



23 May 2024

## Investor Presentation

- **Investor Webinar held 10:00 AWST 23 May 2024**
- **Following presentation was given to investors and attendees**

Australian Potash Limited (**ASX: APC** or the **Company**) is pleased to advise Managing Director and CEO Matt Shackleton hosted a webinar this morning at which he presented to investor and attendees the following Investor Presentation.

This release was authorised by the Managing Director & CEO of the Company.

**Matt Shackleton**

Managing Director & CEO

[m.shackleton@australianpotash.com.au](mailto:m.shackleton@australianpotash.com.au)

+61 (0) 438 319 841

**Michael Fry**

Company Secretary

[m.fry@australianpotash.com.au](mailto:m.fry@australianpotash.com.au)

+61 (0) 417 996 454





## About APC

APC holds a 100% interest in the West Arunta **Nexus Project (Nexus)**, located approximately 1,000kms east-SE of Port Hedland in Western Australian. Comprising of two exploration licenses across an area of approximately 500km<sup>2</sup> Nexus is an early stage exploration opportunity surrounded by globally significant and emerging rare earth and critical mineral element deposits. The West Arunta is WA's most exciting exploration frontier with strong potential to hold sedimentary, IOCG, SEDEX & carbonatite hosted mineral deposits.

APC holds a 100% interest in the **Lake Wells Gold Project (LWGP)**, located approximately 500kms northeast of Kalgoorlie, in Western Australia's Eastern Goldfields. Forming part of the project areas on listing the LWGP was held under an earn-in joint-venture by a third-party between 2018 – 2022. The opportunity to consolidate the data set generated during the JV with existing data has generated a new exploration model with several untested, highly prospective targets.

APC holds a 100% interest in the **Laverton Downs Project**, located 5kms north of Laverton, in Western Australia's Eastern Goldfields.<sup>i</sup>

Please visit [www.australianpotash.com.au](http://www.australianpotash.com.au) for more information.

## Forward Looking Statements

This announcement may contain 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 forward-looking 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.

---

<sup>i</sup> Refer to ASX Announcement 9 April 2021 'Massive Nickel Sulphide Targets Identified at Laverton Downs'. 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 9 April 2021 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 9 April 2021 announcement continue to apply and have not materially changed.



Creating new exploration frontiers



**Lake Wells Gold Project** – walk up drill targets, heavily gold endowed greenstone belt



**West Arunta REE Li Nb Project** – Australia's hottest exploration territory, new global scale Niobium discoveries

# Disclaimer

## Nature of this document

This presentation has been prepared by Australian Potash Limited (APC or the Company). The information is based on publicly available information, internally developed data and other sources. By receiving this presentation, you acknowledge and represent to the Company that you have read, understood and accepted the terms of this disclaimer. It is the responsibility of all recipients of this presentation to obtain all necessary approvals to receive this presentation and receipt of this presentation will be taken by the Company to constitute a representation and warranty that all relevant approvals have been obtained.

## Not an offer

This presentation is for information purposes only and does not purport to be all inclusive or to contain all information about the Company or any of the assets, current or future, of the Company. This presentation does not comprise a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This presentation also does not constitute or form part of any invitation, offer for sale or subscription or any solicitation for any offer to buy or subscribe for any securities in any jurisdiction nor shall it or any part of it form the basis of or be relied upon in connection therewith or act as any inducement to enter into any contract or commitment with respect to securities. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. This presentation and its contents must not be distributed, transmitted or viewed by any person in the United States or any jurisdiction where the distribution, transmission or viewing of this document would be unlawful under the securities or other laws of that or any other jurisdiction.

## Not investment advice

This presentation is not investment or financial product advice (nor tax, accounting or legal advice) and its contents are not intended to be used for the basis of making an investment decision. Recipients of this presentation should carefully consider whether the Company is an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. This presentation does not take into account the individual investment objectives, financial situation and particular needs of each investor or shareholder. You may wish to seek independent financial and taxation advice before making any decision in respect of this presentation. Neither APC nor any of its related bodies corporate is licensed to provide financial product advice in respect of the Company's securities or any other financial products.

## Competent Persons' Statement

#The information in this report that relates to the Mineral Resource is based on information announced to the ASX on 8 August 2019. APC confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the Estimate in the relevant market announcement continue to apply.

The information in the announcement that relates to Mineral Resources is based on information that was compiled by Mr John Vinar. Mr Vinar is the Principal Geologist and a Director of Barking Outback, a firm that provides consulting services to the Company. Neither Mr Vinar nor Barking Outback own either directly or indirectly any securities in the issued capital of the Company. Mr Vinar has 35+ years of technical experience. He is a Geologist and Member of the Australian Institute of Mining and Metallurgy. Mr Vinar has sufficient experience which is relevant to the style of mineralisation and type of deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". John Vinar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## Forward Looking Statements Disclaimer

This presentation 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 presentation. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

## Financial Forecasts

^The forecast financial information stated in this presentation is based on the Company's Front End Engineering Design Program results as released to the ASX on 20 April 2021. The Company confirms that all material assumptions underpinning the forecast financial information continue to apply and have not materially changed.

# Re-Energised with Strong Leverage to Exploration Success

## Lake Wells Gold project, **Laverton WA**

80kms of proven gold bearing greenstone belt

- Neighbour Gold Road Resources/Gruyere Gold Mine (ASX: GOR): **+3,300%** in value since discovery
- **Rig mobilising to site Monday 27 May 2024**

## Nexus REE Li Nb project, **West Arunta WA**

Hosting Australia's newest rare earth discoveries generating enormous company valuations

- WA1 (ASX: WA1): **+9,300%\***
- Encounter (ASX: ENR): **+255%\***
- Rincon (ASX: RCR): **+145%\***

- Clean balance sheet with fresh strategy and heavily incentivised board and management team
- Corporate identity/name change on the agenda

Metric	Value
<b>Cash on hand at relisting</b>	<b>\$1.95m</b>
Shares on issue	4.0Bn
ASX trading price/issue price	\$0.001
Market Capitalisation (MCap)	\$4.0m
<b>Implied Enterprise Value (EV)</b>	<b>\$2.0m</b>

- ✓ Backing a team with a track record of creating value for shareholders
- ✓ Very low market capitalisation with share price highly leveraged to exploration success
- ✓ Peer company valuations driven by regional exploration success

\*in market capitalisation 2 years to April '24

# Corporate Snapshot

## Board and Management

### **Matt Shackleton** - Managing Director & CEO

- Chartered Accountant, B.Comm. (Economics), MBA UWA
- Joined APC 2014 taking market capitalisation from <\$1M to +\$100M, completed bankable feasibility, raised +\$185M development debt
- Former MD of gold developer Mount Magnet South, NED Canyon Resources, CFO Bannerman Resources, CEO Arunta Resources

### **Cathy Moises** - Non-Executive Chair

- B.Science (Geology) (Hons) Previously Head of Research at Patersons Securities, Partner of Evans and Partners, senior resources analyst at Merrill Lynch and Citigroup
- Brings substantial experience in company management, capital markets and institutional investor engagement across sectors such as gold, base metals, mineral sands and the rare earths

### **Jonathan Fisher** - Non-Executive Director

- Commerce, law, finance degrees from UWA & MQ
- Strong deal flow from personal and professional networks
- CEO of Cauldon Energy (appointed December 2022) and has energised the Company and delivered 500% increase in market capitalisation to circa \$36m

## Top Shareholders

	%
Finman Pty Ltd	6.2%
Kassett Pty Ltd	5.9%
Complete Constructions A/c	5.2%
Yandal Investments	2.6%
Matt Shackleton	2.0%
<b>Top 20 Total</b>	<b>40.2%</b>
<b>Total Shareholders</b>	<b>3,535</b>

## Overview of Corporate History

- Listed on ASX December 2011 focused on Lake Wells gold and Laverton base metals projects
- Discovered potash rich brines April 2015, joint ventured gold exploration to St Barbara Ltd 2018
- Collapse of WA potash sector 2022-2023: strategic review of asset base, Company entered VA December 2023
- Successful DOCA proposed by Matt Shackleton saw Company returned to Directors' control February 2024
- Reinstated to trading on ASX **Tuesday 7 May 2024**

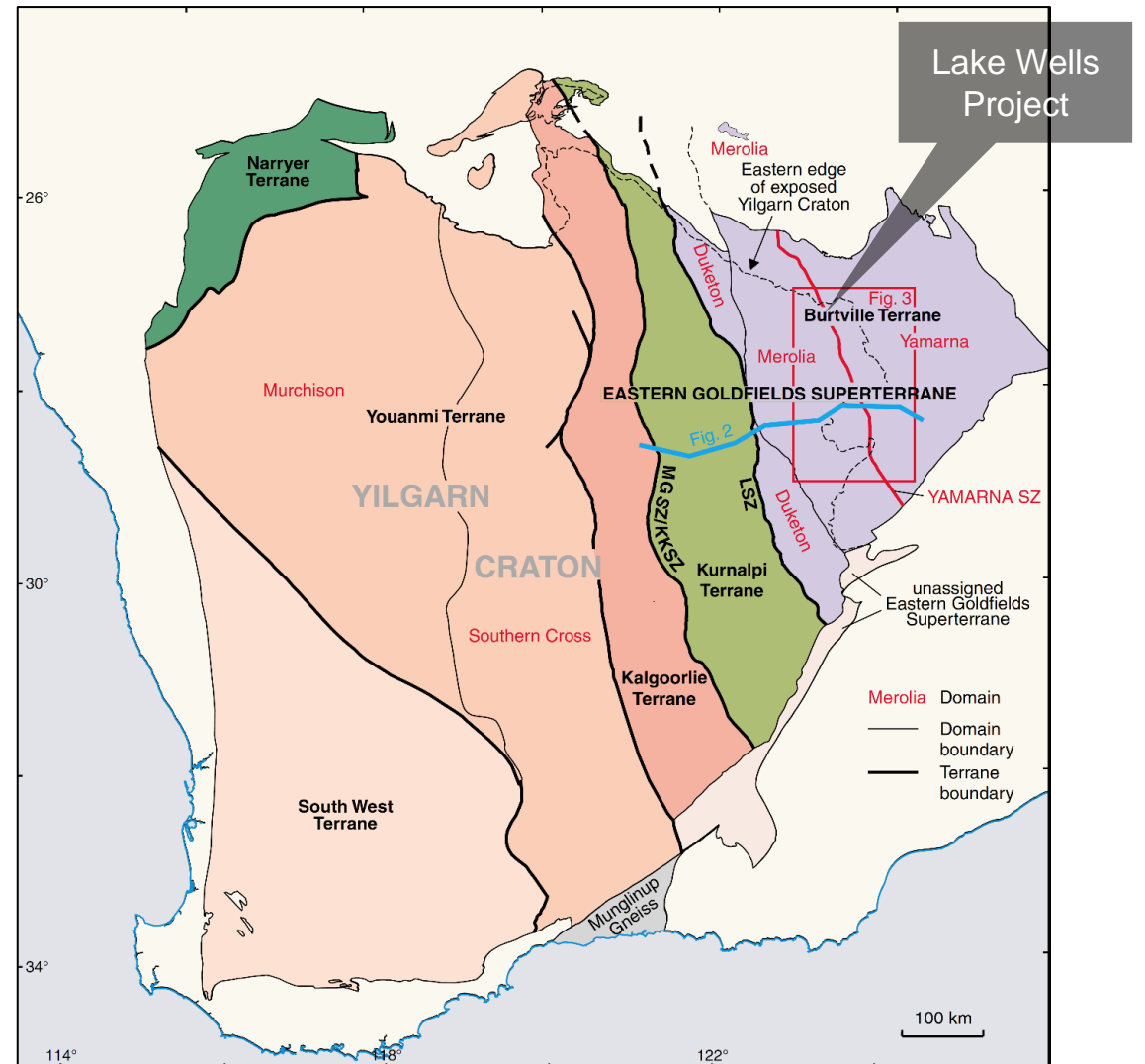
# Lake Wells Gold Project

## Yamarna Shear Zone (YSZ)

“It is worth keeping in mind that this area is truly greenfields and covers an area equivalent to the complete area of other known major greenstone belts. Knowledge of this area is in its infancy”

[CSA Global Targeting study Lake Wells Gold Project: Yamarna Greenstone Belt – Follow on Review, Report number R387.2017]

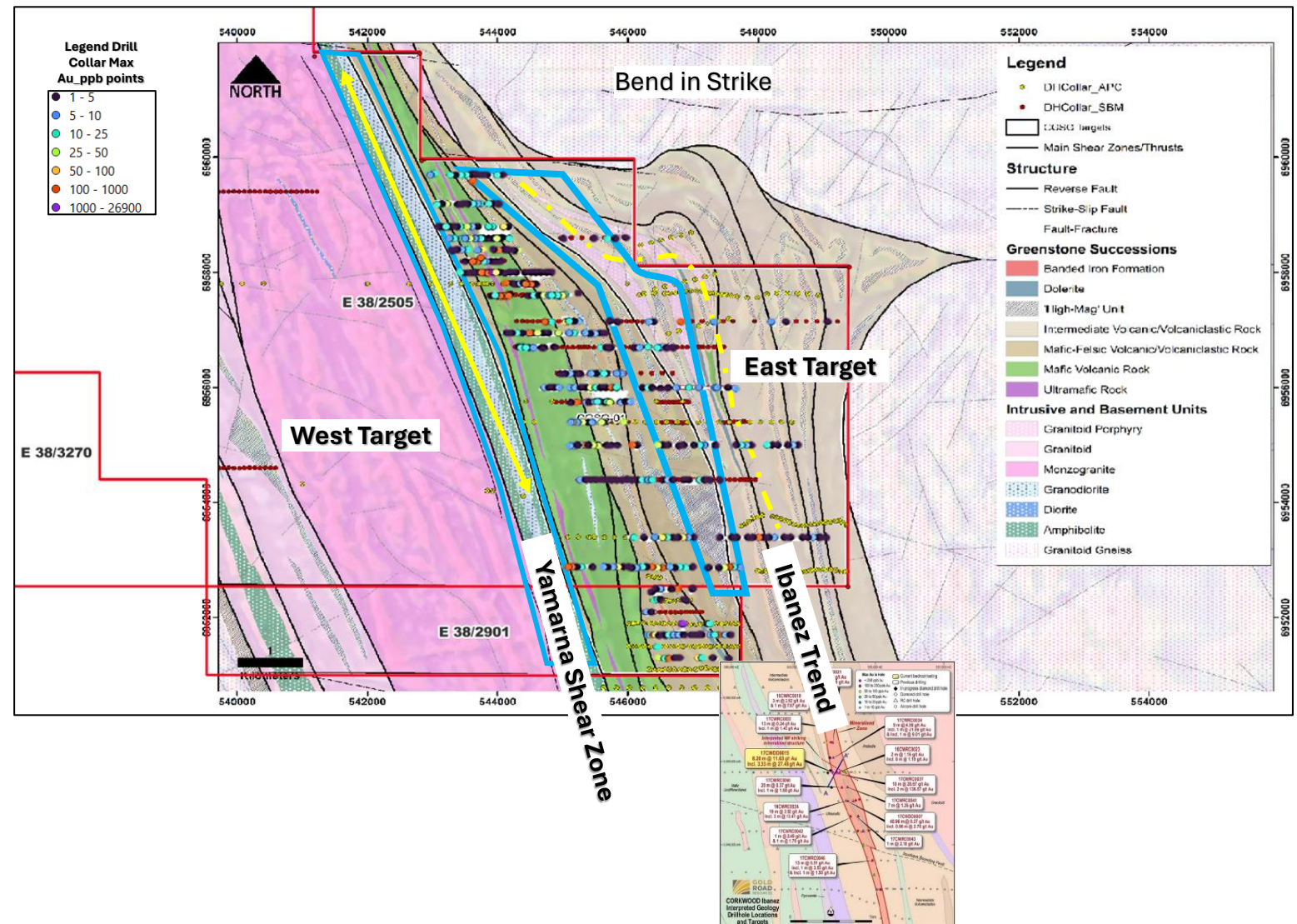
- 13 granted Exploration Licenses (ELs) 30km north-west of 6.7M ounce Gruyere Gold Mine
- 540km<sup>2</sup> of tenure across the Yamarna greenstone belt on the edge of the Archean craton
- Tenure has been held by the Company since 2007 with Project area built out to 2019
- Originally explored by the Company with joint venture partner St Barbara Limited coming in to pick up exploration when focus turned to potash



# Walk-up Drill Targets – the West Target

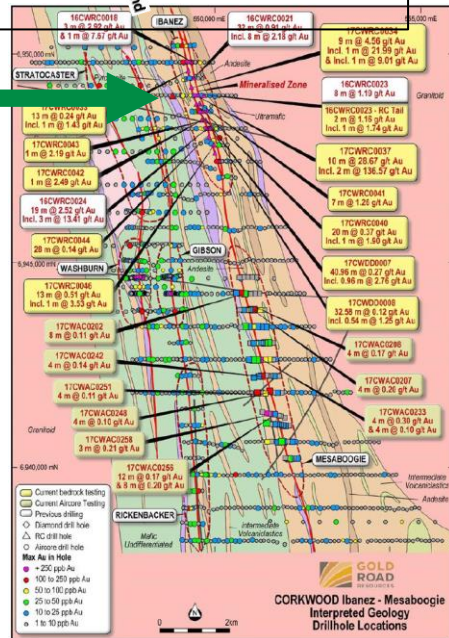
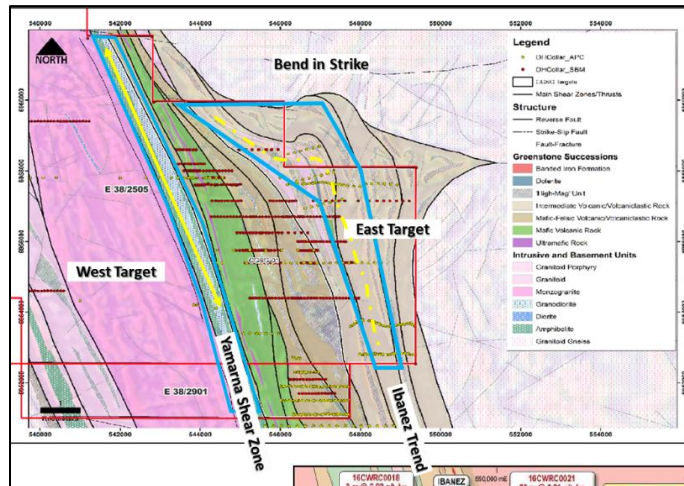
## West Target

- This target is the projected northern strike extension of the Yamarna Shear Zone (YSZ) and is prospective for Golden Highway style mineralisation (ala Gold Road Resources Ltd ASX: GOR)
- Target consists of a **+6km strike length** of untested YSZ which has only a single drill line over it
- The two holes on that line which coincide with the shear zone have returned anomalous gold grades of up to **0.28g/t** and **0.94g/t**





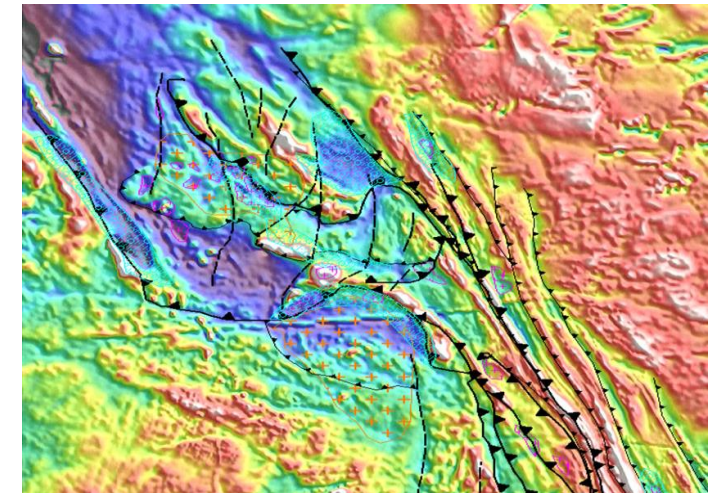
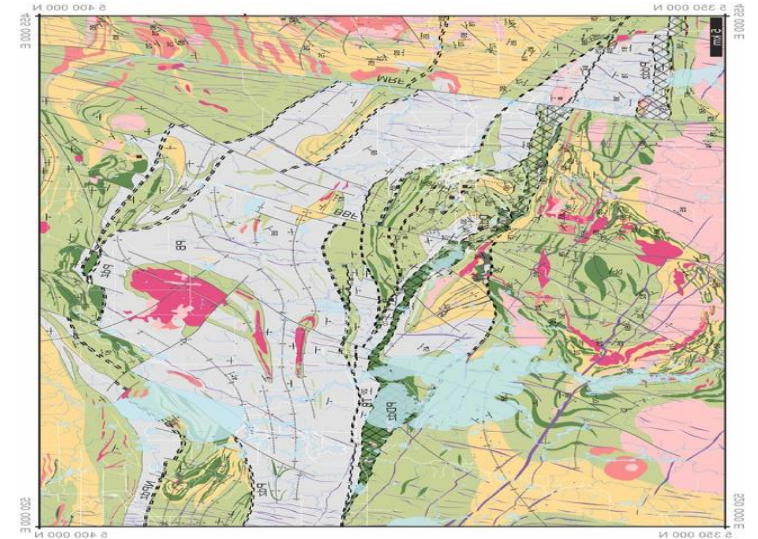
# Walk-up Drill Targets – the East Target



10m @ 28.76g/t Au  
 9m @ 4.56g/t Au  
 8.20m @ 11.63g/t Au

## East Target

- The target is an **8 km strike extension** of the Ibanez host rock package
- Magnetic data shows that this package continues north from Ibanez up through APC's tenements for 8km and **includes a prominent S shaped bend featuring a nearly 90-degree strike change** which is considered a **desirable structural target for gold mineralisation**
- Existing drilling, mostly AC over this area only consists of 1,600m – 2,000m spaced drill lines which are too widely spaced to effectively test for a small footprint (600m – 800m strike length), high grade deposits



Gold Road Resources Ltd's Corkwood Ibanez Prospect  
 5 kms to the south of the East Target

# West Arunta – Nexus Rare Earth Project

## Australia's hottest exploration region

### ASX: WA1

- Listed 2022 s/p \$0.25 m/cap \$11.2m
- 30/04/24 s/p \$21.30 m/cap \$1.29BN
- +11,400% increase in value

### ASX: ENR

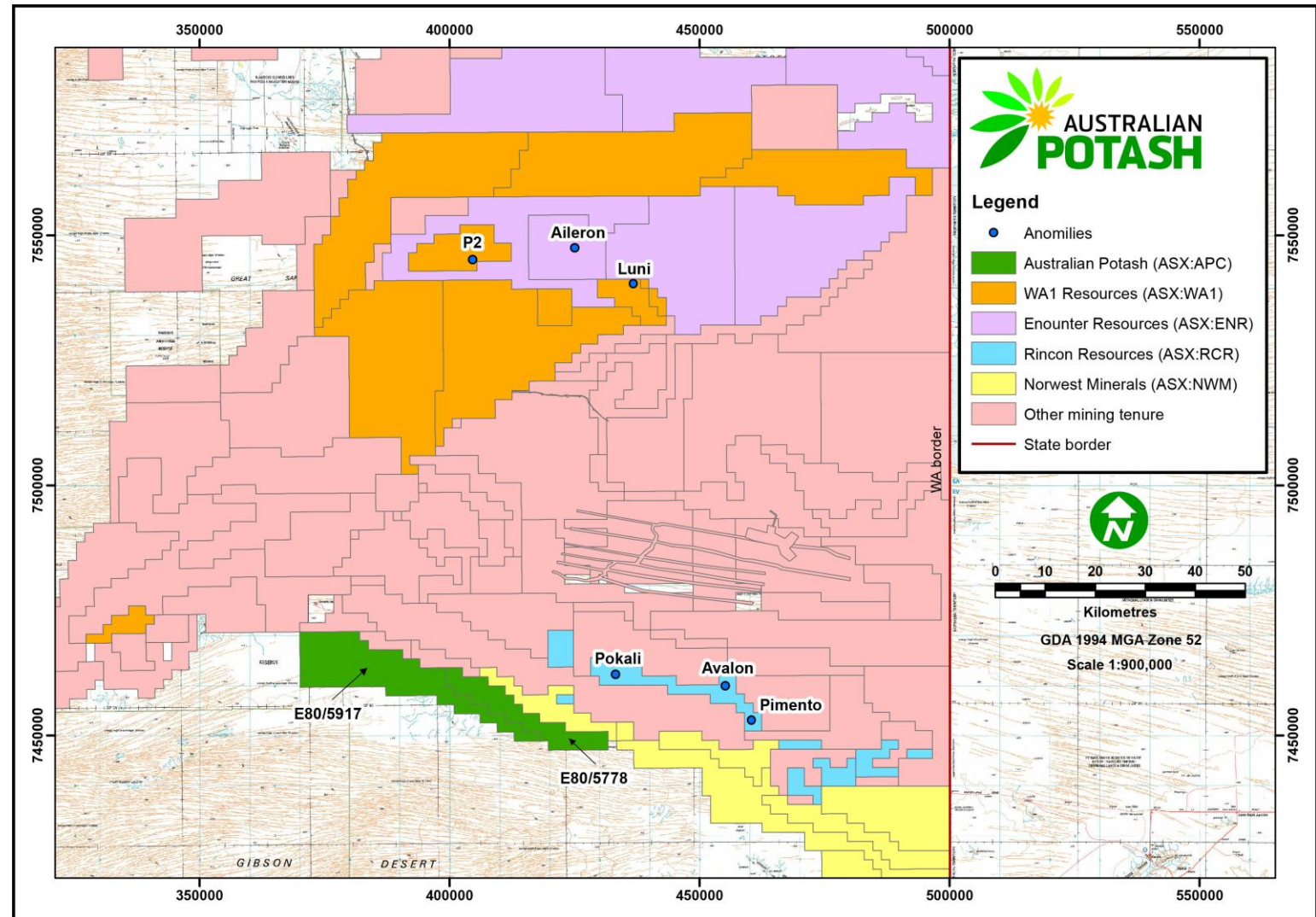
- 1/4/2022 s/p \$0.16 m/cap \$47.5m
- 22/05/2024 s/p \$0.40 m/cap \$175.5m
- +270% increase in value

### ASX: RCR

- 1/4/2022 s/p \$0.15 m/cap \$6.9m
- 22/05/2024 s/p \$0.12 m/cap \$32.5m
- +370% increase in value

### ASX: APC

- 6 May 2024 s/p \$0.001 m/cap \$4m ...



# West Arunta – Nexus Rare Earth Project

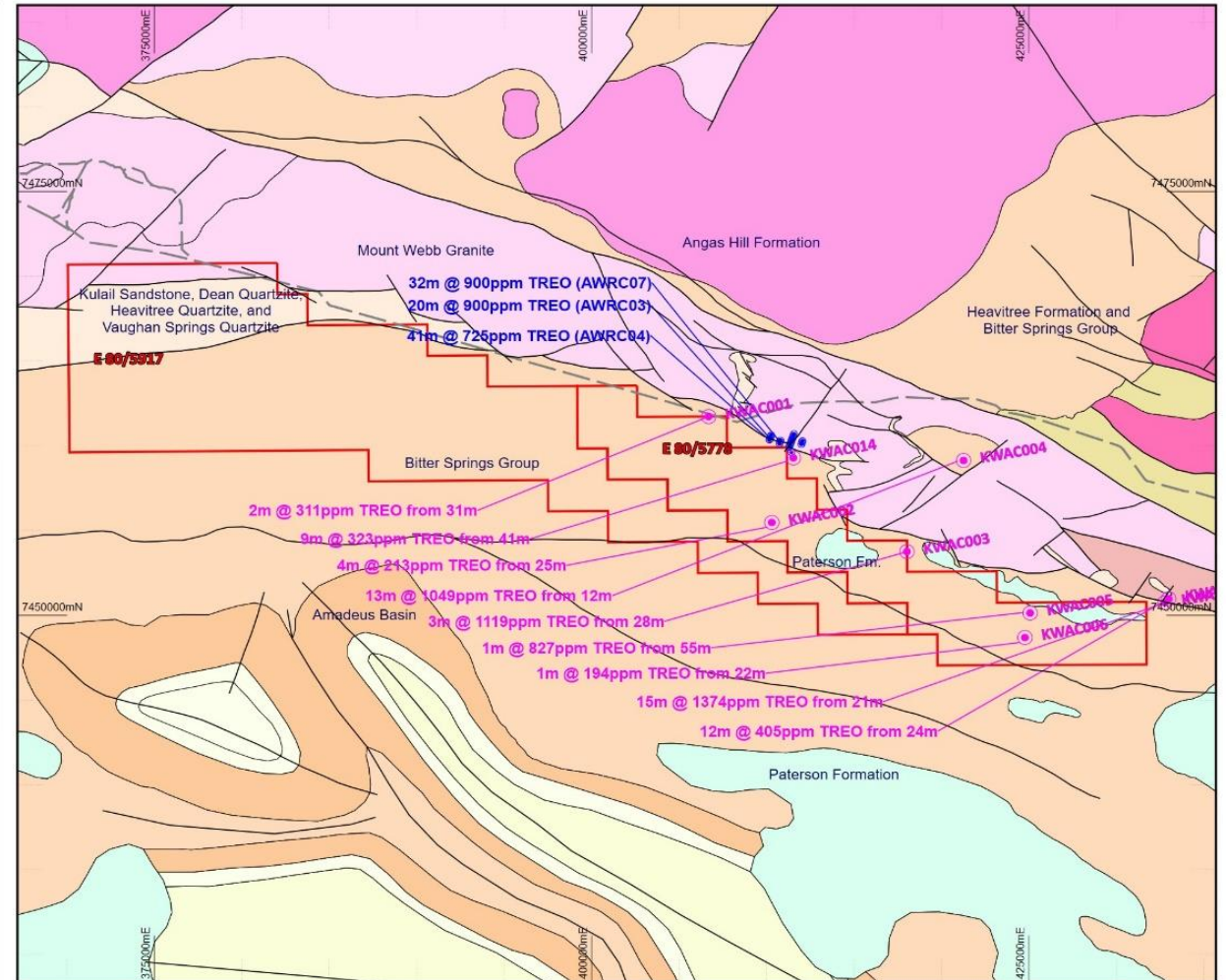
## Initial Drill Results

### On tenement E80/5779 (100% owned):

- 3m at 1,119ppm TREO from 28m including 1m at 1,274 TREO from 28m
- 1m at 827ppm TREO from 55m
- 2m at 311ppm TREO from 31m
- 4m at 213ppm TREO from 25m
- 1m at 194ppm TREO from 22m

### On adjacent tenure:

- 13m at 1,049ppm TREO from 12m
- 15m at 1,374ppm TREO from 21m including 3m at 2,274ppm TREO
- 12m at 405ppm TREO from 24m



# Niobium

---

- Is not classified as a rare earth element (REE)
- Is a transitional metal similar to tantalum
- Niobium (Nb) is known for its strength and resistance to corrosion
- Often found in late-stage carbonatite magmas which also can contain rare earth elements (REEs)
- Carbonatites can:
  - produce a high magnetic image if they contain magnetic minerals (like magnetite)
  - Produce a high gravitational image due to their high density compared to surrounding rocks

## Nexus Project

The Nexus Project in the West Arunta is prospective for REE/lithium/niobium mineralisation with several regional explorers generating drill intercepts of high-grade niobium

Geophysical surveys are relatively cheap and timely and have proven to be effective at delineating mineralised deposits in the West Arunta

The Company will seek to finalise negotiations with the traditional owners then move to work programs in the earliest time frame with due respect for cultural timelines

# Rare Earth Elements

Rare earth elements (REEs) are a group of 17 elements that are often subdivided into light rare earth elements (LREEs), heavy rare earth elements (HREEs), and those that are particularly known for their [magnetic](#) properties and increasing use in EVs. Here's how these elements are typically classified:

**Light REEs:** generally found more abundantly and have a smaller atomic mass. They include:

- Lanthanum (La)
- Cerium (Ce)
- Praseodymium (Pr)
- [Neodymium \(Nd\)](#)
- Promethium (Pm)
- [Samarium \(Sm\)](#)
- Europium (Eu)

**Non-lanthanide REEs:** similar chemical properties and include:

- Scandium (Sc)
- Yttrium (Y)

**Heavy REEs:** less abundant and have a larger atomic mass. They include:

- Gadolinium (Gd)
- [Terbium \(Tb\)](#)
- [Dysprosium \(Dy\)](#)
- Holmium (Ho)
- Erbium (Er)
- Thulium (Tm)
- Ytterbium (Yb)
- Lutetium (Lu)

# Next Value Steps

---

- Drill program to commence at Lake Wells Gold Project week beginning 27 May 2024
  - 4,000m - 6,000m Air-core drilling
  - Targetting newly interpreted walk-up extensional targets of the Ibanez and Golden Highway trends
- Community consultation with West Arunta traditional owners on the Nexus Project and progression to final heritage and access agreement (Jun24 qtr.)
- Assay results from Lake Wells Gold Project drill program (Sep24 qtr.)
- Program of works approvals for Nexus Project (West Arunta) and commencement of initial exploration program (Sep24 qtr.)

# Key risks include but are not limited to:

**Reinstatement to trading on ASX** The Company's Shares have been suspended from trading on the ASX since 2 October 2023. Part of the purpose of the Share Offer is to raise sufficient funds to enable the Company's to request re-instatement to trading on ASX. If ASX does not permit the Company to be re-instated to trading following the conclusion of the Share Offer, no Shares will be issued under the Share Offer and the Company will remain suspended from trading on ASX.

**Potential for dilution** Upon completion of the Priority Offer ("Offer"), assuming no options are exercised prior to the record date, the number of fully paid ordinary shares ("Shares") in the Company will increase from 1,038,689,490 to 6,232,136,940. This increase equates to approximately 500% (excluding the exercise of options, including the attaching options under the Offer) of all the issued Shares in the Company following completion of the Offer. This means that each Share will represent a lower proportion of the ownership of the Company. It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer and the directors do not make any representation to such matters. The last closing trading price of Shares on ASX of \$0.004 on 29 September 2023 is not a reliable indicator as to the potential trading price of Shares following completion of the Offer. Shareholders should note that if they do not participate in the Offer and assuming the Offer is fully subscribed, their holdings are likely to be diluted by approximately 500% (excluding the exercise of options) as compared to their holdings and number of Shares on issue as at the date of the Offer Prospectus.

**Tenure** Mining and exploration tenements for the Company's projects are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements will be approved. The tenements comprising the Company's projects are subject to the Mining Act 1978 (WA) and Mining Regulations 1981 (WA). The renewal of the term of a granted tenement is also subject to the discretion of the Minister for Mines and the Company's ability to meet the conditions imposed by relevant authorities including compliance with the Company's work program requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. Although the Company has no reason to think that the Company's project tenements will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.

**Reliance on key personnel** The Company is reliant on a small number of key personnel and consultants. The loss of one or more of these key contributors could have an adverse impact on the business including the Company's projects. It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people, given the current high demand in the industry and small size of the Company, relative to other industry participants. The continued availability of consultants and advisers is to some extent dependent on maintaining the professional relationships that the Company's personnel have developed over time, and which may be lost if key personnel cease to be involved with the Company before replacement arrangements can be made. If the involvement of key resource specialists, managers or other personnel ceases for reasons of contract termination, ill health, death or disability, then technical programs and achievements of the Company may be adversely affected.

**Additional requirements for funding** The Company's funding requirements depend on numerous factors including the Company's future exploration and work programs. Furthermore, the Company may require further funding in addition to current cash reserves and proceeds from the Entitlement Offer to fund future exploration activities. The additional funding may be raised through debt or equity funding. If required funding is not available, including because appropriate commercial terms cannot be negotiated, this may limit the capacity of the Company to execute on its business strategy and exploration programs. Additional equity funding, if available, may be dilutive to shareholders and at lower prices than the current market price. Debt funding, if available, may involve restrictions on financing and operating activities and be subject to risks relating to movements in interest rates. Increases in interest rates will make it more expensive for the Company to fund its operations and may constrain the ability to execute on business strategies and exploration programs.

**Reserve and resource estimates** Ore Reserve and Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. In addition, Reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may prove inaccurate. Should the Company encounter mineral deposits or formations different from those predicted by past drilling, sampling and similar examinations, estimates may have to be adjusted and production plans may have to be altered in a way which could adversely affect the Company's operations. Ore estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate. The actual quality and characteristics of ore deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop Resources. Further, Ore Reserves are valued based on future costs and future prices and consequently, the actual Ore Reserves and Mineral Resources may differ from those estimated which may result in either a positive or negative effect on operations.

**Operating risks** The operations of the Company may be affected by various factors which are beyond the control of the Company, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions (including climate change), industrial and environmental accidents, industrial disputes and unexpected shortages, delays in procuring, or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company. These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

**Consultants** The Company has relied on, and may continue to rely on, consultants for mineral exploration and exploitation expertise. The Company believes that those consultants are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in developing its projects. There can be no assurance that the Company's mineral exploration activities will be successful. If such commercial viability is never attained, the Company may seek to transfer its interests or otherwise realise value or may even be required to abandon its business and fail as a "going concern".

**Payment obligations** Under the mining and exploration licences and certain other contractual agreements to which the Company is or may in the future become party, the Company's projects are, or may become, subject to payment and other obligations. Failure to meet these payments and obligations may render the Company's projects' claims liable to be cancelled. Further, if any contractual obligations are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Company.

**The Company has no history of earnings and no production revenues** The Company's projects are still at the exploration stage of development and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the projects or any other tenements that may be acquired in the future, will result in the discovery of any economic deposits. Even if the Company identifies a viable deposit at the projects or elsewhere, there is no guarantee that such deposits will be capable of being exploited economically. The Company has limited operating history on which it can base the evaluation of its prospects. The success of the Company in the short to medium term is dependent upon a number of factors, including the successful exploration of its current projects. The prospects of the Company must be considered in light of the considerable risks, expenses and difficulties frequently encountered by companies in the early stage of exploration and development activities and in litigation. Furthermore, as no projects of the Company have commenced mining operations, there can be no guarantee that the business will operate in line with assumed cost structures. Should the level of costs required to operate the business be higher than anticipated then it may have a materially adverse effect on the future performance and prospects of the Company. There can also be no assurance that any current projects will be profitable in the future. Should production commence, the operating expenses and capital expenditures of the projects may increase in future years as targeted resources are more difficult to extract. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, and other factors, many of which are beyond the Company's control. The Company expects to incur losses unless and until such time as any new or current projects enter into commercial production and generate sufficient revenues to fund their continuing operations. The development of its current projects will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability. The Company's ability to generate revenue will depend on the Company being successful in exploring, identifying Mineral Resources and establishing mining operations in relation to its projects. Whilst the Directors have extensive industry experience, there is no guarantee that the Company will be successful in exploring and developing projects.

# Key risks include but are not limited to: (cont.)

**New assets, projects and acquisitions** The Company may make acquisitions in the future as part of future growth plans. In this regard, the Directors of the Company will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide returns to Shareholders. There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and/or the issuance of equity securities, which will dilute shareholdings.

**Results of studies** Subject to the results of any future exploration and testing programs, the Company may progressively undertake a number of studies in respect to the Company's current projects. These studies may include scoping studies, pre-feasibility studies and bankable feasibility studies. These studies will be completed within certain parameters designed to determine the economic feasibility of the relevant project within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's projects or the results of other studies undertaken by the Company (eg. the results of a feasibility study may materially differ to the results of a scoping study). Further, even if a study determines the economics of the Company's projects, there can be no guarantee that the projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study, once production commences, including but not limited to operating costs, mineral recoveries and commodity prices. In addition, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

**Native Title** The Native Title Act 1993 (Cth) ("Native Title Act") recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on the Company's operations and future plans. Native title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the native title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over native title to the extent of any inconsistency for the duration of the title. Tenements granted before 1 January 1994 are valid or validated by the Native Title Act. For tenements to be validly granted (or renewed) after 1 January 1994, the future act regime established by the Native Title Act must be complied with. The existence of a native title claim is not an indication that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court. The lack of a native title claim is not an indication that native title does not exist on the land which is not currently the subject of a claim. The Company must also comply with Aboriginal heritage legislation requirements, which require certain due diligence investigations to be undertaken ahead of the commencement of exploration and mining. This due diligence may include, in certain circumstances, the conduct of Aboriginal heritage surveys. The risks may also include the following:

- the Company may have to seek permits or licences to access the land the subject of an Aboriginal heritage or land right claim. There is no guarantee that any such permit or licence will be granted;
- the Company may have to comply with restrictions or conditions on accessing land the subject of an Aboriginal heritage or land right claim. This may result in the Company facing unplanned expenditure or delays. Failure to comply with any conditions on the permits may result in the Company losing its title to its tenements or forfeiting its permits;
- the Company may have to pay compensation in order to settle native title claims. It is not possible to quantify the amount of compensation which may have to be paid at this stage; and
- in the event the Company discovers evidence of Aboriginal heritage on land accessed by the Company, the Company must comply with regulations prohibiting the disturbance of physical evidence of prehistoric or historical significance without statutory permission and legislation prohibiting or restricting access to Aboriginal cultural heritage or native title land. Accordingly, delays or additional costs in the exploration or production of the Company's business may be experienced. Further, the disturbance of any such land or objects may expose the Company to additional fines or other penalties.



# Australian Potash Limited

ABN 58 149 390 394

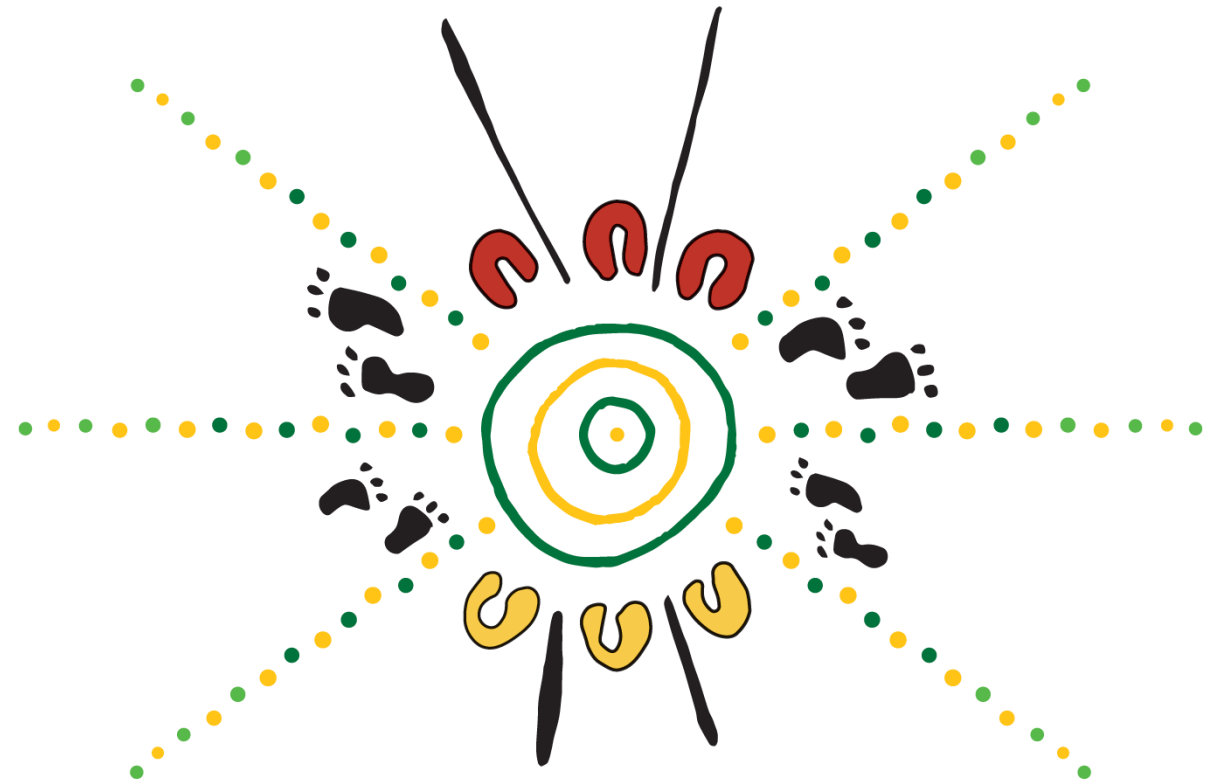
c/- Level 4 The Read Buildings, 16 Milligan Street Perth WA 6000

PO Box 180, Subiaco WA 6904

[www.australianpotash.com.au](http://www.australianpotash.com.au)

m: +61 (0)438 319 841

e: [m.shackleton@australianpotash.com.au](mailto:m.shackleton@australianpotash.com.au)



**LAVERTON**  
TRAINING CENTRE

An initiative of Australian Potash Limited