

13 May 2020

ASX ANNOUNCEMENT
ASX: APC

AUSTRALIAN POTASH LIMITED

DESPATCH OF RIGHTS ISSUE OFFER DOCUMENT

Lake Wells Sulphate of Potash Project

Australian Potash Limited (ASX: APC) (**APC** or the **Company**) is pleased to advise that the Offer Document in connection with the pro rata renounceable Rights Issue which was announced to ASX on 1 May 2020 and the personalised Entitlement and Acceptance Forms were despatched to Eligible Shareholders today.

Revised Indicative Timetable

Due to advised delays currently being experienced with postal times, the Company has decided to extend the Closing Date of the Rights Issue.

The revised timetable for the Rights Issue is set out below. The dates are indicative only and the Company reserves the right to further vary the dates (subject to the Corporations Act and the ASX Listing Rules).

Company announces Rights Issue	1 May 2020
Lodgement of Offer Document, Appendix 3B and s708AA Cleansing Notice with ASX (Prior to the commencement of trading)	5 May 2020
Ex date	7 May 2020
Rights commence trading	7 May 2020
Record Date for determining Entitlements	8 May 2020
Offer Document sent out to Eligible Shareholders & Company announces this has been completed & Offer Opening Date	13 May 2020
Rights stop trading	22 May 2020

Last day to extend the Offer Closing Date	26 May 2020
Closing Date*	29 May 2020
ASX notified of results of Offer	3 June 2020
Issue date/Shares entered into Shareholders' security holdings and lodge Appendix 2A with ASX	5 June 2020
Quotation of Shares issued under the Offer	10 June 2020

*The Directors may further extend the Closing Date by giving at least 3 business days' notice to ASX prior to the Closing Date. As such the date the Rights Shares are expected to commence trading on ASX may vary.

This announcement is authorised for release by APC's Board of Directors.

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About Australian Potash Limited



K-Brite™ is a registered trademark brand of Australian Potash Limited (ASX: APC), representing the premium Sulphate of Potash (SOP) to be produced from the Company's flagship Lake Wells Project.

APC holds a 100% interest in the Lake Wells Sulphate of Potash Project (LSOP) located approximately 500kms northeast of Kalgoorlie, in Western Australia's Eastern Goldfields.

Following the release of the Definitive Feasibility Study (DFS) in August 2019ⁱ, APC is focused on the Front-end Engineering Design (FEED) Study, finalising offtake discussions and securing financing to develop the LSOP.

The DFS was underpinned by extensive and rigorous testwork, data, and modelling. The DFS confirmed that the LSOP will be a long life, low capital and high margin SOP producer.

Key outcomes from the DFS include:

- 30-year mine life producing 150,000tpa of premium grade SOP utilising approximately 21% of the total Measured Resource estimate
- Long mine life underpinned by 3.6Mt reserve and **18.1Mt** Measured Resource estimate
- Pre-tax NPV8 of **A\$665m** and an IRR of 25%
- Development capex of A\$208M with sector leading capital intensity of A\$1,387/t
- First quartile industry opex of US\$262/t providing high cash operating margins

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 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 Refer to ASX Announcement 28 August 2019 'Definitive Feasibility Study Outstanding Financial Outcomes'. 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 28 August 2019 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 28 August 2019 announcement continue to apply and have not materially changed.