



Announcement Summary

Entity name

AUSTRALIAN POTASH LIMITED

Announcement Type

New announcement

Date of this announcement

Monday May 24, 2021

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
APC	ORDINARY FULLY PAID	62,221,428

Proposed +issue date

Monday May 31, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

AUSTRALIAN POTASH LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

58149390394

1.3 ASX issuer code

APC

1.4 The announcement is

New announcement

1.5 Date of this announcement

Monday May 24, 2021

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

APC : ORDINARY FULLY PAID

Number of +securities proposed to be issued

62,221,428

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.14000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes



Part 7C - Timetable

7C.1 Proposed +issue date

Monday May 31, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

60,765,104 fully paid ordinary shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

1,456,324 fully paid ordinary shares

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

Joint Lead Manager advice to the Company was that a placement to sophisticated and professional investors would ensure a successful outcome as regards to the quantum of capital raise.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses



7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited acted as Joint Lead Managers to the Placement.

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

6% of the funds raised for their combined work in completing the May Placement on behalf of the Company

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Nil

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

(i) early works construction activities - Lake Wells SOP Project; (ii) minor works associated with the finalisation of the offtake program and syndicated debt facility; (iii) exploration works for Laverton Downs Project; and (iv) general working capital.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

The May Placement consisted of two Tranches. Shares to be issued under Tranche 2 will be taken to a general meeting for member approval on or around 9 July 2021. The 15 trading day VWAP for shares is \$0.167 as sourced from the Joint Lead Managers - Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited.