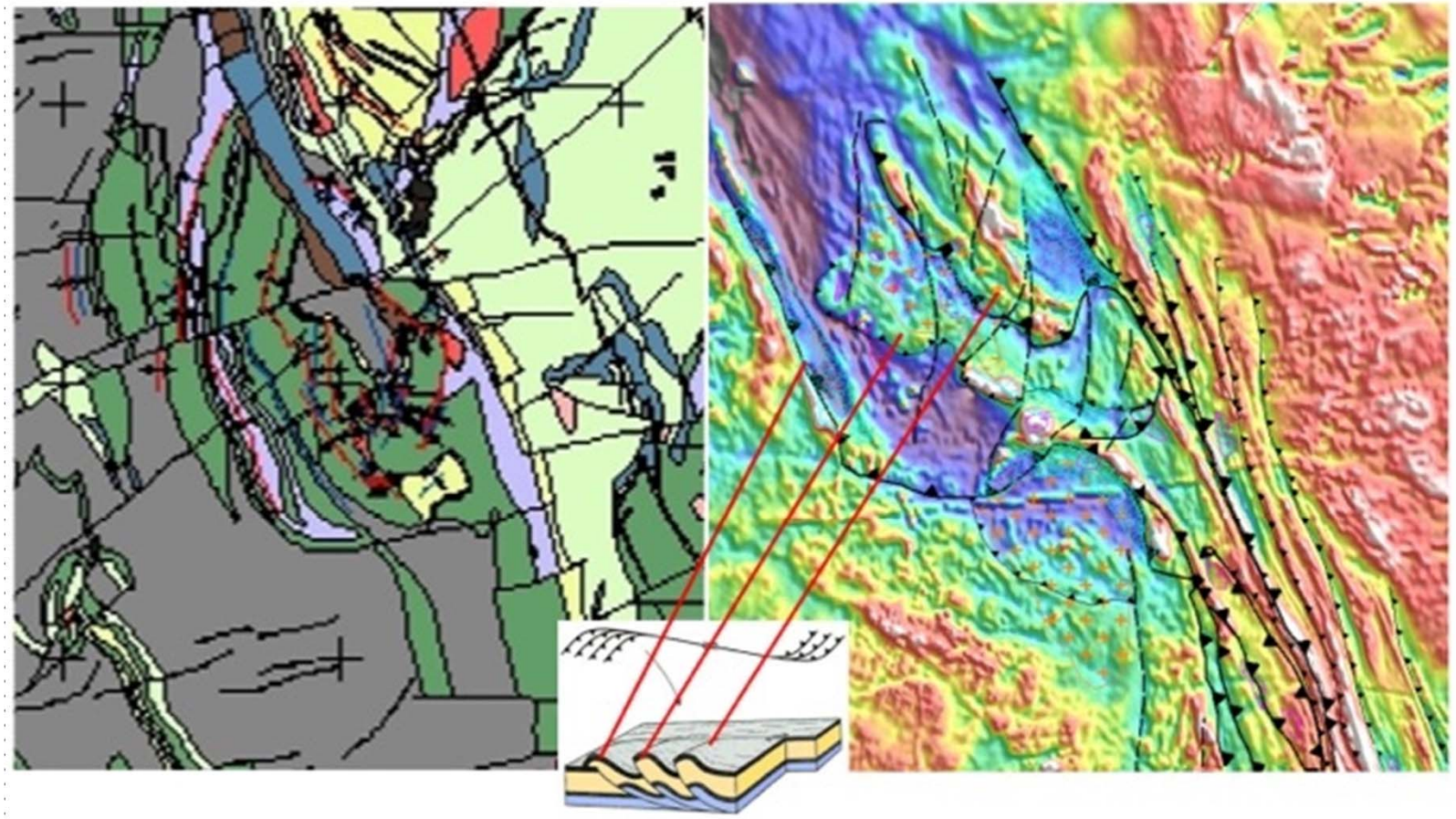
APC tenement outline in relation to Gold Road Resources' North Yamarna Ibanez Prospect

Outstanding regional success

- June 2017 adjoining neighbour Gold Road Resources (ASX: GOR) [2] [3] released outstanding gold results 2kms south-east of APC's tenement holding at **Ibanez** prospect including
  - 10m @ 28.76g/t Au
  - 9m @ 4.56g/t Au
  - 8.20m @ 11.63g/t Au
- Previous APC drilling at **Axford** [1] prospect includes
  - 6m @ 3.46g/t Au
  - 48m @ 0.51g/t Au and
  - 10m @ 1.55g/t Au

Yamarna Gold Project

Structurally analogous to Canada's Abitibe archaean greenstone belt

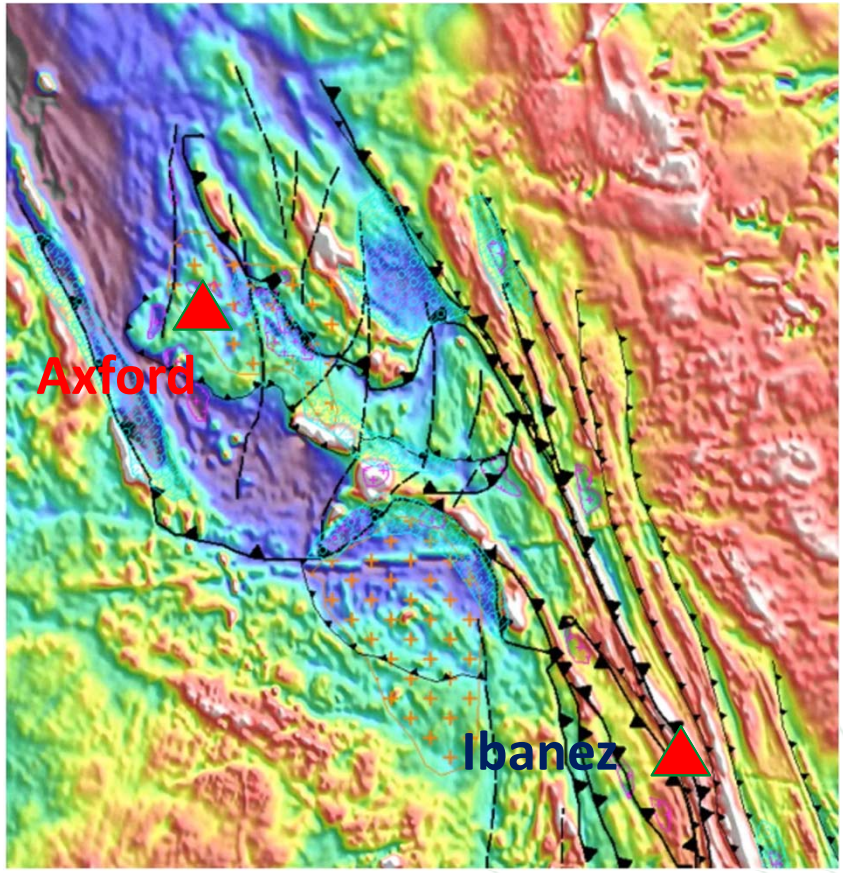


Yamarna Gold Project

Exploration program commencing immediately
Drill targets being defined

Yamarna Gold Project

- Northern terminus of the ‘Yamarna’ Shear
- Dextral Lateral Ramp thrust domain
- Strong Timmins (Abitibi Belt, Canada) similarities
- Relatively easy to constrain targets
- Likely to be up-lifted
- Amphibolite metamorphism



Yamarna shear zone showing dilationary zone and location of the Axford Prospect, c.65kms along strike of GOR’s Ibanez Prospect

Activities August – December 2017

- Comprehensive lithological model using existing database being developed now
- Project scale soil sampling and analysis program to refine high-priority drill targets to commence **SEPTEMBER 2017**
- **Targeting drill programs to commence 4Q 2017**
- Programs to be designed and managed by industry leading Archaean greenstone gold consultants CSA Global et al
- Board continuing to assess value development options for APC shareholders

Drilling at the Yamarna Gold Project is scheduled for Q4 2017

Directors & Management

Matt Shackleton

Executive Chairman

Matt is a resources executive and Chartered Accountant with 20 years experience in senior management and board roles. Previously the Managing Director of ASX listed Western Australian gold developer Mount Magnet South NL, Matt was the founding director of ASX listed and West African gold and bauxite explorer Canyon Resources Limited, and previously an Executive Director with Brazilian gold explorer Mineralis Limited. He has also held senior roles with Bannerman Resources Limited, a uranium developer, Skywest Airlines, iiNet Limited and London investment bank DRCM Global Investors.

Rhett Brans

Non-executive Director

Mr Brans is an experienced director and civil engineer with over 45 years experience in project developments. He is currently a Non-executive Director of Syrah Resources and Carnavale Resources Ltd. Previously, Mr Brans was a founding director of Perseus Mining Limited and served on the boards of Tiger Resources Limited and Monument Mining Limited.

Brett Lambert

Non-executive Director

Mr Lambert is a mining engineer and experienced company director in the Australian and international mineral resources industry. Over a career spanning 35 years, Mr Lambert has held senior management roles with Western Mining Corporation, Herald Resources, Western Metals, Padaeng Industry, Intrepid Mines, Thundelarra Exploration and Bullabulling Gold. He has successfully managed a number of green-fields resource projects through feasibility study and development and has been involved in numerous facets of financing resource project development.

Alan Rubio

Project Manager

+20 years experience in engineering design and project management roles. Previous roles with Worley Parsons, Hatch, Bateman Engineering, Northern Minerals and Arafura Resources. B.Eng (Mechanical)

Shaun Triner

Process Engineer

+30 years experience in the mining and minerals process industry, including 21 years in leadership roles at Rio Tinto's Dampier Salt as Manager Process Development and Technical Marketing. B.Sc (Minerals Science)

Carsten Kraut

Principal Hydrogeologist

+20 years experience in groundwater resource evaluation and development in the mining and construction industries. B.App.Sc (Applied Geology), Post Graduate Diploma (Hydrogeology) and M.Sc (Hydrogeology & Ground Water Management)

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