



American Pacific

BORATE & LITHIUM
LIMITED

**FORT CADYBORATE AND LITHIUM PROJECT,
CALIFORNIA, USA**

**121 MINING INVESTMENT HONG KONG
17 OCTOBER 2017**

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COMPETENT PERSON

The information in this presentation that relates to exploration results and historical mineral estimates is based on, and fairly represents, information and supporting documentation compiled by Lachlan Rutherford (PhD, MBA) the Company's Head of Strategy & Corporate Development. Dr Rutherford is a competent person who is a member of the Australian Institute of Mining & Metallurgy, and a full time employee of the Company. Dr Rutherford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the 2012 edition of the JORC Code. Dr Rutherford consents to the inclusion of the matters based in this Presentation on his information noted in the form and context in which it appears.

HISTORICAL MINERAL ESTIMATES

The historical mineral estimates in this presentation are not reported in accordance with the guidelines of the JORC Code (2012). A competent person has not completed sufficient work to classify these estimates as Mineral Resources or Ore Reserves in accordance with the guidelines of the JORC Code (2012). It is uncertain that following evaluation and/or further exploration work that the estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with JORC Code (2012). The full source details of the above estimates are contained in the May 2017 IPO Prospectus

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AMERICAN PACIFIC BORATE AND LITHIUM IS AN ASX LISTED BORATE AND LITHIUM DEVELOPER

The Company is developing the Fort Cady Project in California. The Project has many strengths including:



Low capex
target



Likely high
margin



Low technical
risk



Option rich



Key permits in
place for initial 90k
tonnes per annum
operation



Strong commodity
tailwinds with non
disruptive production
volume targets

The Company has a compressed development timeline that takes advantage of the US\$50m spent on the project to date. Focus is on being construction ready quickly.



DEVELOPING THE FORT CADY BORATE & LITHIUM PROJECT IN SOUTHERN CALIFORNIA



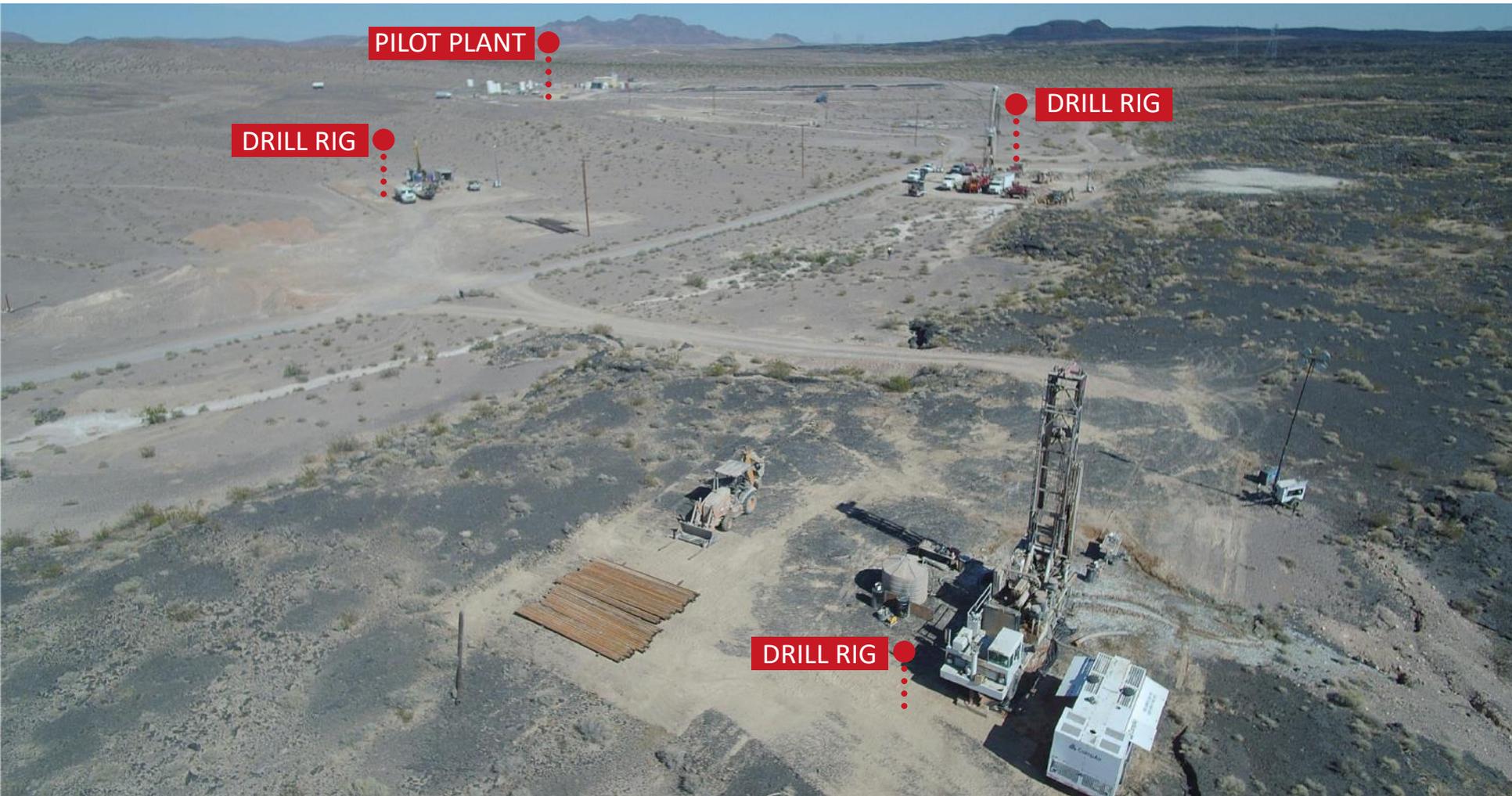
Project location in California, USA

- Building out a corporate and project team in Apple Valley, California
- Compressed timeline to construction ready taking advantage of over US\$50m spent on the project to date
- Early Scoping Study results on boric acid operation for 90,000 tonne per annum operation (Phase 1) are encouraging:
 - Low capex
 - High operating margins
- Lithium by-product testworks and exploration activities in train

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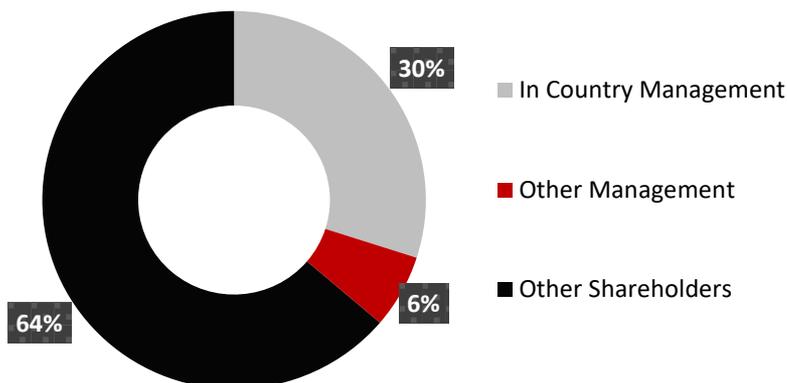




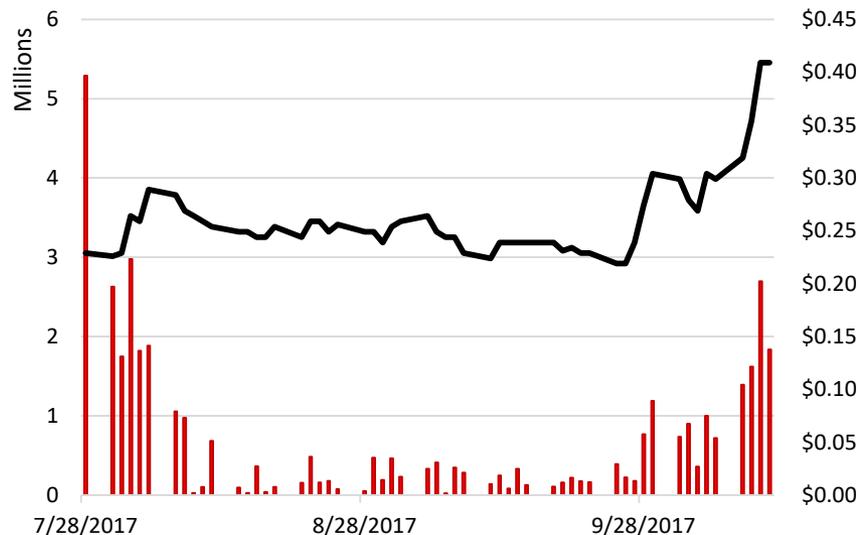
CORPORATE INFORMATION

ASX Ticker	ABR
Share Price at 13 Oct 2017	A\$0.44
Shares on Issue	169.8m
Tradeable Securities	83.8m
Fully Diluted Shares	184.8m
Undiluted Market Cap.	A\$74.7m
Diluted Market Cap.	A\$81.3m
Cash at Bank	~ A\$12m
Major shareholder: Atlas Precious Metals	29%

FULLY DILUTED SHARES



SHARE PRICE



KEY EXECUTIVES

Michael X. Schlumpberger
Managing Director and CEO, BEng (Mining), MBA

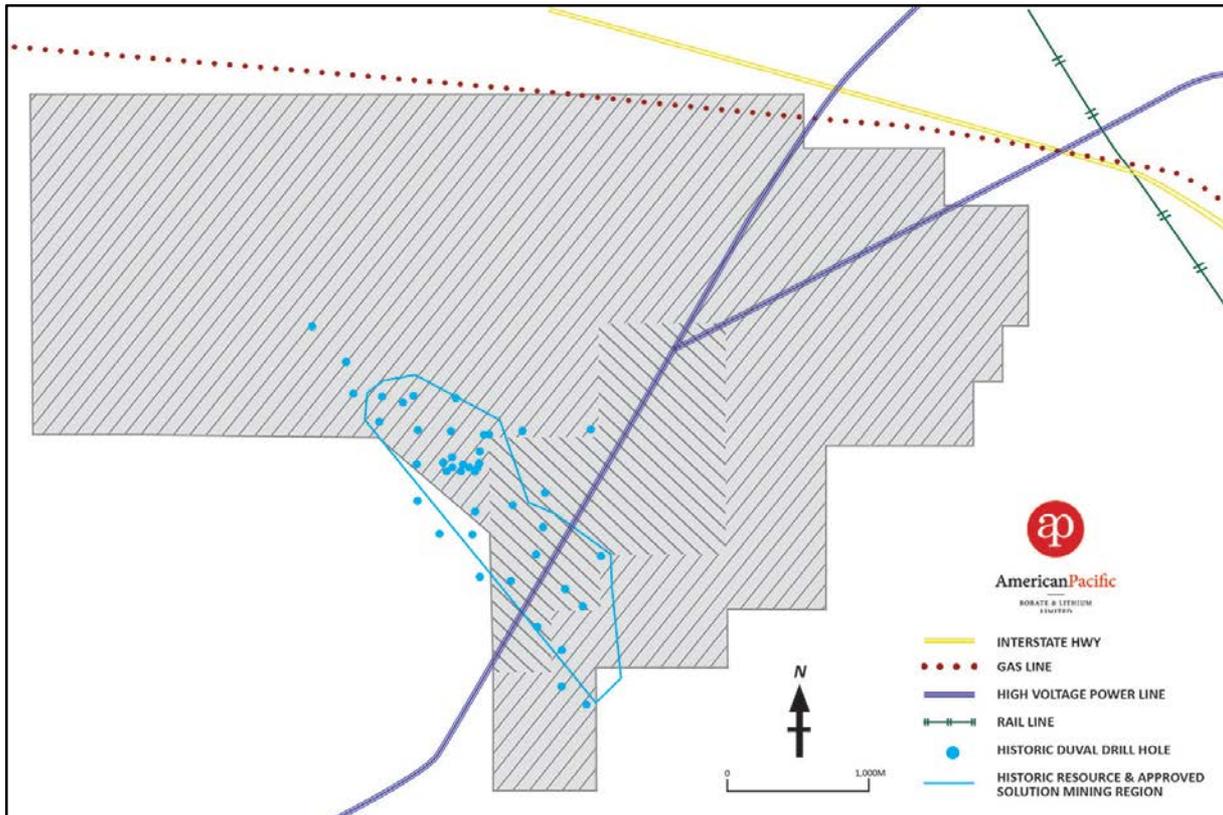
Mike is a qualified mining engineer with over 30 years' experience in industrial minerals. His background includes management, operations, and maintenance in all aspects of mining, processing, reclamation, and permitting. He has held senior roles with Potash Corporation of Saskatchewan, Passport Potash, and Highfield Resources, and has worked in the United States, Canada, and Europe

Anthony Hall
Executive Director, LLB(Hons), BBus, AGIA

Anthony is a qualified lawyer with 20 years' commercial experience in venture capital, risk management, strategy and business development. He was Managing Director of ASX listed Highfield Resources Ltd from 2011 to 2016. During his tenure the company's market cap grew from \$10m to \$500m & over \$140m was raised to progress potash projects in Spain



WORLD CLASS IN-PLACE INFRASTRUCTURE SUBSTANTIALLY REDUCES CAPEX



Existing infrastructure adjacent to Fort Cady Project

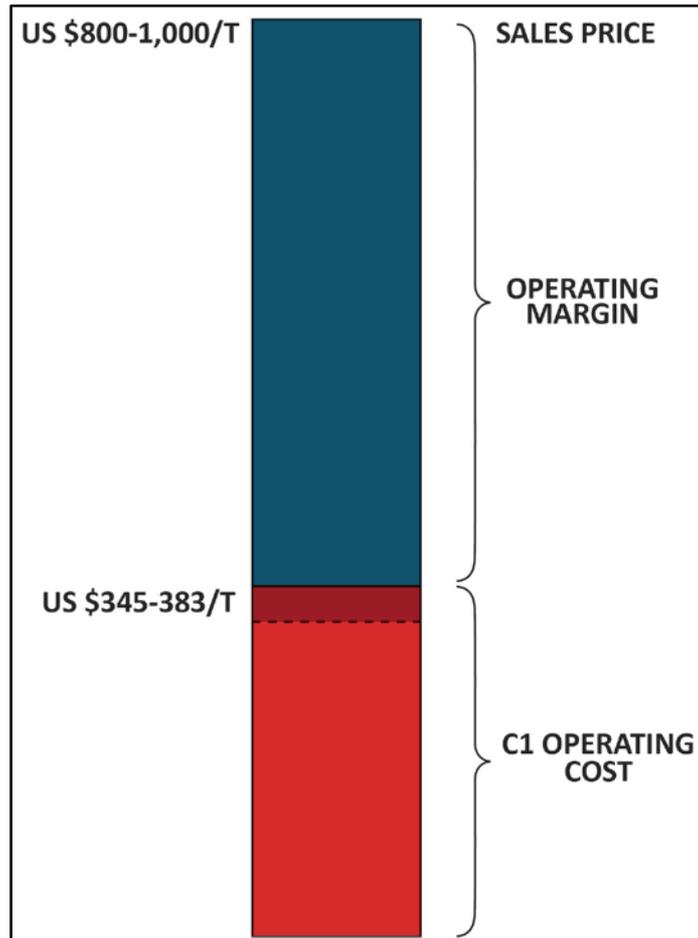
Low Capital Expenditure

- Targeting pre-production capex of between US\$80m and US\$90m for first phase of 90,000 tonnes per annum boric acid*
- Target is to fund additional phases via cash flow and potential lithium upside
- Brilliant in-place infrastructure resulting in lower pre-production capex

* Refer ASX Release of 12 October 2017



MARGIN DRIVEN BY ENERGY, WATER AND GAS NETWORKS AND OPTIMAL LOGISTIC ADVANTAGES



High margin

- Scoping study level C1 Opex estimates of circa US\$345 to US\$383 per tonne of boric acid produced*
- Current US boric acid prices between US\$800 and US\$1,000 per tonne
- Potential for high operating margins of circa US\$500 per tonne
- Potential for lithium by-product credit

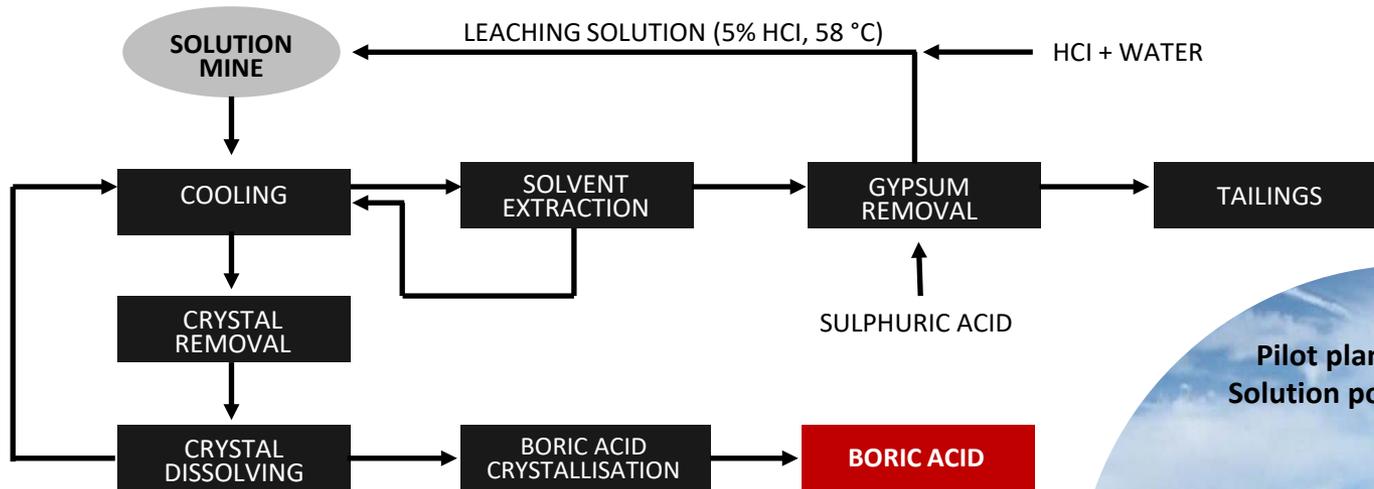
* Refer ASX Release of 12 October 2017

WHY FORT CADY? LOW TECHNICAL RISK



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TECHNICALLY PROVEN COLEMANITE MINERALISATION AND HISTORICAL TESTWORKS HAVE DELIVERED A ROBUST PROCESS FLOW SHEET



- Technically proven process flowsheet for boric acid production*
- Over 1 million pounds of boric acid produced from pilot plant operation
- Lithium by-product circuit potential

* Refer ASX Release of 12 October 2017



PROJECT OPTIONS DRIVEN BY SCALE, MULTI-COMMODITIES AND LOCATIONAL ADVANTAGES



HISTORIC (NON-JORC 2012 COMPLIANT) MINERAL ESTIMATES*

Company	B ₂ O ₃ Cut-off (%)	Tonnes (Mt)	B ₂ O ₃ Grade (%)
Duval (1982)	3	192	5.7
	5	115	7.4
	7	69	9.0
Geosolutions (1990)	3	266	5.3
	5	115	7.1
	7	43	9.4

- Large-scale and strong grade to ensure ability to “right size” initial operations
- Initial focus on premium boric acid product, lithium by-product and lithium brines target
- Secondary focus on production of acid to reduce costs and likely SOP Mannheim plant

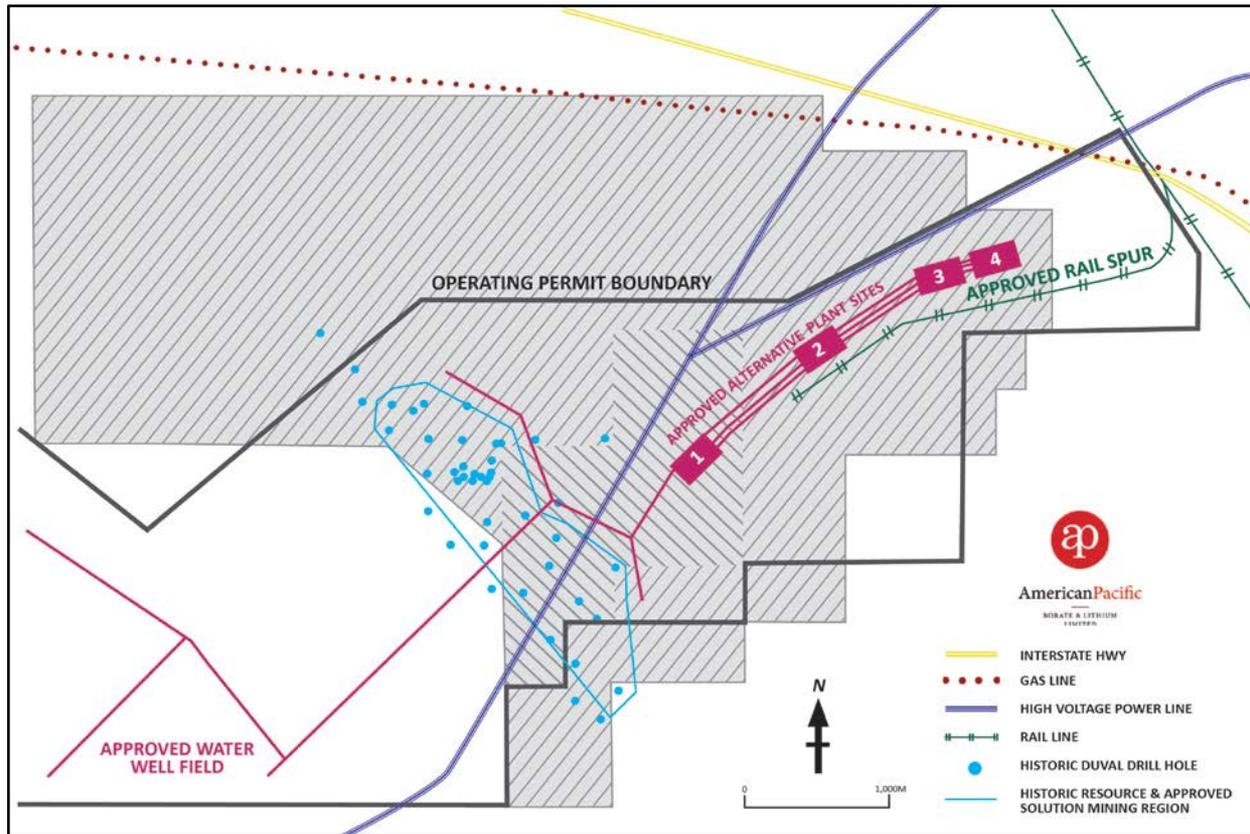
* Refer Independent Geologist’s Report in May 2017 IPO Prospectus

WHY FORT CADY? KEY PERMITS IN PLACE



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IN-PLACE MINING PERMITS REDUCE TIME TO MARKET AND RISK



- Key land use permits for commercial-scale operations in-place (Plan of Operations, Mining Conditional Use Permit and Reclamation Plan (94M-04) and EIS
- Pilot plant fully permitted for operations
- Air and Water Quality permits lapsed in 2009 and need to be reinstated for commercial-scale operations

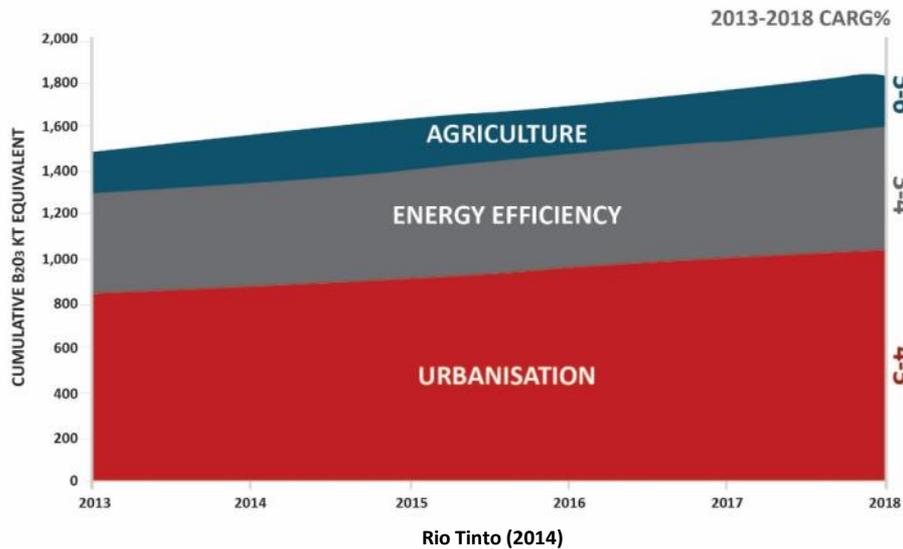
WHY FORT CADY? STRONG COMMODITY TAILWINDS



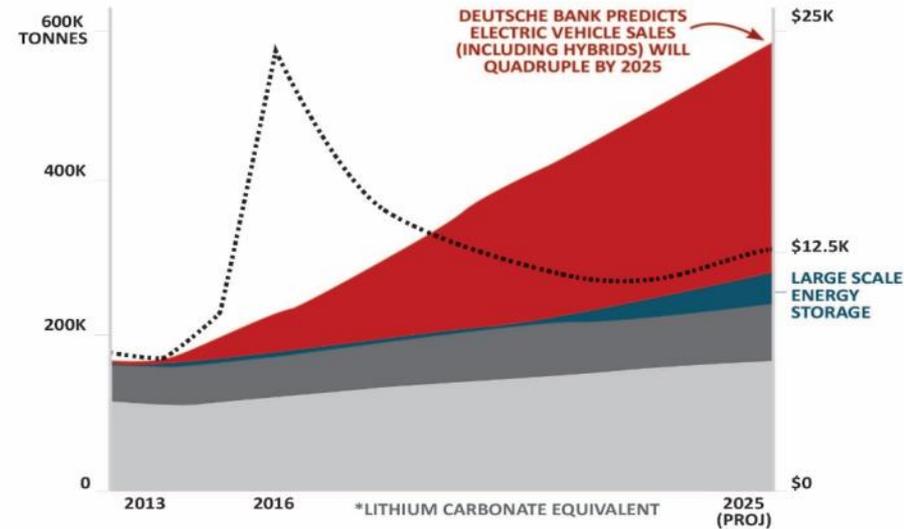
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CLEAN TECHNOLOGY, ENERGY EFFICIENCY AND FOOD SECURITY DRIVING COMMODITY DEMAND

GLOBAL REFINED BORATES DEMAND



LITHIUM CARBONATE DEMAND



<https://www.bloomberg.com/news/features/2017-03-29/the-great-nevada-lithium-rush-to-fuel-the-new-economy>

- Borate and lithium demand projected to grow at significantly higher rates than global GDP in the medium to long term
- Commodities driven by clean technology, energy efficiency and food security
- Boric acid equivalent market size is around 4m tonnes per annum
- Initial target of 90k tonnes per annum of boric acid is less than six months growth in market
- Lithium carbonate production is likely to be less than this in market growth terms

MILESTONES



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Global marketing in Nth Am, UK/EU, Asia
Commence discussions with sales and marketing partners (boric acid & LCE)

Maiden JORC Resource Scoping Study

Dec. Qtr 2017

**Construction ready
Air & Water Quality permits reinstated**

**2H
CY18**



Sept. Qtr 2017



**1H
CY18**



Drilling program

**Complete pilot plant & metallurgical studies
Complete Definitive Feasibility Study (DFS)**

Setup office in Apple Valley, CA
Key site appointments
Commence stakeholder engagement

Finalise EPC management
Engage construction partners

**COMPRESSED TIMELINE THAT TAKES ADVANTAGE
OF SIGNIFICANT HISTORICAL WORK**



Colemanite mineralisation in core from drill hole 17FTCBL009

- American Pacific Borate and Lithium is an ASX listed borate and lithium developer
- The Company is developing the Fort Cady Project in California
- The Project has many strengths including:
 1. Low capex target
 2. Likely high margin
 3. Low technical risk
 4. Option rich
 5. Key permits in place for initial 90k tonnes per annum operation
 6. Strong commodity tailwinds with non disruptive production volume targets
- The Company has a compressed development timeline that takes advantage of the US\$50m spent on the project to date
- Focus is on being construction ready quickly



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CONTACT

Anthony Hall

Executive Director

+61 417 466 039

ahall@americanpacifcborate.com

Simon Hinsley

NWR Communications

+61 401 809 653

Lachlan Rutherford

Head of Corporate Development and Strategy

+61 487 681 860

lrutherford@americanpacifcborate.com

Charlie Bendon

Tamesis Partners LLP (UK)

+44 7968 167 030