



Announcement Summary

Entity name

AUSTRALIAN POTASH LIMITED

Announcement Type

New announcement

Date of this announcement

Sunday May 3, 2020

The Proposed issue is:

A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
APC	ORDINARY FULLY PAID	63,132,876

Ex date

Thursday May 7, 2020

+Record date

Friday May 8, 2020

Offer closing date

Friday May 22, 2020

Issue date

Friday May 29, 2020

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

ACN

Registration Number

149390394

1.3 ASX issuer code

APC

1.4 The announcement is

New announcement

1.5 Date of this announcement

Sunday May 3, 2020

1.6 The Proposed issue is:

A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

+ Renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

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

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +Security Code and Description

APC : ORDINARY FULLY PAID

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

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

Yes

Details of +securities proposed to be issued

ASX +Security Code and Description

APC : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

7



What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum Number of +securities proposed to be issued

63,132,876

Purpose of the issue

To provide existing shareholders with the opportunity to participate on the same terms as the Company's placement to sophisticated and professional investors in raising funds to progress the Company's Lake Wells Sulphate of Potash Project.

Offer price details for retail security holders

Issue Currency

AUD - Australian Dollar

Offer Price per +security

AUD 0.05000

Estimated or Actual?

Actual

Oversubscription & Scale back details

Are +security holders allowed to oversubscribe?

Yes

Provide the oversubscription details

The allocation policy for Additional Shares subscribed for pursuant to the Shortfall Offer will be to any Eligible Shareholders who have taken up their full Entitlement and have applied for Additional Shares by the Closing Date, unless there is an oversubscription for Additional Shares.

May a scale back be applied to this event?

Yes

Provide the scale back details

Additional Shares may be subject to scale-back and Eligible Shareholders will receive Additional Shares on a pro rata basis having regard to the proportion of oversubscription for Additional Shares under the Shortfall Offer.

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

Yes

Details of company options where holders entitled to participate in the offer

ASX +Security Code and Description

APCOB : OPTION EXPIRING 08-AUG-2021

Date Option must be exercised by

Friday May 8, 2020



Part 3C - Timetable

3C.1 +Record date

Friday May 8, 2020

3C.2 Ex date

Thursday May 7, 2020

3C.3 Date rights trading commences

Thursday May 7, 2020

3C.4 Record date

Friday May 8, 2020

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Wednesday May 13, 2020

3C.6 Offer closing date

Friday May 22, 2020

3C.7 Last day to extend the offer closing date

Tuesday May 19, 2020

3C.8 Date rights trading ends

Friday May 15, 2020

3C.9 Trading in new +securities commences on a deferred settlement basis

Monday May 18, 2020

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Wednesday May 27, 2020

3C.11 Issue date

Friday May 29, 2020

3C.12 Date trading starts on a normal T+2 basis

Monday June 1, 2020

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Wednesday June 3, 2020

Part 3E - Fees and expenses



3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

Cacaccord Genuity (Australia) Limited

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

- (a) Capital raising fee of 4.0% of the Gross Proceeds raised under the Offer with the exclusion of funds raised through the rights issue;
- (b) Management fee of 2.0% of the Gross Proceeds raised; and
- (c) Corporate advisory fee of \$40,000, payable at completion of the rights issue.

3E.2 Is the proposed offer to be underwritten?

No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Legal fees, printing and mail out fees.

Part 3F - Further Information

3F.1 The purposes for which the entity intends to use the cash raised by the proposed issue

Progress the FEED program on the Lake Wells Sulphate of Potash Project;
Finalise commercial discussions around offtake and project debt facilities;
Working capital; and
Expenses of the Offer.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has security holders who will not be eligible to participate in the proposed issue

China; Hong Kong; Japan; Singapore; Thailand; United States.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

Yes



3F.5a Please provide further details

The Offer will be made to eligible nominee or custodian shareholders whose registered address is in Australia or New Zealand.

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://www.australianpotash.com.au/site/investor-information/ASX-Announcements>

3F.7 Any other information the entity wishes to provide about the proposed issue

n/a