

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Australian Potash Limited

ACN

149 390 394

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | (a) Fully paid ordinary shares (Shares)
(b) Listed options (Attaching Options)
(c) Listed options (Underwriter Options) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 47,500,000
(b) 11,875,135
(c) 13,125,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Shares – Fully paid ordinary shares issued pursuant to the pro-rata renounceable entitlements issue (Offer) announced on 11 February 2019.
(b) Attaching Options – Free attaching listed options issued under the Offer, exercisable at \$0.12 each on or before 8 August 2021.
(c) Underwriter Options – listed options issued under the lead manager underwriting agreement (Underwriting Agreement), exercisable at \$0.12 each on or before 8 August 2021. |

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(a) Shares – Yes.</p> <p>(b) Attaching Options – No, however on exercise of the Attaching Options, shares issued will rank equally with existing fully paid ordinary shares currently on issue in the Company.</p> <p>(c) Underwriter Options – No, however on exercise of the Underwriter Options, shares issued will rank equally with existing fully paid ordinary shares currently on issue in the Company.</p>
<p>5 Issue price or consideration</p>	<p>(a) Shares - \$0.08 per Share.</p> <p>(b) Attaching Options – issued for nil consideration.</p> <p>(c) Underwriter Options – issued for nil consideration under the Underwriting Agreement.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Shares and Attaching Options are issued under the Offer announced on 11 February 2019 to raise funds for the Company for the uses set out in the Entitlement Issue Prospectus issued on 13 February 2019 (Prospectus). The Underwriter Options are issued under the terms of the Underwriting Agreement, entered into for the purpose of underwriting the Offer.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>29 November 2018</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil								
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil								
6f	Number of +securities issued under an exception in rule 7.2	(a) Shares - 47,500,000 (b) Attaching Options - 11,875,135 (c) Underwriter Options - 13,125,000								
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable								
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable								
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1								
7	+Issue dates <small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small> <small>Cross reference: item 33 of Appendix 3B.</small>	19 and 20 March 2019								
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">352,573,073</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td style="text-align: right;">37,594,906</td> <td>Options, exercise price \$0.20, expiring 25 October 2019</td> </tr> <tr> <td style="text-align: right;">25,000,135</td> <td>Options, exercise price \$0.12, expiring 8 August 2021</td> </tr> </tbody> </table>	Number	+Class	352,573,073	Fully paid ordinary shares	37,594,906	Options, exercise price \$0.20, expiring 25 October 2019	25,000,135	Options, exercise price \$0.12, expiring 8 August 2021
Number	+Class									
352,573,073	Fully paid ordinary shares									
37,594,906	Options, exercise price \$0.20, expiring 25 October 2019									
25,000,135	Options, exercise price \$0.12, expiring 8 August 2021									

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	3,430,000	Options, exercise price \$0.10, expiring 21 April 2021
	3,430,000	Options, exercise price \$0.15, expiring 21 April 2021
	5,000,000	Options, exercise price \$0.125, expiring 2 May 2019
	1,861,702	Options, exercise price \$0.175, expiring 28 November 2019
	2,034,883	Options, exercise price \$0.225, expiring 28 November 2019
	2,559,526	Options, exercise price \$0.175, expiring 14 December 2019
	2,756,412	Options, exercise price \$0.225, expiring 14 December 2019
	1,500,000	Options, exercise price \$0.225, expiring 9 May 2020
	1,250,000	Options, exercise price \$0.225, expiring 30 November 2020
	1,250,000	Options, exercise price \$0.225, expiring 30 November 2020
	21,600,000	Options, exercise price \$0.12, expiring 8 August 2021
	1,277,500	Options, exercise price \$0.225, expiring 27 December 2021

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Part 2 - Pro rata issue

11 Is security holder approval required?

No

12 Is the issue renounceable or non-renounceable?

Renounceable

13 Ratio in which the +securities will be offered

Shares – 1 new share for every existing 14 shares in the Company as at 18 February 2019 (**Record Date**).

Attaching Options – 1 attaching option for every 4 new shares allotted under the Offer.

+ See chapter 19 for defined terms.

14	+Class of +securities to which the offer relates	<div style="border: 1px solid black; padding: 2px;"> <p>Shares – APC</p> <p>Attaching Options - APCOB</p> </div>
15	+Record date to determine entitlements	<div style="border: 1px solid black; padding: 2px;"> <p>18 February 2019</p> </div>
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	<div style="border: 1px solid black; padding: 2px;"> <p>No</p> </div>
17	Policy for deciding entitlements in relation to fractions	<div style="border: 1px solid black; padding: 2px;"> <p>Fractional entitlements will be rounded up to the nearest whole number</p> </div>
18	<p>Names of countries in which the entity has security holders who will not be sent new offer documents</p> <p>Note: Security holders must be told how their entitlements are to be dealt with.</p> <p>Cross reference: rule 7.7.</p>	<div style="border: 1px solid black; padding: 2px;"> <p>All countries other than Australia and New Zealand</p> </div>
19	Closing date for receipt of acceptances or renunciations	<div style="border: 1px solid black; padding: 2px;"> <p>8 March 2019</p> </div>
20	Names of any underwriters	<div style="border: 1px solid black; padding: 2px;"> <p>Patersons Securities Limited</p> </div>
21	Amount of any underwriting fee or commission	<div style="border: 1px solid black; padding: 2px;"> <p>\$168,000 (excluding GST)</p> </div>
22	Names of any brokers to the issue	<div style="border: 1px solid black; padding: 2px;"> <p>Patersons Securities Limited</p> </div>
23	Fee or commission payable to the broker to the issue	<div style="border: 1px solid black; padding: 2px;"> <p>\$123,500 (excluding GST)</p> </div>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	<div style="border: 1px solid black; padding: 2px;"> <p>Not applicable</p> </div>
25	If the issue is contingent on security holders' approval, the date of the meeting	<div style="border: 1px solid black; padding: 2px;"> <p>Not applicable</p> </div>
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	<div style="border: 1px solid black; padding: 2px;"> <p>15 February 2019</p> </div>

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27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	13 February 2019
28	Date rights trading will begin (if applicable)	18 February 2019
29	Date rights trading will end (if applicable)	26 February 2019
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Refer to section 4 of the Prospectus
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Refer to section 4 of the Prospectus
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Refer to section 4 of the Prospectus
33	+Issue date	19 and 20 March 2019

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

+ See chapter 19 for defined terms.

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

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- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: (Company secretary)
Print name: Sophie Raven

Date: 20 March 2019

⁺ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	261,873,073
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>16,797,693 fully paid ordinary shares issued on 24 May 2018 (under rule 7.1), approved by shareholders on 12 July 2018</p> <p>25,687,307 fully paid ordinary shares issued on 24 May 2018 (under rule 7.1A), approved by shareholders on 12 July 2018</p> <p>715,000 fully paid ordinary shares issued on 8 August 2018, approved by shareholders on 12 July 2018</p> <p>47,500,000 fully paid ordinary shares issued on 19 and 20 March 2019 under the Offer, being an exception in rule 7.2 (Exception 1)</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	352,573,073
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	52,885,960

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Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	52,885,960
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	Nil
<p>Total [“A” x 0.15] – “C”</p>	<p>52,885,960</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
<p>“A”</p> <p><i>Note: number must be same as shown in Step 1 of Part 1</i></p>	352,573,073
Step 2: Calculate 10% of “A”	

+ See chapter 19 for defined terms.

“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	35,257,307
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of *equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“E”	Nil
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	35,257,307
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	35,257,307 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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